VOLUME LI, PART II.

CONGRESSIONAL RECORD,

SIXTY-THIRD CONGRESS, SECOND SESSION.

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SENATE.

Wednesday, December 17, 1913.

The Senate met at 10 o'clock a. m.

Prayer by the Chaplain, Rev. Forrest J. Prettyman, D. D. The Journal of yesterday's proceedings was read and approved.

PERSONAL EXPLANATION-BANKING AND CURRENCY.

Mr. SMITH of Georgia. Mr. President, inadvertently yesterday I voted on the amendment submitted by the Senator from Nebraska [Mr. HITCHCOCK] when I have a general pair with the senior Senator from Massachusetts [Mr. Lodge]. It never occurred to me that I ought not to have voted until I had gone downstairs, and the roll call having been concluded I could not later in the day withdraw the vote. The majority was so great that my vote amounted to nothing, but I wish to express my regret that I voted at all.

WITHDRAWAL OF PUBLIC LANDS (H. DOC. NO. 482).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report on land withdrawals from settlement, location, sale, or entry under the provisions of the act of Congress approved June 25, 1910, which, with the accompanying paper, was referred to the Committee on Public Lands and ordered to be

CALLING OF THE ROLL.

Mr. SMOOT. Mr. President, I suggest the absence of a

quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators an-

Ashurst Bacon Borah Goff Hollis Hughes O'Gorman Smith, Ga. Smith, Md. Smith, S. C. Oliver Overman Brady Brandegee Bristow Bryan Burton Chamberlain James Johnson Jones Owen
Page
Perkins
Pittman
Poindexter
Pomerene
Ransdell
Robinson
Saulsbury
Shafroth Owen Smith, S. C. Smoot Sutherland Thompson Tillman Townsend Vardaman Walsh Weeks Williams Kenyon Kern Lane Clapp Clark, Wyo. Colt Lea McCumber Martin, Va. Martine, N. J. Myers Nelson Norris Crawford Dillingham Fletcher Shafroth Sheppard Sherman Gallinger Shively

Mr. SHEPPARD. I wish to announce the necessary absence of my colleague [Mr. Culberson] and to state that he is paired with the Senator from Delaware [Mr. DU PONT]. This announcement may stand for the day.

Mr. SHAFROTH. I wish to announce that my colleague

[Mr. Thomas] is necessarily absent.

Mr. RANSDELL. I desire to announce that my colleague [Mr. THORNTON] is unavoidably absent. He is paired with the Senator from South Dakota [Mr. Sterling]. I ask that this announcement may stand for the day.

Mr. REED. I desire to announce the necessary absence of

my colleague [Mr. Stone], on account of a slight indisposition, which will probably confine him to his room for a day or two.

I make this announcement for the day. Mr. LEA. I was requested to announce that the Senator from Alabama [Mr. Bankhead] is detained at one of the executive departments on public business.

Mr. WEEKS. I wish to announce that my colleague [Mr. Lodge] is absent on account of illness, and to have the statement

stand for the day.

The VICE PRESIDENT. Sixty-three Senators have answered to the roll call. There is a quorum present.

PETITIONS AND MEMORIALS.

Mr. SIMMONS presented a memorial of the Chamber of Commerce of Wilmington, N. C., remonstrating against the passage of the so-called La Follette seamen's bill, which was ordered to lie on the table.

He also presented resolutions adopted by the Chamber of Commerce of Wilmington, N. C., favoring the enactment of legislation authorizing the Treasury Department to employ, within certain limitations, such outside architects as may be required to permit the erection without unnecessary delay of buildings for which appropriations have been made, etc., which were referred to the Committee on Public Buildings and Grounds

Mr. SMITH of Maryland presented a petition of the Merchants and Manufacturers' Association of Baltimore, Md., praying for the adoption of a 1-cent letter postage, which was referred to the Committee on Post Offices and Post Roads.

He also presented a memorial of the Merchants and Manufacturers' Association, of Baltimore, Md., remonstrating against the enactment of legislation providing for the regulation of the business of commission merchants engaged in interstate commerce, which was referred to the Committee on Interstate Com-

Mr. MARTINE of New Jersey. I present a telegram in the nature of a memorial in opposition to woman suffrage, which I ask may be read.

There being no objection, the telegram was read and ordered to lie on the table, as follows:

PLAINFIELD, N. J., December 14, 1913.

JAMES E. MARTINE, United States Capitol, Washington, D. C.:

In the name of 1,100 organized antisuffragists in Plainfield, I earnestly urge your cooperation in preventing an amendment to the Constitution granting women the franchise, and beg you to use your influence in preventing any furtherance of woman suffrage.

MARY M. JOOST,
President of Plainfield Branch New Jersey
Association Opposed to Woman Suffrage.

Mr. MARTINE of New Jersey. I also present a large number of telegrams on the same subject, and ask that they may be printed in the RECORD without reading.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

CRANFORD, N. J., December 15, 1913.

Hon. James E. Martine,

Washington, D. C.:

In protesting against the passage of the women's suffrage amendment
I am voicing at least 150 Cranford men and women over 21 of age.

Mrs. J. C. Denman.

PLAINFIELD, N. J., December 15, 1913.

Hon. James E. Martine, Washington, D. C.:

Please protest against amendment to Constitution for women suffrage.
FLORENCE TWEEDY.

ELIZABETH, N. J., December 14, 1913.

Hon. James E. Martine, Washington, D. C .:

Representing between eight and nine thousand women of New Jersey, I protest against the woman-suffrage amendment to the Constitution.

Very truly, yours,

CLARA VEZIN,
Chairman New Jersey State Legislative Committee
of the Association Opposed to Woman Suffrage.

MONTCLAIR, N. J., December 14, 1913.

Senator James E. Martine,
Senate Chamber, Washington, D. C.:

We depend upon you to defend us against the injustice of forcing woman suffrage upon New Jersey women. Mrs. Chas. W. Baker.

ELIZABETH, N. J., December 14, 1913.

Hon. James E. Martine, United States Senate, Washington, D. C.:

I protest against Federal amendments on suffrage. Please fight it, CAROLINE S. SIMPSON.

MORRISTOWN, N. J., December 14, 1913.

Senator James E. Martine,

Senate, Washington, D. C.:

The undersigned members of the Morristown Branch Opposed to Woman Suffrage beg to protest to you against the suffragist amendment of the Constitution of the United States now pending before the House Rules Committee.

Mrs. John R. Emery.
Mrs. William Shelton.
Mrs. Benjamin Nicoll.
Mrs. Edward Keasbey.
Miss Mary Campbell.
Miss Marion Forsythe.
Mrs. Stephen H. Little, President.

TRENTON, N. J., December 14, 1913.

Hon. James E. Martine, Washington, D. C.:

Representing more than 8,000 New Jersey women organized to oppose woman suffrage, I earnestly urge that you oppose any amendment of the Constitution granting suffrage to women.

Mrs. Edw. Yarde Breese, President.

PLAINFIELD, N. J., December 14, 1913.

Hon. James E. Martine, The Capitol, Washington, D. C.:

We earnestly urge your efforts against the promotion of the cause of equal suffrage. We strongly protest against being forced into political life.

R. A. LAWRENCE, Treasurer Plainfield Branch, New Jersey Association Opposed to Woman Suffrage.

TRENTON, N. J., December 14, 1913.

Hon. James E. Martine, United States Senate, Washington, D. C.:

As a representative of a majority of the women in New Jersey, I beg you to use your influence to prevent their being forced into the public political arena. ANNA L. DAYTON.

ELIZABETH, N. J., December 14, 1913.

Hon. James E. Martine,

United States Senate, Washington, D. C.:

As a member of the Elizabeth antisuffrage organization, which is constantly growing in numbers, I am glad that I may rely on you to do all you can to defeat a woman-suffrage amendment to the Constitution.

My father, William J. Magie, joins me in this telegram.

Henrietta O. Magie.

PLAINFIELD, N. J., December 14, 1913.

Hon. James E. Martine,

The Capitol, Washington, D. C.:

I protest against any action in favor of woman suffrage and beg that you will use every means in your power to prevent the same.

KATHARINE W. ROGERS.

Vice President Plainfield Branch,

New Jersey Association Opposed to Woman Suffrage.

PLAINFIELD, N. J., December 14, 1913.

Hon. James E. Martine, The Capitol, Washington, D. C .:

As chairman of the enrollment committee of the Plainfield Brauch of the New Jersey Association Opposed to Woman Suffrage, I desire to add my protest against any action in favor of woman suffrage.

LAURA E. OSGOOD.

ELIZABETH, N. J., December 14, 1913.

Hon. James E. Martine, United States Senate, Washington, D. C.:

I am an active member of the New Jersey Association Opposed to Woman Suffrage, and I wish again to enter my strenuous protest against the proposed amendment to the Federal Constitution granting the suffrage to women.

Mrs. James S. Green.

MONTCLAIR, N. J., December 14, 1913.

Senator James E. Martine, United States Senate Chamber, Washington, D. C.:

beg that you use your influence against any suffrage measure now pending

THEODORA KRICHBAUM.

PLAINFIELD, N. J., December 14, 1913.

Senator James E. Martine,

The Capitol, Washington, D. C.:

On behalf of the Plainfield (N. J.) Branch of the Association Opposed to Woman Suffrage I protest against any furtherance by Congress of the woman suffrage movement.

ANNA V. MOORE, Vice President.

BRICK CHURCH, N. J., December 15, 1913.

Senator MARTINE, The Senate, Washington, D. C.:

We members of the Orange Branch of the New Jersey Association Opposed to Woman Suffrage earnestly request that you vote against the suffrage amendment to the Constitution.

Mrs. William S. Rhodie, Mrs. Theodore Woodbury. Mrs. George T. Dixon, Mrs. I. Stowel Clark. Miss Margaret H. Pierson. Miss Louisa S. Henry.

the so-called La Follette seamen's bill, which were ordered to lie on the table.

Mr. O'GORMAN presented a petition of sundry citizens of New York, praying for the enactment of legislation granting relief to members of the United States Military Telegraph Corps who served during the Civil War, which was referred to the Committee on Peusions.

Mr. KERN presented a petition of the Chamber of Commerce of Indianapolis, Ind., praying for the adoption of certain amendments to the income-tax law, which was referred to the Committee on Finance.

BANKING AND CURRENCY.

Mr. O'GORMAN. Mr. President, I ask leave to have read a letter from a citizen of New York. It bears upon the protracted debate, which, of course, in the judgment of some people seems to involve unnecessary delay in securing the enactment of

the pending currency bill.

The VICE PRESIDENT. Is there objection? The Chair

hears none, and the Secretary will read as requested.

The Secretary read as follows:

THE BUFFALO ASSOCIATION OF CREDIT MEN, Buffalo, N. Y., December 12, 1913.

The Buffalo Association of Cerdit Men,

Buffalo, N. Y., December 12, 1913.

Hon. James A. O'Gorman,

Capitol Building, Washington, D. C.

Hondralle Sir.: I write to you as president of the Buffalo Association of Credit Men. It is evident to the larger business interests that the banks of the country are contracting their commercial loans, withdrawing their reserves, and hoarding their resources, tending to the repetition of a situation which has beretofore proved a great embarrassment and a heavy loss to mercantile business.

This is one of the evils of our present banking and currency system, and we presume the tendency is due to a feeling of uneashness while banking and currency legislation is pending, and if not promptly checked the very bad debt loss of the year may be greatly increased.

The checking of this tendency, in our judgment, may be quickly accomplished through the passage of a banking and currency law, and we urge upon you the necessity for termination of debate in the Senate and the speedy enactment of a banking and currency law before the close of the year.

We feel that this accomplishment will relieve the tendencies referred to above and restore confidence with the banks of the country. We therefore again ask for your support in the speedy adoption of this legislation.

I am,

Very cordially, yours,

BUFFALO ASSOCIATION OF CREDIT MEN,

I B. DWYER President.

BUFFALO ASSOCIATION OF CREDIT MEN, J. B. DWYER, President.

Mr. WILLIAMS. I ask to have read at the desk an article from the Wall Street Journal.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Secretary will read as requested.

The Secretary read as follows:

[From the Wall Street Journal, Wednesday, Dec. 17, 1913.] SENATOR ROOT'S ECONOMIC ERRORS.

Mrs. Theodore Woodburght
Mrs. Theodore Woodburght
Mrs. Theodore Woodburght
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"An American merchant once went to Europe for the purpose of investigating why London did not hold America in the palm of its hand by ability at any time to throw billions of American securities upon the American market. His investigation proved to him what any banking expert could have shown him upon a piece of paper, to wit, that Europe could no more suddenly sell a billion of American securities for gold and take away the gold than could any combination of American investors, without making such a sacrifice of their property as would cut their fortunes in halves.

"Europe has no more proprietary rights in American gold by reason of holding American securities than has America itself. If anything has been demonstrated during the past 20 years it is that America, with her cotton, corn, and wheat, has equal right in the world's gold with European security holdings.

"The third economic fallacy of Senator Roor is that national banks will discount, indorse, and rediscount with regional reserve banks, and that these will practically indorse and rediscount with the Federal board, and that the Federal board will approve the issue of circulating notes, which will be held in circulation by people who have no use for them.

"The only place that such bills can find lodgement is in the pockets."

notes, which will be held in circulation by people who have no use for them.

"The only place that such bills can find lodgement is in the pockets of the people or the reserves of State banks, which requires a great stretch of the imagination to foresee a billion or two of unnecessary new bills constituting the reserve of State banks when a large part of the gold was being drawn out of circulation into the Federal reserve banks to make a basis for new and unwanted circulating notes.

"And this is without taking into account the first and last party to the transaction—the merchant who first goes into debt and makes the commercial paper.

"A real danger in this bill is in the discussion of it and the alarms, true and, false, that are raised concerning it by ignorant discussions at Washington and over the country. But what can we expect of new democracy from Oklahoma and Texas if we can not at least find sound economic principles, sound mathematics, and clear reading of the bill from the senatorial representative of the greatest banking State of the country, the Senator who should speak with the approval of all the banking interests of that State and of the Republican Party, the Party that should be for property protection, conservatism, and sound finance?"

Mr. OWEN. Mr. President, I simply wish to make a comment

Mr. OWEN. Mr. President, I simply wish to make a comment on the Boston News Bureau item, which the Senator from Mississippi has just had read at the desk, relative to Senator Roor's economic errors, which states that there did not seem to be anyone on either side of the Chamber able to correct them. I merely call attention to the fact that I corrected all three of them.

I ask that a telegram from the Clearing Mr. WILLIAMS. House Association of Jackson, Miss., which I send to the desk, may be read.

The VICE PRESIDENT. The Secretary will read as requested.

The Secretary read as follows:

JACKSON, MISS., December 16, 1913.

Hon. John Sharp Williams, Washington, D. C.:

We indorse your vote on motion to table Hitchcock substitute providing for selection of directors of regional reserve banks and also upon number of regional reserve banks. We favor provisions in Glass-Owen bill as amended by Democratic members of Senate committee on these subjects rather than Hitchcock amendments.

Jackson Clearing House Association.

MRS. KATHERINE DAVIS GAILLARD.

Mr. O'GORMAN. From the Committee on Interoceanic Canals I report back favorably, without amendment, the joint resolu-tion (H. J. Res. 165) for recognition of the services of the late David Du B. Gaillard, lieutenant colonel, Corps of Engineers, United States Army, as a member of the Isthmian Canal Commission, and for the relief of Mrs. Katherine Davis Gaillard. I ask unanimous consent for the present consideration of the joint resolution.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which was read as follows:

Was read as follows:

Resolved, etc., That the President is hereby authorized to pay, out of moneys appropriated for the salaries of the members of the Isthmian Canal Commission, to Katherine Gaillard, widow of David Du B. Gaillard, lieutenant colonel, Corps of Engineers, United States Army, late an isthmian Canal commissioner, an amount equal to the salary for one year, as a member of the Isthmian Canal Commission, of the said David Du B. Gaillard, who died on December 5, 1913, from disease resulting from his long and arduous service in the construction of the Panama Canal.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, and was read the third time

Mr. TILLMAN. Mr. President, before the vote is taken on the passage of the joint resolution I should like to have the Secretary read the paper I send to the desk.

The VICE PRESIDENT. Is there objection? hears none, and the Secretary will read as requested.

The Secretary read as follows:

The following is a portion of a letter received by Senator B. R. Tillman from Mr. S. P. Verner, dated Cristobal, Canal Zone, December 4, 1913. The Senator thinks that Americans, especially South Carollinians, should know the esteem and admiration in which the men on the Isthmus held Col. David Du Bose Gaillard. The letter follows:

"I note what you say about my not coming to grife like Col. Gaillard, and I thank you for the warning. While I do believe that a change

to a more temperate climate would be a good thing, I believe I have a much stronger constitution than Col. Gaillard. He was hardly a victim of the tropical climate; rather was he a marity from his extreme devotion and burning self-immolation. Of course, some of us must think that he carried his devotion too far; he literally ate, drank, and slept "yardage," and his determination to get the cut through on time probably had most to do with his trouble. Very few other white men here suffered similarly. He was so wrapped up in his work that I never saw him smile on the job once; he took little recreation, seldom relaxed the mental grip which seized him; his whole nervous system was on fire with a resolve to do that thing, and his physique could not stand the strain.

"We South Carolinians may well be proud of him. We tried to sever the American Union once; now, in the person of Col. Gaillard, we really did cut the continent in twain. It was a sad and pathetic sight that day when Gamboa Dike was blown up and the cut was flooded to note the "absent colonel," whose special job it had been; all the others were there, rejoicing, but our colonel was dying in Baltimore. If he does die, Uncle Sam ought to erect a monument above Gamboa Hill which should stand forever—as long as the oceans run together; and let it be made of Fairfield granite, too."

The VICE PRESIDENT. The question is on the passage of

The VICE PRESIDENT. The question is on the passage of the joint resolution.

The joint resolution was passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES: A bill (S. 3751) granting an increase of pension to William G. Simpson; to the Committee on Pensions.

A bill (8, 3752) to authorize the construction of a lighthouse at Willapa Harbor, Wash.; to the Committee on Commerce.

By Mr. LANE: A bill '(S. 3753) granting a pension to Henry A. Ridgeway; to the Committee on Pensions.

By Mr. BURTON: A bill (S. 3754) granting a pension to John Carnes; to the Committee on Pensions.

By Mr. SMITH of Maryland:

A bill (S. 3755) granting a pension to Andrew McFrederick with accompanying papers); to the Committee on Pensions. By Mr. KERN:

A bill (S. 3756) granting an increase of pension to John G. D.

Bloomfield (with accompanying papers); A bill (S. 3757) granting an increase of pension to Catherine

Hartman (with accompanying papers) A bill (S. 3758) granting a pension to George S. Boze (with

accompanying papers); and A bill (S. 3759) granting a pension to Robert I. Morrison (with accompanying papers); to the Committee on Pensions.

By Mr. CHAMBERLAIN: A bill (S. 3760) granting a pension to Ellenor M. Warren; to

the Committee on Pensions.

By Mr. COLT:

A bill (S. 3761) for the relief of Matthew Logan (with accompanying papers); to the Committee on Military Affairs. By Mr. BRADLEY:

A bill (S. 3762) providing for the appointment of a board for the purpose of selecting a suitable site for a naval armor plant at or near Ashland, Ky., and submitting an estimate of the cost thereof; to the Committee on Naval Affairs.

BANKING AND CURRENCY.

The VICE PRESIDENT. Morning business is closed. Mr. OWEN. I move that the Senate proceed to the con-

sideration of the currency bill.

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7837) to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes.

Mr. KERN. Mr. President, I intend at this time to ask for

a unanimous-consent agreement for a date on which to vote on the banking and currency bill, and preliminary thereto desire

to say a few words on that subject.

The pending bill was laid before the Senate, together with the substitutes, since known, respectively, as the Owen and Hitchcock bills, on Saturday, the 22d day of last month. On the Monday following, which was the 24th day of the month, the distinguished chairman of the Banking and Currency Committee [Mr. Owen] addressed the Senate in support of the Owen substitute in a speech of rare ability, which reviewed every phase of the subject matter of the original bill and presented at great length the points of controversy between the advocates of the several propositions considered by the committee.

On the following day the able and accomplished Senator from Nebraska [Mr. Hitchcock], in an address of great merit, presented to the Senate very fully and exhaustively the views

of that branch of the committee represented by him, with the arguments supporting such views. He was followed by the distinguished Senator from Colorado [Mr. Shafeoth], whose speech, supplementing that of the chairman of the committee, was remarkable for the clearness and perspicuity with which the whole subject was discussed. These addresses, which covered every phase of the subject matter of the several bills, leaving little further to be said, attracted instant and universal attention, were read and reread and studied by all Senators, and were reviewed and discussed by every editorial writer in the country. The questions involved were further illuminated by a very able discussion by the learned Senator from Nevada [Mr. Newlands] on the 26th of November, whose address showed great research and learning and was of great aid to all interested in a general study of the subject.

Assuming, as has been intimated in certain quarters, that Senators generally had previously paid no attention to the subject, with this vast fund of information already before the Senate, already studied and digested by all Senators, all fresh in the minds of Senators, the general debate on the bill commenced on Monday of last week and has continued, practically without interruption, ever since—10 hours each day—making up to this time nearly 80 hours of consideration and discussion.

Every question involved has been discussed from every conceivable angle; every nook and corner of the field has been explored, reexplored, and then explored again. The discussion has been conducted on a high plane; the speeches delivered have been exceptionally able and instructive; and the running debates have not only covered all points in issue but many phases of many questions not in issue at all.

The truth is that this debate has been carried on until there is nothing to be said on either side that has not already been said, and we have reached the stages of vain repetition and crimination and recrimination.

An illustration of the point of absurdity reached by this debate was furnished a day or two ago, when the senior Senator from Ohio [Mr. Burron] brought in 50 or more questions, which he formulated into a sort of catechism, and proceeded to propound them one by one to the chairman of the Banking and Currency Committee, who with great patience submitted to that examination, and the Senate was edified by this species of recitation, which called up memories of the grammar-school exercises of our earlier days. Since that exhibition a large part of the time has been taken up in a discussion of the presidential prospects of a distinguished Senator, during which we were compelled to listen to his almost tearful declination of the great office so generously offered him by the senior Senator from New Hampshire [Mr. Gallinger], and the polite but firm refusal of the Senator from New Hampshire to accept the declination, leaving the presidential boom exactly as it started, except perhaps a trifle more vigorous, because it was developed in this serious discussion of this very serious subject that it was the universal consensus of opinion on both sides of this Chamber that 4 years from now, and even 8 or 12 years from this date, the distinguished Senator would still be in the bloom of manly vigor and able physically and mentally for that or any other job.

But, sir, not only during the days of serious and earnest and illuminating discussion—and I include in that characterization the speeches made last night on the subject of the insurance of bank deposits—and during these recent days of farcical catechism and discussion of presidential booms, the people of the country have been waiting, hoping, praying for action by the Senate, to the end that the uncertainty which now pervades the whole business world may be displaced by the confidence which will surely come with a settlement of the great questions here pending.

In many parts of the country, banks, without any excuse other than the lame one that these bills are pending and undisposed of, have called in loans and refused usual accommodations to customers until many business enterprises are suffering and many manufacturing concerns with orders to be filled are unable to procure money for their pay rolls, and, as a consequence, have been compelled to temporarily discharge their workmen.

I am informed that in my own State there are to-day several thousand men out of employment for the sole reason that their employers can not procure money from the banks with which to pay them their usual wages, and I am also informed that these men will be called to work again as soon as this bill is passed and the banking institutions certainly know that the question is settled.

The people understand that there is little difference in the essential features of these rival measures. They know that the

proponents of both seek to accomplish the same purpose, generally speaking, and the differences in matters of detail are honest differences.

They also know that it is scarcely possible that a bill absolutely perfect in every detail can be devised by the wit of man, and that such imperfections as may be disclosed by the practical workings of any bill may be readily remedied almost immediately upon their discovery. Now, sir, with this knowledge, is it strange that from every part of the country, and from all interests, there should come demands for speedy action?

The country expected fair, full, and free discussion of these proposed measures. That discussion has been had. As stated before, Senators are now repeating over and over again arguments already made, and the Senate has passed from the stage of discussion to that of profitless talk.

I believe it is the sentiment of the country that it is by far more important that some one of the proposed measures be enacted than that any particular one of these measures should be adopted. Every Senator here, now, at this very moment, knows how he intends to vote.

No Senator at this juncture expects to offer further arguments that will change a single vote.

Under these circumstances, it seems to me, sir, that we are trifling with the interests of the people every hour that we postpone a vote which will settle these mooted questions, send the workingmen now temporarily out of employment back to their work, and give assurance to the business interests of the country that they shall be no longer disturbed by inaction and delay on the part of the Senate.

The proposed agreement which I desire to submit is as follows:

I ask unanimous consent that not later than 5 o'clock p. m. on Thursday, December 18, the Senate shall proceed to vote on the bill H. R. 7837, the banking and currency bill, and such amendments thereto as may then be pending, and proceed with the voting until the final disposition of the bill; that beginning with to-morrow the Senate shall convene at 10.30 o'clock a. m. and continue in session until 6 o'clock p. m., when adjournment for the day shall be had, except as hereinafter provided.

That should be modified somewhat, as it was prepared on last night.

That on December 18—that is, to-morrow—if the bill is not sooner disposed of, the Senate shall consider amendments then pending, no Senator to speak more than 10 minutes on any amendment or on the bill, and a vote shall be taken on the final passage of the bill not later than 6 o'clock p. m. on Friday, December 19, on which day the Senate shall remain in session until 6.30 p. m. No amendment shall be considered, except by unanimous consent, on the 18th day of December which shall not have been offered prior to that date.

Mr. GALLINGER. Mr. President, it strikes me that the criticisms of Senators in this debate, to which we have just listened, are not justified by the facts. I regret that at a time when the Senator from Indiana desires to secure unanimous consent for a vote on this important bill he has taken occasion to follow the bad example of one other Senator on that side of the Chamber and read the Senate a lecture as to its duty.

I have taken practically no time in this debate, and I do not propose to do so. I am quite ready to vote at this very moment if it is thought best, and I feel quite sure that a vote will be taken on the bill at as early a day as the country can reasonably demand. I do not know how tumultuous the country is in its desire to have the bill passed, nor do I believe that the Senator from Indiana will persuade the country that the present industrial disturbance, which is becoming quite widespread, is due to any delay in the passage of this bill.

To me it is a surprising fact that during this entire discussion I have received not one single letter from my own State, or from any other State of the American Union, urging speed in the consideration and passage of currency legislation. That may result from the fact that my constituents, as well as people in other parts of the country, may not consider that my influence is of any particular consequence in a matter of this kind; but however that may be, the fact is as I have stated it.

but however that may be, the fact is as I have stated it.

It is becoming a very common thing in the Senate for the minority to be told that the country demands certain things. We were told so in regard to the tariff bill. We were criticized and condemned and almost execrated because we did not force that bill through at railroad speed. Some of us did not think it was desirable to do that, and we discussed it, and to that extent delayed its consideration. The prophecies that were made during that debate are being so completely fulfilled to-day that, to my mind, it is a matter of great regret that the bill was allowed to pass at all.

So in reference to the currency matter I do not believe the country is in a feverish state over the proposed legislation. I have sat here hour by hour and listened to Democratic speeches and Republican speeches, and I have failed to find a single Senator on either side of the Chamber who could give us any assurance as to what the working of the proposed law will be. Whether it will be for good or for bad no one seems to know for a certainty. We all realize that the bill is going to pass. We all realize that it will pass precisely as the Democratic majority has decided it shall pass; but I confess that I for one have very serious apprehensions as to whether the passage of the bill will give the relief that is being promised by certain Senators.

I do not believe this measure has anything to do with, or will have any special result upon, the industrial disturbance that is already upon the country and the increased disturbance that is bound to come during the next 12 months; but I am willing to take my chances on that matter, and shall cast my vote either for or against the bill, as I shall decide; but I am not willing to have this side of the Chamber held up to the country as postponing the bill by making speeches that have been delivered over and over again and which can have no possible influence upon the final result, as suggested by the Senator from Indiana.

I think the debate last evening upon the insurance features

of the bill was most illuminating.

Mr. KERN. Mr. President, did not the Senator understand me as distinctly stating that that was my opinion of the debate

Mr. GALLINGER. I did not understand the Senator to say that, but I hope he did. I understood the Senator to say that speeches were being repeated over and over again, and that there is no illuminating thought in the speeches that are being deliv-

ered at the present time.

Mr. KERN. I spoke of the great ability displayed by the different orators who had addressed the Senate, and I also spoke particularly of the instructive character of the debate last night. I did say, however, that much had been said in the last few days that was not to the purpose. I called attention to that, and that has been the subject of very extensive comment on both sides of the Chamber.

Mr. GALLINGER. Mr. President, that may be. During the past two or three days I have sometimes wondered whether or not our Democratic friends were actually filibustering against this bill, in view of the hours and hours they have consumed in its discussion. I do not believe they have been filibustering, however, any more than I believe the Republican Senators have been purposely delaying the consideration of the bill.

What I rose particularly to say, Mr. President, was that when the Senator reads his remarks in the RECORD to-morrow morning I think it will occur to him that when he is asking a favor of the Senate he might well make his remarks somewhat more temporate than he did and free from some of the harsh

criticisms in which he has indulged.

I do not propose to raise any objection to any reasonable unanimous-consent agreement that can be asked for for a vote on this bill. It may be that the agreement the Senator from Indiana has submitted is in good form, but before an agreement is reached I think at least we ought to understand a little more definitely than from a mere reading of the pro-posed agreement precisely what is asked.

I have believed we would vote on this bill before Saturday night of the present week. I think we will do so whether we enter into a unanimous-consent agreement or not. For my-self—and I think I speak largely for my associates on this side of the Chamber—I wish it to be distinctly understood in the Senate, whether anybody outside understands it or not, that Republican Senators are quite as anxious as our Democratic friends to have a final vote on the bill.

Mr. BURTON. Mr. President, it is for each Senator to decide for himself what reflections he shall make upon the remarks of every other Senator; but, as I understand it, this is a Senate in which each Member owes deference and respect to

the words and actions of every other Senator.

Certain questions which I asked were so unfortunate as not to appeal to the Senator from Indiana. I wish to say to him that if he will carefully read those questions and answers he will find that they throw a degree of light upon this bill which

is absolutely essential for its understanding.

Will the Senator from Oklahoma, the chairman of the committee, deny that in that questioning errors in the bill developed which must be corrected? For example, has the Sen-

Indiana read the section which contains a prohibition against dealing with nonmember banks, which would build up a monopoly in banking instead of stabilizing the banking system of the country—a provision which has awakened protest all over the country? My attention was called to it yesterday by the Senator from Iowa in a letter written from that State—a provision which would exclude thousands of banks, hundreds in many States, from continuing their business.

Were these questions absurd because they were revealed to the Senate? Must the Senator from Indiana himself swallow a measure whole, no matter if crude in some of its portions, no matter if unjust in others, simply because a caucus has de-

cided upon it?

It has been said here by Senators on the other side that this is the most important measure since the Civil War. We are holding 11-hour sessions. Everyone is under the stress of this occasion; the impossibility of preparing with care; worse than that, the lack of attention which is inevitably incident to the weariness of the time. Yet here, with this discussion beginning a week ago Monday, we are told that we are indulging in absurd talk and repeating the same thing over and over.

Mr. President, it is better to repeat a hundred times than it is to abandon deliberate and temperate discussion upon this

subject.

It is said that some thousands of men are out of employment in Indiana because this bill does not pass, and that they will be called back into the factories when the bill does pass. Is the Senator from Indiana ignorant of the fact that it must be months before this bill is put in operation? It is not the failure to pass this bill which is causing trouble 'n the country. I think I am right in saying that it is more the apprehension in regard to some of its provisions, and the trouble which will ensue if it shall pass. It is impossible to mask the reasons why these thousands and tens of thousand of men are discharged. One main cause is distrust of the majority in this Congress That is the leading feature. Another fea-House and Senate. ture is the wrench caused by the passage of the tariff bill, which, whether good or ill, shifts centers of production and causes a degree of hesitancy which reflects itself in all our factories and in our whole industrial system. I am not saying now whether the bill is good or bad, but I say you can not pass such a bill as that without creating a certain amount of depression. Not merely thousands but tens of thousands are out of employment. They are waiting not on this banking bill but on what this Congress will do, many of them with fear and with trembling, not very well satisfied with what has been done already.

Now we are told, after 10 days of discussion on this measure, that it must be forced through under whip and spur, that tab must be kept on every Member to see whether he repeats something said by somebody else, and the effort is made to deter us from discussion and analysis of this measure and from pointing out its defects by saying that such analysis is an absurdity.

Mr. President, that is an unprecedented proceeding in the Senate. If the Senator from Indiana desires an agreement, he certainly chose the very worst method to bring it about. Conciliatory words, not censure, not harshness, are the means to be employed in bringing about agreements in the Senate of the United States, where each Member, notwithstanding caucus, notwithstanding the pressure of the administration, has a right to speak for himself.

I speak not for myself, but for the Senate. Must we become here an aggregation of ciphers? Must we accept every measure that is sent in by the executive department? Must we accept without demurrer that which passes the caucus? If so, the Senate sinks from its high estate to a level of uselessness, to a level which will bring upon us not the honor, not the respect of the country, but its deserved contempt.

Mr. President, I have sought to express my opinions upon this bill. I hope briefly to do so in the future. The questions asked, questions on which there was discussion by others occupying more time than I did myself, are proper questions here and necessary to an understanding of the bill.

If the Senator from Indiana had given attention to the subject, I do not believe he would have made the remarks that he did make. His remarks seemed to be prompted by the idea that this measure must be forced through by sessions of 11 hours a day, and that anyone who questions, anyone who seeks to debate, must make himself subject to the accusation that he is wasting time.

Mr. President, we are not wasting time in discussing this bill. ator from Indiana read the paragraph which pertains to the election of directors? Is that clear? Is that consistent? Must occurred in the Senate. Here is a measure that for weal or that go into law in its present form? Has the Senator from for we must affect 100,000,000 people. We are lacking in our duty if we do not give it that careful consideration which the subject deserves

I had hoped to proceed with the discussion to-day, and I am ready now to proceed with a brief discussion of the bill from another standpoint.

The VICE PRESIDENT. Is there any objection to the pro-

posed unanimous-consent agreement?

Mr. BRISTOW. Mr. President, I want to concur in every word that has been uttered by the Senator from Ohio. I think his speech is worthy of this occasion. The Senator from Indiana has consumed an hour's time of the Senate which could have been devoted to a consideration of the bill before us when he knew before he asked for the unanimous consent that it would not be granted.

This bill, in my judgment, will be disposed of by the Senate before Saturday night. I do not believe there is a Senator on this side of the Chamber who has not an earnest desire that that may be accomplished. Then we will see if the predictions of the Senator from Indiana are fulfilled, so far as the returning to work of the thousands of men who are out of employment is concerned. If the Senator from Indiana will inquire at the factories in his State where employees have been discharged, he will find that it is not because the proprietors of these factories could not borrow money, but because they did not have the orders for the goods that were necessary to keep the men employed in the factory. What the manufacturers of the United States need to-day is not money that they can borrow but orders for goods that the men can make.

Mr. President, I object to the unanimous consent.
The VICE PRESIDENT. The Senator from Ohio will proceed. Mr. President, I desire to speak briefly upon the essential qualities of currency and credit and their relation to capital. These are the central features in all banking opera-Prevalent misapprehensions regarding them always threaten the adoption of erroneous policies. Exaggerated ideas exist as to the importance of currency questions and the functions of money, which is merely a tool in industrial and commercial activities. For a thorough understanding of the subject it is essential to have in mind certain fundamental facts and principles. It is especially desirable to have accurate defini-We may begin with capital.

Capital, briefly defined, is wealth withheld from immediate consumption for the purpose of producing wealth in the future. Wealth comprises all things which are alike useful, limited in supply, capable of individual appropriation, and transferable. It is produced from or created by land, labor, or capital. Land includes every form of nature in earth or seas, together with the natural forces which may be set at work. It is the source of our so-called raw materials. A nation may, however, have an immense supply of wealth which remains unutilized, such as mines undeveloped or lands unused, because capital is not applied to them. Capital includes food, clothing, and fuel for the support of those engaged in the production of wealth, necessary specified for planting manufactures of the second sec sary seeding for planting, raw material for the finished products of manufacture, money for wages and for the purchase of supplies. These are generally termed circulating capital. There is also fixed capital, which includes more permanent forms of property, such as buildings, machinery, and factories occupied or used by those engaged in productive employment. It includes all improvements upon land, and also ships and railways with all their equipment.

Nations are rich or poor, progressive or inert, not in proportion to the abundance of land or natural resources which they possess, but according as they have an abundance or dearth of capital. The productiveness of mines and of agricultural lands can not be augmented except by the application of capital and labor to derive or extract wealth from them. The utilization of capital and consequent creation of wealth upon any considerable scale requires the cooperation of labor and capital. To use a familiar comparison, they are like the two blades of a pair of scissors—the one ineffective without the other. Labor works upon land. It includes physical strength and exertion, together with the mental qualities which furnish them with method and ingenuity. Without the assistance which capital affords, labor could gain no material increase in efficiency.

Capital, on the other hand, with the cooperation of labor and with land to work upon, is capable of indefinite increase. Upon its expansion depends all increase of wealth. Capital has been termed the handmaid of civilization. Upon its increase and the cooperation of labor depends all improvement in material development and growth. Credit has its field of operation. The essential fact underlying the use of credit is the existence of saved or accumulated capital. The potency of organized credit is found in the facility which it affords for the transfer of capital. It is a natural evolution of the accumulation of saved capital.

The supply of capital has become so great, its increase has gained such momentum, and its development is so connected with all the efforts and aspirations of civilized peoples that there is assured confidence of safe extension of credit in all the varied enterprises of industry and commerce.

Credit affords the means by which those who have capital which they do not desire to use or for which they have no immediate use can transfer their money or stock of useful things to others having employment for them, in reliance that all the varied activities of commerce and industry may succeed and develop without check.

The development of credit from capital has three phases: First, it furnishes the basis for investment banking. made up of the savings of those who do not desire to use their acquisition of capital and who permanently turn it over to

There is, in the second place, the basis of commercial banking, which is the temporary transfer of capital from one to another; that is, its owner may desire to use what he has in the autumn but not in the spring, or vice versa. Thus our commercial banks which afford opportunities for lending money for comparatively short periods have an unfailing resort.

Another point in regard to the use of capital relates to its greater abundance in one section or its greater profitableness in another. That is especially true is new regions. Where there is an opportunity for profitable development, capital is in demand and earns higher rates of interest than prevail in older communities. This explains the great loans which are made to new and undeveloped portions of the earth. These loans usually take the form of commodities which are transferred from an older country to a newer locality.

Why is it safe to extend credit? Billions of dollars are on deposit in our savings institutions and discount banks. are an important form of capital. These savings represent wealth created, for which wages or some other form of compensation have been paid. Presumably they represent houses constructed, work done upon railways, wages earned in the production of clothing, or necessary supplies of food.

For instance, a carpenter at the end of the season deposits a few hundred dollars in a savings bank. That is the result of his abstinence during the season. His work goes into the form of capital in the houses or other structures which he has built, which are useful for human occupancy, and the amount which he is able to save is that which he has retained.

Now, on this reliance that capital which is expended will produce further capital rests the basis of all credit and banking operations. It marks the limit as well. You can not extend credit unless there is assurance that something will be created or produced which may be turned into money. The loan that is made to the farmer in the spring is based on the reliance that when his crop is harvested he will be able to repay what he has borrowed by supplying some object which satisfies a human want. So through the whole field of production there is this relation between present expectations and the realizations of

the future.

The amount of credit which can be extended has well-defined limits. Moreover, it is governed by certain factors. First, the degree of assurance that the amount which is loaned will be paid. This assurance is greater in a season of rising prices and in enterprises well organized and managed than in an era of falling prices or the case of those undertakings that are new and untried.

Uncertainty of returns create an obstacle to the extension of credit. The anticipation of possible failure of crops is an illustration. The nature of the enterprise, whether it is one well established, also presents a question to be considered. Perhaps overshadowing all is the probable demand for the product for the making of which the credit is to be extended.

While all these factors possess their element of uncertainty,

they are, nevertheless, controlled by rules based upon averages and probabilities which govern the action of bankers and those

having funds to loan.

If credit be injudiciously extended, there is a loss and a waste of the capital of the world. In such an event progress which is evident on every hand is liable to meet with a serious check, so that the further extension of credit is discouraged. It is also true that when the supply of capital which has been saved has been largely absorbed additional ventures are subjected to a serious handicap.

There is another feature in the extension of credit which must be taken into account, namely, the promptness of the return. If it be for the raw material, which is very soon transmuted into the finished product and that finished product will find a ready sale, that is one thing. But if it is for a great railway system, one which will consume much time in its construction and which may not be profitable when first used, that is quite another proposition. So in all these alterations of prosperity or depression of activity or sluggishness great importance attaches to the relation between the share of the capital which is expended for that which brings in an immediate return and that which brings in a remote return.

Aside from all this, there is the further factor, dependent largely upon the other two-that of confidence. The confidence may be ill advised or well founded, but in all seasons, either of business activity or depression, the psychological mood of the

people has a very important bearing.

Now, to apply these facts to the pending question, we labor under a delusion if we think the increase of facilities for credit will confer any lasting benefit, unless it is extended for enterprises in which capital will be reproduced and increased. The amount which can be granted is determined by conditions which are well-nigh fixed and invariable. If anyone seeks to eliminate the elements of caution and calculation in making loans, he is guilty of extreme error.

In saying all this I do not mean that it is not desirable to have the best of facilities, so that borrowers may readily obtain what they can profitably use. But over and beyond that is the limit which the utilization of capital and its growth places upon all enterprises, whether made possible by credit or in any other

Now we come to the subject of money. In the original condition of the race there was not even exchange. Rather each man provided for himself. Then developed the custom of barter, by which one who desired an article must find some other person possessing it who would exchange it for something that he could furnish. But with the growth of civilization, which has depended so largely upon science and invention, it was an inevitable evolution that some commodity which could be utilized as a measure of value, a medium of exchange, and a denominator should be generally used. Thus numerous commodities—agricultural products like tobacco; metal like copper, silver, and gold; tokens like wampum—have been employed to supply this want, so that people need no longer depend upon barter merely, but could engage in transactions on a widespread and comprehensive scale.

But let us be careful not to disregard the real nature of money. It is in its essential quality a commodity. It is desirable that it should, as nearly as possible, be uniform in its value in exchange for other things, and that it should be an object of universal desire. Moreover, it should be durable and divisible for the sake of convenience. But whatever its position, it is still a commodity. The amount of credit which can be extended depends ultimately upon the amount of money--basic moneyused by the different communities and nations.

Basic money is a form of capital set apart from all other commodities for a particular purpose. It furnishes a barometer of conditions in indicating whether there is abundance of wealth

and whether credit can be readily extended.

So, Mr. President, we can not ignore the fact that all substitutes in the form of paper notes for circulation are but tools used for the convenience of the people. The value of circulating notes must depend upon their ready convertibility. An increase in their number can do no good unless they are readily transferable into that which has intrinsic value, and unless they keep pace with the varying demands of trade and industry.

Mr. President, I have thought it worth while to speak along this line of elementary facts, not because my fellow Senators are ignorant of them, but because among the people there exist many grave misapprehensions upon the subject. Many entertain the idea that prosperity can be created as with a magician's wand, by multiplying the quantity of paper money and making it more readily available. If every man in this hall were to engage in the work of printing paper money, with all the printing presses in existence, not one dollar would be added to the wealth of the world; but if men or boys should set to work with their jackknives and pieces of wood, they might by merely whittling make something which had some value, something useful, or something desirable for amusement. So it is desirable that we should be on our guard in every paragraph of this bill against the idea that we can issue paper money or create facilities for credit which will work out independently by themselves, which will be independent of those great forces and events in the industrial and commercial world

Attention has oftentimes been called to the great disparity between deposits and capital, which is in evidence in our banks. What is the real basic reason for that? It is that, fortunately, the turnover, if it may be called that, is more frequent than it

of markets, commodities find a readier sale than they formerly did; the interval between production and consumption is not so great. But even this should not deceive us into departing from the path of safety which limits the extension of credit and the facilities for it to the prompt reproduction of capital and the realization upon the efforts and the investments which borrowers may make.

Mr. McCUMBER. Mr. President, I shall not reiterate the arguments that have been made for nearly a month against the Bill supported by the majority. The pages of the Congressional Record have been filled with these arguments, as a rule, each day's proceedings being but a repetition of the objections urged on the previous days. I have no inclination to use my own time or take up that of the Senate in a reiteration of these arguments. I have convictions of my own on the merits of these measures which will govern my action—reasons which have not been touched upon or but lightly considered so far in debates.

I shall cast my vote against the bill known as the Owen substitute, and were an opportunity offered I should also cast my vote against the Hitchcock substitute, which is supported generally by this side of the Chamber. As between the two, I regard the Hitchcock amendment, though very imperfect from my standpoint, far better than the Owen substitute. I shall very briefly record my opposition to both of these proposed

measures.

Mr. President, I favor a change in our present currency plan. I agree with all Senators that our present system lacks proper elasticity and that we ought to enact a measure that would secure that most needed element. But inflation is not elasticity. A currency that is easily expanded without provision for automatic contraction is not an elastic currency, but an inflatable currency. A currency that will expand, but will not contract to its original dimensions, is not an elastic currency, but a debased currency indicable to the extent of the difference. its original dimensions, is not an elastic currency, but a debased currency, inflatable to the extent of the difference between its expansive and contractive capability. A currency whose expansion is not limited by the act of law creating it, but by the will or discretion of a board, will always result in general inflation for reasons which I shall explain.

Mr. President, I have either read or listened to about all the

divers arguments concerning the merits and demerits of the two propositions, and I have been reimpressed by that discussion with the danger that a too close attention to detail is most

liable to obscure the general features of any proposed measure.

When I first read the House bill I was impressed with one great weakness in it—the weakness of an undue expansion of With waning hopes I have been waiting until the currency. With waning hopes I have been waiting until this great feature might possibly be changed. In the earnest and heated condemnation of certain rather unimportant provisions by the ardent supporters of one or the other of these substitutes what I believe to be the greater evils of both have been nearly lost sight of. Only since the address of the Senator from New York [Mr. Root] last Saturday has the element of inflation been seriously debated.

Both these substitutes for the House bill omit proper provisions against inflation. Both of them introduce a pernicious element of paternalism into their proposed currency reforms.

I favor a bill which will authorize the increase in the volume of currency to meet the Leavy demands for its use at particular seasons and in particular sections. But I want a currency that will be forced to retire immediately after the necessity for its expansion has been fulfilled and which will then leave the volume unchanged and uninflated.

I oppose a law that will enable any particular people, in any section of the country or any season of the year, to indulge their speculative propensities by an assurance that if times become close they can bolster up their speculative or watered properties until they can be unloaded on the public by putting in motion the Government printing presses and turning out ad-

ditional paper dollars.

Mr. President, both of these measures make it most easy and simple to expand our currency. Neither of them makes contraction as certain. The speculative spirit of the American people will be a sufficient force to draw the expansive quality of their provisions to the limit. There is only one power that can equalize the tendency to expand, and that is the power of taxation, a power which you have actually eliminated from this bill. If you make these Federal reserve dollars legal tender and redeemable in gold, they will remain in circulation unless the tax on their use be equal to the profits obtainable from their use. Their speedy redemption could be easily and properly secured by a graduated tax on the issue or on a depletion of the reserve on which they are based. The discretionary power of a board, while it may, never will so operate as to completely redeem any was formerly, that we have readier facilities for communication and exchange. With all the improvements which come issue of this new paper currency. The pressure everywhere for from the better utilization of capital, and with the extension currency in a country whose resources are undeveloped will overcome the inclination of any board to force contraction. The power to compel contraction should be in the bill itself. It should be a tax that would not allow a single dollar of this emergency currency, for that is what it is, to remain in exist-

ence for longer than three to six months.

Mr. President, a gradual inflation of currency, while unfair and unjust, may be partially met by a gradual adjustment of business to correspond with the inflation. We have been adapting ourselves to a rapid depreciation in the value of our circulating medium for the past quarter of a century, due to the rapid increase in volume. In 1899 the volume of all our currency amounted to approximately \$1,700,000,000. In November of 1913, just 14 years later, \$3,700,000,000. This vast increase in volume means a corresponding decrease in purchasing value. It means that a man who took out a 20-year endowment policy and who has lived to draw it has been paid in dollars that have about 60 per cent the purchasing value of the dollars he originally paid on that policy; that the frugal citizen who has for 20 or 25 years deposited his little savings in a bank at 3 or 4 per cent interest will find that the dollars which he put into the bank, with all their accumulation of interest, have a less purchasing value than the original dollars had when deposited.

This condition is bad enough, it is unjust enough; but it affects only the creditor class, those who have something coming, whether a fixed income from property or a salary. It does not seriously affect physical property. Physical property can always be marked up or down to correspond with the standard of measurement. The clothing merchant can mark his \$20 overcoat to \$21 overnight and he can mark it up to \$22 the next night. You can not mark up the dollar which you have already earned to pay for it. But by this bill you make it possible to add about 50 per cent to the volume of currency of the country in a single year. You admit that it is possible to issue \$1,200, 000,000 of Federal currency if the national banks only come into the system, and much more if State banks and trust companies accept your invitation. You make it possible to inflate in one year what has taken 20 years in the ordinary increase of our

No one can minimize the dangers of this inflation, and no one can excuse a measure which intensifies or increases or encourages our speculative tendencies. A great proportion of the business of this country is to-day done on borrowed capital. If every business man were compelled to operate on his own capital, if he were compelled to assume all the responsibilities of his business, this would tend to promote conservatism. nearly every promoter who follows the rainbow of business promise does so on the capital of others. If he succeeds, the pot of gold is his; if he loses, the loss must be borne by those who have trusted him with their savings. This method of business is a constant persuasive influence toward speculation. This opportunity to secure credit is sufficient to keep alive the flame of uncertain business venture, and that flame is only kept within bounds by the known limitation of credit. You accentuate the desire by creating the opportunity to reach for a new supply of paper currency; you invite the people to leap beyond the bounds of proper conservative business discretion; you court the inevitable result-catastrophe.

Mr. President, there is a very close relation between the pur-pose of this legislation and the form the measure assumes. Its real purpose is to meet a condition that is already upon us, to overcome business depression by a currency inflation. The haste with which it is being pressed, the long day and night sessions, indicate the particular purpose it is to subserve. As long as we can borrow, as long as we can increase our debts, we can live quite comfortably even though our business has been de-The natural result of business depression is conserva-To-day the people of the United States are becoming exceedingly conservative. Credits are not expanding but contract-We are not building for the future; we are simply trying to protect the present. Before that depression becomes too marked, before disaster and want shall follow in its wake, you want to be able to revive the speculative spirit of the country, to engender business confidence by an assurance of a prospect of an inexhaustible supply of credit. You want to say to the man who is in a condition of fear and trembling, lest he may not be able to continue his business, "Here are our printing presses ready to be started; here is the machinery ready to put them in motion making dollars for your use. Have no fear; just as long as you can give a note to your banker, just as long as you can present your I. O. U. to a committee for \$1,000 the Government will issue its I. O. U. to you for \$1,000, and when your obligation matures just create another." And as no administration will bring on a catastrophe, it will be compelled to keep this thing going until conditions force a final payment, and it hopes to carry that over to another administration, to postpone the inevitable.

We can all live quite easily so long as we can create debts. You do not seek to remedy, but postpone an evil, to pass it along to a future day when its power for disaster will be increased.

You talk about easy money. There is nothing in this world that is easy unless it be sliding down hill, and that must be inevitably followed by the harder struggle of climbing up the hill again. There is a bottom to every toboggan slide, no matter how easy the descent. There will come a time of payment, and

then the catastrophe.

We have but recently passed through a panic produced by overspeculation, by the overextension of credits, the panic of That was not a hard-time panic; it was a prosperity The revival of business coming on with a rush in 1908 carried the speculative spirit of the American people to an excess never before paralleled in the history of the country. Inherent values of all kinds of property were lost sight of; all forms of real property doubled, trebled, and quadrupled in price, each purchase being followed by a sale at a profitable increase until it reached a price far above its producing value. Industrials of all kinds were watered and diluted and rediluted, and still the eager public purchased. There were no bears in the vineyard of prosperity, and the bulls tore wildly through the cornfields. Credits were enormously swollen in volume. But as people will always come back to their sober senses, as property will always, sooner or later, be forced down to an income basis, so this speculative wave subsided, and the people began to consider the question of paying their debts. No normal amount of money could possibly respond to the immediate demand for cash, and so the virtual closing of every bank for a period, and so the Government itself was compelled to open its vaults to meet that demand.

Mr. President, the trouble with both of these bills is that they seek only to meet the contingency of overcredit by issuing a new currency to obviate the necessity of calling on the Government to supply the demand. The Federal reserve bank takes the place of the Government. Neither bill goes to the root of the evil—the prevention of undue speculation. But worse than this, both of them invite extravagance and speculation by making what you call easy credit for the time being.

Neither of these bills has proper provision for reducing the surplus of money which it will create. We are to-day doing business under a constantly increasing currency inflation. Knowing the rapid increase of money far beyond the increase of population, we are able to discount the future. But we can not anticipate and meet the possibilities of these measures.

The only real money we have in the United States is gold.

We have to-day in that yellow metal approximately \$615,000,000. On that gold we have a credit currency amounting in all to approximately \$3,105,000,000, all payable in this particular gold. Every dollar in gold floats \$5 in currency and silver. If all were presented at one time for redemption, of course we could not meet the demand. Knowing that this paper will not be presented for exchange for the inconvenient, heavy gold, we have no fear of that credit being suddenly called in. And, Mr. President, if we can make \$1 of gold float \$5 of inflation we can undoubtedly make it float \$10 of inflation, and your measures will make it inflate to whatever this speculative demand of

the country may be at any time in the future.

Nor is this assured inflation, this assured debasement of our money, with its wrongs to the industries, the only vice of these measures. Both of them send us a long way into the realm of ultimate paternalism. The Government forces a partnership with every national bank in the country. It says to every bank: "You must go into the partnership with me whether you like it or not, or go out of business. Your answer that going out of business would entail great losses to each of you will be of no avail. When the Government wishes to go into business for profit, the right of the individual citizen must be subservient to national interest. Not only will I compel you to go into a business copartnership with me, but I will compel you to furnish all the capital. Not only will I compel you to furnish all the capital, but I will compel you to assume all the responsi-bilities of business, all the losses, if it is not a success; not only will I compel you to furnish all the capital and assume all the responsibilities, suffer all the loss, if any accrues, but I will limit your profits to 5 or 6 per cent, and I, who have furnished no capital, have assumed no responsibility, will pocket the rest. Though you take the chance of losing 200 per cent on your investment, you can not under any circumstances reap above 6 per cent, and all above that will be my share in the profits of this forced partnership."

With all due respect to the divers authors of these substi-tutes, I insist that this is an act of astounding governmental If this is a fair example of what we may expect of tyranny.

paternalism, I do not want to take the first step.

Mr. President, I am opposed to taking the money out of the banks of my State and sending it to Chicago to help meet the extraordinary demands of the business investments of the great cities. We need every dollar in our own State. We can use it in our own State to advantage. It is worth more to us for use in the State than 5 per cent. We know that it will make money more easy in these sections of the country where values are swollen already to an unfair and unjust limit.

Mr. President, this ought to be a bill to create an elastic currency, and not an act to compel any citizen to enter into a partnership with his Government. The proper function and duty of government is to create business opportunities for its people and not to grasp those opportunities for its own profit.

Mr. SHAFROTH. Mr. President, will the Senator yield to

Mr. McCUMBER. Certainly.

Mr. SHAFROTH. I wish to ask him a question in relation to the statement he has just made, that he wants to keep this money at home and use it there instead of sending it to Chicago.

Does not the Senator recognize that when the reserve requirement is reduced from 15 per cent to 12 per cent of its deposits, of which, as the law is at present, 9 per cent goes to a reserve city, which I suppose would take the money of North Dakota to Chicago or to some other reserve city, it releases 3 per cent of its deposits, which amounts to considerably more than the capital which is subscribed to the Federal reserve bank? Does he not realize that by releasing that money fully five times as much money remains at home in the State of North Dakota as remains there under the present law?

Mr. McCUMBER. No; I do not recognize it. That matter was argued out yesterday and Saturday between the Senator from New York and the Senator from Colorado, and has been discussed almost for hours upon this floor. It is not my purpose to go into it. I think it was fully answered, and it would take some time to reiterate the statements and the arguments that have been made; and after all they would be a reiteration, which I promised myself and promised the Senate I would not

indulge in.

I would favor a bill providing for the Government guaranteeing every piece of paper used as money. I have no quarrel with those who prefer to make these bank reserve bills Government money rather than bank money, provided that paper money is redeemed in proper season and eliminated from the volume of the currency of the country. I have no fear whatever of the Government guaranteeing bank deposits. It may, as suggested, induce carelessness on the part of depositors, but with close and proper governmental supervision any injuries resulting from this tendency may be checked or, at least, greatly mini-

I am not blind to the claim that there are many provisions in these substitutes that may result in partially calling in these bank issues of Federal reserve money, but it ought not to be a case of possible contraction, it should be a case of assured contraction, and the contraction equivalent to every inch of expansion. That, in my opinion, will not be the operation of either of these contemplated substitutes. Under their provisions the disease of inflation will become and remain a chronic condition. You can not change human nature by law. You can not curb the speculative impulses of a people by law. That spirit, with all its dangers, will continue to long as hope is a dominant element in human nature, so long as dreams are dreamed. But you can close the gates to an undue opportunity to extend eredits, which is the basis of all speculative excess. In these bills you open these gates wide, and sooner or later you will pay a dire penalty for that indiscretion, a penalty that will far outweigh the temporary benefit which you may hope to accomplish by diluting and debasing the people's money.

For the reasons I have thus very briefly expressed, I shall

under no circumstances vote for either of these bills presented

for consideration to the Senate.

Mr. President, I had not intended to make any remarks on the pending measure, especially in view of the fact that the minds of Senators on this bill have been foreclosed against conviction and the fate of the measure was predetermined before it ever came up for discussion, but I can not forbear to make a few observations on one or two features of this bill, even though I know beforehand that the majority of this Chamber are irredeemably committed to a measure the wisdom of the provisions of which many of them are in doubt, and in the framing of the fundamentals of which the men in this Chamber who are responsible for currency legislation had no voice. I am not going to criticize harshly those members of the majority party whose stand is responsible for the passing by this Congress of a measure which had its origin elsewhere and which, I believe I am safe in saying, would not pass in its

present form if it were not for the insistence of a certain dictatorial mind.

I believe I can understand to some extent why some Senators who are doubtful as to the wisdom of this measure would yield their opinions rather than insist on them in view of probably future results resulting from impatient intolerance of independent views in other places. But I confess that I can not understand how the Senators of the majority party can consider this bill in the spirit of reckless optimism, which has become apparent, the spirit apparently of considering it the acme of perfection merely because its passage is insisted on by a Democratic President. While I presume my Democratic brethren would not openly state that the party label will make black white, yet Senators are now supporting as a progressive measure a bill which if it had been proposed by the opposing party would have been denounced by those same Senators in unmeasured terms as an attempt to surrender the business of the country to the tender mercies of Wall Street and fasten the tentacles of the octopus on all the industries of the Nation.

Mr. President, there has been a widespread belief in recent years that, along with the other trusts with which we have had to contend, there has also been a Money Trust. It is hardly necessary for me to remind Senators of the appointment of a committee by the House to investigate this matter, and the report that the committee made last winter. The hearings brought out that there was a concentration of the control of the volume of money used in business, with a consequent control of credit. Most witnesses before the committee agreed that there was such a concentration, and many of them agreed that the concentration had proceeded to such an extent that the power, if in the hands of unscrupulous men, would be dangerous to the business interests of the country. I might call attention at this point to the fact that this concentration of control was distinguished from the control of the volume of money in the central reserve cities, and ultimately in New York, due to the fact that banks are permitted to keep part of their lawful reserves on

deposit in reserve and central reserve cities.

The committee did not investigate this latter condition. With the fact granted that such a concentration of control does exist, it hardly seems necessary to call the attention of anyone to the potentialities of such a control, to what it means to have a small group of men with the credit of the business of the country in their grasp-with these men, not by any means the most unselfish of the community, able to dictate to industrial and commercial firms, and, as is natural, with their beliefs as to what is best for the welfare of the business of the country influenced by their conception of what will add to their own individual fortunes and prosperity. In view of these facts it would seem that any financial legislation, even if it was not enacted with the particular end in view of curbing the power of those in whose hands this control is concentrated and preventing the further concentration of such control, at least would be drafted so as not to make the acquirement of such control easier or to encourage it or legalize activities which were for-merely extralegal, if not illegal. In place of this, however, we find the majority party apparently determined on the passage of a measure which will legalize money trusts and credit trusts in the different sections of the country-not more than 12 nor less than 8. The 8 or 12 regional banks established will have a monopoly of the rediscounting of commercial paper in their respective districts, and will have a monopoly on the receiving of the reserves of the banks in their respective districts, and combined these 8 or 12 banks will have a similar monopoly extending all over the country. I do not believe it the part of wisdom to provide for the enormous aggregation of power in the different districts and leave this power in private control. There has been a well-founded distrust and opposition throughout the country to the establishment of a central bank, privately owned and controlled, because of the enormous power that would be vested in such a bank and a fear that the men in control of such banks, however honest and conscientious in the performance of their duties, would be swayed by their own interests and those of what is commonly known as big business in the performance of their duties, and would consequently direct the business of such a bank into such channels as would not be to the benefit of the people generally but to such interested parties. I believe this opposition has been well grounded, and that no such privately controlled bank should be established, but I am unable to see why the establishment of eight great banks, each a central, privately owned, and privately controlled bank for its area of operation, is free from the objections to the one central bank. You have merely apportioned the different sections of the country among the different banks; in its region of operations each regional central bank has as much power over the business as a national central bank would

have. And there is nothing to prevent these eight regional banks from combining into one great system; and when they do you have just as effective control over the business of the country by this combination of banks as you would have if there were one great privately controlled central bank. For this reason I believe that the control of these regional reserve banks should be in the hands of the Government, and I believe it to be of the utmost importance that they be so controlled. Of course there is the central reserve board appointed by the Government, but I do not presume anyone believes that this board will really control these banks. The regional banks will be controlled and run by their boards of directors, and six out of nine of these directors will be named by the banks.

The excuse for giving the control of the Federal reserve banks to the bankers has been that as the member banks are required to furnish the capital required for the establishment of the reserve banks it would be unjust to deprive them of the control of their own capital. If that is the only reason, it can very easily be avoided by adopting the amendment offered by the Senator from Nebraska [Mr. HITCHCOCK] for the sale of this stock to the public. I do not apprehend that there would be any difficulty in disposing of this stock, as the rate of dividends will be much greater than the interest now received by many people on their savings, whether those savings are deposited in savings banks or invested in industrial or railroad bonds, and the safety, if anything, will be greater than the same investors and depositors now have. I do not believe anyone can maintain that this stock will not be attractive enough to attract all the capital that is required for the establishment of these banks. But even if it should be decided that for one reason or another it is not advisable to dispose of this stock to the public, I do not see that it necessarily follows that the control of these regional central banks should therefore be in the hands of the We must not forget that in providing for the establishment of these banks we are providing instrumentalities of great power, and that it is the duty of the Government to see that such instrumentalities created by the Government are used to benefit the people and not to injure them in order that a few of them may prosper, and I believe it has been found by experience that effective control by the Government must be otherwise than merely by moral suasion. It is the duty of the Government, in creating these banks, to see that the public interest does not suffer, and even if it were believed that the safeguarding of the public interest might mean a little smaller profit, a little smaller dividend, to the bankers holding stock in the Federal reserve banks, I do not consider that sufficient reason for surrendering the control of these banks over to the bankers. I do not mean to say that these bankers would necessarily conspire against the public interest, but bankers are but human, banks are established for profit and are conducted for profit, and a banker's view of what the public interest requires and what must be done to meet the requirements of legitimate business is necessarily more or less tinged with the benefit that he will derive from those operations personally. The Pujo committee found that there was already a dangerous concentration of the control of money in this country, and we must remember that this concentration had been brought about through the efforts of private individuals, and while the operations of these individuals were in all probability not contrary to any existing law, at least there was no law imposing on them a duty to bring about such concentration or providing an organization for them in order to make their efforts more ef-The pending bill provides for a concentration of the control of money and credit within the eight districts provided for, and hands this concentrated control over to the bankers that district. If the interests of the banks of that district and the interests of the people and business in that district conflict, does anyone doubt what interests the reserve banks so controlled will take care of? Or if a condition should arise when men would differ as to the proper course to pursue and the view of a person as to the better course would depend on his training and association, does anyone maintain that a reserve bank controlled by the bankers of the district would not be likely to adopt the course most favorable to the bankers? In creating this powerful instrumentality I believe the Government becomes responsible for the way the power is exercised, and being responsible it should control the operations of those instrumentalities. If we pass this bill, we provide for eight different money and credit trusts, each with its distinct territory of operations marked out for it-precisely similar to the ancient gentlemen's agreements and pooling contracts among the railroad companies in former days, which were prohibited by law; instead of prohibiting these by law we provide organiza-tions for them, compel all national banks to be members, pro-

vide a capital for them, provide for their control of a large part of the reserves of the banks of the country, deposit the Government funds with them instead of keeping them in the Treasury as formerly, and, in fact, aid them in every way to become powerfully exclusive trusts within the limits of their respective districts.

And does anyone believe that they will stop there; that they will be content with controlling separately the credit system within their respective districts? What is there to prevent these eight Federal reserve banks from a practical combination, extending all over the country and controlling the business of the Nation as a whole as completely and as harmoniously as each of them does within its own district, from becoming, in fact, one large central bank controlled by bankers and not by the Government and dominating the banking and currency and credit system of the country? If there has been possible a dangerous concentration of control of money and credit under our present system, what is going to happen under a system where such concentration of control is encouraged by law? And let me remind Senators that such control need not necessarily be where the banking reserves of the country are held. By dividing the country into eight districts, you may prevent that part of the money forming part of the reserves required to be held by banks, but permitted to be held in other vaults than their own, from gravitating to New York; but that does not necessarily mean that you scatter the control of the money market and the credit market over the country in the same manner that you distribute the reserves. It almost seems that, the word having gone forth from the White House, Senators have lost all sense of responsibility and are willing to enter on any path of legislation, with the blind hope that, somehow or other, it will prove a safe one. Is it possible that there is any Senator on this floor who, if voting his own convictions, would vote to create such an enormous power and then hand it over into private hands, into the hands of those who may in time of dire stress find themselves in a position where their sense of duty toward the banks in the district will conflict with their sense of duty toward the public and with the knowledge that if they do not place the interest of the banks foremost others will be found to take their places who will? And is this the new freedom to which business in this country is to be introduced? Is the business of this country to be made to carry on its back an organization ostensibly organized for the benefit of business, but controlled in its operations by those whose primary aim it is to make profits from its operations? What would Senators think and what would the country think if it were proposed to divide the country into districts and give the railroads in each district the right, or, rather, impose on them the duty to form similar organizations, each with a board of directors completely under their control and having absolute power to carry on their business without any restraint? What would be thought of Congress in case it should be proposed that any other industries should be required by law to form similar organizations the operations of which were to be entirely within the control of those engaged in those industries? What reason is there for making such a distinction between banking and other industries in favor of the former? If there is too much unified control of money and credit at the present time, what will happen if we pass this bill providing for the complete and unrestrained unification within eight separate districts, with every incentive for those eight separate organizations to combine and with nothing to prevent their doing so?

Mr. President, others have called attention to the danger of currency and credit inflation resulting from the currency provision of this bill. It does not appear to me there is any to the amount of currency that may be issued under it than whatever difficulty there might be encountered in securing the gold required as a reserve against the currency so issued. The gold coin and bullion in circulation and in the Treasury, exclusive of the reserve held against the greenbacks, amounts to about \$1,700,000,000. If this gold can all be obtained to be used as a reserve against currency-and there does not appear to be any insuperable obstacle to it-currency can be issued to the extent of \$5,100,000,000. I believe it must be admitted that this would be an undue inflation of the currency. And with an inflation of the currency follows an inflation of credit. For every inflated dollar there may be from six to eight dollars of inflated credit, as the reserve requirements are from 12 to 18 per cent. not to be expected that this inflation will all be brought about at once. It is the natural course, however, for inflation to demand more inflation. As the currency is increased beyond the rightful demands of business, money becomes more plentiful, prices rise, speculation is encouraged, business is extended, the demand for currency increases, both because the rising prices necessitate more money in order to carry on the same amount of business

as formerly, and, because of the demands for credit made by new and extended enterprises resulting from a seeming prosperity, more currency is issued, and the cycle is repeated until the inevitable crash comes. While the Federal reserve board nominally has the power to regulate the amount of currency issued, in reality this power will be exercised by the Federal reserve banks.

The board will not be in a position to set up its judgment as to the need of the additional currency as against the demands of the Federal reserve banks. The Federal reserve banks will be controlled by the member banks, and the member banks will naturally demand currency so long as the additional sums which they will be able to loan will bring in a profit. The rising prices and depreciation of money which will follow the inflation of the currency will affect every member of the community, but only one class will have the power to regulate it, and that class will be the very one which will be likely to profit from its inflation. The manufacturer will find that he must pay higher prices for his material and he will demand higher prices for the goods that he sells. The merchant will be similarly affected. Professional men will find that the prices on commodities that they purchase increase, while their compensation remains very much what it was. The wage earner will find that his cost of living is increasing, due to the rising prices; he will be forced to demand higher wages, and may ultimately get it, but as wages is one of the last to respond to the general upward trend, he will be the one that is apt to suffer the most. And this power, to set in motion a series of forces which will affect every person in the land, which will in a large measure determine what the margin is to be between his income and his expenses, is to be given into the hands of one class, and that a class whose view, so long as they remain human, must be more or less affected by the profit which they themselves will make out of those conditions. While the Government will be pretending to issue currency, it will in reality be furnishing capital to the banks in order that they may extend their operations. When the Government issues this currency based on commercial paper and becomes responsible for the redemption of this currency in return for the depositing of this commercial paper, is it not engaged in rediscounting the paper just as much as the Federal reserve bank who takes it from the member bank is? The only difference apparent is that the Government is to perform this service for nothing while the Federal reserve bank will exact a charge for its services. In effect, the Government rediscounts this paper, and by issuing the currency against it it lends to the banks of the country \$500,000,000 or \$1,000,000,000, or whatever the amount may be, in order that they may extend their operations, and for lending this money it does not charge any interest. If the banking business is of such importance that the Government ought to furnish this capital free of charge whenever the banks believe they need it, what about the other businesses and industries of this Nation? Is not the agricultural industry worthy of this support? Is it not a fact that thousands of honest, worthy men have been compelled to surrender their farms and the fruits of years of toil because the money lenders have exacted from them 12 per cent and upward, and they were in the long run unable to wring from the soil sufficient to pay this interest charge and still retain enough to support their families? If the Government is going into the business of lending money free of charge, would not this be a worthy place to place it? And as for safety, what security is safer than good farm land? And is not the same true of manufacturing and other industries? Are not these more fundamentally necessary than banking is? And if you say that this money ultimately finds its way to these industries through the banks, why should not the Government offer it to these industries directly? No complicated machinery would be necessary, and those borrowing would save the profits which the banks under the proposed system will make from lending this money.

Mr. President, I believe it to be fundamentally wrong that the Government is to issue currency on the demand of an interested class and in the amount that this class deems desirable, and do it in such a way that it is free of charge, furnishing this class with capital for the carrying on of a business for profit. I believe that a bank of issue should be fundamentally a Government bank, under the control of the Government, and that any profit which might be made from the issuance of currency should revert to the Government for the benefit of the whole people.

I am opposed to giving into the hands of one class the means of exploiting the other classes for its own profit. I do not believe in giving any bank or series of banks the power to say when the laborer carries home his wages at night how much that money shall purchase on the morrow. I do not believe in a community falls there is at once a suggestion that the other banks way not be safe. Suspicion as to one bank means to some extent a mistrust of the system of banking, and a mistrust of the system means a lack of confidence in other banks. If one bank in a community falls there is at once a suggestion that the other banks are not safe, and the other banks are at once

when the farmer sows his grain how much that grain is to be worth when it is harvested. I do not believe in giving any bank or any system of banks the power to say what return any person, high or low, is to receive for his toil, efforts, or enterprise. I believe stability of currency is more important than elasticity, and especially elasticity of a kind that expands but does not contract; and I am opposed to the kind of elasticity that expands in response to the demands of those to whose interest it is to have it expand.

Mr. President, I favor a provision setting apart a fund for the payment of depositors in insolvent banks. In the last 43 years creditors of insolvent national banks have lost approximately \$38,000,000. This does not, of course, include what the stockholders in such banks lost. It would not require a large yearly tax to provide a fund which would be sufficient to enable depositors in all banks the doors of which were closed to be paid promptly. Under the present system, even when depositors are paid in full, they must wait a number of years for the money that is rightly theirs. For instance, during the year ending October 31, 1913, the affairs of eight insolvent banks were closed. In the case of two of these—the Minot National Bank, of Minot, N. Dak., and the National Bank of Beattyville, Ky.—the creditors were paid in full. The receiver for the former was appointed September 19, 1905; for the latter, October 15, 1910. In the case of small depositors a delay of two or three years in the payment of the money is often as much of a burden as the total loss of the money would be. Even if such a fund would do nothing more than make provision for the prompt payment of what the insolvent bank would ultimately be able to pay its creditors, this alone would justify the establishment of such a fund.

The proposal to establish a fund for the protection of bank depositors has been attacked at various times and various places. It has been urged that such action would encourage wildcat banking, and that it would result in people depositing their money in any bank that offers to take it without inquiring into the solvency and methods of doing business of that bank. The inference is that it is the duty of the average person who makes a deposit in a bank to inquire into those matters, and also that he has means of acquiring definite and reliable information in regard to those matters. It is, however, a fact that the average depositor does not know how the affairs of the bank with which he does business are conducted, and that he has no means of obtaining definite and reliable information relative to this. If he had, under the present system how many depositors would be likely to leave their money in a bank until its doors are closed? How many of the 55,000 depositors in the United States Trust Co. in this city knew a week before the run on that bank occurred that it would in all probability have to close its doors unless some one came to its rescue? Undoubtedly some people knew, but they were the large depositors who are engaged in business in this city and have means of keeping in touch with such matters. It is cruel mockery to say to the depositor in an insolvent bank that he should have kept his money in another bank when he had no means of knowing which bank was the safer.

I would call to the attention of Senators the fact that we have made it the duty of the Comptroller of the Currency to examine the affairs of national banks, but that even the comptroller and his examiners with their means of information are not always able to determine whether or not a bank is safely conducted. If they can not find it out, how is the average depositor going to? Are you not going a little too far when you demand of him knowledge in regard to the affairs of a bank that the officers of the Government, with means at their command that he does not have, are unable to learn? And is it just to fix as a penalty for his failure to know what he has practically no way to learn the loss of a greater or less part of his earnings and savings? The way to prevent wildcat banking is by a rigid Government supervision and thorough examination into the way the affairs of the banks are conducted.

There are some who apparently believe that the creation of a fund for the protection of bank depositors will benefit only those depositors. I believe that the creation of such a fund would benefit all classes, and not least of them the bankers themselves. When there is lack of confidence, when the depositor is always in more or less doubt as to the safety of his deposits, everything that happens to suggest a doubt as to the solvency of one bank necessarily reacts to the detriment of the others and carries with it a suggestion that the other banks may not be safe. Suspicion as to one bank means to some extent a mistrust of the system of banking, and a mistrust of the system means a lack of confidence in other banks. If one bank in a community falls there is at once a suggestion that perhaps the other banks are not safe, and the other banks are at once

in danger of a run on their deposits. If the United States Trust Co. in this city had had to close its doors, do you doubt that there would have been a run on the other banks in the city; and in the event of such a run, can there be any doubt that perfectly solvent banks, unable to meet the sudden demands of the depositors, would have been forced to close their doors? If, on the other hand, there had been such an insurance fund as is proposed, the fact that one bank has to close its doors will not affect the confidence of the depositors in other banks, knowing that in the vent of the bank having to close its doors their deposits will not only be paid but that they will be paid promptly. The safe and conservative banker would not then live in perpetual fear that some other bank which had for some reason become insolvent would pull him down in its fall. In times of money stringency he would not have to hoard money in his vaults in order to protect himself in the event of a dreaded run. The keystone in any banking system must be confidence; without confidence no bank can carry on its business; and I do not know of anything that will strengthen the confidence of the depositors in our banks to a greater extent than the knowledge that their deposits are safe, no matter what errors of judgment the individual banker may commit. And it will be a confidence born of the knowledge that the deposits are safe, and not merely a feeling that, as the proportion of failing banks is comparatively small, the chances are one in several hundred that any given bank will fail during any one year and that the money deposited in any bank is therefore comparatively safe.

Mr. President, of the two bills before us, the one presented by the Senator from Nebraska [Mr. HITCHCOCK] is, according to my views, far preferable. It provides for Government control of the Federal reserve banks, and I do not believe it to be a safe policy to let them be otherwise controlled. It contains more safeguards against the inflation of the currency in that the reserve required against the currency issued is made higher, and further, in that boards of directors controlled by the Government, and not by the banks, will determine the amount of currency to be issued. It also provides that the Federal reserve banks must redeem this currency in gold, which I believe would also to some extent prove a safeguard against inflation. I do not see why, as is provided in the caucus bill, the Treasury should be required to redeem this currency in gold and the Federal reserve banks be given the option of redeeming it in gold or in other lawful money. I do not see why the burden of securing the gold necessary should be placed on the Treasury, especially as it is apparently the intention to deposit practically all the Government funds in these Federal reserve banks, and it is therefore to be presumed that these banks would sooner or later have as deposits practically all the gold except that held in the Treasury as a reserve fund against gold certificates and against greenbacks. I take it for granted that those responsible for this measure have carefully considered the possibilities resulting from handing over to privately controlled banks and subjecting to private control practically all of the gold used as money, the money on which all of our other money is based. I believe it would be advisable to provide that the Federal reserve banks should pay interest on the reserves that the member banks deposit with them, at least that portion which they are required to so deposit. I do not see any objection to their paying such interest, and as the Federal reserve banks will have the use of this money it would seem no more than just that they should pay for such use. This is only a minor feature, however, and I shall not dwell on this point. The grave dangers in the proposed system, as I view it, con-

sist in the legalizing of a number of privately controlled money trusts, in the possible, even probable, inflation of our currency, and in the fact that such currency may be used to draw gold from the Treasury to such an extent that the Treasury would be forced to sell bonds to replenish its supply.

Mr. BURTON. Mr. President, I can not favor these provisions in the form in which they now appear in either the Hitchcock bill or the Owen bill. In the first place, I differ very materially from my friend the Senator from Mississippi [Mr. WILLIAMS] regarding the effect of this insurance clause. I understand, it is his contention that this paragraph provides for setting aside a limited amount of the surplus earnings of the regional banks with no expectation that such amount would be sufficient to pay in full the loss of depositors. In this regard he differed very materially from the Senators who yesterday supported this proposed insurance plan. The Senator from Kansas [Mr. Bristow] seemed to consider that such a provision would take care of all losses, and the Senator from Minnesota [Mr. NELSON] went even further than that, and said that it would prevent runs upon the banks.

What is the essence of this provision? What would depositors expect from it? I can read it in only one way. expectation would be that all depositors would be secured against loss. Is the Government of the United States to gather an insurance fund against the losses of depositors, and then, when the loss occurs, say, "We will pay you only a part of that loss"? Must the man who comes to the Treasury be confronted with the statement, "This is not an indemnity for you; it is merely a partial provision for your loss"? If it is not the intention of this insurance plan to make good the entire losses of those who suffer from the failure of banks, then this provision is a snare and a delusion.

Mr. NELSON. Why does the Senator assume, Mr. President,

that it is not the intention-

Mr. BURTON. The Senator from Mississippi [Mr. WIL-LIAMS] last evening said, as I understood him, that he did not expect it would amount to a full and ample guaranty of the loss, but would be a sort of solace, holding out an expectation

which might not be fulfilled.

Mr. President, I am opposed to the guaranty of deposits of this nature. Such a plan imposes a regulation on bankers which would be absolutely fatal to success in any and every other line of business. It would ignore and obliterate the difference between those who are worthy to be successful, those who are to be trusted, and those who are not entirely to be trusted and not fully worthy to succeed. In addition, it would violate that cardinal principle of all business operations that authority must accompany responsibility. The substantial banker would have no means or method of supervising the operations of other bankers, and yet he is compelled to stand as guarantor for the dishonest and the blundering.

Mr. HITCHCOCK. Mr. President—
The PRESIDING OFFICER (Mr. MARTIN of Virginia in the chair). Does the Senator from Ohio yield to the Senator from Nebraska?

Mr. BURTON. If the Senator from Nebraska will kindly excuse me until I merely finish this paragraph, I shall yield

Nothing is so fatal in successful business as an indefinite and uncertain risk. Fire and life insurance are successful, but insurance against theft is not. Guaranty against banking loss is more impracticable, because it involves more elements of uncertainty. The variety of mistakes which can be made by a blundering, careless, and incapable banker, who really intends to be honest, is perhaps only exceeded by the variety of ways in which an unscrupulous banker can manipulate the funds intrusted to his care.

Now I shall be glad to yield to the Senator from Nebraska.

Mr. HITCHCOCK. Mr. President, I am not able to recall exactly what language the Senator from Ohio used, but it was to the purport that the safe and conservative banker, under the terms of this bill, would be required to guarantee the deposits of the careless and unwise banker. That is not provided. The provision in either of these bills is similar, although the bill which I have reported is, I think, better, that after the payment of the expense of the member and the reserve banks, after the payment of dividends, after the accumulation each year of a small surplus, the remaining profits, instead of being given to the stockholders, who are not entitled to them, instead of being paid to the Government of the United States, which is already sufficiently recompensed, shall be paid into an insurance fund for the recompense of those depositors of failed banks who would otherwise lose their money.

That is not a tax on the judicious banker; that is not a burden upon the people of the United States. It is simply using some of the surplus profits of depositors, moneys of the reserves that have come into the reserve banks from the former deposits of depositors-it is simply using some of those profits to pay those depositors who, unfortunately, have had their money in banks which for some reason have failed in spite of

the legislation of Congress.

The Senator from Ohio recognizes that this legislation is for the purpose in part of preventing bank failures; it is for the purpose in part of preventing bank runs; it is for the purpose in part of protecting the depositors. I can therefore see no reason why, in carrying out that purpose, the deposits on those rare occasions where a bank fails shall not be made good.

Congress is undertaking in this legislation to protect them; it is compelling the banks in which they deposit to put their reserves in a certain place, to submit to certain regulations, to submit to additional inspections, and when Congress takes this responsibility as to those banks, why can it not justly go further and recompense those depositors in banks that may in spite of this legislation fail?

I know the Senator from Ohio [Mr. Burron] and the Senator from Massachusetts [Mr. Weeks] have argued that depositors should make wise selections of their banks. The Senator from Ohio, as a depositor, is capable of doing so; I am capable of doing so; the other Senators here are capable of doing so; the Members of the House of Representatives are capable of doing so; and so are those people who belong to that class of society that can take a bank statement, read it, and discover for them-selves whether or not a bank is safe. Even then they will make mistakes; even then I may lose my money in a bank; but aside from the class to which I have referred, there are millions of people in the United States, as the Senator from Ohio well knows, who are not capable of discriminating between one bank statement and another. They see a sign upon a building, "First National Bank" or "Dayton State Bank." They know that the Government is permitting that bank to run; they know the Government, either State or National, or both, is inspecting that bank; they know that that bank could not run without Government permission; and in their ignorance, in their inability to understand bank statements, such people, sometimes laborers, sometimes wage earners, sometimes clerks, sometimes widows, without any adequate or sufficient business knowledge, put their money into those banks. Such banks do not often fail, fortunately; but I ask the Senator from Ohio, is it not the duty of the Government, when they do fail, to give some form of protection to those depositors?

It is not simply the depositor who is interested in the matter; the borrower is interested, for every time the depositors in a community become uneasy and line up as they recently lined up in this city before the United States Trust Co. and its branches, the borrowing world is made to suffer. When the depositors raid a bank, that bank must compel the borrowing public to pay in money, and it is not only the borrowing public that is affected, but it is those who work for the business

men who borrow.

All the legitimate banks in the same community are interested, because it is not possible to start a bank uneasiness, it is not possible to have a bank run, either upon a weak bank or upon a strong bank, without worrying the depositors in the other banks and alarming the directors of the sound banks. They are interested also in such legislation as

will do away with the alarm among the depositors

I know it is a familiar argument-and I think the Senator has used it; certainly the Senator from Massachusetts [Mr. Weeks] has used it—that this may be a permission to the rascals and the fools to go into the banking business. But what business has the Government to permit them to do so? It has power to exclude them; it has power to make laws that will render it impossible for banking of that sort. Those laws exist in Massachusetts, they exist in other States, and they can be passed by Congress for national banks and, in the main, they have been passed. It is not for the responsible Government of the Nation or of the States to say to the undiscriminating masses of the American people, "You deposit in banks at your peril." It is the business of the Government to make the banks safe, just as it is the business of the Government to make travel on the railroads safe.

Mr. BURTON. Mr. President, I will say to the Senator from Nebraska that I want to touch on some of the points that he has made. I do not yield to him or to any man in my desire that the rights of the depositors shall be safeguarded, but here you are attempting to do it in the wrong way. One of two things must happen, either you are taking the money of the depositors of that bank to pay or you are imposing a burden

on the Federal Government.

Let us recall the history of this bill. As it came to us from the House it provided that a certain share of the profits above 5 or 6 per cent-I have forgotten which was the rate for dividends—should go to member or deposit banks in proportion to the amount that they deposited. It contained no provision for the insurance of deposits. I think that proposed division of profits was injudicious, and I am glad to say that it has been stricken out in the committee, because in the same bill there would have been a prohibition of interest on deposits, and yet another provision which would virtually amount to interest on deposits, because dividends would be increased in proportion to the balances lodged by member banks in the regional banks.

Now, let us consider this from the standpoint of the Govern-Is it proposed that the Federal Government shall tax itself to pay these depositors? Why, Mr. President, the loss to our people from fraudulent schemes conducted through the mails, estimated at from \$100,000,000 to \$200,000,000 a year, is greater than that of the depositors of our banks. The credulous, those who desire excessive or unusual profits, are attracted by advertisements of high rates of interest on this, that, and the other

scheme which promise to pay an abnormal or unusual return. An official of the Post Office Department told me several years ago that they could estimate with approximate accuracy the amount realized by one of these fraudulent concerns before it was closed down by the officials of the Post Office Department. The general average was from \$25,000 to \$30,000. That fraud. which touches the people of the United States just as much as does the loss of bank deposits, is made possible by the utilization of the agencies of the Government-that is, the postal facilities. If you are logical and the Government is to pay the losses of bank depositors, you should also pass a law that when anyone, either through his credulity or cupidity, seeks to obtain these undue returns upon his investment made through the mails, he also must be paid,

The second point I wish to urge against this general principle is that the inevitable result of making the banks responsible for the losses of others over whom they have no control will be an increase in the rate of interest to borrowers which the bank must charge on loans and a diminished rate of interest which they will pay to the depositors. The cost of insurance of deposits will have to be repaid by borrowers in higher rates of interest or borne by the depositors, who will receive a smaller return. That is the general principle pertaining to this sub-

ject of insurance of deposits;

Moreover, this is a broad, comprehensive provision. its wording it seems to me to apply to the whole United States; to all banks which become members of the new system. Another interpretation has been placed upon it by others to the effect that each district or region is a separate entity and stands by itself; that is, if there are losses in district No. 1, the insurance fund in that district is confined entirely to the payment

of those losses.

Consider, then, what you would include here under this bill. whether it pertains to the whole United States or whether it relates to 4 or 8 or 12 different districts. Different banks would charge different rates of interest on loans and they would allow different rates of interest on deposits. Those who had funds could deposit them in any one of these banks whether at home or in some remote place, whether at a high or low rate of interest, with an equal degree of certainty or security. The inevitable effect would be that capital which belonged to one community would emigrate to others where it did not belong, because through speculation or injudicious investments higher rates of interest were charged to borrowers and promised to lenders.

Mr. NELSON. Mr. President—
The PRESIDING OFFICER (Mr. SHEPPARD in the chair), Does the Senator from Ohio yield to the Senator from Minnesota?

Mr. BURTON. Certainly.'
Mr. NELSON. Why does the Senator assume that the wise men who are so competent to take care of themselves that they can select the good banks a avoid the bad ones will do

Mr. BURTON. It is not a quadion of that; it is a question of absolutely wiping out all distinction between different institutions, making them all equally able to pay depositors, whatever be the character of the men in charge of them, whatever be the quality of the investments which they may make.

Now I wish to pass on to another subject-Mr. NORRIS. Mr. President—

The PRESIDING OFFICER. Doo yield to the Senator from Nebraska? Does the Senator from Ohio

Mr. BURTON. In just a moment; I want to mature this a little more. I am not ready to favor this plan providing for the guaranty of deposits; but I recognize as forcibly as anyone the frightful suffering imposed by the failure of a trusted banking institution. I remember one instance which has always been an object lesson to me. A woman 70 years of age, in the most humble circumstances of life, had been exceedingly thrifty for years and had deposited her money in a certain bank; she had even walked instead of paying street car fare, in order, as she said, to save something for her old age: and when she had reached the age of 70 years a trusted institution, of which men prominent in the community had control, closed its doors. Her all or her little, but to her it was all-was wiped out because the bank had engaged in injudicious speculation.

What is the way to remedy this situation? A number of plans have been suggested for the purpose of giving greater A number of stability to banking. The old English system was to make every stockholder individually liable to the last dollar of his assets for the payment of the debts of the bank in which he

owned stock.

I have seen it stated that when the Glasgow Bank failed so disastrously in 1878 the Queen of England was a stockholder in

that institution, and that she would have been responsible for the payment of the last dollar of the losses of depositors and That regulation, however, has been regarded as too drastic, and not only in England but also in other countries the general tendency has been to limit the liability of the individual, with the idea that unless this is done investors will not put their funds into banking stock.

Mr. GALLINGER. Mr. President—
The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from New Hampshire?

Mr. BURTON. Certainly.

Mr. GALLINGER. I would ask the Senator how he differentiates between depositors in banks and people of moderate means who invest in the stocks of corporations such as railroad corporations, where their earnings are wiped out by mismanagement. The Senator is familiar with the situation in New Eng-At the present time there are thousands and thousands of poor people who purchased stock in railroad corporations when the stock was considered gilt-edged, and by mismanagement of the corporation, or, from some other cause, they have practically lost all they have invested. I for myself in studying this matter somewhat have failed to see why we should particularly protect depositors in national banks and make an assessment upon well-managed banks, or upon the depositors in the well-managed banks, taking some of their funds to pay for the losses that have been sustained in badly managed banks.

Mr. BURTON. Mr. President, I think the principle is the same, although there is a difference in this regard: The bank has unusual prestige in the community and the number of its depositors is very much greater than the number of those who invest in stocks. According to the last statement, the amount of deposits in the savings banks in the United States was \$4,450,000,000, and that great mass of deposits was held by 10,010,000 people. The magnitude of the proposition, the very great number of people concerned, creates a distinction, although

there is no difference in principle.

Another way in which to give greater stability to the banks is by the organization of a branch banking system. I was present at a meeting of the American Bankers' Association in 1902 at New Orleans, in which a banker argued against a branch banking system, and nothing that was said at that gathering elicited quite so much applause as his argument. He maintained that our whole banking system was built up with a view to giving to each individual the opportunity to participate in it, and that the close association between communities, including all their borrowers and those who owned the funds, was an unanswerable argument for the individual system which prevails in this country. Nevertheless, I am far from saying that the time may not come when we shall make a radical change in that regard, so that the policy shall be adopted of great central institutions with branches throughout the country. That is the custom in almost every other country on the globe. The arguments for and against the branch banking system are stated with a remarkable degree of clearness by Mr. Vander-

lip in the hearings before the Banking and Currency Committee.

I read from page 2034 of the Senate hearings:

The whole question of the respective merits of a general branch banking system and the present Democratic principle is a clearly debatable one, with some excellent reasons on each side. The branch system will tend to equalize rates. It will take the funds of a low-interest community into a high-interest community. It tends toward stability. It gives to a new community a sound bank. It gives to the managers of branches experience that would be valuable in a new community, where otherwise a bank might be organized by people without banking experience.

Those are the arguments for it.

The Democratic principle gives a local interest in the bank, gives the management to people who thoroughly understand local conditions and local character, and keeps the money of the community in the community where it originates, which may be good for the particular community, but is not, I would say, for the best good of the whole country if there is a surplus of funds there. Those, I think, are the chief arguments on each side.

There is another way to safeguard the funds of depositors, and that is to provide the strictest regulation for the management of banks. Failures in this country have been due to several well-ascertained causes. One reason is the dishonesty of officials, some of whom have made speculative investments in stocks or securities and have lost, and by reason of their position have been able to cover and indeed to continue their defalcation. Another reason has been the making of injudicious investments by the banks themselves. A bank naturally rises or falls in its prosperity with the community in which it is located. When there is a succession of bad crops, or when the development of the community proves disappointing and its general wealth is diminished or lost, the bank is likely to fail. A third reason, and one which, I think, we should regulate by

legislation, is to be found in making loans to directors or to those who have a controlling influence in the bank with less careful scrutiny than that which is exercised in the business of the institution with the outside public.

I would not make an absolute rule that no director shall borrow of his own bank; but I would make an invariable rule that no loan shall be made by a bank to one of its directors except perhaps by the unanimous vote of all the directors. must have stricter regulation. We probably would stop short of the Chinese rule that the banker who fails shall be beheaded, but we can provide regulations which will not only in a great degree assure the communities but will also add to the safety of banks.

What kind of a guaranty system ought to be worked out? Not a nation-wide system; not one that includes many States, because then you throw into one melting pot bankers good, bad, and indifferent; institutions of large capital and of small capital as well; the honest along with the dishonest. You spread your system over so broad an area that I may almost say it is unjust to all parts. You include bankers who, feeling that the deposits of the bank will be repaid to their depositors whether they manage the bank well or ill, will not renounce speculation, but will be constantly open to the temptations of recklessness and perhaps dishonesty. The proper method is one like that suggested in Kansas, a voluntary arrangement-

Mr. GRONNA. Mr. President—
The PRESIDING OFFICER (Mr. Lewis in the chair). Does the Senator from Ohio yield to the Senator from North Dakota?

Mr. BURTON. Yes; certainly. Mr. GRONNA. Does the Senator from Ohio believe that

could be overcome by rigid, thorough examination?

Mr. BURTON. I think that would go a good way. I do not believe it would entirely accomplish the desired result. Banks will fail once in a while, even with the most rigid examiners.

Mr. GRONNA. I was just about to make the observation that in States where they have a banking board of long experience I believe it is safe to say that there is less failure among State banks, in proportion to the number, than there is in national banks. I believe that is due mainly to a failure to have a thoroughgoing examination of the national banks. As a rule, they are examined only twice or, at the utmost. four times a year.

In our States, for instance, the State banks are examined every month. A most thorough examination is made of ail their paper, their cash, and all their assets, and that report goes to the banking committee. If there is an overdraft, the officers of the bank are immediately notified to make it good.

I believe the objection of the Senator from Ohio can be greatly

overcome by strict supervision.

Mr. BURTON. I think that is true; in fact, I have already said so; but I repeat what I have already stated, that that will

not prevent failures in sporadic cases.

I will continue what I was saying with regard to the quality of men that would go into the business. The very best illustra-tion may be found in the operation of the Oklahoma law. I have before me the report of the bank commissioner of the State of Oklahoma. I have said that if you have a bankguaranty system, the dishonest man, the scoundrel, will be more likely than otherwise to start a bank. To illustrate that I turn, in this book, to the first two banks that failed. Let us see what is stated in this report.

The first is the Bank of Commerce of Geary, Okla. Here are

the comments of the bank commissioner on it:

The president of the above-mentioned bank was indicted in connection with the failure of said institution, and the bank commissioner recovered \$2,500 on his surety bond.

With regard to the second one, the Citizens' Bank of Mountain Park, Okla., the report says:

The banking board took over \$25,690 in notes of the failed bank on which it will not be able to realize anything, as they represented fraudulent transactions of the officers of the bank who have been arrested and are now under bond awaiting trial.

I pick up that book and out of 22 failed banks I find that the first 2 failed because of the dishonesty of the managers-dishonesty so marked that in both cases they are under indict-

Under such a system, without scrutiny, without concert of action among those who are interested in the banks, there is a lack of care and precaution in making deposits, and men enter the business who would not be thought of as bankers under other circumstances.

What is the essential obstacle to any system of guaranty of deposits? The law of the Nation and of the States in the very strongest language provides against combinations or associations. That is our ideal of the manner in which business should be transacted, as expressed in the Sherman antitrust law and

in numerous statutes of nearly all the States.

There is a sacredness ascribed to the law of competition and of independence under our present ideals of corporate management. If, however, you ask one bank to guarantee the de-posits of another, there must be affiliation between them, because otherwise it is entirely unsafe. The same demand which would require them to keep separate and apart, to engage in no combination as to rates of interest or as to borrowing, would logically result in their entire independence of each other.

There is the vital fact about the matter, and there you find the essential objection to the plans for guaranty of deposits which have been propounded in this country. If you allow them, however, to work in unison, if you have special examiners to look after the affairs of each bank in the system, that ob-

jection disappears.

The clearing-house associations of numerous cities in the country now have a system of bank examination which is more adequate, because more intimate, than that of the National Government or of the States. An outcry has been raised before committees of Congress against this plan of examination by clearing houses. I think that is most unjust. There have been occasional instances in which a bank has been told, "You must either reform your practices or get out of the clearing-house system"; but it has been because the bank was not managed in a careful, conservative manner.

I have no objection to a system of guaranty of deposits which is voluntary, under which one bank may join with others and impose certain uniform rules and regulations-uniform rules as to the rate of interest which shall be paid to depositors, uniform rules as to capital and surplus, regulations which maintain a proportion between the capital and the deposits, so that the degree of danger may be kept within defined limits; but that is not in accordance with the prevalent ideas concerning the guaranty of deposits. That idea demands that irrespective of stability, irrespective of honesty or of the risks involved, a law shall be passed which shall join them all together and make each responsible for the delinquencies of any of the rest.

Such a plan as that strikes at the very foundation of wise and just principles of banking. It would hurt depositors and borrowers more than it would benefit those who are so unfortunate as to lose under the present system. It would destroy the necessity for safeguards. It would throw the doors wide open and invite anyone, whatever his standards of honesty might be, to enter the banking business. A man might go to one bank on one side of the street to deposit his money—this is no fanciful case; it would occur every day—the bank would say to him, "We can pay you 3 per cent." A bank just across the way would say, "We can pay you 5 per cent." Why can they pay 5 per cent? Because the funds are put out at high rates of interest in all sorts of speculative enterprises which are sure to be disastrous. Mr. GRONNA. Mr. President-

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from North Dakota?

Mr. BURTON. In just a moment I will yield. Mr. GRONNA. I wanted to ask the Senator from Ohio a question just in that connection.

Mr. BURTON. All right.

Mr. GRONNA. Does the Senator from Ohio believe a banker of that sort would be taken into an association and allowed to

get the benefits of a guaranty?

Mr. BURTON. There are two answers to that suggestion. In the first place, I was speaking of the general idea in regard to a guaranty of deposits, which means there shall be an omnibus provision that everyone who gets into the list of bankers shall stand on an equality as to the security of his deposits. The next answer is that you can not always determine how the directors of a bank are going to manage the institution by an examination made before they start the business. They may be very honest men, they may be very excellent men in other lines of business, but when they undertake the operation of a bank they may prove to be entirely lacking in that kind of ability.

Under any system which is fair, judicious, and workable, it is necessary that there should be a degree of combination which is counter to prevalent ideas concerning the management of business. It involves similar regulations, binding upon them all. It involves a measure of cooperation which probably would affect rates of interest and exclude a certain class of borrowers. If there were a system of guaranty, and a man had gone to bank A, on one side of the street, and had been declined a line of credit, he could not so easily go over to bank B and get his notes discounted as he could without the cooperation necessary to insure stability.

Mr. GRONNA. Mr. President—
The PRESIDING OFFICER. Does the Senator from Ohio further yield to the Senator from North Dakota?

Mr. BURTON. Certainly.
Mr. GRONNA. But if we had a board that insisted upon a strict supervision of the banks, I can not see how it would be possible for a bank even to attempt to pay a rate higher than that paid by its neighbor in the same locality. It is possible to compel every banker in this country to report to the State officials, to the board, the transactions of every day; and, with

this knowledge, I can not see where there would be any danger.

Mr. BURTON. That is exactly what I am contending for, I
will say to the Senator from North Dakota—uniform regulations, uniform rates of interest, a concert of action among them. But has the Senator from North Dakota ever thought that that is in opposition, at least to the spirit if not the letter,

of the laws of some of our States?

Mr. GRONNA. No. Mr. President. I will says that it is a common practice among bankers, I believe I can say, in every State in the Union. They have no agreement as to the amount of interest to be paid; but if I run a bank in a certain locality and the banker across the street from me knows the rate I pay, which he will know, he is not going to pay any more interest than I pay. No bank in that locality is going to pay any more interest than the regular rate that is going.

Mr. BURTON. Ah, but that is not in accordance with the facts. There are different institutions in the same town, if it is one of any considerable size, which do pay different rates of

interest.

Mr. GRONNA. Those instances, I think, are very rare.
Mr. BURTON. Oh, no; they are not rare. They frequently Take, for instance, the rates of interest they charge, one bank charging 5 per cent, another 6, another 7; and suppose a concert of action should be secured as the basis of the guaranty of deposits; would it be quite fair that one bank should guarantee the deposits of another, where they are made at such different rates of interest? On the other hand, if it appears

that they are bound by some agreement among themselves, or by some rule, that they will all charge the same rate of interest, you will be violating the laws of the State.

Mr. BRISTOW. Mr. President—

The PRESIDING OFFICER. Does the Senator from Ohio

yield to the Senator from Kansas?

Mr. BURTON. Yes. Mr. BRISTOW. It is hard for me to understand the objection which the Senator from Ohio has presented. The national banking law now requires that the banks shall submit to examination. The comptroller's office has under its direction a large force of examiners. These examiners visit every bank in the United States once or twice a year and investigate its affairs. The law requires the bank to pay the examiner for such investigation. The same complaint can be made: "Here, I am running a bank along legitimate lines. I am not violating the national banking laws. I have been in this community for This bank of mine has been in operation all that time. It has the finest reputation, and connected with it are the best men in the community. Now, because some other banker may be carrying on some dishonest practices you have established this system and are taxing me." The tax during the year, by the way, probably will be more than the assessments for a guaranty fund would be. "You are taxing me, when I do not need any examination, because some scoundrel in some other bank may be in the business." The two things are exactly in harmony.

Mr. BURTON. Oh, no. That is a matter of administration

absolutely necessary for the management of any banking system. It is provided that there shall be an examination, just as there is an examination for life insurance. That is the com-

parison usually made.

Mr. BRISTOW. Let me ask the Senator why is it necessary to have these examinations?

Mr. BURTON. To prevent bad banking practices, injudicious loans, and so forth.

Mr. BRISTOW. What is the difference if there are bad banking practices? Who is hurt by them?

Mr. BURTON. Why, the stockholders of the community—

everybody

Mr. BRISTOW. Yes; if the bank fails, everybody is hurt. Is not everybody hurt if the bank fails from any other cause than bad banking practices?

Mr. BURTON. I suppose so; yes. Mr. BRISTOW. If it is necessary to maintain a corps of bank examiners in order to prevent bad banking practices which would result in failures and loss to the community, and tax all of the banks in order to detect some scoundrel who might be in

the business, and therefore protect the community from failure, why is it not just as well to establish an association which shall guarantee to the depositors who go into the banks that they

shall not lose their money when they put it in?

Mr. BURTON. I have not opposed an association if it is a voluntary one, though I do not follow the argument of the Sena-tor from Kansas that the expense of providing for examination is logically succeeded by a regulation that one bank shall pay for the losses of another. That is an entirely different proposition. In the first place, there is a great difference in the magnitude of the loss and of the risk. In the next place, one is an examination, which should be uniform and general, in order to make sure that all banks are properly managed and comply with the law, while the other is an insurance against losses suffered by it, which may or may not be due to dis-

Mr. BRISTOW. Is not all insurance based upon the principle that one man must pay for the losses of another? The Senator from Ohio may own a building and carry fire insurance. That building may stand there for 50 years and never burn, and in the meantime he has helped pay for a thousand buildings that have burned. His building may never burn. He is being assessed to pay for the losses of somebody else.

The Senator may be in the mercantile business. He may own a store. Right by the side of him may be another merchant, in the same line of business, in a building of the same character. Under those circumstances the insurance rate is exactly the same. That merchant may burn his store and destroy The Senator would be an honest storekeeper and his goods. would not do such a thing, and possibly a fire would not occur in his store in 50 years; yet he is taxed to pay for the dis-honesty of his neighbor if he is in the mercantile business.

We are applying exactly that principle and no other to the insurance of deposits or the insuring of depositors of the banks.

Mr. BURTON. Mr. President, there are well-established lines of insurance against loss by fire. Those losses are unequal under different circumstances, but you can compute them with a degree of accuracy. That is one thing—insurance against loss by fire-where it is not presumed that anyone will burn down his own premises.

Suppose, however, you extend that to an insurance fund against theft. You then go outside of the legitimate field of insurance, because you enter a domain of uncertainty, and you guarantee against losses which may be caused by the assured You can not compute the losses under any general himself.

Thus we have had well-established lines of insurance limited to life and to fire. It was stated here last night that the principle of life insurance was that there would be an average number of deaths of persons of a certain age, and that all were insured at the same rate, but that overlooks the fact that there is a strict medical examination and, naturally, some inquiry regarding the character and the environment of the man who is

So if you have an insurance of bank deposits, no system is adequate unless there is an opportunity to exercise scrutiny over the character, the prospects, and the stability of a bank before it enters any association in which there is a guaranty.

Mr. BRISTOW. Mr. President—
The PRESIDING OFFICER. Does the Senator from Ohio further yield to the Senator from Kansas?

Mr. BURTON. Certainly. Mr. BRISTOW. The Sens The Senator certainly knows that it never has been proposed that any bank should become a member of an insurance association without a critical examination into its affairs and strict requirements as to its methods of doing

Mr. BURTON. Mr. President, I regret to differ from the Senator from Kansas in that regard. The general proposition has been for insurance on banks as banks. That is the one that gained such vitality in the country five years ago, and

still has very many supporters.

Perhaps I have not made myself clear to the Senator from Kansas. I am not opposing a guaranty association where it is voluntary and where the banks are allowed to act in con-cert along certain lines and subject themselves to uniform regulations with a view to their safety. Such a regulation would do away with the awful consequences which sometimes ensue upon the failure of a bank, whereby every poor man in the community receives a frightful blow.

Mr. BRISTOW. If the Senator will permit me, though I regret to interrupt him as much as I have done—

Mr. BURTON. That is all right.
Mr. BRISTOW. The provisions that I, of course, have in my mind are those of the Kansas law more than any other, because

I am more familiar with that. The provisions of the Kansas law which relate to the insurance of bank deposits are safer than any life insurance risk that can be accepted. I may be examined for life insurance and be accepted, as are practically all men who apply for insurance. I carry life insurance. When I am accepted and the policy is written, the company does not presume to prescribe to me my methods of life. It does not tell me what I can eat or what I can not eat. It does not undertake to say how I shall expose myself to the elements of the weather or how I shall not. I may be careless as to my health. I may stay in the Senate Chamber 13 hours a day.

Mr. BURTON. Under compulsion.
Mr. BRISTOW. If the laws in regard to life insurance were as they are in regard to banks, that could not be permitted, because it is endangering my life and thereby causing the company to run a risk. The policy of the Kansas statute for the insurance of deposits is a safer risk than any life insurance policy that can be written or any proposition that ever has been sub-mitted by any life insurance company. A man can insure his life, and then within a few years he may commit suicide, and still the policy will be paid.

When we hear it argued that this proposition of insuring the deposits in a bank would be reckless and uncertain business methods, to me it is amazing when it comes from a Senator of

great intelligence.

Mr. BURTON. I fear the Senator from Kansas has not heard all that I have said. I have said this plan should be worked out on a line of cooperation, and with certain qualifications I expressed approval of the Kansas act.

Mr. BRISTOW. I am glad indeed that the Senator has taken

that position.

Mr. BURTON. You can not tell how numerous or how severe the losses are going to be until we try it a little longer. I have said is that you have to run against the current of legislation on this subject, which in the strongest terms forbids concert of action between independent establishments, before you can have any safe system for the guaranty of banking de-

Mr. BRISTOW. Without interrupting the Senator further, I desire to state, with his permission, that the Kansas statute has now been in operation almost five years and there are approximately 600 banks in the association. During that period there has been but one failure, and the general methods of the banks who are members of this association in conducting their business are as high, as professional, as free from criticism as any banks that are run or ever have been run in the history of civilization.

Mr. BURTON. I do not mean to contradict what the Senator from Kansas has said. I do not think, however, that even the period he names is quite adequate to sustain or reject the plan. It is to be hoped that, year by year, the scrutiny which the examiners representing the association exercise over each other will be increased, that there will be more careful banking, and that men who are dishonest and unscrupulous will not enter the I trust it will not result in their going across the line business. to a neighboring State, where some of them seem to have entered the banking business and made very bad progress in it.

There is just one more word that I want to say. You can not quite compare the banking business with that of life insurance. Life insurance is based on tables of mortality which have been gathered for 200 years. Take a hundred men of a certain age; they have a well-ascertained probable average of life. Life insurance is granted by companies to individuals based on those calculations. It is certain that a man will die, for death is the common lot of all, and the amount of the policy will be paid. It is only a question as to how much ought to be paid for the insurance.

But in the banking business there are far greater degrees of uncertainty. You may be running through favorable seas for a long while, with no failures at all, when along will come such uncertainty. an event as the panic of 1893 and failures will be very numerous. In the one case you are providing compensation to be paid to the heirs of a man who will die after a certain number of years. In the other case you would be paying a compensation to guard against the loss of depositors, which it is trusted may never have to be paid.

If this plan is to be made successful, it must be restricted to a comparatively small area. I do not believe it is possible for one banking institution to have that intimate knowledge of another outside of the State which is essential for joint action. Whether this bill takes in the whole country or a region, it provides for a much larger area, a greater variety of character and quality, and a wider diversity of operations. Consequently the risk is so great that it can not be safely enacted.

The PRESIDING OFFICER. The question is upon the amendment proposed by the Senator from Nebraska [Mr.

Mr. HITCHCOCK obtained the floor.

VARDAMAN. I suggest the absence of a quorum, Mr.

The PRESIDING OFFICER. The suggestion of the absence of a quorum having been made, there will be a call of the roll. The Secretary called the roll, and the following Senators answered to their names:

Ashurst	du Pont	Myers	Sherman
Bacon	Gallinger	Nelson	Shively
Borah	Gore	Newlands	Simmons
Bradley	Gronna	Norris	Smith, Ariz.
Brady	Hitchcock	O'Gorman	Smith, Ga.
Brandegee	Hollis	Oliver	Smith, Md.
Bristow	Hughes	Overman	Smith, S. C.
Bryan	James	Owen	Stephenson
Burton	Jones	Page	Sterling
Catron	Kenvon	Perkins	Sutherland
Chamberlain	Kern	Pittman	Swanson
Chilton	Lane	Poindexter	Thompson
Clapp	Lea	Pomerene	Tillman
Clark, Wyo.	Lewis	Ransdell	Townsend
Clarke, Ark.	Lippitt	Reed	Vardaman
Colt	McCumber	Robinson	Walsh
Crawford	McLean	Root	Weeks
Cummins	Martin, Va.	Saulsbury	Williams
Dillingham	Martine, N. J.	Sheppard	Works

Mr. REED. I renew the announcement I made this morning that my colleague [Mr. STONE] is confined to his room by an indisposition, which I trust will not be serious. He will be unable to attend the session of the Senate to-day and perhaps to-morrow. I make this announcement for the day.

The PRESIDING OFFICER. There being 76 Senators present, as shown by the roll call, a quorum is present. The Sen-

ator from Nebraska is entitled to the floor.

Mr. HITCHCOCK. Mr. President, the amendment which is before the Senate was offered as a substitute for section 7 of the House bill, but as the Senate has pretty well indicated by its votes heretofore that it proposes to adhere closely to the Owen draft of the pending bill, it has occurred to me that it would be better for me to present this amendment, and probably others, as proposals to amend the draft by Senator Owen, so as to avoid the necessity of going over the matter again.

Therefore, with the consent of the Senate, I will so modify my motion as to move to strike out the last three words on line 22, page 19, and down to and including the word "Treasury," on line 3, page 20, of the Owen draft, and insert the following:

Into a trust fund-

I may say that this is the provision that certain of the surplus earnings shall be used to build up an insurance fund. There is no such provision in the House bill. The draft by Senator Owen provides that the trust fund shall be paid into the Treasury of the United States and administered by the United States to recompense the depositors in national banks. The amendment which I propose to Senator Owen's draft is that the money shall be paid into a trust fund held by the reserve bank and shall be used to recompense the depositors in all member banks. I see no reason why there should be a discrimination against the depositors in State banks that become members of this new system, and it seems to me manifestly-

Mr. WILLIAMS. Mr. President-

The PRESIDING OFFICER. Does the Senator from Ne-

braska yield to the Senator from Mississippi?

Mr. HITCHCOCK. I will yield in a moment. It seems to me manifestly unjust that the earnings of the reserves of all banks belonging to the system-State banks as well as National banks—should be confined to recompense the depositors in National banks and not be extended to depositors of State banks, they being members of the system.

In order to bring the matter properly before the Senate I will send the amendment to the desk to be read, and then yield to

the Senator from Mississippi.

The PRESIDING OFFICER. The Chair wishes definitely to ascertain the policy of the Senate. The amendment formerly proposed to the House text has been withdrawn, the Chair understands.

Mr. HITCHCOCK. It is withdrawn. The PRESIDING OFFICER. The Chair hearing no objection, the amendment will be considered as now withdrawn. The amendment now proposed by the Senator from Nebraska will be read, after which the Senator from Nebraska yields to the Senator from Mississippi.

Mr. HITCHCOCK. I will state that this is an amendment to Senator Owen's draft of the bill.

The PRESIDING OFFICER. The amendment will be read.

The Secretary. Strike out the last three words on line 22, and down to and including the word "Treasury," on line 3, page 20, of the Owen draft, and insert:

Into a trust fund to be held by the reserve bank as the depositors' insurance fund, which shall be used for the payment of the depositors of insolvent member banks in said district under rules and regulations made by the board.

The PRESIDING OFFICER. The Senator from Nebraska now yields to the Senator from Mississippi?

Mr. HITCHCOCK. I yield to the Senator. Mr. WILLIAMS. The Senator from Nebraska has asked, first, why this money should be deposited in the Treasury rather than with the regional bank. That was done because the indemnity fund has always been held in the Treasury, and because the Treasury deals with all the national banks, whereas the reserve board deals with the regional banks. It was thought better to follow the analogy of the old indemnity fund.

The Senator has, furthermore, asked why the Owen amendment dealt only with national banks. If the Senator will follow me a moment, he will see a plain and obvious reason for that. In all insurance ventures of every description the character of the risk is considered. The Federal Government has not only the right of examination, as has the reserve board, over national banks, which right of examination is extended to all member banks under this bill, but the Comptroller of the Currency has certain powers in regard to national banks that can not be vested by us in him with regard to State banks as member banks, even if we wanted to do so.

Now, the risk is the thing to be considered. How far to ascertain the risk and to know the risk and control the risk are to be considered. When the Comptroller of the Currency finds, through the national-bank examiners, that a national bank is in a condition where it is not doing a profitable business, sometimes that it is upon the very verge of failure, he can order it to close and liquidate before it fails; he can order it to take steps to prevent its becoming insolvent, or else he can liquidate it as a failed bank at a time when none of the depositors will suffer and only the stockholders will suffer. That power as to member banks which are not national banks the Comptroller of the Currency has not nor could we give it to him if we wanted to.

If the method of mutual insurance for the protection of depositors is to succeed at all, we must be careful that there shall not be too many failed banks resorting to the fund. very danger of the scheme, and the only way in which it can be controlled is to see to it that the risk is a reasonable one.

As long as we have this national power of supervision, examination, and control of power over national banks the risk is a reasonable one, provided the Comptroller of the Currency does his duty and provided the bank examiners do theirs. Of course that must be presumed. Even if those two things were provided with regard to the member banks, we would have no way of making a bank settle at a time when it still could pay its depositors without throwing the burden upon the insurance

That is the reason why it was confined to national banks. The motion was made to let it apply to all member banks, but after full discussion it was thought wise by us not to do it, and principally for that reason.

Mr. HITCHCOCK. I am glad to know what the reason was. I was unable to see any. As a matter of fact, the Comptroller of the Currency has little to do with the system that we are establishing. It is not to be confined to national banks. It is to take in State banks.

Mr. WILLIAMS. Does the Senator contend that we are repealing by this act a single power of the Comptroller of the Currency with regard to the national banks of the United States, except in so far as this regional system is applied to

member banks?

Mr. HITCHCOCK. No; the Senator misunderstood me in what I said. I implied nothing of that sert. I say the fact that the powers of the Comptroller of the Currency are limited to national banks has nothing to do with this question, because the powers of the Federal board and the jurisdiction of the reserve banks and the extent of this system go far beyond the power and the jurisdiction of the Comptroller of the Currency. We are proposing to take in State banks. We hope to get in 7,000 national banks, and we hope to get in 7,000 State banks. Most of the State banks which will come in are in States where a system of examination already exists, a system in some cases even superior to our national system of examination.

The bill as it has been prepared by the committee as a whole, and by both branches of the committee, provides for a careful power of supervision over State as well as national banks, for the inspection of State as well as national banks. The conditions are imposed upon State as well as national banks. The State banks are contributing probably to as large a degree as the national banks the reserve which will earn the profits to

be used as an insurance fund.

It seems to me to be manifestly an unfair and an unreasonable discrimination to make against the State banks and to make against the depositors in the State banks. I think it would be an obstacle to State banks coming into the system. Certainly it would add something as an inducement to State banks to come into the system if they were to be given, as they should be given, all the privileges and advantages which belong to national banks.

Mr. TOWNSEND. Mr. President—
The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Michigan?

Mr. HITCHCOCK. I do. Mr. TOWNSEND. Does the Senator from Nebraska understand that it is possible, in the discretion of the reserve board, that any national bank shall continue in business, under any conditions, which does not become a member bank of some reserve association?

Mr. HITCHCOCK. Not after a limited time.

Mr. TOWNSEND. Suppose in the meanwhile one of those banks, not a member, should fail; would this fund which had been set aside be used to pay the losses sustained by that

Mr. HITCHCOCK. As a practical proposition I will say to the Senator that the time is so limited that any national bank falling within it would not receive any of the benefits of the insurance fund, because

Mr. TOWNSEND. There would be no fund.
Mr. HITCHCOCK. There would be no time to create a fund.
Mr. TOWNSEND. The bill provides, does it not, that trust companies, in the District of Columbia at least, shall be forced into this reserve association?

Mr. HITCHCOCK. Yes. Mr. TOWNSEND. Suppose it falls; do its depositors receive any benefit from this fund?

Mr. OWEN. Mr. President— Mr. HITCHCOCK. The Senator from Oklahoma can answer

that question better than I.

Mr. OWEN. I had intended to move an amendment to the prior section on page 19 to cover such cases, and I will do it as soon as the amendment of the Senator from Nebraska is disposed of.

Mr. HITCHCOCK. Do I understand that the Senator from Oklahoma opposes extending to State banks the benefits of the

insurance fund?

Mr. OWEN. No; I do not personally oppose it. I rather think it more equitable to permit the State banks to have a part of this insurance. But my associates thought otherwise and they made this provision. I should be perfectly willing to submit that question, as far as I am concerned, to the Senate for its determination, but perhaps I am obliged by the action of my associates to adhere to the present form. I have ex-pressed that opinion, and it is my personal opinion about it, I have exbut I had intended to offer as an amendment or failed member trust company of the District of Columbia," which we did not provide for.

Mr. WILLIAMS. That was intended?
Mr. OWEN. Yes. I do not of course recall the entire argument referred to by the Scnator from Mississippi with regard to it. This fund, which is required under the operation of this system and which goes to the United States in the way of recompense to the United States, first, as a franchise tax, and, second, because the United States is putting into these banks \$200,000,000, and in addition is lending its credit in the form of these reserve notes-the United States really earns these payments which will be made to the United States.

Mr. HITCHCOCK. I agree to that.

Mr. OWEN. I think it is a fair statement to say that the Government earns that money, that it belongs to the Government, and does not in reality belong to the banks, even in an equitable sense. So that was one of the reasons which justified confining it to national banks, and a further reason was that the Comptroller of the Currency deals with insolvent banks, winds them up, appoints receivers, takes charge of their affairs in his bureau, and administers insolvent bank matters; and since the Secretary of the Treasury is his chief, we use the term "Secretary of the Treasury." I thought when the matter went into conference this would be thrashed out more fully, because it is difficult on the floor to work in the verbiage that just exactly right and desirable. I had intended to cover the point suggested by the Senator from Michigan and had pre-

pared an interlineation, which I had intended to ask might be inserted, to provide for failed member trust companies in the District of Columbia, the term "national banks" covering the other institutions in the District, of which the United States

Mr. HITCHCOCK. I am very glad to hear the Senator from Oklahoma say that personally he is in favor of extending these benefits of the insurance of depositors in failed banks to all member banks of the system. I can not conceive how anything else would be either logical or just. To take the earnings that are contributed by all the banks and set them aside for a favored class of these banks is so manifestly illogical and so unjust that it strikes me that not only the Senator from Oklahoma, but other Senators, without regard to any consideration of a caucus that may have passed upon it under a misconcention would concede that it should be remedied if this bill is to be made fair, and if it is to be made attractive to the State banks of the country.

Mr. WILLIAMS. If the Senator will pardon me a mo-

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Mississippi?

Mr. HITCHCOCK. I do.

Mr. OWEN. Will the Senator from Mississippi yield to me

just a moment?

The PRESIDING OFFICER. Does the Senator from Mississippi yield?

Mr. OWEN. I merely want to respond for a moment to the

Senator from Nebraska.

Mr. WILLIAMS. So do I.

Mr. OWEN. I yield to the Senator from Mississippi. Mr. WILLIAMS. Will the Senator from Nebraska tell me what fairness there is in requiring banks that are subject to the control and to the compulsion of liquidation by the Federal Government to submit to losses because of payments made to member banks over which the Federal Government has no such Will the Senator tell me how the Federal Government could force the liquidation of a State bank in the condition of failing or carrying on business in such a bad way as that any man, equipped as a bank examiner is supposed to be, with mathematical and financial knowledge of the ordinary would know must fail after a short while, and in that way must become a burden upon this fund? The Senator surely must agree that the comptroller can prevent that if men do their duty with regard to national banks, and that we can not even give him the power to do it with regard to these other banks which become members of that system. The hardship would be just as great in one case as in the other.

That is not all. I warn the Senator that if this system is ever inaugurated without a sufficient consideration of the risk and a sufficient control of the character of the risk it is doomed

Mr. HITCHCOCK. Mr. President, the Senator from Mississippi is going on the theory that State banks are more likely to fail than are national banks, which is not true.

Mr. WILLIAMS. No; I am not. I am going on the theory that they are equally liable to fail, but that the Comptroller of the Currency can stop the process of failure in regard to a national bank at a time when the depositors may be paid in full, when no draft would be made on this insurance fund, and the only losers would be the stockholders, whereas he can not stop the process at any stage when the process is going on

with regard to a State bank. He has no power to do so.
Mr. HITCHCOCK. Well, Mr. President, the Senator falls into another inconsistency. It is too late for him, at this stage of the game, to raise the question that the State banks taken into this system will not be under the complete control of the Federal Government. The fact is that they are to be taken in, their paper is to be received, the system is to give them credit, and the system is to be interested in their welfare. The reserve bank, when it discounts the paper of a State bank has no more power over that State bank than it has in the matter of insuring its deposits; yet it takes a risk of that State bank, it takes the judgment of that State bank as to commercial paper, it takes the responsibility of the officers of the State bank that made it and accepted it, it takes the liability of the stockholders of the State bank, and it is too late for the Senator now, after we propose to take these State banks into the system on a parity with the national banks, to raise the point that we have not as a national organization full control over the State banks. We know we have not full control over them, but the investigations of the committee indicated that in almost every State of the Union State banks are upon a safe and sound system, and that failures are no more frequent with them than they are with national banks. The inspection in some States is better than the inspection under the national-bank system, and the national-bank system is by no means perfect.

This bill gives to the officers of the reserve bank and it gives to the members of the reserve board a control, to a certain extent, over the member banks; it gives them a right of inspection of the member banks; it gives them the power to require certain reserves of the member banks; it gives them the power to require a certain capital of the member banks; and doing all those things and making the same requirement of the State banks that it makes of the national banks, it is manifestly illogical, unjust, and unreasonable to deny to those State banks and to their depositors the right of participation in this insurance fund.

We have heard a good deal about the safety and the stability of the national banks, and we have been perhaps too prone to figure that there is no danger of the failure of banks except of the State banks, but the record of the national-bank system, excellent as it is, reveals the fact that national banks as well as State banks may fail. I have not here before me the complete record of the national-bank failures. I have it, however, as it appears in the report of the Comptroller of the Currency for the year 1912. Down to the end of the year 1911 the number of national banks in the United States which had failed was 525 since the foundation of the system. These figures show that those 525 banks failed for various causes, causes that could not in many cases have been known to the average depositors in them.

Mr. BORAH. Mr. President—— The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Idaho?

Mr. HITCHCOCK. I do. Mr. BORAH. Has the Senator from Nebraska the figures showing the amount of loss to the depositors by reason of those failures?

Mr. HITCHCOCK. I am not able to put my hand on them, though I looked a short time ago through the report I have here, and I wish to read from it some of the causes which led Twenty national banks failed because of the to these failures. defalcation of officers and fraudulent management; 17 of them failed by reason of the depreciation of securities; 30 of them failed by reason of excessive loans to others, injudicious banking, and depreciation of securities; 31 of them failed by reason of excessive loans to officers and directors and depreciation of securities; 17 of them failed by reason of excessive loans to officers and directors; 12 of them failed by reason of the failure of large debtors; 24 of them failed by fraudulent management; 16 of them failed by fraudulent management, by excessive loans to officers and directors, and by the depreciation of securities; 31 of them failed by reason of fraudulent management and injudicious banking; 29 of them failed by injudicious banking; 66 of them failed by reason of injudicious banking and the depreciation of securities; and 37 of them failed because they were wrecked by their cashiers.

So I might go on through the list showing the details of failures of all of these national banks. These were not all young banks; some of them had been established a good many years. One of them had been established 29 years; one of them was 49 years old; one of them was 27 years old; one of them was 45 years old; one of them was 43 years old. These banks were not all small banks. Here was the Globe National Bank, of Boston, which had a capital of \$1,000,000; here was the Federal National Bank, of Pittsburgh, which only recently failed, which had a capital of \$2,000,000. So I might go on through this list if I were justified in taking up time to show that the national-bank system, excellent as it is, is subject to failure occasionally, just as the State-bank system is subject to failure occasionally. But in this bill we have sought to put the two systems of banks upon a parity, and it certainly is a great mistake to take such action, either in caucus or anywhere else, as will be a discrimination against the State banks of the country and in favor of the national banks and their depositors.

Mr. TOWNSEND. Mr. President, has the Senator from Nebraska finished his statement?

Mr. HITCHCOCK. I have. Mr. TOWNSEND. I wish I wish to ask a question. I am very much in sympathy with the proposition that if we are going to have insurance of bank deposits, certainly all of the banks and the depositors of those banks who contribute to the fund from which the insurance is paid, especially when it is possible that their assets may have been taken by the Federal reserve banks as security, should participate in whatever insurance is granted. But what I wanted to ask—for I could not quite understand what was said on account of the confusion in the Chamber-was

whether the Senator from Oklahoma had said that he was in favor of that measure and would support it possibly if, after conference, the conference agreed to it? Did I understand him correctly on that proposition?

Mr. OWEN. Is the Senator from Michigan speaking to the

Senator from Oklahoma?

Mr. TOWNSEND. Yes, sir. Mr. OWEN. If I understand the question, it was what the action of the Senator from Oklahoma would be. The action of the Senator from Oklahoma on this bill in every instance will be to support the action of the Democratic conference. Does that answer the Senator's question? Mr. TOWNSEND. Very, very clearly.

Mr. OWEN. I am glad of that.

Mr. TOWNSEND. I was hoping that I had understood him to say differently, because I recall that but recently on the floor of the Senate he declared his independence and threatened the two parties in case they failed to fulfill the desire of the people. Assuming that he was speaking for the people a moment ago when he said that a provision of this kind calculated for the benefit of the depositors of all the banks who contributed the money was in the interest of the people, I had hoped that he would stand for that measure now, since, if he will stand for it with other Senators on the other side who are in favor of it, there is no question about its being adopted.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Nebraska [Mr. HITCHCOCK].

Mr. OWEN. In lieu of the amendment offered by the Senator from Nebraska, I move to insert in line 24, on page 19, after the word "banks

Mr. HITCHCOCK. What print?

Mr. OWEN. The print of December 1, 1913, the same print as the Senator is using. On page 19, line 24, after the word "banks," I move to insert the words "or failed member trust companies in the District of Columbia."

Mr. WEEKS. Mr. President— Mr. OWEN. Perhaps the Senator from Nebraska will agree to the amendment as an amendment to his amendment.

Mr. HITCHCOCK. I will accept that as an amendment to mine, and I think it may be included.

Mr. OWEN. On second thought, I think, really I had better not try to offer that as an amendment to the amendment of the Senator from Nebraska. I withdraw the proposed amendment, and I move to lay on the table the amendment of the Senator from Nebraska.

Mr. CLARKE of Arkansas. Mr. President, Lefore that motion is put I want to make a suggestion to the Senator from Oklahoma [Mr. Owen], which might possibly be more properly made

to the Senator from Nebraska [Mr. HITCHCOCK].

I quite agree with the Senator from Nebraska that there should be no distinction in the member banks after they once qualify as member banks. They must make the same contribution to the capital stock and subject themselves to the same inspection and regulation as banks organized under national authority. If they make the same contribution and are subject to the same regulations, there is not any reason why they should not enjoy the same benefits. It is hard for me to understand that the explanation made by the Senator from Mississippi [Mr. Williams] is a satisfactory one. Whilst I am going to abide by the action of my associates on this side of the Chamber, I want to give it as my personal opinion that a case has been made that very strongly appeals to affirmative action on the part of the conference when we come to consider this matter with a view of fixing its final terms.

Mr. OWEN. I think, Mr. President, that this is one of the items which should go to a conference of the Democrats in this

body before final action is taken on this bill.

I do not at all agree with the Senator from Michigan [Mr. TOWNSEND] that the time has yet arrived in the United States when we can absolutely disregard party responsibility and transfer that responsibility to individual Members of this body or of the House of Representatives. I think the time will come in the United States when Senators are elected by the people of the States on their individual attitude before the people, when they will not present themselves as candidates of a party; but when they present themselves as the candidates of a party they get party votes; the party vote elects them to this body, and there is an implied contract between a man who becomes the candidate of a party and the party itself as an organized party attempting to carry on general policies of government. So that, since the party as a body of organized men assumes certain responsibility, and since it can only discharge its responsibility as an organization, representatives of the party must cooperate in an organized body in order to bring that about and discharge the duty which they assumed as a party. In that way individuals become obliged to respect party action, and in that way they submerge to some extent their personal opinions in order to cohere with the body of the opinion of the party with which they are affiliated. That is what has made necessary conferences of the Democrats of the House, conferences of the Republicans of the House, conferences of the Democrats of the Senate, and conferences of the Republicans of the Senate.

It does not at all argue that by participating in such a conference a Senator relinquishes his personal responsibility or his personal views, except to that limited extent which is justified in order to obtain harmonious action among a group of men who in the main agree with each other and who prefer party solidarity in order that they may discharge party responsibility, rather than to set up individual opinion and make party responsibility impossible of performance.

That is a very simple thing. It is well understood by the country, and no sophistry on this floor or any mere twitting of individuals back and forth across this aisle will in the least abate the plain, common-sense truth of the observations which I submit to the Senator from Michigan.

Mr. GALLINGER. Mr. President, will the Senator permit

I vield to the Senator.

Mr. GALLINGER. I want to say to the Senator that, so far as I know, Republican Senators have never had a conference to discuss the provisions of the bill.

Mr. OWEN. Mr. President, that is a very illuminating observation, but I will say to the Senator that, if I understand correctly, the organization of the Republicans in this body during a long period of years have acted with great party solidarity. and even on this bill they have not budged a hairbreadth from party solidarity, but have voted to a man upon every proposition brought up.

Mr. GALLINGER. The Senator's remark goes beyond being illuminating-it is offensive.

Mr. OWEN. Well, I withdraw my remark, if it is offensive to the Senator.

Mr. GALLINGER. I will say again, Mr. President, that the Republicans have never had a caucus in 22 years where they undertook to bind Senators to act as a unit or undertook to control in any way the vote of any Member.

Mr. OWEN. Then, it is obvious that a caucus has not been necessary, because the members of the Republican Party have acted with great unanimity and have seemingly acted as if there were a complete understanding among them. I am not informed as to their caucus action, and I do not know anything about that. I merely assumed that that was the case because of what I had observed in the voting, and since "actions speak louder than words," it is obvious that no caucus is necessary on the other side of the Chamber.

Mr. TOWNSEND. Mr. President, the Senator from Oklahoma suggests that the time will come when party action will not be binding, because Senators will be elected by the people. should like to ask him if he is in sympathy with the caucus action on this and other bills in the House of Representatives?

Mr. OWEN. Mr. President, I do not feel that I am called upon to be catechized by the Senator from Michigan on such a

Mr. TOWNSEND. The Members of the House of Representatives are, of course, elected by the people. But I want to ask the Senator another question, because he did not quite finish the answer to the question which I asked him a little while ago. I understand him to say that he is in favor of the proposition suggested by the Senator from Nebraska?

Mr. OWEN. Mr. President, in answer to the question the Senator asks, I will say that I am not in favor of the arguments made by the Senator from Nebraska. I expressed the opinion that extending this privilege to member banks might be a better policy. You may look at that in two ways. If it reit is, it would have a tendency to make State banks, which desired the benefit of this provision, become national banks, and would strengthen the national-bank system. Another thing is that leaving it as it is would give the national banks some slight additional advantage, which they ought to have in order to put them more nearly upon a parity of advantage with the State banks, because the State banks have some privileges which the national banks do not have. It is for that reason that there are 18,000 State banks and only 7,000 national banks. It is because the State banking system, being somewhat more liberal, has attracted a larger number of groups of men who have organized individual banks; and the question has arisen whether it would not be wise to give the national banks some additional advantages in their competition with the State banking system.

This is one of the slight advantages which was given, and it was not thought inequitable to give the advantage to the national banks, because this fund rightfully belongs to the United States and because the United States, having supervision of the national banking system and having charge of insolvent banks. can administer their affairs under the existing law, while they can not administer the affairs of the State banks, and there would arise confusion in the administration. But, because of my own liberality of sentiment toward the State banks, believing that they have just as valuable a function to perform as have the national banks, I was willing to have this fund distributed to them, and let it be distributed to them through the officers of the States, which would have to be the method of administration. I also thought that that question would arise in conference and might be worked out, for obviously the language of the provision as it is now is very brief; it is not worked out fully, but only lays down a principle.

I have expressed my own opinion with regard to it very frankly and very freely; and Senators have made the most of it by attempting to put me in the attitude of being under slavish servility to the Democratic conference. has been made, thinking it would embarrass the Senator from Oklahoma. It does not embarrass him in the least. He is perfectly willing to lay aside his opinion upon a matter of this kind, which delicately hinges upon one policy or the other. and to yield to the wishes of his party colleagues, and he does so without feeling that he has sacrificed his opinion or any of his rights. He is exercising his rights in the best possible form by cooperating with his party colleagues. This is a matter which I think ought to be further considered by the Democratic conference before final action is taken upon this bill, and, as we will have a conference at 6 o'clock p. m., I think we may

Mr. TOWNSEND. I think, after his long explanation, I understand where the Senator stands. I wish to state now that I have no disposition to embarrass the Senator from Oklahoma, but I did want to call attention to the condition which confronts us. I did want the country to understand-I do not know that the country cares anything about it or will know anything about it-but I should like to have it understood under exactly what conditions we are legislating. If I understand the Senator from Oklahoma correctly, if left alone he would support the principles embodied in the amendment just offered by the Senator from Nebraska. He has given much attention and study

Mr. OWEN. That is not-

Mr. TOWNSEND. Just let me finish now. He has given much study and attention to this bill and understands it. I think he understands it very well. He knows, in my judgment. that this is a just proposition and that it involves no party It can not be construed as embodying a party principle. He also knows that if that measure were submitted to the vote of the Senate without regard to caucus action it would carry. He could help to perfect the amendment if it does not suit him, but he would carry out that principle and engraft the idea on this bill; yet he practically admits that if a majority, a bare majority, of the majority in caucus assembled shall decide that that provision shall not go into the bill, then he will not vote for it, will not press it upon the Senate. would seem to me that after making the declarations he has made on this floor he would be the very first to take the lead in putting into this bill a provision which he admits would make it better.

Mr. OWEN. Mr. President, I understand the Senator's attltude perfectly well. It needs no diagram to explain it to the Senator from Oklahoma; but the Senator from Michigan also fails to comprehend the scope of what he himself did say, nor did he permit me to interrupt him to show him that he did not know what he was saying when he charged the Senator from Oklahoma, even in that minute particular, with some inconsistency of conduct, because the proposition of the Senator from Nebraska involves other considerations to which I am strongly opposed and to which the Senator from Michigan pays no attention and does not perceive.

The PRESIDING OFFICER (Mr. BRANDEGEE in the chair). The question is on the amendment of the Senator from Ne-

Mr. HITCHCOCK. I ask for the yeas and nays.

The PRESIDING OFFICER. As the Chair understands, the
Senator from Oklahoma [Mr. Owen] has moved to lay the amendment on the table.

Mr. OWEN. I have moved to lay the amendment of the Senator from Nebraska on the table.

The PRESIDING OFFICER. The Chair understood that the

motion was withheld and that debate has ensued. The question

is on the motion of the Senator from Oklahoma [Mr. Owen] to lay the amendment of the Senator from Nebraska [Mr. HITCHCOCK] on the table.

Mr. ASHURST. May I not ask that the amendment be again stated?

The PRESIDING OFFICER. Without objection, the Chair will ask the Secretary to state the amendment, inasmuch as there was some confusion as to where it should go in.

The Secretary. The pending amendment of the Senator from Nebraska is offered to the pending amendment of the Senator Nebraska is offered to the pending amendment of the Senator from Oklahoma as it appears in the print of December 1, 1913. It is to the part that is proposed to be inserted by the Senator from Oklahoma, and is found on page 19 of that print, line 22. After the word "paid," it is proposed to strike out all of the bill down to and including the words "Secretary of the Treasury," on lines 2 and 3, page 20. The amendment of the Senator from Oklahoma reads-

As a franchise tax, and 50 per cent shall be paid-

After the word "paid," in lieu of the words stricken out, it is proposed to insert-

into a trust fund to be held by the reserve bank as the depositors' insurance fund, which shall be used for the payment of the depositors of insolvent member banks in said district, under rules and regulations made by the board.

Mr. SHAFROTH. Mr. President, inasmuch as we are about to take a vote, and it takes considerable time for Members to come from the Senate Office Building-

Mr. GALLINGER. The matter is not debatable, Mr. President.

Mr. SHAFROTH (continuing). To the Senate Chamber, I

The PRESIDING OFFICER. The Senator from Colorado suggests the absence of a quorum.

The Secretary will call the roll. The Secretary called the roll, and the following Senators an-

swered to their names:

Gallinger Goff Gore Gronna Hitchcock Hollis Ashurst Bacon Bankhead Simmons Newlands Norris O'Gorman Simmons
Smith, Ariz.
Smith, Md.
Smith, Mich.
Smith, S. C.
Smoot
Stephenson
Sterling Bankhead Brady Brandegee Bristow Bryan Burton Catron Chilton Overman Owen Page Perkins Pittman Hughes James Johnson Jones Sterling Sutherland Swanson Poindexter Ransdell Reed Robinson Jones
Kenyon
Lane
Lea
Lippitt
McCumber
McLean
Martin, Va.
Martine, N. J.
Wyers Chilton Thompson Tillman Clapp Clark, Wyo. Clarke, Ark. Tillman Townsend Vardaman Walsh Warren Weeks Williams Works Root Saulsbury Shafroth Sheppard Colt Crawford Cummins Dillingham Sherman

du Pont Myers Shively Works
Mr. BRISTOW. I desire to state that the senior Senator
from Wisconsin [Mr. La Follette] has been detained from the Chamber.

Champer.

The VICE PRESIDENT. Seventy-six Senators have answered to the roll call. There is a quorum present. The Senator from Nebraska [Mr. Hirchcock] has called for the yeas and nays on the motion to lay on the table.

The yeas and nays were ordered.

Mr. OWEN. Before the roll is called I should like to have

the question stated to the Senate.

The VICE PRESIDENT. The question is on the motion of the Senator from Oklahoma [Mr. Owen] to lay upon the table the amendment proposed by the Senator from Nebraska [Mr.

the amendment proposed by the Senator from Nedraska [Mr. Hitchcock]. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. CHILTON (when his name was called). I have a pair with the junior Senator from Maryland [Mr. Jackson]. If he were present, I would vote "yea" and he would vote "nay."

Owing to his absence, I withhold my vote.

Mr. DU PONT (when his name was called). I have a general pair with the senior Senator from Texas [Mr. Culberson] and therefore withhold my vote. If he were present, I should

Mr. SMITH of Georgia (after having voted in the affirmative). I have a pair with the senior Senator from Massachusetts [Mr. Lodge] and therefore withdraw my vote.

Mr. STERLING (when his name was called). I announce my pair with the senior Senator from Louisana [Mr. Thornton]. If I were to vote, I should vote "nay."

The roll call was concluded.

Mr. BRISTOW. I desire to state that the senior Senator from Wisconsin [Mr. La Follette] is unavoidably detained from the Chamber. If he were present, he would vote "nay."

Mr. GALLINGER. I am requested to announce a pair between the junior Senator from Maine [Mr. Burleigh] and the

senior Senator from Colorado [Mr. THOMAS].

Mr. CLARK of Wyoming (after having voted in the negative), I inquire whether the senior Senator from Missouri [Mr. Stone] has voted?

The VICE PRESIDENT. He has not. Mr. CLARK of Wyoming. Having a general pair with that

Senator, I withdraw my vote.

Mr. WILLIAMS. Upon the roll call I voted "yea." Learning of the absence of the senior Senator from Pennsylvania [Mr. Penrose], with whom I have a pair, I wish to withdraw my vote.

Mr. SMITH of Arizona. I have a pair with the senior Senator from New Mexico [Mr. Fall]. I transfer that pair to the senior Senator from Maryland [Mr. SMITH] and will vote. I vote "yea."

Mr. REED. I repeat the announcement I made with reference to the enforced absence of my colleague [Mr. Stone]. If he were present, he would vote "yea." In his absence he is paired with the senior Senator from Wyoming [Mr. CLARK].

Mr. BANKHEAD (after having voted in the affirmative). have a pair with the junior Senator from West Virginia [Mr. Goff], and he is absent from the Chamber. I therefore desire to withdraw my vote.

Mr. SHAFROTH. I wish to announce that my colleague [Mr. THOMAS I is necessarily absent from the Senate to-day. If he were present, he would vote "yea." He is paired with the junior Senator from Maine [Mr. Burleigh].

Mr. CHILTON. I have made an arrangement with the senior Senator from Wyoming [Mr. CLARK] by which we may transfer our pairs, and both of us may vote. I have a pair with the junior Senator from Maryland [Mr. Jackson], who is absent; and the Senator from Wyoming has a pair with the senior Senator from Wyoming has a pair with the senior Senator from Wyoming has a pair with the senior Senator from Wyoming has a pair with the senior Senator from Wyoming has a pair with the senior Senator from Wyoming has a pair with the senior Senator from Wyoming has a pair with the senior Senator from Wyoming has a pair with the senior Senator from Wyoming has a pair with the senior Senator from Wyoming has a pair with the senior Senator from Wyoming has a pair with the senior senator from Wyoming has a pair with t ator from Missouri [Mr. Stone], who is absent. With that arrangement, with the transfer of pairs, he and I may vote. I vote "yea."

Mr. CLARK of Wyoming. I vote "nay."

The result was announced-yeas 41, nays 37, as follows:

YEAS-41.

Ashurst Bacon Johnson Simmons Smith. Ariz. Smith, S. C. Johnson Kern Lane Lea Lewis Martin, Va. Marrine, N. J. Myers Newlands O'Gorman Pittman Pomerene Ransdell Bryan Chamberlain Swanson Thompson Tillman Chilton Reed Robinson Saulsbury Shafroth Clarke, Ark. Fletcher ardaman Gore Hollis Hughes Walsh Sheppard Shields Overman James Shively NAYS-37.

McLean Nelson Norris Oliver Page Perkins Poindexter Crawford Cummins Dillingham Gallinger Bradley Brady Brandegee Bristow Burton Hitchcock Catron Jones Kenyon Clapp Clark, Wyo. Colt Root Lippitt McCumber

Sherman Smith, Mich.

Smoot

Works

Thornton Williams

Stephenson Sutherland Townsend Warren

NOT VOTING-17. Bankbead Burleigh Culberson du Pont Fall Goff Smith, Ga. Smith, Md. Jackson La Follette Sterling

Lodge Penrose Stone Thomas

So the motion to lay Mr. HITCHCOCK's amendment on the table was agreed to.

Mr. HITCHCOCK. I am glad, now that Senators have voted on this amendment, that they are going to refer it to the Democratic caucus. I have another matter here which I shall present to the Senate in the hope that it also will be taken up by the caucus at 6 o'clock.

On page 42 of the draft of the bill reported by Mr. Owen, I offer an amendment to section 13 or 14, as the case may be. I send the amendment to the desk.

The VICE PRESIDENT. To what section of the bill is the amendment proposed?

Mr. HITCHCOCK. The section is given as both 13 and 14. It starts on page 41. The amendment is on page 42, beginning in section 13.

The VICE PRESIDENT. Of what print?

Mr. HITCHCOCK. The print of December 1.
The VICE PRESIDENT. The Chair will state that the Secretary is unable to find where the amendment is proposed to be made.

Mr. HITCHCOCK. Has the Secretary the print of Decem-

The VICE PRESIDENT. He has,

The Secretary. It is proposed to strike out "90 days" and

One hundred and eighty days: Provided, however, That not more than 50 per cent of the paper discounted for any member bank shall have a maturity exceeding 90 days, and in no case shall any member bank have more than \$200,000 of rediscounts having a maturity longer than 90 days.

Mr. HITCHCOCK. Mr. President, as the bill came from the House and as it has been presented by the Senator from Oklahoma, it strictly limited the right of discount to paper having a maturity of not over 90 days. The testimony before our committee showed that there are thousands of banks in the United States, both national banks and State banks, particularly in the Southern States—in North Carolina, South Carolina, Florida, Georgia, Arkansas, Nebraska, Kansas, and, in short, in all of the Middle and Western States-for the most part small banks in agricultural regions, which loan their money almost exclusively upon six months' paper. Much of that paper is as legitimate a subject for banking business as the 30, 60, and 90 day paper of banks in the large cities.

When a merchant borrows money upon his note for 60 or 90 days, he does so in payment for goods. As those goods are sold, he receives the money with which he liquidates his obligations. It is the self-liquidating character of paper which makes it prime commercial paper. In the regions of the East, devoted largely to mercantile enterprises and manufacturing, that paper rarely has a maturity greater than 90 days; and therefore the banks that come into the system from the Eastern States will be amply accommodated if permitted to use 90-day

If, however, you take the paper of banks in the South and West, you find an entirely different condition if you go outside of the cities. You find banks which lend money to men engaged in the stock business, or in the grain business, or in some agricultural process which involves the borrowing of money, not for 30, 60, or 90 days, but for 6 months, and yet that paper is just as legitimate for its purpose as the manufacturing and commercial paper of the East.

Take the man who borrows a reasonable amount of money when he enters upon a season of feeding and fattening cattle. He borrows it for six months. He borrows it in part to make a payment upon the cattle or to buy feed for them for the winter. When the season is over and the cattle go to market his paper is liquidated just as automatically and just as certainly as the paper running for 60 days issued by the mer-

thants and manufacturers of the East.

The fact of the matter is that if you are to invite the western and southern banks into this system, you must give them an opportunity to use the legitimate commercial paper they take from their customers. If you do not do it, they will not enter your system. If you force some of them that are national banks to come in by reason of the power of Congress over national banks, and then deny them the right to use the paper of their neighborhood-the accustomed commercial paper of the region in which they do business-you perpetrate a monstrous outrage upon them.

One of the reasons for the unpopularity of this bill in the West as it came from the House of Representatives, and one of the reasons for its abhorrence by the bankers of the South, was that it proposed to take a large part of their capital and to impound their reserves and then to refuse to accept the

paper in which they dealt.

Mr. President, this seems to me a self-evident proposition. We have had before us some academic theorists who have argued that this six-months' paper was not the proper basis for currency, and they have pointed to the experience of Europe to show that paper there, when discounted at the great banks, has an average maturity of, perhaps, only 30 days; but a very large part of these discounts will be made by the reserve banks for their member banks, not by issuing currency to those banks, but by using the capital and the reserves which those banks themselves have provided. This reserve system ought not to mean, under proper limitations, an inflation of the currency to any extent. It ought to mean only a mobilization of the reserves and their efficient use for discounting the paper of member banks.

Mr. TOWNSEND. Mr. President, may I ask the Senator a question?

Mr. HITCHCOCK. Certainly.

Mr. TOWNSEND. Suppose a bank had some six-months paper, but it had run three months: Could not that paper be used under the provisions of the Owen bill?

Mr. HITCHCOCK. Yes; it could.

Mr. TOWNSEND. After the paper had run a portion of its

Mr. HITCHCOCK. It could; that is true. But, Mr. President, the testimony before the committee shows that when the demand came upon banks for loans in Western and Southern States it all came at the same time, and that testimony shows that the banks were not able to meet it; and it was then, at the very inception of the business, that they often found necessity for securing rediscounts. They are securing these rediscounts now. The banks in my own town rediscount six-months paper for their country customers. The banks do it in Kansas City; they do it in all the great centers of the country.

Six-months paper is a legitimate subject of discount when it

comes from banks, when the six-months paper is in a legitimate line of business, and to provide a limitation of 90 days simply means that you will bar these banks from the legitimate benefits of this new system; that you will render it difficult for men in the South and the West to secure their discounts and their loans when they need them; that you will force the country banks in those districts still to depend upon the big city banks of the country, that will not discriminate against six-months paper; that you will start your system crippled at the outset, without the membership or the adherence of these country banks

in the West and the South.

Of course I know from what the Senator from Oklahoma has said that even if he were convinced that this is a desirable amendment he still is not at liberty to vote for it until the caucus gives him permission, but I do hope that when the caucus meets at 6 o'clock to-night it will take into consideration the thousands of State and National banks in the West and South that are doing a legitimate business and are entitled to have their legitimate business recognized as a part of the business of

the new system.

Mr. CRAWFORD. Mr. President, we are now dealing with a provision of the bill in which the smaller banks, known as the country banks, have a very keen and lively interest. small banks scattered through the West and through the South in the smaller towns of the country, with capital running from \$25,000 to \$100,000, loaning their money to the stock raiser and the farmer and the small retail merchant, are not in the swift-moving currents that were in immediate contemplation by the framers of this bill. Their business is distinctively a business of a small character and is confined to small operations. It is apparent from the beginning of this bill to the end that it was not drawn with their interest in view except as that interest was a mere incident.

The main purpose for which this bill was framed was to meet a larger situation than the environment of these small country banks, who are being coerced in this bill against their will and against their protest to round out a system the main purpose of which is to accommodate big banks, great financial interests

in great centers.

While I make that charge, and make it earnestly and with emphasis, I admit that two of the main purposes of the large banking interests, who are primarily back of this bill, are good purposes. I am willing to go far enough to admit that there may be an element of patriotism back of the motive of the representatives of the large financial interests that started the propaganda and built up the sentiment for this legislation; that that we might have a law which would place the reserves of the banks of the country in a centralized reservoir, so that the combined weight of that power could be brought to bear on short notice to help weak spots in time of stress. That is a good purpose. Also that a method might be established under the framework of this bill whereby the assets of banks that are liquid in form may be brought forward and made the basis for emergency currency, to be issued for relief to a locality needing it in time of stress

But the big banks and the interests that need that relief are large enterprises and great financial concerns of concentrated power, such as we find in New York City and in Chicago and

other great centers.

Now, I want to be heard here, and I insist that Senators shall give some attention to the interests of these smaller banking concerns. Is legislation always to be framed here from the standpoint of the men who are sitting in the counting houses and directly interested in the great structure that depends for its foundations upon smaller communities and producers, without giving any ear whatever to their complaints and their reasonable demands? It would seem so from the way this legislation is framed. When it comes to the importing merchant in New York or elsewhere who wants to get money upon an acceptance which does not mature until six months, a member bank can take his paper over to the reserve bank and deposit it and can get a credit or get currency for it. when it comes to a little country bank out in my State which

has farmer's paper that runs for six months, taken in a transaction where cattle were bought or where some local transaction occurred in a farming community, liquid paper just as good as this paper of the importer, and a country bank in time of stress wants to get a credit in a reserve bank or to get some of these notes upon this collateral, it is told, "No; you can not have it, because the paper presented matures in more than 90 days."

Now, I want to ask upon what basis of justice or equity or right is this discrimination made against these small banks? Are they not just as good and just as deserving of recognition and accommodation in time of stress as the banks that are dealing in acceptances in New York or in Chicago and in paper connected with the importation or exportation of goods and which matures after six months? What reason is there for this dis-

crimination against us?

You say their paper is not liquid. Their commercial paper, the term of which matures in six months, is paid upon the sale of a commodity from the farm, and it is of exactly the same character, when you consider the payment of it out of consumption, as the paper that we call prime commercial paper, maturing in 60 days and 90 days, which the great banks are handling in amounts running up into millions of dollars, and which they can take from their portfolio and go to these reserve banks and get accommodation upon. This paper is of the same character. Yet this paper is not recognized if the term of its maturity runs beyond 90 days.

Upon what ground is this discrimination made against these country banks? It is not likely that they, except in times of stress like that in 1907, will want accommodations from these reserve banks. As a rule they tell me they will have little occasion to go to these reserve banks for favors of this kind, because they are not in the habit of rediscounting their paper.

When John Brown or John Smith or John Jones gives his note to one of these country national banks for \$1.000 or \$1,500 or \$2,000, due in six months or in one year, renewed from time to time, and keeps his interest paid upon it, his note is kept right there where he left it. They do not go and rediscount it and hawk it around or send it to Minneapolis or to Sloux City or Chicago. It is there, and he goes there and pays it. That is the rule. If these banks need a loan, if they need a little money, they have correspondents in these reserve cities who are glad to extend favors to them.

But in time of stress, when the pinch comes, when unusual circumstances exist, when credit is weakened, then you expect this law to do some good. That is the principal reason it is being proposed. It is being enacted to be of some use to the people in a time like that, and when that time comes you have provided for your large banker and the banking institutions in the cities, in the financial centers, but where are you leaving

these small country banks?

Right where they are now, practically, except that you are forcing them to furnish capital for this system against their Then you are discriminating against them in regard to the class of paper which they will want to take over to one of these reserve banks and get accommodation on. It is no idle complaint that comes from these country banks. They began protesting against this discrimination the first time they had an opportunity to examine the bill. They have been protesting

against it ever since. The other day my colleague Mr. STERLING put letter after letter into the RECORD from bankers in the State which we have the honor to represent in which that was their principal objection. They are not to have any benefit. This bill denies to them the benefit which those who favor the legislation maintain is its principal purpose; that is, to have a system that will readily extend relief to the banks of the country at a time when relief is imperative. That is the very time and the only time these people will want to use these banks. And when that time comes you have so restricted the class of paper that shall be recognized that they will be denied any benefit from it. I pro-

test against this as unjust.

Mr. President, I have not talked very much upon this bill; it is probably entirely futile to do it; but I want to call attention to the provision upon this point which is in the Hitchcock draft. It contains an amendment in which I was especially interested in the committee, because it touches most directly and closely the interests of the banks of the State I have the honor in part to represent. You will find the amendment proposed in the Hitchcock draft on pages 40 and 41, in that part dealing with the class of paper that may be recognized for discount. The Hitchcock draft says:

Notes and bills admitted to discount under the terms of this paragraph must have a maturity at the time of discount of not more than 180 days.

That is six-months' paper. Now, to prevent their being loaded down with six-months' paper here is the limitation:

Provided, however, That not more than 50 per cent of the paper discounted for any member bank shall have a maturity exceeding 90 days and in no case shall any member bank have more than \$200,000 of rediscounts having a maturity longer than 90 days.

Mr. President, the banks who have been laboring to build up this system are banks which will go daily to the reserve bank and present for discount paper amounting to millions and That class of banks will have no occasionmillions of dollars. and that appeared from the testimony of a great banker before the committee-to present for discount paper running longer than 90 days, but these small banks who must have the privilege of presenting this kind of paper or be denied any direct benefit from this new scheme, ask that as to them they shall have the privilege to rediscount paper having six months maturity, the accommodation not to exceed \$200,000.

It would not be unsafe with a limitation of that kind in it. There can not be any possible danger of the reserve bank being loaded down with paper having six months' maturity. Two hundred thousand dollars is the limit for any bank. One of these little country banks asks for accommodation upon a paper maturing not longer than six months to an amount not exceeding \$200,000 and is treated here with indifference and

almost with contempt.

I am justified in saying that the request for this amendment is treated with both indifference and contempt because it comes from banks which are in small towns in the country and which are regarded as not of great importance, and this is a system built for large banking institutions who are to enjoy its benefits exclusively. Will this amendment hurt anybody? It will help the small banks in time of stress if stress comes. Will it injure the system to give these small country banks the privilege of presenting and having rediscounted commercial paper maturing in six months, with a limitation that no bank shall have more than \$200,000? It will not. But the request is not to be recognized. The claim for an amendment of that kind is not even to receive upon the floor of the Senate respectful consideration,

How have the great bankers of the country made their money? One of the gentlemen who appeared before the committee told about sending a man out through the West, just as commercial travelers go from one town to another drumming up trade. The representative of this great bank went out through the West from one town to another soliciting these country banks to keep their balances with it, to keep their reserves there, Those reserves make the capital which is loaned by that great

The same is the case in New York. I read the history of one of these banks—the First National Bank, as I remember it. It started in the later sixties with a capital of half a million dollars, but it was loaning money deposited by these country banks from all over the United States.

A few years since it had \$10,000,000 in surplus, with which it organized a trust company. A short time afterwards it divided up \$10,000,000 more, and when the president of it was asked, when before the Pujo committee, what its shares were worth, he said he could not put a price on them. When he was pressed to name some value for that stock, be finally said \$2,000 per share. I am not making any accusation against the officers of that bank. This money sense is a wonderful gift. That is a manifestation of genius when a bank can start in with a half million dollars of capital and pile up profits like these in legitimate banking business in the United States.

The banks in reserve centers have done this business with deposits left with them by the country banks; they hold them to-day from the small country banks of North Dakota, South Dakota, Kansas, Nebraska, and all through the West. seems that these country banks are not entitled to any consideration here. Accommodations to them in rediscounts are not given any attention whatever. They are the banks which have been furnishing the deposits whose balances have been used in these great transactions which have brought such enormous returns to the big banks which have so prospered under this prectice of pyramiding reserves and all that sort of thing; big banks which are to be accommodated here in a new system which is said openly upon the floor of the Senate to be intended not as a bank to deal with the people of the United States, but as a bank for banks, owned by banks, controlled by banks, limited to banks.

They want the little fish in the net. It is the small banks that have made profits for the large banks by the use of their balances and the reserves left with them, which they want to hold in here. So they put into this bill a provision compelling them to come in over their protest, requiring them to contribute

to this capital. Over 3,000 small banks, in the 7,500 national banks which are to be brought into this system, are compelled to come in and compelled to take the stock, the public being excluded and the benefits being given to big banks, and the little banks forced to take it. And when they ask the privilege of having their paper maturing in six months recognized at the counter of one of these reserve banks in a time of panic, when they may be unable to realize, as they can do in normal conditions, upon this paper, when they need the funds to pay depositors, to keep their doors open, to maintain their credit, when they are facing a dire necessity, when they are facing a situation which may destroy the accumulations of a lifetime in those little communities, when they want accommodation at the reserve bank and come with the paper of the cattleman, of the farmer, and of the merchant—a security the value of which and the quality of which no one questions, except that it maand the quality of which no one questions, except that it matures in more than 90 days, but within 6 months—they are turned away; they are not recognized.

Mr. HITCHCOCK. Mr. President—
The PRESIDING OFFICER (Mr. POMERENE in the chair).

Does the Senator from South Dakota yield to the Senator from Nebraska?

Mr. CRAWFORD. I do. Mr. HITCHCOCK. I want to call the attention of the Senator also to the fact that this discrimination against these banks does not stop there. It is a discrimination against the whole country in which the banks do business and is a handicap on the people.

Mr. CRAWFORD. Certainly. Where the accommodation is denied the First National Bank of Huron, the town in which I live, it is denied as a necessary sequence to all the people in that community who have their funds in that bank and who have been doing business with and depending upon it for credit and for accommodation for many years. You may flatter yourselves on the other side of the Chamber

that you can stand up with supercilious air, with a sneer, and meet this complaint in jocular fashion with quips and quirks, but I want to say to you, do not be too vain and self-satisfied; there is a great jury outside of the city of Washington which finally passes upon these matters, and the intoxication that comes with the exercise of power often indicates the beginning of the end.

This request is reasonable and fair and just, yet it is dismissed because the conference has not seen fit to recognize it. I know what I am talking about; I am not an expert banker; I do not claim to have given profound study to all of the technical intricacies of our financial system; but I know one thing, and so does every man with a grain of common sense, and that is that these people-I am acquainted with them; I mingle with them; they are my neighbors; I have lived with them all my life—say to me, "We protest against being required to take stock in this bank when, after we have paid our money and got our shares, you are putting restrictions around its transactions, so that when we, in a time of stress, need help from it we can not get it." I say it is unfair, unjust, and so do you, and so does every other fair-minded man say it is unfair and unjust.

It is said that it is the maturity of the paper which determines its eligibility to discount and not the time named on the face of the paper. That is true; but what proportion of the paper of these little country banks could be sifted out, if you were required to pick out only that portion of it that matures in 30 days, 60 days, or 90 days? A small percentage, they all tell me; that is the testimony of the bankers with whom I have

talked.

I am discussing what I suppose the great financial students of this body who know all about it think is a very small and immaterial part of this bill, the question of considering the rights of 3,000 or 4,000 small country banks in the United States in time of need and stress when they want some accommodation. That is a very puny, small, secondary matter to be considered here, in the eyes of some people, but to the people throughout the United States in the country districts and to the country banks with which they deal it is a question of some importance. I think it is entitled to some consideration.

I am not going to quote any names, but a good friend on the other side of the Chamber from one of the agricultural districts of the South said to me the other day that this bill was practically of no benefit to his community, because it did not make provision for the rediscounting of that quality of paper by country banks. I asked him why he would not support this amendment. He replied that the limitations of the Democratic conference stood in the way. Yes; that is the trouble. It stands here as a bar; it stands here as a preventive against an openminded, fair consideration of a clause like this, which the country people and the country banks have a right to have

fairly considered on its merits. It is not to be considered, because it has been ordered otherwise in a way which prevents

Senators from voting their convictions upon it.

I care absolutely nothing about all this little play for strategic political advantage in the consideration of this bill. It does not make any particular difference to my constituents or to me personally what the outcome of that kind of a performance is. I am talking about a provision which should be considered regardless of party and as a mere matter of justice to the small banks and the country people who borrow small amounts and give paper that is, in nine hundred and ninety-nine cases out of a thousand, just as good as you will find anywhere under the shining sun, but which runs for six months and then is renewed for six months more. That constitutes the general volume of the banking paper in the community which I represent. I am speaking for those people and asking that they have some fair recognition in this bill when they are being compelled-held up at the point of the bayonet, as it were

to take stock in reserve banks or go out of business.

You may think that is speaking too plainly, but I insist that it is not. You are practically saying to them—for they are the stockholders—and to these banks, "Come forward here with your cash and take this stock or go out of business," and yet I defy Senators to point out how, except in the general way that in panicky times you may prevent a panic, this great framework of legislation is to help these country banks unless you will allow them to bring their portfolios—that is a term which has come into the discussion; I do not know where we got it, but I suppose from some of the foreign countries—their portfolios, filled with this good paper maturing in six months, and go back with reserve notes to loan out to their people or with a credit on the books of a reserve bank which they can utilize. These small banks would like to utilize the notes of the cattleman, the local merchant, and the local farmer, which mature in six months, at a time when the clouds are lowering, when the storm is about to break, and when depositors may in a few hours be at the bank's door clamoring for money. They would like to have the privilege, if such a time as that comes to them, to take their portfolios with this class of paper and go over to a reserve bank and get some of these notes. But no; they are not to have that privilege under this law.

Mr. WALSH, Mr. President-

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Montana?

Mr. CRAWFORD. Certainly. Mr. WALSH. I am very much interested in the remarks of the Senator, because the conditions in my State are very similar to those in his own, and the considerations which he is now addressing to the Senate of course have directed themselves to my mind. I had a letter a very short while ago from a very intelligent and discriminating banker in my State who was objecting to the bill upon the same grounds now urged so earnestly by the Senator from South Daketa. He complained that they would not have available for discount the kind of paper required by the bill, and therefore it would be of no value to them, although he recognized that it would be of great value, as he said, to the banks in reserve cities. I invited his attention to the fact, however, that the bill makes available paper which has 90 days or less to run to reach its maturity, what-ever the length of time may have been between the date when the note was given and the maturity. I wrote him a letter in which, among other things, I said:

I should imagine that after the 1st of February you would have available six-months' paper given in the fall and early winter for money to buy stock to be fed in the winter and marketed in the spring.

That is to say, paper given for six months originally, but three months having elapsed, that paper would be available by the 1st of February

Later on, say by the 1st of March or the 1st of April, you would have paper such as our companies give you, maturing from the 1st of July to the 1st of August, to be liquidated from the sale of the wool clip. Following upon that you would have paper maturing from the 1st of August to the 1st of October and later, in anticipation of cattle shipments. Subsequently you would have paper maturing from the 1st of October to the 1st of January, anticipating shipments of mutton and, of course, of grain products, so it does seem to me that there would be hardly a season in the year when you would not have available an abundance of paper eligible for discount.

That condition of affairs seems to be admitted by him. should like to ask the Senator whether the banks in his State

will not be in practically the same situation?

Mr. CRAWFORD. They will not. I put that situation clearly to them. In the first conversation I had with them it was brought up. It does not make any difference if, on the face of this paper, it is drawn for one year or two years, for that matter, in the class of paper that is recognized in rediscounts. It is a question of the maturity of the paper. If the

paper will fall due in 60 days or 90 days you can use it, yes; but the proportion of such paper falling due in a bank of \$20,000 or \$50,000 capital is too uncertain. It is only a proportionate amount of the bank's paper, and under the limitations of the bill we are not given the relief which in time of serious

danger we would require.

Why should this bill limit the farmer's paper, the cattleman's paper, the local merchant's paper to 90 days maturity, and then right over on the opposite page of the House bill, in a clause dealing with acceptances based on the exportation or domestic shipment of goods, extend the maturity of such paper to six months? Are the people whose paper is based on the exportation or domestic shipment of goods—whatever domestic shipment means there-to have accommodations on paper that does not mature for six months while the same privilege is denied to people in my town and in towns similarly situated all through the country on paper just as good and based upon a similar transaction? The privilege is only extended to them on 90-day paper. I want to know why that discrimination is made against the people in the rural communities?

Mr. POMERENE. Mr. President— Mr. CRAWFORD. I want to call attention to another matter, and then I will yield to the Senator. Here is a provision

Any national bank may accept drafts or bills of exchange drawn upon it and growing out of transactions involving the importation, exporta-tion, or domestic shipment of goods having not more than six months' sight to run.

Then the amount is limited, but nevertheless, up to one-half of the capital and surplus, that six months' paper is recognized when it is a draft or a bill of exchange, but my good old farmer friend who has come in and given his note over at the bank, which would take his note at any time without any security, because it knows him and knows what is back of him-his note, due in six months, has no standing whatever in this reserve bank.

Mr. POMERENE. Mr. President-

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Ohio?

Mr. CRAWFORD. I do. Mr. POMERENE. Mr. President, if the effect of this bill were such as the Senator from South Dakota anticipates, then it might be subject to criticism; but it seems to me he has been misinformed by some of his banking friends as to the

The Senator has stated that in his community the paper was nearly all six-months paper, and we will assume that to be so. If this paper is issued or given to the banks in equal amounts each month-and I will assume that for the sake of the illus-

Mr. CRAWFORD. No; I do not think the Senator can as-

Mr. POMERENE. I am assuming that for my illustration, and we will go ahead and develop the matter later. Assuming the facts as stated for the sake of the illustration, then there would be no time when at least one-half of the paper would not fall within the terms of the bill, as it would be due within 90 days or a shorter period.

Mr. CRAWFORD. That is true if the Senator's assumption

Mr. POMERENE. I understand that. That being so, it certainly must follow that they could take half of their paper to this bank for rediscount.

Let us assume, on the other hand, that all of this paper is executed and delivered to the bank, say, in one month, January. That is the worst possible condition the bank can be in, under the statement of facts given by the Senator from South Dakota. Then if in February they should want to discount or rediscount their paper at the regional bank, and it would be five months before it became due, there is a provision in the bill whereby they can serve their purpose quite as well.

The bank can execute and deliver its own note to the regional reserve bank in any amount it desires, and the regional bank will accept it for 30 days, for 60 days, or for 90 days; and at the same time the bank executes and delivers this note it sends to the regional bank this farmer's paper as collateral. In that case it serves the same purpose that would be served if the statute should allow six-months paper to be rediscounted, and it is not

going to embarrass the bank in the least.

If the bank takes a six-months note of a farmer to the regional bank, the note must be indorsed by the member bank. If the bank executes its own note for a given amount, it can hypothecate with it the farmer's paper. Each method of business serves the same purpose, and the member bank has this authority under the bill.

I read from page 44 of the print of December 1, 1913:

The Federal reserve board may authorize the reserve bank of the district to discount the direct obligations of member banks, secured by the pledge and deposit of satisfactory securities; but in no case shall the amount so loaned by a Federal reserve bank exceed three-fourths of the actual value of the securities so pledged.

So that under the Owen bill the member bank can rediscount all its paper maturing within 90 days, and if it needs additional accommodations it can execute and deliver its own note to the reserve bank and hypothecate with it farmer's paper or other acceptable security, even if it has 90 days, 6 months, or longer

to run till the date of maturity.

Mr. CRAWFORD. That is relief a long way off. relief to which a country bank is not likely to resort. think that before the country banks would do that they would do as they did in 1907-persuade their depositors to leave their money in the bank and rely upon the confidence which exists between them and the banks to a larger extent in the rural communities than anywhere else, because with that provision the bank would have to come down here and get the consent of the Federal board, and this would draw the attention of the public to that bank and be embarrassing to it. The fact that there is a doubtful remedy like that, to be resorted to in extremis, does not for one moment furnish a satisfactory explanation for this discrimination against the country banks.

I want to say to the Senator that his assumption that onehalf of this paper is due at one time and one-half at another time, or that it comes due proportionately every three months, so that it can be divided into four parts, does not square at all with the situation in these communities. Their paper usually falls due at two periods in the year. During the rest of the year there might be a part of the time when the greater quantity would mature within 90 days and another part when practically all of it would not mature until more than 90 days. Who knows when a panic is going to occur or a stringency is going to come, when one of these banks will be obliged to apply

to a reserve bank for relief?

I protest against this discrimination because I think it is my duty to do so, representing the people I do here. I want to say that I think it is unjust and unfair. I recognize the good things this bill proposes to accomplish. While I make this protest with all the earnestness I have, I expect to vote for the bill, because I think in the main the provisions for averting panies to the country generally are sufficient justification for it. I think my people expect me to vote for the bill. They protest, however, and have protested from the start, against this dis-You are smiting with your open hand the people who have been most generous here toward you, and who have been the most willing to accept and give full credit to the purposes you have in view in this legislation. Yet in regard to the one request they make in this bill they are ignored and treated with indifference. Your ears are open to the big bankers, who want to retain control of the banks and have their paper recognized here and have the system constructed for their accommodation, so that you can truthfully call it a bank of banks. It is that, and more; it is a bank for big banks. These generous, open-hearted people who are taking you at your word, and believe that you are offering some legislation that is good for the whole country, have a grievance in regard to this section of the bill about which they are sincere and earnest. make their protest, and yet they are treated with indifference, and almost with contempt.

Mr. BRISTOW. Mr. President-

Mr. CRAWFORD. I yield to the Senator from Kansas.

Mr. BRISTOW. I wish to ask the Senator if, to speak concisely, the bill as reported by Senator Owen does not extend the six months' privilege to the notes of the men who handle the products of the farm, but denies the six months' privilege to the notes of the men who produce the products of the farm? Mr. CRAWFORD. Certainly. We had that matter up the

other day. That is what the bill does.

I want to know, and I am going to wait with some curiosity to see, whether you are going in the conference to night to turn this amendment down because it happens to be in what is called the Hitchcock bill and because some of us over here favor it. You may condemn us, but I assure you that you will be condemned, and the country will condemn you, if, simply from the vain desire to have your way about everything and not yielding anything to us, you turn a deaf ear to that request. I make it here in behalf of the country people, the farmers, the small business men, and the country banks of the United States. I ask that it shall receive fair and just consideration on the floor of the Senate and in a conference of Senators. No good explanation has been given for this discrimination, and I do not believe any sufficient explanation

can be given for it.

Shall the great bankers dictate the provisions of this bill and shall we ignore the small bank and the country man who is carrying some of the burdens, assuming some of the responsibilities of citizenship, and performing some of the duties and obligations of the community which entitle him to respectful consideration? I leave it to you. We do not want spectful consideration? I leave it to you. We do not want to have the mere question whether it has the color and the backing of a conference, political in character, determine whether this amendment is to be considered or not.

I protest against its being passed upon from any such stand-point. That is not fair. It is not just. It is not the right kind of recognition to the communities in the agricultural States and to the small banks who lend and their customers who borrow on paper maturing in periods of six months and more, to have their requests, their protests, and their appeals determined upon such partisanship considerations as that.

These country banks are not making an idle request. are making a serious, earnest request. They must take this stock; they must make payment for it in gold. They must see these contributions made against their wish pass under the control of great bankers who will select the boards of directors. They are to see all the national banks tied together in one great combination. Then they are to be denied its accommodations upon such commercial paper as comes into their port-

As I said the other night, it is un-American to do that. These small banks are entitled to some consideration for the environment in which they are placed, the paper which they take, the accommodations which they need, and the necessity of having a way open to them for relief when panic comes and disaster threatens.

I protest against the rejection of this amendment.

Mr. McCUMBER. Mr. President, the question so often asked by the Senator from South Dakota has not yet been answered. I have seen no disposition to answer it. I might make a suggestion, therefore, that will give an opportunity for an answer on the other side.

I assume that one of the purposes for restricting the assets to those which have a maturity of 90 days or less is to secure liquid assets, to secure assets that may be cashed in a very short time. That is the only suggestion I have heard made at all as to why the six months' paper of the northwestern farmer could not be utilized in cases of this kind.

The object of securing what are called liquid assets is to get something that you can convert into cash in the very shortest possible time under panicky conditions, under conditions in which loans are not being extended. In order to accomplish that, so far as the securities of the entire Northwest are concerned, you eliminate the very class upon which you can at all times realize and you take in the class upon which it is most difficult to realize, and why?

I have had some observation and some experience in the matter of closing up banks of the Northwest that have gone into bankruptcy. Those banks hold the paper of both the merchant and the farmer—the merchant's 90-day paper and the farmer's paper due in six months or in nine months. I think you will find that four-fifths of all the paper from the farm held in the banks in my State is paper that will be due in the month of November, no matter what might have been its date. The merchant's paper is of a different class, but it is often based upon the farmer's paper, and often becomes due when he can realize upon it.

Take your merchant's paper. How can he pay it in times of stress? He can meet his obligations only in one of two ways—either by turning something else into cash or by borrowing the cash. He can not turn other things into cash in days of distress and disaster. He can not borrow during panicky

The farmer's paper, however, is good at all times. Notwithstanding the mistakes of any administration, notwithstanding any character of blight that may fall upon the general business of the country, the soil, if there is rain, will keep on producing and human stomachs will keep on digesting, and the law of supply and demand is always working upon the farmer's product. There is always a demand, at some price, for his product. He can always realize upon it. That is why, when there is a dissolution of any bank, you go in and look over its securities, you put them up for sale, and the thing that will always sell for its full face value will be the farmer's paper. The thing that finally goes down into the wastebasket is your 60 and 90 day mercantile paper that has become worthless because of bankruptcy.

That is not all, Mr. President. We have in the great newly developing sections of the Northwest no great individual wealth. Bankers must be conservative. They do not loan very much to these men upon the bare name as security. In nearly every instance there is collateral—a mortgage upon chattels, upon the growing crop, or upon the farm. There is something back of growing crop, or upon the farm. There is something back of it besides the name, and that of itself gives it a value, so that in times of stress you can put that paper up to the market, and though there may not be a dollar in the bank there is some one who has a little saving who is always ready to invest it in a good farm mortgage or in a mortgage secured by farmer's paper and which will be good as long as the soil will produce the necessaries of life.

Now, you are cutting out the most essential liquidating paper Now, you are cutting out the most essential liquidating paper that we have in the entire Northwest, paper that can always be sold for cash and can always be realized upon, and you are offering to take in its place a character of paper that is not worth, upon the average, 50 cents upon the dollar compared with what the farmer's paper is worth.

When the bankers of the Northwest have good paper, reliable paper, paper that they can turn and are daily turning over to little investors in all those Fastern States for 6 and 8 per cent

little investors in all these Eastern States for 6 and 8 per cent, and upon which they can always realize the face value, you are eliminating that paper for a class of paper that has nowhere near the same inherent value. You are turning away the liquid assets for the doubtful assets which are dependent upon commercial or industrial success.

So I join with the Senator from my neighboring State in protesting, in the name of these banks and in the name of the people of these States that are subserved by these banks, against any system which will discredit the best paper there is in the

United States for all practical selling purposes,
Mr. SHAFROTH. Mr. President, it is strange that the Senator, after having this morning delivered a speech on inflation, in which he made the statement that under this system there could be built up to the extent of 10 to 1 upon the gold a circulating medium, yet proposes here to increase the very basis upon which paper money can be issued. It seems strange, when he takes that view of the system, that he should want to enlarge the very paper that can produce the inflation which he claims will take place.

Mr. McCUMBER. Does the Senator desire to inflate only in

the cities and not in the country?

Mr. SHAFROTH. I will answer that by saying that this is a bill that had to have checks in it.

Mr. CRAWFORD. Mr. President—
The PRESIDING OFFICER. Does the Senator from Colorado vield to the Senator from South Dakota?

Mr. SHAFROTH. Let me get through, and then I will yield to the Senator.

Mr. CRAWFORD. Certainly; I will wait.
Mr. SHAFROTH. When we have in a pill a system such as this there must be a good many checks to bring about a conservative use of the powers that are given in the bill. one would like to see paper of any kind subject to use by any kind of a bank if it did not have any bad effect, but we have to throw some checks upon the system in order to prevent a

good many abuses of it.

We have never had this system of banks in this country. We have never had this right to rediscount. Consequently, we looked around the world for the purpose of ascertaining what is the experience in other countries. We do not want to rush into something that upon the one hand, according to the Senater from North Dakota, would produce an unlimited inflation, nor do we want to run into something that will produce a contraction. Therefore it was necessary that certain things should be done in order to be sure that we will have a safe and a fair When we look around in the history of the world we find that there are banks of this kind; that is, discount banks; and when we find that in England the paper must run only 28 days, when we find that in France it runs but 26 days, when we find that in Germany it does not exceed 90 days, and that there is no bank in the world which discounts paper in excess of 90 days, does it not become us, in the interest of caution, to say that until it is demonstrated the other way we had better adhere to 90-day paper?
When we find, also, that the bill which was presented to the

Senate by the National Monetary Commission, which received the assent of a great many upon the other side of the Chamber, provided that only paper could be discounted having a maturity of 28 days, it seems to me it comes with poor grace from the other side of the Chamber to talk about an inflation and then to claim that 90 days in the paper that is to be discounted are not enough. It seems to me that these gentlemen who were so eager for the Aldrich bill and wanted 28 days to prevail should not have given their allegiance to that bill nor voted for it. We must take into consideration that there is not one of the great banks of Europe that exceeds 90 days in the discount on paper, but the very largest banks in the world limit it to 26 and 28 days. It does seem to me that Senators upon the other side can not complain that we have not been liberal because of the fact that we have said we do not want to limit it to your Aldrich bill; we do not want to limit it even to the system of the Bank of England, but we want to treble it and give three times the

amount of time to the paper that may be discounted.

Of course, some Senators may say it ought to be 180 days, other Senators may say it ought to be a year, and other Senators might say it should be two years. It is a subject of compromise. It is a subject of getting together and seeing what is the experience of the world and what is safe to be done. We do not want a wildcat system here. The object of short-time paper is that it shall be liquid, that it shall mature at quick intervals and put the bank that does the discounting in a position to advance the money and to have it ready at hand to advance

Senators talk about 180 days. That might work, and if it would work and the other things of an evil nature did not run into it we would say all right. But there has to be some kind of a compromise, and when we see as a matter of fact great banks have limited it to 28 days, and the very system that you gentlemen upon the other side so much admired made it 28 days, it does not seem to me that we should go in haste to make such an enormous increase, but that when the increase we have made is three times the amount fixed in the Aldrich bill it ought

to be satisfactory.

Mr. HITCHCOCK. Mr. President—
The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Nebraska?

Mr. SHAFROTH. Yes, sir.
Mr. HITCHCOCK. The Senator from Colorado is correct in saying that the average maturity of paper which is discounted by the central banks of Europe for their individual banks is 28 days; but the Senator from Colorado, of course, appreciates the fact that the conditions in Europe are entirely different from the conditions which prevail in the southern and western parts of the United States. They are not raising cattle there and fattening them; they are not buying grain and holding it. That portion of the world consists of a densely populated country, in which the business transacted by the banks is largely connected with mercantile and manufacturing processes, which absorb only one or two months, possibly three months. this country have an entirely different condition. In the Senator's own State and in my State and in many of the Southern and Western States our agricultural processes, our stock-raising industries, and the natural occupations of our people producing the food of the world require a greater length of time.

Can the Senator not see that there is the same propriety in adapting our discount provisions to the conditions of our country that there is in accommodating the discount provisions of the European banks to the conditions which prevail in Europe? The Senator surely will not contend that we are making a system to operate under European conditions. Why, then, does he constantly cite the conditions in Europe? Why does he refer to the Aldrich bill which he condemns? Why does he not engage in the constructive work of forming this bill so as to meet the needs of the country in the manufacturing country, in the mercantile country, saying to the whole country in which these small banks are spread out, those above all others need a rediscounting privilege? They are the ones which use it to the largest extent now, and yet by the bill which he supports the very paper which they legitimately use is barred and blacklisted by the terms of the bill.

The PRESIDING OFFICER. Does the Senator from Colo-

rado now yield to the Senator from South Dakota?

Mr. SHAFROTH. Let me first answer the question that has been presented by the Senator from Nebraska. The Senator there is no comparison to be made between this system and the European system, because those countries are very densely settled, and that, consequently, there are not the same conditions prevailing there; that they do not raise cattle and do not do various other things. We have taken that into consideration; and that is one of the reasons why we said that 28 days But when you treble that amount and say 90 days, the question is whether you are not nearing dangers which may arise from the other features of the bill. I recognize that it would not do to have 28-day paper as the time of maturity of the notes that may be presented, but when we treble that in a system that has never been tried in this country, when the ex-

perience of European banks in relation to their countries is that the paper should be 28 days, it seems to me that we are pretty liberal; at least until it is demonstrated the other way. Then if it is demonstrated the other way, of course a change ought to be made.

Then we must take into view the facts that these little banks are not confined to the Federal reserve banks in discounting their paper. They will have the right under this system, just the same as they have now, to go to any New York bank or Chicago bank or St. Louis bank or Minneapolis bank and discount six-months' paper if they want to do it. This limitation is fixed at 90 days, in view of the difficulties that might arise from other features of the bill.

We have put into the bill a provision that national tanks may loan money upon a five-year farm mortgage. posed to be to the interests of the farmer. We That is sup-We increase that from one year to five years. The national banks are not permitted at the present time to loan any money upon farms, and yet we have done that, but we have limited the amount of the loan which the banks can make, and consequently it is safeguarded there.

Everyone knows that a farm mortgage is just as good, if not better, paper than pretty nearly any other kind, but it is not liquid, so the limitation as to the amount that the national banks can loan on farms is properly made. It is supposed to create a market for farm loans. It is supposed that the banks will establish the buying of mortgages and then resell them and thereby get a lower rate of interest for loaning purposes. But these little banks are not confined to the Federal reserve banks in making their discounts.

As has been said here, this six-months paper does not all mature at the same time. The cotton crop does not come in at the same time that the wheat crop is marketed. The wheat crop does not come in at the same time that the sale of cattle These things are diversified, and consequently takes place. a bank in one part of the United States that is subject to a large amount of paper falling due at a certain time is relieved by the fact that there is a surplus of funds in another part of the United States, and they can get it, and we have provided that they can get it.

Then, again, it has been provided in the bill, as the Senator from Ohio [Mr. Pomerene] said, that the farmers' six-months or one-year paper can be taken by a member bank, and it can be not discounted, but money can be borrowed upon it from the Federal reserve bank. Now, that being the case, it seems to me there can be no hardship. I suppose that the majority of the Senators would say that if this paper were permitted to be discounted at a maturity of one year there would be danger that

the entire system would break down.

Now, then, when the experience has been that 28 days The PRESIDING OFFICER. The Chair reminds the Senator from Colorado that the Senator from South Dakota [Mr. CRAW-FORD] asked the courtesy of addressing the Senate some time since.

Mr. CRAWFORD. I am perfectly willing to wait.
Mr. SHAFROTH. Very well; I will yield to the Senator.
Mr. CRAWFORD. I would rather the Senator would make

his observations before I proceed.

Mr. SHAFROTH. Very well. I submit, Mr. President, that every provision made in this bill has to be viewed with regard to its effect upon other provisions of the bill. I have not any doubt if paper of a year's maturity could be taken to the Federal reserve bank and rediscounted and money issued upon it the Senator from North Dakota would simply rave about the inflation that would take place; and I have no doubt the Senator from New York [Mr. Root] would insist that it was the most diabolical system in the wide world that would permit inflation of that kind on one-year paper.

Where are you going to limit the matter? A great deal more money can be issued upon 6-months paper than can be issued upon 90-day paper; a great deal less can be issued on 28-day

paper than can be issued on 90-day paper.

Mr. HITCHCOCK. A strict limitation is to be imposed on

discounts upon the six months' paper.

Mr. SHAFROTH. I understand that there are some limitations proposed, but as it is now these gentlemen just simply almost burst with eloquence to show that even as it is now in the bill it is subject to an inflation that is perfectly enormous. But you propose to add this to it. I do not know how you can consistently support the provision.

Mr. HITCHCOCK. The inflation is not due to the limitation

Mr. SHAFROTH. Yes it is. Mr. HITCHCOCK. Not at all.

Mr. SHAFROTH. The more paper you have available for the purpose the more money you can issue upon it, and consequently the more money, according to their theory, will be is-

Mr. HITCHCOCK. No. Mr. President, the amount of rediscounts can be limited, and in the bill which the Senator from South Dakota [Mr. Chawford] and others and I stand for they are limited. We not only limit the rediscounting of six months paper, but we limit the rediscount of all kinds of commercial paper. It is not the length of time that paper runs which makes it an available subject for rediscount in the reserve banks. It is the question whether or not it is self-liquidating and legitimate six months paper. It may be just as self-liquidating as paper which is only for 90 days.

Mr. SHAFROTH. No, it can not be, because in 90 days it is paid, and in the other case in 180 days it is paid. Consequently it is not as liquid because the time of maturity makes the difference between the liquid character of the two kinds of

The Senator seems to think that this is a discrimination against one class of banks. There is not any question that if this six months' paper gets into a city bank, the city bank can not go and discount that paper at the Federal reserve bank any more than can a country bank. There is no discrimination, no matter who holds the paper and no matter what it is. the country bank goes to the city bank, and either in the discharge of its debt to the city bank by discounting or in any other way gets that paper into the hands of the city bank, that city bank has got to wait until the 90 days or the 180 days have expired before it can get money from the Federal reserve bank. It seems to me that when we consider this bill must be framed with a view to special conditions, inasmuch as it is an experiment in this country, we could not go to extremes one way or the other; and inasmuch as the European banks are 28-day banks, it seems to me that when we treble the amount of time we are doing a great deal in behalf of the people who desire discounts.

Mr. CRAWFORD. Mr. President—
The PRESIDING OFFICER Does the Senator from Colorado yield to the Senator from South Dakota?

Mr. SHAFROTH. Yes.

I merely desire to make a few observa-Mr. CRAWFORD. tions about what the Senator from Colorado has said. I do not

desire to interrogate him.

Mr. President, what the Senator from Colorado has said has emphasized the objection that the communities and banks in whose behalf I undertook to speak have against this section of the bill. The big banks in the cities are wholly indifferent about the recognition of six-months paper, except that they express some apprehension that that class of paper may overload the reserve banks with what they call unliquid assets. They do not claim to have need for asking the Federal reserve bank to rediscount that kind of paper. Nine-tenths of their paper which comes within the class of commercial paper and which will be recognized in the central reserve banks is 28-day paper, 30-day paper, or 60-day paper, and, at the outside, 90-day paper, which this bill recognizes. They have no need whatever for asking that six-months paper be recognized, because the portion of their paper which falls within that class is negligible; but when you come to the country banks practically all of their paper which falls in the class of commercial paper is paper which matures between the 90-day period and the 6-months period and beyond that to one year. If the Senator is concerned about a fear that there will be inflation and wants to put a limitation somewhere, why does he not seek to put the limita-tion upon too liberal a rediscounting of 28, 60, and 90 day paper, so that the limitation will fall upon big banks who have their portfolios filled with that class of paper, instead of outlawing the paper that these country banks, if they have occasion to use the reserve banks, may desire to present?

I say it intensifies and emphasizes the objection and shows the

injustice of the discrimination.

All of the latitude, all of the favors, all of the privileges for discounting paper are to be enjoyed by the big banks, whose portfolios are filled with 28-day paper, 60-day paper, and 90-day paper, and not a bit of recognition is to be given to the 3,500 country banks, whose capital runs from \$25,000 to \$50,000, and the great bulk of whose paper matures in periods longer than 90 days.

The Senator undertakes to justify this discrimination by saying that these country banks, if they can not deal with the reserve banks, can deal with outside banks. How generous that is, how magnanimous toward the country banks! other words, it is telling them to go to thunder; to go and deal with other people if they do not want to deal with the reserve

banks. You do not say that, you do not talk in that way to the big banks, whose portfolios, I repeat, are full of 30-day paper, 60-day paper, and 90-day paper, who will go there with millions and millions of dollars of that kind of paper in a pinch to get accommodations to ease the situation so far as they are concerned. Why do you not say to them, "Go to thunder"? Why do you not say to them, "Go somewhere else and get your accommodations"? You are going to say that to the country banks; you are proposing here on the floor of the Senate to say that if they do not like these provisions they may go elsewhere and get their accommodations. That is a fine defense for this

kind of discrimination.

Mr. SHAFROTH. I will say to the Senator from South
Dakota that every time a city bank presents a piece of six
months' paper it does say to them that it can not discount it.

Mr. CRAWFORD. Exactly; but their portfolios, as I have just said, are filled with short-time paper—28-day paper, 30-day paper, 60-day paper, and 90-day paper. That constitutes the great bulk of their commercial paper, which they can make available and put into the reserve bank and get accommodations upon, and the six months' paper which they have, falling within the class called commercial paper, is negligible, while it represents the great bulk of the paper held by the country banks. Three thousand five hundred of the banks, practically one-half of all the national banks in the United States, are the country banks with \$25,000 and \$50,000 capital, and their portfolios are

filled with six months' paper.

When the pinch comes to them and they go and take out these notes which mature in six months—the best paper in the world, the best security in the world, liquidated out of con-sumption, making the circuit with the raising of crops and the selling of live stock-and they want some accommodation from a reserve bank, though they were held up by the strong arm of the Government, as I said awhile ago, and told "You get in here, put up of your money, take stock in this reserve bank, put your reserves in it without interest, or we will take your charter away from you." When for the first time in their history they want some of these reserve notes and go into their vaults and bring out these six-months maturing notes and go over to the reserve bank, to whose capital they were forced to subscribe or give up their very existence—when they come to that reserve bank and say, "We are in dire need; here is good paper maturing in six months, good farmers' paper, the best in the country, and we want some of your reserve notes or we want some credit; things are going to pieces; we are liable to have a run on our bank to-morrow; we have this paper here; our portfolio is full of it," the Senator from Colorado says to tell them to go elsewhere; "there are other banks they can go to and deal with, as they always have done; they have gotten along up to this time by dealing with other banks;" tell them "go and deal with them; we can not recognize your paper," while here come Mr. Reynolds and Mr. Forgan and Mr. Vanderlip, who has been so denounced upon the floor of the Senate, and Mr. Hepburn, representing great banks in the cities of Chicago and New York with a capitalization that reaches into the millions-\$25,000,000-and deposits of \$200,000,000, loaded up with acceptances from the importers, loaded up with prime commerial paper from the merchants, loaded up with paper of the great manufacturing barons. They are afraid of a run; they are afraid of a panic, and they bring these fat pertfolios, stuffed with this prime commercial paper maturing in 30, 60, and 90 days, and go back with reserve notes issued by the Government of the United States, with millions of dollars of reserve notes

given under the authority of the Federal Government.

They receive these notes for their paper, and go back and loan or pay it to their depositors, or get credit to tide them over the difficulty; but when Mr. Brown or Mr. Smith or Mr. Jones or Mr. Robinson out in my country, with his little bank at Aberdeen or Huron or Sioux Falls or Chamberlain or Deadwood, with his little capital of \$50,000 instead of \$25,000,000, with his deposits of a half million dollars or a million dollars instead of \$200,000,000, with his portfolio of farmers' notes maturing in six months, back of which are the fat hogs and the cattle and the sheep and the tilled acres of an agricultural State, wants some accommodation, because there is danger and there may be a run on his bank and he remembers how, under a law passed here over his protest, it was made a condition that he take stock in the reserve bank or give up his charter, and he took the stock and paid his money and has his shares there in the vault to show that his bank owns the stock—when he takes his portfolio and rushes over to the Federal reserve agent with this paper—no better in the world, maturing in six months—if the Senator from Colorado were the Federal reserve agent, he would tell him to go to thunder or "go and deal with some other bank, as you have been doing all these years; you

are not in the class that we are going to help here. We will help Vanderlip and Cannon and Hepburn and Reynolds and Forgan, but no Brown, Smith, Jones, or Robinson, from a little country bank in South Dakota, with a capital of \$25,000 or \$50,000, with their portfolios filled with good farmers' paper maturing in six months, need apply."

Thirty-five hundred of the seven thousand and odd national

banks in the country are just such banks as that. You are afraid if you accommodate them that you will inflate the currency. If you deny them recognition here, if you reject this amendment and the fundamental principle of equity and justice that their request demands, you will be inflated, and I do not know but that you will be translated. There is no equity in this discrimination; there is no justice in it. When you get right down to the bottom of it, after all your talk, if you do not put in a provision here recognizing the 3,500 country banks in a fair, just way, so that in a time of pinch they can have some recognition and can feel confident that they will have an avenue of escape and a place to go for relief, such as you are going to give to the Vanderlips and to the Forgans and the Reynoldses and the Hepburns and to the Cannons, we shall see who is really championing the rights of the people and who are really against special privilege

A bank of banks! Yes; and you ought to put in an adjective, a bank of big banks for big banks to relieve big banks, to accommodate big banks, and which uses little banks to secure the capital and makes them come in, so as to make a system of the proper territorial extent and to supply the proper amount of feeders out through the country to sustain it. That is all they are asked to come in for, simply to have the sweet privilege of carrying wood and water and making bricks without straw.

Now, we will put you to the test. I say to the Senator from Colorado that it will not answer the country people and these little banks for him to go on record here and to give out to the country that if they have not got paper that matures in 60 or

90 days they may go elsewhere.

Mr. BRISTOW. Mr. President—

Mr. CRAWFORD. I yield to the Senator.

Mr. BRISTOW. I want to call the attention of the Senator from South Dakota to the fact that it is an element of value to commercial paper to have the privilege of rediscount. That makes the paper more valuable, and therefore will result in a reduced rate, just as the privilege of issuing notes upon 2 per cent Government bonds made the bonds sell above par, when, if the note privilege had not been attached to them, they probably would have sold for 75 per cent. This privilege adds to the

would not be 90-day paper.

Mr. CRAWFORD. Certainly.

Mr. BRISTOW. And it detracts from the value of the six months' paper, because it is not so useful; but as soon as the farm products get into commerce and are handled by the big men in the cities and that paper gets into the large banks in domestic commerce or in foreign commerce, six months' paper based on such transactions gets the privilege of rediscount.

Mr. CRAWFORD. Certainly; I will call attention to that.

Mr. President, there were three features which I had hoped would be put in this bill, because it would make it much better This amendment is one of them; a decent prothan it is now. vision in the bill by which depositors in banks might have for their protection an insurance fund is another; and a provision against interlocking directorates in competing banks is another.

Go down to New York and see what they have been doing with insurance companies, with the funds belonging to the policyholders and the manipulation of stock, and then leave out a sentence and a half which, if put in this bill, would prevent that thing from happening again. You do not do that, but you give over the control of the board of directors to these big banks; then you treat the country people in agricultural communities and the little \$25,000 and \$50,000 banks as they are being treated in the bill as it is submitted here now; and when we protest against it we are met with supreme indifference and It makes one rather heartsick. I know it is simply shouting in the air and having one's voice come back to him so far as getting consideration for this amendment is concerned, but we shall have the satisfaction of having done what it is our duty to do here toward our own people in stating their case to the Senate.

Mr. McCUMBER. Mr. President, the Senator from Colorado [Mr. Shafroth] for the first time in this debate has admitted the real purpose of this bill, the purpose being for inflation; and he has freely admitted that these who are championing the bill proposed by the majority have seen fit to draw the line and make a limit to the extent of that inflation; that they can inflate as far as the 60 and 90 day paper of the cities will allow them to inflate, but that they could not afford to allow the inflation to run so far as to go into the 120-day paper or the 6-months paper as a basis for the issuance of currency.

I thank and congratulate the Senator from Colorado for his candor. Others upon that side of the Chamber have denied that the purpose of this bill was, or would be, inflation. is the main purpose of the bill. I am not criticizing it for that alone. Any bill that has the element of elasticity in it, any bill which provides for an elastic currency, must necessarily mean an inflated currency at some time.

My objection to these bills, and to both of them, is that while they provide for inflation to meet the exigencies of trade they do not provide for a contraction that will reduce the volume of

currency to its normal condition.

How does this inflation begin? It does not begin on the farm. It is not supported by farm conditions. Inflation is always the offspring of speculation. Speculation always comes from activity in the sale of industrials, in the promotion of new

enterprises, in putting beams, the currency of the entire country.

The currency of the entire country.

The current cities of the c flate for the purpose of speculation in the great cities of the country; but you have drawn the line. You say: "While we can and will inflate the currency of the country, while we allow this to be done throughout the great cities and for the purposes of speculation in those cities, we draw the line against the country section, which has practically nothing but the paper which matures in six months and longer." In other words, you subject those sections of the country to all the evils of your inflation, with the higher prices that result from it, in your great cities; but you give them none of the benefits which are supposed to flow from all evils, because all of them are supposed to have some element of benefit. In this case there is an element of benefit in inflation. It is a temporary benefit, and it will be paid for many times over in the final result.

I insist that this bill does open the door to a vast inflation of our currency; but I assert that giving to the banks of the Northwest, four-fifths of whose paper matures in a longer time than 90 days, the right to rediscount that paper, with the limitations that are in the bill itself as to the amount of discounts, will not tend to inflate the currency any more than it will be inflated with 90-day paper. There is probably enough of that throughout the entire country to produce all the currency that will be needed; but the bill denies to those sections of the coun-

try equal rights and privileges.

I do not care whether your bill inflates or whether it does not. If it produces inflation, then those sections have an equal right to join in the condition that exists over the country generally at the time. If it does not produce inflation, then they are entitled to all the privileges and benefits that accrue from the discount and rediscount of their paper, whether it is 6-months'

paper or 90-day paper.

The Senator quotes the conditions in France and Germany, and likens the conditions of the Dakotas, Minnesota, and the Northwest to theirs. Why, Mr. President, the conditions are so entirely different that it would be impossible to apply the same kind of legislation or to apply the same kind of remedies to any allment. France is not a country of farms; France is a country of vegetable gardens. The crops they raise are crops that are raised from early spring until fall. They are salable at all seasons of the year. There is a constant income coming to the gardener in France. In the Northwest, on the other hand, you turn your cattle once a year. You turn your cereal crop once a year. All commercial paper must adapt itself to that condition, and all must become due at the time the crop is harvested and put on the market. Therefore that leaves nothing but that character of paper upon which any benefit can be derived, if it can be derived, under this bill. For that reason we certainly are entitled to the privileges that are granted generally in the rediscounting of paper in the regional banks.

Mr. OWEN obtained the floor.

Mr. KERN. Mr. President-Mr. OWEN.

I yield to the Senator from Indiana, who desires to make a motion for unanimous consent.

Mr. KERN. Mr. President, I desire to state that after a conference with Senators on both sides, the unanimous-consent agreement which I send to the desk seems to be acceptable, and

hope it will be agreed to.

The VICE PRESIDENT. The Secretary will read the proposed unanimous-consent agreement.

The Secretary read as follows:

It is agreed by unanimous consent that on Thursday, December 18, 1913, immediately after the routine morning business, the Senate will proceed to the consideration of the bill H. R. 7837, commonly called the currency bill, and any amendments that may be offered to the same; that in the debate no Senator shall speak more than 15 minutes on the bill itself and not more than 15 minutes on any amendment thereto;

and that a final vote upon the bill and all pending amendments will be taken on the legislative day of Friday next, December 19, before adjournment on that day.

The VICE PRESIDENT. Is there any objection?
Mr. HITCHCOCK. Mr. President, I should like to inquire whether "before adjournment on that day" means that legis-

The VICE PRESIDENT. It is so understood.

Mr. HITCHCOCK. All right.
The VICE PRESIDENT. Is there any objection?

Mr. BRISTOW. Mr. President, the present order for adjournment at 11 o'clock on Friday would not in any way terminate the legislative day, would it? If we should be pressing an amendment, say, and 11 o'clock should come, the legislative

an amendment, say, and if o'clock shound come, the registative day could run right over, could it not?

Mr. KERN. That is the understanding.

Mr. BRISTOW. With that understanding, I offer no objection. That is, we will run the legislative day right on until midnight or until Saturday morning or Saturday night.

Mr. KERN. The Senate is to remain in continuous session

until the bill has been passed.

Mr. BURTON. Do I understand that to mean that when the hour of 11 o'clock on Friday night is reached we shall remain in continuous session through the night?

Mr. KERN. If it is desired, as I understand. Mr. BURTON. Or can we adjourn until the following day at 11?

Mr. OWEN. The legislative day could be extended to the next day, of course, under the usual practice.

Mr. SHIVELY. Yes; by a recess.

Mr. HITCHCOCK. I think there should be added to the proposed unanimous-consent agreement a provision that a recess on the last legislative day shall be taken not later than 11 p. m. I do not think we want to involve ourselves in any all-night

Mr. NELSON. Mr. President, unless the order of the Senate is changed-and I take it there is no purpose on the other side to change it-we would automatically take a recess at 11 o'clock until 10 o'clock the next day.

Mr. HITCHCOCK. No. I call the attention of the Senator to the fact that that would not be a recess. The present order is

for an adjournment at 11 o'clock.

The VICE PRESIDENT. And, according to the view of the

Chair, the legislative day will end at 11 o'clock

Mr. BRISTOW. I did not understand the ruling of the Chair. The VICE PRESIDENT. According to the view of the Chair, unless some other arrangement is made, the legislative day will end at 11 o'clock under the present order.

Mr. HITCHCOCK. I think so; and for that reason I think it ought to be provided that a recess shall be taken not later than

11 o'clock p. m. of the legislative day. Mr. BRISTOW. The calendar day.

Mr. SUTHERLAND. Mr. President, I think the ruling of the Chair is clearly right. We have an order that provides the Chair is clearly right. We have an order that provides that an adjournment shall be taken at 11 o'clock every day. That automatically brings to an end not only the calendar day, but the legislative day. If this unanimous-consent agreement is made and it is expected that the legislative day will run beyond the calendar day of Friday, it seems to me the only thing to do is to rescind the order in so far as it contemplates an adjournment at 11 o'clock.

Mr. SHIVELY. Does not the unanimous-consent agreement vacate the former order in that respect?

Mr. SUTHERLAND. The unanimous-consent agreement

would have nothing whatever to do with it.

Mr. OWEN. That order could be vacated by unanimous consent. . We could add to the unanimous-consent agreement the vacation of that order.

Mr. SUTHERLAND. No, Mr. President; I think not. The unanimous-consent agreement is that we shall take a vote upon the legislative day of Friday. The order of the Senate, unless some other order is made, is that the legislative day of

Friday automatically comes to an end at 11 o'clock.

Mr. BRISTOW. Mr. President, would it be agreeable to the Senator from Indiana to add to that a further provision that on Friday the present order of the Senate as to meeting

and adjourning shall be vacated?

Mr. KERN. How would it do to add "and the legislative day of Friday shall not end at 11 o'clock"?

Mr. BRISTOW. That would cover it. Mr. HITCHCOCK. Of course that would result in an allnight session Friday night.

Mr. KERN. That would be in the power of the Senate to

Mr. SUTHERLAND. Oh, no; we could take a recess.

Mr. HITCHCOCK. If it is stipulated that we shall take a recess at 11 o'clock Friday, very well; but I do not want to be involved in any all-night sessions after the protracted work we have had. I should like to have a stipulation that when 11 o'clock on Friday comes we shall take a recess until the next calendar day.

That would extend the matter indefinitely, and was not within the scope of our agreement. I think if we add a provision that the legislative day shall not end at 11 o'clock, and leave the matter in the control of the Senate, it will an-

swer the purpose.

Mr. BRISTOW. If the Senator will permit me, I will suggest that if on Friday this order is vacated, it will then be in the power of the Senate to do as it pleases-either to adjourn or to take a recess.

Mr. KERN. Certainly.
Mr. OVERMAN. Let us vacate the order.
Mr. BRISTOW. If the order were to be vacated on Friday, would that be satisfactory?

Mr. OVERMAN. That is the best suggestion, because then the Senate will have it in its power to do as it pleases, except that by unanimous consent it must vote during that legislative day. If we vacate the order for Friday, that will settle it. Mr. BRISTOW. Would that be satisfactory to the Senator

from Nebraska?

Mr. HITCHCOCK. Well, I am strongly opposed to an all-night session on Friday; but if others are willing to take

their chances on it, I shall not object.

Mr. BRISTOW. I do not believe the Senate will sit all night when it is not necessary. We can finish then without any doubt on Saturday, and with only 15-minute speeches we can transact business rapidly. We can adjourn at 11, or even at 12, on Friday night, and come back the next day and finish up in three or four hours. It seems to me sensible men would do that.

It seems to me that if we add to the agreement Mr. KERN. a stipulation that the legislative day shall not end at 11 o'clock

p. m. on Friday that will answer all purposes.

Mr. SUTHERLAND. Why not amend the unanimous-consent agreement by adding to it a provision that the previous order of the Senate, in so far as it contemplates an adjournment at

 o'clock on Friday, is vacated?
 Mr. KERN. That is all right. That was my proposition.
 Mr. TOWNSEND. Mr. President, do I understand that the order we have adopted to meet at 10 and continue until 11 shall continue right through?

Mr. KERN. Yes; except that on that day the order, in so far as it relates to adjournment at 11 o'clock, is to be vacated. It

covers a period of only two days.

I will state that the proposition as to hours came from the other side. I am entirely willing to accommodate myself, within the scope of the agreement, to the wishes of Senators on that

side. Mr. BURTON. Mr. President, I am as anxious to see the bill finished as anyone; and I think if we proceed in an orderly manner, on a rule that the length of speeches shall be limited to 15 minutes, we shall finish this week. The chances are, perhaps, that we shall finish by Friday night. I am unwilling, however, to agree to an order under which we can be kept here all of Friday night. That would mean that the discussion after the usual time of adjournment would be a perfect farce. The Members would be so exhausted that no careful attention would be given to the arguments. It would be very difficult, in fact, to make any arguments. I am perfectly willing to agree that we shall go on for the hours we have been in session under this order—from 10 to 11—to-morrow and the next day

Mr. KERN. That would not be any change at all.

Mr. BURTON. And then, if the bill is not disposed of by 11 o'clock on Friday, if we could finish its consideration by sitting a little later then, or in any event in a few hours on the

following day, I should be willing to agree to that.

Mr. WEEKS. Mr. President, I hope the Senator from Ohio will not object to the tentative arrangement which has been made. When the ordinary hour for adjournment is reached on Fridayat 11 o'clock-it seems to me the good sense of the Senate will determine whether we shall continue in session an hour or two longer or whether we shall then take a recess until the next day. If there should be pending at that time a number of amendments which were going to produce controversy, naturally we should take a recess until 10 o'clock the next day.

But if we have completed the amendments, and it will not take more than an hour or such a matter to conclude the bill, then I think the Senate would desire to vote on the bill that night. I think it ought to be left to the good sense and judgment of the Senate when we reach that hour to determine what its course shall be.

Mr. BURTON. I am perfectly willing to stay here on Friday night until 12 or 1 o'clock to complete the bill. I am satisfied I am expressing the opinion of others. I do not feel like opposing what seems to be the general desire to finish the bill. I am willing to stay here until 12 o'clock or 1 o'clock on Friday night; but to stay here all that night when important amendments may remain to be considered I am unwilling to consent to.

I think we might have here an understanding, as a modification, that if at 1 o'clock the bill was undisposed of we shall recess until 10 o'clock. I am perfectly willing to consent to the proposed agreement as it stands if we can receive an assurance that if anything is unfinished we are not to sit here all night and indulge in the farce of discussing a bill where exhaustion will compel the adoption of provisions which may be objectionable and which should be discussed. I do not feel willing to agree to that.

Mr. McCUMBER. Mr. President, I want to suggest to the Senator from Indiana—and it is only, of course, the conclusion of one—that if he would modify his agreement and get consent that we should proceed with the bill to-morrow morning, and that no Senator should speak more than 15 minutes upon the bill or upon any amendment and not more than once on the bill or upon any one amendment, we will get through with the bill long before 11 o'clock Friday night. If we could get an agree-ment of that kind, I think the debate would be very limited, and that we would make much more headway than in attempting to drive us beyond certain hours of the night. We will certainly get through more quickly. I feel positive we will get through before 11 o'clock on Friday night.

Mr. KERN. Permit me to say to the Senator from Ohio that this proposition for a unanimous-consent agreement came to me from the other side of the Chamber, and it was with some diffi-culty that I procured the consent of Members on this side to the agreement for the legislative day instead of the calendar day. I proposed to cut out the 11 o'clock limitation, not think-ing there would be an all-night session. After the earnest effort which has been made on both sides to have this agreement made I hope that an objection will not be interposed to it.

As stated by the Senator from Massachusetts, if it should As stated by the Senator from Massachusetts, if it should appear on Friday night that there is no prospect of a final vote, I think the good sense and the good judgment of the Senate may be trusted. This agreement has been entered into in a perfect spirit of good feeling. The only purpose of it is to limit the time within which the bill shall be passed. Fixing it on the legislative day instead of the calendar day extends the time rather indefinitely, but still we have the agreement so made up at this time; and I sincerely hope that the earnest efforts which have been made by Members on the other side will not be thwarted by the Senator from Ohio and the Senator from North Dakota. I think they may safely trust to the Senate and trust us to do the right thing.

Mr. BURTON. May I ask the Senator from Indiana a ques-Suppose, however, the hour of 1 o'clock should be reached on Friday night, would he then vote in favor of a motion to recess until 10 o'clock or 11 o'clock on the following day?

Mr. KERN. That would depend altogether upon the parliamentary and legislative situation at that time. If we were about to pass the bill, if it could be passed within an hour or two, I think I should insist upon the Senate remaining an hour or two longer. If there was no prospect of that, I have no more desire to continue the strain upon myself than has the Senator from Ohio. I have been here constantly in attendance upon this body for a good many months, and probably the wear and strain on me has been as great as it has been on any other Member of the Senate.

Mr. WEEKS. May I ask the Senator from Indiana a question?

KERN. Certainly. WEEKS. If at 11 o'clock Friday night it appeared that there was no prospect of passing the bill within two or three hours, would not the Senstor at that time be willing that the Senate should take a recess until the next day?

Mr. KERN. Personally I would.

Mr. KERN. Personally I would.

Mr. TOWNSEND. Would there have to be caucus action on that? Could we not determine it now?

Mr. KERN. I can not say now, because the agreement has been entered into on a general understanding. Its terms have been submitted to Members on this side, and with some difficulty. culty I have gotten their consent. I can not make a new agreement now.

Mr. McCUMBER. I should like to hear the order read, if the Senator please.

The VICE PRESIDENT. The proposed agreement will be

The Secretary read as follows:

It is agreed, by unanimous consent, that on Thursday next, December 18, 1913, immediately after the routine morning business, the Senate will proceed to the consideration of the bill (H. R. 7837) commonly called the currency bill and any amendments that may be offered to the same; that in the debate no Senator shall speak more than 15 minutes on the bill itself and not more than 15 minutes on any amendment thereto; and that a final vote upon the bill and all pending amendments will be taken on the legislative day of Friday next, December 19, before adjournment on that day.

Mr. MGCUMBERD, I should like to each the Seventor from

Mr. McCUMBER. I should like to ask the Senator from Indiana if he would construe the provision that no Senator shall speak more than 15 minutes on the bill and not more than 15 minutes on any amendment as meaning that a Senator can not speak more than once for 15 minutes or more than 15 minutes altogether. Suppose, for instance, a Senator should speak 15 minutes and then another Senator speaks upon another phase of the question and he seeks to answer, would the Chair permit him to take another 15 minutes upon another phase of it? If that is the understanding, I certainly would not want to consent to it.

Mr. KERN. I submit to the Senator from North Dakota, I do not think that is the proper construction to be placed upon it. Mr. OWEN. The language of the agreement obviously means

that a Senator can speak on any amendment at least 15 minutes. Mr. McCUMBER. And not more.

Mr. OWEN. Not more than 15 minutes on any one amend-

ment; but there may be many amendments he may speak on.
Mr. McCUMBER. That is true. With that general view of the construction, I shall not object to it.

Mr. BURTON. There is one further point in regard to it. Suppose a Member of the Senate speaks for five minutes on an amendment and then a response is made. Does the agreement contemplate that he shall speak but one time or that he shall speak 15 minutes in all?

Mr. KERN. Fifteen minutes is what it says.

Mr. BURTON. And speak but once? Mr. KERN. It does not say that.

Mr. BURTON. He can not speak more than 15 minutes. want to ask the Senator from Indiana again, suppose the debate should run until 11 or 12 o'clock, or even 1 o'clock, Friday night, and important amendments remained undisposed of, is he, so far as he is personally concerned, in favor of recessing until the hour of daylight on the following day?

Mr. KERN. If there was no immediate prospect of voting

on the amendment without cutting off debate.

Mr. BURTON. If there is something important to be discussed?

Mr. KERN. Yes. There is no desire certainly-

Mr. BURTON. Then the Senator from Indiana would favor recessing until the following day?

Mr. KERN. I should, if there was no prospect of a vote upon an important amendment.

Mr. BRISTOW. Mr. President, I hope the Senator will add to the statement which has been read that the order to adjourn at 11 o'clock Friday night shall be vacated, so as to leave the matter in the hands of the Senate.

Mr. KERN. Very well. But is not that covered by the suggestion as to the legislative day of Friday-that it will not

end at 11 o'clock? Mr. BRISTOW. I think that it ought to be incorporated in the agreement.

Mr. KERN. Let that be put in.
Mr. BRISTOW. Let the agreement read as thus modified.
The VICE PRESIDENT. The agreement will be read as modified.

The Secretary read as follows:

UNANIMOUS-CONSENT AGREEMENT.

It is agreed by unanimous consent that on Thursday next, December 18, 1913, immediately after the routine morning business, the Senate will proceed to the consideration of the bill H. R. 7857, commonly called the currency bill, and any amendments that may be offered to the same; that in the debate no Senator shall speak more than 15 minntes on the bill itself and not more than 15 minutes on any amendment thereto; and that a final vote upon the bill and all pending amendments will be taken on the legislative day of Friday next, December 19, before adjournment on that day, and the previous order as to adjournment shall, as to Friday, December 19, 1913, be vacated.

Mr. M. E.D.N. Thete is all right

That is all right. Mr. KERN.

The VICE PRESIDENT. Is there any objection? Chair hears none, and the unanimous-consent agreement is entered into.

Mr. OWEN. Mr. President, the amendment proposed by the Senator from Nebraska [Mr. HITCHCOCK] changes the time of the maturity of paper submitted to the Federal reserve banks for discount from 90 days to 180 days, with a proviso-

SEVERAL SENATORS. Let us have order.

The VICE PRESIDENT rapped with his gavel.

Mr. CLAPP. Will the Senator from Oklahoma yield to me for a moment?

Mr. OWEN. I yield to the Senator. Mr. CLAPP. I did not object to the unanimous-consent agree ment, as an objection would place one perhaps in a false attitude, but we see now the effect of it. The moment it was entered into the interest in this matter practically ceased. The Senator from Oklahoma has been upon the floor for five or six minutes, I believe, but unable to proceed because of the confusion in the Chamber. It is a striking lesson, it strikes me, as showing the folly of entering into such agreements.

Mr. LEWIS. There was a much less attendance when we had no agreement. The lack of interest is, I think, because of

fatigue on both sides

The VICE PRESIDENT. The Senator from Oklahoma will

Mr. OWEN. Mr. President, the average length of time of the paper held by the Bank of France, which practically carries the reserves of the French bank system, is 28 days. The Bank of Germany carries a large volume of its paper within the 30-day limit. It has no paper in its portfolio longer than 90 days. The Bank of England carries its commercial bills also of short maturities. The reason for this practice by those banks is because they are reserve banks. Our laws in the American system require reserves to be carried in cash, in order to respond to any demand which may be made by a depositor who wants The reserves ought to be carried in cash or the equivalent of cash; and short-time, self-liquidating paper is regarded as the equivalent of cash, especially where you have an open discount market established, as we hope to establish an open discount market in this country through the processes of this

Obviously if we should pursue another rule and allow the reserves of all the banks of the country to be tied up in the Federal reserve bank by being invested in stocks and bonds or in real estate or in any other form of nonliquid securities, when a bank came asking for its reserves in cash the Federal reserve bank, the proper custodian of those reserves, would not be able to respond. That is the reason why the policy has been established of short-time maturing paper based on actual commercial transactions, because paper of that kind not only has short maturities but it also is self-liquidating in character that is, it will attract from the pockets of the people the currency which is in the pockets of the people and will bring cash into the bank through those bills. That is a very important consideration.

All the stricture upon this Federal reserve system because it does not carry these reserves in six-months farm paper is a misconception due to the fact that those who are advocating that have had in their minds the establishment of a central Government-controlled bank, extending accommodation to the private citizen, just as the Bank of France does with its clientele, and forgetting that this is a bankers' bank, a bank established to enable the 25,000 banks in this Nation to have the independence they ought to have to be able to compete with each other in a competitive banking system, which we have tried to establish in the United States by the processes which have led to independent banks rather than gigantic banks with branches everywhere through the country.

The branch bank system is forbidden in the United States, because it is the policy of our banking system that each bank should be independent and competing with other banks, and obviously if you had a few big banks, with thousands of branches, the competition between the branches of the blg banks would be controlled by a few men at headquarters. We have pursued a different policy, and when we place these reserves, which are the equivalent of cash, we must keep them

equivalent to cash,

In the Aldrich bill, so called, which was approved by the American Bankers' Association, it was provided that the discount should have 28 days' maturity.

Such notes and bills-

I read from Senate bill No. 7, introduced by the Senator from Massachusetts [Mr. WEEKS]-

Such notes and bills must have a maturity of not more than 28 days. Why? Because it was intended these notes should be equivalent to cash, because the reserves are expected to be kept in cash, and it is hazardous to use that which is cash by investing it in long-time securities and in that way take away from it its liquid character.

Mr. WEEKS. Mr. President-

Mr. OWEN. I yield to the Senator from Massachusetts.

Mr. WEEKS. I should like to call the Senator's attention to the fact that in the Monetary Commission bill there were other methods provided for banks borrowing in addition to redis-

Mr. OWEN. Yes; but I am only showing the argument which led the framers of the Aldrich bill, so called, to put this 28-day limit in the bill. In the bill which we have drawn we provide that a bank may obtain accommodation upon paper of any length of time, for that matter. They may come in case of need and get a straight discount from the Federal reserve bank upon their own paper secured by any kind of collateral they have. Ordinarily the agricultural banks in the country will not have any need for such discounts. Ordinarily under this system the banks of agricultural communities will be able to get all the accommodation they want from other banks, who will be in a position now to extend them the accommodations they need, just as the banks of Minnesota now send into the Dakotas large quantities of their surplus funds for investment in the Dakotas because of the higher interest rates which are obtainable in that section, and which are let out through the banks of the Dakotas.

Now, Mr. President, I do not intend to take the time of the

Senate

Mr. GRONNA. Mr. President—
The VICE PRESIDENT. Does the Senator from Oklahoma yield to the Senator from North Dakota?

Mr. OWEN. I yield to the Senator from North Dakota. Mr. GRONNA. I want to ask the Senator from Oklahoma a

question for information. I find on page 67 of the Owen bill, after the word "surplus," in line 21, this language—

Mr. OWEN. The Senator from North Dakota has some print which I have not in my hand. What is the date of the

print he has?

The print of December 1, 1913. I will quote Mr GRONNA the language to the Senator, though I am sure he is familiar with it. The bill provides:

No member bank shall extend, directly or indirectly, the benefits of this system to a nonmember bank, except upon written permission of the Federal reserve board, under penalty of suspension.

Now, as I understand-

Mr. OWEN. That is not now before the Senate. I will be glad to answer the question, however, and to tell the Senator from North Dakota that that was intended to prevent banks who were qualified to come into the system from remaining out of the system without contributing to it and at the same time getting the benefits.

Mr. GRONNA. Mr. President, in view of the statement which the Senator from Oklahoma has made, I shall not press him to give an answer now; but I shall take the matter up a little

Mr. OWEN. I think it would be a little better to do so. will say to the Senator, however, in that connection, that we thought that was one of the cases where the bill ought to be amended, so as to take care of the banks which did not have the capital to enable them to come in. We think that can be covered to the satisfaction of all the banks which have a just right to ask that they be protected under the measure.

Mr. GRONNA. As I understand that it is desired to take a vote on the pending matter before a recess is taken, I shall not

ask for any further information at this time.

Mr. OWEN. I move to lay the amendment on the table. The VICE PRESIDENT. The question is on the motion of the Senator from Oklahoma to lay the amendment proposed by the Senator from Nebraska [Mr. HITCHCOCK] on the table.

Mr. HITCHCOCK. On that I call for the yeas and nays.

The yeas and nays were ordered.

Mr. OWEN. I make the point of no quorum. There are some Senators over in the Senate Office Building who will not

be able to get here in time to vote if we proceed immediately.

The VICE-PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bacon Brady Brandegee Bristow Bryan Burton Catron Chamberlain Chilton app arke, Ark. Clarke, Ark.
Colt
Crawford
Cummins
Dillingham
Fletcher
Gore

Gronna Hitchcock Hollis Hughes James Jones Kenyon Kenyon Kern Lane Lane Lea Lewis Lippitt McCumber Martin, Va. Martine, N. J.

Newlands Shively Sinvery Simmons Smith, Arlz. Smith, Ga. Smith, Mich. Stephenson Sterling Norris Oliver Oliver Overman Owen Page Penrose Perkins Pomerene Ransdell Reed Robinson Saulsbury Shafroth Sheppard Sherman Shields Sterling Sutherland Swanson Thompson Tillman Townsend Vardaman Walsh Warren Weeks Shields Williams

Mr. WARREN. My colleague [Mr. Clark of Wyoming] is unavoidably detained from the Chamber. He is paired with the Senator from Missouri [Mr. STONE].

The VICE PRESIDENT. Sixty-eight Senators have answered

to the roll call. There is a quorum present.

The question now is upon the motion of the Schatch Oklahoma [Mr. Owen] to lay the amendment proposed by the Oklahoma [Mr. Huguegork] upon the table. The Secretary will call the roll.

The Secretary proceeded to call the roll.
Mr. CHILTON (when his name was called). I have a general pair with the junior Senator from Maryland [Mr. JACK-

son]. In his absence I withhold my vote.

Mr. BRISTOW (when Mr. La Follette's name was called). I desire to state that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is unavoidably detained from the Chamber. he were present, he would vote "nay."

Mr. SMITH of Arizona (when his name was called). nounce my pair with the Senator from New Mexico [Mr. Fall], and therefore withhold my vote. If he were present, I should vote " vea.

Mr. STERLING (when his name was called). my pair with the senior Senator from Louisiana [Mr. Thorn-TON]; but I transfer that pair to the senior Senator from Idaho [Mr. BORAH] and vote "nay."

Mr. REED (when Mr. STONE's name was called). announce the necessary absence on account of illness of my colleague [Mr. Stone]; the fact that he is paired with the Senator from Wyoming-[Mr. CLARK], and that, if my colleague were present, he would vote "yea."

Mr. SHAFROTH (when the name of Mr. Thomas was called).

I wish to announce that the senior Senator from Colorado [Mr. THOMAS] is necessarily absent from the Senate to-day. He is paired with the junior Senator from Maine [Mr. Burleigh].

The roll call was concluded. Mr. SMITH of Georgia (after having voted in the affirmative). I voted inadvertently. I desire to withdraw my vote, as I am paired with the senior Senator from Massachusetts [Mr. LODGE]

Mr. BANKHEAD. I have a pair with the junior Senator from West Virginia [Mr. Goff] and therefore withhold my vote. Were he present, I should vote "yea."

Mr. O'GORMAN (after having voted in the affirmative). I

have a pair with the Senator from New Hampshire [Mr. GAL-

have a pair with the Schatter from New Hampshire [Mr. Gal-LINGER]. In his absence I withdraw my vote. Mr. WARREN. I wish to say that my colleague [Mr. Clark of Wyoming] is unavoidably detained from the Chamber. He is paired with the senior Senator from Missouri [Mr. STONE]. If my colleague were present, he would vote "nay.

The result was announced-year 39, nays 34, as follows: YEAS-39

Ashurst Bacon Bryan Chamberlain Pittman Pomerene Ransdell Johnson Kern Lea Lewis Smith, Md. Smith, S. C. Swanson Thompson Tillman Reed Robinson Saulsbury Shafroth Martin, Va. Martine, N. J. Clarke, Ark. Fletcher Myers Newlands Overman Vardaman Walsh Hollis Sheppard Shields Hughes Williams Owen Shively NAYS-34. Bradley McLean Nelson Norris Oliver Cummins Smith, Mich. Brady Dillingham Stephenson Sterling Sutherland Townsend Warren Brandegee Bristow Burton Gronna Hitchcock Page Penrose Perkins Poindexter Catron Clapp Colt Kenyon Lane Lippitt McCumber Weeks Crawford Sherman NOT VOTING-22. Bankhead Borah Burleigh Chilton Clark, Wyo. Culberson Lodge O'Gorman Root Smith, Ariz. Smith, Ga. du Pont Stone Thomas Thornton Fall Gallinger Goff Jackson La Follette Works

Smoot So the motion of Mr. Owen to lay the amendment of Mr. HITCHCOCK on the table was agreed to.

Mr. HITCHCOCK. I offer an amendment to section 4 of Senator Owen's draft of the bill, upon page 12, beginning on line 10.

The VICE PRESIDENT. The amendment will be stated.

The Secretary. On page 12, beginning with line 10, it is proposed to strike out, beginning with the words "shall subject," down to the end of the paragraph and to insert-

Mr. BURTON. Mr. President, from which print is the Secretary reading—the one marked "December 1, 1913, ordered reserve currency."

printed showing changes proposed by the modified amendment of Senator OWEN"

The VICE PRESIDENT. The print of December 1.

Mr. BURTON. The one containing the Glass bill with interlineations of the original?

The VICE PRESIDENT. No; the Owen amendment; the substitute

Mr. BURTON. On what page does the amendment come in? The VICE PRESIDENT. Page 12, line 10.
Mr. CRAWFORD. I ask that the amendment be read.

The VICE PRESIDENT. The Secretary will state the amend-

The Secretary. On page 12, beginning in line 10, it is proposed to strike out "shall, subject to the provisions of law and the orders of the Federal reserve board, extend to each member bank such discounts, advancements, and accommodations as may be safely and reasonably made with due regard for the claims and demands of other member banks," and insert

Mr. CRAWFORD. Mr. President, let me interrupt the reading. There is something wrong here. I have in my hand the Owen draft, print of December 1. I turn to page 12, where the Vice President has indicated the Secretary is reading, and turning to line 10 I find there is no such language at that place. I should like to know from what print the Secretary is reading? I have the draft of December 1, submitted by Senator Owen.

Mr. HITCHCOCK. Mr. President, this whole matter can be straightened out if the attendants will distribute among the Senators the Owen draft as used by myself and as used by the Secretary. It is the dr "Print of December 1." It is the draft which has across the top the words

Mr. SHAFROTH. It is the bill of November 22.

Mr. HITCHCOCK. As a matter of fact, it is the bill of November 22; but the offer made by Senator Owen is not the offer of the bill as finally printed December 1, but it is the one of November 22, but kept by the officials at the Secretary's desk as the print of December 1. I do not know why this

should be so, but they have given me this print.

Mr. CRAWFORD. I have another draft, and it is an altogether different thing. This is the amendment of the print of

December 1, which is an altogether different thing.

The Secretary. It is proposed to insert the following words: The Secretary. It is proposed to insert the following words: Each member bank shall be entitled as a matter of right to the rediscount of eligible paper to the full amount of its capital stock upon the lowest current rate of discount, and no member bank shall be permitted to discount an amount of paper exceeding the amount of its capital stock except upon payment of a higher rate of discount, the increase in rate of discount to be 1 per cent for an additional 50 per cent of discounts or part thereof and 2 per cent for all in excess. In no case shall a Federal reserve bank discount paper for a n.mber bank in excess of twice the amount of its capital stock without special authority by the board. by the board.

Mr. HITCHCOCK. Mr. President, in the Owen draft of the bill no limit is placed upon the amount of discounts that a reserve bank can make for a member bank. It may discount the paper of a member bank to the amount of its capital stock, or to the amount of twice its capital stock, or to the amount of three times its capital stock, or it may discount the whole port-

folio of its loans. There is no limit.

In the provision which has been read we seek to provide a We say that a reserve bank shall not discount the paper of a member bank to a greater extent than twice the amount of its capital stock, and that is not all. One of the serious needs of this legislation is to provide some automatic check upon the discounting of paper. We do not believe it is check upon the discounting of paper. We do not believe it is wise to leave the matter wholly within the discretion of the Federal reserve banks nor of the Federal reserve banks. believe that the result of leaving it in anybody's discretion is to provide for possible inflation. We have therefore provided in the amendment which has been offered that whenever a reserve bank shall discount the paper of a member bank to an amount greater than its capital stock, a higher rate of discount shall be charged. Any member bank shall be entitled to discounts to the amount of its capital stock at the lowest rate of discount. but if the Federal bank permits a bank to discount above that amount it shall charge a higher rate of discount.

Mr. President, we believe that is a wise provision. It inserts an automatic check so that banks will not seek to discount paper to an amount greater than their capital except in cases of importance and of real necessity. We believe that a bank that discounts paper only to the extent of its capital should not be charged as high a rate as a bank which is permitted to go beyond that point. We believe that by providing that auto-matic check we have provided a protection against the inflation of bank credits and also against possible inflation of the

But, Mr. President, there is another virtue in this provision of ours. Under the bill as it came from the House and under the bill as presented by Senator Owen it is possible for the reserve bank in any district to refuse to discount the paper of a member bank. It can even refuse to discount the paper of the member banks of a whole town. It can even go further, and it can refuse to discount the paper of all the banks in a State.

It may be said that there is no danger of any such thing; but in framing this legislation I do not think the Congress of the United States should give too large discretionary powers. I believe it is a matter of importance that the banks which are required to go into it should be told exactly what they may expect from it.

Suppose a number of customers come to a bank for loans, and suppose the bank is down to a point near its legal reserve limit. That bank is not in a position to make those loans unless it knows absolutely what it can expect in the way of rediscounts from the reserve bank. Therefore to say in this bill that the privilege of discounting paper shall be a matter dependent upon the discretion of the reserve board or the reserve bank is to say that the banks will not be able to answer their customers when they apply for loans in some cases. If, however, you put in the law an exact statement of what a bank is entitled to, as a matter of right, on the presentation of eligible papers, then when the borrowing public applies to a bank for loans the bank will be in a position to say "yes" or "no."

I think in the bill presented by Senator Owen there is too much disposition to leave discretionary power in the hands of the directors of the reserve banks, too much disposition to leave discretionary power in the hands of the members of the reserve board. Congress should act, and discretionary power should be held down to the lowest possible limits.

For that reason this amendment is offered to this section.

Mr. BURTON. Mr. President, will the Senator from Nebraska yield for a question?

Mr. HITCHCOCK. Certainly; I yield.

Mr. BURTON. Does not the expression contained in the proposed amendment, "shall be entitled as a matter of right," entirely deprive the regional bank of the opportunity to use any judgment or discretion as to the quality of the paper? In other words, under that phraseology, if a member bank having a capital of \$100,000 should bring discounts for that sum—good, bad, or indifferent-would not the regional bank be compelled to take

Mr. HITCHCOCK. If the Senator will recall the language exactly, I think he will see that it does not bind the reserve bank to discount any paper that is not eligible under the terms of the bill.

Mr. WEEKS. Mr. President, may we not have order?

The VICE PRESIDENT. There must be a unanimous-consent agreement to maintain order, or the proceedings of the Senate must stop.

Mr. BURTON. Might not paper be eligible under the billthat is, 90-day paper, or paper meeting such other description as is contained in the bill—and yet might not the maker be a person whose solvency was doubtful? Might it not occur that the member bank had taken paper under discount and found that the obligor or maker was in a doubtful position, and then might it not take it to the regional bank?

Mr. HITCHCOCK. Oh, in that case there could be no doubt at all that it would be the duty of the reserve bank to decline to discount the paper. The very purpose is to have discounted only such paper as is good. That is one of the reasons for specifying that it shall be prime commercial paper. That is one of the reasons for providing that it shall be paper which shall liquidate itself. I can hardly consider the possibility that the directors of a reserve bank would not have a right to say to a bank: "This paper is not eligible. It is not good. You must present us good paper, and then you are entitled to discount." There must be, of course, that power in a reserve bank.

Mr. BURTON. The Senator from Nebraska must recognize that the language "shall be entitled as a matter of right" is very strong. So far as the other portion of the amendment is concerned, creating a limitation on the amount and creating a different rate of interest when the member bank applying goes beyond the amount of its capital, it seems to me that is in accordance with good banking principles. The query I raise is whether the interpretation placed upon this other provision would not authorize the bank to present any paper and say: "We are entitled as a matter of right to have this discounted,

whatever its quality. It is our quota."

Mr. HITCHCOCK. I can not conceive that possible. The whole purpose of this bill is that the very best paper in the portfolio of a bank shall be the paper which shall be discounted, and that is not all. The reserve bank is given a supervisory

power over the member banks, and may examine into their condition, and, of course, must have the right to reject paper that is presented for discount; but it is intended that when a bank presents paper for discount which is not acceptable to the oficers, it shall be permitted to present other paper to the amount of its capital stock and otherwise eligible for discount

under the terms of the bill.

Mr. NORRIS, Mr. President—
The VICE PRESIDENT. Does the Senator from Nebraska yield to his colleague?

Mr. HITCHCOCK. I do.

Mr. NORRIS. In order to know just what the amendment is that is offered, I should like to ask my colleague where in his substitute bill will be found the language that he proposes to substitute for the language he seeks to strike out.

Mr. HITCHCOCK. I can tell my colleague in a moment, I think. I think he will find it on page 34 of the comparative

print.

Mr. NORRIS. I have here the print of the bill of November 25, as introduced by the Senator and his colleagues on the committee

Mr. HITCHCOCK. It is in section 14.

Mr. NORRIS. Is that on page 43?

Mr. HITCHCOCK. Section 14.

Mr. NORRIS. I wanted to see if I had the exact language, and that is why I ask the Senator about it. Is it on page 43? Mr. HITCHCOCK. It is on page 34 of the comparative print,

but in the print the Senator has he will find it in section 14. Mr. NORRIS. In the comparative print the lines are not numbered, and it is difficult to know just where the Senator begins and where he ends. If he will refer to the bill to which I have called his attention, the one which he introduced, and will call my attention to it in that print, I shall be able to tell exactly what the language is. I have had it pointed out to me, but I wish to be certain about it. If I am correct, it is on page 43.

Mr. HITCHCOCK. Yes; that is correct.

Mr. NORRIS. Where does it commence? In what line?

Mr. HITCHCOCK. It begins with the words "and each member bank shall be entitled," on line 23. Of course I have not offered the whole paragraph, because I am offering it as an amendment to Senator Owen's bill.

Mr. NORRIS. I understand, but I wish to get the language.
Mr. HITCHCOCK. The part which I am offering begins on line 23 and reads as follows:

And each member bank shall be entitled as a matter of right to the rediscount of eligible paper to the full amount of its capital stock upon the lowest current rate of discount, and no member bank shall be permitted to discount an amount of paper exceeding the amount of its capital stock except upon payment of a higher rate of discount, the increase in rate of discount to be 1 per cent for an additional 50 per cent of discounts or part thereof and 2 per cent for all in excess. In no case shall a Federal reserve bank discount paper for a member bank in excess of twice the amount of its capital stock without special authority by the board.

Mr. NORRIS. That makes that matter plain. I wish, now, to ask my colleague about the language-

and each member bank shall be entitled as a matter of right to the rediscount of eligible paper to the full amount of its capital stock.

And so forth.

Would it not follow, if that were incorporated into the law, that you would take away from the board of directors or the managing officials of the regional bank the right to pass on the quality of the paper that was presented for rediscount?

Mr. HITCHCOCK. No, Mr. President; I think not. I think "eligible paper" includes not only the character of paper as to its maturity, but the character of paper as to its fluidity, or as to its excellence.

Mr. NORRIS. If that be true, if that is the construction to be placed on this language, then the managing officers of the bank, regardless of what kind of paper was brought to them, could say, "This paper is not good," if they have a discretionary right to pass on it, and they could accomplish just what the Senator seeks to avoid.

I am not claiming that they ought not to have that discre-tion. I doubt the wisdom of incorporating a provision here, however, that shall compel the officials of this bank to loan their money on security on which they have no right to pass. If it does not mean that, then it seems to me it can not accomplish anything

Mr. HITCHCOCK. Mr. President, I do not think the reserve bank would be without power to reject paper not deemed good.

Mr. NORRIS. Then, if that is true, what could be accomplished by the language I have read?

Mr. HITCHCOCK. If they do reject the paper it will be necessary for them to show, in case of complaint, that the paper was not good. As a matter of fact, the discount of an amount

of paper equal to the capital stock of a bank is a very ordinary proceeding now.

Mr. NORRIS. I concede that.

Mr. HITCHCOCK. It is a reasonable amount of discount.

Mr. NORRIS. I am very much in sympathy with the entire amendment, with the exception I have noted; but I do not believe we can afford to put in something that will take away the discretionary power of the proper officials of a bank to pass on the sufficiency of the security-that is, as to whether it is good or not. If this language does not take away that discretionary power, it seems to me, it does not accomplish anything. The balance of the amendment I would favor very much. It seems to me, however, that what we would be doing here would be to compel the officials of this bank to loan their money on security which, as far as form was concerned, complied with the law, but which, as to security, would be absolutely worthless. That is a step I should not want to take.

Mr. HITCHCOCK. They do not loan their money. They are loaning the money this bank itself has put in there.
Mr. NORRIS. Oh, yes.

RECESS.

The VICE PRESIDENT. The hour of 6 o'clock having arrived, the Senate will stand in recess until 8 o'clock.

The Senate thereupon (at 6 o'clock p. m.) took a recess until 8 o'clock p. m.

EVENING SESSION.

The Senate reassembled at 8 o'clock p. m.

IMPORTATION OF POTATOES.

Mr. BORAH. Mr. President—
Mr. GRONNA. Will the Senator from Idaho yield to me?
Mr. BORAH. I yield to the Senator.
Mr. GRONNA. I ask unanimous consent to have printed in the RECORD a telegram from a citizen of my State in regard to the importation of potatoes. I wish to state in this connection that the regular price of potatoes is at present about 30 cents a bushel. The telegram states that they have in that locality about 100 carloads of selected potatoes fit for seed, and as it is a matter of considerable importance to our part of the country wish to have the telegram printed in the RECORD.

Mr. HITCHCOCK. Mr. President, I suggest the absence of

quorum.

Gronna

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

	Hitchcock	Overman	Contab Co
Ashurst			Smith, Ga.
Borah	Hollis	Owen	Smith, Md.
Brady	Hughes	Page	Smith, S. C.
Brandegee	James	Pittman	Smoot
Bristow	Johnson	Pomerene	Sterling
Bryan	Jones	Ransdell	Swanson
Burton	Kern	Reed	Thompson
Chamberlain	Lane	Robinson	Tillman
Clapp	Lea	Root	Townsend
Clarke, Ask.	Lewis	Saulsbury	Vardaman
Colt	McCumber	Shafroth	Walsh
Crawford	Martin, Va.	Sheppard	Warren
Dillingham	Martine, N. J.	Sherman	Weeks
Fletcher	Myers	Shields	Williams
Gallinger	Nelson	Shively	
Goff	Newlands	Simmons	

The VICE PRESIDENT. Sixty-five Senators have answered to the roll call. There is a quorum present. Is there objection to printing in the RECORD the telegram submitted by the Senator from North Dakota?

Smith, Ariz.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

GRAND FORKS, N. DAK., December 16, 1913.

Hon. A. J. GRONNA, Washington, D. C .:

O'Gorman

Hon. A. J. Gronna, Washington, D. C.:

Understand there is to be a hearing before the Secretary of Agriculture Thursday morning regarding the admission of foreign potatoes from countries where potatoes are infected with disease. I believe a strong protest should be made against the admission of these potatoes. While North Dakota is comparatively a small producer, and the danger of the introduction of the disease here is small, nevertheless the danger is there, and if introduced into the United States would reach us in time. Supplies in the United States as a whole are ample to insure moderate prices. North Dakota potatoes are now absolutely free from scab and other disease, and on this account command a premium for seed, Our Larimore warehouse contains over 100 carloads at this time, all owned by the producers. Market to-day, 45 cents.

O. J. Barnes Co.

O. J. BARNES Co.

BANKING AND CURRENCY.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7837) to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes.

Mr. BORAH. Mr. President, I desire to submit this evening some views which I entertain upon the question of the legal tender quality of these notes. The power of the Congress the United States to invest the notes of the Government with the legal-tender quality may now be considered a settled question. For many years after the organization of the Government it was believed by the leading lawyers of the country and by those giving consideration to the subject generally that it was not within the power of the Congress to invest the notes of the Government with the legal-tender quality. It was believed that the fathers did not intend to give that power to Congress, and it must be admitted that upon the facts surrounding the adoption of the Constitution and the discussions touching the subject that would seem to be the sounder view. Nevertheless, during the Civil War it became necessary for Congress to consider this proposition for the first time in a way it never had to consider it before, and it assumed the power of giving to the notes of the Government a legal-tender quality.

After the conflict had closed this question was carried to the Supreme Court, and the Supreme Court held against the power of Congress. This opinion, as we are all well aware, was afterwards reversed and the court held with those who contended for this power upon the part of Congress. This opinion, however, was never entirely satisfactory to the lawyers of the country and to most people who had given consideration to the

question.

It was believed that the opinion was rendered under the pressure of imperative necessity, and that under other conditions and at a time when the country was at peace a different conclusion might be reached by the court. In other words, to put it in perhaps a more lawyerlike phrase, it was thought that the court had based the proposition that the Congress had the power really upon the principle of self-preservation. The court, laying great stress upon the war powers of the Government and viewing the emergency as it then existed, arrived at the conclusion that it was one of the sovereign powers of the Government, and established the doctrine that it was within the power of Congress to exercise it in such an emergency.

Later this proposition was carried to the court again and pre-

sented in time of peace, at a time when the conditions did not exist and the emergency did not obtain. So, in 1884, the court again reviewed the question at length, and, with the exception of Justice Field, who was a member of the court at the time the original opinion was rendered, the entire court agreed to the proposition affirmative of the power. It has since that time been considered a settled question, and it is not my purpose

to-night to reopen or discuss it at any length.

But I am going to read a single paragraph from the late opinion, not so much with a view of opening up the legal proposition, as to present the view of the court as to the source of the authority and correspondingly the obligation of the Government to I would like for those who are interested in the subject to observe the nature of the power as viewed by the I read from the Legal Tender case, in One hundred and tenth United States, page 447, where it says:

tenth United States, page 447, where it says:

It appears to us to follow, as a logical and necessary consequence, that Congress has the power to issue the obligations of the United States in such form and to impress upon them such qualities as currency for the purchase of merchandise and the payment of debts as accord with the usage of sovereign governments. The power, as incident to the power of borrowing money and issuing bills or notes of the Government for money borrowed, of impressing upon those bills or notes the quality of being a legal tender for the payment of private debts was a power universally understood to belong to sovereignty, in Europe and America, at the time of the framing and adoption of the Constitution of the United States. The Governments of Europe, acting through the monarch or the legislature, according to the distribution of powers under their respective constitutions, had and have as sovereign a power of issuing paper money as of stamping coin. This power has been distinctly recognized in an important modern case, ably argued and fully considered, in which the Emperor of Austria, as King of Hungary obtained from the English court of chancery an injunction against the issue in England without his license of notes purporting to be public paper money of Hungary. Austria v. Day (2 Giff. 628, and 3 D. F. & J. 217). The power of issuing bills of credit and making them, at the discretion of the legislature, a tender in payment of private debts had long been exercised in this country by the several Colonies and States; and during the Revolutionary War the States, upon the recommendation of the Congress of the Confederation, had made the bills issued by Congress a legal tender. (See Craig v. Missouri, 4 Pet. 435, 453; Briscoe v. Bank of Kentucky, 11 Pet. 257, 313, 334–336; Legal Tender cases, 12 Wall., 557, 558, 622; Phillips on American Paper Currency, passim.) The exercise of this power not being prohibited to Congress by the Constitution, it is included in the power expressly granted to bo

States. This position is fortified by the fact that Congress is vested with the exclusive exercise of the analogous power of coining money and regulating the value of domestic and foreign coin, and also with the paramount power of regulating foreign and interstate commerce. Under the power to borrow money on the credit of the United States and to issue circulating notes for the money borrowed, its power to define the quality and force of those notes as currency is as broad as the like power over a metallic currency under the power to coin money and to regulate the value thereof. Under the two powers, taken together, Congress is

authorized to establish a national currency, either in coin or in paper, and to make that currency lawful money for all purposes, as regards the National Government or private individuals.

It will be observed that the Supreme Court places this among the great and sovereign powers of the Government, and seemingly a power which should be exercised, if exercised at all, for an entire people and not in a way to benefit a class or a particular business. It is a power which, if it exists at all, begets an obligation which is not only commanding but exclusive.

So, it is now purely a question of policy; that is to say, whether it is wise for the Government to issue its notes which are to serve the purposes of money, perform the functions of money, and deprive them of any of the qualities of money which it is within the power of the Government to give them.

I read, Mr. President, from the bill, at page 48, the last print,

I understand, which says:

Sec. 16. Federal reserve notes, to be issued at the discretion of the Federal reserve board for the purpose of making advances to Federal reserve banks through the Federal reserve agents as hereinafter set forth and for no other purpose, are hereby authorized. The said notes shall be obligations of the United States, and shall be receivable for all taxes, customs, and other public dues.

I have offered an amendment, which reads:

The said notes shall be obligations of the United States, and shall be receivable for all taxes and other public dues and legal tender for all debts, public and private.

Mr. President, according to its express terms, the bill makes these notes obligations of the Government. We will first consider the bill according to its terms, and assume that its authors were not willing that these notes should be mere bank credits, but intended that they should rise to the dignity of Government issue, performing the functions of money and be accepted as It is not only the sovereign function but the sovereign duty of a government to furnish a sound and sufficient volume of money with which to do the business of the country. rency and banking are separate and distinct affairs and belong to separate and distinct fields of activity. It is no part of the function of government and it is a vicious practice to loan its credit to private corporations. After the Government has provided sufficient money, either metal or paper money, redeemable in coin, it is then the business of individuals or corporations to establish their own credit. The business world will determine the form and extent of this-as bills of exchange, checks, and bank notes have grown into use through and because of business The private corporations or the privately owned and controlled banks should never be permitted to issue or provide the money or currency of the country. And, on the other hand, the Government should never enter into the business of providing credit for private corporations or of loaning its credit to those upon whom devolves the building up of our credit sys-

This note, however, is the obligation of the Government and issued by the Government. It is paper money, redeemable in gold by the Government. Yet, sir, this obligation, which is put out supposedly in an emergency, though under the terms of the bill not necessarily so, goes forth discredited and dishonored by

The Government says that it itself will not receive it in payment of customs due it—that, at least, is the house bill—and that no man shall be obliged to accept it in payment of debts. Every creditor in the land may say to every debtor, Go get me gold before I satisfy your debt. If the Government is providing money, it should provide that whatever it puts out as money should perform all the functions of money at all times and under all circumstances. It should either take its name off of this note and relieve itself of this obligation, or it should exercise its full power and discharge its full duty to the people and give it all the functions of money. Upon what theory should this Government assume both the obligation to issue and the obligation to redeem a miserable itinerant in the business world which seems neither willing to nor capable of canceling a mortgage or paying a grocery bill? If it is money, who will argue that it should not be money in all its completeness and power? If it is a mere instrument of bank credit, who will argue that the Government should either issue or redeem it?

We have 10 kinds of money in the United States-somewhat of a medley in the financial world. We have gold, which i full legal tender. We have the standard silver dollar-We have gold, which is legal tender except where the contract otherwise provides. have subsidiary silver-legal tender to any sum not exceeding We have the Treasury notes of the act of July 14, 1890legal tender except where otherwise provided in the contract. We have the greenbacks-legal tender except as to duties on imports and interest on the public debt. We have gold certificates and silver certificates—not legal tender, but receivable for all public dues. We have the national-bank notes—not legal tender, but receivable for all public dues except duties on

imports, but which may be paid out by the Government except for interest upon the public debt and redemption of national We have minor coins-legal tender up to 25 cents. We have foreign coins-not legal tender.

Now, for the purpose of simplifying matters we have added the eleventh, unlike any of the rest, a Government obligation loaned to the banks redeemed by the Government-a kind of pterodactyl in the financial world, at times soaring away on the wings of governmental power and at other times, when in the hands of private citizens, so wretched and worthless that it will not pay a night's lodging if the innkeeper does not like it. The Government degrades its function, its sovereign power, either by refusing to endow its emission of money with all the functions of money or by engaging to furnish credit to private corporations, and becomes a partner of a private institution. Upon which horn of the dilemma do you prefer to be impaled?

It has been said that the Government has assumed to issue this money; that it refuses to yield its sovereign right, to delegate this power to private corporations, but will itself take control and itself provide the money for the people. This is generally believed throughout the country. What will the people say when they find, first, that this money can not be issued except upon the initiative of the bank; and, secondly, that they have not money at all, but some peculiar instrument of bank credit, an evidence of debt with which they can not enforce acceptance for the common necessaries of life. That it will pass in the private affairs of life solely and alone at the option of the creditor world. Will the people not ask, and have a right to ask, why, if you are going into this at all, do you not make this serve all functions of money in all circumstances? This is an emergency currency, it is sometimes said. An emergency is liable to arise any moment when a man has only \$10 in his pocket and can not force his coal dealer to take it for what he owes him. It serves the purpose of extending the credit of the bank and upon which they may collect interest. It answers their purpose in this emergency. But it does not serve the purpose of answering such emergencies as may often arise in the private affairs of life.

Mr. HITCHCOCK, Mr. President——

Mr. HITCHCOCK. Mr. President—
The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Nebraska?

Mr. BORAH. I yield. Mr. HITCHCOCK. Suppose these Government notes were issued directly by the Treasury Department acting as the reserve agent for the banks and operating to enable the expansion of the currency at seasonable times, does the Senator from Idaho think that that function would come within the power as outlined by the Supreme Court?

Mr. BORAH. I should say so; yes.

Mr. HITCHCOCK. Well, suppose, instead of issuing those notes through the Treasury Department, Congress creates these reserve banks and places them under the control of Government-elected directors, would the Senator not feel that those banks were only a convenient way used by the Government to accomplish the same end through its own officers?

Mr. BORAH. If the reserve banks were under the complete control of the Government, I would regard the issue of notes by the banks under such conditions as really the issue of the notes by the Government, as I regard the issue of the notes of the Reichsbank as really the notes of the German Government, because, while they are bank notes in a technical sense, yet they are issued by what is really the Government's agency of issuing them. If the Government completely controls the bank, then the act of the bank may be said to be the act of the Government. I think all currency in that sense should be issued by a bank, but a bank which is no more than a proper instrumentality by which the Government does its work.

Mr. HITCHCOCK. I make this distinction, Mr. President, because I think there is force in what the Senator from Idaho says, and the bill as prepared by the House of Representatives, or as presented by the Senator from Oklahoma, is open to the objections which he states, because the banks are under the control of private individuals and private interests primarily, and there is some question whether, being so controlled, they should have the issuance of Government notes. The bill prepared by the section of the committee of which I am a member has so arranged it that the banks are under the control of directors a majority of whom are named by the Government.

Mr. BORAH. Of course, my mind was upon the bill pre-sented by the Senator from Oklahoma, because there is some indication that that is the bill that will pass. [Laughter.]

But, Mr. President, I was saying that these notes are the obligations of the Government and redeemable by the Government, and yet they are sent out dishonored and discredited from the beginning. In the first report that was made of the bill they

were not receivable for customs. If my memory serves me correctly, that has been changed.

The Senator is right about that. Mr. NELSON.

Mr. BORAH. But they are still not legal tender for the payment of debts.

There is behind these notes, first, as I have said, the obligation of the Government; second, the gold reserve, which is provided for; third, they are made the prior and paramount lien upon the assets of the bank. Then they have behind them the notes and bills of exchange to the amount of the issue. Yet, Mr. President, these notes, while they may be used by the banks loaning them to the people, upon which interest is to be collected, will not pay an ordinary debt or cancel a mortgage unless by consent of the party to whom it is owed.

Upon what theory does the Government take the responsi-bility for these notes and place behind them the sovereignty of the Government and all the power of the Government, which ought to be exercised by all for all, instead of for a few, unless it is to exercise it in such a way that in whosoever's hands they fall they may feel the benefit and the beneficence of the action of the Government?

We have quite enough precedents in regard to this matter to justify us in imposing the quality of legal tender upon these notes. The Bank of England notes have been legal tender since January 1, 1834. No one in England would to-day entertain a proposition to strip the Bank of England notes of their legaltender quality. I have never understood that there has been any trouble or difficulty arising out of and by reason of the fact that the notes of the Bank of England are legal tender. On the other hand, at the time that Mr. Peel, perhaps the most capable of the public men who dealt with the reorganization, as it were, of the Bank of England, was considering this matter he was particularly desirous of retaining the legal-tender quality of the notes of the Bank of England.

There can certainly be no argument in favor of the legaltender quality of a bank note which does not serve with greater purpose to establish the proposition that Government notes should possess that quality. On the other hand, it might well be argued that bank notes should not be legal tender, but it could scarcely be argued, it seems to me, that the Government itself should enter into the business of issuing notes of a limited legal-tender quality to perform the functions of money.

The Bank of France made its notes legal tender in 1870. The notes of the Bank of France are in fact the notes of the Government of France. While they are issued by the bank and possess the form and go under the name of the bank notes of the Bank of France, that bank is under the absolute control and regulation of the Government, and notes are in fact issued under the strict regulation, control, and direction of the Government and solely at the initiative of the Government. After an experience of some years, and after observing the experience of the great financial nation, England, France came to the con-clusion that she would imbue her notes with the legal-tender quality, and did so. No one to-day among the great financiers of that country contemplates depriving those notes of their legal-tender quality, and I apprehend that such a proposition would not be entertained if seriously urged by the Government of France.

In 1906 and 1907 the German Empire had some trouble, as we had, with a financial crisis, which led to a reinvestigation and a reconsideration of the entire question of the bank charter of the German Bank, a Government bank. After a most complete inquiry, extending through weeks and months in the German fashion of thoroughness, after listening to the experts of the German Empire upon the subject of finance, including the president of the Government bank, and after observing the experience of England, France, Austria-Hungary, Italy, and all of the other great nations of Europe, Germany came to the conclusion that her notes should be legal tender. As a result, they modified the bank's charter and provided that the notes of the bank issued by the Government through the bank should possess the legaltender quality.

I want to take enough time, Mr. President, to read a few paragraphs from that investigation. It was a most thorough investigation. One must conclude that they did not act hastily or without a most searching inquiry. The German Government was, however, after the inquiry, convinced that it was the wise thing to do. Whatever there was of learning to be brought to bear upon the subject they brought to bear upon it; and to-day the leaders of finance in Germany indorse the action of the Government in 1909. The president of the bank, speaking upon this subject, said:

At the hearing of the experts last spring they treated this question almost exclusively from the standpoint of an enlargement of the Reichsbank's stock of gold and with regard to times of peaceful and

normal economic development, and scarcely considered that the legal-tender quality of the bank notes may also perhaps be of importance in protecting the store of gold in possession of the bank, particularly in politically or economically critical periods.

This is the president of the bank speaking, not alone a theorist or a "flatter," but a man who had had years of training in this particular line of intellectual activity and who is speaking both as a theorist and as a practical banker.

speaking both as a theorist and as a practical banker.

And even where one or another did touch upon such critical times, he fixed his attention mostly upon a war, and then only upon the period immediately following its outbreak, pointing out that it was a question at the utmost of only a few critical days, which could be weathered, and that making the notes legal tender and possible the forced circulation of them might then become a necessity, but that it would be time to enact those measures then, and that they could be legally passed in a few days by the Reichstag and the Bundesrath—for the power of issuing an emergency decree is not provided for by the constitution of the Empire. But the possibility that we may have grave political crises when legal measures can not at once be enacted, and that a war does not necessarily break out overnight, but may be impending for weeks and months, producing constantly increasing uneasiness in the business world, hardly one of the gentlemen seemed to have thought about.

But, gentlemen, it is not necessary in this connection to think of war at all; we may go through protracted political or economic hard times in peace also. Are we really so absolutely sure that with us an economic crisis, a failure of confidence, an intense demand for money, a run upon savings or other banks may not, under a conjuncture of unretward circumstances, occur, even though, thanks to the elasticity of our central bank of issue, hardly to the same extent as in the United States?

The question whether we do not need the same defensive apparatus

untoward circumstances, occur, even though, thanks to the elasticity of our central bank of issue, hardly to the same extent as in the United States?

The question whether we do not need the same defensive apparatus with which all our great neighbors, and particularly England and France, have long since provided themselves may, at any rate, be worthy of earnest consideration, even if we leave an actual panic that may seize upon the people at large and the business community entirely out of account. And it is very obvious that at such times every individual strives to put himself into a strong position financially, to have his resources mobile and available that every bank, every public fund, every disbursing officer, savings bank, cooperative institution, and whatever else they may be called, will, or at least may, make a strong effort to secure for themselves the means of meeting all possible demands for payment and therefore for greater amounts than are needed in normal times. It may likewise be assumed as certain that efforts to secure those means to pay on the part of private persons, as well as of the banks and other payment institutions, will be directed toward procuring as much as possible of that kind of money regarding which the possessor is sure that he can use it in payment under all circumstances—that is, money that is legal tender.

Up to the present, however, gentlemen, it is is only gold that plays

the possessor is sure that he can use it in payment under all circumstances—that is, money that is legal tender.

Up to the present, however, gentlemen, it is is only gold that plays this part.

That in such periods of long-continued, steadily aggravated crises an acute feeling of insecurity and unrest may pervade the business community in general, precisely because the creditor demands of his debtor the only unconditional kind of money—that is, gold—is conceivable; that this endeavor, manifested in larger or smaller strata of the population, these necessary efforts of the banks, disbursing offices, savings banks, and so forth, to procure this sole absolutely valid and disposable form of money, gold, may react strongly and, under certain conditions, to a dangerous extent upon the Reichsbank and its stock of gold is at least possible and perhaps probable; and this would happen particularly at a time when it must strive to guard its stock of gold with the utmost care, while as matters now stand it has no means of really protecting it.

Now, it seems plain that the investing of our bank notes with the legal-tender quality would remove the chief motive which, under present conditions, impels great numbers of private individuals and notably banks and disbursing offices to provide themselves specifically with gold, and that in great quantities; and the number of people who will then apply to the bank to have notes redeemed will not, I believe, under any circumstances be a dangerous one, so long, of course, as the credit of the bank is maintained.

Gentlemen, it may be doubted—and I concede this at once—whether

of the bank is maintained.

Gentlemen, it may be doubted—and I concede this at once—whether these possibilities will become realities, and how far the measiness and the imperiling of business and the imperiling of our gold will extend in such crises. But, gentlemen, in forming your decision you will have to put this question to yourselves also; whether the bodies that are responsible for the utmost possible security of business—and for the present you, too, are among them—should not consider, judge, and prepare the measures required for such grave emergencies from the standpoint of the pessimist and of the man who goes, it may be, to the furthest limits of caution.

Again, this same authority says:

Finally, gentlemen, even in times when economic conditions are perfectly normal the banks and other disbursing places would not need to keep as large a stock of gold on hand as they are now obliged to do on account of gold being the only legal tender, and this, gentlemen, might also have the effect of promptly and permanently strengthening the Reichsbank stock of gold.

Dr. Riesser, addressing himself to this question, said:

Dr. Riesser, addressing himself to this question, said:

We find very similar arrangements in countries which adopted the
new system directly after the régime of paper money and forced circulation. France, in the first place; the legal-tender plan did not exist
there either formerly, but, after the war of 1870, which involved
the issuance of a forced circulation, specie payment was resumed which
retained that feature. In Austria-Hungary the same thing obtains, and
likewise in Italy. I mention only the chief countries. In short, we
could point to the fact that it is the almost universal practice of leading nations of Europe as regards their central banks and the notes
issued by them. I would therefore be in favor not of permitting this
measure to be put into force by imperial order, but of establishing it by
law, precisely at the most peaceful time, such as we may look for now.

Mr. Fischel, after referring to the discussion which bad one.

Mr. Fischel, after referring to the discussion which had pre-

with reference to the discussion which had previously in the history of Germany taken place with reference to making the notes legal tender, said:

I believe that if the members of the commission of 1866 had been a little more farseeing the outcome of their discussions would have been that it was desirable to make the bank notes legal tender.

Again, he says:

I consider this matter of such importance that I would believe would simply be deplorable if we were to miss this opportunity, whi I regard as the most opportune one of establishing a normal status.

Dr. Lexis, urging the adoption of the legal-tender clause and referring particularly to the hoarding of gold in times of stress, said .

With the bank notes circulating as legal tender, the situation would in any case be rendered less serious than it would otherwise be.

In the report of the explanatory brief accompanying the proposition to renew the Reichsbank made after this long inquiry, it is said:

The investment of the notes of the Reichsbank with the quality of a legal tender can not possibly result in any harm to the currency system while it has the advantage of preventing trickish behavior on the part of creditors and of securing for critical times a discharge of pecuniary obligation in accordance with existing methods. * * * The conferring of the legal-tender quality upon the Reichsbank notes does not in any way affect the maintenance of the gold standard, as is proved by the example of the Bank of England.

This hobgoblin of legal tender forever roosting on our financial Whatever those fence no longer terrifies the old countries. countries put out to serve the purposes of money redeemable in gold is given all the functions and qualities of gold in the way of debt-paying power. Whatever they put out serves the debtor and creditor alike-serves to pay debts as well as to foment speculation, serves to meet grocery bills as well as banking schemes and stock deals, serves those who want the necessaries of life as well as those who covet the riches of the world. It is a stupendous blunder, if not a political crime, for this Government to issue this money at all unless it gives to it all the functions of money which it is within the power of the Government to give.

It will be seen, therefore, that these financiers advocate making the notes of the Government Bank of Germany legal tender for the purpose of protecting their gold reserve in a financial crisis, and particularly for the purpose of building up their gold reserve. They say, as any man of practical com-mon sense would likely say, that if a man has in his possession a Government note with which he can pay his debt and can-cel his mortgage there is no occasion for him, when the storm begins to brew, to hasten to a point where he can get the kind of money with which he can cancel his mortgage.

Why should a man who possesses money backed by the obligation of the Government, backed by the gold reserve, apply for such gold unless it is because at some time or other the money he has will not serve his purpose or pay his debt? If you endow it with the legal-tender quality, so that his creditor must take it in payment of debts, there will be no occasion for him to hunt the gold reserve when the crisis comes and the storm begins to brew.

So under this very same system the Bank of France built up her gold reserve to its present point of eight hundred millions and holds it there. So they have built up since 1907 in Germany the largest gold reserve they ever have had and are holding it there.

I have been advised since I introduced this amendment by the press of the country that its operation would have a tendency to deplete the gold reserve. Realizing my limited knowledge of these things, I might have been deterred from urging the amendment had I not found upon examination, before I introduced it, that back of the fear and the disturbance of mind in regard to it of the men who say it may deplete the gold reserve is the experience of England, the experience of France, and the experience of Germany, which have been directly to the contrary.

Mr. President, whenever we undertake to discuss the ques-

tion of legal-tender paper money, or paper money in any form, we are confronted with the tremendous figure and the powerful prestige of Daniel Webster. During the discussion of the extension of the charter of the Second Bank of the United States, in 1836, Mr. Webster threw into his argument some views upon paper money which really were not a part of the discussion at that particular time. They are contained in a paragraph which has traveled over the continent several times since, and which is quoted upon every occasion when the subject of the issuance of paper money by the Government, or making it legal tender, is up for consideration.

I am going to quote at length from Mr. Webster on this subject; but first I want to read this paragraph, because I find it in a speech lately delivered upon this particular bill.

This is a quotation from Mr. Webster:

This is a quotation from Mr. Webster:

Of all the contrivances for cheating the laboring classes of mankind none is so effectual as that which deludes them with paper money. It is the most perfect expedient ever invented for fertilizing the rich man's fields by the sweat of the poor man's brow. Ordinary tyranny, oppression, excessive taxation, these bear lightly on the happiness of the community compared with fraudulent currencies and the robberies committed by depreciated paper. Our own history has recorded enough,

and more than enough, of the demoralizing tendency, the injustice, and intolerable oppression on the virtuous and well disposed of a degraded paper currency authorized by law, or in any way countenanced by Government.

So this paragraph, lifted from its context and separated from the argument and the subject matter under consideration, is taken from Mr. Webster's works and constantly iterated and reiterated in the discussion of this subject. We are advised that he was not only opposed to paper money, but that he was one of the great lawyers of this country who was on record against making paper money legal tender.

I am perfectly well aware that Mr. Webster, as a lawyer, believed it was not within the power of the Congress of the United States to make anything legal tender except gold and silver. He placed that interpretation upon the Constitution and repeated it many times. It was his view that you could go no further than that. But since Mr. Webster lived the Supreme Court of the United States has said that the power belongs to Congress, and that power has been exercised and sustained.

What did Mr. Webster say in regard to paper money, and investing it with legal-tender qualities? He said repeatedly that paper money should have all the qualities and functions of money which it was within the power of Congress to give it; that when it was put out to perform the service of gold or silver, as the agent, the aid, and the representative of the gold or silver, all the powers and functions which a sovereign government could give it should be given to such paper money.

If Mr. Webster were alive to-day, with the Supreme Court decision before him, the logic of his argument would drive him to two propositions:

First, a Government-controlled bank. Second, every dollar

of currency issued by the Government and made legal tender.

Any man who will analyze Mr. Webster's views upon this great question can reach no other conclusion. I shall trespass upon the patience of the Senate by quoting at length from Mr. Webster. I would like to discourage these people if I can from quoting him on this subject any longer upon theory of the quotation above made.

Mr. Webster did not leave in doubt what he had reference to when he used the term "paper money," such as he referred to in his bank-charter speech in 1836. It was the kind of money which all now reject, which the experience of mankind has long since put aside as a devastating experiment.

He says:

By paper money in its obnoxious sense, I understand paper, issued on credit alone, without capital, without funds assigned for its payment, resting only on the good faith and the future ability of those who issue it. Such was the paper money of our Revolutionary times; and such, perhaps, may have been the true character of the paper of particular institutions since. But the notes of banks of competent capitals, limited in amount to a due proportion of such capitals, made payable on demand in gold and silver, and always so paid on demand, are paper money in no sense but one; that is to say, they are made of paper, and they circulate as money.

Paper money redeemable in gold is paper money in no sense except that it is made out of paper. It is the representative of gold and is in every sense money, as much so as gold, so long as the redeeming power behind it is sufficient to fulfill the pledge of redemption.

That was quoted from his speech on the specie circular made December 21, 1836. He further says:

But I am also of opinion that an exclusive circulation of gold and silver is a thing absolutely impracticable; and if practicable, not at all to be desired; inasmuch as its effect would be to abolish credit, to repress the enterprise, and diminish the earnings of the industrious classes, and to produce, faster and sooner than anything else in this country can produce, a moneyed aristocracy.

What, then, it will be asked, is a sufficient check? I can only repeat what I have before said, that it is a subject which requires the constant care, watchfulness, and superintendence of government.

The issuance of our currency or paper money, in the mind of Mr. Webster, was just as much an act of the Government, just as much the duty and the obligation of the sovereignty, as to coin gold or silver. He was as much opposed to private individuals controlling the paper currency of the country, based upon gold or silver, as he was opposed to turning over the power of coinage to private corporations.

Again he says, in his great speech upon the currency:

Now, sir, my present purpose is chiefly to maintain two propositions—First. That it is the constitutional duty of this Government to see that a proper currency, suitable to the circumstances of the times and to the wants of trade and business, as well as to the payment of debts due to Government, be maintained and preserved; a currency of general credit and capable of aiding the operations of exchange, so far as those operations may be conducted by means of the circulating medium, and that there are duties, therefore, devolving on Congress in relation to currency beyond the mere regulation of the gold and silver coins.

Second. That the message, the bill, and the proposed amendment, all, in effect, deny any such duty, disclaim all such power, and confine the constitutional obligation of government to the mere regulation of the coin and the care of its own revenues.

There can be no mistake about Mr. Webster's view, first, that it was the constitutional duty and obligation of the Government, through its Congress, to provide a currency; and, second, that it was as much the business and the obligation of the Government to provide the currency as it was to coin gold and silver.

He says:

I have well weighed, Mr. President, and fully considered the first of these propositions-

The one which I have just read-

The one which I have just read—
to wit, that which respects the duty of this Government in regard to
the currency. I mean to stand by it. It expresses, in my judgment, a
principle fully sustained by the Constitution and by the usage of the
Government, and which is of the highest practical importance. With
this proposition, or this principle, I am willing to stand connected, and
to share in the judgment which the community shall ultimately pronounce upon it. If the country shall sustain it, and be ready in due
time to carry it into effect by such means and instruments as the
general opinion shall think best to adopt, I shall cooperate, cheerfully,
in any such undertaking, and shall look again with confidence to prosperity in this branch of our national concerns. On the other hand, if
the country shall reject this proposition, and act on that rejection; if
it shall decide that Congress has no power, and is under no duty. In
relation to the currency, beyond the mere regulation of the coins; then,
upon that construction of the powers and duties of Congress, I am
willing to acknowledge that I do not feel myself competent to render
any substantial service to the public counsels on these great interests.

Again, in the same speech he says:

Again, in the same speech he says:

Again, in the same speech he says:

I be leave to say, sir, with all respect and deference, that funds are transferred from individual to individual usually for the direct purpose of the payment and receipt of debts; that payment and receipt are duties of currency; that, in my opinion, currency is a thing which government is bound to provide for and superintend; that the case, therefore, has not the slightest resemblance to the transportation of merchandise, because the transportation of merchandise is ceause the transportation of merchandise is ceause the transportation of payments of the slightest resemblance to the transportation of by ships and boats, by carts and wagons, and not by the use of currency or anything else over which government has usually exclusive control. These things individuals can provide for themselves. But the transfer of funds is done by credit, and must be so done; and some proper medium for this transfer it is the duty of government to provide, because it belongs to currency, to money, and is therefore beyond the power of individuals.

I think there is another quotation which I shall make and

I think there is another quotation which I shall make and then I will trespass no longer upon the time of the Senate. is in the same speech. He says:

But, sir, as will be seen by the proposition which I have stated, I go further; I insist that the duty of Congress is commensurate with its power.

Now, then, where would Mr. Webster stand to-day if he were here discussing the currency bill of 1913? He has said that the power of controlling the currency, superintending it, and dominating its amount and what it shall be is just as much the duty of the Government as coining gold and silver. He has further said that it is the duty of the Government to exercise the full strength which it has in endowing this currency with the qualities of money:

I insist that the duty of Congress is commensurate with its power; that it has authority not only to regulate and control that which others may put forth as money and currency, but that it has the power, and is bound to perform the duty, of seeing that there is established and maintained at all times a currency of general credit, equivalent in value to specie, adapted to the wants of commerce and the business of the people, and suited to the existing circumstances of the country. Such a currency is an instrument of the first necessity to commerce, according to the commercial system of the present age, and without it commerce can not be conducted to full advantage. It is in the power of Congress to furnish it, and it is in the power of nobody cise.

He did not leave any room for doubt, Mr. President, as to what his views were, both as to the power and as to the duties of the Government with reference to coining gold and silver and with reference to providing the currency which is based upon gold and silver.

If Mr. Webster had had before him the determination of the court that it was within the power of Congress to impose the legal-tender quality upon the notes which it issues, am I not correct in concluding that if that power had been vouchsafed. as he believed at that time, he would have insisted that all the power which Congress had should be exercised in providing a sufficient and sound volume of currency with which to do the business of the country? He did not stop with saying that it was within the power of Congress to do it, and it ought to do it. He went further and said it was not the province of anyone else to do it, and, in effect, that no one else should be permitted to

exercise that power.

Mr. President, so far as I am concerned I would just as soon see the power to coin gold and silver turned over to a private corporation of a western mining camp as to turn over the power

to fix the volume of currency upon which to do the business of the country to private corporations in other parts of the country. Now, Mr. President, as was said by the distinguished Senator from Missouri [Mr. Reed] night before last, this currency is issued alone upon the initiative of the bank. That, of course, is

the plain interpretation of the bill. Nevertheless, if the Government attaches its name and becomes responsible for its redemption it should give it all qualities of money which it is within the power of the Government to give it. I greatly regret that the sole initiative for issuing this currency is with the banks; but, be it so, the Government owns it as its obligation and redeems it, and it has no right to put it out with anything less than all the qualities of money which it can give it.

Why should we issue to the country a note redeemable by the Government, for which the Government is obligated, that may not pay a grocery bill or a night's lodging unless the party is willing to take it? Upon what theory do we exercise the power of the Government except upon the theory that it will redound to the benefit of each and all, one and another alike? If this is sufficient for speculation, if it is sufficient for providing for credit in the hands of private corporations, if it may be offered to individuals as money and interest collected upon it as money, then should it not carry to the borrower, who pays for money, all the virtues of money?

On the other hand, if it is mere bank credit, if refuge is taken in the proposition that these are not really Government notes but bank notes, we do not arrive at any more desirable position in regard to it. It is an unwarranted practice for the Government to loan its credit, to loan its name, and give its authority and its prestige to private corporations to establish credit. Nothing could be more in the interest of a class, nothing more pronounced and repulsive as special privilege, than that of the Government loaning its credits to particular parties or certain corporations. That is special privilege nation wide, and in the end, if allowed to go on, nation wrecking.

My friends on the other side should recall what John C. Calhoun said when he was arguing this precise proposition. What a vast advantage it would be if the Government would go out upon the street and find John Jones and say to John Jones, "I will indorse your note; I will give you my credit; whereever you may go you may exercise that and stand upon it." What a vast advantage it would be to John Jones as against the rest of his neighbors and friends. Yet you take the position of saying to a certain limited class of business men or corporations that we will loan the credit of the Government, the guaranty of the Government, for your benefit in the building up of your credit, and upon that credit you may fix the interest you will charge upon the people of the country.

I think, Mr. President, I am warranted in calling the attention of my friends upon the other side to the fact that this proposition of making these notes legal tender has been a principle advocated by your party for years and years. It has been in your platform; it has been announced from your political rostrum; it has been advocated in your campaigns; it has been advocated almost by everyone now in this Chamber who was here at the time the Vreeland-Aldrich bill was discussed and who participated in that discussion. Time and time again you have taken the position that the Government should issue these notes and should make them legal tender. Not with a view of recalling matters which might seem to be contradictory of your present position, but to call your attention to the fact that you are committed to this proposition and that you now have it within your power to establish the principle, may I be permitted to call attention to some of those declarations?

February 7, 1908, the distinguished Senator from Mississippi [Mr. WILLIAMS] introduced in the lower House of Congress a bill touching the subject of the currency. I am not going to read the whole of the bill, although all of it could be read with considerable interest in view of the pending measure. The bill was prepared apparently with a great deal of care and after much consideration upon the part not only of the Senator but of his associates, both in the House and in the Senate, as I assume from the declarations which he made. There appeared about the time it was introduced an extended editorial in the Commoner, in which it is said:

Hon. John Sharp Williams, Democratic leader of the House of Representatives, has introduced a bill a copy of which will be found upon another page. It was introduced after a conference with other Democrats of the Senate and House—a conference which Mr. Bryan attended—and has the support of practically all the Democrats. The Commoner commends this bill to its readers and to the country as a vast improvement over the present national-bank act and over both the Aldrich and Fowler bills.

Upon page 12 of this bill, section 10, it is said:

That the emergency currency notes provided for in this act shall be a full legal tender for all debts, private and public, and shall conform in size, color, and wording thereon, as nearly as practicable, to the present United States Treasury notes, except each note shall have printed on the face thereof the words: "This note is secured by deposit of bonds with the Treasurer of the United States."

This measure was evidently considered long and in detail before it was introduced. While other parts of the bill are as important, I read only that which bears upon this particular question, the making of these notes legal tender. The distinguished author of this bill in the Senate, Mr. Owen, stated in the hearings that these notes should be made legal tender. He says:

I think these notes ought to be legal tender * * *, because it has been found by England, France, and Germany that legal-tender notes were the better policy.

During the pendency of the Vreeland-Aldrich bill the same Senator offered an amendment to that bill, and the amendment provided-

That the Secretary of the Treasury is hereby directed to have printed and to keep on hand United States Treasury notes under a special account, to be called the emergency-circulation fund. Such notes to be called legal tender, etc.

During the discussion of the Vreeland-Aldrich bill the Senator from Missouri [Mr. STONE] said:

ator from Missouri [Mr. STONE] said:

I regard with extreme disfavor the policy of vesting in banking corporations such power as gives opportunity to unduly influence the financial policy of a great people. I object to giving to banks the power to regulate in any degree the volume of the people's currency by expanding or contracting it as it may happen to suit their whim or their interest.

* * I would have the Government issue the currency full legal fender instead of delegating the power of issuing it to corporations it had created. Why authorize the bank to issue emergency notes, which would not be legal tenders, when the Government might issue a full legal-tender currency, and therefore a more valuable currency, and take securities in its own name sufficient to insure the return of money to the Treasury when the necessity for its issue had passed? (CONGRESSIONAL RECORD, vol. 42, pt. 3, p. 2117.)

I understand also that at one time the committee determined to make these notes legal tender and that was the report at one time agreed upon, but for some reason or other, undoubtedly satisfactory upon reflection, the legal-tender quality was taken

I want to ask you candidly, are you willing to go on record and present yourself to the country upon the proposition that the Government of the United States should issue its currency without the legal-tender quality? Are you willing to invoke the great sovereign power of the Government to put into circu-lation that which shall perform the functions of money, but which will not pay the debts of the debtor unless the creditor agrees?

I am very anxious to see this legal-tender quality given to ese notes. I want to see the Government signature and the these notes. Government obligation taken away from these notes, or I want them to have all the functions of money which the Government can give them. I want them reduced to the status of bank notes, bank credits, or I want them given all the properties which it is possible for the Government to give. I could never get the consent of my mind to vote to put the Government into the business of building up the credit and guaranteeing the standing of private corporations. On the other hand, if it uses its power, it must use it so all may share its benefits. I am quite aware that this is treason in some quarters, but it is my view, nevertheless. I have quoted these matters to refresh the memory of those who have considered this question in times past and to ask in all seriousness why it is that you should hesitate now that you are in power and have some support, at least, from the other side, to do that which you pledged time and time again would be done if the opportunity were given you to do it.

The convention which was presided over in 1896 by the distinguished Senator from Nevada [Mr. Newlands] had a clause it it specifically pledging the party to the proposition that notes issued by the Government to perform the functions of money or currency should be made legal tender.

There is no argument, Mr. President, none will be made upon this floor proposition that the Covernment when the

this floor, against the proposition that the Government when it attaches its name to a note should attach the legal-tender quality to it, so that it will serve every citizen in the land, whether he is paying for the necessaries of life or seeking wealth through the channels of speculation.

You might argue with success that if it were a bank credit it should not possess the legal-tender qualities, and I will agree with you, but when you put the sovereignty of the Government behind the issue and make it the obligation of the Government, I ask you in all sincerity, will you go before the country and say to them that we have exercised this great sovereign power

for a portion of the people? If it is necessary to have the action of the Government, one man has as much right to receive a benefit from it as the other. man has as much right to receive a benefit from it as the other. But you say these notes will pass without any disturbance, that they will be accepted. But, as was said by the great financier at the head of the German bank, if the storm does come and these notes are found in the possession of individuals, they are warned then and there that there may come a time when they will not serve their purpose or pay their debt, and they immediately proceed to the point when they get their bank to take

them up in order to protect themselves in case of a squall. But if they know that wherever they may be found during the storm they can take that note and the man to whom it is tendered must accept it in satisfaction of his debt or his claim, they have no reason to hunt the central bank and call for gold, neither will they be left out in the storm without any means to protect themselves. As is said to me by the distinguished Senator from West Virginia [Mr. Goff], under such circumstances he would rather have the note than the gold; it is more convenient.

With no suggestion that the note would fail him, why would he ever go to hunt that which was more inconvenient and more difficult to take care of? The Chicago Tribune says:

[From the Chicago Tribune.]

BANKERS AGAINST BORAH PROPOSAL.—PLAN TO MAKE FEDERAL RESERVE NOTES LEGAL TENDER NOT LIKED BY FINANCIERS.—DEEMED FURE INFLATION.—PERMISSION TO LOCK UP NOTES AS LEGAL RESERVE WOULD DEFEAT ELASTICITY.

The amendment to the currency bill introduced by Senator Borah yesterday, proposing to make the Federal reserve notes legal tender for all debts, public and private, met with strong disapproval by Chicago bankin; interests. In all drafts of the currency measure beretofore it has been provided that the Federal notes be receivabl; for public dues, but not as legal tender for private debts.

To make the notes legal tender, and also make them available for reserves in banks, would result in pure inflation to the amount of the notes issued. The occasion for Federal notes is to meet emergencies, and with that understanding a small tax was provided and it was made obligatory upon banks receiving them to return them either to the Government or the issuing bank, thus retiring them after they had performed the emergency function for which they were issued. But to make emergency notes legal tender and permit them to be locked up as legal reserve would remove the feature of clasticity and the occasion for their creation.

BANK NOTES OF LEGAL TENDER.

National-bank notes are not legal tender and can not be counted in bank reserve. Still, the popular outcry against national-bank notes, and also the great volume of objections to them by bankers, has been their lack of the quality of elasticity. Buttressed by Government bonds and limited in the amount which could be retired monthly, these national-bank notes have been the butt of all objections to the present currency

bank notes have been the butt of all objections to the present currency system.

In 1896, when the Government's gold reserve was being depleted by the use of greenbacks to extract the metal from the Treasury, the then great outcry against the currency system focused around these United States notes. There are \$346,600,000 outstanding. They are redeemable in gold, with a reserve of \$150,000,000 as redemption fund. The greenbacks also are legal tender for private debts. The Borah resolution proposes to combine in the Federal reserve notes all the objectionable features of the national-bank notes and the greenbacks.

If the only difficulty be that suggested in this article, that could be controlled very easily. In the first place, you might provide against their use as reserves, or you might tax them beyond a certain amount, as the German Government does. The financiers of Europe have found no difficulty along the lines which this paper says the bankers feel that danger may lie.

Mr. HITCHCOCK. Mr. President—
The PRESIDING OFFICER. Does the Senator from Idaho

yield to the Senator from Nebraska?

Mr. BORAH. I do.

Mr. HITCHCOCK. I feel that there is a great deal of force in the Senator's argument, and personally I felt very much doubt on that subject, but I think he should bear in mind that there is a difference between the function which these United States reserve notes are to perform and the function which is performed by our present greenbacks, which are also notes of the Government. The greenbacks, being a part of our permanent currency, have been made and are a legal tender; but the very argument that the Senator states may militate somewhat against his position. He states that if these notes were made against his position. a legal tender people having them will cling to them, and that will have a tendency to prevent them from coming back into the reserve banks for redemption. These notes, unlike the greenbacks, are supposed to be emitted to fill seasonal demands for extra currency, or emergency demands for currency, and it is very strongly desired that every influence should be brought to bear, when the demand subsides, to bring them back for redemption. If they are made a legal tender the very argument which the Senator suggests, that people may cling to them, is

somewhat against the process of contraction.

Mr. BORAH. Mr. President, if these notes are liable to stay out too long, if by making them legal tender it is calculated to leave them in the position longer than they should be, and thereby work inflation, there is a way to prevent that, and that is by taxing them if they are out too long, and let those who are getting the benefit by loaning them out pay for the expense of keeping them out too long, and not charge it up to those who are charged interest upon them when they borrow

them from the bank.

Another thing: If this is an emergency currency, there is an added reason, to my mind, why they should be legal tender, for

the reason that the moment they are issued, if there is an emergency and if there are squally times and people are uneasy, they will re-present them at once to get the gold and deplete the gold just as fast as they can, and they do not stay out to serve the purpose for which they were put out. That was the view of the president of the Bank of Germany, that when a crisis should come be wanted his notes to have such quality that they would not be invited to go back to the bank and hunt for gold. The reason the Bank of England made them a legal tender was to keep their individual holders from hunting gold,

which they wanted to hold in their bank.

If I had \$100 of this reserve money and I knew there was a panic brewing and the Senator from Nebraska knew the same thing, we would hunt a Federal reserve bank and get gold which would serve us while the squall was on; but if the storm is there and you have the money in your pocket and it serves every purpose which gold serves, then there is no occasion for you to

go and hunt gold.

Mr. HITCHCOCK. Mr. President-

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Nebraska?

Mr. BORAH. I do.

Mr. HITCHCOCK. The Senator's argument would be true if it were a fact that in the case of panic and stringency we have difficulty with our currency, but I think the Senator will not claim that to be a fact. The fact is that our stringencies relate only to the volume of currency. People were entirely satisfied during the recent panic to take bank notes which were not a legal tender and were just as content to receive bank notes as to receive legal-tender money. I do not think that our condition, either, is the same as is the condition of Germany, because there is a real scarcity of gold in Germany. Germany produces no gold. All the gold that Germany gets hold of she must get from the United States or from other gold-producing countries. She is practically compelled to pay a premium upon gold; her bank is engaged in a constant struggle for gold; but that condition does not prevail here. We are not compelled to resort to the same devices that the German national bank is compelled to

Mr. BORAH. Let me ask the Senator, would not the same principle which tends to invite gold to Germany and keep it there tend to hold it in the United States when it is already here?

Mr. HITCHCOCK. Yes; I presume that would be true to some extent, but I am pointing out to the Senator that the trouble in the United States has not been a scarcity of gold; it has not been a difficulty in securing legal-tender money. Our trouble has been more a bank trouble than a currency trouble. Our need has been to secure currency of any sort, and that is the need which this bill is primarily intended to satisfy

I am not prepared to say that I shall not vote for the Senator's amendment to make these notes a legal tender, but'I do not think that there is much force in the argument that they should be a legal tender for the purpose of keeping them among the people. I think that it is perhaps more an academic question than it is a practical question, in any event. I think there is force in the Senator's legal argument, and, for myself, I am a little averse to having the United States putting out its own notes which are not a legal tender and not as good as any form of money. The only justification for it is that this particular form of notes is, in fact, little else than bank notes. We call them Federal notes; we compel the reserve banks to redeem them, and we are only putting them out for a temporary purpose, which is the purpose for which the bank notes were

Mr. BORAH. Well, I think there is very much in what the Senator says that these are really bank notes. Fundamentally that would seem true, but you then must accept the proposition that you are loaning the credit of the Government to private Do you want to go on record as doing that?

Mr. HITCHCOCK. If the Senator will permit me to correct him there, the bill for which I stand does not create a private corporation, but it is a corporation controlled by Government

directors

Mr. BORAH. Of course I have constantly in mind the bill which seems more likely to pass, but the fact is that you must take one horn of the dilemma or the other; you must either say that these are Government notes—and if you do, it seems to me that you must endow them with all the functions of money which the Government can give them—or you must take the other view of it, that they are bank notes, and then you are confronted with the proposition that we are engaged here in loaning the credit of the Government to private corporations. As I said a manent ago, to my mind, that is a vicious practice.

Mr. BRISTOW. Mr. President—
The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Kansas?

Mr. BORAH. I yield.
Mr. BRISTOW. Do not the authors of the Owen bill admit that it is loaning the credit of the Government to private corporations? Is that disputed?

Mr. BORAH. I do not know whether it is admitted or not,

but it will not be any stronger after it is admitted.

Mr. President, the objection to making paper money redeemable in gold, the obligation of the Government and redeemable by the Government legal tender, is to my mind based largely on prejudice, or, rather, perhaps I should say because of the failure to discriminate or distinguish between irredeemable paper money and paper money redeemable on demand in coin. The experience of men with irredeemable paper, such as our colonial money or French assignats or the money at one time of Argentina, has been so full of misery and disaster that we pass its sins and vices over to that money which is the mere representative of coin, and as such should perform as agent all the functions of its principal. Put out to do the service and to aid the cause of its redeemer, it should be endowed with every virtue and every faculty which the reedemer and which a sovereign Government can give it. It should carry no suggestion to its holder when the storm seems to be approaching that it may be rejected or that an emergency may arise in which it will not serve his cause. There is no more reason for making paper money issued by the Government and redeemable in gold limited legal tender than there is in making gold limited legal tender. It is the aid and representative of gold; it is its convenient messenger and agent, and the messenger or agent should not go forth with a lurking limitation behind his ability to represent the principal.

I have not and I am not going to discuss another objection to making paper money legal tender, an objection which we all perfectly understand. It is an old story. It is a subtle form of insatiable greed, a never-ending desire for special advantage and special favor. Such a discussion would only lead to revealing again how much stronger in some quarters is the desire for gain than the desire to serve the public. But in the face of the experience of all the great financial nations of the earth, the experience of those nations where panics are no longer anything more than a reminiscence, in view of the manifest justice and equity of the proposition we ought to write into this law without hesitation and without division in this body in plain and unmistakable terms that that which the Government puts out as money or to serve the purposes of money shall have all the funcmoney or to serve the purposes of money shall have all the runctions and qualities of money which a sovereign government can give it. Unless we do this, this measure will go out to the world wearing the brand which so many measures touching the currency have worn before, of special privilege, the taint of cowardice, the shuffling pretense of what was promised to be a clean, broad measure in the interests of the whole people.

clean, broad measure in the interests of the whole people.

Mr. President, the last 20 years have been portentious years in the history of this Republic. One hundred more of the same drift, and whatever else we may have we will not have a representative Republic. Centralization of industry, centralization of commerce, centralization of banking, centralization of credits, and all in private hands, and the Government yielding to them little by little from time to time its sovereign powers and duties. It may all be in obedience to some sinister law of human progress, but it is to my mind at variance with selfreliant, self-respecting, free, and independent citizenship—the only guaranty under heaven or among men for a Republic. "Is there," asked Lincoln upon an important occasion, "in all republics this inherent and fatal weakness? Must a government of necessity be too strong for the liberties of its own people or too weak to maintain its own existence?" The former can never be true so long as the proper powers of government remain under and in the control of the people. The latter will inevitably be true when these powers have been yielded up to the demands of the few.

There is no inherent weakness in republics. A representative republic is the wisest of all governments. It meets every demand, and responds to every hope and purpose of a justice-loving, orderly, self-respecting, moral people. But it can not be fitted to classes.

It can not adjust itself to an industrial life grounded in inequality; it can not be fitted to monopoly; though strong enough to destroy, it can never be powerful enough to regulate monopoly. These things we cught to realize and cease our efforts to adjust our Government to the centralizing, monopolizing tendencies of business and compel business to adjust itself to the fundamental principles of democracy. This Government should assert its power and exert its prerogatives, and

nowhere is it more essential and vital that it do so than in the complete regulation and control of the money and currency of Everything that performs the functions of money, its people. whether technically money or not, should come under this control. This is the first and indispensable step toward the attainment of that power upon the part of the Government which will enable it to deal with the great financial and industrial combi-nations which now exist. Unless we take this step all efforts to regulate and control other matters will prove futile. should begin now. Every dollar of currency and money should be coined and provided for and controlled exclusively by the Government and then leave to private institutions and individuals to establish credit upon their own responsibilities.

The PRESIDING OFFICER. The question is on the amend-

ment of the Senator from Nebraska [Mr. HITCHCOCK].
Mr. HITCHCOCK. Mr. President, I should like to have the Secretary read the amendment from the desk.

The PRESIDING OFFICER. The Secretary will state the

amendment.

The SECRETARY. In the amendment proposed by Mr. Owen, in section 4, on page 12, beginning at line 10, it is proposed to strike out "shall, subject to the provisions of law and the orders of the Federal reserve board, extend to each member bank such discounts, advancements, and accommodations as may be safely and reasonably made with due regard for the claims and de-mands of other member banks," and in lieu thereof to insert:

Each member bank shall be entitled, as a matter of right, to the rediscount of eligible paper, to the full amount of its capital stock, upon the lowest current rate of discount, and no member bank shall be permitted to discount an amount of paper exceeding the amount of its capital stock except upon payment of a higher rate of discount, the increase in rate of discount to be 1 per cent for an additional 50 per cent of discounts or part thereof and 2 per cent for all in excess. In no case shall a Federal reserve bank discount paper for a member bank in excess of twice the amount of its capital stock without special authority by the board.

Mr. KERN. Mr. President, I suggest the absence of a

quorum. The PRESIDING OFFICER. The Senator from Indiana suggests the absence of a quorum. The Secretary will call the roll. The Secretary called the roll, and the following Senators an-

swered to their names:

	Com	Norris	Citmonoma
Ashurst	Goff		Simmons
Bankhead	Gronna	O'Gorman	Smith, Ariz.
Borah	Hitchcock	Oliver	Smith, Ga.
Bradley	Hollis	Overman	Smith, Md.
Brady	Hughes	Owen	Smith, Mich.
Brandegee	Jackson	Page	Smith, S. C.
		Pittman	
Bristow	James		Smoot
Bryan	Johnson	Poindexter	Sterling
Burton	Jones	Pomerene	Swanson
Catron	Kenyon	Ransdell	Thompson
Chamberlain	Kern	Reed	Townsend
Clapp	Lane	Robinson	Vardaman
Clarke, Ark.	Lea	Root	Walsh
	Lewis	Saulsbury	Warren
Colt			Warren
Crawford	McCumber	Shafrota	Weeks
Cummins	Martin, Va.	Sheppard	Williams
Dillingham	Martine, N. J.	Sherman	
Fletcher	Myers	Shields	
Gallinger	Nelson	Shively	
CHAILLIANGE	ATGROVAL	evere i way	

The PRESIDING OFFICER. Seventy-three Senators have answered to their names. A quorum of the Senate is present.

Mr. HOLLIS. I move that the amendment of the Senator from Nebraska be laid on the table.

Mr. BRISTOW. I hope the Senator will withhold that motion for a moment.

Mr. WEEKS. I wish to discuss the amendment for a very few moments.

Mr. HOLLIS. I withdraw the motion.

Mr. WEEKS. I shall certainly keep within the limitation imposed in the unanimous-consent agreement. I should like to explain what this amendment means, because it is pretty important, and I think many may feel that it is an unwise provi-sion unless they have all of the arguments advanced which can be advanced to sustain it.

It is proposed that a member bank desiring rediscounts may go to its reserve bank and, up to a certain limitation, which the capital of the bank, obtain rediscounts as a matter of right. It must be remembered that, among the powers granted to the reserve board, it is to have the power of determining and defining the character of notes which may be rediscounted or which may come within the provisions of the rediscount paragraph of the bill. That is an important power to place in the hands of the reserve board.

It is a pretty difficult thing to define what commercial paper is. It is certainly paper that has originated as the result of a commercial transaction. If the directors of the reserve banks knew the makers of paper under such circumstances and the persons on whom the paper was drawn, they would have no

difficulty in determining whether or not it resulted from a commercial transaction.

For instance, if the paper were in the form of a bill drawn by the raiser of cotton in the South on a cotton broker in the North to whom the cotton had been sold, or through whom it had been sold to a mill, that would be a commercial bill in its best form. Then, when the mill had obtained the cotton, and had converted it into cloth, and had sold that cloth to a commission house, and had drawn for the value of the cloth, that would be a commercial transaction in its best form. If the commission house sold the cloth to a merchant on 30 or 60 days' credit and drew for the money, that, again, would be the best form of a commercial transaction.

That is the kind of paper which it is intended shall be rediscounted by banks under the provisions of this bill. In some way, in some form, it will be the duty of the reserve board to

define and determine what that paper is.

The Hitchcock portion of the Banking and Currency Committee contend that that having been done, it is important that the member bank shall have the right to rediscount that kind of paper up to a certain limitation. If it has not the right to do it, it can not tell how far it can safely accommodate its customers. If it has no paper rediscounted, and it knows that it can rediscount up to some limit, then, when a customer who is entitled to additional credit comes and applies for it, the bank will without hesitation give the credit. If, however, it feels that when it is to present to the reserve bank paper that is entitled to rediscount, and that comes within the qualifications imposed by the reserve board, it can not obtain a rediscount, there will be hesitation which will in a way nullify the effect of this provision in the bill.

It may be possible that we ought not to allow a bank to rediscount as much as its capital stock. Possibly it ought not to discount more than one-half its capital stock; but I think it is a reasonable limitation to make it the amount of its capital stock.

We go further than that. If the bank wishes to rediscount additional paper, it may do so by paying a higher rate of interest. In other words, if a customer really is entitled to credit, and will be embarrassed if he does not obtain credit, he should be willing to pay for it. Therefore, the bank rediscounts up to one-half of its capital stock and is charged 1 per cent more for that rediscount. If there are additional demands, it may rediscount up to twice its capital stock by having charged it on the second half over the original capital stock 1 per cent more. In other words, it pays 2 per cent more for the rediscount.

That seems to me to be reasonable, because, under such circumstances, if a borrower needs additional accommodation, he should be willing to pay an additional rate of interest.

Mr. NORRIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Nebraska?

Mr. WEEKS. I do.

Mr. NORRIS. I wish to inquire of the Senator, as I inquired of my colleague before we adjourned for supper, in regard to the particular clause included in this amendment which says that the member bank shall, as a matter of right, be entitled to this discount.

Does that mean, or am I correct in my construction of it that it does mean, that a member bank is entitled to rediscount at a Federal reserve bank, provided it presents that is defined in the amendment as eligible paper, to the extent of the amount of its capital stock without regard to the value of the paper?

Mr. WEEKS. Mr. President, the value of the paper must be determined by its character. The directors of the reserve banks are not going to know the maker of the paper or the person on whom it is drawn, who accepts it. They are going to loan on the credit of the bank. The reserve board and the reserve banks are going to have every opportunity to determine the strength of the banks which are members of the organization. They will have ample opportunity to investigate and to examine, and from time to time that will be done, so that they will be sure that the bank is sound, or they should be sure. Then, if the paper comes within the conditions which will be imposed by the reserve board, we contend that it should have the right to rediscount up to the capital of the member bank.

Mr. NORRIS. The Senator does not directly answer my question. I wish to say to him that I am very much in sympathy with this amendment and favor it very much, with the exception of that one proposition-that it seems to me it takes away from the directors of the regional bank all discretion, to the extent named in the amendment, as to the quality, the

value of the paper presented.

Does the Senator mean to say that these banks, in their ordinary business, will not have the right to inquire of a member bank or to investigate the quality of paper to ascertain whether it is good or worthless?

Mr. WEEKS. If the paper is of the qualified kind, as pre-

scribed by the reserve board, of course it will be good paper.

Mr. NORRIS. Let us see if it will. Take the illustration the Senator gave, where the merchant sells the cotton to the dealer. Suppose he does that. Suppose he sells the cotton on 90 days' time and he gets the paper for the cotton, and two days after the cotton is sold the cotton burns up; and then suppose the man who has bought the cotton is not worth a dollar I want to ask the Senator to assume, for the purpose of the illustration, that the bill or the note, whichever it may be, is absolutely worthless, and that if you had to sue on it in court you could get nothing for the judgment; that the debtor That paper might be eligible and yet was execution proof. might be absolutely valueless.

I should like to know what is the intention of this amendment. Is it the intention that the member bank, without regard to the value of the paper it presents, is entitled to rediscount to the

amount of its capital stock?

Mr. WEEKS. Mr. President, the proposition which the Senator makes is hardly probable under any circumstances. In the first place, the cotton would be insured; and if it burned, the insurance would be available to pay the draft. The grower of the cotton is a planter in the South. His whole value does not depend on the cotton that he ships. More than likely the shipper of the cotton is a cotton factor in the South, and he has other resources. So it would hardly be possible that he would be without value. It is hardly probable that the cotton broker would not have some value in himself. Generally speaking, they are financially well equipped.

But even supposing all the things happened which the Senator has suggested, then the reserve bank, in inquiring about the paper, if it saw fit to do so, would say, "It is not qualified paper; it has ceased to be qualified paper, because the cotton has been burned, and the transaction is not of the character con-templated in the law." But even then suppose the reserve bank did discount the paper. It has the indorsement of the

member bank.

Mr. NORRIS. I understand that. I admit it is an excep tional case. I think those who favor this amendment ought fairly to answer the question I am trying to put. We know there is paper that is worthless. There have been thousands and tens of thousands of judgments and millions of dollars in judgments on paper that would come within the terms of these bills upon which not a dollar could be collected. That has happened, and it will happen again. But what I want to know is. Do those who propose this amendment mean that when the bank presents in form a note or a bill that complies with the law the discretion to reject it on the ground that the paper is no good is taken away from the directors? In the case I put, if it was burned it was a total loss and the man who owed the bill was worthless and judgment and execution proof. That would be an illustration. There are such cases. Have they not a right to inquire whether the paper is good or bad?

Mr. WEEKS. If the provision as presented by the Senator from Nebraska became a law and I were the director of the reserve board, I should say that was not qualified paper as intended by the law, and I would reject it. That would be my

answer to the Senator.

Mr. NELSON. Will the Senator yield for a moment? Mr. WEEKS. I yield to the Senator from Minnesota. Mr. NELSON. I think the meaning is that if the board find

that the paper is of the right kind, then they can not refuse to grant a discount, but it does not take away the power from the board to pass on the paper. It simply means that it is the intention to say to them, "You shall not show any favoritism, and if you, representing the member bank, know the paper that the board wants to be good paper in every respect, you can not say, 'We will not discount the paper.'" The reason why that was put in was to prevent favoritism and discrimination between banks.

Mr. NORRIS. I want to say to the Senator from Minnesota. if the Senator from Massachusetts will permit me, that he has given a very frank answer. That is his opinion, and if that is I can not put that construction on the bill myself. It seems to me that it will not bear that construction. I have talked with members of the committee, and I judge from what they said that they intended that it was to take away the discretion of the board to pass on the value of the paper and when they presented notes that were in form and complied with the law, as

far as the value of those notes was concerned, they had no right to investigate it. If the Senator will permit me, let me read the provision:

And each member bank shall be entitled as a matter of right-

As a matter of right-

to the rediscount of eligible paper to the full amount of its capital.

As I take it, eligible paper is only the first step. It must be eligible in order to have any legal right to take it even though they wanted to take it. They would have no legal right to take it unless it is eligible. There is defined elsewhere the particular kind of paper that is eligible. The officers of the bank would violate the law if they accepted any paper that was not eligible, although the man who signed it might be worth forty times the face amount of the note or bill. But after it is eligible, then they determine whether it is good, I suppose. In the ordinary course of business, if they know the bank is good, they will take it on the strength of the bank, and ninety-nine times out of one hundred that will be all right. But I do not believe we ought to take away from them by law the right to say we will investigate and see whether this paper is any good and we will not give you a loan unless it is good.

Mr. BRISTOW. Mr. President—
Mr. WEEKS. I yield to the Senator from Kansas.
Mr. BRISTOW. I think the question of the Senator from Nebraska is a technical one, and, as far as the practical operation of the law is concerned, it is of no consequence.

Mr. NORRIS. Then, what is the value of the provision?

Why do you put it in here?

Mr. BRISTOW. If the Senator will give me the time, I will explain the value of it. I think it is a violent presumption to suppose that when a note is not worth anything, is absolutely no value, the regional bank is compelled to take it. believes that any such construction as that could possibly be placed upon the language. If it is not eligible, it is not useful;

it is not good for anything.

Mr. NORRIS. It is eligible.

Mr. BRISTOW. I do not think so. I think the Senator is mistaken about that. A bank at McCook, Nebr., has an account with the bank at Omaha and it wants a rediscount. The bank at Omaha that rediscounts the paper for the bank at McCook knows nothing about that paper except the recommendation given by the bank at McCook. I am speaking of the practical operation of business. The bank at McCook will telegraph to Omaha for \$50,000 and the \$50,000 is sent, and on the same day the bank at Omaha gets \$50,000 worth of paper. The bank at Omaha does not presume to pass on the quality of the paper, if I may have the attention of the Senator from Nebraska.

Mr. NORRIS. I am listening to every word the Senator says. Mr. BRISTOW. The bank at Omaha does not pass or single note as to the value or responsibility of the signer. The bank at Omaha does not pass on a takes whatever is sent. If the bank at McCook sends notes that are no good, and the bank finds out it is being imposed upon, it does not discount its paper, and it would not transact business with them any more. If a member bank practiced that kind of a fraud upon the regional bank, that bank then becomes a discredited bank, and the Federal reserve board has power to discipline or punish them or put them out of the association, or the Government can close it up.

Mr. NORRIS. Does the Senator think that would ever

Mr. BRISTOW. If the bank was not good, of course it would. Mr. NORRIS. I thought from what the Senator said a while ago, it never took the paper into consideration, and that that never could happen. That is just where it would happen under the provision.

Mr. BRISTOW. If the bank is not a creditable bank, then, of course, the reserve bank will refuse to rediscount its paper

because it is not doing a creditable business.

Mr. NORRIS. And it finds out it is not a creditable bank by the operation of the very amendment that you are now seek-

Mr. BRISTOW. Certainly. The Senator may have the idea that whether there are 8 or 12, the regional bank is going to investigate the individual character of the paper that is sent to it, but it is a ridiculous idea. That never will be done. When that bank, with all its assets, stands behind its obligation with the regional bank, and that obligation does not exceed its capital stock, if it is not good then it ought not to be admitted

to membership in the association.

Mr. NORRIS. That is true. There is not any doubt about that. I agree fully on that point. I was seeking to ascertain how it would operate. I believe the Senator would also agree that the particular provision he is now seeking by this amendment to put into the bill would not be necessary one time in ten thousand. It would not be necessary if the officials of the regional bank honestly and fairly performed their duty. Is not

Mr. BRISTOW. No; I would not say that.

Mr. WEEKS. When the Senator from Nebraska and the Senator from Kansas have completed their colloquy, I should like to conclude my statement.

Mr. NORRIS. We are, of course, at the mercy of the Senator

from Massachusetts.

Mr. WEEKS. Mr. President, I want to say once more that eligible paper is paper that arises as a result of a commercial transaction, and that it will be so defined by the reserve board. When a member bank goes to the reserve bank to rediscount paper and has not rediscounted up to its capital, that paper will be rediscounted as a matter of course, provided there has not something developed similar to the rather preposterous proposition advanced by the Senator from Nebraska, which would make the paper ineligible. If I were a director of that bank and the conditions obtained which he has named, I should say the paper was ineligible. But it is simply extending the credit of member banks, and through the member banks to the customers of the member banks.

It is not an unusual proposition to say that the reserve bank shall be compelled to rediscount a certain amount of paper for a member bank. That is the process followed in ordinary commercial business. A merchant or a manufacturer goes to a bank and makes a trade with the bank to do certain things. We will say that he agrees to leave with the bank \$10,000 without interest as his deposit, and he will keep an average deposit of \$10,000 on condition that the bank agrees to loan him, at any

time he needs it, \$50,000.

The conditions between the bank and the customer are exactly the same as the conditions which will obtain between the reserve bank and the member bank. The bank in this case knows all about the commercial credit which should be extended to the customer. He has been furnished the financial statement, he has examined that financial statement, and he is satisfied that the customer makes a good note up to \$50,000. Therefore, on condition of his leaving \$10,000 without interest in the bank, he will loan him at any time he wants it \$50,000. That is done every day and every hour in every day, and probably every minute in every day, by every large commercial bank in the country. The borrower comes in; he does not take the trouble even to go to the officers of the bank, but pushes his paper through the teller's window and receives the money as a matter of course. That is practically the same process which we contemplate here. If the member bank is being maintained under conditions which examinations should disclose, and if it has paper which is qualified under the law, then it should have the right to get the rediscounts up to a limitation. There may be disagreement about the limitation; possibly we have placed it too high. There might be arguments on both sides of that question, but that the bank shall have the right to know what it can get from the reserve bank, and in that way be able to know how far it can accommodate its customers, is without question in my mind. That is the purpose of the amendment which has been offered by the Senator from Nebraska.

Mr. NORRIS. Before the Senator sits down, let me ask him a question. Does the Senator have any idea that there will be any necessity for this amendment, except in cases where the officials of the regional bank are trying to impose upon some

member bank?

Mr. WEEKS. I am not disposed to leave too much authority to boards.

Mr. NORRIS. I understand that. Mr. WEEKS. In the Navy—

Mr. NORRIS. I should like to have the Senator answer my

Mr. WEEKS. I am going to answer it. In the Navy they define a board as a long, thin, narrow, wooden thing. While a board is not always of that character, I do not want to leave any more discretion in the reserve board which we are authorizing by this bill or in the board of directors of the reserve

banks than is absolutely essential.

I should like to put provisions, as much as possible, into the law defining their duties and make it a bank of laws rather than a bank of individual judgment. If we qualify the paper and qualify the character of the bank which indorses the paper, and know every day, or as frequently as we want to see what the condition of the bank is, then we have it about right. I do not say that the reserve board, if we did not have this restriction in the law, would impose on the banks. Perhaps they would not, but they would be using their judgment at the same time when it would not be necessary, and possibly

they might embarrass a bank extremely when they intended to do exactly the right thing. I want these member banks to know what they can do, and to know it with certainty; to be able to go somewhere and get the accommodation which will enable them to accommodate their customers who are entitled to it. If they have to depend on the will or whim of the directors of the reserve bank, they can not know. Therefore I think this amendment is justified.

Mr. SHERMAN. May I inquire of the Senator from Massachusetts as to eligible paper? Do I understand that eligible

paper means necessarily paper properly secured?

Mr. WEEKS. I certainly think so. I think the Federal board will define what it is and will define it in such way that it must be paper that is secured as a result of a commercial transaction

Mr. SHERMAN. Would there be any objection to writing that in? It would require only a couple of words. Would it

impair the strength of the amendment?

We asked a dozen or fifteen banking men to Mr. WEEKS. give us a definition which could limit the kind of paper which we wanted to cover by this definition of commercial paper, and no one of them did it. I do not know just exactly how the reserve board will finally conclude to define it, but I assume they will in some form, so that there will be no question about what eligible paper is.

Mr. BRISTOW. I will state that the proposed law provides that the Federal reserve board shall have the right to determine or define the character of the paper that is eligible for discount.

Mr. SHERMAN. Mr. President, that is the very thing I am trying to get at. I do not want to impose any more duties on the Federal reserve board than we have to impose. They will have enough to do likely to keep them out of mischief. If the words "properly secured" would relieve them of the duty of making an additional rule, we would thereby lighten their burden and make exact the law. We are making the law. We are not, so far as we can help, engaged in delegating a power to some board over which we will have no authority after we have created it.

Mr. BRISTOW. Does the Senator from Illinois think that

this would be unsecured paper?

Mr. SHERMAN. I understand it is paper coming from a member bank and it is rediscounted paper, all of it. We do not change the character of the solvency of the maker when the maker of the note or collaterals are good. If there were no banks that made mistakes we would never have any failures. That is one thing that the Senator from Nebraska probably is not satisfied about. This rediscount paper is only described here as eligible paper. That may be a technical meaning in banking circles, around law offices, and with the fraternity we are pledged to deal with a great part of the time. I have not a very clear definition in my mind of what eligible paper is. I know what an eligible candidate is. He is one qualified to run provided he has got enough backing. I want to know if this eligible paper comes under that same definition, if it belongs to that class, provided it has the right kind of backing in the solvency of its maker.

Mr. WEEKS. We provide that it must be commercial paper resulting from a commercial transaction. Then we leave it to the reserve board to make rules and regulations which will

define the kind of paper which shall be accepted.

Mr. NORRIS. Will the Senator permit me there?

Yes. Mr. WEEKS.

Does the board of directors of the regional Mr. NORRIS. bank have the right when this paper is presented and the de-mand made by the member bank to inquire as to the solvency of the maker?

Mr. WEEKS. Of course they would. Now, let me ex-

Mr. NORRIS. Let me finish the question. If that be true, then the purpose which you have here could absolutely be avoided in every instance by the board of directors or managing officers of the bank by simply saying to the member bank, "We reject your application for the reason that your paper is not good; these men are not solvent." That gives them the discretion, and if you do not take that discretion away from them, so that they can get it without exercising that discretion, then you have not accomplished anything by your amendment.

Mr. WEEKS. Now, Mr. President, let me explain further to the Senator from Nebraska. Very frequently brokers make an arrangement similar to the arrangement which I have described might be made by a merchant. The broker arranges with his bank to loan him \$100,000 on collateral at any time he may wish the money, and the kind of collateral is defined, such as railroad stocks and preferred stocks of industrial concerns.

The broker wants to borrow \$50,000 and he sends over the stipulated amount of collateral, railroad stocks and industrial preferred stocks, but among those industrial preferred stocks is a stock which the banker knows to be cornered in the market, he knows that it has not a broad market, and, therefore, if he wished to sell it he could find no good market for it. Generally he would send that stock back to the broker, saying to him: "I do not like that particular stock you have sent over; it comes within our general agreement, but I do not like to have that stock in the bank. Send me over something else." Undoubtedly, under such circumstances, the reserve bank would say to the member bank: "That note of yours seems to comply with the law, but the maker of that note is making notes and they are being sold here, there, and everywhere; in other words he is putting out too much paper. I wish you would send me some other paper in place of that." Undoubtedly that is what would be done

Mr. NORRIS. There they would be acting in good faith. presume the purpose of inserting this amendment here is with the object of permitting the bank to get the money regardless of what the officers of the reserve bank may say. doubt but that, either with or without this amendment, the operation which the Senator has pointed out would be followed in nine hundred and ninety-nine cases out of a thousand; but if this amendment were not incorporated in the bill, there would not be one case in ten thousand where there would be any necessity for it; and if it were incorporated, there would not be one case in ten thousand where it would come into active operation. I concede that, but you have seen fit to put it in. If it has any virtue, then, it seems to me, it is here for the purpose of permitting a member bank to get money when the reserve bank for some motive, whatever it may be, is inclined not to permit that bank to get what it is honestly, rightfully, and legally entitled to. As soon as you give them a discretion, such as you say they will have, then, if they are inclined to try to injure a member bank, they will do so by virtue of the discretion lodged in them. So it seems to me that if the construction which the Senator gives it is the proper one, it would practically be nullified.

Mr. WEEKS. Mr. President, I entirely disagree with the Senator from Nebraska. I do not think what he has said would happen in any form once in a life time, and we can not possibly

legislate against an impossible condition.

Mr. NORRIS. That is just what the Senator is trying to do, I think, in putting that amendment in the bill. He is trying to legislate against what would probably never happen; but it would bring into it the principle that you could say to one man who has money, "You loan this to another man, regardless of the value of the security which he puts up to get it."

Mr. BRISTOW and Mr. HITCHCOCK addressed the Chair.

Mr. WEEKS. I yield the floor, Mr. President. The VICE PRESIDENT. The Senator from Kansas.

Mr. President, I desire to say to the Senator Mr. BRISTOW. from Nebraska that I want this amendment in the bill, because it gives the bank the right to get the money, for the very reason he suggested, namely, that it takes from the bank the power If that bank is not good, if that bank is practically a fraud in the conduct of its business, then that fact should be reported to the Comptroller of the Currency, and the bank should be disciplined according to law, and of course

I do not want the regional banks to have the power to say to one bank. "We will not accept this paper," and, as a result, refuse that bank the credit to which it is entitled. That very

power is the power I am seeking to limit.

Mr. NORRIS. Mr. President, the Senator from Kansas is very frank and he makes plain to me what his intention is and what his theory is, but it is absolutely different from the construction placed on this amendment by the Senator from Massa-

Mr. BRISTOW. It may be different in the mind of the Senator from Nebraska, but I do not think that it is in the mind of

anybody else.

Mr. NORRIS. It differs from the construction placed upon it

by the Senator from Massachusetts.

Mr. BRISTOW. The Senator from Massachusetts and myself are in absolute accord. We are undertaking to accomplish exactly the same thing and we have used the same language. We believe absolutely alike in regard to it.

Mr. NORRIS. You have undertaken to use, and do use, the same language, but the Senator from Kansas says that this will take away the discretionary power of the board of directors. That is what he wants to do Mr. BRISTOW. Exactly.

Mr. NORRIS. While the Senator from Massachusetts says that it will not take away the discretionary power and they will have a right to say "We want real security." That is absolutely the reverse of the construction which the Senator from Kansas places on it. I believe the Senator from Kansas has put the right construction on it, as I understand the matter,

and I agree with him.

Mr. PAGE. Mr. President, this discussion has opened up some fresh points in reference to this bill, about which I should like some information. So far as the country banks in my State are concerned, they have very little, indeed, of the kind or class of paper described by the Senator from Massachusetts [Mr. Weeks]. We do not have bills of exchange drawn against actual existing values, except now and then, perhaps, on a little lumber, sometimes on a carload of potatoes, or sometimes on a carload of hides. Those bills are almost all drawn either on 5 or 10 days' sight, and very rarely for more than 30 days. I am, in my own mind, trying to see how the country banks of my State can avail themselves of the benefits of this bill in case

our national banks shall enter this system. I confess I do not understand the meaning of this language:

The rediscount by any Federal reserve bank of any bills receivable-

I can not understand why the words "bills receivable" should be limited in the way they are limited by the Senator from Mas-We regard bills receivable as promissory notes. Take, for instance, a note signed by a merchant who goes to Boston to buy his goods. He wants to get cash so as to pay cash for his goods in order to get the discount, and he comes to the bank with a thousand dollars of town bonds-the very best class of securities—and says, "I want my money on this col-lateral." Now, I want to know, if the Senator from Massachusetts is correct in his definition of the meaning of these bills receivable, why the term "bills receivable" is used on page 35?

Mr. WEEKS. I did not intend to limit what the definition of the reserve board would be as to commercial paper. I said the ideal commercial paper would result as I instanced by the illustration which I gave, but that would not forbid some other form of paper being commercial paper, coming within the definition which the reserve board will give. For instance, a farmer might be sowing 10 acres of vheat and expect a harvest from it, and he might draw on his bank for six months or give a note for six months, to be paid when the wheat is harvested and marketed. That might be within the definition which the reserve board will impose as to commercial paper and that would come within the limitations which the Senator from Vermont suggests. I am not attempting to cover all of the limitations which the reserve board may impose or define as to commercial paper; I am simply giving what I consider an ideal definition of commercial paper.

Mr. PAGE. Mr. President, with that understanding I feel perfectly content; but I was trying in my own mind, to conceive why this language should be used if you meant to restrict it to the ideal paper, because you use the language "bills receiv-

able and domestic and foreign bills of exchange."

The VICE PRESIDENT. The question is on the amendment of the Senator from Nebraska [Mr. Hitchcock].

Mr. SHAFROTH. I move that the amendment offered by the Senator from Nebraska be laid on the table.

Mr. HITCHCOCK. On that I ask for the year and nays.

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on the motion of the Senator from Colorado [Mr. SHAFROTH] to lay on the table the amendment proposed by the Senator from Nebraska [Mr. Hitchcook]. The Secretary will call the roll.

Mr. SHERMAN. Mr. President, before the roll is called on

this amendment-

The VICE PRESIDENT. The Chair will be compelled to rule that the motion is not debatable.

Mr. SHERMAN. Very well, I can be heard later.

The Secretary proceeded to call the roll. Mr. JACKSON (when his name was called). I inquire whether the senior Senator from West Virginia [Mr. Chilton] has voted?

The VICE PRESIDENT. The Chair is informed that he has not.

As he has not voted and I have a general Mr. JACKSON. pair with him, I withhold my vote.

Mr. NELSON (when his name was called). I have a general pair with the senior Senator from Georgia [Mr. BACON]. transfer that pair to the junior Senator from Wisconsin [Mr. STEPHENSON] and vote "nay."

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from California [Mr. Perkins].

I transfer that pair to the senior Senator from South Carolina [Mr. TILLMAN], and vote "yea."

Mr. SMITH of Arizona (when his name was called). I announce my pair with the Senator from New Mexico [Mr. Fall].

If he were present, I should vote "yea."

Mr. STERLING (when his name was called). nounce my pair with the senior Senator from Louisiana [Mr. Thornton] and the transfer of that pair to the junior Senator from California [Mr. Works]. I vote "nay." Mr. REED (when Mr. Stone's name was called).

announce the necessary absence on account of illness of my colleague [Mr. Stone]. He is paired with the Senator from Wyoming [Mr. CLARK]. If my colleague were present, he would vote "yea."

Mr. SHAFROTH (when the name of Mr. Thomas was called). I desire to announce that my colleague [Mr. Thomas] is absent on account of illness and that he is paired with the junior Senator from Maine [Mr. BURLEIGH]. If my colleague were present, he would vote "yea."

Mr. WALSH (when his name was called). I have a general pair with the Senator from Rhode Island [Mr. Lippitt]. He appears to be absent from the Chamber, and I therefore with-hold my vote. If I were at liberty to vote, I should vote yea."
The roll call was concluded.

Mr. CRAWFORD (after having voted in the negative). I inquire whether the Senator from Tennessee [Mr. Lea] has voted?

The VICE PRESIDENT. The Chair is informed that he has not.

Mr. CRAWFORD. I have a general pair with that Senator,

and in his absence withdraw my vote.

Mr. BRISTOW. I desire to state that the Senator from Wis-Mr. BRISTOW. I desire to state that the Senator from Wisconsin [Mr. La Follette] is unavoidably detained from the

Chamber. If he were present, he would vote "nay."

Mr. WARREN. My colleague [Mr. CLARK of Wyoming] is detained unavoidably from the Chamber. He is paired with the Senator from Missouri [Mr. STONE].

Mr. MYERS. I have a pair with the Senator from Connecticut [Mr. MCLARK]. In his absence I withhold my vote. If at

Mr. MYERS. I have a pair with the Schator from Connecticut [Mr. McLean]. In his absence, I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. MARTIN of Virginia. The senior Senator from West Virginia [Mr. Chilton] is unavoidably absent. He is paired with the junior Senator from Maryland [Mr. Jackson].

Mr. KERN. I desire to announce that the junior Senator from Geograph [Mr. Sayrill] is pravaidably absent and is mired.

from Georgia [Mr. SMITH] is unavoidably absent and is paired with the senior Senator from Massachusetts [Mr. Lodge]. If he were present, the Senator from Georgia would vote "yea."

The result was announced-yeas 37, nays 31, as follows:

YEAS-37.

Pittman

Simmons

Ashurst Bankhead Bryan Chamberlain Fletcher Gore Hollis Hughes James Johnson	Lane Lewis Martin, Va. Martine, N. J. Newlands Norris O'Gorman Overman	Pomerene Ransdell Reed Robinson Saulsbury Shafroth Sheppard Shields Shively	Smith, Md. Smith, S. C. Swanson Thompson Vardaman Williams	THE REAL PROPERTY AND ADDRESS OF THE PERSON NAMED IN COLUMN TWO PERSONS AND PERSON NAMED IN COLUMN TWO PERSONS AND PERSON NAMED IN COLUMN TWO PERSON NAMED I
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Bacon Burleigh Chilton Clark, Wye. Clarke, Ark. Crawford	du Pont Fall Jackson La Foliette Lea Lippitt	McLean Myers Perkins Smith, Ariz, Smith, Ga. Stephenson Stone	Sutherland Thomas Thornton Tillman Walsh Works	

So Mr. Shafroth's motion to lay Mr. Hitchcock's amendment on the table was agreed to.

Lippitt Lodge

Culberson

Mr. HITCHCOCK. Mr. President, I now move to increase the provision in the Owen bill for a gold reserve against notes from 33½ per cent to 45 per cent. I send the amendment to the desk to be read.

The VICE PRESIDENT. The Secretary will state the amend-

The Secretary. On page 39, in line 3, after the word "and" and central reserve cities that and before the word "its," it is proposed to insert "a reserve in or a total of \$1,854,827.52.

gold or gold certificates of not less than 45 per cent against," so that, if amended, the paragraph at the top of page 39 will read:

Every Federal reserve bank shall maintain reserves in gold or lawful money of not less than 35 per cent against its deposits and a reserve in gold or gold certificates of not less than 45 per cent against its Federal reserve notes in actual circulation, etc.

Mr. HITCHCOCK. Mr. President, I understand the Senator from Illinois [Mr. Sherman] desires to address the Senate.

shall be very glad to yield to him.

Mr. SHERMAN. Mr. President, before we start toward the conclusion of this bill I wish to place in the Record the practical effect it will have on the areas in which the three central reserve cities are located.

I have taken the divisions of the Census Bureau. They are the North, the South, and the West.

The North contains the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, and Kansas.

The South contains the States of Delaware, Maryland, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, Kentucky, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma, Texas, and the District of Columbia.

The West contains the States of Montana, Idaho, Wyoming,

Colorado, New Mexico, Arizona, Utah, Nevada, Washington, Oregon, and California,

Following the subdivision of the States, and basing the calculation on the last report of the Comptroller of the Currency, dated November 20, 1913, I consider, first, the capital and surplus in the northern subdivision.

The capital consists of \$735,504,616, the surplus of \$562,776,-774.16. In this division the total capitalization and surplus is \$1,298,281,390.16. Under the proposed bill it would require 6 per cent of the capital and surplus to capitalize all of the regional banks in the northern division, or \$77,896,883.41

The southern division contains capital in the national banks of \$213,858,535, and a surplus of \$112,524,659.95, making a total capitalization and surplus of \$326,383,194.95. The Owen caucus bill would require from this division the compulsory contribution of \$19,582,991.70 as capital to the reserve banks that would constitute the system for that area.

The West contains a capital of \$109,310,105, with a surplus of \$53,665,521.77, making a total capital and surplus of \$162,975,-626.77, of which 6 per cent would be required for the capital of the regional banks, making a total capitalization for the Western States of \$9,778,537.61.

I will now put it in another way.

Under the bill named, the Northern States would contribute 72.7 per cent of the total reserve bank capitalization. If the bill were applied in the actual administration of affairs, the South would contribute 18.27 per cent of the total capitalization of all the national banks in the country. The Western States subdivision would contribute 9.10 per cent of the capital.

Passing from the capital and surplus that will together furnish the capitalization of the proposed regional banks, of whatever number they may be—say, a minimum of 8 or a maximum of 12—to the total deposits, I consider first the country banks.

The northern country banks have total deposits of \$2,569,-

501,425.01. A 5 per cent contribution of these deposits from the northern area would require, from the country banks alone, \$128,475,071.25.

The South has deposits of \$730,200,381.25. Contributing a like proportion, 5 per cent, it would give to the deposits of the regional banks in that area \$36,510,019.06.

The West, out of its deposits of \$338,690,242.41, would contribute a like 5 per cent, or a total of \$16,934,512.12.

These are entirely the figures of the banks outside of the reserve and central reserve cities.

In the northern division the total deposits in the reserve and central reserve cities, less the time certificates, making what is left the demand liabilities, aggregate \$1,903,533,901.19; and in this area there would be contributed, under the provisions of the bill named, 6 per cent, making a total of \$114.212,034.07 involuntarily contributed from those cities in that area.

The South would contribute, from its total of demand liabilities in its reserve and central reserve cities of \$107,863,039.97, per cent, or a total of \$6.471,782.40.

The West would contribute, from her demand liabilities in

its reserve and central reserve cities of \$244,878,104.53, 6 per cent, or a total of \$14,692,686.27.

Of the time deposits of \$37,096,550.41 in the northern reserve and central reserve cities there would be 5 per cent contributed,

The South would contribute, from time deposits in reserve and central reserve cities of \$8,466,609.87, 5 per cent, or \$423,330.49.

The West, with time deposits in the same class of cities of \$25,449,596.66, would contribute 5 per cent, or a total of \$1,272,474.83.

The total contributions from their deposits of both the country banks and the reserve-city and central reserve city banks in the northern States, following the subdivision made by the census returns, would be \$322.438.816.25.

The South would contribute toward the total deposits of the regional banks to serve those areas a total of \$62,988,123.65. The West would contribute \$42,678,210.83.

The total, on the basis of these reports, is \$428,105,150.73.

The percentages run as follows:

Of the deposits on which the regional banks would transact business, the North would furnish 75.2 per cent. The South would furnish 14.7 per cent.

The West would furnish 9.9 per cent.

In the report of the Secretary of the Treasury for the fiscal year ending the 30th day of June, 1913, a report is made of the distribution of \$46,500,000, distributed to the corp-raising areas of the country. This went to the South and the Southwest, to the Middle West and Northwest, and to the Pacific Coast and Rocky Mountain States. The subdivision is made in that way and the distributions are given to cover those areas.

I have collected the crop values for 1909, which is the year

preceding 1910, the last census.

The crops of the Northern States for that year had a total

value of \$3,120,454,108.

The crops of the Southern States had a total value of \$1,921,-730.571.

The crops of the Western States had a total value of \$444,-976.544.

This makes a total of \$5,487,161,223.

The following are the percentages of crop production in the areas named:

The North produces nearly 57 per cent of the total crop production. The South produces 35 per cent. The West produces 8.1 per cent.

Bearing in mind the percentage of capitalization contributed to regional banks, the percentage of deposits contributed to the same banks, and the percentage of crop production, I wish to place them alongside of the distribution of \$46,500,000 through the summer and fall of 1913 for the seasonal crop movement.

The distribution shown by the report of the Secretary of the Treasury at the date named allotted to the South and Southwest \$22,550,000,000 of the funds; to the Middle West and Northwest, \$19,000,000; to the Pacific and Rocky Mountain area, \$4,950, 000,000; and the latter answered very nearly, with very little geographical change, to the western division. The South and Southwest correspond, with the exception of two States that are negligible in their crop productions, to the Southern States. Middle West and Northwest answer almost exactly to the Northern States, comprising the great grain-producing areas of the northern Mississippi Valley and of the Middle West and North-

This distribution of funds shows that to the South and Southwest went 48.4 per cent of the total distribution of \$46,500,000; to the great middle Mississippi Valley country, or the great confolds and related to the south and southfields and wheatfields of the West and Middle West and the Northwest, there went only a total of 40.6 per cent of this dis-tribution; and to the Pacific coast and Rocky Mountain country

there went only a total of 10.6 per cent.

In other words, the part of the United States that will contribute a smaller proportion of the capital and deposits for the regional banks and that produced, as compared with the northern section, a minimum of the crop got a maximum of the distribution of funds from the Federal Treasury.

I am not making complaint of that fact. I am only stating

the facts. I am only showing that the Government is called on, through the agency of the Secretary of the Treasury, to use a very large proportion of the Government surplus for the South and Southwest, showing what the actual application of this bill will be. This caucus bill, or the Owen bill, can be worked out in its actual application, and a fair forecast can be made of how it will operate when we look at the distribution of this \$46,500,000.

The PRESIDING OFFICER (Mr. POINDEXTER in the chair). The hour of 11 o'clock having arrived, in pursuance of the or der previously made, the Senate stands adjourned until 10 o'clock a. m. to-morrow.

The Senate thereupon (at 11 o'clock p. m.) adjourned until to-morrow, Thursday, December 18, 1913, at 10 o'clock a. m.

HOUSE OF REPRESENTATIVES.

Wednesday, December 17, 1913.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the fol-

lowing prayer:

Hear us, O Father, when we pray for a spirit so pure, so noble, so generous, so broad, that we can live our convictions without intolerance, bigotry, or scorn for those who may differ from us in their convictions. The world is large enough for us all, and there is always room enough on top for those who are willing to climb.

"Nor deem the irrevocable past As wholly wasted-wholly vain-If, rising on its wrecks, at last To something nobler we attain.'

"Ask, and it shall be given you; seek, and ye shall find; knock, and it shall be opened unto you. For everyone that asketh receiveth; and he that seeketh findeth; and to him that knocketh it shall be opened." "Therefore all things whatsoever ye would that men should do to you, do ye even so to them, for this is the law and the prophets." Amen.

The Journal of the proceedings of yesterday was read and

approved.

CHANGE OF REFERENCE-LETTER OF SECRETARY OF WAR.

The SPEAKER. There was a letter filed from the Secretary of War as to claims against the United States adjusted by the chief engineers of the United States Army. This letter was referred to the Committee on Rivers and Harbors, but ought to have been referred to the Committee on Appropriations. Without objection, it will be referred to the latter committee.

There was no objection.

LEAVE OF ABSENCE.

Mr. Buchanan of Illinois, by unanimous consent, was granted leave of absence indefinitely on account of illness.

BILLS INTRODUCED WITHOUT SIGNATURE OF MEMBERS.

The SPEAKER. There are a number of bills here on which Members have neglected to put their names. The Clerk will announce them, and in the meantime the House will be in order so that the Members can hear.

The Clerk read as follows:

The Clerk read as follows:

A bill granting an increase of pension to Hannah A. Brigham;
A bill granting an increase of pension to Henrietta Lee Coulling;
A bill granting an increase of pension to Benjamin F. Morgan;
A bill granting an increase of pension to Frederick C. Hammetter;
A bill granting a pension to August A. Bemtgen;
A bill granting a pension to Elizabeth Elliott;
A bill granting a pension to Elizabeth Elliott;
A bill granting a pension to Ernest Oberkirk;
A bill granting a pension to James Ashby;
A bill granting a pension to Mary J. Brophy;
A bill granting a pension to Carrie Stevens;
A bill granting a pension to Carrie Stevens;
A bill granting a pension to Wary E. Burg;
A bill granting a pension to Mary E. Burg;
A bill granting an increase of pension to Edward Brady;
A bill granting an increase of pension to Edward Brady;
A bill granting an increase of pension to George Gans;
A bill granting an increase of pension to George Gans;
A bill granting a pension to Mary F. Robinson;
Petition to Congress of Louisa Stone and 15 others, residents of Vermont, that complete separation of State and church be assured;
and

Resolutions from Massachusetts Peace Society for international action. and Resolutions from Massachusetts Peace Society for international action for the suspension of naval construction programs.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Tulley, one of its clerks, announced that the Senate had passed without amendment joint resolution of the following title:

H. J. Res. 165. Joint resolution for recognition of the services of the late David Du B. Gaillard, lieutenant colonel, Corps of Engineers, United States Army, as a member of the Isthmian Canal Commission, and for the relief of Mrs. Katherine Davis Gaillard.

ENROLLED BILL SIGNED.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 2689. An act to increase the limit of cost of certain public buildings; to authorize the enlargement, extension, remodeling, or improvement of certain public buildings; to authorize the erection and completion of public buildings; to authorize the purchase of sites for public buildings, and for other purposes.

RAILROADS IN ALASKA.

The SPEAKER. This is Calendar Wednesday, and the unfinished business is the bill (H. R. 1739) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes. The

House will resolve itself into the Committee of the Whole House on the state of the Union, with the gentleman from Mississippi [Mr. Harrison] in the chair.

Mr. HOUSTON. Mr. Speaker, pending that I desire to ask unanimous consent that we agree upon a limitation for general debate on this bill. If we can reach an agreement about that, I think it would be very well, and I suggest that five hours on a side would be satisfactory to both sides, from what I have understood

Mr. MURDOCK. You intend, then, to run over until next

Wednesday?

Mr. HOUSTON. Yes, sir.

Mr. DAVENPORT. Yes, sir. Five hours will be satisfactory so far as the minority members of the committee who are opposing the bill are concerned, and those who have spoken regarding time.

Mr. LENROOT. Will the gentleman yield?

Mr. HOUSTON. Tes.
Mr. LENROOT. I would like to ask the gentleman how many

requests for time he has.

Mr. HOUSTON. I will say I can not tell definitely, but about 12 or 14 requests have been made-something like that.

Mr. MURDOCK. Will the gentleman yield?
The SPEAKER. Will the gentleman from Tennessee yield to the gentleman from Kansas?

Mr. HOUSTON. Yes, sir. Mr. MURDOCK, I would like to add to the gentleman's list of requests three more Members, who will be on his side of the proposition.

Mr. HOUSTON. I think perhaps I have one or two of those.

Mr. MURDOCK. I think I have one or two besides that.

Two others? Mr. HOUSTON. Two others Mr. MURDOCK.

I should think that five hours on a side Mr. HOUSTON. ought to accommodate those who desire to be heard on the question.

Mr. MANN. Mr. Speaker, I would suggest to the gentleman that he let the debate run to-day without attempting to fix a limit of time. It probably could be done later without any difficulty, but the gentleman's own proposition would carry it

Well, it has been thought better to try to Mr. HOUSTON. fix a limitation to debate to-day. I thought so from conferences I have had with a number of gentlemen who are interested in the matter. I do not know that it is especially important to fix the limitation to-day, because I am sure we can not get through to-day, but if we can reach an agreement as to the time I would be very glad.

I think it would be better to let the debate run Mr. MANN.

to-day.

Mr. DAVENPORT. I will say, Mr. Speaker, that that is very satisfactory to me.

Mr. McKENZIE rose.

The SPEAKER. For what purpose does the gentleman from

Illinois rise

Mr. McKENZIE. Reserving the right to object, Mr. Speaker, it seems to me that this is perhaps one of the most important bills that we shall have to consider at this session, and it does seem to me that there ought not to be any attempt to limit discussion upon it, especially at this time. I think there ought to be a free and open discussion of the question, because it is very important one.

Mr. HOUSTON. There is no disposition, I will say to the gentleman, on the part of the committee reporting the bill, and those in charge of it, or anyone, to limit the debate. That is true with respect to all those advocating the passage of the bill. We thought that would be satisfactory and would give ample time for all. However, if it is thought desirable to go on to-day without fixing the limitation, I shall be willing to do that.

Mr. MANN. You can tell better as to what time will be re-

quired after to-day.

Mr. Speaker, will the gentleman yield? Mr. MURDOCK.

The SPEAKER. Does the gentleman from Tennessee yield the gentleman from Kansas?

Mr. HOUSTON. I do. Mr. MURDOCK. Those who are in favor of the proposition Mr. MURDOCK. will get their time from the gentleman from Tennessee?

Mr. HOUSTON. After the limitation is fixed and it is determined who will control the time, that would be true.

Mr. MURDOCK. Otherwise gentlemen would get recognition

from the Chair?

Mr. HOUSTON. It is assumed that they will get recognition from the Chair, unless there is an equal division of time.

Mr. FERRIS and Mr. BORLAND rose.

The SPEAKER. To whom does the gentleman yield?

Mr. HOUSTON. I will yield to the gentleman from Oklahoma

Mr. FERRIS. Mr. Speaker, I overheard a suggestion made by the gentleman from New York [Mr. FITZGERALD] to the chairman of the committee [Mr. Houston], and I am inclined to think we would work along better, even if there were no limitation of time, if we were to allow the chairman of the committee to control the time in favor of the bill and the gentleman from Oklahoma [Mr. Davenport], representing the opposition, to control the time for those opposed to the bill, so that we could keep track of the division of time.

Mr. MANN. Mr. Speaker, no doubt that proposition would be enticing to that side of the House, although I have no doubt that both gentlemen would be absolutely fair, and I would not

be inclined to agree to it.

Mr. FERRIS. Then, Mr. Speaker, I will withdraw my sug-

Mr. HOUSTON. Mr. Speaker, I withdraw my request for unanimous consent.

CHANGE OF REFERENCE,

The SPEAKER. Before the House goes into Committee of the Whole House on the state of the Union, the Chair would state that yesterday there was received a letter from the Secretary of the Treasury (H. Doc. No. 479), transmitting a copy of a communication from the Secretary of State, submitting an estimate of appropriation, in the sum of \$5,000, for the expenses of the representatives of the United States at the International Maritime Conference for Safety of Life at Sea, now in session at London, in addition to the appropriation of \$10,000 made in the joint resolution approved June 28, 1912, entitled Joint resolution proposing an international maritime conference," and the Chair referred it to the Committee on Foreign It is one of those things that fall within the jurisdiction of two committees, and the chairman of the Committee on Appropriations has called the attention of the Chair to the fact that a deficiency appropriation will be required. Therefore, without objection, the Chair will rerefer that letter back to the Committee on Appropriations, Is there objection? [After a pause.] The Chair hears none, and the reference is changed.

RAILROADS IN ALASKA.

The SPEAKER. The House will now automatically resolve itself into Committee of the Whole House on the state of the Union for the consideration of the Alaskan railroad bill, and the gentleman from Mississippi [Mr. Harrison] will take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration

of the bill H. R. 1739, with Mr. Harrison in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 1739, and the Clerk will report the bill by title. The Clerk read the title of the bill, as follows:

A bill (H. R. 1739) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes.

Mr. HOUSTON. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Tennessee Houston] asks unanimous consent that the first reading of the bill be dispensed with. Is there objection? [After a pause.] The Chair hears none, and it is so ordered. The gentleman from Tennessee [Mr. Houston] is recognized for one hour.

Mr. HOUSTON.

Mr. Chairman—
Mr. Chairman, before the gentleman from Mr. FERRIS. Tennessee [Mr. Houston] begins, I would like to have the House know that there are two reports on the bill-the majority report and the minority report-and they are not printed together. I would like to ask the House to consider the minority report in conjunction with the other report, although the two are not reported together.

Mr. HOUSTON. Mr. Chairman, the general purpose and scope of this bill can be stated in a very few sentences. It provides that the President of the United States shall build a railroad or railroads from the southern coast of Alaska into the interior, connecting the roads with the coal fields in Alaska. It provides also that the President shall select the route or routes of this road or these roads, and it provides for and contemplates the building of not more than 733 miles of railroad.

It contemplates, furthermore, that not exceeding \$35,000,000 shall be the amount expended. It further provides that this road may be leased or may be operated by the President, as he sees proper.

The purpose of the bill is to develop the Territory of Alaska, to develop our great resources there, to open up the interior agricultural section of that country to settlement and to home builders. That is the general purpose of the bill,

In the consideration of this measure the question arises, Is that country worth developing, and are the conditions such that the Government should do this or wait for private enterprise to accomplish it? We have the answer to the first question in the written reports of the Government officials in the Department of Agriculture and in the Department of the Interior. The testimony is ample, setting forth the almost unlimited resources of this country, and shows the demand for development, these reports and the reports of the Alaskan Railroad Commission the conclusion is inevitable that in order to have that country developed as it should be the Government must take the matter in hand. Private enterprise might develop certain mines and certain interests, but it would only be the exploitation of private interest and furnish an opportunity for the building up of monopolies that could further fasten their hold upon these vast resources; but the development that will open up this country to home seekers and home builders and provide settlement of American citizens will only be done by the Government itself.

We have owned Alaska since 1867. The population that has gone there, in the main, has been led by the discovery of gold. People have gone there hunting for gold and other minerals, and they have discovered other things than the wealth of the mines, and I believe the future of Alaska is not to be simply as a mining country but as an agricultural country as well, and one that will develop the best attributes of the Anglo-Saxon race

Under the provisions of an act passed August 12, 1912, President Taft appointed a commission to conduct an examination into the transportation question in the Territory of Alaska; to examine railroad routes from the seaboard to the coal fields and to the interior and navigable waterways; to secure surveys and other information with respect to railroads, including cost of construction and operation, together with their conclusions and recommendations in respect to the best and most available routes for railroads in Alaska which would develop the country and the resources there for the use of the people of the United States.

This commission was composed of an officer of the Engineer Corps of the United States Army, a geologist in charge of Alaskan surveys, and an officer in the Engineer Corps of the United States Navy, and a civil engineer who had practical experience in railroad construction and has not been connected with any railroad enterprise in said Territory. This commission has made a very thorough and comprehensive report upon the questions submitted to them. In submitting this report and its recommendation to Congress President Taft urged its prompt and earnest consideration.

The commission recommends the construction of two roads and their extension as set out in the report, and it concludes with the statement that-

It is unanimously of the opinion that this development should be undertaken at once and prosecuted with vigor; that it can not be accomplished without providing the railroads herein recommended under some system which will insure low transportation charges and the consequent rapid settlement of this new land and the utilization of its

President Taft said, in submitting this report-

if the Government is to guarantee the principal and interest of the construction bonds, it seems clear that it should own the roads, the cost of which it really pays.

Secretary Lane, in a letter to the chairman of the Senate Committee on Territories, comes out in strong terms in favor of this proposition. He says:

I favor the adoption of this policy. I believe it to be that under which Alaska will develop most safely and most speedily and under which the resources of that Territory will most certainly become available to the whole people.

The Committee on the Territories has given much time to the consideration of all data and information available on this subject, and the majority of the committee strongly favor the building of a road, or roads, by the Government.

Platforms of all political parties have for years indorsed and pledged themselves to the development of Alaska, and the last Democratic platform favored the immediate undertaking of this

President Wilson, in his great message to Congress submitted on December 2, 1913, comes out with characteristic boldness and clearness in advocacy of the Government building rallroads to develop Alaska. He says:

A duty faces us with regard to Alaska which seems to me very pressing and very imperative: perhaps I should say a double duty, for it concerns both the political and the material development of that Territory. The people of Alaska should be given the full Territorial form of government, and Alaska, as a storehouse, should be unlocked. One key to it is a system of railways. These the Government should itself

build and administer, and the ports and terminals it should itself control in the interest of all who wish to use them for the service and development of the country and its people.

But the construction of railways is only the first step; is only thrusting in the key to the storehouse and throwing back the lock and opening the door. How the tempting resources of the country are to be exploited is another matter to which I shall take the liberty of from time to time calling your attention, for it is a policy which must be worked out by well-considered stages; not upon theory, but upon lines of practical expediency. It is part of our general problem of conservation. We have a freer hand in working out the problem in Alaska than in the States of the Union; and yet the principle and the object are the same wherever we touch it. We must use the resources of the country; not lock them up. There need be no conflict or jealousy as between State and Federal authorities, for there can be no essential difference of purpose between them. The resources in question must be used, but not destroyed or wasted; used, but not monopolized upon any narrow idea of individual rights as against the abiding interests of communities. That a policy can be worked out by conference and concession which will release these resources and yet not jeopard or dissipate them I for one have no doubt; and it can be done on lines of regulation which need be no less acceptable to the people and governments of the States concerned than to the people and Government of the Nation at large, whose heritage these resources are. We must bend our counsels to this end. A common purpose ought to make agreement easy.

This bill provides that the President shall determine the loca-

This bill provides that the President shall determine the location of these roads and whether one or more shall be built. He will be limited as to the number of miles to be constructed and as to the amount of money that shall be expended.

Mr. Chairman, it was contemplated by the committee, as I stated in the beginning, that the amount expended should be only \$35,000,000. Since the bill has been reported by the committee I have had a conference with a number of gentlemen on both sides of this House who, while they think perhaps the limitation is expressed, yet would prefer that it be put in stronger terms; and I want to call your attention to the fact that the committee had prepared an amendment and authorized the chairman of the committee to present that amendment, which makes a specific limitation of the sum to be expended to \$35,000,000.

We should not determine or locate routes by legislation. Legislation can do some things well; it can determine policies and provide means, but the executive department can best work out the details. The very size of the legislative body, which by virtue of its numbers gives wisdom in the adoption of policies, constitutes a handicap in the execution of the details of such policies; therefore we have presented to you a bill which de-termines the policy that the Government shall build the road, or roads, and we have left to the Executive details as to the location and construction; and while we think it wise not to undertake the details, Congress retains control through the need of the Executive to obtain the annual appropriation for the continuation of the work.

From the evidence set out in the hearing and from the report of Government officials I am convinced that the agricultural productions of Alaska can be made very great.

These official reports establish the fact that agriculture can prosper there; that they can grow small grain, potatoes, and other vegetables most successfully. We invite your attention to these reports. They furnish evidence co-clusive that the necessities of life in the way of foodstuffs can be grown there in great abundance.

In speaking of the agricultural products, these reports state:

In speaking of the agricultural products, these reports state:

There are large tracts of arable and grazing lands in central Alaska, for the most part unutilized because of the lack of transportation. The census of 1910 shows that there were 2,660 acres of improved farm lands in Alaska, most of which is in the province here under discussion. Up to the present time hay and potatoes, with a variety of garden vegetables, have been the chief crops. In 1910 nearly \$100,000 worth of potatoes and \$100,000 worth of hay were produced. Oats, barley, and rye can be ripened in many parts of the Territory. Up to the present time only a small amount of wheat has been ripened, but it seems certain that this grain cap be successfully raised, at least in the Tanana and Sustina Valleys.

The largest areas of agricultural lands are located in the Sustina, Tanana, and upper Kuskokwim Valleys, and there are smaller tracts in the Copper River Valley and in other parts of the Province. Considerable profitable farming has been carried on near Fairbanks, where a local market is reached by wagon roads. A number of homesteads have been taken up near Knik, in the Susitna region, and more would be entered if there were any means of getting products to market. Agricultural land in Alaska is not likely to yield any crops for export for a long time to come, but with the increase of local markets following the mining development after railway construction farming communities will spring up at many localities.

In addition to the farming lands there are much larger areas of good grassland, and the cattle raising is likely to become an important industry in parts of this field. With the decrease of the western ranges in the States, Alaska may before long be drawn upon for beef and mutton. The reindeer is another source of food supply in Alaska. Domesticated reindeer have been successfully raised in Alaska for upward of 30 years; the herds now aggregate about 40,000 head. The coastal barren grounds of Bering Sea and the Arctic Ocean furnish the

Mr. SWITZER. Mr. Chairman, will the gentleman yield? Mr. HOUSTON. Yes.

Mr. SWITZER. What are the conditions existing at the present time with relation to procuring a homestead in Alaska of 160 acres, or 320 acres?

Mr. HOUSTON. We have homestead laws providing for the entry of homesteads there, each entry being limited to 320

Mr. SWITZER. At how much per acre?
Mr. HOUSTON. I am not familiar with the details of that;
but the laws are very liberal in that respect, as is shown by the size of the homestead that is permitted.

Mr. SWITZER. How many homesteads have been taken up

to this time?

Mr. HOUSTON. I can not inform the gentleman of that. can furnish him that information though, but I do not have it at hand.

Mr. HAMILTON of Michigan. Will the gentleman permit an interruption?

Mr. HOUSTON. Yes. Mr. HAMILTON of Michigan. The gentleman speaks of good grass land?

Mr. HOUSTON. Yes.

Mr. HAMILTON of Michigan. Will the gentleman tell the House the kinds of grass that are grown in the interior of Alaska? As I remember, blue grass, which has been mentioned, is not the kind grown in Kentucky. I wish the gentleman would tell the House something about the possibilities of grass growing.

Mr. HOUSTON. The grass that seems to thrive and be most profitable is timothy. It seems that that is the character of grass that grows in greatest abundance, according to my recol-

lection.

Mr. HAMILTON of Michigan. That must have been im-

ported recently.

Mr. HOUSTON. It has been imported there, and in fact it was found out by droppings along the roadside how it would prosper and grow.

I think the most favorable report is made in regard to the growth of timothy. However, blue grass grows there very well. Mr. HAMILTON of Michigan. It is not the kind of blue

grass that we know about.

Mr. WICKERSHAM. The Kentucky blue grass.

Mr. HOUSTON. I understood it is very much the same kind of grass, making allowance for the difference in climate and

HUMPHREY of Washington. Before the gentleman leaves that subject, will he yield for a question?

Mr. HOUSTON. Yes.

Mr. HUMPHREY of Washington. Will the gentleman state where this navigation is? In the report of the committee I think there is a mistake. It says 500 miles of navigable rivers.

Mr. HOUSTON. That is a mistake. That 500 should be

Mr. HUMPHREY of Washington. I noticed the mistake. Will the gentleman state what the principal rivers are that are

Mr. HOUSTON. The Yukon River is the longest and great-

est, and the Tanana and the Kuskokwim.

Mr. HUMPHREY of Washington. The Kuskokwim is about

500 miles in itself, is it not?
Mr. HOUSTON. Yes; I believe it is. The Kuskokwim and the river adjacent to it, the name of which I do not now remember, give more than 500 miles of navigable water.

Mr. HAMILTON of Michigan. That only makes about 3,000

miles.

Mr. HOUSTON. There are over 5,000 miles— Mr. HAMILTON of Michigan (continuing). The Yukon, 1,500 miles; 1,000 miles from St. Michael to Fairbanks on the Tanana, and 500 miles on the Kuskokwin, if I remember the distances correctly.

Mr. HOUSTON. Yes; and I will state to the gentleman from Michigan that there are a number of rivers running into the Yukon which are navigable for many miles. They go up through

valleys as rich as they can be.

Mr. STAFFORD. Will the gentleman yield?

Mr. HOUSTON. I will yield to the gentleman from Wis-

Mr. STAFFORD. Would it embarrass the continuity of the gentleman's remarks to indicate on the map the location of the navigable streams and agricultural districts that are likely to be developed by the building of this railroad?

Mr. HOUSTON. I can give the gentleman some information in regard to it, but I am not so familiar as is the gentleman from Alaska, who will go into that more fully. The Yukon River begins here [indicating on the map] and runs around in this way. Here is the mouth of it. It takes a circuitous route, such as I indicate on this map, and that is a very long river.

The Tanana runs into it, and down below lies the Kuskokwim, at this point. Near the coast is what is called the Coastal Range of mountains. Over these mountains lies the great in-

terior that we hear so much about as the agricultural section.

Mr. STAFFORD. Will the gentleman indicate the proposed railroads, and particularly the location of the defunct Central Railroad of Alaska that was financed by the Sovereign Bank of

Canada?

Mr. HOUSTON. The roads that have been recommended by the railroad commission that made a survey under the act of Congress passed two years ago have recommended that a road be built from Fairbanks to Chitina. That comes to a point where the Copper River Railroad already runs, starting at Cordova.

Mr. STAFFORD. That is the Guggenheim road, is it not? Mr. HOUSTON. I so understand it. It goes up into the Copper River country where the Guggenheims own the copper

Mr. STAFFORD. Will the gentleman indicate the other proposed railroad?

Mr. HOUSTON. The other railroad goes from Seward, or connects with a road already built from Seward, up the distance of 71 miles; then, where the red line indicates, it goes up into Susquaguim, from which a branch leads to the Matanuska coal fields. The other road connects the Bering River coal fields.

Mr. STAFFORD. Will the gentleman state how much has

been built on this line?

Mr. HOUSTON. Seventy-one miles.

Mr. DAVENPORT. Will the gentleman yield?

Mr. HOUSTON. Certainly.

Mr. DAVENPORT. I would like to ask the gentleman if the road leading from Cordova up to Chitina is not the road that leads up to the Bouanza copper mines owned by the Guggenheims? Did not the hearings show that they were controlled, if not owned, by the Guggenheims?

Mr. HOUSTON. I so understand.

Mr. GOULDEN. Will the gentleman from Tennessee yield?

Mr. HOUSTON. With pleasure.

Mr. GOULDEN. How many miles of railroad are in operation in Alaska

Mr. HOUSTON. Two hundred and twenty-three miles, on several different roads.

Mr. GOULDEN. I understood the gentleman to say that there were only four months of the year in which the rivers were open and navigable?

Mr. HOUSTON. About four months; some seasons a little

more. I am speaking about the Yukon River.

Mr. GOULDEN. How many months would it be possible to

work there building a railroad?

Mr. HOUSTON. Every month in the year. It would be more difficult at times than at others, but there are a great many advantages that they have during the cold weather, when it is frozen-a great many advantages in building and in traveling-that would compensate for other difficulties they would have to encounter.

Mr. GOULDEN. Is the gentleman satisfied that thirty-five millions is more than a beginning in building this road?

Mr. HOUSTON. I am satisfied from the report of the railroad commission that we have submitted to us that these roads can be built for \$48,000 a mile. At that rate, the 733 miles that are recommended by the commission would cost \$35,000,000. That is on the basis that we borrow the money at 6 per cent. If we get it at 3 per cent on Government bonds, it could be built cheaper than that.

The gentleman will realize the fact that if Mr. GOULDEN. the Government begins that road it would be necessary to complete it, no matter how much it cost. That is what many of us

have in mind and fear.

Mr. HOUSTON. I want to state that these roads that are proposed to be built will connect the southern coast with the interior of these two rivers. Now, it is the opinion of the committee, and I am firmly of the opinion, that one road could be built from the southern coast of Alaska into the interior to Fairbanks, that it would constitute such a trunk line as the Government could stop then and there and not build any farther. The benefits would be very great, and it would perhaps not be necessary for the Government to do any more building, because this road would call for branches and spurs, which would naturally be built by private enterprise. connections at Fairbanks.

The chairman has also stated it had the Mr. GOULDEN. approval of the board of railway engineers. I should like to known who constitute this board of railway engineers?

Mr. HOUSTON. One of them is an engineer from the United States Army, another is one from the Navy, and another is Mr. Alfred Brooks, the engineer of the Geological Department. One is Maj. Ingersoll, of New York, a civilian engineer, who was appointed because of his competency as an engineer and because of the fact that he was not connected with any railroad company in Alaska. I have the names here; they are Maj. Jay J. Morrow, United States Army Engineer, and Alfred M. Cox, of the United States Navy.

Mr. GOULDEN. Then, the committee have based their report almost entirely upon the findings of this board of engineers? In view of the past history of similar enterprises, a lack of con-

fidence is felt by many of us in the House.

Mr. HOUSTON. We have not adopted the report of the engineers, nor do we recommend it. We provide in this bill that the President of the United States, with all the light he can get from the commission or the report, and from any englneer he may see fit to employ, shall himself determine the lines that he shall build, or how many of them. He may not build but one line. Right here I want to call attention to this fact: A line from the southern coast could be built straight up to Fairbanks, and in place of having 733 miles of roads we would have perhaps less than 500 miles of road, and that of itself would be a great step toward the development of Alaska. That perhaps might answer the present needs and might be all that the President would see fit to build. I think likely that would be the result.

Mr. TOWNSEND. M Mr. HOUSTON. Yes. Mr. Chairman, will the gentleman yield?

Mr. TOWNSEND. The gentleman spoke of portions of these river routes which are open only four months in the year, approximately?

Mr. HOUSTON. Yes. Mr. TOWNSEND. There are rivers on the southern coast there that are capable of being pavigated a much longer period

Mr. HOUSTON. There certainly are. There are some rivers on the southern coast that never have any trouble with ice at all, where the water is comparatively warm. The ice never blocks up the harbors there, for instance.

Mr. HAMILTON of Michigan. But you do not get very far

inland with those rivers? Mr. HOUSTON. No.

Mr. WINGO. Mr. Chairman, will the gentleman yield?

Mr. HOUSTON. Yes.

Mr. WINGO. Through what kind of territory would the proposed road which the gentleman suggests from the southern portion to Fairbanks lead?

Mr. HOUSTON. It would go through a mountainous terri-

tory for about 100 miles.

Mr. WINGO. Did I understand the gentleman to say that

such railroad could be constructed for \$48,000 a mile?

Mr. HOUSTON. I stated that the roads recommended by the commission could be built for \$48,000 a mile. A good deal of that, the gentleman knows, is through level country, where the building would be cheap. Of course, when you come to building through a mountainous country that would be more costly.

Mr. WINGO. The gentleman speaks of the road recom-

mended by the commission. What kind of a road did they rec-

ommend, and what kind of steel did they recommend? Mr. HOUSTON. They recommended a standard-gauge road,

and I believe they said something about the steel rails. Mr. WICKERSHAM. I do not remember about that.

Mr. HOUSTON. I am not sure that they gave the weight of the rails.

Mr. WINGO. Has the gentleman or the committee investigated to find out what is the actual cost of material, steel, and ties for a standard-gauge railroad in the United States, per mile?

Mr. HOUSTON. Yes; we I Mr. WINGO. What is it? Yes; we have made some investigation.

Mr. HOUSTON. It varies from \$25,000 a mile up, according to the character of the road built. No figure can be stated. It depends on the kind of road that you are building and the place and conditions under which you build it.

Mr. WINGO. Take the Kansas City Southern, from Kansas City to the Gulf, over a level territory; that cost \$50,000 a mile

to build and equip.

Mr. HOUSTON. There are many roads in the country over level land that cost a good deal more than that. I do not care to take up time in discussing the price of building a road. am not an expert, but I am inclined to believe the evidence that is submitted, together with what this commission states, when they say that this road can be constructed for \$48,000 a mile.

Mr. WINGO. Does the gentleman say that he is satisfied that

the road can be built for \$48,000 a mile in Alaska?

Mr. HOUSTON. In some places I am satisfied that it can be built for a good deal less than that.

Mr. BORLAND. Mr. Chairman, will the gentleman yield?

Mr. HOUSTON. Yes.

Mr. BORLAND. I suggest, in line with this question of the gentleman from Arkansas [Mr. Wingo], that a good deal of the cost of building roads in Missouri and Arkansas is because of the terminals and the right of way, and that there is quite an item in terminals in large cities and other expenses of that kind that now occur in the building of railroads in the States which would probably not be present in the construction of a road in Alaska.

Mr. WINGO. But I was calling the gentleman's attention to the fact that in litigation growing out of what the roads actually cost in the Western States, outside of terminals, and in those States that had the 2-cent passenger and lower freight rates litigation, the evidence showed conclusively that, exclusive of terminals, \$50,000 was the mile average to build and

Mr. BORLAND. I do not know where the gentleman gets the average. I question very seriously whether the roads in Missouri and Arkansas cost \$55,000 outside of the terminals.

Mr. HOUSTON. I want to inject this statement that these

terminals up there are already reserved.

Mr. COOPER. Mr. Chairman—
The CHAIRMAN. Does the gentleman from Tennessee yield to the gentleman from Wisconsin?

Mr. HOUSTON. I do. Mr. COOPER. As I recall the figures, Mr. Chairman, the Government of the United States gave the Pacific railroads \$48,000 a mile only for building the most difficult portion of the roads over the Rocky Mountains; and on the level land, through Kansas, of which the gentleman [Mr. Wingo] spoke, it was very much below that amount-I think, less than \$25,000 a mile, on the average-although their accounts, as the undisputed testimony showed, were padded beyond that amount, but the cost on the average was less than \$25,000 a mile. One of the engineers who assisted in the construction was Mr. Harris, of Kansas, afterwards Senator from that State, and he said that much of it really cost less than half that amount per mile, and that \$48,000 a mile, as I remember, was the maximum amount allowed by the Government for building the most expensive portions of these roads over the Rocky Mountains.

Mr. HOUSTON. Now I yield to the gentleman from Mich-

Mr. HAMILTON of Michigan. I was going to ask the gentleman this question: I understand that it is proposed to supplement the 71 miles of road so far constructed from Seward northward by a road going on farther northward in the general direction, perhaps, of Fairbanks. Gentlemen are talking about the probable cost per mile of constructing roads. that perhaps the best way to ascertain the probable cost per mile of Alaskan railroads will be to ascertain what the cost per mile has been to construct the roads already constructed. For illustration, there are 71 miles of the Alaska Northern Railroad constructed and about 150 miles of the Copper River & Northwestern Railroad, and I have no doubt the gentleman from Tennessee knows what the average cost per mile of the construction of the Copper River & Northwestern and Alaska Northern is, but I want to say this: The 71 miles of Alaska Northern were particularly difficult miles to construct there, and, if I remember the testimony, seven tunnels had to be passed

through in that case.

Mr. HOUSTON. Well, in regard to that, the proof shows that the cost of that road was enormous; it was very great. It is rather strange to understand why so much should have been expended, notwithstanding taking into account the docks and terminals, stations, and things of that sort; but an immense amount of money was spent there. It was the beginning of an enterprise I suppose they intended to carry out, but they expended an enormous amount of money which was way beyond any reason necessary in the course of the construction of the road.

Mr. LENROOT. Will the gentleman yield?

Mr. HOUSTON. Yes.

Mr. LENROOT. Has not the proof shown that the first 20 miles of road cost \$18,000 a mile?

Mr. HOUSTON. That is true.

And that afterwards it went into a Cana-Mr. LENROOT. dian syndicate and there is an utter absence of proof of what the balance cost?

Mr. HOUSTON. That is true.
Mr. HAMILTON of Michigan. I thought perhaps the chairman had some further information in reference to that and the chairman might know about it. Mr. SWITZER. Might I ask the gentleman is it standard-

gauge or narrow-gauge road for the 71 miles?

Mr. HOUSTON. Standard gauge. Mr. WILLIS. Will the gentleman yield?

Mr. HOUSTON. Certainly; with pleasure.

Mr. WILLIS. I do not want to retard the progress of the gentleman's argument. I think he knows from our previous service together I am liberal and somewhat given in favor of

Mr. HOUSTON. I am sure of that.

There are 7,300,000 acres of land available for agricultural development, and a large part of this land lies in the great interior valleys along the great rivers there. I shall here call attention to the 5,000 miles of navigable water on these rivers, on which steamboats of a high class are now in operation for a part of the year. The lands along these great rivers are as rich as the bottoms of the Mississippi River. We know we can not let it remain undeveloped. We can not ignore it, and we can not shirk the responsibility that rests upon us to care for and utilize this great wealth.

Mr. WILLIS. I wanted to ask the gentleman whether his committee in its very elaborate hearings considered the question of building any of these roads contemplated in this bill on any other gauge than standard gauge? Now, why I ask that is because recently I had called to my attention the fact that in Tasmania they had built narrow-gauge roads that cost very little, and yet have opened up the country. Did the committee

consider that at all?

Mr. HOUSTON. The committee did consider that, and the committee is of the opinion that we should build a standard-

gauge road.

Mr. WILLIS. Will the gentleman state the reasons right

there?

Mr. HOUSTON. There are a good many reasons. We ought to build a high-class road and build a good road, and here is a proposition to issue \$35,000,000 of bonds, and I think we could handle the bonds much more advantageously if they were predicated upon a standard-gauge road than if based on a narrowgauge road. The main reason is that we want a high-class road and a good road.

Mr. GRAHAM of Illinois. I would like to ask the gentleman if one gentleman did not testify, or make a statement, before your committee, and told of building several miles of railroad at a 3-foot gauge, at a cost, if I recollect aright, of about \$17,000 a mile, and that it was quite equal to handling all the business the road had to do? He was a Seattle man and had large in-

vestments in that Territory.

Mr. HOUSTON. Yes, sir. But we would not build a road of that character. That kind of a road would not meet the demands that we contemplate are going to be put on a road built up there.

Mr. OGLESBY. Will the gentleman yield?

Mr. HOUSTON. Yes. Mr. OGLESBY. Is it not a fact that the testimony showed that the first road built would be a trunk line, and there would be a reasonable expectation, based on the evidence submitted, that there would be ample freight to be carried over this road not only to justify but to require a standard-gauge, well-built road, and that subsequently laterals would be built which would add to the burden of the freight-carrying requirements and would make it necessary to have such a road?

Mr. HOUSTON. I think that is absolutely correct.

After 15 years in Alaska, Prof. C. C. Georgeson, the superintendent in charge of the Government experimental stations in Alaska, says that-

There are no other resources in Alaska so great as the agricultural. All we need is people to settle upon the country and take advantage of the great opportunities.

Now, Prof. Georgeson has made some statements at an earlier period in regard to the conditions in Alaska and as to agriculture there, and has spoken of the difficulties attending it. He has not gone wild and taken the course of an enthusiast or a dreamer, but he spoke of the difficulties in the way, and discounted the idea of too much encouragement to the beginner to hope for great results at the beginning. Yet, after a long experience there, after opportunity to know thoroughly and fully what the agricultural resources are, these are the statements that he made.

When we think of a country that will produce \$780 worth of potatoes to the acre, and 67 bushels of wheat, and a large number of bushels of barley and of rye, and 115 bushels of oats, we are ready to believe that man will not only make a living, but grow rich, if he can get a footing to utilize and work these lands.

From the president of the Farmers' Association at Fairbanks,

Alaska, we get the following information:

The territory adjacent to Fairbanks produced 300 tons of potatoes in 1912, which were worth \$30,000, and in 1913 400 tons were produced, worth \$40,000, and they expect that 800 tons will be produced in 1914. It is estimated that this amount will be all that the market will

consume. With an increased local demand, we can readily assume that the production will be immensely larger.

The Delegate from Alaska [Mr. WICKERSHAM] sent out a number of packages of sugar-beet seed, which were planted near Fairbanks, and those planting them pronounced the growing of sugar beets a success.

Shall we let this vast area of wealth that belongs to the people lie idle and undeveloped? If so, we are unfaithful to our trust; we are unmindful of our duty to those already there and sluggards in meeting the responsibility that devolves naturally upon us. We absolutely bury our great resources there, or else we allow corporations to monopolize and rob the American people of many of its fairest and greatest treasures.

We have expended large sums in the effort to irrigate the dry lands of the West and make them productive for the benefit of settlers there, and much of this expenditure has been of of settlers there, and much of this expenditure has been of doubtful value; but, nevertheless, the Government has done this work because it believed it was just and due that the Government should perform this function. There will be no need of irrigation in Alaska. That ground, frozen in winter, thaws in the spring to a depth sufficient to grow bountiful crops, and the thawing ground and dissolving ice below furnish moisture sufficient to make the harvest yield in abundance.

In reference to the resources of Alaska, I desire to insert

some extracts from the report of the commission.

The mineral wealth of Alaska is at present its most important resource, but the Territory also includes extensive tracts of farming and grazing lands and many water powers. Excellent timber occurs in southeastern Alaska, while the inland forests are valuable for local use. There are also valuable fisheries along the Pacific seaboard, which, while they will not furnish tonnage for the railway, yet affect the transportation problem by furnishing additional business for the steamers connecting with proposed coastal terminals.

This commission report, after setting forth in detail the productions of different parts of Alaska, says:

To sum up, Alaska has produced to date mineral wealth having an aggregate value of \$229,000,000, of which about \$22,000,000 is to be credited to the year 1912. This output is remarkable, considering that large mining operations are practically confined to the coastal region, easily accessible to ocean transportation, and that the vast mineral wealth of the interior, except the richest of the gold placers, is almost untouched. untouched.

The gold output there now is about \$17,000,000 annually, and it is estimated that if this country is developed with railroads that the output of gold would amount to \$100,000,000 a If the output should fall far short of this estimate, yet it would more than justify the expenditure necessary to build these roads. The increase in gold product alone would justify the cost of the roads provided for in this bill.

The presence of coal of excellent quality and in immense quantity is established beyond cavil or doubt. The saving to the Government in the transportation of coal from the East will be a large item of value to the Government. It would soon

amount to enough to build a dreadnought.

The growing of reindeer in Alaska has been very successful, In 1893 Congress began the work of importing reindeer from Siberia into Alaska. The total number of reindeer thus imported into Alaska up to 1902, when the Russian Government withdrew its permit, was 1,280, and since that time they have increased very rapidly and have proven to be a most profitable business. There are now very nearly 40,000, which estimated at \$25 per head would amount to \$1,000,000 in value. P. P. Claxton, the commissioner of education, in his statement furnished me, says:

Experience has shown that the total number of reindeer in Alaska doubles every four years. Assuming that this rate of increase continues, in 1920 there will probably be in Alaska about 150,000 reindeer.

And he further states-

It is possible that the untimbered grazing lands of Alaska might, in the course of time, support 4,000,000 reindeer, of which 1,000,000 might probably annually furnish a meat supply for exportation to the States.

We find from the report on the Work of the Bureau of Education for the Natives of Alaska, 1911-12, on page 13, the following:

The reports from the reindeer stations for the fiscal year ended June 30, 1912, show a total of 38,476 reindeer distributed among 54 berds. Of the 38,476 reindeer 24,068, or 62.5 per cent, are owned by 633 natives; 3,776, or 9.8 per cent, are owned by the United States; 4,511, or 1.7 per cent, are owned by missions; and 6,121, or 16 per cent, are owned by Lapps.

At an average value of \$25 per head, the 24,068 reindeer owned by the natives represent a capital of \$601,700. The total income of the natives from the reindeer industry during said fiscal year, exclusive of the value of meat and hides used by the natives themselves, was \$44,885.04.

The reindeer industry affects the entire coastal region from Point Barrow to the Alaska Peninsula, a region approximating in length the distance from Maine to South Carolina. A line connecting the 54 herds would be more than 5,000 miles in length.

Thus it will be seen that this industry will soon become a

Thus it will be seen that this industry will soon become a great resource of Alaska, and will furnish food for the people in Alaska and in the States.

Alaska is regarded as a very cold country, and in fact the idea prevails in the minds of many that it is too cold for home dwellers and for the pursuits of the various industries of life, yet the facts show that men can live there in comfort and can carry on industries in comfort and health. Many lock upon it as an arctic province, yet about three-quarters of its area lies within the North Temperate Zone. I want to call your attention to a statement set out in the report of the Alaska Railroad Commission, which says:

The climate of the coastal province is comparable with that of Scotland and the Scandinavian Peninsula, in Europe, but is somewhat warmer. That of the inland region is not unlike the climate of Alberta, Saskatchewan, and Manitoba, in Canada. The northerly Province bordering the Polar Sea is the only one in which arctic conditions

The CHAIRMAN. The time of the gentleman has expired. Mr. FITZGERALD. Mr. Chairman, I ask unanimous consent that the gentleman may be permitted to conclude his remarks.

The CHAIRMAN. The gentleman from New York [Mr. FITZ-GERALD] asks that the gentleman from Tennessee may be permitted to conclude his remarks. Is there objection? [After a pause.] The Chair hears none, and the gentleman will proceed.

Mr. HOUSTON. I thank you. The experience of those who have gone to Alaska, and those who have long resided in that country, shows that the climate is a most healthful one. The report of the commission says that "no extremes of cold or heat occur along the Pacific senboard," also this report states, in speaking of the inland

The aridity of the climate makes the extreme temperatures of winter easy to resist. All who have lived in this inland region are agreed that the winter climate is far more healthful than in many parts of the States where the temperature is higher, but where there is an excess of humidity. Residents of the interior have no fear of the extreme cold that often prevails during the winter months. The winter journey between Fairbanks and Valdez is raide by men, women, and children, and offers no serious hardships except when storms are encountered. encountered.

I call attention to these facts for the purpose of showing that our people can live there in comfort and health.

I want to call attention to the fact of the amount of revenue that Alaska has paid.

Mr. COOPER. Will the gentleman permit an interruption right there?

Mr. HOUSTON.

Mr. COOPER. I dislike very much, indeed, to interrupt the gentleman, but in view of the statement made by the gentleman from Arkansas [Mr. Wingo] that it costs \$55,000 a mile to build a road from St. Joseph or Kansas City south to the Gulf, I desire to call attention to facts which I mentioned a moment ago. I find that my recollection was correct, and I turn to the RECORD of January, 1895, page 327. This is what the Pacific Railroad received, and they built roads right out through the country which the gentleman mentions:

Over the mountains they were allowed \$48,000 a mile by the Government; on other portions of the road \$32,000 a mile, and for all of the road more than \$20,000 a mile and the statement of the commission is that \$22,500 a mile represents the average cost of construction, except under peculiarly difficult circumstances.

These come from the Government, so that when the gentleman says that it costs \$55,000 a mile, with our improved methods of construction, to build a road over that comparatively prairie country from Kansas City south, on the average, I think either he must be mistaken or else the accounts of that particular construction were padded, as the commission found with respect to some accounts in this case.

Mr. FERRIS. Mr. Chairman, I do not care to interrupt the gentleman from Tennessee. I have refrained from doing so thus far. But inasmuch as the question of construction is up as to Arkansas and Kansas and other States, I take it that the House would be glad to know what the estimate for Alaska is on these routes. The railroad commission, according to the majority report and the statement of the chairman, refers to 16 different estimates on 16 different routes. Without reading the routes in detail, let me give you the average estimate for each of the 16 routes.

Mr. HOUSTON. Mr. Chairman, I hope the gentleman will not take up my time for that.

Mr. FERRIS. I shall not take up the gentleman's time.

Mr. HOUSTON. That is an argument that stands in an independent relation. I do not think that belongs to this part

of my argument.
Mr. FERRIS. Then, Mr. Chairman, I will withdraw my suggestion

Mr. HOUSTON. I was calling attention, Mr. Chairman, to be payments that have been made by Alaska. The total rethe payments that have been made by Alaska. The total receipts paid in from customs, internal revenue from the seal islands, sales of public lands, and so forth, was \$853,988.71 for the year 1912,

Mr. McLAUGHLIN. Mr. Chairman, will the gentleman tell us where those revenues came from?

Mr. HOUSTON. From customs duties and internal revenue. and things of that sort.

It is a fact that Alaska has paid more revenue into the Treasury per capita than any people on the face of the earth, and when we contemplate what has been accomplished there we know that it is only a beginning. The history of what has been done and the expectations that this history justifies appear like a dream of Aladdin, but, outside of the wondrous discovery of gold and other minerals which have been discovered there, it has been shown by Government experts and by experimental stations that in the soil there rests the elements to support a hardy race of white men who will be a support in peace and a defense in time of war. It will be a great arm of strength to our United States that will help us to go forward in working out our glorious destiny. And the State or States that will be formed there will in the future be bright and glorious stars in our flag and bright gems in our great sisterhood of States.

Mr. LLOYD. Mr. Chairman, will the gentleman yield?

Mr. HOUSTON. Certainly.

Mr. LLOYD. Has the gentleman figures there showing what they have paid in revenues for any considerable number of years in the past?

Mr. HOUSTON. I have the general aggregate. I have not

the details here, but I have the aggregate.

Mr. LLOYD. The aggregate in kinds of taxes paid and the amounts paid?

Mr. HOUSTON. I have the sum total of the revenues paid into the Treasury. That statement has been made already.

Mr. LLOYD. I do not want to interrupt the gentleman or

to interfere with his speech; but if he is willing to put those figures in, I would be glad to know what the revenue is.

Mr. HOUSTON. I have stated the amount, and I have not

the figures here in detail.

These are reasonable expectations, and the facts and figures as we get them from Government reports, made by sworn officials, show what we may expect when we unlock the door and open the way to American thrift and energy. The natural resources are there to sustain a large population and furnish a profitable field for American labor and enterprise,

Mr. Chairman, I believe a careful study of this question will convince us that these roads ought to be built by the Government. It is regarded as a new departure, and in some sense it is; but the conditions and exigencies are such that they demand this exercise of governmental power. That we have the power I shall not stop to argue, for that, I think, is beyond question now, in the light of judicial decisions and political sanction of what the Government has done and is doing. A situation con-fronts the American people that calls for this work, and to those who think it a departure from former practice and former notions of the proper exercises of governmental power I would say that the American people are progressive enough in this day, when we hear so much of progressiveness, to face their duty and exercise their power to do a needed and necessary act that is in violation of no sound principle of government, but clearly within the scope of its legitimate and proper function in dealing with the conditions that exist to-day

For the President to build these roads is far better than the system of granting aid to corporations in the way of land There has been much criticism and condemnation of what has been done along this line by the Government here-

Mr. BROCKSON. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman yield?

Mr. HOUSTON. I do.

Mr. BROCKSON. Is it proposed that the Government shall put this road into operation by actually buying rolling stock

and employing men to operate that rolling stock?

Mr. HOUSTON. It is proposed that the Government shall put this road in operation; that the Government shall operate it or lease it; at just what point the President may see proper to execute a lease, before equipment or afterwards, is for him to determine.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield? The CHAIRMAN. Does the gentleman from Tennessee yield to the gentleman from Kansas?

Mr. HOUSTON. Yes.

Mr. MURDOCK. I have read the language of the bill very carefully. The language of the bill does not make it mandatory for the President to lease this road?

Mr. HOUSTON. That was not the idea of the committee. The committee's idea was to submit that matter to the discretion of the President, to operate the road or lease it, according as in his wisdom it would seem best.

Mr. SCOTT. Mr. Chairman, will the gentleman yield?

Mr. HOUSTON. Yes.

Mr. SCOTT. Is not the language of the bill to the effect that "the President is empowered, authorized, and directed" to do those things?

Mr. HOUSTON. Yes; and then the alternative is stated. Mr. SCOTT. That includes the leasing of the road?

Mr. HOUSTON. Yes; to lease or operate the road if he fails to make an advantageous lease. The building of the Panama Canal has been done by the Government itself, and so far there has been no charge of graft or corruption in the execution of that stupendous work, notwithstanding the millions of dollars

that have been expended in its construction.

We should not fail to observe what our neighbor, the Canadian Government, is doing along the line of building railroads in that country across the border from Alaska. She is building great transcontinental lines. Some are being built by granting aid to corporations, by guaranteeing a part of the bonds, and some the Government itself is building. At this time there are more than 2,000 miles under construction by the Government in Canada. Also, the Government has secured a lease for the operation of 1,800 miles of the new line when finished. And while this work on the Canadian side enhances the necessity and value of similar work on the American side, it further emphasizes the importance of the United States going forward in this work and not being outstripped by our neighbor Government. Canada is not crowded with population, but she is anticipating the needs of her people.

Few people realize that Alaska is one-fifth the size of the United States. It is equal in area to nine average States of

the Union.

This project of developing Alaska is one that the facts and figures justify. In fact, when we contemplate them it seems like a land of wondrous wealth which is lying there ready to be transformed by the hand of labor and energy into wealth

that is past computation.

This is a door of opportunity for our people and a place to rear families of happy and patriotic Americans. The best blood of the world will thrive there. It presents a picture glowing with promise, and if this picture is overdrawn, still we must believe that industrious men can support and maintain their families in comfort and plenty. In countries like this grow the strongest and most virile of the races of men.

We can develop a land there that will be an asset to our Nation and a source of strength, rather than a tax or burden on our hands. We can develop a growing people who will be a help if need be to defend and protect our Nation's honor.

Mr. Speaker, the opportunity is there, and it is ours, and we owe it to our own people to open the door and let them unlock this great storehouse of material wealth.

In the language of the President's message:

A duty faces us with regard to Alaska which seems to me very pressing and very imperative; perhaps I should say a double duty, for it concerns both the political and the material development of the Terri-

To my mind, it will be one of the proudest achievements in our history when we do our duty to this country, or I should

say to this part of our own country.

We made a great trade when we purchased Alaska from Russia. This purchase, which was consummated during the Presidency of that illustrious Tennesseean, Andrew Johnson, will stand out in history as one of the wisest acts performed by an administration since the beginning of our Government.

President Johnson, in his fourth annual message to Congress, said that "the acquisition of Alaska was made with a view to extending national jurisdiction and republican prin-ciples in the American hemisphere." This statement was made The purwith prophetic vision, as subsequent history shows. pose was clearly expressed by him, and great headway has been made by our people in carrying out this purpose. We have

given them a Territorial government of their own.

With a mere handful of Americans there, it has paid \$17,000,000 into our Treasury. True, we have paid out, including the purchase price, \$35,000,000, but this leaves a balance of only a little over \$18,000,000 that we are behind. To offset this \$18,000,000 we have had the benefit of a production in Alaska up to 1911 of nearly \$500,000,000. This sum has not gone into the Treasury of the United States necessarily, but it has become a part of our national wealth. Our people have gotten the benefit of it and are just that much richer. National wealth is not the amount of gold piled in the vaults of our Treasury, but national wealth is the property that the citizens of the Nation own and enjoy.

Figures are often misleading and men often make calculations that do not materialize, yet, while there is room here for great discount of the figures, there will still be a basis for a good living and much prosperity for the industrious and frugal.

We have paid out millions of dollars in the Philippine Islands. The Government has authorized the guaranteeing of the interest on bonds for the building of railroads there to the amount of 4 per cent on an amount not to exceed the sum of \$30,000,000

for a people not of our own race.

Alaska is nearly five times as large as the Philippine Islands and is five times as valuable to this Nation. In fact, Alaska is an asset to our country, and the Philippine Islands are a liability. Shall we hesitate to build a road for our own people in Alaska with the assurance that money invested there will not only be enjoyed by our race, but that the money will bring a return, and will be paid back by revenues that even under present conditions have been great?

Mr. Speaker, it is better that the channels of opportunity for industry and trade be given to our people than that vast sums

of money should be hoarded in the Treasury.

It is true that Alaska is cold, but it has been proven that the people can live in comfort there and the history of the world shows that where men have to battle with the elements and struggle against the difficulties of a rigorous climate they have always developed more strength and virility than those who live in a land of sunshine, fruits, and flowers. The inhospitable character of nature itself makes men grow strong, and there the highest types of nature are produced. Climates like this have produced people among the hardiest and noblest of the earth. Men reared in such conditions have held up the world's best civilization with more strength and courage than those of tropical lands.

Now, Mr. Chairman, this bill is not predicated upon the idea of railroad ownership as a policy for this Government. It rests upon a different basis altogether, and one that is in no way akin to the policy of general Government ownership. It proposes but the exercise of a constitutional power to make improvement in the conditions in the public domain of the United

States.

Now, gentlemen, I do not care to take up time here to discuss that feature, because it was the idea of the committee that this should be submitted to the President, and that he should have the power to operate or lease the road. I think that is the desire of the friends of the measure generally, and if it is not as explicitly expressed in the bill as it ought to be, it is a matter we can consider when we take up the bill for amendment.

The bill proposes to do something for the people of Alaska that they can not do for themselves. It is merely the extension of the hand of the Government to assist in creating conditions that will enable our own people to gain a foothold and to establish themselves in a part of our own country that they can not accomplish without the intervention of Government aid. It is an emergency in a sense, and it is the solving of a difficult problem for our own people that they can not solve by their unaided efforts. It is for the purpose of opening up a vast part of our country to settlement and development by our own people. The exigencies of the situation demand that the Government shall do this, for, as has been pointed out by the railroad commission, this can not be accomplished without providing a railroad such as will insure low transportation charges and the consequent rapid settlement of this new land. That we have the right and power to do this under the Constitution is no longer a question of argument to my mind, nor shall I take up your time in discussing that feature of the bill. The building of these railroads is justifiable upon the same grounds that justified the construction of the Panama Canal. When a great national need is before us to open the way to the great interior of Alaska for the benefit of our people and the material pros-perity of the Nation, we have the right, as it is our duty, to dig a canal or build a railroad, or make such other improvements as the conditions and the welfare and prosperity of our Nation demand.

Some men oppose this measure, because they say it is the opening wedge to Government ownership of railroads by the United States; some men favor it because they regard it as such; but this is not the view that actuates and prompts the building of these roads. It is for the great governmental purpose of opening up our public domain and developing resources that are ours and for opening homes for settlement by our own

people.

When the transportation that this railroad will furnish is provided to our people, then we can solve the problem as best how to conduct these roads, and there need be no fear that the wisdom of the American people and the American Congress can solve this question along lines for the best interests of the Nation. Whether the roads there are to be leased or operated by the Government is a question to be determined by the conditions that will exist and the opportunities for adopting either the one or the other plan. I have full faith that the President will exercise the power given him in this bill with wisdom and statesmanship, and that he will be able to adopt that course as will best promote the interests of all and afford the best service obtain-

The time has come in the progressiveness of the American people that they will not hesitate to do a just and needed thing for its people for fear of controverting some antiquated political maxim. When the necessity confronts us we will exercise the natural and just right to build a road to supply a great need to the people of these United States.

Mr. Chairman, I want to reiterate and to emphasize my profound conviction that the only way to save this country with its immense values from the clutches of monopoly is for the Government to take it in hand and furnish the people a chance to develop it and build it up for our common country. [Applause.]

Private interests, such as the great syndicates that have gobbled up the copper and almost got their clutches on the coal lands, will develop Alaska if you will give them the earth and the fullness thereof. They would like for us to wait in this work until they can have the opportunity to put into their greedy maw the coal, the copper, and all the resources there.

I want to emphasize the point that, notwithstanding the great mineral wealth of this country, the agricultural and farming possibilities are our greatest asset there, because of the fact that the farm is the place to rear children and develop manhood. Let American citizens have a vine and fig tree of their own in this wondrous land, and we can rear men and women more valuable than its vast deposits of gold. [Applause.]

Mr. FITZGERALD. Will the gentleman yield for a question?

Mr. HOUSTON. Certainly.

Mr. FITZGERALD. Will the gentleman state why it is proposed to pay for the building of this road out of the proceeds of

Mr. HOUSTON. That is a question that we have considered and discussed a good deal in the committee, and there has been a difference of opinion. The judgment of the committee was that perhaps it would be the best to provide for a bond issue, and by that means we could very soon collect sufficient revenues from Alaska to meet the expenditure, and in place of being an appropriation that the Government would have to pay finally, as of course it necessarily would, it will put these people on their feet and give them the strength and power to pay off this debt themselves; that Alaska will pay it, and that it will not be a burden or tax upon the people of the United States, but that Alaska, with its vast resources and production, will meet these demands and pay these bonds.

Mr. FITZGERALD. If the reven

If the revenues amount to what is anticipated, they will go into the Treasury anyway and will pay this debt. I see no particular renson why it should be done in the way proposed in the bill. Is there any particular condition of the Treasury that makes it necessary to issue these bonds?

Mr. HOUSTON. No; not that. But it was following out the idea that has been adopted in many enterprises, to issue bonds, to provide the means that way. The fact that the Government could issue bonds at 3 per cent was one fact that was considered. Perhaps it is as broad as it is long, and you might as well pay the money directly out of the Treasury as to issue bonds. I am not very particular which you do. Mr. FITZGERALD. Then I call the attention of the gentle-

man to section 4, which provides in effect for a sinking fund for the payment of the interest and the redemption of the bonds. Why should these bonds be placed upon any different footing, so far as those who invest in them is concerned, as to the security than any other part of the public debt of the United States? Suppose the gentleman should be mistaken as to the revenues of Alaska, and that this fund does not become sufficient to meet the demands that are to be made upon it, is the money then to be supplied out of the general fund in the Treasury?

Mr. HOUSTON. I suppose it would have to be. As a matter of course, that would be left to the discretion of Congress.

Mr. FITZGERALD. I am not so certain-

Mr. HOUSTON. If the Government issues these bonds, I take it the Government would be responsible for them and would have to pay them, of course.

Mr. FITZGERALD. I am not so certain that it would not be construed that this provides an exclusive fund. But what reason is there for taking these bonds out of the scope of the operation of the sinking-fund act, which at present provides a perfectly safe and sure guaranty for the payment of both the

interest and the principal of the bonds? Section 4 is very peculiar, and for my information I should like to know just what it was that resulted in the committee adopting this particular sinking-fund provision for these bonds?

Mr. HOUSTON. I can only say that it just proceeded out of the general idea that with this improvement going on there, and with the development of that country, Alaska would furnish the means and the revenue to pay these bonds, and that the bonds could be met in that way. Perhaps it is no special advantage, because, as I take it, the Government must meet the demands Whether you take the money collected in Alaska and appropriate that to the payment of these bonds or whether you

pay them otherwise, I do not think it is very material.

Mr. FITZGERALD. I hope some member of the committee will discuss this before the discussion goes very far, because I wish to present some phases of it from a different aspect. should like to know the reasons which actuated the committee in creating this special and peculiar sinking-fund provision and why, if they are to be issued at all, the payment should not be provided for under the sinking-fund act, which affects all of the public debt, unless part of it be excluded or taken under some other provision of law, as proposed here. It may be a very important thing, when the attempt is made to dispose of these bonds, as to what provision of law controls the obtaining of money to meet them when they mature and to provide for the payment of the interest.

Will the gentleman yield? Mr. LENROOT.

Mr. HOUSTON. Yes.

Mr. LENROOT. Does not the gentleman think that to create a redemption fund, that hereafter when Congress fixes the price for the lease or otherwise of the road that shall obtain in Alaska it would be more certain to take care of this than if the redemption fund did not exist?

Mr. FITZGERALD. Not at all. If there be some good reason not pointed out for providing for the payment by a redemption fund, and not under the general redemption fund, under the same law that controls all the rest of the public debt of the United States, investors would be very slow to take the bonds until they get some accurate information. They would hesitate to put their funds into a work of this character.

It looks, not being put on the same footing with other bonds. as if it were intended to make them merely Alaskan bonds. That has not been the way we have proceeded heretofore-for instance, in connection with the building of the Panama Canaland I hope some member of the committee will point out some good reason for it.

Mr. MADDEN. Will the gentleman from Tennessee yield? Mr. HOUSTON. Certainly. Mr. MADDEN. How many railroads are there in Alaska

Mr. HOUSTON. I am not sure; but five or six, amounting in the aggregate to about 500 miles.

Mr. MADDEN. What is the total tonnage carried by all the railroads?

Mr. HOUSTON. I am not able to give the gentleman the exact figures. We have an estimate submitted by the commission that this road would probably carry about 50,000 tons.

Mr. MADDEN. Does it not seem that there ought to be some information furnished as to the tonnage now carried over the railroads in Alaska now in existence?

Mr. HOUSTON. We have a report made by a subcommittee, the gentleman from Maine [Mr. GUERNSEY], which is full and complete and very instructive and has all the details of tonnage matters in it.

Mr. MADDEN. What assurance has the committee that there will be any such amount of tonnage carried over this railroad?

Mr. HOUSTON. It has no assurance. We can not prophesy. We believe that with the elements and resources that it is safe to estimate that the tonnage will be large, as this very interesting report shows. It is an estimate based somewhat upon the

present tonnage.

Mr. MADDEN. It is proposed to build about 1,000 miles of railroad?

Mr. HOUSTON. No, sir; not over 733 miles.
Mr. MADDEN. Does it give authority to the President of

the United States to buy any of the existing roads in Alaska?

Mr. HOUSTON. Yes; to buy, lease, or make any other connection.

Mr. MADDEN. To buy any road that exists there now?

Mr. HOUSTON. It does.
Mr. MADDEN. Did it occur to the committee that it might possibly give him the authority to buy the Guggenheim-Morgan

Mr. HOUSTON. If it gives him the power to buy any road it would give him the power to buy the Guggenheim-Morgan road. and I am perfectly willing to trust the President in buying that

Mr. MADDEN. How much is the tonnage carried on that

road?

Mr. HOUSTON. I have not the figures, but they are contained in the report which I have already alluded to and from which the gentleman can get the details.

Mr. MADDEN. Does the committee know how much it is proposed to spend per mile in the construction of this road?

Mr. HOUSTON. Forty-eight thousand dollars a mile.
Mr. MADDEN. Would it not be safer to say \$250,000 a mile?
Mr. HOUSTON. No, sir.
Mr. MADDEN. I think it would.

Mr. WICKERSHAM. That is because the gentleman knows nothing about it.

Mr. COVINGTON. Will the gentleman yield?

Mr. HOUSTON. I will.

Mr. COVINGTON. All these railroads for the development of Alaska have been constructed within 10 or 12 years?

Mr. HOUSTON. Most of them have been within something like that time.

There has been a substantial tonnage Mr. COVINGTON. grown up as the result of the so-called development of Alaska? Yes; a substantial tonnage at times; but Mr. HOUSTON. some of these roads at present are in a state of suspension.

Mr. COVINGTON. At the present time, I presume they are. I understand it has produced an increase of population, and I would like to ask if the gentleman can enlighten the House as to how many thousand people there are in Alaska to-day as the

result of the development of the already existing railroads?

Mr. HOUSTON. There has been very little increase in population there. There has been nothing to call for any increase or to encourage people to go there. The conditions under which they have lived and operated have been the most difficult and They have had to encounter difficulties there of all—the transportation problem chiefly. They have been subjected to outrageous rates when they could get transportation.

Mr. COVINGTON. But it is a fact that within the last 10

or 12 years, notwithstanding the creation of additional lines of railroad for the purpose of opening up the country and transporting to the United States the commercial products of the country, there has been no increase in the population of this

practically arctic territory.

Mr. HOUSTON. There has been little increase during that time, and the reason has been due to the fact that the men who went there had no encouragement or opportunity to contend with the conditions. If you give them a helping hand, they will

increase rapidly.

Mr. COVINGTON. One more question. Mr. HOUSTON. I first want to deny the gentleman's charge that this is an arctic region.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield for a question?

Mr. COVINGTON. But I am not through. I want to ask one

final question

The CHAIRMAN. To whom does the gentleman yield?

Mr. HOUSTON. I yield to the gentleman from Maryland. Mr. COVINGTON. Mr. Chairman, I want to ask whether the committee has been able to obtain any thoroughly reliable data showing the probable increase in commercial development by agriculture and otherwise that will be directly incident to the construction of this particular line of railroad?

Mr. HOUSTON. I think we have a good deal of information of that sort, and I think the gentleman will hear a great deal of that and can get a great deal of light on that subject if he

will listen to the speeches.

Mr. COVINGTON. But it would be entirely from the speeches which are to come?

Mr. HOUSTON. Perhaps so. The gentleman may not have

been enlightened by the one he has already heard.

Mr. COVINGTON. Oh, the gentleman did not touch on that

phase of it.

Mr. GRAHAM of Illinois. Mr. Chairman, the gentleman from Maryland asked to what extent the building of railroads has increased that population. Is it not true that the principal railroad in Alaska, the Copper River & Northwestern Rail-road, extending more than 150 miles, is built through what is comparatively a gorge to the Bonanza copper mine and that there is no opportunity for development other than carrying the ore from that mine to the seaboard?

Mr. HOUSTON. That is certainly true.

Mr. GRAHAM of Illinois. Nobody expected that to increase the population except as it would bring men to work in that

Mr. HOUSTON. Yes; that is an improvement and development of just the character that we can expect if we leave it to private interests to develop Alaska. [Applause.]

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman

yield further?

Mr. HOUSTON. Yes. Mr. GRAHAM of Illinois. Is it not also true that nearly all of the existing railroads in Alaska correspond in character to the Copper River Railroad, and that they were not built with a view to developing the agricultural character of the country?

Mr. HOUSTON. That is entirely true as to perhaps every one

of them.

Mr. GRAHAM of Illinois. Is it not also true that if a railroad were constructed through the Chitina region to Fairbanks with a view to developing agricultural possibilities it would undoubtedly increase greatly the population of Alaska?

Mr. HOUSTON. Certainly. You can not expect a private

corporation to be inspired by any altruistic notion to go to work for the country at large. They do not do work in that way.

They exploit private interests, that is all.

Mr. HAMILTON of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HOUSTON. Yes. Mr. HAMILTON of Michigan. I wanted to suggest to my friend that the conclusion of the gentleman from Maryland [Mr. Covington] was based on an erroneous premise. He assumed that a large part of the railroad mileage in Alaska had been constructed in the last 10 or 12 years, but as a matter of fact there has not been a mile of railroad constructed in Alaska within the last 10 years, except, it may be, the finishing of the Copper River & Northwestern Road, so that his reasoning about the increase of population in its relation to railroad mileage was based upon an erroneous conception of the situation.

Mr. HOUSTON. Certainly. Mr. TAYLOR of New York. Suppose this road is built; how many months can you operate it during the year?

Mr. HOUSTON. Twelve months. Mr. TAYLOR of New York. Has private capital ever tried

to get a franchise to build a railroad up there?

Mr. HOUSTON. They have been trying to build railroads in various places, and they have been pretending they have wanted to, but have been very slow about it.

Mr. TAYLOR of New York. Have they ever made applica-

tion for a franchise?

Mr. HOUSTON. They have made many applications. There is nothing in the way of their building a railroad if they want to do it.

Mr. GARD. I wish to know whether the gentleman ! is any reliable data as to the cost of operation of this proposed road?

Mr. HOUSTON. No, sir; I have not. I can not furnish that, I yield the floor now, Mr. Chairman.
The CHAIRMAN. The gentleman from Tennessee declines

to yield further and yields the floor.

Mr. FERRIS. Mr. Chairman, I hope in the interest of fair understanding in the case the committee will permit me to answer the question of the gentleman from Ohio [Mr. GARD] as to what these proposed roads are going to cost per mile.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that he may be permitted to answer the question propounded by the gentleman from Ohio [Mr. GARD]. Is there objection? [After a pause.] The Chair hears none.

Mr. FERRIS. The gentleman spoke of the construction—

No; the operation. Mr. GARD.

Mr. FERRIS. I do not have the cost of operation at hand, but I do desire to put this cost of construction in the RECORD anyway. Mr. GARD. I will be glad to hear the construction cost as

well.

Mr. FERRIS. The Alaskan Railroad Commission was sent up there to make estimates as to the probable cost of these roads and estimated on 16 lines of railroad, different kinds, all standard gauge, over different routes. For instance, proposition No. 1 was the Haines-Fairbanks route. The average cost per mile was \$44,300. No. 2 was the Chitina-Fairbanks route, and the average cost was \$44,000 a mile. The next was No. 3, the Valdez-Fairbanks route; average cost, \$44,800 per mile. 4 was for the Seward-Fairbanks route; average cost, \$45,300 per mile. No. 5, the Seward-Iditarod line; average cost, \$52,300. No. 6, the Iliamna-Kuskokwim route; average cost, \$55,400 per mile. No. 7, the Valdez-Marshall Pass route; average. age cost per mile, \$57,800. No. 8, branch from Bering River

coal field to Cordova, via Katalla; average cost per mile, \$49,000. No. 9, branch from Bering River coal field to Cordova, via Lake Charlotte; average cost per milė, \$54,000. Katalla-Bering River coal field line; average cost, \$55,000. No. 11, Controller Bay-Bering River coal field line; average cost per mile, \$57,000. No. 12, Chitina-Matanuska coal field line; average cost per mile, \$51,700. No. 13, which is the Kern Creek Matanuska coal field line; average cost per mile, \$43,000. No. 14, the Skolai Pass-White River branch line; average cost per mile, \$64,000. No. 15, Fairbanks-Yukon extension; average cost, \$41,000 per mile. This is the lowest estimate. No. 16, cost, \$41,000 per mile. This is the lowest estimate. No. 16, Valdez-Matanuska coal field line; average cost, \$55,000 per mile. The lowest estimate is \$41,000 and some run up as high

Mr. MURDOCK. But the gentleman will acknowledge that the cost is uniform.

Mr. LENROOT. Will the gentleman yield?
The CHAIRMAN. Does the gentleman from Oklahoma yield? Mr. MANN. The gentleman does not have the floor to yield. The CHAIRMAN. The gentleman from Michigan [Mr. FORD-NEY] is recognized for one hour.

Mr. LENROOT. Mr. Chairman, I ask unanimous consent to

ask the gentleman from Oklahoma a question.

The CHAIRMAN. Well, the gentleman from Michigan has been recognized for one hour. Does the gentleman from Michigan yield to the gentleman from Wisconsin to ask a question?

Mr. FORDNEY. Yes, sir, Mr. LENROOT. I desire to ask the gentleman whether or not it is not true that the estimates for these routes included equipment of the road and also 6 per cent upon the cost?

Mr. FERRIS. Well, I do not think so. I have not examined it very carefully, but I do not think that is true. Anyway, it is a very small part of what the road actually will cost.

Mr. MADDEN. Does the gentleman know what the other roads cost?

Mr. FERRIS. Some of them; some of them cost as high as \$72,000 a mile.

Mr. MADDEN. No more than that?
Mr. FERRIS. They may have cost more than that. Figures are easily obtainable, so there can be no mistake as to the roads already there. The figures I gave above are correct, as they come from the railway commission's report as to the proposed

Mr. FORDNEY. Mr. Chairman and gentlemen of the committee, I wish to briefly state at the outset that I would not permit my vote to do anything injurious to the people of Alaska. On the other hand, I am willing at any time to aid in the enactment of laws that will benefit the people of Alaska that, in my judgment, come within the bounds of reason. First, let me say I am unalterably opposed to Government ownership of railroads. [Applause.] I will give you my reason for that

opinion before I conclude my remarks.

I never knew anything built or operated by the Government that, in my opinion, was built or operated for as reasonable a sum as it could be built and operated by private enterprise. And let me cite to you one little illustration which created a very strong impression on my mind that the Government can not build and operate things as cheaply as they can be built and operated by private enterprise. I obtained, through the courtesy of Congress, an appropriation for a Government building within the district which I have the honor to represent here-in part, at least-of \$70,000. Ten thousand dollars of the money was used by the architect and superintendent. A prominent contractor in my home town told me he would take the contract for constructing that building for one-half the money it cost the Government, and believed he could make money out of it at that price. Those things create an impression upon the mind of a man who gives some attention to business affairs.

It has been said here by the gentleman who preceded me that this appropriation of \$35,000,000 was intended to build 733

miles of railroad.

Mr. TAYLOR of New York. Will the gentleman yield for a minute?

Mr. FORDNEY. Yes, sir. Mr. TAYLOR of New York. Was this post-office building erected under contract by the Government or did the Government build it by day work?

Mr. FORDNEY. It was built by contract by the Government, superintended by a Government official and the architect's office, and that superintendent absorbed \$10,000 of the \$70,000 for the construction of that little building, including the plans.

Mr. TAYLOR of New York. How was the architect selected?
Mr. FORDNEY. It was done through the architect's office in the Treasury Department. But that policy has been abandoned, I am glad to say. I know of no reason why there should not be

a plan for the construction of post-office buildings in this country of a given cost and that one plan would suit one city as well as another [applause], and thereby lessen this enormous expense of the architect's office preparing a separate plan for each building.

I want to call the gentleman's attention to the cost of construction of railroads both in this country and in Europe, as given in statistics which I have, and which I believe are official. All will admit, I believe, it will cost more money per mile to build railroads standard gauge with a certain weight of iron and a certain efficiency in rolling stock in Alaska than it has cost or will cost to build railroads in the United States. Statistics show the Government of Germany owns 95 per cent, in round numbers, of all the railroads in that country. Statistics which I have here show that it costs \$113,324 a mile to build and equip the railroads of Germany. Statistics show that the original cost of construction of railroads in the United States is \$60,000, and the present cost of construction of those roads, with their efficient and modern equipment, with Mogul engines and high-class passenger and freight cars, with 90-pound steel, and all those things that go to make up a first-class railroad in the United States, is \$76,130 per mile for the year 1912, based on 248,000 miles of main-line railroads. Statistics show the cost of construction of railroads in all Europe averages \$121,000 per mile. The gentleman says the commission appointed to investigate and make a report on the cost of construction of railroads in Alaska says the roads can be built there for less than \$48,000 per mile.

Mr. HUMPHREY of Washington. Mr. Chairman—

Mr. FORDNEY. Just a minute. Let me conclude this, and

then I will be pleased to yield.

I want to call his attention to a report by ex-Secretary of the Interior Mr. Garfield and Mr. Pinchot, who was Chief of the Bureau of Forestry, under a law providing for the construction of irrigation projects to be begun in this country and paid for out of a certain fund created by receipts of money from the sale of public lands in the various States. The grandest corps of engineers ever gathered together in any country under the sun, so they said, were engaged by the Interior Department to estimate the cost. After the estimates had been completed Messrs. Garfield and Pinchot reported that 32 projects in this country, in the Western States, would cost \$48,000,000. The law provided that no one of those projects could be begun until there was sufficient money in the fund to complete the work. But in-stead, when there was less than \$25,000,000 in the fund, this work was commenced; and later on, when the representatives of those projects came before the committee, they admitted \$75,000,000 had been spent and not a single one of the projects completed, and that it would require \$75,000,000 more to complete the 32 projects estimated by the board of engineers to cost \$48,000,000.

So, if the estimates on your Alaskan railroads are no more valuable than the estimates of those engineers, they are not worth the paper on which they are written, gentlemen. It is an estimate to induce the Government of the United States to begin the project, and no one knows where you are going to land. The Treasury of the United States will show in the end.

Now, let me give you some comparisons as to the cost of hauling freight in the United States on our railroads, owned by individual and corporate interests, as compared with Government-owned railroads of Germany.

But first I will yield to the gentleman from Washington for question before I begin on that subject.

Mr. HUMPHREY of Washington. I simply wanted to ask the gentleman whether or not in those figures he quoted, giving the cost of construction, they included the terminals?

Mr. FORDNEY. They include everything connected with the railroads-the rolling stock, the terminals, and all other prop-

erty owned by the railroads.

Mr. BRYAN. Also the right of way.

Mr. FORDNEY. Yes; right of way and everything connected with the road; and in Alaska you can not build a railroad without terminals and without equipment to operate it.

Mr. TOWNER. Mr. Chairman, will the gentleman yield? Mr. FORDNEY. I will yield to the gentleman in a minute. The initial cost per mile for grading and filling and bridging is only the first cost

low I will yield to the gentleman.

Mr. TOWNER. Just a few years ago the Burlington road through the prairie State of Iowa double-tracked its line, straightening its curves and reducing its grades, and the cost of it was

over \$100,000 a mile through the State of Iowa.

Mr. FORDNEY. Yes, sir. Large amounts of money have been spent recently by railroads in the United States that were constructed many years ago. Of late large sums of money have

been spent in putting heavier steel upon those roads, straightening the curves, lowering the grades, strengthening the bridges, and so on, to enable them to run those great mogul engines that weigh 600,000 pounds as against the 50 or 60 ton engine years ago. It costs money to do those things. It costs money to build a terminal. It costs money to do everything in connection with the equipping of a road in first-class shape.

Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Michigan yield to the gentleman from Pennsylvania?

Mr. FORDNEY. I do.

Mr. MOORE. Does the gentleman know how many railroads there are in Alaska now?

Mr. FORDNEY. No; I have not studied that question, depending upon the committee that has given this subject careful study to furnish that information to the House.

Mr. MOORE. I will ask the gentleman this question: If there is such a fine opportunity for profit in that rich, new country, why is it that the railroad men, with all the tendency toward enterprise and even graft, if you please, do not avail themselves of the opportunity offered to build these roads?

Mr. FORDNEY. I do not know. But one gentleman who is in favor of this project told me yesterday that Alaska is one of the garden spots of this earth for truck gardening. heavens, men. [Laughter.] Think of making a truck garden profitable in Alaska when the truck would perish before you could get it to the neighborhood of people who could consume it.

Mr. MURDOCK. Without cold storage? Mr. FORDNEY. Yes; without cold storage.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman vield?

The CHAIRMAN. Does the gentleman yield?
Mr. FORDNEY. Yes.
Mr. GRAHAM of Illinois. I want to ask the gentleman a question in connection with the question asked by the gentleman from Pennsylvania [Mr. Moore].

Mr. FORDNEY. Yes; I yield to the gentleman.

Mr. GRAHAM of Illinois. The gentleman knows that the railroads were very profitable in Illinois. Why did they not build railroads in Illinois before the Government helped them to

Mr. FORDNEY. I will tell my friend. We did not have the money in the United States then. The people in this country, both the Democratic Party and the Republican Party, way back in the fifties and the sixties, could see that, and knew what advantages there would be to this country in the opening up of railroads between the Atlantic and the Pacific coast. Knowing that there was not sufficient private funds in this country to build those great railroads, the Government, through the Congress of the United States, gave aid toward the building of those roads, by appropriating large quantities of public lands instead of cash. The Government then did not have the money, but it had an abundance of land, which it was offering for sale to get money to cover into the Treasury of the United States, and therefore it gave large grants of land to those railroad com-

Now, the question whether that was wise on the part of our fathers or not I am going to leave to you gentlemen, but it certainly did aid in building those great trunk lines across the

Mr. GRAHAM of Illinois. If it was either right or wise to do that for so many others in the past, is it wrong to do it for Alaska now?

Mr. FORDNEY. That is not the proposition here. You do not propose to aid a corporation or private concern by giving it public lands in Alaska. You propose here to issue bonds to raise money and build a railroad by the Government. If you are going to have Government ownership of railroads, it is my candid opinion that Alaska is the proper place to begin it, because it is the one spot on the American Continent where such an enterprise would be an absolute failure, and be more convincing to you, a Representative of this great Government, of your folly. If you vote for this proposition, it will come back to you quickly.

Now, let me go on with this other proposition.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman yield? Mr. FORDNEY. Yes; but I would like to go on.

Mr. FORDNEY. Yes; but I would like to go on.
Mr. COOPER. The gentleman stated that the Government of the United States did nothing for the transcontinental railroads except to make land grants.

Mr. FORDNEY. The great Union Pacific line was aided by

Mr. COOPER. But the gentleman omitted to say that,

Mr. FORDNEY. I forgot to say that, although I know that is the fact. Later on the Government of the United States settled with that road and took less money on the dollar than it

had advanced. That is my recollection.

Mr. COOPER. On the contrary, they put in a bill here for 80 years at 2 per cent, and we would not accept that, and then they put in another bill for 50 years at 3 per cent, and that was defeated on the floor here. Then the Government got \$58,600,000 cash, principal and interest, in full from the Union Pacific and the Kansas Pacific, and then, the year after that, the Central Pacific entered into an agreement by which they gave the Government a first mortgage and made an agreement for the payment in installments of principal and interest, and paid it all up, dollar for dollar, in full, approximating \$120,-000,000 in the aggregate.

Mr. FORDNEY. It was not my understanding that the Government received back all the money advanced to the Union Pacific, with interest. I may be wrong about that. In order to aid in the building up of Alaska, in order to aid the people of Alaska, I am willing to vote for an appropriation of money to be loaned, to be secured by a first mortgage upon the railroad. I am willing to loan the money to any private corporation or individual that will build a road and they put in the major por-tion of the required money; but I am not willing to vote for this proposition, the beginning of something to which there will

Let me go on as to Germany. I undertook to give you the difference in the cost of construction of railroads by the Government in Germany and by corporations and private interests in the United States, and the difference in the cost of the operation of those roads. I have never been in Germany, but it is my understanding the roads of Germany and their equipment are in

no way comparable in efficiency to the roads of this country.

Mr. DAVENPORT. Has the gentleman any data to show the

cost of building railroads in Canada?

Mr. FORDNEY. Yes. I will give you the cost of construction

in Canada in just a few minutes

The wages paid by the railroads in the United States for the year 1912 averaged \$14.45 a week to all their employees. The wages paid in Germany by the Government for operating German Government railroads were \$7.46 a week to their employees.

The freight charge for carrying 1 ton of freight 1 mile in the United States was 7.41 mills. The cost of carrying freight by the Government in Germany is 1.41 cents per ton per mile, or nearly double the cost of carrying freight on railroads in the United States.

Will the gentleman yield for a suggestion? Mr. BRYAN.

Mr. FORDNEY. Yes.

BRYAN. Is not that great discrepancy because of the magnificent distances in America, whereas in Germany the

distances are not so great.

Mr. FORDNEY. On the other hand, Germany has a population of 1,766 people for every mile of railroad in Germany as against 387 in the United States. It is population and the amount of agricultural and manufactured products that make it possible for your railroads to carry freight cheaply. Talk about cheap freight in Alaska. Why, we produced last year \$10,000,-000,000 worth of agricultural products and \$20,000,000,000 worth of manufactured products in the United States, which were transported chiefly over our railroads. Comparing the value of agricultural, manufactured, and mining products of Alaska with those of the United States and they are a mere flyspeck on the map of the world.

Mr. BORLAND. Speaking about the cost of carrying freight in Germany and in the United States, referring to the question just asked, is it not true that a long haul is carried more

cheaply per ton per mile than a short haul?

Mr. FORDNEY. I believe that is true.

Mr. BORLAND. And is not a large proportion of the cost of carrying freight the cost of loading and unloading, in short hauls?

Mr. FORDNEY. That may be true.

Mr. BORLAND. So that a thickly settled country like Germany, that produces short hauls and small packages, would average higher per ton-mile.

Mr. FORDNEY. It would depend on the cost of operating your road, and I have shown you that we pay twice as much to our labor as they do, but that it costs almost twice as much per mile to construct railroads in Germany under Government control as it does to construct our roads in this country by private enterprise. Much depends upon conditions, my friend.

Mr. McGUIRE of Oklahoma. I should like to ask the gentleman a question on the subject of Government ownership of

railroads.

Mr. FORDNEY. Yes.

Mr. McGUIRE of Oklahoma. I have been present at some of the hearings before the Committee on the Territories, and if there is any one thing that has been developed beyond a doubt it is that if the railroads, which have contemplated building in Alaska, could have secured the grants that they desired from the Government of the United States, the roads would have been built, and the reason they have not been built is because the grants desired by these companies were not secured. Now, if it would pay a railroad company to build these roads provided they could secure these grants, why would it not pay the Government of the United States to build the roads, it already having not only the property wanted by the railroads, but a great amount of natural resources in addition to that?

Mr. FORDNEY. Why is it that no corporation has in many years past asked for Government aid in building a railroad in the United States? It is because there is plenty of capital, plenty of energy, plenty of determination, plenty of go-aheadness, push, pull, or carry, in the American people, to build railroads without Government aid. Why come and ask the Government to aid in the building of roads in Alaska, when there is an abundance of capital in this country that will build railroads in Alaska just as soon as a fair return for the investment can be offered to induce the investment of that capital?

Mr. McGUIRE of Oklahoma. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. McGUIRE of Oklahoma. It is true they have made application and want to go into Alaska, but it is also true that they

will not go unless they secure the grants they want.

Mr. FORDNEY. I am willing to vote for Government aid for the construction of roads in Alaska, as I have already stated, but I am not willing to vote for Government ownership of railroads. O my friends, let me say to you that you have heard the old, old story of the man in the hollow log, who had hold of the tail of the bear and he could not let go. is where you are going to place the Government of the United States by building railroads in Alaska under Government ownership. Talk about leasing them! Your bill calls for a lease not to exceed 10 years. Where can you get an intelligent man that will lease a \$35,000,000 property to operate, when he knows that he can not operate it at a profit, especially under that direction and authority given the Interstate Commerce Commission, as to fixing rates, and so on? Where will you get an intelligent man that will take such a lease for 10 years? There is a town up in my State called Kalamazoo, and they have a public institution there, where such men can be found. [Laughter.] It is nonsense to talk about leasing a \$35,000,000 property for 10 years' use.

Mr. GRAHAM of Illinois. That provision of the bill can be

modified when the time comes.

Mr. FORDNEY. I would modify it by striking out all after the enacting clause. Now, the gentleman asked me if I had statistics as to the cost of the construction of railroads in Canada. I have. The construction of all railroads in Canada to 1912 is \$72,129 per mile, a fraction less than the cost of construction of roads in the United States, due largely to the fact, perhaps, of less steel bridges than in the United States. lowering the grades, shortening of bends, where large sums of money were spent, that were found necessary and may not have been done in Canada.

But in England, my friends, the cost of railroad construction and equipment-and I believe it is admitted by everybody that their roads bear no comparison to ours in efficiency and equipment—amounts to \$275,000 for every mile of railroad built there. Talk about building in Alaska for \$48,000 per mile!

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. GRAHAM of Illinois. Is it not true that there is hardly a grade crossing in all England? And does not that materially increase the cost of building? Is it not also true that the cost of terminals add greatly to the cost of the construction of railroads per mile, especially when these terminals have to be obtained in large cities?

Mr. FORDNEY. I believe that is true, but there are no such terminals in England as we have in the city of New York

and in Washington, the District of Columbia.

Mr. GRAHAM of Illinois. Yes; and think of what they cost. Mr. FORDNEY. Yes; they cost a great amount of money. Mr. GRAHAM of Illinois. In the early days terminals cost little or nothing

Mr. FORDNEY. But I am talking about the statistics of

Mr. GRAHAM of Illinois. As I say, in the early days they

Mr. FORDNEY. Oh, you can operate railroads in Alaska without terminals, can you? I think not.

Mr. HUMPHREY of Washington. Will the gentleman yield?

Mr. FORDNEY. I will yield to the gentleman.

Mr. HUMPHREY of Washington. I want to ask the gentleman if he knows the estimated cost of the new Canadian railway being constructed by the Government from ocean to ocean?

Mr. FORDNEY. No, sir; I do not, but I do know that when the Canadian Pacific was built across the great Northwest to the Pacific Ocean the engineers declared that it was impossible, but Mr. Hayes, formerly an Iowa farm boy, who left the farm and was a roustabout around a little railroad station and afterwards became a great railroad man and was employed by the Canadian Pacific Railroad and given a salary of \$50,000 a year, after an inspection, reported to the stockholders that is was possible to build the road, but it would be at great expense. Now, taking into consideration the great cost of construction of these roads, their average cost, as I say, is \$72.000 per mile.

Mr. HUMPHREY of Washington. I saw a statement recently in print that this railroad in Canada that is being constructed was one of the best-constructed roads on the continent, that it had nowhere a grade exceeding 1 per cent, and that the Government has constructed there 3,600 miles of road. I want to ask the gentleman if he does not think that if Canada can afford to construct a road of that length at Government expense. the United States, with its wealth and population, can afford to construct 700 miles of road in Alaska?

Mr. FORDNEY. I will say to the gentleman from Washington that of late I have given considerable thought to railroad matters. I have studied all the information I could get, and especially railroad statistics, and I believe that the Congress of the United States has gone to the extreme in railroad legislation. I am not a stockholder in any railroad, I am not talking from personal interest, but I think for the last few years the people of the United States have become excited beyond reason and gone to the extreme in some respects.

In one respect it is railroad legislation. I am in favor of a fair return on the investment of capital, both to labor and to the men who own the capital. The people of the United States never were, are not now, and never will be prosperous without well-employed and well-paid labor and without capital receiving a fair return for investment and a security in the Government of the United States that they are going to be protected in their rights and not be destroyed by socialism or anarchy, that should not exist in free America. [Applause.]

Mr. LENROOT. Does the gentleman think that the railroads in this country to-day can borrow money at a fair rate of

interest?

Mr. FORDNEY. I question right now whether a railroad, a lumberman, or anyone else can borrow any great amount of money in the United States at this time.

Mr. LENROOT. Then capital is free to invest in Alaska?
Mr. FORDNEY. It is just as free to invest in railroads in

Alaska as it is in a peanut stand on the corner of Pennsylvania Avenue down here, but you must give good security, you must put up substantial collateral or you can not borrow money anywhere. If you can, there is every evidence that you have hoodwinked a cashier into letting you have money without efficient security. I know. I am in business and I know what the conditions of the country are. I only hope that my view of the situation is an exaggerated one, but it is a serious one to me right now. We are facing a period of lower prices and a depression in business that means hard times and distress for the laboring people of this country, and you can not deny it.

I clipped from the Washington Post only yesterday morning

or the day before what purported to be a copy of a telegram sent from Seattle to the gentleman from Washington [Mr. HUMPHREY] asking for Government aid for the distressed and unemployed in the city of Seattle, 5,000 in number; asking for aid from the Government in giving to them 5,000 blankets to care for the unemployed in that city. Whether that is true or not I do not know, but I leave it to you for your consideration. On Friday last I cut from the New York Sun a statement that the municipal lodging houses of New York, taken care of by the city government, were filled to overflowing with hungry, unemployed men, and that paper said it was due to two causes, perhaps; one, the sudden increased cold weather, and the other, the New Freedom-from work. I clipped from a Chicago paper and have on my desk a statement that there are 100,000 unemployed men in the city of Chicago.

Gentlemen, if those statements are correct, it is astounding, and it is evidence of what is coming. What is responsible for it I am not going to say. I have my own notion about it, but I will let you draw your own conclusions, but if you can not

see it to-day, if those statements are correct, it will be as big as a full moon before you inside of another six months.

Mr. McKELLAR. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Certainly.

Mr. MCKELLAR. The gentleman spoke of the present prevailing low prices. Does he refer to the low prices of food-

Mr. FORDNEY. Mr. Redfield, Secretary of Commerce, in a paper the day before yesterday, gives statistics on exports and imports. He calls attention to the fact that in October, 1912, there came into this country from abroad, chiefly from Canada, 9,881 bushels of potatoes, and in October, 1913, 472,000 bushels of potatoes, at 43 cents a bushel. Is not that cheap enough to suit you?

Mr. McKELLAR. As I understood the gentleman, however, he stated that there were present prevailing low prices.

Mr. FORDNEY. There are in some things.

Mr. McKELLAR. Not in foodstuffs? Mr. FORDNEY. I believe there are in potatoes. Is not 43 cents a bushel for potatoes cheap enough?

Mr. McKELLAR. Does the gentleman's statement apply

only to potatoes?

FORDNEY. Oh, no; the gentleman would not let me conclude—I will not say that, but I did not conclude. The Secretary of Commerce also showed that for the month of October, 1912, there came into this country from abroad, chiefly from Canada, 52,000 bushels of wheat, and in October, 1913, 233,000 bushels of wheat, and he concludes by saying that there can be no other conclusion drawn from this report than that it has been most beneficial to the industries of the United States. Tell me what comfort a farmer in Michigan can get out of that kind of a report?

Mr. HAMILTON of Michigan. Mr. Chairman, will the gentle-

man yield?

Mr. FORDNEY. Certainly.

Mr. HAMILTON of Michigan. Permit me to remind the gentleman that our Democratic brethren promised the people lower

Mr. FORDNEY. Well, I thank the gentleman for the sugges-

tion. It is true of a good many things

Mr. HAMILTON of Michigan. Are not they gradually accom-

plishing that-

Mr. FORDNEY. It is slow poison, but it is sure death, boys; and it is coming and it is bound to come. Now, I do not know whether you are going to get back to the Democratic prices of 1896 or not. I was a farmer in the State of Michigan at that time, and sold potatoes at 12½ cents a bushel. I sold to a particular grocery store, and the grocer told me "I am specially favoring you because you are a good customer." [Laughter.]

Mr. WINGO. Will the gentleman permit an interruption?

Mr. FORDNEY. Certainly.

Mr. WINGO. The gentleman says potatoes are selling at 43 cents a bushel?

Mr. FORDNEY. That is Secretary Redfield's statement.

Mr. WINGO. Will the gentleman kindly give me the name of e grocery? I am paying 40 cents a peck now.

Mr. HAMILTON of Michigan. One always pays more in a big

city

Mr. FORDNEY. The gentleman must pay it to some Demo-They are cheaper in my State, and there are no Democrats up there. Let me get back to the proposition of railroads;

I am drifting away. 'Laughter.]
Mr. McKELLAR. You want to leave prices?
Mr. FORDNEY. No; I am perfectly willing to speak of a high and low tariff and cheapness in the cost of living. Cheapness cuts no figure in this country when you have not the money to buy things. Potatoes went to 10 cents a bushel, flour to \$4 a barrel, and bread to 3 cents a loaf in 1896, and it never was so far away from the laboring people of this country during your life or their lives as it was at that time, when they had no employment and did not have the 3 cents with which to buy the

I did not mean to get into politics on this subject, but you have forced me into it. [Laughter.] There has been a period of prosperity, which you can not deny, which prevailed in this country for the past 15 or 18 years. I want to see it continue. If you will bring prosperity to the American people, my dear friends—and I am one of them—I am perfectly willing that you shall rule in the majority here for all time to come. [Applause.] But tell me, when Mr. Daniels over at Baltimore last Friday night stated that the consumer must have eggs at a lower price and the farmer must get more for them, how can it be done? [Applause.] A barber in Aberdeen, Wash., this last summer presented that proposition to me when he was cutting my hair in the barber's chair. I said, "Can you work !

out a problem, my friend, that will increase men's pay and lower the cost of the product of their labor?" "Oh, yes; I can do that." I said, "If you can do that, let me ask you a question. You are a barber and know your own business better than anybody else knows it, and you know your business better than anybody else's business." "Yes, sir." "You work 10 hours a day here and you charge me 25 cents for cutting my hair." "Yes." "You are going to work eight hours and cut my hair for 15 cents and increase your income." "Oh, well, that is not fair now; that is not fair," he said. "Well, tell me how you are going to work that out, and then I will tell you something about the lumber business and how it can be

Mr. McKELLAR. Will the gentleman yield? Mr. FORDNEY. Yes; I will yield.

Mr. McKELLAR. Where the middlemen are making enormous profits, profits they are not honestly or justly entitled to, why would it not be better to cut out some of those profits, the improper profits of the middlemen, and give the producer more and let it go to the consumer for less?

Mr. FORDNEY. I am perfectly willing to agree with the gentleman on that proposition, but I am not a middleman.

[Laughter and applause.]

Mr. SHERLEY. Will the gentleman yield for a question?

Mr. FORDNEY. Yes.

Mr. SHERLEY. Is the reason the gentleman agrees with him

because he is not a middleman?

Mr. FORDNEY. Oh, no; not necessarily. I will tell you if you were a manufacturer or producer you ought to look to the American people for the market for your product. Of the \$30,000,000,000 worth of products of this country, agricultural and manufactured, last year, 93 per cent was consumed at home. The best market in the world is right at your door. And let me tell you, my friends, in my opinion, a great mistake on the part of organized labor. I have been petitioned and so have you, every one of you, over and over again to restrict immigration, to make our immigration laws more drastic, to prevent the immigration of labor from foreign countries.

Mr. KINDEL. Mr. Chairman— The CHAIRMAN. Does the gentleman from Michigan [Mr. FORDNEY] yield to the gentleman from Colorado [Mr. KINDEL]? Mr. FORDNEY. Let me answer that statement, and then I will yield, sir, if you please. They want, I say, to restrict immigration. They do not want foreign labor to come in here and compete with their labor, and, on the other hand, they turn around and vote to admit free of duty the product of that foreign labor produced in a foreign land, to come directly in competition with a product of their own labor here, and destroy an American market. Tell me what wisdom there is in such a proposition as that? I can not see it.

Now I yield to the gentleman from Colorado [Mr. KINDEL]. Mr. KINDEL. I wish to ask you how you are going to get the producer and the manufacturer closer to the consumer with the present parcel-post rates? [Laughter.] A 20-pound package will cost from New York to Chicago 64 cents, while by parcel post it vill cost \$1.32. How are you going to get the two together? I want to say that you must base these rates on aeroplane rates rather than railroad rates.

Mr. FORDNEY. I am a producer in the State of Washington, and I am far removed from the Atlantic States, and we can not send our logs or lumber by parcel post.

Mr. HUMPHREY of Washington. Does the gentleman want

to go back to the subject of railroads?

Mr. FORDNEY. I will. I will conclude very soon now.

Mr. HUMPHREY of Washington. You refer to the construction of the Canadian railroad, the Grand Trunk, that the Government is building. I am reading from the hearings before the House committee, in which it was stated that the road would be 3,600 miles long, and that it would cost about \$70,000 a mile. and it says the railroad has less than a half of 1 per cent grade throughout, from ocean to ocean. Now, I will ask the gentleman if he does not think the cost of construction through that section of the country would be about the same as it would be in Alaska? It seems to me the character of the country is about as difficult in one place as in the other.

Mr. FORDNEY. I will say to the gentleman from the State of Washington that I have been trying to make myself clear that my candid opinion is that the difference between the estimate of cost of constructing a thing and the actual cost is very

great.

Mr. HUMPHREY of Washington. That is true, but-Mr. FORDNEY. I showed to you that the most intelligent and efficient body of engineers, 300 in number, gathered together by the Secretary of the Interior and Mr. Pinchot, had made estimates on the irrigation projects to cost \$48,000,000,

but admitted a little later, when they wanted a bond issue to get money to carry on these projects, that it was going to carry over \$152,000,000. Now, take your railroad estimates and the actual cost of construction, and if there is as wide a difference between the estimated and actual cost of constructing that railroad as there was in the irrigation projects by the most efficient body of engineers ever assembled on the face of the earth—as they were called—it is not worth the paper it is written on. That is what I say, Mr. HUMPHREY of Washington. I agree very largely with the gentleman that that is true; but the greater portion of this

Canadian railroad has already been constructed, so that they

are basing their estimate largely upon what has actually taken place as well as upon that which has to be finished.

Mr. FORDNEY. I know and you know that statistics furnished by the Interstate Commerce Commission and the Bureau of Railway Statistics of this country are fairly accurate, and those statistics show that our railroads have cost over \$76,000 a mile in the United States. And you know and I know—not from being in Alaska, but from what we know of general information—that railroads in that frozen country can not be built as cheaply as they can be built in the United States

Mr. MURRAY of Oklahoma. Mr. Chairman, will the gen-

tleman yield for a question?

Mr. FORDNEY. Yes; in just a minute. A minority report on this bill states that some mining company has penetrated the earth in Alaska to a depth of 2,200 feet and finds the ground is frozen harder than the hobs of Jericho at that depth. [Laughter.]

Does the gentleman yield to the gentle-The CHAIRMAN.

man from Oklahoma?

Mr. FORDNEY. How in the name of common sense are you going to raise celery and alfalfa under such conditions. [Laughter.]

Now I will yield to the gentleman.

Mr. MURRAY of Oklahoma. The report of the committee indicates that those proposed railroads are to be pretty straight. The report of the committee Would it not be cheaper per mile if you crooked those roads around the mountains instead of laying them straight?

Mr. FORDNEY. Oh, yes; but you could not run a crooked

road as cheaply as you can run a straight road.

Mr. Chairman, now I wish I had the statistics here to show you how much more it costs per mile to haul a train of cars with a certain amount of freight upon a road that has a certain degree of curve than to haul it over a straight road. I have them somewhere, but I can not lay my hands upon them. In that mountainous country up there, where you have your steep grades from 1 to 5 per cent uphill and downhill, it is going to cost more money to haul freight in a train composed of a certain number of cars than it would cost over a level road.

Mr. TALBOTT of Maryland. Mr. Chairman, will the gen-

The CHAIRMAN. Does the gentleman from Michigan yield to the gentleman from Maryland?

Mr. FORDNEY. Yes.

TALBOTT of Maryland. Is it not also a fact that the cost of maintaining a road, including the cost of the cars and the cost from the wear and tear on machinery, is greater on a

crooked mountain road than on a straight, level road?

Mr. FORDNEY. Oh, yes. I know this much: I have had just enough experience in logging-railroad building to know that with your sharp curves, with heavy locomotives, you must many large support of the property of the spend large sums of money in bracing the rails around the curves, to keep the rails from tipping when a heavy train at a high speed approaches a grade. That costs a great deal of money. A brace on the ties costs 15 to 18 cents. It requires spikes to set that brace, and it costs more for the ties. those things must be taken into consideration. Around sharp curves, where you attain a high rate of speed, there must be many braces of that kind, and the ties themselves must be stronger, and it costs much more to lay the track than it costs to lay down a straight track on a prairie.

Gentlemen, the only country in the world where we can compare the cost of Government operation of railroads with the cost of roads in private ownership is Germany, where, as I stated, 95 per cent of the roads are owned by the Government, and where the wages are one-half those paid by American railroads, and the charge for carrying freight is twice the charge for carrying freight in the United States. That is the best argument to me that can be presented, showing that Government ownership is an undesirable thing, especially with re-

Now, Mr. Chairman, unless some gentleman wants to ask me question, I yield back the remainder of my time. [Applause.] Mr. LENROOT rose.

The CHAIRMAN. The gentleman from Wisconsin [Mr. Len-ROOT] is recognized for an hour.

Mr. LENROOT. Mr. Chairman and gentlemen of the committee, I shall not consider to any great extent the matters that have just been discussed by the gentleman from Michigan relating to the cost of railroads, principally for the reason that it is immaterial to us in the consideration of this bill whether these railroads in Alaska shall cost \$48,000 per mile or \$96,000 a mile, because the resources of Alaska will pay every cent of the cost, no matter what it is. [Applause.] At the same time these railroads will permit the people to use and consume those resources at a very much less price than if the railroads were built under private ownership. [Applause,] Another reason is that as we proceed in this discussion I shall call as witnesses to contradict the gentleman from Michigan [Mr. FORDNEY] the owners, the counsel, and the agents of the Alaskan railroads who are now opposing this bill.

Mr. WINGO. Will the gentleman yield for a question right

there?

Mr. LENROOT. Yes.
Mr. WINGO. For my information—I have not been able to keep up with all this discussion—how many railroads are there in Alaska now

Mr. LENROOT. There are 466 miles of railroad.

Mr. WINGO. How many different roads?

Mr. LENROOT. There are three principal railroads—the Alaska Northern, having a mileage of 71 miles; the Copper River & Northwestern, having a mileage of 195 miles; and the White Pass & Yukon, having a mileage in Alaska of 20 miles and in British territory of 82 miles,

Mr. WINGO. What information has the gentleman with reference to the present financial difficulties of those railroads?

Mr. LENROOT. The Alaska Northern is in financial difficulties, or has been.

Mr. WINGO. How many are in the hands of receivers?

Mr. LENROOT. There are none in the hands of receivers. They were at one time. I will discuss that later in my remarks. The Copper River & Northwestern is a Morgan-Guggenheim road, and is not in financial difficulties at all. The White Pass Yukon road is owned by British interests, who are members of the Alaskan syndicate.

Mr. WINGO. Will the gentleman discuss the freight rates

that they charge on these roads now?
Mr. LENROOT. Only incidentally.

Mr. WINGO. I shall be glad if the gentleman has any information on that subject.

Mr. LENROOT. I will reach that later on.
Mr. Chairman, President Wilson has well said that the railroad is the key to the great storehouse of Alaska. proper railroad transportation that storehouse will never be unlocked. For whose benefit it shall be unlocked depends wholly upon who holds the key. The present bill is based upon the theory that the owner of the storehouse should hold it.

As in the case of the disposition of all natural resources of great value, there are contending interests here-private interests and the public interest. Conservationists contend that this storehouse should be unlocked in the public interest, that the present owners should continue to own and control it and furnish the key. The principal opposition contends that to him who shall furnish the key to unlock it the entire storehouse shall be given. The proposition is not unlike that of a man who has lost the combination of his safe, proposing to a locksmith that if he will unlock it he will make him a present of its contents.

propose to discuss very briefly the present situation in Alaska and the necessity for the prompt enactment of the pending bill, with some modifications which I shall discuss

when the bill is read for amendment.

Great complaint has been made, and just complaint, that the development of Alaska has been practically at a standstill during the past seven years, but the cause of this has long been a matter of dispute. A careful study of the history of Alaska during the past seven years and an examination of the proceedings in Congress will, I believe, convince any unprejudiced mind that the conservationists have urged legislation opening up Alaska with proper safeguards to the public; that special interests, together with some good men who believe that the natural resources of this country belong to the man who is willing to develop them, have opposed this legislation and are opposed to any legislation that will not place these great resources in private hands for private enrichment alone. fortunate Alaska has been caught between the upper and nether millstone of these contending forces and remains where she was seven years ago.

In this connection I can not refrain from saying that the people of Alaska have been themselves somewhat to blame in this matter. There are about 36,000 white people in Alaska. The great majority of these people are opposed to turning over Alaska to the Alaska Syndicate, consisting of the Guggenheims and the house of Morgan, but many insist that it be turned over to them. We are told that on the wharf at Cordova to greet the incoming traveler there is a huge sign containing the words "Let us mine our own coal." At Seward a similar sign The coal in Alaska does not belong to the will be found. 36,000 people who live there any more than it belongs to the Guggenheims. The coal and other mineral resources belong to all the people of the United States, and I am confident that no legislation will pass this Congress or any succeeding Congress that is not based upon that theory. This is not at all inconsistent with the idea that the pioneer who, through sacrifice and hardship, brings about the development of our resources should be amply rewarded. I believe he should be; I believe that any legislation either for Alaska or elsewhere should be so framed as to give the actual prospector, the real pioneer, adequate reward for his toil and hardship. But that is quite a different thing from so legislating that a group of men who never lifted a pick or shovel, who never visited Alaska, except as pleasure-seeking tourists, having an eye to business at the same time, should have the cream of Alaska, leaving to the owners—the people of the United States—nothing, and to the people of Alaska only skimmed milk.

I am glad to observe that the people of Alaska are themselves

beginning to understand that their own best interests, the future prosperity of Alaska, requires legislation of the character of the pending bill, and I am satisfied that at this session of Congress not only will this bill be passed, but other legislation, which will result in opening up the coal fields of Alaska for general use.

That the immediate construction of railroads in Alaska is absolutely necessary for its development I think no one will deny. The minority report of the Committee on the Territories, however, makes a vicious attack upon Government construc-tion and ownership of railways. In many ways this minority report is one of the most remarkable documents ever presented to Congress. I shall take occasion to analyze it later on, and at this time will only say that if we did not know that the men who signed the minority report are among the most respected Members of this House, whose integrity is beyond question, we would be warranted in the suspicion that it was inspired by the Alaskan Syndicate, consisting of Morgan & Co. and the Gugrenheims.

As to whether or not the resources of Alaska justify the proposed railway construction there can be no question. I shall not go into any statistics of the value of those resources, consisting of gold, copper, coal, and many other minerals and rich agricultural lands. They are all familiar to even the most casual student of Alaska. It is enough to say that if those resources belonged to a private individual, not only would there be rapid railroad construction to reach them, but the railroad construction would be carried on by the owner of the resources just as is proposed in the pending bill.

The total railway mileage of Alaska is 466. There are only two standard-gauge lines—the Copper River & Northwestern, 195 miles, and the Alaska Northern, 71 miles. Another narrow gauge, the White Pass & Yukon route, has 20 miles in Alaska and some 82 miles in Canadian territory. These three are the only ones existing at present that affect the interior of Alaska or have any prospect of doing so in the future.

The Copper River & Northwestern is owned outright by the Alaska Syndicate, consisting, as I have stated, of Morgan & Co. and the Guggenheims. The Alaska Northern is claimed to be owned by Canadian interests, the White Pass & Yukon route by British interests.

There has been practically no railway construction in Alaska since the withdrawal of the coal lands from entry.

The history of railway building in Alaska, with one or two honorable exceptions, is a history of lawlessness, murder, high finance, and chicanery. You may pick up the trail of the Alaska Northern, of the White Pass & Yukon, and other projected roads claiming to be independent of the Morgan-Guggenheim interests, and while that trail will be found very difficult to follow at times and will lead one into far countries, sometimes into eastern Canada, sometimes to London, yet, if you will continue patiently to follow it, you will finally arrive at the banking house of Morgan & Co. in New York.

From a careful study of all the testimony before the commit-

tees in both Senate and House I have no hesitation in saying that the Alaska Syndicate now controls the railroad situation in Alaska, and will continue to control it unless the Government itself shall undertake railway construction there.

As illustrative and corroborative of my statement, I will briefly relate the history of the Alaska Northern Railroad. The Alaska Northern is the successor of the Alaska Central Railway Co., organized by John E. Bellaine, of Seattle, Wash., and Seward, Alaska. The original owners of the Alaska Central were Mr. Bellaine and certain capitalists of Seattle, and F. Augustus Heinze, of Butte, Mont. While under this ownership the Alaska Central, through a construction company owned by Mr. Bellaine, built the first 20 miles of road from Seward toward the interior. This 20 miles was built for the sum of \$363,000, or a little over \$18,000 per mile. This cost included a dock, two locomotives, five cars, and a sawmill. The road was then purchased by Frost & Osborne, of Chicago and Toronto, with the intention on their part of building to the Matanuska coal fields. This was in 1903, 1904, and 1905. Immediately upon the purchase of the road Frost and his associates located 63 coal claims in the Matanuska district.

And let me say here, in passing, that wherever you find a railroad projected into any portion of Alaska you will find the capital behind it at the same time attempting to get their hands upon all the resources along the line of that railroad.

Mr. Ballaine testified before the House committee as follows (p. 152):

His plan was to sell the bonds of the railroad company based on a consolidation of the assets of the 63 coal claims and the assets of the railroad company, but he got into financial difficulties with his Chicago and Wisconsin properties and failed.

I may say, in passing, that Mr. Frost was afterwards indicted for these coal-claim transactions, but acquitted. Frost & Osborne, prior to their failure, completed the greater portion of their line to its present eastern terminus, 71 miles from

To carry on their various financial transactions, Frost & Osborne borrowed from the Sovereign Bank of Canada a sum of money said to be two and one-half million dollars, and among the securities put up to secure these loans were bonds of the Alaska Central. Upon the failure of Frost & Osborne the Alaska Central was thrown into court, and the final result was a reorganization of the road by the bondholders under the name of the Alaska Northern, and the shareholders of the Sovereign Bank of Canada are the real owners of the Alaska Northern. It appears from the testimony that Morgan & Co. and allied interests owned a one-third interest in the Sovereign Bank of Canada and was its representative in New York.

The Alaska Northern has not for the past three years been operated as a common carrier. Can there be any question but that the Morgan interests control the Alaska Northern?

The White Pass and Yukon route is owned by the Close Bros. of London, but it also appears that they, too, are members of the Alaska Syndicate and have half a million dollars stock in it.

There have been two or three attempts at railroad construction in Alaska by capital really independent of the Alaska Syndicate.

Mr. Bellaine testified concerning these before the House committee. He stated that while the Alaska Syndicate were build-ing their railroad from Cordova a company of Pittsburgh people, headed by Dr. Bruner, undertook to build a railroad from Martin Islands, at Katalla Bay, into the Bering River fields, with the announced object of going up the Copper River to Eagle. The Alaska Syndicate sent out a force of armed men, attacked them, drove them off the ground, and destroyed their roadbed, and continued their assaults until the work was permanently stopped.

He also testifies that in 1907 the people of Valdez organized the Alaska Home Railroad. They raised \$100,000 and put a force of men to work in the Keystone Canyon, 11 miles from Valdez. While engaged in grading in this caryon the Alaska Syndicate sent a boatload of its employees from Cordova armed with rifles, picks, and shovels. This force attacked the employees of the Alaska Home Railroad, killed one out-right, fatally wounded two others, and wounded several more who recovered. One of the wounded men has since recovered from the Copper River & Northwestern Railroad \$16,000 as damages for the assault upon him, thereby judicially establishing the responsibility of the Alaska Syndicate for this outrage.

Mr. Bellaine, after stating these facts, continued as follows:

When the Alaska Syndicate will exert all its colossal power, as they are doing to prevent the raising of capital, and then if you do happen to raise a little, will go with an armed force and massacre your employees, it is a mighty serious situation, a mighty serious one.

As to the charge that the Alaska Syndicate can prevent and does prevent the raising of capital for independent railway construction in Alaska, Mr. Bellaine gives some startling testimony. I quote Mr. Bellaine very freely, for of all the witnesses who appeared he seemed to be the fairest and most reliable, a practical railroad man himself, having a broad grasp of the Alaska situation, and of all the charges and countercharges made by the contending parties in the hearings no one ventured to reflect upon him in any way.

I shall present his statement in his own words as found on page 164 of the House hearings, and pages 36 and 37 of the

Senate hearings:

I shall present his statement in his own words as found on page 164 of the House hearings, and pages 36 and 37 of the Seinte hearings:

We are asked a great many times why the Government should be called upon to build railroads in Alaska. The reply is sometimes given that it is impossible, absolutely impossible, to raise money to build railroads in that country unless the railroad builders have the privilege of acquiring coal lands in fee, to be used as a part of the assets of the railroad on which to base a bond issue or to show a tonnage for assured earnings. But even that would provide for railroad transportation only to the Bering River and the Matanuska coal fields.

In this connection I am going to give some information for the benefit of the committee. It is information that has never been made public heretofore.

After the Canadian owners of the reorganized Alaska Central had taken over the property I entered into negotiations with J. P. Morgan & Co. to ascertain whether they would back me in a project to build a narrow-gauge railroad, taking over the railroad from Seward, changing it into a narrow gauge, and extending it as a narrow gauge on into the Tannan Valley. I had my negotiations directly with G. W. Perkins, I offered to put up as a basis of security all of my property in Alaska and all of the stock and bonds in the contemplated company, with a bond issue limited to \$20,000 per mile, they to have a voting trustee-ship of all the stock until after the railroad should be completed to the Tannan River, when the bonds might be marketable and I could pay them back. Mr. Perkins agreed to enter into negotiations with the Canadian owners to take over the Alaska Northern with bonds in the proposed new company. Whether he ever did so or not I am not qualified to say. But it was agreed by Mr. Perkins, In the course of our negotiations, that Morgan & Co. should send out an expert to ascertain the amount of resources along the route from Seward, through the Susitin Valley, to Tannang River.

In the summer of

ereign Bank of Canada, which at that time was going through liquidation.

The Sovereign Bank had failed in consequence of the failure of Frost & Osborne. It held nearly all of the bonds of the Alaskan Central Railroad and nearly all of the stock. It was Mr. Perkins's opinion, as he expressed it to me, that through that arrangement they might be enabled to come out whole in their investments in the Sovereign Bank.

By appointment I met Mr. Perkins in New York about the 20th of November, 1909, when I expected to close negotiations. He informed me then that the Canadian owners were having difficulty in getting their bondholders to agree to the proposed exchange.

Later in the winter, or possibly in the spring, Mr. Perkins told me that the Guggenheim brothers had refused to give their consent to the plan for Morgan & Co. to take over the financing of this project as a narrow-gauge railroad from Seward through the Susitna Valley to the Tanana on the ground that they regarded the Tanana Valley as their field.

And yet the Copper River & Northwestern, the only road that they owned at the time, was nowhere near this territory.

Mr. Perkins told me at the same time that Morgan & Co. were not prepared to encourage any more railroad building in Alaska until the Government issued patents to coal claims then pending.

And we all know that the claims then pending were the famous Cunningham claims.

I asked Mr. Perkins: "Do I understand from this that if I or any other individual or any company should go to some other bank or banker to raise money for building a railroad from Seward through the Susitna Valley to the Tanana I should meet with the opposition of the owners of the Alaskan syndicate?"

He replied: "We could not allow a railroad to be built through the Susitna Valley into the Tanana. There will be no more railroad building in Alaska until the coal fields are opened."

Perhaps some gentlemen may not believe this statement, and for their benefit I wish to quote a little further, for it also throws a flood of light on past congressional history concerning Alaska. I quote from pages 37 and 38 of the Senate hearings on bills S. 48 and S. 133. Mr. Bellaine had just made the statement I have quoted, and then continued:

Mr. Bellaine. I made this same statement within 30 days after that interview with Mr. Perkins to the Senate Committee on Territories when Senator Beveridge was chairman. Senator Beveridge, Senator Kenn, of New Jersey, and Senator Dick, of Ohio, were present. I asked permission to have my statement taken down officially, so that it might be an official statement, because legislation was then proposed for the guaranty of interest on the bonds of 1,000 miles of railroad which the Alaskan Syndicate was favoring. The committee refused to allow my statement to be taken by a stenographer and published in the official records. Senator Beveridge called Mr. Perkins by phone in New York,

I am informed, and told him the substance of my statement. I understand that Mr. Perkins denied to Senator Beverlage that he had ever had any negotiations of any kind with me or even had known me.

If Mr. Perkins now will come out with a public denial of the statements I make here as to my negotiations with him, I am prepared to substantiate what I say. I will go further. If Mr. Perkins will give his permission, I will make public a telegram which passed from Mr. Perkins to a broker in New York asking him to call up a member of President Taft's Cabinet and have a certain conversation with him. If it comes to that point, I think we shall be able to contribute some very lurid literature to the discussion of the Alaskan problem.

Senator Walsh. In view of the testimony to which we have just listened, I move that the chairman of the committee be directed to address a communication to Mr. Perkins, saying that the committee would be pleased to have his testimony on this point and asking him if he would attend.

Preceding the making of his statement before the House committee, Mr. Bellaine testified as follows:

mittee, Mr. Bellaine testified as follows:

Now, Mr. Chairman and gentlemen of the committee, I have laid the groundwork so that you may have a clear understanding of the Alaska problem as it bears on the building of railroads in that rich territory.

I am now going to relate to you the personal experience I had with the house of J. P. Morgan & Co., through G. W. Perkins, as proof that those people are preventing the raising of money to build railroads in Alaska by private capital, thereby making it necessary for the Government, and the Government alone, to build them.

I made the same statement before the Senate Committee on Territories on the 2d of May that I am now going to make to you. I afterwards sent my official statement to Mr. George W. Perkins and wrote him a letter requesting him to come before the committee or to write a communication if my statements in any detail deviated from the facts, He made no reply. I wrote another letter, inclosing a copy of the former letter, and had a Senator mail that letter, so that if necessary I shall have a competent witness that the letter was mailed to Mr. Perkins. I received no reply to the second invitation. Both of my letters to him are printed in the Senate committee hearings. A secretary to one of the Senators also wrote him a letter inviting him to appear and answer my statement, and he made no reply to that.

The statements I make here relative to my negotiations with Mr. Perkins are privileged statements. I understand the obligations of privacy that any honorable man is under in a business transaction, but I have been released from those obligations. By what means I shall explain if Mr. Perkins publicly contradicts my statement.

The letters referred to by Mr. Bellaine are as follows: WASHINGTON, D. C., May 10, 1913.

Mr. G. W. PERKINS, New York, N. Y.

Dear Sir: Under separate inclosure I send you by this mail part 1 of the official reports of hearings before the Senate Committee on Territories, which contains a statement by me in relation to my negotiations with you respecting the Alaska Central Railway. If my statement is in any way incorrect, I should be glad if you would present your version to the committee, either by letter or in person.

As I do not know your present address, I am sending this in care of J. P. Morgan & Co., with a request on the envelope that it be forwarded to you.

Very truly, yours,

John E. Bellaine.

WASHINGTON, D. C., May 28, 1913.

Washington, D. C., May 28, 1913.

Mr. G. W. Perrins,
75 Park Avenue, New York, N. Y.

Dear Sir: I forwarded to you on the 10th instant a letter of which the inclosed is a copy. Not knowing your address, I sent it in care of J. P. Morgan & Co., with a request on the envelope that it be forwarded,
Since that date I have been informed that your New York address is 75 Park Avenue. I am accordingly mailing this letter and copy of my letter of May 10 to you at that address. I am sending to you at this address also copy of my statement to the Senate Committee on Territories respecting my negotiations with you. I have stated to the committee only such parts as the subsequent developments, which you will recall, gave me the right to disclose.

In my statement I endeavored to be accurate in every detail. If my statement deviates in any way from your recollection of the circumstances, I should be glad to have you give your version of the negotiations.

statems, I shows stances, I shows tiations. Very truly, yours.

I repeat the last paragraph of Mr. Bellaine's statement: He (Perkins) replied: "We could not allow a railroad to be built through the Susitna Valley into the Tanana."

Now, I have taken this much time upon this principally because of this one particular statement that was made by Mr. Bellaine, which has not been denied by Mr. Perkins, in which he quotes him as saying, "We could not allow a railroad to be built through the Susitna Valley into the Tanana." None has None has been built. None will be built unless by the Alaska Syndicate or the Government.

I now wish to present some further evidence that independent capital can not be secured for the construction of railroads in

Falcon Joslin, of Fairbanks, Alaska, is the president of the Tanana Valley Railroad Co., which has a narrow gauge 45 miles long extending from Fairbanks to Chatanika. He favors this bill and testified before the committee as follows (p. 43):

Obviously I would not support a bill for the Government constructing these railroads if there was any chance for me to continue my business of building railroads by private enterprise. I have despaired of being able to build any more railroads in Alaska by private enterprise; the capital can not be secured for it.

And again, on page 45:

It is now almost impossible, in my experience, to find capital to enter railroad construction. I can not even talk to men for the purpose of securing any more money to build railroads in Alaska.

Again quoting from Mr. Bellaine, on page 159:

The Alaska syndicate, made up of the Guggenheims and the Morgans, not only will prevent any other company from raising money to build a railroad into Alaska, in their attempt to control that rich territory for themselves, but they will employ physical force and arm their employees with rifles to prevent you from doing it if you undertake it, as they did in the Keystone Canyon above Valdez.

O. L. Dickeson is president and general manager of the Pacific & Arctic Railway & Navigation Co., owning and operating the White Pass and Yukon route. The owners of this corporation are Close Bros., of London, who are themselves members of the Alaska Syndicate.

Before the Senate Committee on Territories Mr. Dickeson tes-

tified as follows (p. 154):

I think all the transportation at the present time in Alaska should be consolidated and under one control and management in the interest of the public. I am endeavoring to no small extent to bring this about.

Much has been said and more will be said about the proposition of the Alaska Northern to extend its line to the Matanuska coal fields and its agreement to mine and transport coal for the Navy at a maximum price of \$5.50 per ton without Government aid and \$4.50 per ton with Government aid.

In the first place, it should be noted that the proposed extension would not reach the interior of Alaska at all, and therefore would only deprive the Government of a most profitable business and leave it an unprofitable business for some years if it con-

structed a road to Fairbanks or the Yukon.

In the second place, it should be noted that the proposition was to make a contract for a term of years at a price 10 per cent in increase of actual cost. This cost would include interest upon the investment in the 71 miles already constructed and the cost of completing the road to the coal field. The investment in the portion already constructed they stated to be \$6,400,000, or more than \$90,000 per mile. A reading of all the testimony will convince anyone that this figure is more than \$3,000,000 in excess of the actual cost of the road, yet they would, in estimating this 10 per cent above cost, demand interest upon this \$3,000,000 that never went into the road at all.

It also appears from their communication to the Secretary of the Navy that they would expect to float their bonds at a very large discount, and would expect to figure that into the cost on which they would be entitled to a 10 per cent increase for their

profit.

It is true, before the Senate committee, Mr. Jemmett, the treasurer of the Alaska Northern Railroad Co., undertook to state the conditions under which they would extend their line to Fairbanks. It does not appear that he had any authority to make any proposition at all, but let us examine the conditions which he undertook to make. They were:

First. Abolish the Chugach Forest Reserve.

Second. Abolish the mileage tax of \$100 per mile.

Third. Open the coal lands of Alaska under the present law, which means the Government selling these lands worth millions for \$10 an acre.

Fourth. Have the Interstate Commerce Commission fix a tariff of rates, which shall stand for a fixed term of years without a

Fifth. Exemption of taxes by Alaska for all time to come.

The conditions are to be found on page 375 of the Senate hearings, and Mr. Jemmett states that under all those conditions he thinks they could make an average rate from Fairbanks to the coast of from \$48 per ton up to—he does not state any limit.

Compare this with the estimate made by the Alaska Railroad Commission. Under private ownership, based upon a 6 per cent return on the cost and \$31,300 in taxes, they estimate the average rate would be \$36.94 per ton. Under Government ownership, based upon a 3 per cent return to the Government, they estimate the average rate would be \$24.43 per ton, or just about one-half what the Alaska Northern proposes to charge with all the conditions I have named.

It is a curious fact that while the counsel and representatives of the railroad systems now trying to get Alaska denounced Government ownership and operation in unmeasured terms, claiming that it was extravagant and wasteful, with a beautiful inconsistency contended that Government ownership would ruin

them through their inability to compete with the Government.

Mr. Jemmett, the treasurer of the Alaska Northern, said to
the Senate committee, page 379 of the hearings:

We can not run a litte 72-mile road in Alaska with the rest of it under Government ownership.

Mr. Boland, one of the trustees of the Alaska Northern, testified before the House committee as follows (p. 347, House hear-

No private-owned property could compete with a Government-owned road.

Mr. Richard S. Ryan, president of the Controller Bay Railway & Navigation Co., after attempting to show the excessive cost of operation of Government railways, said:

No private capital will ever compete or go near Government transportation.

Mr. Dickeson, whom I have referred to, of the White Pass & Yukon route, said:

If a line is constructed, as proposed by this commission, in competition with our property, we simply could not earn bond interest and operating expenses.

That does not tally very well with the statements we have just heard from the gentleman from Michigan [Mr. FORDNEY].

It is the statement of every one of these men that they could not compete with a Government railroad; and if they are right in that, it furnishes the strongest kind of an argument why the Government should not only own but operate this road.

But I have not the time to continue this further.

I now wish to direct your attention for just a moment to the report of the Alaska Railroad Commission, on page 117. there and on the following pages give estimates of cost of operation on a basis of 6 per cent on the cost under private ownership and 3 per cent under Government ownership, showing a difference in freight rate from Cordova to Fairbanks of \$12 a ton in favor of Government ownership and a passenger rate of \$31.15 under private ownership as against \$26.70 under Government ownership.

But assuming that capital was free and independent, we all know that it would not build railroads in Alaska for a return of 6 per cent for the simple reason that it can now secure that rate of interest in the States from the best railroads in the country. It is shown in the hearings that bonds issued by private parties to construct railways in Alaska would have to be sold at 75 cents on the dollar, bearing a 6 per cent interest rate, while the Government bonds will sell at par at 3 per cent.

But it is useless to discuss this, for, as I have tried to show.

private capital can not be secured to build railroads in Alaska unless we are willing to turn Alaska over to them; and I shall close this branch of the discussion by calling attention to the hearings, where it is shown that the Alaska syndicate will not consider building a line of road unless they own the resources along the line. The Copper River & Northwestern road runs to the Bonanza Mine. This mine, by the way, has \$25,000,000 of ore in sight, covering a few acres. The Government got \$5 per acre for it. The Havemeyers finally gathered together this property, but before the Alaska syndicate would build a railroad to the mine the owners were compelled to give them 42 per cent of the stock of the mine.

The Alaska Northern, as I have already stated, is the succes-r of the Alaska Central. When Frost & Osborne secured the sor of the Alaska Central. When Frost & Osborne secured the Alaska Central, the first thing they did was to locate 63 claims on the Matanuska coal fields, with the intention of consolidat-

ing the road and coal mines.

It is well known that the Alaska syndicate attempted to secure the Bering field through the purchase of the Cunningham claims.

Mr. Dickeson, of Close Bros., London, who are members of the Alaska syndicate, testified before the Senate committee that they considered building a road over what is known as the Haines route, and the first thing he did was—quoting his language:

I took an option on all of these copper properties that were avail-

Mr. Jemmett, whom I have already referred to, made the following statement before the Senate committee (p. 357):

What is attempted to be done is the creation in Alaska of a system of absentee landlordism, where it will be treated as a great estate owned and managed by the Government and for the benefit not of the people of Alaska, but for the benefit of the people of the United States.

Absentee landlordism! Mr. Jemmett and these other gentlemen opposing this bill would create an absentee landlordism, some of the landlords living in London, some in Canada, and the only American landlords being Morgan & Co. and the Guggenheims. We are going to, in large measure, make a choice of which we will have by our votes on this bill. [Applause.]

Mr. Chairman, how much time have I remaining?
The CHAIRMAN. The gentleman has 15 minutes remaining.
Mr. LENROOT. I now wish to devote my remaining time to a discussion of the minority report of the committee, in opposition to this bill.

I am compelled to believe that the Members signing this minority report, busy as they are, did not have the time to make a careful study of the Alaskan situation, and, indeed, did not have the time to carefully prepare a report upon the views they did entertain.

They divide their report into paragraphs. I quote para-

2. Alaska needs, more than anything else, clear-headed, patriotic attention looking to the early revision of her land and mineral laws, so that the sturdy pioneer may go there and develop Alaska in an honorable, straightforward manner, free from graft and free from monopoly, as other Territories and States have heretofore been settled. The construction of a railroad will in no sense solve this problem, because we think we have the right to assume that the Federal Government is not going to launch into agriculture in Alaska; launch into coal mining in Alaska; launch into logging in Alaska; launch into logging in Alaska; and we are opposed to the Federal Government being committed to any such scheme or propaganda.

Here they make the statement that the construction of a railroad will in no sense solve the problem of the development of Alaska. They want the "sturdy pioneer," to use their language, to go and develop Alaska without the aid of a railroad. Do they seriously mean that? Do they think that Alaska will be say developed by the statement of the control of the statement of th be ever developed by the sturdy pioneer who has to pay \$120 a ton for every pound of groceries that is brought from the States and from \$50 to \$100 a ton for every pound of product the sturdy pioneer ships to the States?

Paragraph 4 reads as follows:

Again, we are opposed to its passage because there are but 35,000 white people in Alaska, and because the appropriation and bond issue provided for in this bill, which we believe to be but a mere start as to what the ultimate cost will be, is more than \$1,000 for each and every white citizen living in Alaska. This sum is all out of proportion to the Federal ald granted to the other sections of the United States for waterways, docks, good roads, rural routes, parcel post, and other internal improvements.

In this paragraph they object to building this road because there are only 35,000 people in Alaska. I had supposed these gentlemen to be greatly in favor of the development of our resources. Here they seem to take the position that railroads should not be built in a new country of undeveloped resources, but we should wait until the people get there before we build railroads, and if they can not get there without railroads the resources should not be developed at all.

The fifth paragraph reads:

We are opposed to the bill and refuse to have the Federal Government committed to it by our consent for the reason that it is undeniably true that construction of any sort by the Federal Government costs more than construction by private individuals; therefore, if the construction of railroads in Alaska is unattractive to private capital there is no appropriate defense to be advanced for the launching of the Federal Government into a scheme of that sort.

This is based upon the supposition that Government construction costs more than construction by private individuals. They stand alone in this contention regarding railroads in Alaska. Even the Alaska syndicate, bitter opponents as they are of Government ownership, admit the Government can build railroads cheaper than they can, and their chief objection is that private capital can not compete with Government ownership.

The sixth paragraph is deserving of special mention. They

say:

We are opposed to launching the Federal Government into private enterprises

Since when did a railroad become a private enterprise? Have these gentlemen been asleep at the switch for the past 20 years? Do they not know that a railroad in a strict sense is not a private enterprise at all? The function of a railway is so elementary that I shall not spend time to discuss it. It is a public highway and not to be classed with purely private enterprises at all.

But to return to the language of paragraph 6 of the minority

report:

We are opposed to launching the Federal Government into private enterprises at all—

What, never? Well hardly ever-

at all-too extensively-

is the language used. Here is evidence that this report was made most hurriedly. The writer first had the view that Le was opposed to launching the Government into private enterprises at all. Then he evidently stopped to reflect, and concluded that language was too strong and he modified it by using the words "too extensively," but in his haste neglected to run his pencil through the words "at all," so both expressions remain in the report, "at all—too extensively," and he goes on to refer to the ship of state and mixes his metaphors somewhat, because he says that such action as is here proposed will affect the ship of state by first undermining it, second, by overloading it, and, third, by capsizing it. [Laughter.] It may be difficult for some of us to appreciate that a thing can undermine a ship and at the same time overload and capsize it.

Paragraph 7 reads:

We are opposed to the bill for the reason that we think the sturdy pioneers, with their teams of mules and oxen and covered wagons, are as essential to the development of Alaska as they were to every one of the other States of the Union, as they were gradually settled and

converted from a wilderness and cow camp into a State of happy homes, and we believe that the launching of the Federal Government into railroad building, which must of necessity mean coal mining, gold mining, logging, and engagement into other enterprises, will be nanseating to the settlers, retard the ultimate development of the Territory, and darken the ray of hope to the settlers, who must in the last analysis solve the problem of developing the West.

Here we again meet the "sturdy pioneers, with their teams of mules and oxen and covered wagons." These railroads are going to be a curse to them, we are told, and without railroads these pioneers are going to convert the wilderness of Alaska "into a State of happy homes." It must be so, because the

minority report tells us so.

Paragraph 8 tells us we do not need the coal in Alaska, anyway. They say we now have 3,076,204,000,000 tons in the United States, which will last us 7,000 years. What do we want to go to Alaska for? Time enough to develop the coal fields of Alaska 7,000 years from now. Of course the fact that we have no naval coal on our western coast is immaterial. Of course we are paying \$8.50 a ton on the Pacific coast now, costing us \$1,360,000 a year, while with these railroads built we can secure the same amount of coal from Alaska at a cost of \$640,000 or less, or a saving of over \$700,000 a year to the Government. But what of it? Better that than building a Government railroad, we are led to infer from the minority report.

Mr. FERRIS. Will the gentleman yield?

Mr. LENROOT. I will, if I have any time left, at the conclusion of my remarks.

Mr. FERRIS. Right at that point I wanted to call the attention of the gentleman-

Mr. LENROOT. If I can have my time extended, I will

Paragraph 9 deals with the present tonnage of Alaska. The only comment I shall make on this paragraph is to ask the gentlemen who signed the minority report what the tonnage of Oklahoma was before any railroads were built in there.

Paragraph 10 is a general exhortation of the stupendous folly of a Government railroad in Alaska.

Paragraph 11 attempts to prove that nothing in the line of agriculture will grow in Alaska. They say:

That the vision of Alaska becoming an agricultural country and being a region of farms is shown to be nothing more than a dream.

Of course, this is a little inconsistent with paragraph 7, where the sturdy pioneers with covered wagons are going to convert Alaska into a State of happy homes, provided a railroad is not forced upon them; but what matters inconsistency be-tween friends? The two statements are in different paragraphs, anyway. [Laughter.]

Paragraph 12 returns to the coal question. The coal probably is not any good for naval purposes, anyway, they say. do admit the coal is good for commercial purposes, and then

If the opportunity be given, private capital would be only too glad to develop and transport the products of the mine.

We know they would-Cunningham, Guggenheim, and their associates would. I wonder if they are the sturdy pioneers referred to in the earlier part of the report. [Laughter.]

In paragraph 13 we are told:

This bill excludes the real development, if development is possible, which can only come by opening to the people the coal and oil lands.

So, the building of a railroad to the coal fields prevents their being developed. So we are told by these gentlemen.

And, finally and lastly, in paragraph 14 the question is asked: What can the Government do for Alaska? It is felt that something should be done.

Now, listen to the remedy:

What the Government can do is to raise the embargo and permit the ople of the United States to acquire title to coal as well as other

Let us stop here a moment-

Permit the people of the United States to acquire the title.

Who has the title now? Is it not in the people of the United States? Yes; all except what the people of the United States have given to the Guggenheims. They continue:

Should the United States Government permit the people of the United States to acquire title to the coal—

"even upon a royalty basis?" They say no doubt the coal would be produced and find its way to the market. With this I thoroughly agree, except to state again that the people of the United States now have the title and, in my judgment, they are going to keep the title for the benefit of people of Alaska, and indirectly the benefit of all the people of the United States. [Applause.] They are going to insist that the Alaskan Syndicate shall not own Alaska, but that the proper rewards of development and exploration shall go to the real miner, the real

prospector, the real pioneer, and those who will put in capital honestly and legitimately without seeking to secure monopoly

And now I must leave this most interesting and illuminating report with a glance at its concluding paragraph. It reads:

We think it is without an economic leg to stand upon; that it is a dream beautiful to look upon, but unsound at the core.

Here, again, our distinguished authors seem to have mixed their metaphors. They say it has not an economic leg to stand upon, implying that it has some corporosity but no economic legs. Next they say it is a beautiful dream. I did not suppose dreams had legs of any kind. And then we are told this beautiful dream is "unsound at the core." When did dreams begin to have cores? [Laughter.]

It is with reluctance that I lay this wonderful report aside,

but time passes and I must conclude.

There is but one question involved in this controversy, and that is whether Alaska shall belong to the people of the United States, its resources developed for the benefit of the people of the United States and for the people who actually live in Alaska,

or whether Alaska shall belong to the Guggenheim-Morgan syndicate, to be developed by and for them. [Applause.]

I am firmly convinced that a vote "aye" on this bill will be the beginning of real development of this vast territory, peopling it with happy and prosperous men and women, enable the receive of the Pacific coast to receive fuel at a reasonable price. people of the Pacific coast to secure fuel at a reasonable price, and conserve in the highest sense for the most beneficial use resources greater than any of us now have any conception of. A vote "nay" means either continued locking up of Alaska or turning it over to a few men to be exploited for their own special benefit and enrichment.

When we vote upon this bill we must choose which we shall serve, the public interest or private monopoly. [Applause.] The gentleman from Oklahoma [Mr.

The CHAIRMAN. DAVENPORT] is recognized for one hour.

Mr. DAVENPORT. Mr. Chairman, I want first to return my thanks to the gentleman from Wisconsin for his kindness in paying his respects to myself and my colleague from Okla-homa in conceding that we are sincere and honest in our position on this bill. I want further to say to him that I listened with profound attention to every word that he uttered, and I challenge the Record to show that he by any word gave to the people of the United States the remedy or reason why the Government should construct a railroad in Alaska in preference to anywhere else, or told them what there was for a railroad

to haul if one should be constructed.

Those of you who have been trying lawsuits in the last few years know that the greatest success you have accomplished is when you get your opponent to argue the lawyer on the opposite side in preference to the facts in the case. That is what the gentleman from Wisconsin has done from the start. After reading into the RECORD that which all the Members on the floor had an opportunity to read, the greater part of Mr. Bellaine's and Mr. Josselyn's testimony before the Committee on Territories, he turns his batteries, so easily fired and so seldom leveled accurately upon my colleague and myself. But, gentle-men, we accomplished one thing, and that is, we got the gentleman from Wisconsin to read the report, whether he found the language to suit him or not. He has read it, and it shows that

we made him sit up and take notice. [Laughter.]

I want to say to the gentleman and others upon this floor that the Guggenheims and Morgans and Josselyns and Bellaines and the Canadian syndicate do not operate very much in Oklahoma, at least not so much as they do in States nearer the Canadian border. For that reason I have no acquaintance with them. I can not speak for my colleague on that question, but I do know that during the hearings before the Committee on Territories the representatives, the lawyers of Guggenheims, attended nearly every meeting and sat silently by and never uttered a word against the passage of this bill. will deny that Mr. Law and his associates, the lawyers of the

Guggenheims, were not present a greater part of the hearings.

The bill now under consideration, which has been reported by the majority of the Committee on Territories, proposes to appropriate the fabulous sum of \$35,000,000 for the purpose of constructing by the Government a railroad in the Territory of Alaska. In presenting my views in opposition to this bill I am not unmindful of the fact that a large majority of the committee from which the bill has been reported filed a report recommending the passage of the bill. It is always unpleasant when you feel yourself compelled, by a sense of right as you see it, to disagree with your fellow members of your committee, but when the time comes and you feel constrained to differ, your duty is fixed and you should pursue the course you believe to be right.

In presenting my opposition to this bill I expect to present it from what I deem to be the business standpoint and the policy of this Government, and only ask of those who may disagree with me that they deal as fairly and kindly with me as I deal with them, and concede that I am honest in my belief and sincere in my opposition to this bill as reported by the com-It is not my intention, nor is it my desire, to do anyone an injustice, nor do I desire to oppose a policy that is right which will be for the betterment of conditions in Alaska, but this bill deals with a subject of great importance, not only to the 64,356 people who live in the Territory of Alaska, but with the 90,000,000 people who live in the United States.

Alaska is not the only Territory in the United States that needs to be developed; it is not the only Territory that needs railroads constructed through it; nor is it the only Territory of the United States that needs highways constructed and farms improved. It has been urged, and will be urged by the advocates of this bill, that for many years the Government of the United States extended aid to the construction of the railroads built by private individuals. That fact will not be denied by me. On the contrary, it will be admitted, and in passing I desire to say that at no time in the history of the country when Government aid was extended to the construction of railroads by private individuals was it necessary, but was extended to them unjustly as a subsidy to get the individuals to construct the roads. That policy of Government aid to railroads was abandoned several years ago, and we are now confronted for the first time in several years with the proposition of giving aid to the railroads or Government construction of the same.

I want to say that it is not because it is Alaska that I oppose this bill, but because of the policy that we will be assuming and adopting. There is no more necessity for the construction of a railroad in Alaska, sparsely settled as it is, than there is in many other sections of the United States. Many States in the United States have vast amounts of territory thickly populated, and yet a long distance from railroads. I say that we should improve the internal roads leading into these parts of the country and aid a great portion of the citizens of the United States.

I have not as yet reached the conclusion that it was wise and proper for the Government of the United States to undertake the construction and the operation of railroads, but this bill will commit the administration and the Government, if it becomes a law, to the policy of Government ownership of railroads and the Government operation of same, because I take the position that if the Government of the United States is going into the construction of railreads it should be required to operate the same and should be safeguarded by such legislation as will properly prohibit it from leasing the roads when constructed.

Now, I can not favor-I do not believe it wise for the Government to build railroads and then lease them in order that a

private company may operate them.

Mr. CALLAWAY. Will the gentleman yield?

Mr. DAVENPORT. I will.

Mr. CALLAWAY. I understood the gentleman from Wisconsin [Mr. Lenkoot] to make a statement that if the Government will this read those its could on a contract them. built this road there, as it could on 3 per cent money, they could deliver coal at the seacoast, or at the ports, for \$22 a ton.

Mr. DAVENPORT. I did not so understand the gentleman. Mr. JOHNSON of Washington. Oh, no; the price now is

about \$22 a ton.

Mr. CALLAWAY. I understood him to say that the present rates were much greater than that. I understood that other people could deliver it now at \$49 a ton, but if the road was built by the Government it could be delivered for \$22 a ton.

Mr. DAVENPORT. I would not undertake to be accurate

as to the gentleman's statement.

Mr. CALLAWAY. Well, does the gentleman from Oklahoma know what the estimated freight rate would be on coal from the coal fields if the Government built this road?

Mr. DAVENPORT. No; I do not. Mr. JOHNSON of Washington. If the gentleman from Oklahoma will pardon me, coal from the coal mines lying back a short distance could be dropped at the seacoast at a low cost above the mining.

Mr. CALLAWAY. That was not what the gentleman from Wisconsin stated a while ago. I supposed that the gentleman from Oklahoma knew what that estimated freight rate was. Now, supposing the gentleman had studied that question, wanted to know what would be the difference between the price of coal delivered by the Government railroad at such a rate that it could pay a dividend on the investment to the people on the Pacific coast where it is needed, because, I take it, there would not be a great necessity for it in Alaska.

Mr. DAVENPORT. I do not think that was brought out in

the hearings.

Mr. CALLAWAY. It occurs to me that this would be a most important proposition, as to how many people are to be conserved by what it will cost the Government, and whether the proposition would be a paying investment.

Mr. DAVENPORT. I expect to discuss that aspect of the matter after a while as to how many will be conserved and as

to what the tonnage will be.

Mr. LENROOT. If the gentleman will pardon me, I understood the gentleman from Texas undertook to quote me a minute

Mr. CALLAWAY. I did; I understood the gentleman from Wisconsin to say that if the Government built the railroad on a 3 per cent basis the coal could be delivered at the seacoast for \$22 per ton.

Mr. LENROOT. From coal? Oh, no; that was from Fair-

It did not refer to coal at all.

Mr. CURRY. That question is fully gone into on page 459 of the House hearings, and it is there shown that it would cost \$1.75 a ton to mine the coal and 50 cents a ton to deliver the coal at Controller Bay.

Mr. DAVENPORT. So I take it that the first proposition for us to determine is the proposition as to whether or not we are willing to commit ourselves to the policy of the Government construction of roads in the United States and the Territories. If we answer this question in the affirmative and agree that we are going to assume that policy in the future, the next question is, Where will we begin? Will it be in Alaska, a yet undeveloped country, or will it be in some of the States where there is a large population, where the climatic conditions are such as to justify the production of all kinds of agricultural products?

I want to be fair with the advocates of this bill and ask the candid consideration of this committee and the Members of the House before they cast their vote and before they expend this enormous sum of \$35,000,000 as a starter in the construction of railroads in Alaska. Thirty-five million dollars will only be a starter, should we undertake to carry out the policy expressed in the bill, to construct railroads in this sparsely settled Terri-

Of course the gentlemen in favor of the bill will present their arguments and insist that it will be sufficient to construct all of the railroads of the United States necessary in Alaska, but granting for the sake of argument-for a moment-it may be sufficient, I ask you, Is the Government under any more obligation to construct a railroad into sparsely settled districts in the Territory of Alaska than it is to construct a railroad into thickly settled sections of the United States, many places being more than 30 or 40 or 50 or 100 miles distant from a railroad? It is not a question so much of what shall be done with the expenditure of the \$35,000,000, but it is the establishment of a policy of what the Government is going to engage in, and the question is, Where are we to begin?

I now desire to call the attention of the committee to the real conditions in Alaska, as disclosed by the report of the Alaska Railroad Commission and the hearings before the Senate and House Committees on Territories. I also desire to give a brief history of Alaska since it was acquired by the United States. It will be remembered that, in round numbers, not being exactly accurate, Alaska embraces about 586,000 square miles, about one-fifth the size of the United States. The United States acquired Alaska, under a treaty with Russia, the 30th of March, 1867, since which time it has been owned and controlled by our The population of the Territory of Alaska, according to the census reports of 1910, including all classes of citizens, was 64,356, 36,000 of this number being whites and the remainder Indians and other nationalities. The population of the Territory of Alaska as shown by the census reports of 1900 shows that there were 63,592 inhabitants. You will note that this shows only an increase of 764 in population in the last 10 years, during which period it will be remembered that the gold agitation had drawn some people, legislation given the Territory increasing its judicial powers, and different parties had begun the construction of railroads in Alaska. Yet, with all of these favorable conditions, within the period of 10 years the population only increased 764, something less than 100 per year.

That is one of the questions which, in my judgment, should be considered when you come to make an appropriation for the construction of a railroad in a country. You should stop and ask yourself the question, Is the population increasing; are the resources being developed? Of course the gentlemen who favor the bill will undertake to say that the conditions have been such up there that they could not develop, that the country had been tied up, that the laws had been so enforced that it was impossible for them to improve the country or for the population to come in there; but I desire to ask this question: Can anyone name another Territory that was ever the possession of the

United States, even though the laws were stringent, even though you could not acquire a deed to property, where the population, if it was suitable for farming products or for mining, did not increase more rapidly than it has increased in the Territory of Alaska in the last 10 years?

The majority members of the committee in their report lay great stress upon the undeveloped resources of the Territory and the great need for the immediate construction of this road at this time. I desire to make the statement that there has never been a time in the history of the United States, if you could convince and show by mathematical conclusion that there was commerce to be handled, that you could not get private capital to construct a road. Alaska does not stand in need of Government funds to construct a railroad, but it has within its borders a number of railroads already constructed, and others under construction, some parts of which have been completed and were in operation for some time, if not in operation now.

The majority report deals to some extent with the legality of this proposition of the Government constructing a railroad in Alaska, and has cited a number of authorities in support of that contention, or at least in support of a contention that a railroad is a post road, and that under the Constitution the Government has a right to construct post roads. I am not going to take issue with the report upon this branch of the question, and only desire to say that the authorities cited all relate to the proposi-tion of "interstate construction" and not "intrastate construction." If this bill becomes a law, this will be an "intrastate construction," and it might be well for the gentlemen to consider the legality of the proposition from that standpoint. We all must admit that the Government can go much further in the construction of "interstate roads" than it can in "intrastate roads.

Up to the present time there have been several companies started in the construction of railroads in Alaska, as follows:

(a) Pacific & Arctic Railway & Navigation Co., from Skag-way, Alaska, 20 miles, to White Pass (international boundary), connecting with Canadian railway to White Horse, Yukon Territory, head of navigation of Yukon River. Length of railway, Canadian and American, 112 miles. From White Horse steamboats are operated to Dawson, Yukon Territory, and Fairbanks, Alaska.

(b) Copper River & Northwestern Railway, from Cordova, Alaska, to Kennicott, 195 miles, where the Bonanza mine of Alaska Syndicate is situated. This is the railway owned by the Morgan-Guggenheim syndicate. If the pending bill becomes a law this will be purchased or paralleled and an extension constructed to Fairbanks, Alaska, according to plans of Alaska Railway Commission.

(c) Yakutat Southern Railway, Yakutat to Situk River, 9

miles.

(d) Alaska Northern Railway, from Seward to a point near

Turnagain Arm, 71 miles.

(e) Tanana Valley Railway, from Fairbanks and Chena, Alaska, to Chatanika, 40 miles.

(f) Seward Peninsular Railway, Nome to Shelton, 80 miles; and Paystreak branch, 6½ miles.

(g) Council City & Solomon River Railway, from Council to Penelope Creek, 32 miles.

(h) Wild Goose Railway, from Council to Ophir Creek, 5 miles. Of these, the Pacific & Arctic Railway & Navigation Co., Copper River & Northwestern Railway, Tanana Railway, Yakutat Southern Railway (Cannery Line), are the only lines now in operation and carrying freight and passengers.

It will be seen that of the number of railroads given but few of them are in operation carrying freight and passengers. It is, indeed, amazing, if this is the land of milk and honey, of climatic conditions that would cause the country to blossom like the rose, that these railroads that have been constructed would cease operation for the reason they have nothing to haul. The truth is, as shown by the hearings of the Senate, and no gentleman can deny, that the greater part of the Territory of Alaska for at least one-half of the year is a frozen country, where improvements can not be carried on. Of the southern portion, of course, it is different.

The railroad commission, in its report, on page 141, recommends the construction of the following lines:

First. Chitina to Fairbanks, 313 miles, \$13,971,000.

Mr. STAFFORD. Mr. Chairman, can the gentleman give the committee the total mileage of the railroads that are now in operation in Alaska?

Mr. DAVENPORT. No; I can not. Four hundred and sixty-odd miles have been constructed, but my recollection is that there are a very much smaller number of miles in operation. If I am incorrect in that, some one will correct me.
Mr. WICKERSHAM. There are 265 miles in operation.

Mr. DAVENPORT (reading)-

Second. Bering River coal branch, via Lake Charlotte, 38 miles, \$2,054,000.

Third. Kern Creek to Susitna Valley, 115 miles, \$5,209,500. Fourth. Matanuska coal branch, 38 miles, \$1,616,000. Fifth. Susitna Valley to Kuskokwim, 229 miles, \$12,760,500.

This line from Chitina to Fairbanks, a distance of 313 miles, will be a connecting line at Chitina with what is known as the Guggenheim line, now in operation from Cordova to Chitina,

or the mines out near that place.

My contention is that the extension of this line, as you leave Chitina, on to Fairbanks will pass over a section of country that will afford no tonnage for the railroad to haul to deep water. Dr. Brooks, of the United States Geological Survey, on page 511 of the Senate hearings, has the following to say about the country through which the road would run from Chitina to Fairbanks:

Chitina to Fairbanks:

Mr. Brooks. Yes, sir. When we leave Chitina, along this proposed route into Fairbanks, we traverse a broad upland, a gravel-filled area, where the rock has been buried to a depth of 200 and perhaps 1,000 feet. Here there is no possibility, so far as I can see, of any mineral resources being developed, because the bedrock has been buried. There may be some lignitic coal possibly under a part of this gravel, but not worthy of consideration here. To the east of that, though, in the so-called Nabesna region and over on the White River, there is another copper belt. In this there have been no extensive developments. The copper and gold prospects both, however, seem to be promising. There is a belt which extends from the White River, near the international boundary, northwest for a distance, say, of 100 miles to the Nabesna River, a tributary of the Tanana. This belt certainly is promising for copper, providing transportation is provided. It also contains some auriferous lodes, which might be of value if they had transportation. These deposits do not lie absolutely on the proposed line from Chitina to Fairbanks, but could be reached by a branch line or could be made tributary to the route I have already described, running from Pyramid Harbor through Canadian territory into Fairbanks. The White River region could be reached by extending the present Copper River Railroad across the Skolai Pass and the Nabesna region by extending the present Copper River Railroad across the Skolai Pass and the Nabesna region by extending the present Copper River Railroad across the Skolai Pass and the Nabesna region by extending the present Copper River Railroad across the Skolai Pass and the Nabesna region by extending the present Copper River Railroad across the Skolai Pass and the Nabesna region by extending the present Copper River Railroad across the Skolai Pass and the Nabesna region by extending the present Copper River Railroad across the Skolai Pass and the Nabesna region by extending the present Copper R

Senator Walsh. What is that covered with? Is there any vegetation at all?

Mr. Brooks. Yes, sir; there is spruce and some cottonwood, and in the river valleys there is some pretty fair arable land. When I spoke of it as barren ground I meant to speak of it from the standpoint of minerals. It seems to me hopeless from that standpoint, because the bedrock is so deeply buried; but when you get into the mountains here you strike a region somewhat mineralized, and we have not far to go from the route to the so-called Slate Creek district, where some gold placers are found. These are about 30 miles from the main line. We also have the Valdez Creek placer district, lying perhaps 100 miles to the west. There are also some indications of mineralization along the main line as soon as you reach the mountains, so that there is at least promise of some mineral development.

On page 531 he testifies with regard to the quality of the coal from these two fields, with respect to use by the Navy, as follows:

Mr. Wickersham. How does the bituminous coal compare?
Mr. Brooks. Some of the bituminous coal is as good as our best bituminous coal of the East. That is, the famous Pocahontas, New River, and Georges Creek coal of the Eastern States.
Mr. Wickersham. Those are the naval coals?
Mr. Brooks. Those are the naval coals.
Mr. Wickersham. Do you think the coal of Alaska is equal to that standard?

standard?

Mr. Brooks. So far as the chemical composition goes; yes, sir. In the physical composition it leaves much to be desired, so far as we know; that is, the percentage of lump coal would be very much smaller. In regard to Navy use, I will say that if there was a large coalmining industry producing a large quantity of coal, the lump coal could be used by the Navy and the finer other coal consumed by other industries. If you mined only enough for the Navy, you would have to take it as it came, and it might then be found to contain too large a percentage of slack for Navy use.

No one can dispute that Dr. Brooks is an authority upon this question, and no one will undertake to say that the contemplated line from Chitina to Fairbanks connects with the Guggenheim road, now constructed and in operation.

During the hearing before the Senate Committee on Territories, or at least a great portion of the time, the representa-

tives of the Guggenheim interests were present and, so far as the record of the hearings disclose, acquiesced in this bill by

The Bering coal fields, about which we hear so much said regarding the quality of the coal, is only about 25 to 30 miles from Controller Bay, and would only necessitate the construc-

The Matanuska coal fields, according to the reports, are of the same quality of coal as is found in the Bering coal fields. On page 520 of the Senate hearings Dr. Brooks described the only two coal fields producing high-grade coal in Alaska as Matanuska and the Bering fields, and he describes the same in the following language. the following language:

To take up the question of coal first, we have here in the Matanuska Valley a coal field which aggregates 80 and possibly 100 square miles. The coal is of the same general character as that of the Bering River

field. So far as we know, there is little to choose between the two. The analysis would indicate that the Bering River coal might be better for steaming purposes and the Matanuska coal a little better for coking. But I do not believe that the evidence on this is sufficient, because there has not been enough mining to permit of a fair test of the coal. So that from our present consideration we have got to regard the two coal fields as very much on a par as to quality. The Bering River field seems to be somewhat smaller than the Matanuska field so far as the developments have gone. The coal in the Matanuska field is a bituminous—it varies from a low-grade to a high-grade bituminous coal. Also there is some anthracite in the eastern end of the field. Of that we do not know very much, but, in any event, I think the Alaska anthracite is less valuable than the steaming and coking coal.

In order to relieve the mind of the gentleman from Wisconsin [Mr. Stafford] I will state for myself, and I think I can say the same thing for my colleague, that we are not mixed up with the Guggenheims. This proposed road, if constructed from Chitna to Fairbanks, will connect with the Guggenheim road that runs from Cordova to the Bonanza mine, and, as I said a while ago, during the hearings, notwithstanding the fact that Mr. Law, one of their firm, sat in the committee room, he never once opened his mouth in objection to it. That means that just as quickly as this appropriation is made they would try to

get their road taken over.

Mr. STAFFORD. Can the gentleman give any information to the committee as to whether there has been discovered in the Alaskan fields any anthracite coal suitable for commercial

Mr. DAVENPORT. I can not at this time.
Mr. WICKERSHAM. I can give that information. The
Matanuska field has large deposits of anthracite of the very

Mr. DAVENPORT. I was going to answer the gentleman's question and say to him I could not, but the only authority is Dr. Brooks, who belongs to the Geological Survey. He went

there, and I am reading to you what he said about it.

Mr. STAFFORD. Did this representative make an actual survey of both the Matanuska and the Bering coal districts? Mr. DAVENPORT. He says so, and I have just read you a

comparison.

Mr. STAFFORD. From his statement it would seem that the anthracite coal is a somewhat vague proposition.

Mr. DAVENPORT. He leaves it as a matter of doubt, but if you will wait a minute I will read you what the test has been by the naval authorities in the past two months.

Mr. WICKERSHAM. That is in the Bering River field? Mr. DAVENPORT. Yes. I just read you what Dr. Brooks said about Matanuska and the Bering River, where he says the Bering River is the best, in his judgment.

Mr. STAFFORD. And the Bering district, I understand, has

nothing but bituminous coal?

Mr. DAVENPORT. The gentleman heard what the gentleman from Alaska said about that.

It will thus be seen by his statement that he is in doubt as to whether or not the coal in the Matanuska coal fields or the Bering coal fields was of a sufficient grade for use in the Navy. If this coal is unfit for naval use, then one of the great arguments contended by the parties advocating this bill is removed from consideration entirely, for the reason that if the coal is not of the standard required for use in the boilers of our battleships then it would be of no great value to the United States

A test of the coal taken from the Bering fields was made on the U. S. S. Maryland and it was found to be unsuited for naval use. If this be true, why is it that the advocates of this bill will contend that the United States Government needs this coal for use on its battleships? And in order that the committee may have before them the facts as they exist I desire to quote the following letter from the Secretary of the Navy, received by me under date of December 15, 1913:

NAVY DEPARTMENT, Washington, December 15, 1913.

Hon. James S. Davenport,
Committee on the Territories,
House of Representatives, United States.

House of Representatives, United States.

My Dear Mr. Davenport: The report of the coal investigations in the Bering River fields have not yet been completed. At the present time the progress is as follows: The conditions in the Bering River field have been observed and a large sample of coal mined. It has been estimated that the field contains an adequate supply. The sample of run-of-mine coal contained a much larger percentage of ash than former investigations of the field indicated, and possibly on account of this large ash content and the clinkering of the coal the test by the U. S. S. Maryland proved that run-of-mine Bering River coal is unsuitable for naval use. A portion of the coal was screened and washed at the naval engineering experiment station, Annapolis, Md., and an evaporative test will be made on December 17 and 18 to show whether the washed and screened coal from the Bering River field is suitable for naval use.

The department regrets that your letter was not received in time to forward you this information at the hour requested by you.

Sincerely, yours,

JOSEPHUS DANIELS.

That is what the Navy Department has done with the Bering River coal field.

Mr. STAFFORD. Since he testified, has that test been made

and any report made on the tests at Annapolis?

Mr. DAVENPORT. No; because it is to be made to-day and to-morrow, according to Secretary Daniels who signs this. He says it is to be made on the 17th and 18th, which is to-day

and to-morrow, when that test is to be made.

By this you will see that the test was made from the coal in the Bering fields and is unsuited for naval use. On the 17th and 18th of this month there is to be a further test made of the coal at Annapolis, known as an evaporative test, to ascertain whether or not the washed and screened is suitable for use. Should it be demonstrated beyond a doubt that the coal in the Bering fields is suited for naval purposes, it would require only the construction of a railroad of about 25 or 30 miles to reach this field, and there would be no necessity of taking over the road now constructed and in operation from Cordova to Chitina, but a road could be constructed from Controller Bay to the Bering River coal fields.

Of course, it may be argued that the President has discretion to construct or purchase a railroad, or, in other words, the bill gives him unlimited authority to act as he may deem wise and proper for the Government. This, of course, we know he will do, but we also know that the President, if this bill becomes a law, must have this construction made by his representatives, and that in the construction of the road all the local influence possible will be brought to bear to get the representatives to recommend the purchasing of the railroads that have already been constructed and are not paying, and that the parties now interested will be glad, indeed, to dispose of their property, if

possible to do so.

On page 624 of the Senate hearings there is a conference between Senator Nelson, chairman of the committee, and Mr. WICKERSHAM, with reference to the willingness of the Guggen-

Wickersham, with reference to the willingness of the Guggenheims to sell their road, and the report is as follows:

Senator Nelson. I want to say to the committee, and I do not violate any confidence, that Senator Guggenheim told me, shortly before his term was out and he left, that they were quite ready to sell out their road to the Government if they could get back the money they actually put into it, and that they had not done as the other company didpedded any stock. They had gone into their own pockets and put their own money into it, and had not sold stock to Tom, Dick, and Harry. They are willing to sell that road for what it actually cost them.

The Chairman. Do you think they would place an option somewhere so the Government might utilize that option, if it saw fit to do so?

Senator Nelson. I think they would be mighty glad if they could get their money back out of that railroad.

The Chairman. Then what would they do with their copper?

Senator Nelson. Somebody would have to operate the road and they would take their chances.

Mr. Wickersham. The Government would carry their copper for about 90 cents, probably, while they charge, for the same grade, \$33.70 freight per ton.

Senator Nelson. The Government would want to get enough revenue out of the road to pay the operating expenses?

Mr. Wickersham. They do not get it now, I imagine.

Senator Nelson. No; I do not think they do. I think that even if you apply their own rates as you have them there to the traffic they carry, it does not begin to pay the operating expenses. You have traveled over that road. Let me ask you, for information, what freight business do they have of any consequence outside of carrying this ore?

Mr. Wickersham. Of course they carry all the freight up into that country for people who are prospecting.

Senator Nelson. I mean carrying out from there?

Mr. Wickersham. Very little: it is a new road and no sympathetic aid has been given by them to those who wish to do business there.

The next question to be considered is: What is heims to sell their road, and the report is as follows:

The next question to be considered is: What is there to be hauled from the interior in and around Fairbanks should this road be constructed, or what would be carried into the region of Fairbanks, as there is an ample supply of coal in and around Fairbanks which can be used for fuel purposes?

Dr. Brooks again, on page 514 of the Senate hearings, speaking with reference to the Fairbanks district, makes the follow-

ing statement:

In regard to fuel in this district, we have—about 50 miles south of Fairbanks and within 20 or 30 miles of the proposed route from Cordova, or along the proposed route from Seward—the Nenana coal field. The Nenana coal field is a field where there is an enormous amount of lignite coal.

Mr. Wickersham. Have you seen this picture over here [indicating]? Mr. Brooks. I did not take that photograph. I am a little skeptical shout the picture of a coal bed.

Mr. Wickersham. How thick is that bed?

Mr. Brooks. I have measured coal about 20 feet in thickness in this field. That is about the workable limit of commercial mining, so I prefer to think there is no coal quite so thick as indicated by the picture, because I do not think it would be worth much. But whatever may be said about the thickness of any individual bed, there is an enormous amount of coal in the field. Our party made an estimate on the basis of the actual coal in sight—and our surveys were not detailed—of some 9.000,000,000 tons, which is more lignite coal than we estimated in all Alaska at the time we made the reports of the conservation commission. There is an abundant supply of coal there. So far as we know it is all lignite, a fair grade of lignite, and can be used to advantage in local industries. It should be

used, because they need fuel at Fairbanks very badly and will need it much worse before many years have passed, because the timber supply has been rapidly used up by the local needs of the community.

And the next question I want to call your attention to is, What are the opportunities for agricultural pursuits in the Territory of Alaska? On page 550, Prof. Piper, of the Department of Agriculture, makes the following statement:

of Agriculture, makes the following statement:

Prof. Piper, At any rate, whether you put it at \$100 an acre or \$50 an acre, you can still get good farm lands in the United States at \$50 an acre. However, I would not give too much weight to that, because the pioneer is attracted to public land that he can homestead even if it cost \$200 an acre to clear. The \$200 an acre for clearing it is based, I suppose, on wages to the ordinary laboring man of \$5 and \$6 a day, and if a farmer clears the land himself he saves that \$5 or \$6 a day. So that it is really the high cost of labor that makes the apparent high cost of clearing that land.

Mr. Chubbuck, on the basis of his reconnoissance in Alaska, has given expression to conservative views regarding the future possibilities of grain raising in the interior of Alaska very much, I think, like the ideas I have presented.

grain raising in the interior of Alasaa (1). Senator Walsh. Who is Mr. Chubbuck?

Prof. Pipen. Mr. Chubbuck is a member of the Bureau of Plant Industry, and spent the years 1909 and 1910 making an agricultural reconnoissance of Alaska. His report has not yet been published, but will be shortly. Mr. Chubbuck really should have appeared before this committee, because he personally has gone over these lands in the interior of Alaska, and my knowledge is second hand.

Senator JONES. Where is Mr. Chubbuck?

Prof. Pipen. He is out West at the present time.

\$200 per acre is required in order to clear the lands for agricultural purposes.

On page 552 of the Senate hearings he again gives his views

upon the question, as follows:

In general, my impression of the whole interior country is that there will be successful homesteads wherever there is a local market for the produce. I am somewhat skeptical about there being in the near future any surplus produce either of potatoes or potato products or of cereals which will be exported.

And if these views, given by a man who has had experience and has carefully studied the conditions, are to be taken for anything, that conclusively shows that it would be practically impossible for a farmer to go into the Territory of Alaska and make a success farming.

Mr. HAMILTON of Michigan. May I ask the gentleman a

question?

The CHAIRMAN. Does the gentleman from Oklahoma yield

to the gentleman from Michigan?

Mr. DAVENPORT. I do.

Mr. HAMILTON of Michigan. I caught in the reading of the gentleman a statement by Mr. Piper in reference to the cost of clearing lands.

Mr. DAVENPORT. Yes

Mr. HAMILTON of Michigan. I understood the gentleman to read that he stated it cost \$200 an acre to clear the land. Am right in that's

Mr. DAVENPORT. He says it ranges from \$50 to \$200 an acre.

Mr. HAMILTON of Michigan. I assume, speaking of the cost of clearing land there, he means the cost of clearing the land in southeastern Alaska, where it is so very difficult to remove the roots and stumps, does he not? I have not read the context and

I know the gentleman has.

Mr. DAVENPORT. I will say to the gentleman, now, he is speaking generally of Alaska, and if the gentleman will pardon me, I have not got the report before me, but some one I think testified who gave their version of agriculture in Alaska, and they say that after the timber is cleared away then you must clear away the moss, at least in the northern portion of Alaska and central portion, and when you get the ground cleared away the first year the ground would then thaw out 10 or 12 inches, and the next year it would be seeded and then a continuation of plowing the top of the ground would cause the under ground to continue to thaw and that would furnish a kind of sub-irrigation, provided the top did not freeze before the subirrigation set in

Mr. HAMILTON of Michigan. As a matter of fact, it does not cost \$200 to remove the tundra from the land in the Tanana Valley

Mr. DAVENPORT. The testimony, as far as I remember it, before all the committees was that it would take from \$50 to \$200 to get an acre of land in a state of cultivation. the southern portion of Alaska is not frozen up like this region along the Yukon Valley.

Mr. HAMILTON of Michigan. It costs more to clear an acre in the southeastern part of Alaska than the interior of Alaska.

Mr. DAVENPORT. I will say to the gentleman I do not so

understand, for the simple reason that the ground there does thaw at some time, but there is not a word in any report where the ground has ever thawed in northern and central Alaska.

Mr. HAMII/TON of Michigan. It is not a question of thawing, but of removing roots and stumps in southeastern Alaska, and there are none to be removed in the Tanana Valley.

Mr. DAVENPORT. In some portions of the Tanana Valley. Mr. HAMILTON of Michigan. Not so much. Mr. DAVENPORT. At least the report there shows there

is some timber in some portions of the Tanana Valley. Mr. GRAHAM of Illinois. Is it not true in the Chitina portion of Alaska there are no stumps; there is prairie land and nothing

Mr. DAVENPORT. They have a coal field there, I will say to the gentleman from Illinois, and there is a portion of timber that is practically of no value except for local use; and there

are some portions prairie.

Mr. GRAHAM of Illinois. But I am speaking of certain

other portions of it, where there is no timber.

Mr. DAVENPORT. There are some portions where they have some timber and some portions where they have no timber; and some gentlemen say the portion where they have timber is

much more easily cleared than where there is no timber.

The CHAIRMAN. Does the gentleman from Oklahoma [Mr. Davenport] yield to the gentleman from Missouri [Mr.

RUSSELL]?

Mr. DAVENPORT. Yes, sir; with the greatest of pleasure.
Mr. RUSSELL. You wish to provide for the redemption
fund out of lands to be sold and coal to be sold and the profits of running that railroad. Do you anywhere in your speech discuss the probability of development ever having that debt paid in that way'

Mr. DAVENPORT. I think I do later on mention the fact that it will never be repaid in that way; that it will never pay the expenses of maintenance and operating, to say nothing of

disbursing the debt.

Mr. RUSSELL. How about the sale of the public lands there, one-half of the proceeds of which is to go to the Government to

this \$35,000,000?

If we do not build the barn before we Mr. DAVENPORT. buy the horse, we are never going to get any public lands up there. They are urging now the construction of a railroad where you can not get any title or anything else, and yet we have ample land laws and railroad laws to develop that country, if it could be developed, by farmers, according to the

of the proceeds from it should go to the Government for the payment of interest and principal in this business?

Mr. RUSSELL. How about the sale of coal and that a part of the proceeds from it should go to the Government for the payment of interest and principal in this business?

Mr. DAVENPORT. That is a conclusion not sanctioned by the facts. Certain conditions exist there to-day that do not make it probable. However, indeping by the past, you have not make it probable. However, judging by the past, you have no right to presume there will be any sale in that way.

Mr. RUSSELL. Of course, I am asking for information. I know the gentleman is on this committee and has given it much

attention, and I wanted information about it.

Mr. DAVENPORT. There is no revenue-producing basis upon which you can form a correct theory in order to ascertain what the income of the revenue to be raised would be to reimburse these bonds.

Mr. RUSSELL. In your judgment, it was \$35,000,000. will never be repaid from the revenues, but the Government

will have to repay it itself?

Mr. DAVENPORT. I will say to-day that it would be better to give it to the people of Alaska as a subsidy than it would be to appropriate in this way and endeavor to get it back from the revenues from the public resources of that Territory.

Mr. WICKERSHAM. I wanted to correct the gentleman in respect to the matter that you could not take homesteads in

the Tanana Valley

Mr. DAVENPORT. I said you could not get them.
Mr. WICKERSHAM. That is true in the forestry sections,
but not in regard to the interior sections of the Tanana Valley.

Mr. DAVENPORT. I would like to ask the gentleman how many homestead certificates have been issued in Alaska? On the 16th of December the Commissioner of Public Lands informs me that there have been patents issued as follows: Mineral, 311; homestead-including soldiers' additional-162; mission sites, 12; town sites, 7; trade and manufacturing sites, 7; coal, 2; and last, but one of the most useful things in the world to the farmer who goes into Alaska a poor man and undertakes to make a farm out in that cold country, is the one cemetery site that they have issued patents for, thereby providing that

in the Territory of Alaska, there have been reported to the Land Office tracts of 320 acres, just as we do with mining claims, and they have been recorded in the Alaska recorder's office. So the gentleman can not get any statistics as to that which are complete. There are a large number of homesteads in that country

Mr. DAVENPORT. I asked the Public Land Office to furnish me the number, and that is what they furnished me. Whether it is correct or not, I do not know. I am not responsible for that; but they are supposed to be the representatives of the Land Department of our Government. But even if it be true that everyone had homestead patents issued in the Tanana Valley or anywhere else, in the name of God, would anybody wish to stand on the floor and issue \$35,000,000 of bonds when they have only increased 764 in the last 10 years.

Mr. WICKERSHAM. How much territory did Oklahoma have in 1870, after you had started three railroads, the Missouri, Kansas & Texas, the Atlantic & Pacific, and the Galveston?

Mr. DAVENPORT. In what year?

Mr. WICKERSHAM. In 1870. Mr. DAVENPORT. I think it was the act of Congress of

Mr. WICKERSHAM. Eighteen hundred and sixty-six—Mr. DAVENPORT. That provided for the building of the railroad that is called the Missouri, Kansas & Texas Railroad. going through the Indian Territory. I am not positive, but I think it was in the latter part of that year that Congress passed an act permitting what is known as the old Atlantic & Pacific Railroad to come in through that Territory. I would not attempt to state the facts accurately, but, judging from the population of the tribes, the number of people could not have been very great, because at that time there were no white people down there except those fellows that always refused to tell why they had left their former homes, because it was just after reconstruction days. But I am glad that the gentleman from Alaska [Mr. Wickersham] asked that question, because that country down there was a country where no white man could own a dollar's worth of property, and only the Indians could hold and own property. But the Five Civilized Tribes and the Confederated Tribes probably had 60,000 Indians in their country, covering an area now comprising the State of Oklahoma. That was in 1870. The Missouri, Kansas & Texas Railroad, or rather the road of which it is the successor, went through that country in 1872 and 1873. The population gradually kept increasing.

Now, bear in mind the fact that all that time this vast domain of Alaska was owned by the United States, and not a foot of land in that Indian country was owned by the Government of the United States, but by the Indians alone. We went on down the line, and practically no more railroads were built in that country from 1872 up to 1884; and yet we had nearly 300,000 population in 1890, and by 1900 we had climbed up to 400,000, and the population went on increasing without the construction of railroads.

It is true that some railroads were constructed, but the population went on increasing. Why? Because it was God's Garden of Eden, where you could raise every cereal known to the agricultural world on the same farm in that new country, and men went down there and built up their farms and developed them a hundred miles distant from a railroad.

Mr. CLINE. Mr. Chairman, will the gentleman yield? The CHAIRMAN. Does the gentleman from Oklahoma yield? Mr. DAVENPORT. I want to refer to another thing, and I do it with the profoundest deference; but the granting of the right of way through our country just after reconstruction days was a blot upon the conduct of the Government and was utterly unjust. Our people contributed hundreds of acres through that country as right of way, 200 feet wide, and an additional 200 feet at towns and water stations, without receiving one penny in return, notwithstanding they had the right to exact payment. And it shows conclusively that if there is anything you can produce, if you have a country that the white man can live in, you can develop that country without a railroad coming in and without any aid on your part to back it up.

Now I will yield to the gentleman from Indiana [Mr. CLINE].

Mr. CLINE. What I wanted to suggest was to establish a fair comparison to show, when Oklahoma was thrown open to settlement by homesteaders, what was the increase in popula-

tion in 10 years after it was thrown open?

Mr. DAVENPORT. I will say to the gentleman that what was he may be buried.

Mr. WICKERSHAM. I want to simply say to the gentleman from Oklahoma [Mr. Davenport] that under the homestead laws relating to Alaska there have been few patents issued, it is true, but under the law of 1906, applicable to homesteads and people never did get to owning the land until the treaties were made with the different tribes in 1902 and 1903 and the following years. Of course the old part of Oklahoma would not be a fair comparison, because that was turned loose at once.

Mr. FERRIS. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman yield to his colleague? Mr. DAVENPORT. Certainly.

Mr. FERRIS. I thought there was a possibility of a misunderstanding as to the number of patents that had been issued. What was the date of the letter the gentleman received from the General Land Office?

Mr. DAVENPORT. It is dated December 16, 1913. It was

just brought in to me a few moments ago.

Was it from the Commissioner of the General Mr. FERRIS. Land Office?

Mr. DAVENPORT. It was from the Assistant Commissioner of the General Land Office.

Does that letter purport to show the number Mr. FERRIS. of patents issued to the homesteaders of Alaska?

Mr. DAVENPORT. Perhaps I had better read the letter.

Mr. FERRIS. Does it or does it not? I do not care to have the entire letter read.

Mr. DAVENPORT. Here is the letter. It says:

DEPARTMENT OF THE INTERIOR,
GENERAL LAND OFFICE,
Washington, December 16, 1913.

ACCOUNTS-STATISTICS.

Hon. James S. Davenport,

United States House of Representatives.

MY Dear Mr. Davenport: In reply to your special inquiry of the 15th instant, you are advised that there have been issued 502 patents in Alaska, to and including June 30, 1913, embracing the following classes:

Homestead (including soldiers' additional) ____ 162 12 7 7 2 1 Mission sites______
Town sites_____
Trade and manufacturing sites____ Cemetery sites -

Total _ Very respectfully,

(Signed) C. M. BRUCE, Assistant Commissioner.

You will notice he puts "cemetery sites" in the plural, although there is only one, but I suppose he thought the total number had died.

Mr. FERRIS. So if the Commissioner of the General Land Office quotes the record correctly, there have been but two coal patents issued, and one hundred and sixty-odd homestead pat-

Mr. DAVENPORT. Yes.

Mr. FERRIS. I take it that the gentleman from Alaska [Mr. WICKERSHAM] wanted to get into the RECORD the fact that there had been some homestead entries made in Alaska on which final proofs had not been made; and it is true, is it not, that

there is no one in Alaska who issues patents?

Mr. WICKERSHAM. The patents have to be issued in the city of Washington from the General Land Office.

Mr. FERRIS. You do not challenge the record, do you, as to the number of patents?

Mr. DAVENPORT. I was only speaking of the number of patents that had been issued, not the homesteads that had been preempted.

Mr. CALLAWAY. I want to ask the gentleman a question about that agricultural land up there. He stated awhile ago that it cost \$200 an acre to clear that land, and then he stated

that the land did not have any timber growth on it.

Mr. DAVENPORT. I also stated to the gentleman from Michigan [Mr. HAMILTON], if you will pardon me, that it had been stated that it was as difficult to get under cultivation the land that had no trees on it as it was to get under cultivation the land where timber grew that had to be cleared off, and the reason that was given in the hearings was that there was a certain kind of moss that they had to break through, and that they had to use a pick, and when they struck the frozen ground

it was like striking a rock.

Mr. CALLAWAY. The clearing of the land then simply

meant that you had to clear off this moss in such a way that the sunlight would get to the ground?

Mr. DAVENPORT. To get the obstructions off from the top.

Mr. CALLAWAY. That was the thing that had to be done in clearing the land and preparing it for cultivation?

Mr. DAVENPORT. Yes.
Mr. CALLAWAY. Does that have to be done every year?
Mr. DAVENPORT. No; the statement was that after the moss was cleared off, the ground would then thaw the first year to a depth of about 12 inches. I may not be stating it exactly

accurately, but it was about that, and that then you could seed it the next year, and the growth of the crop that year and the cultivation would cause the ground to thaw down to a depth of 2 or 3 feet, and that from the melting of the frost in the ground there would be a kind of subirrigation or the formation of moisture that would cause the crop to grow.

Mr. CALLAWAY. What kind of agitation of the soil does there have to be to allow the roots to get down into that

frozen ground?

Mr. DAVENPORT. The Agricultural Department has made some experiments up there and has shown that by proper cultivation certain products can grow. They show that alfalfa is not a success, because the roots get yellow after it grows a while. That is easily explained to a man who understands the growing of alfalfa, because it is well known that the taproots of alfalfa go very deep, and in going down they strike the frozen ground.

Mr. CALLAWAY. I see here from a note on the map that in a part of the year they have only two hours' daylight in that country. Is that true with reference to the entire Territory of

Alaska?

Mr. DAVENPORT. No; it is in the northern part where they have more night in the winter than they do in the southern part, and in the summer they also have more daylight.

Mr. CALLAWAY. What is the average amount of daylight, covering the whole Territory?

Mr. DAVENPORT. I could not answer that accurately. because after I got up into the Yukon Basin my investigation and research gave me to understand that in the growing season they had a total of as many hours of daylight as they have open season. In other words, in the summer the days get longer and the nights get shorter, and during four or five months of the open season there in the northern part of Alaska they have more daylight than they have in the section farther south.

Mr. CALLAWAY. How many days do they have for the grow-

ing season for their crops?

Mr. DAVENPORT. My recollection is that they sow their wheat at the experiment stations in May and harvest it about the 1st of September, if I remember correctly.

Mr. CALLAWAY. Do they have about 100 days? Mr. DAVENPORT. Ninety to one hundred days, or something

like that. I think that is what the report showed.

Mr. CALLAWAY. If that should develop into an agricultural country—which, of course, is absolutely and unqualifiedly impossible—where could they sell their product? There would not be any market up there, because there are no people

there to sell it to, and they could not get it out to any other

country in time to sell it.

Mr. DAVENPORT. If the railroads are constructed as provided for in this bill, they could bring their products from up around Fairbanks, down over this road 313 miles to Chitina and transfer them to the Guggenheims' road, which would bring them to deep water and load them onto a vessel, and they might get them to Seattle, which, according to my recollection, is about 1,400 miles distant by water, and they

might sell their products there.

Mr. CALLAWAY. That frozen region of Alaska could not hope to compete with the splendid climate of Seattle, Wash.,

and California in the growing of truck, could it?

Mr. DAVENPORT. I should not think it could. I have never had experience in that line, but my impression is that it could not. [Laughter.]

The next question to be considered is, What is there to be hauled from the interior, up around Fairbanks, should the railroad be constructed?

Prof. Piper again, on page 556 of the Senate hearings, spoke

further and used the following language:

further and used the following language:

Prof. Piper. I may state briefly in conclusion that my own viewpoint, and I think that is the viewpoint Prof. Chubbuck has taken—and I am sure it is the one Prof. Georgeson takes in all his reports—is conservative as to the future agricultural development of the interior of Alaska. I have no doubt that with the building of the rallways there will be plenty of literature of the boom type published, but I think it would be something of a calamity to induce any large number of homesteaders to go there to-morrow with the idea that it could be developed rapidly, like much of our prairie country was in the West. In the development of a new agricultural region usually the first development is live stock, and the second is grain raising—usually wheat raising. Now, in the development of the live-stock industry in Alaska somewhat different methods will have to be used to those which farmers have been familiar with in the States, and in a way they will have to feel their way along toward the most profitable methods.

In the matter of extensive grain culture, while that may be possible, I feel that the farmer himself will have many problems to solve before the ordinary man can be advised to go into grain farming. That is, in other words, I would fear that the greatest danger to the proper development of the interior of Alaska would be of holding out too roseate hopes of what can be done in the way of its agricultural development.

If these men, who have given the matter deep study, find conditions in Alaska as they have testified, I ask you when could we

hope to get any return for an investment, and is the evidence sufficient to show that it is possible for a farmer of limited means to go into Alaska and successfully improve a farm so as to make himself and family a living, to say nothing of surplus products:

The CHAIRMAN. The time of the gentleman from Oklahoma

has expired.

Mr. FERRIS. Mr. Chairman, I ask unanimous consent that

the gentleman may have time to conclude his remarks.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that his colleague may have time in which to conclude his remarks. Is there objection?

There was no objection.

Mr. DAVENPORT. Great stress has been laid by the advocates of this bill upon the future agricultural climate of certain sections of the Territory of Alaska, but I ask you to point out where those sections are and in what manner have they been thoroughly tested to show that farming can be made a suc-

Prof. Piper, on page 548 of the Senate hearings, speaking of these matters, makes the following statement regarding the suc-

cess of certain agricultural products in Alaska:

cess of certain agricultural products in Alaska:

So far as railways into the interior are concerned, any great amount of agricultural freight in the future would have in the main to come from and on account of possible grain production—that is, the production of other things, like dairy products, or even meats, would not yield any very great amount of freight.

The most interesting experiment stations, so far as this problem is concerned, in Alaska are those at Rampart, which has been conducted since about 1900; Fairbanks, where the experiment station has been in existence since 1907, I believe; and Copper Center, on the Copper River, where an experiment station was conducted from 1902 to 1906. At the first two of these interior stations—Rampart and Fairbanks, springsown oats and spring-sown barley have yielded good crops practically every year they have been tested. Fall-sown rye and fall-sown wheat mature, but there is usually considerable winter killing, especially in the wheat, due to too thin snow protection from the severe cold. At both of these stations a large amount of time has been spent in the endeavor to breed up hardler varieties of all these grains better suited to the conditions in Alaska. There can be little doubt that varieties of these cereals will be developed better adapted to the region than any we now possess. However, among the numerous varieties tested, a good many varieties of oats and barley have succeeded, as I have stated. The ryes have done very well, and some fall-sown wheats have given trued. At Copper Center the results have not been as favorable. During the six years that the station was conducted spring-sown grains—that is, oats and barley—matured perfectly only one season.

It will be seen from the map of the Territory of Alaska that it has a large constal region, and wone of the previous of the

It will be seen from the map of the Territory of Alaska that it has a large coastal region, and much of the resources of the Territory are right along the coast and near harbors, and they would furnish no traffic for a railroad should one be constructed.

In 1867, heretofore stated, the Government purchased the Territory of Alaska for the sum of \$7,200,000, since which time, as shown by Appendix B of the report of the Alaska railroad commission, there has been produced from the Territory mineral products, including coal, gypsum, marble, and tin, \$206,813,594; sea food and furs, \$222,710,594; total from all sources, \$429,523,630.

\$429,523,630.
The coast region produced fish, and so forth, \$214,359,476.
Of this total the Pacific coast belt produced \$56,477,875; Copper
River and Cook Inlet, \$4,673,668; Seward Peninsula, \$60,349,700;
Silver, \$1,524,364; making a total of \$337,386,352. This coastal Silver, \$1,524,364; making a total of \$337,386,352. This coastal region will in no way be benefited by the construction of the proposed railroad and its branches. The coastal region's trans-

portation is exclusively by ocean vessels.

The Yukon Basin (the interior of the Territory of Alaska) produced gold during the same period amounting to \$74,108,534. All the Territory of Alaska produced copper, \$8,747,194. The tables given in the report do not differentiate between the coastal region and the interior region as to copper, excepting that produced at the Bonanza Mine. The furs produced from the land animals during the said period amounted to \$8,350,290: Again the tables fail to differentiate between the coastal region and the interior, but the facts disclosed by the tables of the railroad commission show conclusively that about \$80,000,000 of the total amount produced during the period of 1898 to 1911 is all that came from the interior of the Territory of Alaska, and the remainder came from the coastal region; and, further, that more than \$74,000,000 of this commerce was gold, all of which could have been loaded in one standard-gauge box car and brought out at one trip, as gold is so valuable that its

transportation is not very profitable to railroads.

It will further be disclosed by the report of the Alaska railroad commission that the gold in the Yukon Basin has been decreasing or at least it has not increased.

decreasing, or at least it has not increased.

I have gone somewhat into detail in the testimony in order that I might show to the committee that there was no disposition whatever to conceal anything that might be of interest to Alaska and her citizens, but I do desire to place in the Record extracts from the Saturday Blade, by Mr. W. D. Boyce, of Chicago, who accompanied the Scattle Chamber of Commerce

on an excursion trip through Alaska during the summer and fall. These articles appeared in the Blade September 27, 1913, and October 11, 1913.

Mr. Chairman, I ask unanimous consent to extend my remarks in the Record by printing these statements, which I have mailed to every Member of the House, and therefore there is

no need of my reading them at this time.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to extend his remarks in the Record by print-

ing certain statements. Is there objection?

There was no objection.

The statements are as follows:

[Mr. W. D. Boyce accompanied Seattle Chamber of Commerce excursion through Alaska in July, 1913, and published a series of articles relat-ing to Alaska.]

OCTOBER 11, 1913.

OUR COLONIES.

[Article No. 45.]

(By W. D. Boyce, organizer and leader of the Saturday Blade's South American Expedition, African Balloonograph Expedition, and Old Mexican Research. This is the seventh article of Mr. Boyce's series on Alaska.)

American Expedition, African Balloonograph Expedition, and Old Mexican Research. This is the seventh article of Mr. Boyce's series on Alaska.)

"Gold is where it is found," is an old and true saying. Finding it does not, however, depend on climate, soil, elevation, or favorable natural conditions. This is not true of farming. Agricultural products require congenial surroundings, although through the development of seed and intelligent handling of soil and crop we are now growing grains, fruits, and vegetables in many parts of the world heretofore unthought of. Man can not eat gold, timber, or coal. He must have foodstuff, pienty of it, and cheap.

Before I went to Alaska I knew about the gold and fishing and furs and shooting, but was ignorant as to the agricultural possibilities and products. After covering thousands of miles and seeing nearly every developed spot where anything that grows to eat is at its best I am satisfied that it is a poor country for a farmer and always will be. Should you succeed in getting a small patch cleared up at a place where there was a "boom on," you could get fancy prices for one or two years, until the boom was over. Except for the long summers and nightless days in Alaska, it would be impossible to grow anything. No warmth comes from the soil or beneath the surface. As far down as a shaft has ever been sunk—over 2,000 feet—you find ice. This lee was not made by freezing from the top down. For millions of years the country has been built up from the bottom, ice on ice, that never thawed out in the summer. The moss that grows nearly everywhere is a complete protection from the sun, and when you sink a pick through it you think you have struck rock. Clear off this moss, other vegetation, or scrub timber and you have the frozen earth. The sun will draw out the ice and frost about 1 foot the first year. Break this up and the next year it thaws out deeper, until after a number of down 2 or 3 feet.

Where alfalfa has been tried it turns yellow as soon as the roots strike the ice. Of

LAND LAWS ALL AGAINST FARMERS.

Again, the Government land laws are all against you, and it is practically impossible to secure title to a homestead. Little or no land has been surveyed. You must make at your own expense a private survey: costing from \$300 to \$700 for each claim, and take the chances then of the Government issuing you a deed. I heard nothing but complaints from all the poor people, who had been led to believe Uncle Sam was willing to give them farms in Alaska.

It is possible that the industrious, plodding foreigner from the far north countries of Europe and Asia can work out something in the next century in this land. I here quote the United States homestead law on proving up. Each homesteader may take up 320 acres. Here is how he can prove up:

"That at least one-eighth of the area embraced in the entry was continuously cultivated to agricultural crops other than native grasses, beginning with the second year of entry; and that at least one-fourth of the area embraced in the whole entry was so continuously cultivated with the third year of entry."

Under this law not a whole claim of 320 acres has yet been lawfully proved up in Alaska. One-fourth of 320 acres has yet been lawfully proved up in Alaska. One-fourth of 320 acres is 80 acres; at a cost of \$125 an acre to put in the first crop, the farmer would have invested \$10,000 in clearing the land—the price of a good lowa farm.

As I have heretofore stated, it is impossible for Washington. D. C., to legislate for Alaska. Congress can not enact wise legislation for a country so far away.

Agriculture in Alaska, at its best, should follow as an adjunct to other occupations. Methods suitable in one part of the country was

Agriculture in Alaska, at its best, should follow as an adjunct to other occupations. Methods suitable in one part of the country may be unsuitable in others. Bottom lands producing a rank growth of grass may be too cold and sour for root crops until thoroughly broken up and cultivated so as to let in the air and assist decomposition of the dead vegetation, which takes place but slowly in ground saturated with water. Where drainage is absent or very imperfect the result is swampy ground, known in the North as "tundra" or "muskeg," in which the dead vegetation, instead of being transformed into soil through the process of decay, is slowly converted into peat, or turf, as it is called in Ireland, to become in time an imperfect coal. The best lands are the gently sloping hills composed of silt and fine gravel, which are also those on which the birch makes its best growth, these

lands having been enriched by the leaves of the deciduous trees and drained of standing water.

It should be clearly understood that for the present, at least, farming must partake more or less of the character of market gardening around the mining centers, gradually expanding as these industries also grow; remembering also that on those things which can be grown in Alaska, but if not grown in Alaska must be imported, the cost of transportation will be added to the price the farmer receives.

Northwestern Canada is giving free land, free seeds, and financial assistance during the first year where such aid is wanted. In contrast with these inducements it seems to be our policy to burden the settlers with conditions almost prohibitive in some respects, shutting out many who might otherwise become good and valuable citizens. Certainly our policy has sent many hundreds to countries with more liberal ideas and a better understanding of the early years of pioneer life.

C. C. Georgeson, superintendent of the agricultural experiment sations in Alaska, is a big, six-foot-two native of Denmark, big of body, big of mind. He came from a cold country. He was connected with agricultural colleges in the States of Kanasa, Minnesota, and Washington. The Japanese Government hired him to put its agricultural schools on a good basis, and Japan never engages any but the best experise. If anything can be made out of farming in Alaska, Georgeson will bring it out. He established the first experiment station at Sitka 12 years ago. He now has stations at Rampart and Fairbanks. He was successful in raising cattle on Kodlak Islands until a big volcano covered the 100-mile island with ash and destroyed the grass. He had about 100 head of pure Galloway cattle, and this hardy Scotch breed was doing well until he had to ship them to the State of Washington, as he found it was cheaper to ship cattle to the hay than the hay to the cattle. The grass is growing again on Kodlak Island, and soon the herd will be returned. He is planning to bring

[Mr. W. D. Boyce accompanied Seattle Chamber of Commerce excursion through Alaska in July, 1913, and published a series of articles relating to Alaska.]

SEPTEMBER 27, 1913.

OUR COLONIES.

(By W. D. Boyce, organizer and leader of the Saturday Blade's South American explorations, African balloonograph expedition, and old Mexico research.)

American explorations, African balloonograph expedition, and old Mexico research.)

Alaska, like all new countries, has her share of boomers and failures. The failures and Government employees all want the Government to spend a lot of money in Alaska building railroads, wagon roads, bridges, and winter trails, and in dredging harbors, etc. In fact, I heard it suggested that, if Canada would permit, it would be a good scheme to pump the Japan current into the source of the Yukon River, and from thence let it flow west down that stream, making a perpetual warm country out of the valley of the Yukon.

This, of course, was objected to by the Alaskans living on the Pacific waters, as it would favor the Yukon Valley and Bering Sea and leave their part of the country frozen 8 months out of the 12. So you see how impossible it is to please or serve more than 3,000 or 4,000 people in Alaska, at less than a cost of several billion dollars without disappointing the other 28,000.

Serlously speaking, the 32,000 white people in Alaska are scattered over a territory one-fifth the size of the United States. The winters, except for a small strip of country along the southeast coast—affected by a warm Japan current—extend over eight months of the year. Nevertheless, Alaska is a wonderful country in many ways, and I have never met with a braver, stronger lot of men—two-thirds of the population are men—any place in the world. They come from everywhere, but especially from the Facific coast and gold-producing States; some from Australia, Canada, and the cold countries of Europe.

SOMETHING UNCLE SAM CAN NOT DO.

SOMETHING UNCLE SAM CAN NOT DO.

SOMETHING UNCLE SAM CAN NOT DO.

Keep in mind all the time, however, that it is over 1,500 miles from Ketchikan, the southeast corner of Alaska, to Cape Prince of Wales, on Bering Strait, northwest of Nome. And, again, it is over 1,500 miles from Unalaska and Dutch Harbor, in the southwest corner of Alaska, to the Arctic Ocean, north of Fort Yukon.

While Alaska is not equal to a country 1,500 miles square, it is just as difficult to serve from a transportation standpoint—and nearly all of its service must be by rail as compared with water, except a few fishing towns and ports on the south and southwest coasts—as the rivers, as well as the Bering Sea and Arctic Ocean, are frozen up for eight months and sometimes more each year.

I traveled over \$,000 miles in Alaska, and found the population of \$2,000 whites pretty evenly divided between the inland and coast, and was impressed with the impossibility of our Government acting fairly toward the whole of Alaska, undertakng the question of transportation, to say nothing about the enormous expense and loss if attempted. As near as I can calculate, it would cost \$200,000,000 to serve 20,000 of the 32,000 Alaskans with railroads, at an annual loss of \$30,000,000 a year, or equal to \$1,500 a year pension for each man, woman, and child brought within the transportation belt.

IMPOSSIBLE TO SERVE THEM ALL.

IMPOSSIBLE TO SERVE THEM ALL.

Of course, for \$50,000,000, 5,000 people could be served; but the rates and percentage would remain the same, and the remainder of the people, entitled to equally as good treatment, would be disappointed, and they would have a just cause to complain.

Now, as to the traffic or tonnage to be developed by the Government in spending millions of dollars for rallroads, it seems doubtful if any great amount of freight could be secured, aside from coal, and the cost of mining the coal (with labor in Alaska from \$4 to \$6 a day),

the quality of the coal, and the long water haul after the railroad has brought it to the Alaskan coast (Alaska's coal is in the interior), must all be considered. Always remember that steam coal at Seattle, the nearest market, 1,200 miles distant by water, is selling at about \$3 a ton; that the only thing Alaska timber is really good for is to be used as firewood, and that the whole northwest Pacific coast has an abundance of such fuel; and, furthermore, that the Panama Canal, from a commercial standpoint, is expected to supply California with cheap coal, in order that vessels may have a cargo both ways and reduce the carrying charges on American bottoms using the canal and loaded with Pacific coast fruits, grains, and lumber for eastern and European ports.

If the Alaska coal fields were fully opened up, and were as extensive and as cheap to mine as claimed, and the rail and water haul as cheap as on the Atlantic coast, then less coal would go through the Panama Canal, and there would be empty bottoms going west and double charges for cargoes going east.

However, I am getting away from Alaska, though not from what affects Alaska. Cut off as it is from the United States, with Canada in between, but with a splendid navigable ocean and an inside course back of islands which enable vessels to sail from Seattle to Skagway on waters equal to a big, deep river that widens out to lakes here and there, the coast town transportation by water from the southeastern port of Ketchikan to Seward, 800 miles to the northwest, is ideal and open the year around.

On this coast line of 800 miles we find more or less prosperous towns, with 50 per cent of the total population of Alaska. In a future article I will tell you what they do; at present I am only treating the transportation question.

Nearly every coast town that has a port open the year around is claiming to be the only point from which to reach the interior of Alaska. It is perfectly natural that each of these points should wish to benefit from the building of a railr

A MONOPOLY THAT MAKES NO MONEY.

although they have never paid the stockholders anything.

A MONOPOLY THAT MAKES NO MONEY.

The White Pass & Yukon route, from Skagway, Alaska, to White Horse, in the Yukon Territory, Canada, is 110 miles in length. Twenty miles of the line is in the United States. In 1897, when the Dawson placer deposits were discovered, thousands of men sailed from all over the world to Skagway, winter and summer alike, and hundreds lost their lives on the White Pass through snowslides and exposure. Then this railroad was quickly and well built by English capital, and the trail destroyed by blasting for its construction. There followed a rate of 20 cents a mile per passenger, with any old rate for freight. The same rates are still in effect, and as this company owns the boats on the Yukon River for some 1,200 miles passengers and shippers are up against the same monopoly of internal traffic, both in the Yukon Territory and Alaska. Yet even at the prices named the company is unable to pay a dividend. The trains and boats are good—the best to be found anywhere in Alaska—and passengers are treated like human being, but there is not enough business.

The Copper River & Northwestern, the only other road in Alaska not in the hands of a receiver, is owned and operated by the Guggenheims and Morgans, and runs from Cordova to Kennicott, 196 miles, to reach a number of rich copper properties, especially the Bonanza group of mines, owned by the same interests. The Copper River & Northwestern road is well kept up and is the only standard 4-foot 8½-inch gauge road in Alaska. All the others are narrow gauge.

Next, we have the many times "busted," failed, and confiscated Alaska Northern. It starts at Seward, and is built north 72 miles to Nowhere. This is known as the Frost Road, not because it was such a "frost," or is located in Alaska, but on account of the promoter's name being Frost. It was built by Canadian capital, and "busted" the bank in Canada that backed it. Frost himself has but recently been tried criminally by the United State

AGAIN, "BOTTLED-UP ALASKA."

Alaska, that he never had a chance to win, even if on the square.

AGAIN, "BOTTLED-UP ALASKA."

Owing to the inability of this road to pay the United States Government tax of \$100 a mile each year, it has been closed down, and about 1,000 people in Seward and along the lines completely put out of business. The road could not earn the tax. The receivers for the railroad company offer to let the people living in Seward and along the line operate it free of rent for tracks and equipment, but the United States Government said, "No taxes, no run," and there you are. No wonder they sing all over Alaska the song, "Bottled-up Alaska."

The Nome & Seward Peninsula Raliroad, the most northerly railway in the world, 104 miles long, is not operated by the receivers; they can not pay the tax. Again, "Bottled-up Alaska."

The Tanana Valley Railroad, 45 miles in length, operates from the Tanana River to Fairbanks and from Fairbanks out to some of the placer creeks. The last receiver has paid the Government tax and is trying to put the road in successful shape. Its equipment and tracks are in rather bad condition, and most of the mining camps on the line still prefer to depend on teams and dogs for their freight.

The Yakutat Road of 12 miles to the salmon cannery is little more than a tramway, while the Cook Inlet Road, 8 miles in length, and Katalla Road, 6 miles long, have been abandoned.

The reader now has the history and condition of the 465 miles of the railroad already constructed in Alaska. These railroads were evidently built long before there was really anything for them to hanl, unless, like the Guggenheims and Morgans, they created their own tonnage by an investment many times the cost of building the railroads.

My theory is that, if Alaska really contains the ore and coal to warrant building railroads, and our Government will take the "lid off" so that capital can invest with reasonable hope of returns, the railroads will follow as a natural result. Otherwise, it is my conviction that they should never be constr

Mr. DAVENPORT. By these articles you will see how the Territory of Alaska appeared to Mr. Boyce on his trip; and no one will question Mr. Boyce's ability to judge or charge him with being unfair to Alaska, as his experience and travels have been such as to make him an authority upon questions about which he writes

In the majority report, on page 9, extracts are published from the Democratic platform adopted at Baltimore. We all must admit that these extracts were published for the purpose of awakening those of us who are Democrats and have been interested in the Democratic party for years; but this provision in the platform is not a declaration to build railroads, even though you may stand upon the legal proposition that courts have held that railroads are post roads. There is no declaration to build, but merely aid in the building. Aid may be furnished in many ways other than in a financial way. No one will dispute the fact that it is not good policy to spend the Government funds unless there is some hopes of improving her citizens and benefiting mankind. If Alaska is the desirable place it has been pletured to build up homes for American citizens, I ask you why it is that from the coastal regions and the waterways of that country so many railroads have started to be constructed, and constructed for some few miles, and yet the population has not increased thereby? Does any Member upon the floor of this House believe that the climatic conditions in Alaska, as shown by the testimony of the representatives of the United States Geological Survey and others, is such as to ever make it a suc-cess from an agricultural standpoint? I do not believe it can be done, nor do I believe that anyone desiring to be fair with himself and his fellow men can urge such an impossibility.

Mr. Chairman, I ask permission to insert as a part of my

remarks an article by Harrington Emerson as to the construction of a railroad and what kind of a railroad should be constructed in Alaska.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to insert a certain extract in the RECORD. Is there objection?

There was no objection. The extract is as follows:

THE ALASKAN BAILWAY PROBLEM.

(By Harrington Emerson.)

It is ridiculous to use a 10-gallon flask as a nursing bottle for a by. It is also not economy to use a steam hammer to drive carpet

Yet Americans in their large enterprises like to do things of this ind. The great national fault is overequipment, not two blades of cass where one grew before, but 6 acres for 160 bushels of corn in-

kind. The great national fault is overequipment, not two blades of grass where one grew before, but 6 acres for 160 bushels of corn instead of 1 acre.

The development of Alaska is being held back on account of the national proclivity to overequip.

Alaska is a land of immense distances, great natural obstacles, sparse population. It is 1,500 miles from Ketchi Rau to Bering Straits. The great fjords, arms of the sea; immense glaciers. Malaspina, 80 miles across; high mountains, Mount St. Elias, 18,000 feet; Mount Denall, 20,000 feet; the volcances, Katmai, whose ashes tinted Algerian sunsets. The wide and turbulent rivers, Copper, Kuskokwim, Yukon; the extreme cold in the interior, 70° below zero; the rainfall and snowfall, 110 inches at Juneau, sufficiently exemplify the natural obstacles. The population is about one to 20 square miles.

In the presence of these tremendous conditions it behooves man to be modest. There were good Roman roads over the Alps 1,800 years before Napoleon built his magnificent wagon roads, and Napoleon's wagon roads served the purpose for 80 years before 10 to 14 mile tunnels were either necessary or remunerative. Any Alaskan railroad building will be hard enough without attempting it on an absurdly overequipped basis.

either necessary or remunerative. Any Alaskan railroad building will be hard enough without attempting it on an absurdly overequipped basis.

Shall we build in Alaska railroads costing \$10,000 a mile or railroads costing, like the New York subway, \$1,000,000 a mile? Even if both kinds of road cost the same, should we put in roads cheap to maintain and operate or roads costing much to maintain and operate?

Some years ago an Alaskan mine owner wanted me to figure on a 14-mile railroad to carry, as he hoped, 10,000 tons of ore a year from mine to water. He wanted a standard. I was able to show that a 2-foot gauge road with 12-pound rails could carry 180,000 tons a year. Many years ago I saw operating in France a 2-foot-gauge passenger road on which the passengers sat back to back on longitudinal seats. Traveling in this way may not be as comfortable as in a Pullman car, but it is an immense improvement over mushing through the snow behind a dog team, which is, however, luxury compared to packing on one's own back a 60-pound load.

In 1902 I ran the preliminary survey for a road from Golovin Bay to Council City. The total population of the Ophir Creek district was about 1,500 people, with a yearly immediate traffic of 1,500 tons, at \$50 a ton, or 5 tons a day, a gross income of \$250 a day, a wheelbarrow or, at best, a mule-cart proposition, yet an engineering lunatic, backed by Wall Street, floated bonds to build a standard gauge road. The bonds were floated on the statement that the road could carry 400,000 tons a year—it was not emphasized that the total actual tonnage was only 1,500 ions.

Thirteen years ago Charles D. Lane set a sane example by building a railroad from Nome to Anvil Creek so cheaply that it earned its first cost in the first 30 days of operation. Later he built a similar road from Council to Ophir which earned its first cost in the first 30 days of operation. Later he built a similar road from Council to Ophir which earned its first cost in the first 30 days of operation. Later he built a simi

Where the total travel might amount to half a dozen persons a day, a full train, with conductor, engineer, fireman, trackman, station agents, and interlocking signals and switches is not necessary. Three or four Ford automobiles, with trailers running on light track, could take care of all the business. Where the freight traffic amounts at most to a few thousand tons, 50-ton freight cars, weighing, empty, 25 tons, are not needed; 3 to 5 ton trucks will do the business, and a string of mules may, for the start, be more economical and more reliable than steam locomotives.

If rivers have to be spanned, mountains tunneled, swamps filled in, hills cut through, snowdrifts dug out, a miniature line with heavy grade and steep curves is far cheaper to build, to operate, and to keep open than a standard gauge.

Cash subsidies may be needed. Land grants are absurd. They do not produce cash when it is wanted. The United States Government could well advance at a low rate of interest \$10,000 a mile on Alaskan roads, demand low rates for transportation of troops, supplies, and mail, and with great economy to itself promote the welfare of that great empire and its pioneers.

One of the fundamental rules, often violated, of sane capital expenditure is that we shall not invest \$1,000,000 to accomplish a result if we can accomplish an equally valuable result from an investment of \$10,000.

Mr. DAVENPORT. Again, the reports show that in order to mine in that territory under the most favorable conditions, especially in the Yukon region, one must mine by steam process. It also shows that in various sections, if you desire to clear a farm and plant crops, you must clear off the ground, and the first year it will thaw about 8 to 12 inches, and by seeding and cultivating it will continue to thaw deeper. The evidence given before the committee shows that for a depth of several hundred feet it was one mass of ice and frozen ground. It may be that this is a kind of subirrigation that the gentlemen who desire to spend \$35,000,000 as a starter believe is the proper kind of irrigation for successful farming.

During this Congress and for many Congresses past, since I have been a Member, I have heard gentlemen on both sides of the aisle stand up and plead for economy and for an equitable expenditure of the Government funds where they will do the greatest good to the greatest number of people. My position is that you may build a railroad into every community where there is a white man living in the Territory of Alaska and you will never make it an agricultural country; that the climatic conditions are such that the best farmers can not go there and successfully farm. This expenditure will be a wanton waste of time trying to make it an agricultural country. You may build a railroad in every community where there is a white settlement in this Territory, and yet there will be insufficient traffic of freight and passengers for the next 50 years to pay the operating expenses of the road, to say nothing about reimbursing the Government for the expenditure of \$35,000,000.

The only possible lines which might pay operating expenses would be those that lead from deep water to the Bering and Matanuska coal fields, and those lines could be constructed for a cost not to exceed \$2,500,000. Again, all the testimony presented to the Senate and House committees shows that the timber back from the coastal region in Alaska has practically no merchantable value; that it is only fit for firewood. There is, however, some timber along the coastal region that can be used, but practically all of it is near deep water and would furnish little or no traffic for the railroad.

I hesitate, when I think of the vast area of country yet undeveloped in the States, that have good climatic conditions, and the poorest man who desires can build himself a home, may work the greater part of the entire year with reasonable comfort, and who is not receiving any aid along the line of that suggested in this bill. Yet there are thousands and thousands of acres of land in the United States undeveloped and unoccupied, quite a distance from railroads, which roads have been built by private capital.

I am in favor of letting Alaska be developed as other sections of the United States have been developed, and that is by giving to the industries in Alaska proper laws and proper protection if they desire to build a road and homes for themselves and family. If you will open up Alaska to settlement and give to any man who will go there and live with his family on a tract of land for 12 months-provided he can stand the climate that long-a patent to his lands, you will within a few years demonstrate the fact as to whether or not Alaska can be made an agricultural country. If you do, and under proper laws you will permit them to settle the lands so that there may be something for railroads to haul, then Alaska will get her just dues.

Gentlemen upon this floor have from time to time fought the appropriations for old soldiers and resisted the same upon the grounds that it was an extravagant expenditure of the Government funds and plead for economy. I for one have always stood for a deserving pension for the needy old soldier, but I ask you, How are you to justify before the people of this country, and how are you to harmonize, if on the one hand you vote against the appropriation for the deserving soldier and on the

other vote to appropriate \$35,000,000 to open up Alaska? Should we not improve the interior of the country, where we have millions of population, needing development before we attempt to develop an untried country? Should we not expend on the roads and highways of the United States many millions before beginning in Alaska, in order that those who have produce to bring to market may do so, instead of providing railroads for a country of such a small population and nothing to haul to market? Should we not improve the interior of the country that is largely populated before improving a country that has practically no population? But some one says that the Government has aided railroads throughout the country; and the answer to that question is that it has; but it was an outrage when the aid was granted, as no man ever saw a country that had produce to haul that individual capital would not construct a road to haul

I ask you to consider this proposition and carefully weigh it before casting your vote. I have tried to study this question and reach a conclusion as to what was best, and I have decided that it is not a wise expenditure of money at this time, as I believe that the funds should be spent in a different manner. Some say that Alaska is a great storehouse, and that the railroad would be the key to that great storehouse. I say to you that the railroad will not open the storehouse of industry, but it is only a means of transporting the products of the storehouse, provided there are any products to be transported, and in all Alaska away from the seaboard and deep water, under the most favorable conditions, the amount contemplated to be expended by this bill of \$35,000,000 would not be reimbursed to the Government for the next century.

I deem it my duty to say to you that I can not reach a conclusion that it is wise at this time to make this appropriation, and I am opposed to the bill, and shall continue to oppose it until it is defeated or passed. I trust that the members of this body will consider these questions. They are not bound to support the measure merely because some one has said it should become a law, but they should consider it from the standpoint of what is right and best for the greater number of their con-The American people not only in Alaska are interested, but the entire population of the United States, and unless it could be more clearly demonstrated than at present I can not say that it would be wise to make the appropriation.

The only just theory that we started out with that might in a way justify the appropriation, was the importance of the Bering River and Matanuska coal fields for naval purposes; but that theory has been exploded and the coal proved to be un-What have you suitable, so that theory is out of the way. left now but a desire to spend the funds of the Government? ask, in conclusion, what have you to justify such an expenditure of the people's money? I answer, in my candid opinion, you

Now, gentlemen, I ask you, in considering this bill, to deal fairly with the American people. I ask you, in case you vote, to cast it in the way it will benefit the greatest number of the American people; and before you vote to expend \$35,000,000 in Alaska, where there is, including all classes, only 64,356 people, to stop and consider the improvements that you could make throughout the entire United States with that sum. Consider the number of good roads that you could build in the populous sections of the United States, from the rural communities into the centers of commerce, where the farmers, who have established farms in the country, have already built their homes, have their families and children, raising and educating them, and the benefit that they could derive from it by connecting them with the markets.

Then, if you can make up your minds that you prefer to expend \$35,000,000 for experiment in Alaska, I say make peace with your own conscience and do so.

Mr. SISSON. Will the gentleman yield? Mr. DAVENPORT. I will yield to the gentleman.

Mr. SISSON. I notice that all members of the committee that have addressed the Committee of the Whole have stated that it will cost \$35,000,000 to build this railroad. Is that an accurate estimate?

Mr. DAVENPORT. That is an estimate by the railroad commission for the construction of 733 miles of road indicated by these heavy lines on the map, running into certain sections of the Territory.

Mr. SISSON. Is it an exhaustive report as to the exact character of the ground and the territory over which the road

Mr. DAVENPORT. The report recommends the advisability of constructing a road and gives the approximate cost.

Mr. SISSON. What I am endeavoring to arrive at is whether this \$35,000,000 is sufficient to complete the road.

Mr. DAVENPORT. The majority of the committee is satisfied that it will, but the gentleman from Oklahoma [Mr. Ferris]

and myself are satisfied that it will not.

Mr. FERRIS. If the gentleman will allow me, Mr. Josselyn, the president of one of these roads, who appears very prominent all through the hearing and is very solicitous about this matter. testified that it would take 10,000 miles of railroad to properly serve Alaska, and that it would cost \$40,000 a mile, which is a lower estimate than any other that is given, and that would amount to over \$400,000,000.

Mr. SISSON. That is what I am trying to arrive at—would the building of this road be anything like the final limit of cost to the Federal Government? The Government might be called upon to construct other railroads in Alaska.

Mr. DAVENPORT. My candid opinion is that this would not be the final limit of cost that the Government would be called upon for the construction of railroads in Alaska. It is simply a starter.

Mr. SISSON. If these roads are built included in this bill, with what sort of grace could Congress deny the building of roads in other sections of Alaska when they have once begun this policy of building railroads?

Mr. DAVENPORT. I do not think it could deny it, and I do not think it could deny it in other States that would have the same right to claim it as has Alaska.

Mr. SISSON. Of course, we would have the power to deny it. Mr. DAVENPORT. Yes; we would have the power, but not the moral right.

Mr. SISSON. Could we logically withdraw from the policy of building railroads?

Mr. DAVENPORT. Not without changing the entire policy.

Mr. O'HAIR. Will the gentleman yield?

Mr. DAVENPORT. Yes.

Mr. O'HAIR. I notice the proposed railroad there seems on the map to connect with railroads that are built inland about 75 or 100 miles. How is it proposed that the Government road shall operate in conjunction with the roads already built?

Mr. DAVENPORT. The provisions of the bill give the President absolute right and discretion to buy and construct, but just what the proposition is going to be is of unknown quantity to me at the present time.

Mr. O'HAIR. I thought perhaps the hearings might have thrown some light upon whether or not the Government might have to construct on to the seaboard or if there is any intention on the part of the people who own those railroads to unload them on the Government.

Mr. DAVENPORT. Was the gentleman in the Hall when I read the statement of Senator Nelson?

Mr. O'HAIR. I came in just as the gentleman was reading it.

Mr. DAVENPORT. Senator Nelson stated that Mr. Guggenheim said they would be perfectly willing, if they could get their money back, to let the Government have the road.

Mr. O'HAIR. Yes; I understand; but there are lots of people who have gone into deals like to that who would like to do the same thing. I wanted to know whether there was anything in the hearings that indicated whether the proposition would be to buy these roads or lease them?

Mr. DAVENPORT. That is left entirely to the discretion of the President.

Mr. BRUMBAUGH. Mr. Chairman, will the gentleman yield?

Mr. DAVENPORT. Yes. Mr. BRUMBAUGH. In In answer to the question propounded by the gentleman from Mississippi [Mr. Sisson], I desire to say that the opinion of the majority of the committee was that it would be proper and best for the Government to build but one road, from some seaport to the Tanana River, tributary to the Yukon, which would cost possibly \$20,000,000, and that would open possibly 7,000 miles to civilization throughout the valleys and Alaska and to the coal mines, and to stop with one railroad; after having opened the country to civilization by that one line. then permit private enterprise to tap that line by any system of leasing that the Government might desire. The Government can lease, sell, or operate the read, as may prove to be best.

Mr. SISSON. Will the gentleman yield?

Mr. DAVENPORT. Yes.

Mr. SISSON. We are taught in the Scriptures that if a man puts his hands to the plow, he ought not to turn back. When you put your hand to the plow in this case how and when will the Government turn back?

Mr. BRUMBAUGH. The report of the engineering commission some years ago recommended the building of two roads, but the bill reported to Congress by the Committee on Territories—the bill now before the House—very properly, I think, leaves the location of the road or roads, or whether it shall be one railroad or two railroads, to the judgment of the President.

We understand that is the mere beginning. What I am endeavoring to arrive at is what would be the final

Mr. BRUMBAUGH. Congress could say as to that. My own binion is that one road is sufficient. The building of one opinion is that one road is sufficient. railroad at a cost of about \$20,000,000 or two roads at not to exceed \$35,000,000 would be the final conclusion. One road is absolutely necessary.

Oh, well, we have been in Congress long Mr. SISSON. enough to know that when you once emback upon a proposition of any kind there is no end to it.

Mr. BRUMBAUGH. Not necessarily. We have often assisted in this way other sections of the United States and it did not prove to be an endless matter as the gentleman fears.

Mr. SISSON. I would like to have the gentleman show me one single instance where they have ever commenced a proposition of this kind where they have ever turned back until they have completed it. Absolutely every proposition that the Government has gone into seriously must go forward; it can not retreat; so I ask the gentleman to consider what would be the final outcome of opening this up.

Mr. BRUMBAUGH. The committee has thoroughly con-The great value of this development of Alaska to all the people of the United States demands this assistance and we owe it to Alaska as well.

Mr. SISSON. What does the gentleman believe would be

the final expenditure in that section?

Mr. BRUMBAUGH. If we complete one road, the expense will be about \$20,000,000. If we complete two roads, the expense will not exceed \$35,000,000; private enterprise can do the balance in the developing of Alaska and the Government will not need to do more. But whichever it does the Government will get its money back many times over.

The CHAIRMAN. Does the gentleman from Oklahoma fur-

Mr. DAVENPORT. I was just about to conclude. Mr. SISSON. The gentleman has unlimited time.

Mr. DAVENPORT. I wanted to say in reply to the suggestion made by the gentleman from Ohio [Mr. BRUMBAUGH] that I do not so understand the majority report, that it draws any distinction or makes any recommendation of the construction of a road or a part of a road up there. I understand the majority report takes the cork entirely under and recommends the construction of 733 miles, as indicated by the railway commission's report.

Mr. SISSON. I have not heard all of the discussion, but did the committee take into consideration the fact that out in the great Western States and in the Southern States there are vast stretches of country that badly need opening up by the

building of railroads?

Mr. BRUMBAUGH. The bill leaves the whole matter, very properly I think, to the discretion and judgment of the Presi-The President can locate the route and can authorize the building of one railroad or two railroads, as in his judgment seems to him best, right, or proper. The people will be willing to trust our great President to do the right thing on all these points

Mr. SISSON. Now, those people are directly in need of that, because that country is already settled up. Did they take into consideration that this Government, in all fairness, ought to embark in the development of our country at home, among our people, when we have so many people who need railroads at

Mr. DAVENPORT. I will say to the gentleman from Mississippi I did not attend all the hearings, but at those I did attend they did not. They considered only the question of Alaska, and the question of other portions of the United States was not considered, as far as I know, and have been able to find from the report.

Mr. SISSON. I wonder if an amendment will be in order upon the bill-

Mr. DAVENPORT. It will at the proper time, and it will

Mr. SISSON (continuing). For me to offer an amendment to build certain roads at the hands of the Government down in my State, where they are badly needed.

Mr. WINGO. I should like, if I have the attention of my

Mr. SISSON. If gentlemen talk about building roads in the State of Mississippi, the fact of the business is there was only one crime, and that was the granting of public lands to railroads. It seems to me that was one of the crimes of history, where the

Congress gave away thousands of acres of the public domain to the railroads

Mr. HUMPHREY of Washington. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HUMPHREY of Washington. I would like to know who has the floor.

Mr. SISSON. The gentleman down there has the floor

Mr. HUMPHREY of Washington. Then, why does the gentleman from Mississippi take the floor, if the gentleman down there has it, without getting recognition?

Mr. SISSON. I was recognized at the time the gentleman from Arkansas interrupted me, and the gentleman from Wash-

ington himself is out of order.

Mr. HUMPHREY of Washington. I am asking a parliamentary inquiry. I want to know how the gentleman got the

Mr. DAVENPORT. I yield to the gentleman from Arkansas [Mr. WINGO]

Mr. WINGO. Mr. Chairman, I was about to ask, when so facetiously interrupted by my friend from Mississippi, whether or not any estimate had been made in the committee of the cost of the Panama Canal equipment, the property that belongs to the Government that is now being used in the construction of the Panama Canal, which under this act is turned over for the construction of these railroads in Alaska? What is the value of that property, machinery, and so forth, that is now being used in Panama that is to be taken from Panama to be put in Alaska?

Mr. DAVENPORT. I could not answer the gentleman's ques-It was considered as to whether or not the machinery could be transferred and used up there in the construction of those roads, but the value of it I am not able to answer ac-

curately; but it goes into the several thousand dollars.

Mr. WINGO. But the bill authorizes the transfer of any

portion of the equipment up there. Mr. DAVENPORT. Yes, sir.

Mr. WINGO. Now, did anybody give an estimate of the value of that property

Mr. DAVENPORT. If so, I do not remember it.

Mr. MANN. If the gentleman will yield, the Panama Commission has just made a report to Congress on this subject, which was printed, I think, within a week. I am not sure about the amount, but my recollection is it was in the neighborhood of a million or two million dollars, including the railroad rails which might be used. The estimate is in detail and just published.

Mr. DAVENPORT. I understood the report was to be made, but I have never been able to see what the estimate would run

into.

Mr. WINGO. What estimate, if any, was made by the committee, or statement to the committee, of the number of acres of land that is susceptible of agricultural development that would be opened up by these proposed lines of railway?

Mr. DAVENPORT. I think there were some estimates, but

I do not remember them. I think Judge Houston gave that in

his remarks to-day.

Mr. BRUMBAUGH. If the gentleman will yield, I can answer that, because it is part of my address. It has been estimated by Government sources that in the Tanana Valley there will be about 9,000,000 acres; in entire Alaska, about 64,000,000 If the gentleman wants some comparisons, I will state that in Norway, Sweden, and Denmark, of a similar climate, with less acres than in the Tanana Valley alone, there resides a population of more than 11,000,000 people. The Tanana Valley alone could, therefore, equal this population. Besides, Norway, Sweden, and Denmark, with their 11,000,000 people, do not have the rich mineral resources Alaska has, while interior Alaska has a much better climate than Norway and Sweden have. The warm Japan Current does for interior Alaska what the Gulf Stream does for England, Scotland, and parts of Norway and

Mr. WINGO. On agriculture?

BRUMBAUGH. These nations do not have as good climatic conditions as Alaska has, and have none of the mineral resources that Alaska has.

Mr. HUMPHREY of Washington, Mr. Chairman

The CHAIRMAN. Does the gentleman from Oklahoma [Mr.

DAVENPORT] yield to the gentleman from Washington?

Mr. DAVENPORT. I do.

Mr. HUMPHREY of Washington. I was going to suggest to my friend from Mississippi [Mr. Sisson] whether the Government still owns that State, as they do Alaska, when he talks about building roads up there? I remind the gentleman of the fact that Stephen A. Douglas introduced a bill to construct a railroad through his State, and that Jefferson Davis voted for it.

Mr. SISSON. I am glad the gentleman has seen fit and proper at last to quote as good an authority as these two Democrats, Stephen A. Douglas and Jefferson Davis. But, nevertheless, I do not believe—and I want to repeat this and will not trespass on the gentleman's time any more—that the land grants of that day and time constitute, especially in the West, one of the crimes that has been committed against the people of the United States and against posterity.

Mr. DAVENPORT. Mr. Chairman, I want to say now in conclusion, that I am proud of the fact that we stopped several years ago making land grants to railroads, and as far as I am concerned, unless something comes up different than has come up, and more facts are submitted to me than have been submitted in any hearing on this proposition, I will endeavor to stop the Government building of railroads either in its Territories or in its States.

I thank you. [Applause.]

Mr. HOUSTON. Mr. Chairman, if no other gentleman wants to speak just now, I move that the committee do now rise.

The motion was agreed to; and the Speaker having resumed the chair, Mr. HARRISON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 1739, and had come to no resolution thereon.

ADJOURNMENT.

Mr. HOUSTON. Mr. Speaker, I move that the House do now

The motion was agreed to; accordingly (at 5 o'clock and 12 minutes p. m.) the House adjourned until Thursday, December 18, 1913, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Interior, submitting a report on land withdrawals from settlement, location, sale, or entry, under provisions of the act of Congress approved June 25, 1910 (36 Stats., 847) (H. Doc. No. 482); to the Committee on the Public Lands and ordered to be printed.

2. A letter from the Secretary of War, transmitting a copy, with accompanying inclosures, of the report of the board of officers that was appointed by this department to consider the matter referred to in the act approved March 3, 1913 (Public Law No. 412), to protect monuments on the battle field of Bull Run (H. Doc. No. 481); to the Committee on Military Affairs and ordered to be printed, with illustrations.

3. A letter from the assistant clerk of the Court of Claims, transmitting a certified copy of the findings of fact and conclusion filed in the case of John Pitman v. the United States (H. Doc. No. 483); to the Committee on War Claims and ordered to be printed.

4. A letter from the assistant clerk of the Court of Claims, transmitting a certified copy of the findings of fact and conclusion filed in the case of Charles S. Smith v. the United States (H. Doc. No. 484); to the Committee on War Claims and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. FERRIS, from the Committee on the Public Lands, to which was referred the bill (H. R. 4938) providing for the issuance of patents to transferees of town lots purchased from the United States at public sale in certain cases, reported the same with amendment, accompanied by a report (No. 150), which said bill and report were referred to the House Calendar.

Mr. JOHNSON of Kentucky, from the Committee on the District of Columbia, to which was referred the bill (H. R. 10313) to amend an act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes," approved March 4, 1913, reported the same with amendment, accompanied by a report (No. 151), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (H. R. 9417) to amend the act of June 11, 1878, entitled

"An act providing a permanent form of government for the District of Columbia," by repealing so much of said act as authorizes one-half the expenses of the District of Columbia to be paid out of the Treasury of the United States, reported the same with amendment, accompanied by a report (No. 154), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. CLARK of Florida, from the Committee on Public Buildings and Grounds, to which was referred the bill (H. R. 5487) to authorize an additional appropriation for the erection of the United States appraisers' stores building at Milwaukee, Wis., reported the same with amendment, accompanied by a report (No. 153), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. BYRNES of South Carolina, from the Committee on War Claims, to which was referred the bill (H. R. 8811) to execute the findings of the Court of Claims in the case of Sara B. Hatch, widow of Davis W. Hatch, reported the same without amend-ment, accompanied by a report (No. 152), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Claims was discharged from the consideration of the bill (H. R. 6015) for the relief of Juan Paiz, and the same was referred to the Committee on Military Affairs.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials

were introduced and severally referred as follows: By Mr. BUCHANAN of Illinois: A bill (H. R. 10821) to prohibit the importation and entry of goods, wares, and merchandise made in whole or in part by convict labor, or made in whole or in part from materials which have been made in whole or in part or in any manner manipulated by convict labor; to the

Committee on Labor.

By Mr. EDMONDS: A bill (H. R. 10822) appropriating \$15,000 for purchase of additional ground at Frankford Arse-

nal, Philadelphia, Pa.; to the Committee on Appropriations.

By Mr. ROBERTS of Massachusetts: A bill (H. R. 10823) authorizing the Secretary of the Navy to dispose of the naval hospital and magazine lands located in Chelsea, Mass.; to the Committee on Naval Affairs.

By Mr. GUERNSEY: A bill (H. R. 10824) authorizing the Secretary of War to deliver to Grand Army Post No. 51, of Sherman Mills, Me., two condemned cannon; to the Committee on Military Affairs.

By Mr. UNDERHILL: A bill (H. R. 10825) authorizing the Secretary of War to donate to Custer Post, No. 81, of the Grand Army of the Republic, and Major John Stocum Camp No. 181, Sons of Veterans, at Bath, in the State of New York, three bronze or brass fieldpieces or cannon, with their carriages and outfit

of cannon balls, etc.; to the Committee on Military Affairs. By Mr. EDWARDS: A bill (H. R. 10826) providing that the United States shall aid in the construction and maintenance of public roads; to the Committee on Roads.

By Mr. TAYLOR of New York: A bill (H. R. 10827) to regulate the payment of salaries of post-office clerks in first and second class post offices and letter carriers in the City Delivery Service; to the Committee on the Post Office and Post Roads.

By Mr. CARTER: A bill (H. R. 10828) to authorize the Secretary of the Treasury to employ consulting architects in connection with the work of the Supervising Architect's Office, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. KENT: A bill (H. R. 10829) to authorize a survey of

Novato Creek, Cal.; to the Committee on Rivers and Harbors. By Mr. ANTHONY: A bill (H. R. 10830) providing for military highways between Forts Leavenworth and Riley, Kans., and between Fort McPherson and the Government rifle range near Waco, in the State of Georgia; to the Committee on Military Affairs.

By Mr. ADAMSON: A bill (H. R. 10831) providing for military highways between Fort McPherson and the Government rifle range near Waco, in the State of Georgia, and between Forts Leavenworth and Riley, in the State of Kansas; to the Committee on Military Affairs.

By Mr. STEPHENS of Texas: A bill (H. R. 10832) to amend section 2 of an act approved March 2, 1907, entitled "An act providing for the allotment and distribution of Indian tribal funds" (34 Stat. L., 1221, 1222); to the Committee on Indian Affairs.

Also, a bill (H. R. 10833) authorizing the Secretary of the Interior to lease for grazing, agricultural, and mining purposes unallotted lands within Indian reservations established by act of Congress or Executive order; to the Committee on Indian

Also, a bill (H. R. 10834) to amend an act entitled "An act to provide for determining the heirs of deceased Indians, for the disposition and sale of allotments of deceased Indians, for the leasing of allotments, and for other purposes," approved June 25, 1910 (36 Stat. L., p. 855); to the Committee on Indian

Also, a bill (H. R. 10835) to authorize the Secretary of the Treasury to consolidate sundry funds from which unpaid Indian annuities or shares in the tribal trust funds are or may hereafter be due; to the Committee on Indian Affairs.

By Mr. TAYLOR of Colorado: A bill (H. R. 10836) conveying Trappers Lake to the State of Colorado; to the Committee on the Public Lands.

Also, a bill (H. R. 10837) providing for the establishment of a Weather Bureau station at Delta, Colo.; to the Committee on Agriculture.

Also, a bill (H. R. 10838) authorizing minors of the age of 18 years or over to make homestead and desert land entries; to the Committee on the Public Lands.

Also, a bill (H. R. 10839) to compel railroad corporations issuing mileage books to receive same for transportation on all lines owned, leased, or operated by such corporation; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 10840) to amend section 73 of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; to the Committee on

Also, a bill (H. R. 10841) providing for 1-cent letter postage; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 10842) requiring pensions to be paid monthly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10843) to prevent the desecration of the flag of the United States; to the Committee on the Judiciary.

Also, a bill (H. R. 10844) giving rural mail carriers a Christmas holiday; to the Committee on the Post Office and Post

By Mr. STEPHENS of Texas: A bill (H. R. 10845) to authorize the Secretary of the Interior to expend the proceeds arising from the sale and disposition of surplus agricultural lands and timber on surplus timberlands of the Spokane Indian Reservation, Wash.; to the Committee on Indian Affairs.

Also, a bill (H. R. 10846) to authorize the Secretary of the Interior to use in the purchase of live stock, seeds, and agricultural equipment moneys appropriated to fulfill treaty obligations; to the Committee on Indian Affairs.

Also, a bill (H. R. 10847) to authorize the payment of certain Chippewa funds on deposit in the United States Treasury; to the Committee on Indian Affairs.

Also, a bill (H. R. 10848) to amend an act entitled "An act to provide for the disposition and sale of lands known as the Klamath River Indian Reservation," approved June 17, 1892 (27 Stat. L., pp. 52, 53); to the Committee on Indian Affairs.

By Mr. STEPHENS of Mississippi: A bill (H. R. 10849) to provide that the United States shall, in certain cases, aid the States and the civil subdivisions thereof in the construction and maintenance of rural post roads; to the Committee on the Post Office and Post Roads.

By Mr. GEORGE: A bill (H. R. 10936) to provide for annual and full-value assessments, a more efficient assessing department, and for other purposes relating to assessment and taxation in the District of Columbia; to the Committee on the District of Columbia.

By Mr. LLOYD: Resolution (H. Res. 351) placing clerks of expenditure committees on the session roll; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills were introduced and severally referred as follows:

By Mr. ADAIR: A bill (H. R. 10850) granting a pension to Sarah A. Campbell; to the Committee on Invalid Pensions.

By Mr. ANSBERRY: A bill (H. R. 10851) granting an increase of pension to William M. Kirk; to the Committee on Invalid Pensions.

By Mr. ANTHONY: A bill (H. R. 10852) granting a pension to Fred Ingersoll; to the Committee on Pensions.

Also, a bill (H. R. 10853) to place the name of George W. Veale upon the unlimited retired list of the Army; to the Committee on Military Affairs.

Also, a bill (H. R. 10854) to place the name of Harmon E. Wentworth upon the unlimited retired list of the Army; to the Committee on Military Affairs

By Mr. BURKE of South Dakota: A bill (H. R. 10855) granting a pension to Herbert L. Ellsworth; to the Committee on Pensions.

By Mr. CARTER: A bill (H. R. 10856) for the relief of the heirs of David Williams, deceased; to the Committee on War Claims.

Also, a bill (H. R. 10857) for the relief of the heirs of Samuel Dunagan, deceased; to the Committee on War Claims.

By Mr. CLINE: A bill (H. R. 10858) granting an increase of pension to Wilson Decker; to the Committee on Invalid Pen-

By Mr. CURRY: A bill (H. R. 10859) granting a pension to James W. Wilson; to the Committee on Pensions.

By Mr. DAVIS: A bill (H. R. 10860) for the relief of Edward J. Klossner; to the Committee on Claims.

Also, a bill (H. R. 10861) for the relief of Fred Klossner: to the Committee on Claims.

Also, a bill (H. R. 10862) for the relief of Everett H. Corson;

to the Committee on Claims.

Also, a bill (H. R. 10863) granting a pension to Evan A. Evans; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10864) granting a pension to Emma L. Annis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10865) granting a pension to Thomas Williams; to the Committee on Pensions.

Also, a bill (H. R. 10866) granting an increase of pension to John T. Wray; to the Committee on Invalid Pensions.
Also, a bill (H. R. 10867) granting an increase of pension to

Peter Tubesing; to the Committee on Invalid Pensions. Also, a bill (H. R. 10868) granting an increase of pension to

Gertrude Meyer; to the Committee on Invalid Pensions. Also, a bill (H. R. 10869) granting an increase of pension to

Seymour Avery; to the Committee on Invalid Pensions. Also, a bill (H. R. 10870) granting an increase of pension to

Johnson Hayden; to the Committee on Invalid Pensions. Also, a bill (H. R. 10871) to remove the charge of desertion from the military record of Alonzo Briggs and to grant him an honorable discharge; to the Committee on Military Affairs.

Also, a bill (H. R. 10872) to remove the charge of desertion from the military record of John Regan and to grant him an honorable discharge; to the Committee on Military Affairs.

Also, a bill (H. R. 10873) to remove the charge of absence

without leave from the military record of Stephen A. Randolph and to correct his record; to the Committee on Military Affairs.

and to correct his record; to the Committee on Military Affairs.

By Mr. DONOVAN: A bill (H. R. 10874) to remove the charge of desertion from the military record of Henry C. Ballow; to the Committee on Military Affairs.

By Mr. FERRIS: A bill (H. R. 10875) authorizing the Secretary of the Interior to pay J. H. Schmidt \$75 damages for trespass of certain Indian school cattle at Rainey Mountain School in Oklahoma; to the Committee on Indian Affairs.

By Mr. FERGUSSON: A bill (H. R. 10876) granting an increase of pension to Petra Archuleta de Vigil; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10877) for the relief of the heirs of Diego Antonio Sanchez on account of losses sustained through depredations of Navajo Indians; to the Committee on Claims.

By Mr. FIELDS: A bill (H. R. 10878) granting an increase of pension to James Littleton; to the Committee on Invalid Pensions.

By Mr. FLOYD of Arkansas: A bill (H. R. 10879) granting an increase of pension to James W. Sutterfield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10880) to correct the military record of

James H. Murphy; to the Committee on Military Affairs, By Mr. FOWLER: A bill (H. R. 10881) granting an increase of pension to Thomas C. Goforth; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10882) granting an increase of pension to Jeremiah Holcomb; to the Committee on Invalid Pensions.

By Mr. GILMORE: A bill (H. R. 10883) granting an increase of pension to Edmund Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10884) granting an increase of pension to William H. S. Becker; to the Committee on Invalid Pensions, Also, a bill (H. R. 10885) granting an increase of pension to

Edmund Cottle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10886) granting an increase of pension to Alvah Withee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10887) granting an increase of pension to Edward M. Willis; to the Committee on Invalid Pensions

Also, a bill (H. R. 10888) granting a pension to Nicholas Brady; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10889) granting a pension to Thomas Corian; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10890) granting a pension to Abbie C. Ray; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10891) granting a pension to Simon Shea; to the Committee on Pensions.

Also, a bill (H. R. 10892) granting a pension to Alice Clapper; to the Committee on Pensions.

Also, a bill (H. R. 10893) granting a pension to Malinda Hubert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10894) granting a pension to Treffle Bosse; to the Committee on Pensions,

Also, a bill (H. R. 10895) to remove the charge of desertion from the military record of Sanford K. Knox; to the Committee on Military Affairs.

By Mr. GITTINS: A bill (H. R. 10896) granting an increase of pension to Edward Varley; to the Committee on Invalid Pensions.

By Mr. GOOD: A bill (H. R. 10897) for the relief of Sarah McLaughlin; to the Committee on Claims.

By Mr. GRIEST: A bill (H. R. 10898) for the relief of the estate of David B. Landis, deceased, and the estate of Jacob F. Sheaffer, deceased; to the Committee on Claims.

By Mr. HAMILL: A bill (H. R. 10899) granting a pension to Carrie E. Lee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10900) granting an increase of pension to Cesarine Fraser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10001) granting an increase of pension to Albert Kampman; to the Committee on Invalid Pensions.

By Mr. KELLEY of Michigan: A bill (H. R. 10902) granting a pension to Jay Cobb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10903) granting a pension to Marilda Howe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10904) granting a pension to Mary Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10905) granting a pension to Ardella

Potter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10906) granting a pension to Augusta Schlader; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10907) granting an increase of pension to Orren J. Cary; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10908) granting an increase of pension to William H. Conklin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10909) granting an increase of pension to

David Dawson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10910) granting an increase of pension to Charles H. Houk; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10911) granting an increase of pension to
Marianne F. Morse; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10912) granting an increase of pension to

Chauncey Pickell; to the Committee on Invalid Pensions. Also, a bill (H. R. 10913) granting an increase of pension to David Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10014) granting an increase of pension to Augustus Wilcox; to the Committee on Invalid Pensions.

By Mr. LANGHAM: A bill (H. R. 10915) granting a pension to Uain A. Bigler; to the Committee on Pensions.

Also, a bill (H. R. 10016) granting a pension to Mary L. McIntire; to the Committee on Invalid Pensions.

By Mr. LEE of Pennsylvania: A bill (H. R. 10917) granting pension to Mary C. Thurlow; to the Committee on Invalid

By Mr. LINTHICUM: A bill (H. R. 10018) granting a pension to Jennie E. Gost; to the Committee on Invalid Pensions. By Mr. McCOY: A bill (H. R. 10919) to correct the record of

George W. Tichenor; to the Committee on Naval Affairs.

Also, a bill (H. R. 10920) granting an increase of pension to

Stringer White; to the Committee on Pensions.

By Mr. O'HAIR: A bill (H. R. 10921) to remove the charge

of desertion from the military record of I. S. Ferris; to the Committee on Military Affairs.

By Mr. REILLY of Connecticut: A bill (H. R. 10922) granting a pension to William H. Bohan; to the Committee on Pensions.

By Mr. ROBERTS of Massachusetts: A bill (H. R. 10923) granting a pension to George Downing, alias Henry Harris; to the Committee on Invalid Pensions.

By Mr. RUBEY: A bill (H. R. 10924) for the relief of Benjamin Ipock; to the Committee on Military Affairs.

Also, a bill (H. R. 10925) granting a pension to Thomas B. Young; to the Committee on Invalid Pensions.

By Mr. RUSSELL: A bill (H. R. 10926) granting a pension to Rhoda Wright; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10927) granting an increase of rension to Samuel W. Clements; to the Committee on Invalid Pensions.

By Mr. SIMS: A bill (H. R. 10928) for the relief of the legal representatives of Willis N. Arnold, deceased; to the Committee on War Claims.

By Mr. SMITH of New York: A bill (H. R. 10929) granting pension to Alonzo Sidman; to the Committee on Invalid Pensions.

By Mr. SMITH of Texas: A bill (H. R. 10930) for the relief

of William P. Woodall; to the Committee on Military Affairs. By Mr. STEENERSON: A bill (H. R. 10931) granting an increase of pension to Peter C. Pirath; to the Committee on Invalid Pensions.

By Mr. TAYLOR of New York: A bill (H. R. 10932) for the relief of Charles Hilbert; to the Committee on Military Affairs. By Mr. THOMSON of Illinois: A bill (H. R. 10933) granting

pension to Edwin E. Hultz; to the Committee on Pensions. By Mr. WINSLOW: A bill (H. R. 10934) granting an increase of pension to Jane McNeely; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10935) for the relief of John Kelly; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Petition of officers of the American Merchant Marine, protesting against the passage of the seamen's bill (S. 136); to the Committee on the Merchant Marine and Fisheries.

Also (by request), petition of Maritime Association of the Port of New York, protesting against the passage of the seamen's bill (S. 136); to the Committee on the Merchant Marine and Fisheries.

Also (by request), petition of Charles Russur Burke, Dexter, Mich., relative to certain patents and asking immediate action by the Government on same; to the Committee on Patents.

By Mr. ANSBERRY: Petition of the Federation of Jewish Farmers of America, favoring the passage of a bill for adequate rural credit facilities; to the Committee on Banking and Currency

By Mr. BRODBECK: Petition of Manufacturers' Association of York, Pa., favoring the passage of legislation making appropriation to build embassies and consular buildings in all foreign countries; to the Committee on Foreign Affairs.

By Mr. CALDER: Petition of the Federation of Jewish Farmers of America, favoring the passage of a bill for adequate rural credit facilities; to the Committee on Banking and Currency.

Also, petition of the Maritime Association of the Port of New York, protesting against the passage of the seamen's bill in its present form; to the Committee on the Merchant Marine and Fisheries.

By Mr. CLINE: Petition of business men of Cromwell, Lagrange, and Ligonier, Ind., favoring the passage of legislation compelling concerns selling goods direct to the consumer by mail to contribute their portion of the funds for the development of the local community, county, and State; to the Committee on Ways and Means.

By Mr. DALE: Petition of the Maritime Association of the Port of New York, protesting against the passage of the seamen's bill in its present form; to the Committee on the Merchant Marine and Fisheries.

By Mr. EDMONDS: Petition of Cornelius Dugan, favoring the passage of the bill (H. R. 9324) to authorize assimilated rank to be given to warrant officers of the United States Navy;

by Mr. FRANCIS: Petition of National Brotherhood of Operative Potters, Local Union No. 20, of Steubenville, Ohlo, favoring the passage of H. R. 1873 and S. 927; to the Committee on the Judiciary.

By Mr. GARNER: Petition of the business men of Devine, Tex., favoring the passage of House bill 5308, relative to mailorder houses; to the Committee on Ways and Means.

Also, petition of the Retail Merchants' Secretaries' Association, favoring the order by Congress of a survey of the mouth of

the Brazos River; to the Committee on Rivers and Harbors.

By Mr. GILMORE: Petition of the Federation of Jewish
Farmers of America, favoring the passage of legislation creating an adequate rural credit system; to the Committee on Banking and Currency.

By Mr. GOLDFOGLE: Petitions of the Maritime Association of the Port of New York, Kohler & Campbell, George B. Ritchie & Co., and Thompson & Ballantine, all of New York City, N. Y. protesting against the passage of the seamen's bill in its present form; to the Committee on the Merchant Marine and Fisheries. Also, petition of G. W. Van Slyke and Horton, of Albany,

N. Y., favoring the passage of the Bartlett bill (H. R. 4322), for 1-cent letter postage; to the Committee on the Post Office and

Post Roads.

Also, memorial of mass meeting of People's Institute, favoring the widening of the limits now imposed by the parcel post, to help reduce the cost of living; to the Committee on the Post Office and Post Roads.

Also, petition of the Federation of Jewish Farmers of America, favoring a bill giving adequate rural credit facilities; to the

Committee on Banking and Currency.

By Mr. GOOD: Petition of citizens of Oxford Mills, Iowa, favoring the passage of the Lindquist pure-fabric bill for the labeling of all fabrics, etc.; to the Committee on Interstate and Foreign Commerce.

By Mr. GRAHAM of Pennsylvania: Petitions of the Young Men's Republican Club and the Vessel Owners and Captains' Association, both of Philadelphia, favoring Philadelphia as a port to have a dry dock; to the Committee on Naval Affairs.

Also, petition of the Maritime Association of the Port of New York, protesting against the passage of the seamen's bill (S. 136); to the Committee on the Merchant Marine and Fisheries.

Also, petition of the Federation of Jewish Farmers of America, favoring the passage of a bill for adequate rural credit facilities; to the Committee on Banking and Currency. By Mr. GRIEST: Petition of George H. Thomas Post, No. 84,

Grand Army of the Republic, of Lancaster, Pa., favoring the passage of House bill 1737, to provide for monthly payment of pensions; to the Committee on Invalid Pensions,

By Mr. HUMPHREY of Washington: Petition of Seattle

(Wash.) Rotary Club, favoring the passage of the proposed legislation to build railroads in Alaska; to the Committee on

By Mr. LAFFERTY: Petition of Grainhandlers Union, Local No. 384, Portland, Oreg., favoring the passage of House bill 1873, known as the labor antitrust and injunction limitation measure; to the Committee on the Judiciary

Also, petition of Department of Oregon, United Spanish War Veterans, of Portland, Oreg., favoring legislation by Congress to advance to grade of major general on the retired list Thomas McArthur Anderson; to the Committee on Military Affairs.

By Mr. LANGHAM: Petition of the Pennsylvania Association Opposed to Woman Suffrage, protesting against a committee of the House on woman suffrage; to the Committee on Rules.

Also, petition of the Salvadorian committee of the National Central American Association, protesting against the proposed Nicaraguan treaty; to the Committee on Foreign Affairs.

Also, petition of the Greater Philadelphia League, of Philadelphia, Pa., favoring the Philadelphia Navy Yard for a dry

dock; to the Committee on Naval Affairs.

Also, petition of the Maritime Association of the Port of New York, protesting against the passage of the seamen's bill in its present form; to the Committee on the Merchant Marine and Fisheries.

By Mr. LEVY: Petition of Twentieth Century Club, of Detroit, favoring the passage of Senate bill 2739, known as the Newlands river regulation and flood prevention bill; to the

Committee on Rivers and Harbors.

Also, petition of J. H. Shelnutt, adjutant general and chief of staff North Georgia Brigade Confederate Veterans, requesting that Congress grant pensions to Confederate veterans; to the Committee on Invalid Pensions.

Also, petition of Twentieth Century Club, of Detroit, pro-testing against the use of the Hetch Hetchy Valley by those seeking a water supply for San Francisco; to the Committee on the Public Lands.

By Mr. LONERGAN: Petition of the Maritime Association of the Port of New York, protesting against the passage of the seamen's bill (S. 136); to the Committee on the Merchant Marine and Fisheries.

By Mr. O'SHAUNESSY: Petition of the Federation of Jewish Farmers of America, of New York, favoring the passage of legislation to establish an adequate rural credit system; to the Committee on Banking and Currency.

By Mr. PALMER: Petition of Vessel Owners and Captains' Association, of Philadelphia, Pa., favoring the passage of legislation for the establishment of a new dry dock at Philadelphia; to the Committee on Naval Affairs.

By Mr. REILLY of Connecticut: Petition of New London Business Men's Association, of New London, Conn., protesting

against the application of the law relative to vessels sailing in the coastwise trade; to the Committee on Interstate and Foreign Commerce.

Also, petition of board of directors of the Maritime Association of the Port of New York, protesting against the passage of bill (S. 136) to increase the size of crews and equipment on all boats; to the Committee on the Merchant Marine and Fisheries.

By Mr. SCULLY: Petitions of citizens of Matawan, Keyport, Lakehurst, Red Bank, Long Branch, Sea Bright, Atlantic Highlands, Atlantic City, Ocean City, and Asbury Park, all in New Jersey, protesting against the passage of the seamen's bill in its present form; to the Committee on the Merchant Marine and Fisheries

Also, memorial of the Federation of Jewish Farmers of America, favoring the passage of a bill for adequate rural-credit facilities; to the Committee on Banking and Currency.

By Mr. SUTHERLAND: Papers to accompany bill (H. R. 5727) granting a pension to Foster Rine; to the Committee on Pensions.

By Mr. UNDERHILL: Petition of Maritime Association of the Port of New York, protesting against the passage of the seamen's bill (S. 136); to the Committee on the Merchant Marine and Fisheries.

By Mr. WALLIN: Memorial of the Maritime Association of the Port of New York, favoring certain amendments to the seamen's bill (S. 136); to the Committee on the Merchant Marine and Fisheries

By Mr. WATKINS (by request): Petition of citizens of the fourth congressional district of the State of Louisiana, favoring the passage of the Lindquist pure-fabric law; to the Committee on Interstate and Foreign Commerce.

By Mr. WINGO: Petition of citizens of the fourth congressional district of Arkansas, favoring the passage of the Lind-quist pure-fabric bill, to label all leathers and fabrics; to the Committee on Interstate and Foreign Commerce.

SENATE.

THURSDAY, December 18, 1913.

The Senate met at 10 o'clock a. m.

Prayer by the Chaplain, Rev. Forrest J. Prettyman, D. D. Mr. SMOOT. Mr. President, I suggest the absence of a quo-

The VICE PRESIDENT. The Secretary will call the roll. The Secretary called the roll, and the following Senators answered to their names:

Ashurst Bacon Brady Braddy Brandegee Bristow Bryan Burton Catron Chamberlain Clapp Clarke, Ark. Colt	Gronna Hollis Hughes Jackson James Johnson Jones Kern Lane Lea McCumber McLean	Overman Owen Page Perkins Poindexter Pomerene Ransdell Reed Robinson Shafroth Sheppard Sherman	Smith, S. C. Smoot Sterling Sutherland Swanson Thompson Townsend Vardaman Walsh Warren Weeks
Clarke, Ark.	McCumber	Sheppard	Warren
Fletcher Gallinger	Norris O'Gorman	Smith, Ariz. Smith, Ga.	

The senior Senator from Alabama [Mr. BANK-HEAD] is unavoidably detained from the Senate. This announcement may stand for the day.

Mr. SHEPPARD. I wish to announce the necessary absence of my colleague [Mr. Culberson] and to state that he is paired with the Senator from Delaware [Mr. DU PONT]. nouncement may stand for the day.

Mr. WEEKS. I wish to announce that my colleague [Mr. Lodge] is absent on account of illness, and to have this state-

ment stand for the day.

Mr. REED. I announce the necessary absence of my colleague [Mr. Stone] on account of illness. I think, I know in fact, that he will not be able to attend the sessions of the Senate for a couple of days

The VICE PRESIDENT. Sixty-two Senators have answered to the roll call. There is a quorum present. The Secretary will read the Journal of the proceedings of the preceding session.

The Journal of yesterday's proceedings was read and approved.

PETITIONS AND MEMORIALS.

Mr. WORKS. Mr. President, I have here two telegrams relating to the pending currency bill, one from Stoddard Jess, vice president of the First National Bank of Los Angeles, Cal., and the other from J. E. Fishburn, president of the National Bank of California, of the same city, and also president of the Los Angeles Clearing House Association.

One of the telegrams suggests what seems to be an important and necessary amendment to the bill. I recognize the fact that the final form and substance of the bill will be determined by the Democratic caucus. I am sorry that the Senator from Oklahoma [Mr. Owen] is not in his seat, as I should be glad to call his attention to the telegram. I hope other Senators on the other side of the Chamber will give it their attention.

Mr. CLAPP. Will the Senator pardon an interruption? Mr. WORKS. Certainly.

Mr. CLAPP. I suppose the telegram relates to the clearinghouse matter.

Mr. WORKS. It does. Mr. CLAPP. I was assured by the Senator from Oklahoma. when similar telegrams were presented to him, that they will give the matter consideration,

Mr. WORKS. I ask that the two telegrams be read.

There being no objection, the telegrams were read, as fol-

Los Angeles, Cal., December 17, 1913.

Hon. John D. Works.
Senate Chamber, Washington, D. C.:

Senate Chamber, Washington, D. C.:

Section 24 of the Owen bill contains the following: "No examiner, public or private, shall disclose the names of horrowers or the collateral for loans of a member bank to other than the proper officers of such bank without first having obtained express permission, in writing, from the Comptroller of the Currency," etc. With such a provision in the currency bill the entire efficiency of the system of examinations by special examiners employed by clearing-house associations, and which have proven such a protection in handling local situations, will be destroyed. Please support and use your influence to secure an amendment inserting after the words "Comptroller of the Currency" the following: "or from the directors of such bank."

Stoddard Jess, Vice President.

Los Angeles, Cal., December 16, 1913.

Hon. John D. Works, Senate, Washington, D. C.:

By mutual agreement all banks in Los Angeles employ a clearing-house examiner, whose entire time is given to their auditing and examination of loans, collateral, etc. The system has been in operation for five years and is of immeasurable benefit to the banks, their stockholders, and depositors alike. We know of no possible injury or injustice under the system, and if section 23, lines 16 to 19, page 61, and section 24, lines 12 to 18, page 62, report of Senate committee, calendar 107, prohibits or curtails the rights of banks to these examinations and free exchange of credit information, it very materially lessens the efficiency of the currency bill. We earnestly request that the provision contained in above sections be eliminated from the bill.

J. E. Fishburn,

President Los Angeles Clearing House Association.

Mr. BURTON. Mr. President, I wish simply to state that I have received telegrams from the clearing-house associations of the cities of Cincinnati and Columbus on the same subject and containing the same contention.

Mr. SMITH of Georgia. I present a telegram from John K. Ottley, of Atlanta, Ga., which I ask to have read.

There being no objection, the telegram was read, as follows:

ATLANTA, GA., December 17, 1913.

ATLANTA, GA., December 17, 1913.

Hon. Hoke Smith, Washington, D. C.:

Section 24, Owen bill, contains: "No examiner, public or private, shall disclose the names of borrowers or the collateral for loans of a member bank to other than the proper officers of such bank without first having obtained express permission in writing from the Comptroller of the Currency, except when ordered to do so by a court of competent jurisdiction or by direction of the Congress of the United States or either House thereof or any committee thereof." It is suggested that the words "or from the directors of such bank" be inserted after "Comptroller of the Currency." Without this amendment system of clearing-house examinations, which is a power toward better banking, will receive a great backset. JNO. K. OTTLEY.

Mr. CLAPP. I desire to have printed in the RECORD a telegram, which I send to the desk, relative to the banking and currency question. It is from E. H. Bailey, president of the

St. Paul Clearing House Association.

There being no objection, the telegram was ordered to be printed in the Record, as follows:

ST. PAUL, MINN., December 17, 1913.

Hon. Moses E. Clapp.

St. Paul, Minn., December 17, 1913.

Hon. Moses E. Clapp.

United States Senate, Washington, D. C.:

At a meeting of the St. Paul Clearing House Association held to-day, at which all members of the association were represented, it was unanimously resolved that in the opinion of this association the system of clearing-house examination has been of inestimable value to the entire business interests of this section in enabling member banks to maintain a high standard of credit and banking methods among banks in the community, in preventing improper or undue borrowing from member banks, and keeping the association in closer touch with the members or banks clearing through the association. We respectfully protest against that part of Calendar No. 107, Senate section 23, page 61, of the report, lines 16 to 19, inclusive, and that part of section 24, page 62, of the report, lines 12 to 18, inclusive, as being prohibitive against the present system of clearing-house examinations, which have been proved of great advantage to business interests, and we believe that a clearing-house examiner will be in better position to give reliable information to the officers of regional reserve banks with respect to commercial paper offered for rediscount.

E. H. Baller,

President St. Paul Clearing House Association

President St. Paul Clearing House Association.

Mr. JONES. I present a telegram from W. D. Vincent, cashier of one of the banks in Spokane, Wash., relating to the clearing-house proposition, which is covered by other telegrams which have been presented. I shall not ask that the telegram be printed in the RECORD, because it is substantially the same as others which have been presented, but I ask that it may be referred to the Committee on Banking and Currency for the consideration of the committee and of the Democratic caucus.

The VICE PRESIDENT. The telegram will be referred to

the Committee on Banking and Currency.

Mr. KERN. I present a telegram, which I ask may be read. There being no objection, the telegram was read, as follows: SOUTH BEND, IND., December 17, 1913.

Hon. John W. Kern. Washington, D. C.:

If guaranty of deposits under section 7 of currency bill is approved, have it amended so that United States will act as trustee for depositors in falled member banks and trust companies, and not alone for national banks, as now provided.

AMERICAN TRUST CO. St. Joseph County Savings Bank. St. Joseph Loan & Trust Co.

Mr. JAMES. I present a telegram from bankers in Frankfort, Ky., which I desire to have read and incorporated in the RECORD

There being no objection, the telegram was read, as follows: FRANKFORT, KY., December 17, 1913.

Senator Ollie M. James,

Washington, D. C.:

We consider the guaranty of deposits in the currency bill as grossly unjust to the State banks unless they are allowed to take the benefit of the guaranty. We suggest either the elimination of the guaranty feature or that the guaranty extend to banks taking stock in the regional banks.

CAPITAL TRUST CO.,
By T. L. EDELIN, President.
FARMERS BANK OF FRANKFORT, KY.,
By JOHN C. NOEL, President.
DEPOSIT BANK OF FRANKFORT, KY.,
By DAVID NICOL, Cashier.
PEOPLE'S STATE BANK,
By O. H. SKILES, President.

Mr. PERKINS. I present a telegram from Stoddard Jess, vice president of the First National Bank of Los Angeles, Cal., relating to the pending currency bill. I will not ask that the telegram be read or printed in the Record, as a similar one has been presented by my colleague.

The VICE PRESIDENT. The telegram will lie on the table.

Mr. ASHURST. Mr. President, I have in the past two weeks received a great number of petitions, memorials, and telegrams relating to a certain subject. I have not seen fit to ask that any of them be incorporated in the RECORD, but I have this morning received two telegrams on the same subject which I ask may be read at the desk and incorporated in the RECORD.

There being no objection, the telegrams were read, as follows:

BISBEE, ARIZ., December 16, 1913.

HENRY F. ASHURST,
Senate, Washington, D. C.:

Understand that a resolution is pending calling for a congressional investigation of the deplorable conditions existing in the Michigan and Colorado strikes, and we, the members of the Bisbee Miners' Union, request that you use your utmost effort to secure its passage at an early date.

W. E. Holm, Secretary.

W. E. HOLM, Secretary.

GLOBE, ARIZ., December 17, 1918.

Hon. Henry F. Ashurst, United States Senate, Washington, D. C.:

As a congressional investigation of the copper miners in Michigan and the coal miners of Colorado strikes appears probable, the Globe Miners' Union desires to have you use your utmost favorable efforts to bring the same about.

E. C. BRIGHT, President. SIDNEY ODGERS, Secretary.

Mr. BURTON presented a memorial of the Polish-American Chamber of Commerce, of Cleveland, Ohio, remonstrating against the enactment of legislation providing for a literacy test for immigrants to this country, which was referred to the Committee on Immigration.

Mr. WEEKS presented petitions of the common council of Quincy, of the board of trade of Beverly, of the board of selectmen of Dedham, and of Local Union No. 16, International Union of Steam and Operating Engineers, of Boston, all in the State of Massachusetts, praying for the enactment of legislation authorizing the construction of the proposed supply ship for the Navy at the Boston Navy Yard, which were referred to the Committee on Naval Affairs.

He also presented a memorial of the Boston Retail Shoe Merchants' Association, of Massachusetts, remonstrating against the enactment of a so-called pure-shoe law, which was referred

to the Committee on Manufactures,

He also presented resolutions adopted by the Board of Trade of Somerville, Mass., favoring an appropriation for the construction of permanent homes for American representatives abroad, which were referred to the Committee on Foreign Relations

Mr. McLEAN presented resolutions adopted by the Business Men's Association of New London, Conn., favoring railroad ownership of vessels employed in the coastwise trade, which were referred to the Committee on Commerce.

COMMISSION OF FINE ARTS.

Mr. FLETCHER. The report of the Commission of Fine Arts, transmitted by the President of the United States to both Houses of Congress, was referred to the Committee on Printing December 10, 1913, for action. The House has ordered the report printed as House Document No. 461. I am directed by the Committee on Printing to report it back with a recommendation that it be referred to the Committee on the Library without printing. I ask unanimous consent for immediate action on the

The VICE PRESIDENT, Is there objection? The Chair hears none, and the report will be referred to the Committee on the Library without printing.

ADDRESSES BY JUDGE S. A. LINDSEY (S. DOC. NO. 334).

Mr. FLETCHER. Copies of addresses by Judge S. A. Lindsey, chairman of the Texas Farm Life Commission, on "Our rural life and farm problems," "The building of a State," and "The cooperative agricultural plan," submitted by the junior Senator from Texas [Mr. Sheppard], were referred to the Committee on Printing December 6, 1913. I am directed by the Committee on Printing to report them back with the recommendation that the three addresses be printed as one document. I ask unanimous consent for the present consideration of the report.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the addresses will be printed as a Senate docu-

ADDRESS BY W. D. BOYCE (S. DOC. NO. 333)

Mr. FLETCHER. Extracts from an address delivered by W. D. Boyce, of Chicago, at the Southern Commercial Congress meeting in Mobile, Ala., October 28 last, on "How to make the Panama Canal pay," were referred to the Committee on Printing on December 16, 1913. I am directed by the committee to report the matter back with the recommendation that it be printed as a Senate document.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

CHITINA MINING DISTRICT, ALASKA.

Mr. WALSH. I am directed by the Committee on Mines and Mining, to which was referred the bill (S. 3588) releasing the Dan Creek Gold & Copper Co. of assessment work on certain claims in the Territory of Alaska during the calendar year 1913, to report it back favorably with an amendment, and I submit a report (No. 142) thereon. I ask unanimous consent for the immediate consideration of the bill.

Mr. SMOOT. I ask the Senator from Montana if there is a report accompanying the recommendation of the committee?

Mr. WALSH. There is. Mr. SMOOT. Perhaps the Senator can state briefly what is

the bill and for what purpose it is designed.

Mr. WALSH. The bill proposes to release locators of mining claims within the basin of Dan Creek, in the Chitina mining district of Alaska, from the necessity of doing representation work for the current year.

Mr. SMOOT. For what reason? Mr. WALSH. The recommendation is founded upon a report, which is to the effect that they have had in that locality a most extraordinary cloudburst, which has practically wiped out the development work that had been placed within the basin of the creek for the purpose of carrying on operations.

Mr. SMOOT. I thought we passed a bill in the Senate a month or so ago relieving all of the mining locators in Alaska

from assessment work for this year.

Mr. WALSH. That was only in the Seward Peninsula.
Mr. SMOOT. And this is another district?
Mr. WALSH. This is in a widely remote district.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendment of the Committee on Mines and Mining was

to strike out all after the enacting clause and to insert:

That on account of disaster and loss, destruction of improvements and other injury caused by floods in the region drained by Dan Creek, Alaska, the owners of all lode and placer mining claims within the basin of Dan Creek, in the Chitina mining district, in the Territory of Alaska, be, and they are hereby, released from all assessment work

upon the said claims for the year 1913, and the failure to perform such work upon the said claims during said year shall not affect the title to the same.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read

the third time, and passed.

The title was amended so as to read: "A bill releasing the owners of all lode and placer mining claims in the basin of Dan Creek, in the Chitina mining district, in the Territory of Alaska, for the year 1913."

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows

By Mr. JAMES: A bill (S. 3764) granting a pension to J. W. Compton (with accompanying papers); to the Committee on Pensions.

By Mr. JONES:

A bill (S. 3765) providing for the erection of monuments along the international boundary line between the United States and Canada commemorating 100 years of peace between the United States and Great Britain; to the Committee on Foreign Relations.

By Mr. GOFF

A bill (S. 3766) for the relief of James A. Showen; to the Committee on Claims.

A bill (S. 3767) granting an increase of pension to Albert Scroggins, sr.; to the Committee on Pensions.

By Mr. DU PONT:

A bill (S. 3768) to restore Capt. Harold L. Jackson, retired, to the active list of the Army (with accompanying papers); to the Committee on Military Affairs.

By Mr. CATRON:

A bill (S. 3769) granting a pension to Washington R. Price; and

A bill (S. 3770) granting a pension to John Ritter; to the Committee on Pensions. By Mr. CRAWFORD:

A bill (S. 3771) granting a pension to Waddy Hoover (with accompanying papers); and

A bill (S. 3772) granting a pension to Corydon M. Turnbull (with accompanying paper); to the Committee on Pensions.

By Mr. McLEAN:

A bill (S. 3773) granting an increase of pension to Emerette C. Hillman (with accompanying papers); to the Committee on Pensions.

By Mr. PENROSE:

A bill (S. 3774) for the relief of W. S. Hosack: to the Committee on Claims.

A bill (S. 3775) granting an increase of pension to Annie

Mellinger; to the Committee on Pensions.

By Mr. LEWIS:

A bill (S. 3776) granting franchise to the National Motor Transportation Co.; to the Committee on the District of Co-

By Mr. OVERMAN (for Mr. CHAMBERLAIN) :

A joint resolution (S. J. Res. 90) to continue in effect the provisions of the act of March 9, 1906 (34 Stat. L., 56); to the Committee on Military Affairs.

CENTRAL HIGH-SCHOOL BUILDING.

Mr. LANE. I introduce a bill, and ask to have it read.

The bill (S. 3763) to amend the act of March 4, 1913, entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes," was read the first time by its title.

Mr. LANE. I ask to have the bill read in full. It is not long.

The bill was read the second time at length, as follows:

The bill was read the second time at length, as follows:

Be it enacted, etc., That the appropriation of \$1.200,000 authorized by the act of March 4, 1913, entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914," etc., for the erection of a central high-school building in the city of Washington, D. C., be divided, \$750,000 thereof to be applied to the erection of a central high-school building on the site at the corner of Eleventh and Clifton Streets NW., heretofore acquired under authority of Congress, and that the remaining \$450,000, or so much thereof as may be necessary, be applied under direction of the Board of Commissioners of the District of Columbia to the purchase of a site, preparation of plans, and erection of a high-school building in the eastern section of Washington, in accordance with the general plan outlined in Senate Document 329, Sixty-third Congress, second session.

Mr. LANE. I wish to say in regard to this measure that the

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I am informed, did the Senate authorize it, nor did the House; but in conference the committee, for some reason or other, raised the estimate of the board of commissioners. I will read an extract from the report of the board of commissioners on this point :

The appropriation bill for the fiscal year 1913, as reported to the Senate by the Appropriations Committee and passed by the Senate, contained authorization for a new central high school to cost \$725,000, and made an appropriation of \$250,000 available for that purpose.

In conference the Senate amendment authorizing a new central high school to cost \$725,000, and making an appropriation of \$250,000 toward the building, was stricken out.

So that it seems that in conference the amount was raised to the sum of \$1,200,000. There is necessity and need, according to the report of the board of commissioners which was submitted to the Senate a few days ago in answer to a resolution which was presented by me some time ago, for two high schools in the city, and they state that the sum mentioned in the bill will provide all that is necessary for 1,200 pupils at the present site, which has already been selected, and the remainder of the sum might perhaps build another high school over in another portion of the District, where the children need the facilities of a high school. The board of commissioners further say:

Only one high school, the Eastern High School, is in the eastern or southwestern section of the city. A new high school in the eastern section of the city is needed. A new central high school is needed, but in the judgment of the commissioners a central high school to accommodate 2,500 pupils is not needed at present.

So that this bill meets the approbation of the Board of Commissioners of the District of Columbia, and follows right in the line of their recommendation, as I understand.

I will ask to what committee the Senator desires the bill referred?

The VICE PRESIDENT. To the Committee on the District

of Columbia.

Mr. SMOOT. Mr. President, this appropriation was recommended by the Appropriations Committee. The reasons for the change in plans were given to that committee. hearings upon this particular item. I ask the Senator, therefore, if it would not be proper to have this bill referred to the Appropriations Committee, which originally acted upon this matter?

Mr. LANE. It makes no difference to me as to where the bill is referred so long as it receives proper and expeditious consideration. There is need for a division of this fund, and, as I have said before, the bill is in harmony with the report and the request of the board of commissioners, as I understand.

Mr. SMOOT. I have read the report to which the Senator

has referred, but I-

Mr. SMITH of Georgia. Is it not a District matter, and ought not the bill, therefore, go to the Committee on the District of Columbia, rather than to the Committee on Appropriations?

Mr. SMOOT. The Senator from Georgia will remember that there was quite a discussion upon this matter after the conference report was made. The matter has been acted upon by the Appropriations Committee and incorporated in an appropriation bill, and I think, therefore, if we are going to change that appropriation, as the bill virtually seeks to do, that it ought to go to the Appropriations Committee, where hearings were held and the whole question considered at a previous ses-

Mr. SMITH of Georgia. My interest in it is simply that I agree very fully with the views of the Senator from Oregon [Mr. LANE] that this fund ought to be divided, and that it was a mistake to put so large a school in one place. The Senator from Utah [Mr. Smoot] will remember that I did could at the time to press that view upon the Senate, but the matter had gone so far that it was hardly possible to check it. I would be very much gratified to see both sections of the city supplied with high schools rather than to undertake to mass so many children at one place from so many different directions.

Mr. SMOOT. I will say to the Senator that I think the Appropriations Committee will take up the subject for consideration, and perhaps insert a provision in the regular District of Columbia appropriation bill. In this way, if it is to be passed at all, it will be passed at an earlier date than if the bill were referred to the Committee on the District of Columbia.

Mr. SMITH of Georgia. I wish to say that I have had no communication whatever on this subject from the District Commissioners. After I finished the fight on the floor, I dropped the matter, but the same line of thought seems to have broken out again, and taken hold of those who now have control of the

matter, and my own observation fully sustains that view.

Mr. LANE. Mr. President, I wish to say that this bill does

merely divides and properly apportions money which has already

been appropriated.

Mr. GALLINGER. Mr. President, that is true, but at the same time I think this is a matter that ought to be given very careful consideration. At the time this appropriation was made I chanced to be chairman of the Committee on the District of Columbia, and also chairman of the subcommittee of the Committee on Appropriations which considered this matter. It is barely possible that the Senate erred in the conclusion it reached, but it did not reach that conclusion in any haphazard way. We had very full hearings on the subject and gave it the most careful consideration.

It is the judgment of a great many people in this District, as well as elsewhere in this country, that we have passed the period in Washington of erecting small school buildings.

The truth is this District is gridironed with small school buildings, and that is one of the reasons why the cost of education in the District of Columbia is at so high a point that we are constantly criticized and comparisons made with other cities which are not to the credit of the District of Columbia. In that view it was thought well, inasmuch as we had purchased a very large tract of land in a most desirable part of the city, to erect a building not only for present needs, but looking to the future needs of the District.

Mr. President, that appealed to my judgment; and whilst a mistake may have been made, as I have suggested, and it may. be desirable to divide this appropriation and build one highschool building and purchase a site for another, yet it ought not to be done without the most mature consideration by some committee of the Senate. I agree with the Senator from Utah that as the Committee on Appropriations have handled the District of Columbia appropriation bill, that appropriation bill not having gone to the Committee on the District of Columbia, this matter ought to be referred to that committee for consideration, and doubtless a wise conclusion will be reached.

Mr. LANE. Mr. President, I would say just a word in reply to that. I had no choice. It did not seem to me to make a particle of difference where this bill went, so long as it went into the hands of an intelligent committee; and if the Appropriations Committee is the one which the Senator wishes it referred to, and that committee handled it before and made an appropriation of hundreds of thousands of dollars in excess of the estimates which were submitted to them, then I prefer to have it go into the hands of the other committee, the Committee on the District of Columbia, where the matter can be taken

up on its merits.

Mr. SMOOT. Mr. President, I do not think the Senator ought

to reflect upon a committee.

Mr. LANE. I am not; but inasmuch as the question has been raised and the reference was made, what objection can there be to having the bill referred to the Committee on the District of Columbia? Is there any idea that they will not treat the matter fairly and look into it intelligently?

Mr. GALLINGER. The present difficulty seems to be, Mr.

President, that certain Senators who have not served on either of these committees seem to have violently and suddenly come to the conclusion that the committees which have had jurisdic-

tion of all these matters have not acted wisely.

Mr. President, it is barely possible that had the Senator from Oregon been on those committees he would have reached wiser conclusions than the committees did, but it is a matter of doubt at best. I again submit that, as the Committee on Appropriations has handled this matter, it ought to go to that committee. I therefore move its reference to the Committee on Appropriations.

Mr. SMOOT. I wish to say to the Senator that he will get quicker action, if that is what he desires, by having this matter referred to the Appropriations Committee than he will by having it referred to the Committee on the District of Columbia. Not only that, but the bill involves an appropriation, indirectly if not directly.

The bill came from the Committee on Appropriations. It was considered there. Hearings were had there, and the whole question, even in the House, was considered by the Committee on Appropriations. Therefore it seems to me it ought to go In its regular order it ought to go there.

I think every bill should go to the appropriate committee, and certainly the appropriate committee to handle this bill is the

Committee on Appropriations.

Mr. SMITH of Georgia. Ought it not to be the work of the District Committee to determine the problems of policy of the schools for the District?

Mr. SMOOT. The Senator knows that every appropriation made here for any additional school, or any appropriation for not provide for the appropriation of one-quarter of a cent. It maintaining any school in the District, is always made by the Appropriations Committee, and every dollar that is appropriated for the maintenance of the District, as far as the Government is concerned, comes through the Appropriations Committee

Mr. SMITH of Georgia. But ought not the District Committee be the first to consider problems of policy for the District,

even if they do not make the appropriations?

Mr. SMOOT. They of course consider the laws that affect the District, but they never yet, in the history of the Senate, have had the appropriating of money in any way for the building of schoolhouses or the maintenance of any department of the District

Mr. SMITH of Georgia. I have no choice at all as to the committee to which the bill should go, except that it would seem that the District Committee ought to work out the problem of

school distribution in the District of Columbia.

Mr. GALLINGER. If the Senator from Utah will permit me, the Senator from Georgia is right on that point. All these matters are originally determined by the Committee on the District of Columbia. The recommendations are made and then the Committee on Appropriations makes the appropriation. The District bill is peculiar in the respect that while the appropriation bills a few years ago were divided among several committees at a time when the Appropriations Committee handled all these bills, the naval bill being sent to the Naval Affairs Committee, the military bill to the Committee on Military Affairs, and so on, those of us who were connected with the District of Columbia Committee did not care to take the bill, thinking it might be more properly handled by the Committee on Appropriations. The same was true in the House when the appropriation bills were divided. These matters are originally considered by the Committee on the District of Columbia, the appropriations being afterwards made by the Committee on Appropriations.

I am inclined to think the Senator from Georgia is right in his suggestion. Therefore I withdraw the motion I made to refer the bill to the Committee on Appropriations, and suggest that it go originally to the Committee on the District of Colum-Then their recommendation, of course, will be passed along

to the Committee on Appropriations.

I think the Senator from Georgia is right, and I hope that

reference will be made.

The VICE PRESIDENT. The bill will be referred to the Committee on the District of Columbia.

OMNIBUS CLAIMS BILL

Mr. WARREN submitted an amendment intended to be proposed by him to the omnibus claims bill, which was referred to the Committee on Claims and ordered to be printed.

Mr. GOFF submitted an amendment intended to be proposed by him to the omnibus claims bill, which was referred to the Committee on Claims and ordered to be printed.

PARITY OF EXCHANGE DETWEEN GOLD AND SILVER USING COUNTRIES.

Mr. THOMAS. Mr. President, in view of the unanimous-consent agreement which was adopted yesterday I wish to vacate the notice now on the calendar that I would speak on Senate joint resolution 89, and I desire to give notice that at a later date I shall address the Senate upon the subject.

IMPROVEMENT OF NAVIGABLE RIVERS.

Mr. BANKHEAD. Mr. President, I ask permission to have referred to the Committee on Printing a copy of an address by Rome G. Brown, delivered before the National Rivers and Harbors Congress a few days ago, with the view that if, in the judgment of the committee, it is deemed advisable to have it printed they will report favorably upon it.

The VICE PRESIDENT. The matter will be referred to the

Committee on Printing.

BANKING AND CURRENCY.

The VICE PRESIDENT. Morning business is closed. The Chair lays before the Senate House bill 7837.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7837) to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and

The VICE PRESIDENT. The pending question is the amendment proposed by the Senator from Nebraska [Mr. HITCHCOCK] to the amendment of the Senator from Oklahoma [Mr. Owen]

Before the discussion begins the Chair desires to make a ruling which, if not agreed to by the Senate, the Chair requests shall be settled now, so as to prevent confusion.

The Chair is going to rule that when a Senator rises on his feet he has 15 minutes in which to speak; and if he yields any minutes. The Chair will be unable to keep a record of the joint discussion.

Mr. SMOOT. Does the Chair say it will not be taken out of his time or that it will be?

The VICE PRESIDENT. It will not be taken out.

Mr. JAMES. Mr. President-

Mr. SMITH of Georgia. That is to say, he will have only 15 minutes, and he will lose the time consumed by the interrup-

The VICE PRESIDENT. He will hold the floor for 15 min-tes. If he permits himself to be interrupted, that is his fault, and not the fault of the Chair.

Mr. SMOOT. That is right.

Mr. JAMES. So it will be taken out of his time? Mr. SMOOT. It will be taken out of his time.

The VICE PRESIDENT. Yes.

Mr. JAMES. The Chair stated that it would not.

The VICE PRESIDENT. What the Chair meant was that with a running debate between Senators on these amendments there would be no way for the Chair to keep a record of the time.

Mr. GALLINGER, Absolutely.
The VICE PRESIDENT. We would have to get a time-

keeper if that were to be done.

Mr. BRISTOW. Referring to the ruling of the Chair, if a Senator should occupy, say, 10 minutes on an amendment and then yield the floor, and the position he had taken should be replied to or controverted by other Senators, he would then have 5 minutes left in which to answer them?

The VICE PRESIDENT. Undoubtedly. The ruling the Chair wanted to make was with reference to these running The ruling the debates, where there is a quarter of a minute occupied by each In such cases there is no way to keep the time.

Mr. BRISTOW. I think the Chair is right about that.

Mr. GALLINGER. It simply could not be done.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Nebraska [Mr. HITCHCOCK] to the amendment of the Senator from Oklahoma [Mr. Owen]

Mr. SHERMAN. Mr. President, I will take such part of the 15 minutes as I need. I hope not to use all of it. I will take what time I do take now, however. I do this in order to conclude the remarks I began last night.

My purpose was to show the distribution, under the pending Owen bill, of the capital and surplus and deposits over the cropproducing area. I submitted last night some figures for that I submit these figures particularly in view of the character of the Owen bill and the Hitchcock bill.

The Hitchcock bill provides that the regional banks shall be capitalized by the voluntary action of the subscribers. It offers to the general public subscription to the shares. This removes practically all of the compulsory features from the bill. If people voluntarily subscribe to and put their money in a regional bank, they thereby become subject to such regulations as the act itself imposes. It possesses none of the objectionable features that attend the Owen bill. After that, if any action of a compulsory character is taken by the reserve board which controls the investment of the capital and deposits, no complaint can be properly made.

Under the Cwen bill the reserve board has power to require the regional banks to rediscount the paper of any other regional bank in the United States. Because of this, the distribution of capital, surplus, and deposits in relation to the crop-production areas of the United States becomes material. Because of the compulsory character of the use of the capital and deposits under this power of the reserve board, the regional banks may be compelled to send their money to any part of the United States.

This furnishes to us the reason for subjecting to analysis the allotments of money made by the Secretary of the Treasury last fall for moving crops. I have collected the percentages in this way, so as to present them in the smallest possible compass.

The North-I do not mean by that any sectional geographical division, but the census division, taking the States I read into the RECORD last night—has 72.7 per cent of the total capital and surplus, which will be the basis of the regional-bank subscriptions. It has 75.2 per cent of the total of all the deposits in the national banks. The South has 18.2 per cent of the total capital and surplus. It has 14.7 per cent of the deposits.

Put in another form, the North has in its national banks more than four times the capital and surplus of the southern division. It has more than five times the deposits of the south ern division. The North has nearly 57 per cent of the total crop production of the United States. The South has 35 per This includes all the staple crops, everything that is cent. of the time for interrogatories it will not be taken out of the 15 | considered under the head of crops in the census report. Therefore, when we compare the crop production of the southern area with that of the northern area we find that the northern area has a crop production more than 60 per cent in excess of that of the southern area.

The figures of the crop-moving allotment, as given last night, show that 48.49 per cent of the total of \$46,500,000 was allotted to the South and West. To the North and East only 40.8 per cent was allotted. To the Pacific coast and Rocky Mountain country 10.64 per cent was allotted.

In other words, while the northern area produces from four to five times as much of the capital, surplus, and deposits of the banking resources of the country and 60 per cent more of the crop production, it gets 20 per cent less of the allotment of funds from the Secretary of the Treasury. This is the first practical application of the compulsory-rediscount power vested in the Federal reserve board.

One very marked advantage which the Hitchcock bill possesses over the Owen bill is that the compulsory rediscount feature is limited to times of emergency. An emergency is a time of financial crisis, a time when help is needed. The Owen bill makes no such restriction. It gives arbitrarily the compulsory rediscount power without any regard to the necessities arising from an emergency. This would give, applied in concrete form, vastly increased power to the great banking resources of the United States for distribution in a favored way to the area that has a minority of the crop production, and a decided minority of banking resources.

At present we have three central reserve cities in the United States—New York, Chicago, and St. Louis. I have compiled the figures with reference to each of these areas, showing what would happen in the event of the creation of regional banks.

Beginning with St. Louis, taking her banking facilities as they appear in the Comptroller of the Currency's report of November 20, 1913, if a regional bank were created in St. Louis it would draw in capital and surplus and deposits more than \$11,000,000 from the State of Missouri alone. If a regional bank were created in the city of Chicago it would withdraw or transfer from the places where the money now is, in the capital stock of the national banks of Illinois, more than \$7,000,000. It would withdraw from the places of deposit, reserves, and elsewhere, a total of more than \$23,000,000. It would require a transfer or shifting of funds in that State alone of more than \$30,000,000.

If a regional bank were created in the city of New York, it would require more than \$20.000,000 of capital and surplus to be subscribed from the State of New York alone.

It would take of the deposits from New York City and from the country banks and the reserve cities outside in the State of New York a total of more than \$64,000,000, making a total transfer in the State of New York alone of nearly \$85,000,000; and all this aggregation of banking resources, when collected in these regional banks, would be absolutely subject to the arbitrary power of the Federal reserve board, without a limitation as to a time of emergency. The time in which it could be exercised would be unlimited. It would run 12 months in the year and be subject to the same course of distribution shown in the \$46.500,000. Whether any favoritism be shown or not, the truth remains that in distribution it goes to the country and furnishes the banking resources to areas that produce a minimum of crops and money. This is the first net result of the "new freedom" in business.

I wish here, in conclusion, in the very few minutes I have to occupy, to read a quotation from an address of the Secretary of the Navy, made last night or yesterday. I quote from the Washington Post of December 18, 1913. The Secretary of the Navy said:

The latest exhibition of hysteria is the effort to prevent the passage of the currency bill. It is well known by everybody that this bill is certain to become a law substantially as now framed, and yet those who would destroy confidence in the American Government and its ability to control its finances dub as hysteria the effort to pass a long-needed currency reform, promised for years, but never until now answered.

The answer to that statement is that the House bill as it came over to the Senate has by those who are responsible for legislation by virtue of holding party power been vastly improved. It contains in its amended features what its own authors will admit is a very substantial improvement. There has been no effort here to delay the passage of the bill. There has been an effort to improve the quality of the bill. I believe the record here, not only that kept in this Chamber, but the record of the committee room, will show a very material improvement in the character of the legislation, whether it be the Owen bill or the Hitchcock bill. So our deliberations here have not been for the purpose of preventing currency legislation, but for the express purpose of improving currency legislation. If this be hysteria, then we can well stand more of such hysteria.

In conclusion, Mr. President, I wish to express my thanks for the courtesy and kindness shown me by the Senator from Nebraska [Mr. Hitchcook] last evening in yielding me time that he properly would have taken.

Mr. BURTON. Mr. President, I strongly favor the provision in the amendment offered by the Senator from Nebraska to increase the required reserve against circulating notes to 45 per cent. In framing a measure of this kind no one can tell with accuracy how large a reserve will be required, but every presumption favors one that is ample. The law should provide not merely for ordinary conditions, for periods of prosperity, but for those possibilities which confront any nation in its future development. We should provide for storms as well as for sunshine.

No tendency has been more marked in recent years than increase of metallic reserves against the circulating notes. On this subject I read briefly from page 293 of the work of Mr. Conant on the Principles of Banking:

The gold reserves of all the European banks of issue in 1877 were only \$575,000,000, and had risen in 1885 to only \$700,000,000, but the amount nearly doubled in the next dozen years, and now affords almost inexhaustible reservoirs of metallic money. Between December 31, 1883, and December 31, 1897, it is pointed out by Thery, the gold reserves of the European banks of issue increased by 5,189,700,000 francs (\$1,000,000,000) and reached 8,745,600,000 francs (\$1,740,000,000), while the circulation increased only 3,035,507,000 francs (\$60,000,000). After 1897 the production of gold was somewhat retarded by the troubles in the Transvaal, but the reserves of the European banks continued to increase until their ratio to outstanding notes became nearly 60 per cent.

The manner in which the proportion of gold to notes has thus increased within a period of less than a generation is shown in the following table.

Unfortunately this table does not bring the figures down to a later date than 1904. In 1883 the quantity of gold reserves was 3,555,900,000 francs; of silver reserves, 2,049,000,000 francs. In five years, or by 1888, the amount of gold reserves had increased to 4,376,100,000 francs, while of silver reserves it had increased to 2,517,000,000 francs. The percentage of gold to notes in 1883 was comparatively small, being only 29 per cent. In 1888 it had increased to 34 per cent.

Mr. President, I will not take the time to read the whole of this table, which gives the figures biennially from 1888 to 1904, but I ask consent to have it printed in the Record.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The table referred to follows.

Reserves of European banks of issue.

Year.	Gold reserve.	Silver reserve.	Circulation.	Per cent of gold to notes.
1883 1888 1890 1892 1894 1896 1898 1990 1900	Francs. 3, 555, 900, 000 4, 378, 100, 000 4, 592, 700, 000 6, 982, 000, 000 7, 859, 900, 000 8, 211, 000, 000 8, 752, 000, 000 9, 837, 000, 000	Francs. 2,049,900,000 2,517,000,000 2,339,200,000 2,405,100,000 2,603,700,000 2,512,700,000 2,636,000,000 2,637,000,000 2,821,000,000 2,821,000,000	Francs. 12, 246, 900, 000 12, 757, 800, 000 13, 205, 800, 000 14, 805, 500, 000 15, 539, 500, 000 14, 536, 600, 000 14, 975, 000, 000 15, 906, 000, 000 16, 215, 000, 000 16, 737, 000, 000	22 34 34 44 55 56 55 56

Mr. BURTON. I will, however, give the figures for 1904. At that time the gold reserve in banks of issue in Europe had increased to 9,837,000,000 francs; the silver reserves to 2,841,000,000 francs. The circulation had increased to 16,737,000,000 francs. Some rather striking features appear in this change, which has been prompted by the best experience of foreign countries in regard to metallic reserves. The silver reserves increased about 40 per cent in these 21 years. The gold reserve increased 180 per cent. That shows the tendency to rely upon gold. The circulation increased only about 35 per cent. The per cent of gold to notes in 1883 was, as I have already stated, only 29 per cent, but that proportion had mounted to 59 per cent in 1904, or more than double that of 1883.

It is true that this table does not mention the amount of Government and private deposits which are secured by these same reserves or measurably secured by them, but those deposits do not modify the general fact of the great increase in the metallic reserves against circulating notes.

record of the committee room, will show a very material improvement in the character of the legislation, whether it be the Owen bill or the Hitchcock bill. So our deliberations here have not been for the purpose of preventing currency legislation, but for the express purpose of improving currency legislation. If this be hysteria, then we can well stand more of such hysteria.

Nevertheless its deposits are not so large as those of some private banks. Its Government deposits in 1910 were \$25,000,000 and other deposits \$118,000,000, in all about \$143,000,000. This amount is surpassed by private banks in our own country. The deposits of the Reichsbank are somewhat larger, about \$51,000,000 of Government deposits and about \$91,000,000 of private deposits, the private deposits being smaller than the Bank of France, although the aggregate is greater.

Mr. President, this is the course which has been pursued in foreign countries, a practical doubling of the reserves against circulating notes in 21 years. We can not too often reiterate the fact that our own situation is unique and requires greater care than in these other countries, because we already have outstanding such an enormous amount of paper currency which, in whole or in part, depends upon the gold reserve. In other words, these foreign banks have reserves against only one form of currency, a currency issued by these great central banks. Under our system we will have not merely these Federal reserve notes but even now we have an enormous mass of paper currency, of silver currency, which is half flat money, and the national-bank notes; so that if any change is made, if we should adopt any distinctive policy compared with foreign private banks, our reserves should be larger.

Mr. NELSON. Mr. President—
The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Minnesota?

Mr. BURTON. I am glad to yield to the Senator.

Mr. NELSON. I wish to call the Senator's attention to a fact in connection with the discussion that he is now carrying on. I.' you study this bill you will find that paragraph 6 of the power conferred on the Federal board and section 18 of the refunding provision contemplate the continuance of the circulation of our present bond-secured currency up to its full volume. If that be borne in mind, necessarily the effect of this bill, so far as a currency measure is concerned, is simply to provide for an emergency currency, something in addition to the national-bank note currency, and not to take the place of it.

Mr. BURTON. Mr. President, on that question I have decided views. We ought to withdraw that bank-note currency as soon as possible and substitute these Federal reserve notes for it or some other form of currency. But if the policy which the Senator from Minnesota outlines as the object of the bill is carried out there is unlimited opportunity to issue an additional amount. Whether that additional amount be small or large, the same principle applies as to the reserve against it.

Mr. President, I hope this amendment will prevail. Whether the rest of the provisions are to be commended or not there is enough in the 45 per cent proposition to command the support of the Senate. I understand the Democratic caucus yesterday agreed to raise the amount from 35 per cent to 40 per cent, but that is not sufficient. The report of the Monetary Commission suggested 50 per cent, insisting that was the smallest percentage which would be safe.

Mr. HITCHCOCK. Mr. President, I suggest the absence of

a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names.

names.
Gallinger
Goff
Gore
Gronna
Hitchcock
Hollis
Hughes
Jackson
James Nelson Norris O'Gorman Oliver Overman Owen Page Perkins Shively Simmons Smith, Ga. Smith, Md. Smith, Mich. Smith, S. C. Smoot Starling Ashurst Bacon Bradley Brady Brandegee Bristow Sterling Sutherland Swanson Thomas Pittman Poindexter Pomerene James Johnson Catron Chamberlain Chilton Clapp Clark, Wyo. Clarke, Ark. Kenvon Kern Kern La Follette Lane Ransdell Thompson Reed Robinson Root Saulsbury Vardaman Walsh Warren Lea F Lippitt McCumber McLean Martin, Va. Martine, N. J. Colt Crawford Weeks Williams Shafroth Sheppard Cummins Dillingham Sherman Shields

Mr. SMOOT. I desire to announce that the senior Senator from Washington [Mr. Jones] and the junior Senator from Michigan [Mr. Townsend] have been called from the Chamber on public business.

The VICE PRESIDENT. Seventy-eight Senators having answered to the roll call, there is a quorum present. The question is on the amendment proposed by the Senator from Nebraska [Mr. Hitchcock] to the amendment of the Senator from Oklahoma [Mr. Owen].

Mr. HITCHCOCK. Mr. President, in asking for a vote upon this amendment, I desire to make a brief statement to accompany it.

This amendment proposes to raise the gold reserve from 33½ per cent to 45 per cent. Supplementing what the Senator from Ohio has said, to the effect that in all European countries larger gold reserves are now being accumulated than ever before and in those countries larger gold reserves are now being held than are proposed to be established by this bill in this county, I want to say that the figures in 1908, four years later than those given by the Senator from Ohio, show that in the Bank of England the gold reserve against notes was over 66 per cent; in the Bank of France it was over 68 per cent; in the Reichsbank of Germany the reserve against notes was 57 per cent, while from the report of the Comptroller of the Currency of the United States for last year I take the following figures to show that in the leading countries of Europe at the present time the amount of uncovered paper currency is much smaller than the uncovered paper currency of the United States.

In England the uncovered paper currency was \$115,000,000; in France it was \$245,000,000; in Germany it was \$276,000,000; and in the United States already it is \$764,000,000. Can the United States, in view of this enormous excess of uncovered paper as compared with the countries of Europe, afford to enter into a new currency system with a gold reserve of less than 45

per cent?

I ask for a vote, Mr. President,

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Nebraska [Mr. Hitchcock] to the amendment of the Senator from Oklahoma [Mr. OWEN].

Mr. OWEN. I move to lay the amendment to the amendment on the table.

The VICE PRESIDENT. The question is on the motion of the Senator from Oklahoma to lay the amendment proposed by the Senator from Nebraska to the amendment of the Senator from Oklahoma on the table.

Mr. BURTON and Mr. SMOOT called for the yeas and nays. The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. DU PONT (when his name was called). I have a general pair with the senior Senator from Texas [Mr. Culberson]. I will transfer that pair to the junior Senator from Maine [Mr. Burleigh] and vote. I vote "nay."

Mr. SMITH of Georgia (when his name was called). I transfer my pair with the senior Senator from Massachusetts [Mr. Lodge] to the senior Senator from Maine [Mr. Johnson] and vote. I vote "yea."

Mr. STERLING (when his name was called). I again announce my pair with the senior Senator from Louisiana [Mr. Thornton]. If permitted to vote, I should vote "nay."

Mr. SWANSON (when his name was called). I am paired with the senior Senator from Washington [Mr. Jones] for today. I transfer that pair to the Senator from Illinois [Mr. Lewis] and vote. I vote "yea." I will let this announcement stand for the day.

The roll call was concluded.

Mr. BRYAN (after having voted in the affirmative). I have a pair with the junior Senator from Michigan [Mr. Townsend], which I will transfer to the junior Senator from South Carolina [Mr. Smith] and allow my vote to stand.

[Mr. SMITH] and allow my vote to stand.

Mr. SMITH of Arizona. I am paired with the Senator from New Mexico [Mr. FALL], and for that reason can not vote. If I were at liberty to vote, I should vote "yea." I make this announcement to stand for the day.

Mr. CLARK of Wyoming (after having voted in the negative). I have a general pair with the senior Senator from Missouri [Mr. Stone]. I voted, not noticing his absence. The Senator from Missouri is confined to his house by illness and unable to attend the sessions. Therefore I withdraw my vote. I ask that this announcement of the pair stand for the day.

Mr. SMOOT. I desire to again announce that the senior Senator from Washington [Mr. Jones] and the junior Senator from Michigan [Mr. Townsend] are absent from the Chamber on account of public business. They are both paired. I will allow this announcement to stand for the day.

The result was announced-yeas 42, nays 39, as follows:

YEAS-42.

Ashurst Bacon Kern Pomerene Bankhead Lane Ransdell Bryan Lea Reed Robinson Martin, Va. Charke, Ark. Myers Shafroth Fletcher Gore O'Gorman Hollis Overman Shively Hughes Owen Simmons

Smith, Ga. Smith, Md. Swanson Thomas Thompson Tillman Vardaman Walsh Williams

NAYS-39. Cummins Dillingham du Pont Gallinger Goff Gronna Lippitt McCumber McLean Nelson Norris Oliver Root Sherman Smith, Mich, Smoot Stephenson Sutherland Borah Bradley Brady Brandegee Bristow Burton Hitchcock Jackson Kenyon La Follette Catron Clapp Colt Crawford Page Penrose Perkins Poindexter Warren NOT VOTING-14. Burleigh Clark, Wyo. Culberson Fall Smith, Ariz. Smith, S. C. Johnson Thornton Townsend Jones Lewis Lodge Sterling

So Mr. HITCHCOCK's amendment to the amendment of Mr. Owen was laid on the table.

Mr. HITCHCOCK. Mr. President, I offer the amendment which I send to the desk to the amendment of the Senator from Oklahoma.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The Secretary. In the print of the amendment of Mr. Owen, in section 2, page 7, line 20, it is proposed to strike out "\$3,000,000" and insert "\$5,000,000"; so that the amendment if amended will read:

No Federal reserve bank shall commence business with a subscribed capital less in amount than \$5,000,000.

Mr. HITCHCOCK. Mr. President, this amendment is designed to strengthen the bill. As provided in the original House bill, no reserve bank was permitted to commence business with less than a fully paid-up capital of \$5,000,000. The Senator from Oklahoma [Mr. Owen] has presented a bill providing that a reserve bank can commence business with a subscribed capital of \$3,000,000, only \$500,000 of which need be paid up. To my mind, this makes possible the establishment of the weakliest and sickliest pretenses of reserve banks. I therefore move that the amount be increased to \$5,000,000 as the very minimum with which any bank should be permitted to open its doors.

Mr. NEWLANDS. Mr. President, I am opposed to the amendment presented by the Senator from Nebraska. I do not believe that any capital should be required of these banks beyond the contribution of a portion of the capital of each member bank represented by its cash reserves. Having that view, I am therefore opposed to any increase of the capital required by this

bill.

I hope yet that all the capital requirements outside of the reserves themselves, which constitute capital, will be stricken from this bill. I regard them as encumbering the bill and as delaying its acceptance by the banks, National and State, which we hope will become member banks of this organization.

We all know that, taking all the banks of the country, both National and State, the total capital and surplus of these banks aggregate nearly \$4,000,000,000, an enormous sum, a sum larger in proportion to population and wealth than that utilized under any government, however powerful or wealthy, in the world. This sum constitutes, according to statistics, 40 per cent of the existing bank capital of the world, although our population stands at only 100.000,000 as against a total world population of about 1.500,000,000. Having, therefore, only one-fifteenth of the population of the world, we have nearly one-half of the banking capital of the world. There is, therefore, no need of

increasing our banking capital.

With what capital will these reserve banks go into operation? They will go into operation with that portion of the capital of the member banks which this bill provides for, known as bank reserves. As I have said, all the banks of the country, National and State, have \$4,000,000,000 of capital, one billion and a half of which is in cash in the banks; and under this system we compel the transfer of one-third of that cash, or \$500,000,000 of capital of the member banks, to the reserve So that the reserve banks, without any additional capital requirement, will have \$500,000,000 within their vaults taken from the capital of the member banks. What need is there of demanding more? Shall we add to a banking capital that is already top-heavy as compared with that of the rest of the world? These reserve banks will have in their vaults five hundred millions of the cash capital of the member banks, and that is enough with which to do business.

I hope yet the Democratic conference will amend this bill by doing away with all these extra banking capital requirements. In doing so they will remove one of the greatest obstructions that now exists to the immediate acceptance and operation of this bill

We all know that the banks, both National and State, are objecting to a demand upon them for capital beyond that propor- industry, in the crop-moving season, accommodations would be

tion of their cash capital which they are called upon to supply under this bill, and that an additional requirement will prevent many of the State banks, and possibly some of the national banks, from coming under the operation of this act.

So far as I am concerned, I believe we should make the operation of the act as easy as possible; that we should address ourselves to the question of putting into the hands of these re-serve banks such a proportion of the cash reserve capital of the member banks as will enable them to mobilize and present the reserves at the point of attack in vast volume, so as to overcome any temporary difficulty, either local, interstate, or national, and that we should address ourselves to that question without any further complications. If we can only mobilize these reserves—the cash capital of these reserve banks—in such a way as to make them effective at the point of danger, we shall accomplish all we need under this bill.

Mr. BURTON. Mr. President, I can not agree with my good friend the Senator from Nevada upon this proposition. Briefly stated, his argument is that it is safe for a bank or other institution to enter business providing it has plenty of debts; for what are deposits and these other obligations which the re-

gional banks will incur but debts?

Capital in sufficient volume to meet losses in case they occur is an essential requirement for confidence in a banking institu-One of the main objections to this whole system lies in dividing the country into different regions, 8 or 12 in number. The banks will thereby become so weak that they can neither command foreign exchanges nor regulate domestic transactions. This small capital affords one of the very strongest argumentsindeed, an unanswerable argument-for a central institution.

This bill provides that each regional bank must supply the demands for credit-the wants of an aggregation of States, 8, possibly 10-and yet a bank may begin business with

\$1,500,000 of paid-in capital.

Why, we already have private institutions much larger than that. In looking over the report of the Comptroller of the Currency for 1912 I notice that one bank in New York City alone has a capital of \$25,000,000 and a surplus of \$10,000,000; another a capital of \$25,000,000 and a surplus of \$25,000,000. One institution in Chicago has a capital of \$10,000,000 with a surplus of \$10,000,000; another in Chicago a capital of \$21,500,000 and a surplus of \$8,000,000.

It has been said that the central-bank idea ought not to be adopted because these institutions which have been so generally adopted abroad provide for the wants of only a small area, such as Belgium or Holland. As against the \$1.500,000 of capital proposed here, let us see what is the amount of

capital of some of those foreign institutions.

The little country of Switzerland has a bank which commenced business with a capital of \$4,825,000. The central bank of Belgium, a country about the size of the smaller of our States, has a capital of \$9,650,000 and a surplus of \$7,417,000. Look at South America. Take the Argentine Republic. The Bank of the Nation, as it is called, has a capital which, expressed in its equivalent in American money, amounts to \$49,905,000. Another bank, that of the Rio de la Plata, has a capital of \$44,000.000.

The little country of Paraguay, considered somewhat backward, has a bank, the Mercantile Bank of Paraguay, with a capital of \$8,800,000. The Bank of Venezuela has a capital of

\$5,280,000.

It is provided that these regional banks, however small they may be, may-I think the bill now says "shall"-establish agencies in foreign countries and buy bills of exchange, discount paper, and carry on banking transactions. Compared with these great institutions what kind of attention would be afforded a bank which sought to incur obligations and transact business in a foreign country and which its manager would be compelled to say had a capital of only \$1,500,000?

Again, they are authorized to issue circulating notes based upon bonds to an unlimited amount. It is conceivable, though of course not probable, that one of the regional banks with this small capital might under the provisions of the bill acquire \$50,000,000 of United States bonds—yes, \$100,000,000. could be issued against those bonds, and the obligation would be imposed on that institution to maintain a 5 per cent redemption fund against them, and to redeem the notes as they might be

Again, there is no check whatever on the quantity of Federal reserve notes that can be issued to one of the regional banks against commercial paper. There is no check whatever on the amount that may be loaned to one of them. Very likely in some sections of the country where agriculture is the predominant

required from one of these regional banks amounting to fifty times the capital that is required. A fractional loss would wipe out the whole capital, would exhaust the liability of the unpaid 50 per cent, and would also exhaust the secondary liability. However, after all, that is not the vital point about it. The real objection is that a plan for so small a capital is contrary to every sound rule of banking, and contrary to the requirement which should be observed, not merely in all business but especially and for peculiar reasons in the banking business, namely, that the capital shall be large enough to be commensurate with the probable transactions which the bank may be called on to perform.

I trust this amendment will be adopted.

The VICE PRESIDENT. The question is on the adoption of the amendment proposed by the Senator from Nebraska to the amendment of the Senator from Oklahoma.

I move to lay the amendment on the table.

Mr. BURTON. In this connection I rise to a parliamentary inquiry. A motion to lay upon the table was made when the last amendment was pending and no objection was interposed. The debate was completed. Under our unanimous-consent agreement, however, which allows any Senator to speak 15 minutes upon pending propositions, is it in order to move to lay an amendment or proposition on the table?

Mr. OWEN. Mr. President—

The VICE PRESIDENT. If the Chair is called upon to rule, the Chair will rule that if anybody wants to discuss the amendment it is not in order; but the Chair assumes that the Senator from Oklahoma understood debate was closed.

Mr. OWEN. I understood the debate was closed. The Senator from Ohio had taken his seat and no one rose, and I therefore made the motion. If anyone desires to discuss it, I do not

wish to make the motion.

Mr. BURTON. If it is conceded that the motion is not to be made until debate has been concluded, that is one way of disposing of the proposition; but I will ask the Senator from Oklahoma why not vote directly on the amendment?

Mr. OWEN. That is another proposition, Mr. BURTON. It seems to me this is a little bit incongruous. There is a provision that any Senator may speak 15 minutes, and the well-understood purpose of a motion to lay on the table is to conclude debate; that is, you have here a rule under which any Senator may speak; but the motion as made runs in an opposite direction from that agreement in that it contemplates the closing of debate.

Mr. BRISTOW. Mr. President, I have here an article which appears in the New York Sun of December 17, an extract from which I desire to read. While it does not relate directly to this

subject, it does indirectly.

It reads as follows: The Democratic and Republican leaders in the Senate are striving to finish the debate and take a final vote on the currency bill to-morrow night, or Thursday at the latest, so that the bill may go to the conference committee of the two Houses and be agreed on by Saturday

night.
The work of the conference is being simplified by Secretary McAdoo,
H. Parker Willis, and certain Democratic leaders, who are meeting
nightly in secret.

I desire especially to have the attention of Senators on the other side. I should like to have the Senator from Oklahoma remain in the Chamber, if he will, because I wish to ask him a question after I am through with the reading.

Meetings have been held in the Raleigh Hotel, at the Treasury Department, and other places, but always under circumstances of great

For several days mysterious hints have been thrown out from administration sources that Secretary McAdoo was relieving Congress of some of the more important details that Senators and Representatives had been expecting later on to commit to a conference committee. Hints have been thrown out of midnight conferences in the Treasury

Hints have been thrown out or midnight conferences in the Treasury Department.

It seems incredible to men in Congress who have been reading the New Freedom and reflecting on the wholesome advice given by the author of the little volume that there should be a third legislative body at work, not in the open light of day, as the President has advised, but under conditions of profound secrecy.

Now, we come to the important part of the article:

Now, we come to the important part of the article.

Of course, there is an additional ground for surprise in the fact that the Secretary of the Treasury with one of his newspaper advisers, who has enjoyed some distinction in the authorship of the Glass bill, should take over the work of legislating on the currency.

From time to time decisions reached in these secret conferences have been hinted at. It was learned to-day, for example, that the proposed guaranty of bank deposits in the administration bill has been eliminated by Secretary McAdoo and the members of his third house.

I do not know anything about the reliability of the information upon which this was based, but I heard a rumor last night that the Democratic caucus was going to drop out of the bill the provision relating to the insurance of bank deposits, and that if it was not dropped there it would be dropped in the conference between the two Houses. That rumor being affoat

in the Chamber and the cloakrooms yesterday, I was very much interested when I saw this article this morning.

I should like to ask the chairman of the committee if it is proposed or has been suggested by him or his advisers that that feature of the bill is to be eliminated in conference or by the Democratic caucus?

Mr. OWEN. I will respond with another question. I should like to know the author of the article the Senator read.

Mr. BRISTOW. It appeared in the New York Sun. Mr. OWEN. Who is the author? Mr. BRISTOW. It is not signed.

Mr. OWEN. Does the Senator expect to interrogate Senators

on this side upon anonymous articles?

Mr. BRISTOW. The article appears under a Washington date line, in the New York Sun of December 17, as a news article. News articles are not signed. Associated Press articles are not signed. It is not marked "Special." I suppose it is by the Sun's news service.

Mr. OWEN. In response to that article, first, I will say that I have attended no meetings in the Treasury, nor at the Raleigh Hotel, nor did I know that there were any in progress.

In response to the last question of the Senator as to this rumor, I should like to know who is the author of the rumor. From whom did the Senator hear that?

Mr. BRISTOW. I do not care anything about whether the rumor is reliable or unreliable. What I asked was whether it is proposed by the Democratic managers to drop this provision out of the bill, either in a Democratic caucus or in the conference between the Houses.

Mr. OWEN. Mr. President, I am concerned to know the authority upon which the Senator proceeds.

Mr. BRISTOW. I have stated it. I am simply calling the

chairman's attention to this proposition.

Mr. OWEN. The Senator from Kansas appears to be calling the attention of the chairman of the committee to a rumor which he has heard, and he does not seem to recall who gave him this startling information. I should like to know who this person is, in order that we may have the light of day upon these things which are so necessary to be known by the people.

Mr. BRISTOW. That is a very diplomatic way for the Sen-

ator from Oklahoma to refuse to answer the pointed question I

put to him.

Mr. OWEN. The Senator from Oklahoma has not concluded this matter.

Mr. BRISTOW. I will put it again. Does the Senator from Oklahoma and his colleagues and conferees intend or expect to eliminate this bank-insurance provision from the bill?

Mr. OWEN. The Senator from Kansas puts this inquiry upon a rumor given to him by some person unknown, and whose name he withholds. I insist upon knowing the person who circulates that rumor.

Mr. BRISTOW. I will change the attitude of my question, and put it upon my own authority. I ask the Senator, regardless of what I may have heard or from whom it may have come, whether or not he proposes or intends to permit this provision to be eliminated from the bill?

Mr. OWEN. As a preliminary to the answer of the Senator from Oklahoma the Senator from Oklahoma desires to know. who circulated this rumor. Does the Senator decline to give that information?

The question is ridiculous, and the Senator Mr. BRISTOW. knows it. It is a subterfuge to insist on an answer to the question and nothing else.

Mr. OWEN. The Senator then does decline to answer? The

Senator declines to give the name?

Mr. BRISTOW. The word "rumor" means generally circu-

lated about the Chamber, and so it was.

Mr. OWEN. The Senator from Oklahoma understands that the Senator says he has heard a rumor. He must have heard the rumor from some person. I desire to know who that person is who is circulating the rumor, and the Senator from Kansas declines to answer. I want to know the name of the man who circulated that rumor. The Senator from Kansas says that is a subterfuge. I will answer the question, but I ask the Senator to answer this question first: Who is the person who circulated the rumor?

Mr. BRISTOW. I decline to give the name of the Senator who told me what the Democratic caucus was going to do.

Mr. OWEN. Then, in reply, I say there is nothing in the

Mr. BRISTOW. I am glad to know the Senator from Oklahoma has thus publicly said that this provision will not be eliminated from the bill.

Mr. OWEN. The Senator from Oklahoma has said nothing of the kind.

Mr. BRISTOW. I am inclined to think that the rumor was

probably accurate.

Mr. OWEN. The Senator is not justified in that conclusion.

Mr. BRISTOW. The Senator from Kansas thinks he is.

Mr. WEEKS. Before the Senator from Oklahoma leaves the hall I want to call his attention to a general protest that has come from all sections of the country to that portion of section 19 which provides that no member bank shall extend, directly

or indirectly, benefits of that sort to a nonmember bank.

Mr. OWEN. I will say that I think that should be revised.

Mr. WEEKS. Here is evidence taken from yesterday's New York Financial News relating to action at this time being taken by the Corn Exchange Bank, of the city of New York, which has numerous branches, relating to that particular subject. I should like to have it read and refer it to the Senator from Oklahoma to be used in the conferences which I understand are now being held.

The VICE PRESIDENT. The Secretary will read as requested.

The Secretary read as follows:

ANTICIPATING THE CURRENCY ACT—SOLICITING RESERVE ACCOUNTS OF COUNTRY BANKS THAT MAY BE AFFECTED.

Corn Exchange Bank is sending a letter to a large number of country banks calling attention to two sections in the currency bill which discriminate against banks not members of the Federal reserve system and soliciting their accounts in event of such nonmember banks withdrawing their reserve relationship with those banks that join the system.

Section 13 in the Owen bill provides that "any Federal reserve bank may receive from any of its member banks and from the United States deposits of current funds in lawful money, national-bank notes, Federal reserve notes, or checks and drafts upon solvent banks of the Federal reserve system." In section 19 of the same bill it is provided that "no member bank shall extend, directly or indirectly, the benefits of this system to a nonmember bank except upon written permission of the Federal reserve board, under penalty of suspension."

These provisions appear to be drawn up with view of coercing all banks to come into the new system, but it further imposes an obligation on those banks which join to discriminate against those which remain out. For instance, country banks not belonging to the Federal reserve system would be debarred from obtaining rediscounts or loans from their present correspondents if the latter become members of the system.

Under the circumstances, the Corn Exchange Bank assumes that there

their present correspondents it the latter become members of the system.

Under the circumstances, the Corn Exchange Bank assumes that there will be many interior banks that will have to sever relations with their present New York City correspondents if they become member banks. The Corn Exchange Bank is careful to point out that only in this event is it placing itself at service of the interior banks as a correspondent.

The letters which the Corn Exchange is sending out now are addressed only to the State banks. It is said that national banks of the country will be circularized later.

Mr. CLAPP. Mr. President, I should like to have the attention of the Senator from Oklahoma for a moment. This prohibition is probably as vital to our section of the country as any provision in the bill. Some of the friends of the so-called Owen bill claim that the prohibition does not go to rediscounting through various banks by the reserve banks.

Mr. OWEN. I have already stated that it is the intention to

redraft the provision.

Mr. CLAPP. But I want to call the Senator's attention particularly to one phase of what may be the redraft. It is claimed by those who are in favor of the bill as championed by the Senator that that provision only goes to the rediscounting by the member banks or the so-called reserve bank. If that is true, and it is proposed to modify the prohibition so as to simply apply to banks that can come in and relieve from the prohibition those banks that can not come in under existing laws, I want to call the attention of the Senator to the importance of also correcting that language.

Mr. OWEN. I agree with the Senator. Mr. President, we have proceeded outside of the regular order. I should like the

regular order to be observed.

Will the Senator from Oklahoma permit me to make a suggestion to him with regard to the redrafting which he has in mind? It is that taking together the clauses to which reference has been made regarding the conduct of business between member banks and nonmember banks the effect which I hope and do not doubt the redraft is intended to obviate amounts almost to a nonintercourse provision as between the banks forming a part of the new system and the State banks in

Mr. OWEN. Of course, there was no such intention as that.

I assume there was not, but I hope that will be Mr. ROOT. kept in mind in the redrafting. Taking it altogether it does amount in a considerable degree to a nonintercourse provision; that is, it does not promote that free business interchange between the national banks in the system and the State banks which are not in the system that has prevailed hitherto.

Mr. OWEN. It was not intended to interrupt that.

Mr. ROOT. It is important that that should be taken out of the bill.

Mr. BURTON. Now that we are on this provision-

Mr. OWEN. I do not understand that we are on this provision.

Mr. BURTON. There is another matter to which I should like to call the attention of the Senator from Oklahoma very

briefly in this connection.

Mr. WILLIAMS. Mr. President, if the Senator will excuse me, I rise to a point of order. We are operating under a unanimous-consent agreement, and that unanimous-consent agreement is that no Senator shall speak more than 15 minutes on the bill itself and not more than 15 minutes on any amendment thereto. In other words, Senators must confine themselves to the amendment under consideration or speak on the bill. We have had two speeches this morning that do not refer either to the pending amendment or to the bill. One of them referred to something which had been stated in some newspaper and another

referred to another amendment to be offered later on. If that is the sense in which the unanimous-consent agreement is to be construed, certainly we have not accelerated progress upon the bill by adopting it. Mr. BURTON. I recognize, if the point of order is raised,

amendment here; at least, I take it so. But there has been very considerable discussion in regard to the provision on page 67, and the attention of the Senator from Oklahoma was called to I thought it would promote steps leading to the final disposition of the bill to call attention briefly to another provision immediately preceding which should be considered at the same

that we can not discuss anything outside of or extraneous to the

Mr. WILLIAMS. But the Senator will not save time, because when we get to the amendment it will be discussed again. How is the Chair to keep account as to whether Senators have spoken upon that amendment or not if they are speaking on it now? I hope the point of order will be considered by the Chair and that we can have a ruling upon it, so as to confine ourselves to the unanimous-consent agreement in the spirit in which it was adopted.

Mr. BURTON. I shall not insist upon speaking upon it at this time, Mr. President, though I do think it would promote orderly progress after having considered at some length one provision to take up another, of only two or three lines, just preceding it, which is closely connected with it. I will, however, try to bring it up at some other time.

Mr. WILLIAMS. That is the proper course.

The VICE PRESIDENT. If there is no further discussion

on the amendment, the question is on the motion made by the Senator from Oklahoma [Mr. Owen] to lay the amendment to the amendment on the table.

Mr. HITCHCOCK and Mr. BURTON called for the yeas and

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. SMITH of Arizona (when his name was called). again announce my pair with the Senator from New Mexico [Mr. Fall] and withhold my vote.

Mr. SMITH of Georgia (when his name was called). I have a general pair with the senior Senator from Massachusetts [Mr.

Lodge]. I therefore withhold my vote.

Mr. STERLING (when his name was called). I again announce my pair with the senior Senator from Louisiana [Mr. If at liberty to vote, I would vote "nay." THORNTON 1.

Mr. SWANSON (when his name was called). As previously stated, I am paired with the senior Senator from Washington [Mr. Jones]. Consequently I can not vote. If permitted to vote, I would vote "yea."

The roll call was concluded.

Mr. SWANSON. I transfer my pair with the senior Senator from Washington [Mr. Jones] to the junior Senator from South Carolina [Mr. SMITH] and vote. I vote "yea."

Mr. DU PONT. I have a general pair with the senior Senator from Texas [Mr. Culberson]. I transfer that pair to the junior Senator from Maine [Mr. Burleigh] and vote. I vote "nay."

Mr. STERLING. I transfer my pair to the junior Senator from California [Mr. Works] and vote "nay."

The result was announced-yeas 43, nays, 40, as follows:

YEAS-43.

Overman Owen Pittman Ashurst James Johnson Bacon Bankhead Kern Lane Lea Lewis Bankheau Bryan Chamberlain Chilton Clarke, Ark. Fletcher Gore Hollis Hughes Pomerene Ransdell Ransdell Reed Robinson Saulsbury Shafroth Sheppard Shields Martin, Va. Martine, N. J. Myers Newlands

Smith, Md. Swanson Thomas Thompson Tillman Vardaman Walsh Williams

NAYS-40.

Lippitt McCumber McLean Nelson Norris Oliver Cummins Dillingham Borah Root Bradley Sherman Brady Brandegee Bristow du Pont Gallinger Goff Smith, Mich. Smoot Stephenson Gronna Hitchcock Jackson Kenyon La Follette Sterling Sutherland Townsend Warren Burton Catron Clapp Colt Crawford Poindexter Weeks NOT VOTING-12. Fall Stone

Smith, Ariz, Smith, Ga. Smith, S. C. Burleigh Clark, Wyo. Culberson Jones Lodge Thornton Works So Mr. Owen's motion to lay Mr. HITCHCOCK's amendment to the amendment on the table was agreed to.

Mr. HITCHCOCK. I offer an amendment to section 2.

The VICE PRESIDENT. The amendment to the amendment

will be stated.

The SECRETARY. In section 2 of the amendment offered by the Senator from Oklahoma, page 2, line 15, strike out the word "eight" and insert the word "six," so that if amended it will

SEC. 2. As soon as practicable the Secretary of the Treasury and not less than two other members of the Federal reserve board hereinafter provided for, to be assigned by the President, acting as "the reserve bank organization committee," shall designate not less than 6 nor more than 12 cities to be known as Federal reserve cities.

Mr. HITCHCOCK. Mr. President, this is experimental legislation. No country has ever attempted to establish more than one reserve bank. The bill as reported by myself provided for the establishment of four. That number, however, presented as an amendment, has been defeated. I am now endeavoring in this amendment to make it possible for the reserve board, when it comes to divide up the country and establish these reserve banks, if in its judgment eight shall prove to be an excessive number, to establish six. If the bill as proposed by the Senator from Oklahoma is passed, the reserve board might feel that eight would be an excessive number, that with eight the system would be a failure, that several of the banks would prove inadequate, and yet its hands would be tied and it would not be able to establish a system with a lesser number of banks than eight.

My amendment, therefore, gives to the reserve board the power to establish so small a number as six. It does not compel the reserve board to establish six, but it makes it possible, if, in the opinion of the reserve board appointed by the President, six shall prove the more desirable number after hearings had and

evidence taken, to make that number.

I offer the amendment in the hope that it may receive some attention, although I concede that the hope is very feeble.

Mr. GRONNA. Mr. President, my attention was diverted for a moment, and I should like to have the amendment read before we vote upon it.

The VICE PRESIDENT. It will be again read.

The Secretary again read the amendment to the amendment. Mr. GRONNA. Mr. President, this would make a change only in the number of reserve banks. As I understand it, it would still leave the control in the hands of the bankers. For that reason I can not vote for the amendment proposed by the Senator from Nebraska.

I said on yesterday that it was possible for the bankers of eight reserve districts to combine and control the currency as it is possible for one central bank to control the volume of

money and currency.

If, on the other hand, the power were placed in the hands of a Government board, I should be in favor not of reducing the number of banks; but leaving it to the individual bankers, to the men who own and control and are conducting these institutions for the purpose of making profit, is a dangerous provision. I can not vote for the amendment proposed by the Senator from Nebraska.

Mr. OWEN. I move to lay the amendment on the table. Mr. HITCHCOCK. I ask for the yeas and nays, Mr. President.

The VICE PRESIDENT. The Senator from Oklahoma moves to lay the amendment to the amendment on the table. Is the request for the yeas and nays seconded?

The yeas and nays were ordered, and the Secretary proceeded

to call the roll.

Mr. DU PONT (when his name was called). I have a general pair with the senior Senator from Texas [Mr. Culberson].

I transfer that pair to the junior Senator from Maine [Mr. Burleigh] and vote. I vote "nay."

Mr. JACKSON (when his name was called). I have a general pair with the senior Senator from West Virginia [Mr. Chilton], who has been called from the Senate. I withhold my vote. Mr. SMITH of Georgia (when his name was called). I will !

simply announce my pair with the senior Senator from Massa-

chusetts [Mr. Lodge] and withhold my vote.

Mr. STERLING (when his name was called). I again announce my pair with the Senator from Louisiana [Mr. Thorn-

TON] and withhold my vote.

Mr. REED (when Mr. STONE's name was called). I again announce the absence of my colleague [Mr. STONE], on account of illness, and the fact that he is paired with the Senator from Wyoming [Mr. Clark]. If my colleague were present, he would vote "yea.

Mr. RANSDELL (when Mr. THORNTON's name was called). I wish to announce the unavoidable absence of my colleague [Mr. THORNTON]. He is paired with the Senator from South Dakota [Mr. Sterling]. If my colleague were present, he would vote "yea."

Mr. SMITH of Arizona (when his name was called). I again announce my pair with the Senator from New Mexico [Mr.

FALL], and withhold my vote. The roll call was concluded.

Mr. OLIVER (after having voted in the negative). Has the senior Senator from Oregon [Mr. CHAMBERLAIN] voted?
The VICE PRESIDENT. He has not.

Mr. OLIVER. I withdraw my vote.

Mr. SUTHERLAND. I inquire whether the Senator from Arkansas [Mr. Clarke] has voted?

The VICE PRESIDENT. He has not.

Mr. SUTHERLAND. I have a pair with that Senator, and therefore withhold my vote.

Mr. JONES. I desire to ask if the junior Senator from Virginia [Mr. Swanson] has voted?

The VICE PRESIDENT. He has not.

Mr. JONES. I have a pair for the morning with that Senator, and I shall withhold my vote. If I were at liberty to vote,

I would vote "nay."

Mr. SMITH of Georgia. I desire to transfer my pair with the senior Senator from Massachusetts [Mr. Longe] to the junior Senator from South Carolina [Mr. SMITH], and to vote. I vote "yea.'

The result was announced-yeas 43, nays 30, as follows:

YEAS-43.

Ashust Kenyon Kern Owen Pittman Shively Bacon Bankhead Poindexter Pomerene Ransdell Smith, Ga. Smith, Md. Thomas Lane Lane
Lea
Lewis
Martin, Va.
Martine, N. J.
Myers
Newlands
O'Gorman
Overman Bryan Fletcher ore Reed Robinson Thompson Gronna Tillman Vardaman Walsh Hollis Hughes Saulsbury Shafroth Sheppard Shields Williams Johnson Overman

NAVS-30

McLean Nelson Norris Page Perkins Bradley Cummins Cummins
du Pont
Gallinger
Goff
Hitchcock
La Follette
Lippitt
McCumber Brady Brandegee Bristow Burton Root Sherman Smith, Mich. Catron Crawford

NOT VOTING-22.

Clarke, Ark. Culberson Dillingham Borah Burleigh Chamberlain Lodge Oliver Penrose Chilton Fall Jackson Jones Clapp Clark, Wyo.

Stone Sutherland Swanson Smith, Ariz. Smith, S. C. Sterling Thornton

Smoot

Weeks Works.

Stephenson Townsend Warren

So Mr. Owen's motion to lay Mr. HITCHCOCK's amendment

to the amendment on the table was agreed to.

Mr. HITCHCOCK. Mr. President, I am drawing to the end of my portfolio of amendments, and I would like to say, if there are any other Senators who have amendments to offer, that I have but three more to offer. I offer the amendment which I send to the desk to section 4.

The VICE PRESIDENT. The amendment proposed by the Senator from Nebraska to the amendment of the Senator from

Oklahoma will be stated.

The Secretary. In section 4, of the amendment of Mr. Owen, on page 12, beginning in line 16, it is proposed to strike out all upon the page and the first six lines of page 13, and in lieu thereof to insert:

Every Federal reserve bank shall be conducted, managed, and controlled by a board of nine directors, five of whom shall be appointed by the Federal reserve board, and shall be known as directors "A," and four of whom shall be known as directors "B," and who shall be selected and appointed by the member banks as follows:

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Nebraska to the amendment of

the Senator from Oklahoma.

Mr. HITCHCOCK. I should like to have the yeas and nays on the amendment to the amendment.

Mr. BRISTOW. Mr. President, before the vote is taken on this amendment I wish to say that while we voted on section 2 as a whole, which involved the number of regional banks and the method of appointing their directors, the Senator from Nebraska is now offering amendments to specific parts of section 2 of the bill reported by the Senator from Oklahoma. will now be a direct vote as to whether the regional banks shall be controlled by officers of the Government or by directors selected by the banks themselves. It is a question as to whether these banking monopolies, which we are creating under the proposed law shall be controlled by their posed law, shall be controlled by their own boards of officers selected by themselves or whether they shall be controlled by officers of the Government. This matter has been discussed at length, and I am glad the Senator from Nebraska has offered this direct amendment involving this one question.

We have heard a great deal of complaint about the monopolization of the credit of the country by Wall Street, and those who have complained the loudest, as I have taken occasion to say before, have now framed a measure which legalizes the very things which they have denounced most violently, and creates a new law by which these private interests can obtain a much more effective control of the credit of the country than they can under the present law.

So important do I regard this provision in the bill that, if I indorsed the majority of its other features, I would not vote for it because it contains this provision, for I never intend to cast my vote for a measure which legalizes a monopoly and legalizes the control of that monopoly by private interests. It seems an amazing proposition to me in this day and age of enlightened public opinion and universal information that an organization or an administration would undertake to denounce trusts and at the same time create them by law and turn them over to private interests to be controlled and operated at their will. That is exactly what this bill proposes to do. I repeat I am glad that the Senator from Nebraska has offered the amendment just as it is, so that we shall vote on the naked question as to whether we favor the control of the credit of the country by a banker's monopoly organized under the law or favor the control of a regional bank organized for the purposes of discount by

officers of the Federal Government.

Mr. OWEN. Mr. President, I move to lay the amendment to the amendment on the table,

Mr. GRONNA. Mr. President, I merely wish to say a word. Mr. OWEN. I withhold my motion, Mr. President.

Mr. GRONNA. Mr. President, I have said repeatedly that I believed it was possible for the reserve banks, whether there were 8 or 12, to concentrate the money and to monopolize business just as well as it is possible for one bank to do so. again emphasize that I believe that to be the fact. I did not vote for the amendment proposed by the Senator from Nebraska [Mr. HITCHCOCK] to reduce the number from eight to six. could not consistently do so. I can not see where it would be of any benefit to have six rather than eight regional banks, if we are going to have those banks controlled by the Money Trust.

I have always been opposed to a single central bank, if it was to be controlled by the bankers. I have never objected to a central bank, providing the Government of the United States had full control over it. I can see no good reason why a banker should have authority to say whether the volume of currency should be increased or decreased, any more than that a mer-chant or a farmer or a planter should have that power. I see no good reason why it should be left to a few men to regulate the increase or the decrease of the volume of the currency.

My friends on the other side, those of you who are voting to place this absolute power in the hands of the bankers, will, I believe, regret it. It is the function of government and not of individuals to regulate the volume of the currency.

Mr. SHAFROTH. Mr. President, I wish simply to say, in reply to the Senator from North Dakota [Mr. Gronna], that we think this bill is safeguarded by the absolute control of the Federal reserve board; it is safeguarded by the appointment by the Federal reserve board of three of the directors of this bank and the right to remove six of the directors in the event that any abuse occurs. Mr. President, I move to lay on the table the amendment to the amendment offered by the Senator from Nebraska.

The PRESIDING OFFICER (Mr. Walsh in the chair). The question is on the motion of the Senator from Colorado [Mr. SHAFROTH] to lay upon the table the amendment proposed by the Senator from Nebraska [Mr. HITCHCOCK] to the amendment

of the Senator from Oklahoma [Mr. OWEN].
Mr. HITCHCOCK. I call for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. DU PONT (when his name was called). I have a general pair with the senior Senator from Texas [Mr. Culberson]. I transfer that pair to the junior Senator from Maine [Mr. Bur-Leigh] and vote. I vote "nay."

Mr. SMITH of Arizona (when his name was called). I am

paired, as I have frequently announced to-day, with the Senator from New Mexico [Mr. Fall]. On this vote I transfer that pair to the Senator from South Carolina [Mr. SMITH] and vote

yea."
Mr. STERLING (when his name was called). As already stated, I am paired with the senior Senator from Louisiana [Mr. THORNTON]. If at liberty to vote, I should vote "nay. The roll call was concluded.

Mr. SMITH of South Carolina (after having voted in the affirmative). Inadvertently I voted when I was paired. I withdraw my vote.

Mr. REED. I again announce the necessary absence of my colleague [Mr. Stone] on account of illness, and the fact that he is paired with the Senator from Wyoming [Mr. Clark]. If my colleague were present he would vote "yea."

The result was announced-yeas 44, nays 36, as follows: YEAS-44.

		The state of the s	
Ashurst Bacon Bankhead Bryan Chamberlain Clarke, Ark. Fletcher Gore Hollis Hughes James	Johnson Kern Lea Lewis Martin, Va. Martine, N. J. Myers Newlands O'Gorman Oliver Overman	Owen Pittman Pomerene Ransdell Reed Robinson Root Saulsbury Shafroth Sheppard Shields XS—36.	Shively Simmons Smith, Ariz. Smith, Md. Swanson Thomas Thompson Tillman Vardaman Walsh Williams
Borah Bradley Brandegee Bristow Burton Catron Colt Crawford	Cummins Dillingham du Pont Gallinger Goff Gronna Hitchcock Jones Kenyon	La Follette Lane Lippitt McCumber McLean Nelson Norris Page Perkins OTING—15.	Poindexter Sherman Smith, Mich. Smoot Stephenson Sutherland Townsend Warren Weeks
Burleigh Chilton Clapp Clark, Wyo.	Culberson Fall Jackson Lodge	Penrose Smith, Ga. Smith, S. C. Sterling	Stone Thornton Works

So. Mr. HITCHCOCK's amendment to the amendment of Mr. Owen was laid on the table.

Mr. HITCHCOCK. I offer an amendment to section 2, the purport of which is to provide that the stock of the reserve banks shall be underwritten by the banks and offered to the

The VICE PRESIDENT. The amendment to the amendment will be stated.

The SECRETARY. In section 2, on page 3, of Mr. Owen's amendment, beginning with the word "When," in line 23, it is proposed to strike out down to and including line 10, page 4, and insert:

There shall be allotted to every national bank within a Federal reserve district, of the capital stock of the Federal reserve bank of such district, a sum equal to 6 per cent of the fully paid-up capital stock and surplus of such national bank, which stock so allotted shall be underwritten by said bank and for a period of 60 days after allotment be offered for subscription at par to the public at large, but no more than 100 shares shall be allowed to be subscribed for, owned, or held by any person, firm, or corporation and all of the allotted stock not subscribed for and taken by the public shall immediately be subscribed for and taken by the national bank to which the same was in the first instance allotted. The preparation, allotment, subscription to, and sale of stock shall be under the control of the board, which in case of oversubscription shall give preference to the smaller subscriptions. The national banks shall in the first instance act as agents of the Federal reserve board to take subscriptions from the general public and receive payment therefor which shall be held subject to the order of the board. That said stock subscription shall be paid for in gold coin or gold certificates as follows: One-third at the time of subscription, one-third within 30 days, and one-third within 60 days thereafter.

Mr. HITCHCOCK. Mr. President, it has been stated here

Mr. HITCHCOCK. Mr. President, it has been stated here repeatedly, and with force, that to compel the national banks of the country to take this stock is practically to make it certain that many banks will not join the system. This amendment would remove that difficulty and tend to bring into the system more banks than would otherwise enter it. This amendment will also prevent the creation of a bankers' trust; it will tend to bring into the banking world \$106,000,000 of fresh capital. It avoids the objection inherent in the other plan of taking fifty or a hundred million dollars away from the active banking capital of the country.

I shall not further discuss the amendment, because I have

heretofore discussed it at length, but I should like a yea-andnay vote upon it.

Mr. OWEN. Mr. President, this matter has been already discussed at great length, and I will only make a single observation in regard to it. If the stock were offered to the public, of course it would be taken by the public because it is a good stock. The value, however, of the stock is due to the funds belonging to the banks of the country; it is due to the putting of their reserves into the system, and the earnings from their reserves ought to go to the banks or to the Government which gives the franchise and which puts its own funds in large volume into this bankers' bank-because it is merely a bankers' bank. It is intended to stabilize the banking business in the United States and to enable bankers to have their individual liberty, which heretofore they have not had, as at any time they might have been put under the shadow of a stringency or even of a panic. The banks of the country which have complained that they ought not to come in, evidently have not considered what the earning power of this stock will be. Six per cent nontaxable amounts to an earning approximately of seven and a fraction per cent. The earning power of the deposits in the banks of the country only approximates a little over 2 per cent-about two and a quarter per cent-so that when they transfer a part of their deposits which they now have as reserves at 2 per cent into this 6 per cent nontaxable stock they will have a distinct advantage in that transfer. We have provided for lower reserves, so that they may make that transfer without any tax at all, and with the positive pecuniary advantage of earning 6 per cent without taxation, instead of 2 per cent with taxation. I move to lay the amendment to the amendment on the table.

Mr. NEWLANDS. Mr. President—
Mr. OWEN. I withhold the motion.
Mr. NEWLANDS. I wish to state that, with reference to this amendment, I shall sustain the committee, although I hope that at a conference of the majority party to-day some modification of this paragraph will be reached. I think it is modification of this paragraph will be reached. I think it is of the highest importance that all of the banks, both national and State, should come into this union or federation that is intended to facilitate exchange and to prevent temporary obstructions in the movement of money caused by panics or stringencies that are either local or nation-wide.

I deem it of the highest importance that all the banks, both National and State, shall come into this federation. I shall regard it as an element of weakness if any of them remain out. I believe that in union there will be strength; and in this chain of banks, some 25,000 in number, it is essential that the weaker banks shall be strengthened by cooperation with the stronger banks. The strength of the chain will be the strength of the weakest link.

I think it would be a great misfortune in our financial system, which is now divided between National banks and State banks, if the State banks should remain outside of this federation, for I believe the weakness of a portion of our financial system will detract from the strength of the stronger portion. I wish to see our entire financial system of exchange strengthened by a federation which will take in every banking corpora-tion in the country, whether National or State.

I believe that many banks in the country, both National and State, object to turning over any portion of their capital to another bank or furnishing additional capital. So far as the national banks are concerned, if this bill passes, the provision will be compulsory, and they will be compelled to go in or to abandon their national organization. Therefore, most of them will probably come in, though we hear threats that some of them will assume the State-bank form of organization. That is said to be true of one great bank in Chicago, the largest commercial bank in the country, with more correspondent banks than any other. So far as the State commercial banks are concerned, far outnumbering the national banks, the process of this bill is simply persuasive and not compulsory.

I should deem it a misfortune if they should remain out, or

any considerable portion of them should remain out. I should regard it as a misfortune if any considerable number of them should delay coming in. It seems to me it is of the highest importance to the existing industrial and financial condition of the country that this federation or union of banks should be quickly accomplished, and we should leave out of this bill any obstructions that will prevent an immediate and prompt acquiescence in its provisions, provided those obstructions are not essential to the basic principle of the bill.

We know that the national banks have objected to the compulsory process, and that many of the State banks have insisted that they will not yield to the persuasive process; they will remain outside of this organization. I regard that as an element of weakness in the situation.

So far as I am individually concerned, so important do I feel it to be that the State banks should organize and form a part of this federation and should turn over to these reserve associations a part of their reserve funds as a precautionary measure of safety, that I would exercise the coercive power of the National Government derived from the provision of the Constitu-tion which gives the National Government the regulation of interstate and foreign commerce to compel even the State banks to comply with the provisions of this bill; but that is not the mind of Congress. It purposes simply to persuade. If persuasion is to be the rule, I would make that persuasion effective by not inserting in this bill a provision which I regard as unnecessary and to which they seriously object.

How does this strengthen the bill, as to whether the capital is furnished by the public or the banks? The real capital of the reserve banks is, of course, furnished through the provisions of this bill compelling one-third of the reserves of the member banks to be turned over to the reserve banks and for concerted action. We take from the banks in that way, if we succeed in making the system effective with reference to all the banks, both National and State, one-third of the cash reserves which they now have on hand. We take that sum of \$500,000,000 out of their possession and put it in these reserve banks, and thus practically put that enormous sum as a safety device in the hands of the Federal Government, acting through the reserve

board, which will control the reserve banks.

Is not \$500,000,000 of capital enough to require from the member banks? If they object to furnishing this additional capital, which it is estimated will amount to \$53,000,000, and may amount, if the final call is made, to \$106,000,000, why should we insist that they furnish that additional capital when the public itself will furnish it? How does it weaken the system at all?

The Senator from Oklahoma says these banks are banks of banks. Does it make them any less banks of banks because the reserve banks in the aggregate, if all the banks come into the system, will have \$500,000,000 of the capital of the member banks constituting a portion of their cash reserves and only \$53,000,000 of the people's money subscribed as stock? The major interest, therefore, in the resources of these reserve banks, the utilizable funds, is in the member banks. That interest is not at all affected by taking in the public as stockholders without the power to vote.

It seems to me the attention of the Democratic conference ought to be called to this provision, and some modification ought to be made. If the modification I have insisted upon is not made, namely, that this subscription of \$53,000,000 of capital stock is unnecessary and should be dispensed with, it seems to me we should, at all events, free the banks from the obligation to furnish that \$53,000,000 and permit the public, if they wish, to acquire the ownership of it. That ownership will not be at all embarrassing to the management or to the administration of the reserve banks, for their control and administration is left just where the bill puts it, and is not weakened at all.

So, Mr. President, while I shall vote to sustain the bill that has been presented by the majority conference in all its integrity, for the reason that if individual members should tear away a portion here or there by uniting with the opposition its symmetry would be destroyed, I do insist that this presents a matter of grave consideration to the Democratic conference itself. I hope it will be considered; and I hope either that no capital requirement shall be made beyond the reserve contribution of the reserve banks or, if it is to be made, that the public shall share in it.

Mr. BORAH. Before the Senator takes his seat, did I understand the Senator from Nevada to say that he hoped the conference would take this matter under consideration?

Mr. NEWLANDS. Yes.

Mr. BORAH. I do not understand that this will be a subject for the conference at all if this body adopts the same proposition the House did. I refer to the bank ownership of the stock. It would not be open to change in the conference.

Mr. NEWLANDS. When I spoke of the conference, I did not speak of the conference between the Senate and the House. I spoke of the Democratic conference, which I believe will be held to-day.

Mr. BORAH. Would the Senator from Nevada be willing to make a motion to refer this matter to the conference?

Mr. NEWLANDS. No; I will not. That party conference is going on as a part of party administration, with a view to making the party will effective, and with a view to making the Democratic Party an efficient instrumentality in government. I see no way of escaping such conferences, and I think it is the only logical way in which the Democratic Party can exercise its will and express its will and make that party efficient in gov-

Mr. BORAH. Mr. Preside Mr. ROOT. Mr. President Mr. President-

The PRESIDING OFFICER. Does the Senator from Nevada further yield to the Senator from Idaho?

Mr. NEWLANDS. Certainly.
Mr. BORAH. I yield to the Senator from New York.

Mr. ROOT. I merely wish to ask the Senator from Nevada whether he has been trying to escape from it?

Trying to escape from what? Mr. NEWLANDS.

The Senator says there is no way of escaping from the conference. I ask him whether he is trying to escape from the conference?

Does the Senator mean from the confer-Mr. NEWLANDS.

ence of the Democratic Party?

Mr. ROOT. Yes.
Mr. NEWLANDS. I am not trying to escape from it. On the contrary, I am cooperating with it in every way. When I do escape from it, I certainly will not go into the opposition party. [Laughter.]

Mr. BORAH. Mr. President—
The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Idaho?

Mr. NEWLANDS. Certainly.

Mr. BORAH. I should be glad to see the Senator from Nevada organize a party of his own.

Mr. NEWLANDS. I am hardly prepared to do that, because I believe in the value of cooperation.

The PRESIDING OFFICER. The time of the Senator from

Nevada has expired.

Mr. SMITH of Michigan. Mr. President, I desire to ask the Senator from Nevada a question.

Mr. SMOOT. I suggest that the Senator do it in his own time.

Mr. NEWLANDS. If the Senator will do it in his own time,

I will answer him gladly.

Mr. SMITH of Michigan. The Senator from Nevada has shown so much solicitude for the great number of State banks which will be found outside of this plan that I am prompted to ask him if he thinks the Democratic caucus upon his suggestion could change the laws in almost every State of the Union in order that State banks may get into this new system?

Such solicitude comes very late. Senators on that side of the Chamber have voted down every proposition which tended to make it easy for these very representative State institutions to come into this bankers' union. In the first place, the laws of most of the States provide that the reserves of State banks shall be kept in certain places; and until the laws of those States are changed, it is an absolute impossibility to transfer the reserves of State banks into this national bankers' union.

Perhaps the Senator from Nevada has not thought of the supervision that the States exercise over State banking institutions. The fact that the Senator has supported the committee with so much zeal and enthusiasm, quite contrary to some of the teachings he has heretofore espoused in this body, and in another body not remote, prompts me to ask whether the legislatures that do not meet for four years are to pass retroactive laws in order to get their State banks into this benevolent system?

For instance-

If a State bank or trust company is required by the law of its State-

I am now reading from the Owen bill-

to keep its reserves either in its own vaults or with another State bank or trust company, such reserve deposits so kept in such State bank or trust company shall be construed, within the meaning of this section, as if they were reserve deposits in a national bank in a reserve or central reserve city for a period of three years, etc.

If they do not change the law until after three years, then If the State legislatures in various States do not see fit to change their law with reference to these reserves how can a State bank qualify for membership in this proposed Democratic bankers' union?

Mr. NEWLANDS. Mr. President, if the Senator puts that as a question to me I will simply state that this organization is

a union of Democracy; it is a union of the banks. Mr. SMITH of Michigan. Early in the discussion it was not,

but it has taken on that partisan aspect in the last few days. Mr. NEWLANDS. The union which you are attempting to accomplish is a union of the banks, both National and Statethe national banks organized under the national sovereignty and the State banks organized under the State sovereignty. Of course, it is obvious that you can not in this persuasive process compel the banks to violate the State laws. That would Mr. SMITH of Michigan. You suggested it, if I understood

you correctly

Mr. NEWLANDS. We hope that later on, through the spirit of comity which I am glad to see is prevailing so extensively between the National sovereignty and the State sovereignties, the State sovereignties will so modify their legislation as to allow their States to become the beneficiaries of this movement for a union that will be of such great advantage to all of them. Of course, if it does not, it is the sacred right of sovereignty to deny its creatures that right, and no one can object. The bank can not object. We can not object. The national sovereignty can not object.

I believe that if we are to deal in persuasion with reference to the State banks, that persuasion should be made effective, and that we should clear out of this bill all objections that do not constitute essential portions of the bill which prevent the State banks from coming in speedily. I admit, of course, that if there is a State law on the statute books that absolutely prevents their complying with this act, this act must be inoperative with reference to them.

Mr. SMITH of Michigan. Certainly.

I think it will be a mis-Mr. NEWLANDS. That may be. fortune to them, and I think it will be so obvious that the public opinion of these States will in the end force a modification of the laws so as to permit the State banks to come into the union of banks. Certainly, however, there is nothing in this bill that applies at all the coercive power of the Nation to the States.

Mr. SMITH of Michigan. The Senator expressed so much solicitude this morning about the matter that I thought he wanted it done right away. He said he was in hopes that the conferees might take up this matter and promptly amalgamate these institutions, making it easy for State banks to promptly join in this new movement. The laws of the several States are as favorable to State banks as the laws of the Nation have been favorable to national banks. There is no temptation for a State bank to get into this system, which will be dominated by national bankers. If the laws of the States should be so changed that they might enter this system, who is to guarantee the permanence of the new system so hastily and inappropriately devised?

I think Senators upon that side of the Chamber have gone altogether too fast in their frantic efforts to relieve the country of an acute situation which they have brought about, against the protest of this side of the Chamber. The whole bill is an expedient from the first line to the last, an attempt to bridge over an industrial chasm which you yourselves have made. That is the truth about it. You have aroused and alarmed the country over her industrial and commercial safety, and you offer this new folly as a panacea. That is the truth about it. The Democratic platform upon which you went to the country last year contained no reference to this sweeping plan. It is an afterthought, pure and simple. You have diagnosed wrongly the trouble with your patient, and you are going to keep right on prescribing dum dum pills and painful nostrums for ills with which the body politic is not afflicted.

We have just as much money in this country to-day as we had when we were treated to this dose of new freedom and you put your new propaganda forth, but we have not as much public confidence in the stability of our institutions. Hundreds of thousands of men are out of employment-according to press reports, 30,000 in the city of Milwaukee, and I venture the assertion that there are 50,000 out of employment in the largest city in my own State. They have not been driven out of employment because there was no money, for exactly the same volume of money is in the country to-day that was here a year ago, when we were having such unrivaled prosperity.

Mr. MARTINE of New Jersey. Mr. President—

Mr. SMITH of Michigan. I can not yield to the Senator. He can speak in his own time. I would be willing to yield, but my time is practically exhausted.

The PRESIDING OFFICER. The Senator declines to yield.

The Senator from Michigan will proceed.

Mr. SMITH of Michigan. The Senator from Nevada [Mr. NEWLANDS] took half of my time, and I can not get it back, and he has taken away half of my prosperity by his unwise laws,

and I can not get that back. [Laughter.]

I have heard Senators on that side of the Chamber prescribe nostrums before, and they did not work and will not work now. There is scarcely a Senator on that side of the Chamber who has taken an active part in the formation of this bill who was not a free silverite in 1896 and thought free silver was necessary to process compel the banks to violate the State laws. That would be an unfortunate situation, of course, which we can not meet. friend the Senator from Colorado [Mr. Shafrorh], for whom I have such high admiration, sitting just a few feet from me in the House of Representatives, rise to his feet and proclaim that the only possible thing that could save the country from disaster in the panic of 1893 was the free and unlimited coinage of sliver at the ratio of 16 to 1. When some one asked him why the ratio should be 16 to 1, he replied, "Because it is thought that there is about 16 times as much sliver in the ground as there is gold." [Laughter.] Yet we are asked to accept the wisdom and experience of Senators upon that side of the Chamber when they have never prescribed a remedy that would touch the disease.

I have been led into this debate this morning rather against my will, and because of the solicitude of my friend from Nevada over the possibility that we might not be able to get State banks into this union, which caused him to utter such a wail of lamentation, that I just thought I would remind him that while the States of the Union have laws which fix the conduct of their banking institutions the Federal Government is powerless to force even this gilded panacea down their throats.

I do not think State banks will care to enter into this arrangement at all. They deal in mortgages and a vastly different form of credit from the form of credit contemplated by this bill. In fact, I think many national banks will enter the other field. If they do, and the number of banks that go into this regional reserve system is cut down very materially, it will not be a difficult thing for them to have a definite understanding with one another, which will make the so-called money trust, against which you inveigh, look like a rope of sand, for while they "hold the bag" the people of the United States, through the Federal Treasury, will fill it for their favorites without charge.

No! I am very suspicious of your remedy—very suspicious of it. If I had not heard you advocate so often political principles that have turned out to be utterly fallacious, I might have more faith in it. I read in every one of your faces chagrin and mortification over some of the nonsensical things you have championed in the past; and you will fly from this banking remedy to some other less effective cure-all just as soon as you discover your mistake.

The PRESIDING OFFICER. The time of the Senator from

Michigan has expired.

Mr. MARTINE of New Jersey. Mr. President, I am prompted by the reference which the genial Senator from Michigan made to the nonemployed to say a word most regretfully on my part, but candor and honesty compel me to bear testimony to the fact that there are many men unemployed. I clipped from a prominent Republican paper of the city of Cincinnati a most sad picture of many men out of employment. The article is headed:

Sixty thousand men out of employment in Cincinnati.

By what was it caused, Mr. President? Was it from the enactment of a tariff law that tended to lighten the burdens of humanity? Oh, no; it was from a condition infinitely worse than that. Was it from the anticipation of the passage of a currency bill, which the Senator says was an afterthought and not anticipated, notwithstanding the fact that the Democratic platform declared for a change in our banking system? Oh, no; it was even worse than that.

Mr. President, the very great Jehovah seemed to have conspired with the Republican Party to put working people out of employment and hence starve for bread. What brought about this horrifying calamity, when, according to the Cincinnati Enquirer, 60,000 men in Cincinnati, Ohio, are out of employment? It was neither of the things I have mentioned, but 60,000 men to-day are out of employment there because of the bursting of a water main. Doubtless the distinguished Senator from Michigan included those 60,000 in the 80,000 men to-day out of employment

I read to-day in one of the prominent New York papers of the convening of the Republican national committee yesterday or the day before in the city of Washington, and it was stated they were a party without a quarrel, and they had to stir up something, and they rolled as a sweet morsel under their tongues their hope of a hard winter and soup houses and the bread lines. I have seen soup houses and bread lines in the great city of New York for 20 years under the administration of the Republican Party. Your iniquity in legislation had gone on so far and heaped so hard and fast the burden on struggling humanity that they cried out to God and high heaven for relief, and the good people of this country came to their relief. Naturally in the change of a system from your iniquity to our method of legislation it will require a little while for it to become operative.

But that it will be able to give the relief none can question, and that our banking bill is indorsed by the strongest financial paper of the great city of New York is a fact. The Senator

may think that he can lay hopes of anticipation of sadness on our part. He says there is chagrin in the face of the Democratic majority. I will say to the Senator that there is no chagrin, there is no anticipation of sadness, but we do know that when our bill shall be put in force there will be a day of brighter dawn and there will be infinite happiness for all classes and conditions of our country.

Mr. PENROSE. Mr. President, I shall detain the Senate but a few moments. One of the chief reasons why this bill is intensely unpopular in Pennsylvania, and particularly in the city of Philadelphia, is the apprehension that Philadelphia will not be considered as a center for the establishment of a regional bank. The city of Philadelphia is an old and patriotic municipality, and the possibility of such an omission occurring is deeply felt by the bankers and the citizens of Philadelphia and the people of Pennsylvania. There is a long and patriotic history connected with the banking institutions of Philadelphia which makes this possibility felt more keenly by the people of that city than perhaps would prevail in a newer community or possibly in any other section of the United States.

The first bank in the United States was chartered by the Continental Congress in 1781 and was located in Philadelphia,

and it is still doing business there.

When the United States Bank was chartered it was located in Philadelphia; so was the second United States Bank.

The first institution to transact the functions of a trust company was the Pennsylvania Co. for Insurance on Lives and Securing and Granting Annuities, which was chartered in 1812. The first savings bank in the United States was the Philadel-

phia Savings Fund, chartered in 1816.

The First National Bank of Philadelphia was the first bank chartered under the national-bank act, receiving charter No. 1.

The first United States mint, the first post office, the first stock exchange, the first building association, and the American Bankers' Association were all first organized in Philadelphia. To-day Pennsylvania has more members in the American Bankers' Association than any other State in this country, eliminating New York City private banks.

Philadelphia is the second city in the amount of capital, surplus, and undivided profits. It is the third city in the amount of deposits and the second city in the volume of its out-of-town

clearings.

The district covered by the minimum rate for parcel post of which Philadelphia is a part has a larger population than any other district in the country.

Our people recall with patriotic pride the illustrious men in the banking business who have come to the rescue of the coun-

try in the crises of war.

Robert Morris, Jay Cooke, and others might be mentioned who have reflected a luster on the banking people of that great city, and I think it can be understood how keenly the mere possibility of this passing by of Philadelphia is felt by the people of that city.

Philadelphia's financial standing in the world is shown by the following figures: National banks, October 21, 1913, \$436,038,998; trust companies, savings banks, and State banks, \$629,601,092; building and loan associations, \$170,000,000; total, \$1,172,640,090.

The aggregate resources of the banks of the United States, according to the last report of the Government, reached \$25,000,000,000, of which Pennsylvania held more than \$2,538,000,000, while Philadelphia alone stands for more than \$1,000,000,000.

More than one-tenth of all the assets in the United States are in Pennsylvania, I have here some figures showing the financial conditions in certain sections of the country that I will ask to have inserted as part of this statement.

The PRESIDING OFFICER (Mr. Walsh in the chair). If there be no objection, it will be so ordered. The Chair hears

The table referred to is as follows:

Statement showing financial conditions in certain sections of the country.

NEW ENGLAND STATES.

ATTENTION OF THE PARTY OF THE P	
Maine New Hampshire Vermont Massachusetts Rhode Island Connecticut	\$221, 864, 051, 10 147, 749, 499, 05 114, 317, 133, 18 1, 824, 135, 344, 96 266, 312, 940, 64 502, 744, 472, 47
Total	3, 077, 123, 441, 40
New York Pennsylvania New Jersey Maryland Delaware District of Columbia	6, 680, 574, 246, 10 2, 538, 759, 455, 65 686, 846, 801, 09 375, 511, 124, 71 47, 666, 242, 43 112, 277, 616, 71
Total	10, 441, 635, 486. 69

Statement showing financial conditions in certain sections of the

country—Continued.	the eccesons of the
SOUTHERN STATES.	
West Virginia	162, 988, 826, 47
Virginia	\$226, 128, 192, 43
North Carolina	126, 379, 626, 57 108, 375, 328, 53 233, 141, 550, 21
South Carolina	108, 375, 328, 53
Georgia	233 141 550 21
Alabama	136, 620, 546, 65
Florida	94 479 300 14
	00 000 411 04
Mississippi	94, 479, 300, 14 96, 266, 411, 94 188, 100, 181, 90
Louisiana	168, 100, 161, 30
Texas	441, 100, 181, 60
Arkansas	80, 780, 108, 93
Kentucky	236, 355, 525, 77
Tennessee	80, 780, 108, 93 236, 355, 525, 77 204, 961, 541, 75
Total	2, 335, 677, 948, 91
MIDDLE WESTERN STATES.	
	1 101 000 000 01
Ohio	1, 101, 360, 303, 94
Indiana	469, 748, 865, 60
IndianaIllinois	1, 101, 360, 303, 94 469, 748, 865, 60 1, 748, 923, 840, 13 564, 982, 665, 41
Michigan	564, 982, 665, 41
Wisconsin	390, 910, 185, 31
Minnesota	462, 143, 958, 31
Iowa	462, 143, 958, 31 580, 919, 993, 56
Missouri	831, 137, 492, 71
	001, 101, 102. 11
Total	6, 150, 127, 304, 97
WESTERN STATES.	
North Dakota	94, 623, 986, 45 100, 832, 776, 44 276, 484, 092, 11 237, 465, 821, 23
South Dakota	100, 832, 776, 44
Nebraska	276 484 092 11
Kansas	227 465 821 22
	05 664 140 79
Montana	95, 684, 140, 73
Wyoming	21, 230, 117. 00
Colorado	181, 544, 703, 69
New Mexico	27, 230, 117, 00 181, 544, 703, 69 26, 113, 867, 37
Oklahoma	139, 265, 612, 77
Total	1, 179, 244, 617. 79
PACIFIC STATES.	040 000 010 70
Washington	240, 820, 910, 70
Oregon	151, 806, 739, 25
California	151, 806, 739, 25 1, 149, 773, 727, 25 48, 366, 284, 11
Idaho	48, 366, 284, 11
Utah	19, 308, 010, 07
Nevada	22, 964, 185, 91
Arizona	29, 184, 721, 62
Alaska	22, 964, 185, 91 29, 184, 721, 62 4, 649, 186, 57
Total	1, 726, 934, 371, 48
TRANSCONTINENTAL UNITED STATE	
Hawaii	23, 320, 500, 85
Porto Rico	16, 749, 673, 68
Philippine Islands	
Island possessions	75, 899, 602. 94
Total United States	94 988 849 774 19

Mr. PENROSE. In a statement sent out by a bank in Phila-delphia the net proceeds of national banks in 12 cities are given. The figures are as follows: New York, \$1,213,000,000; Philadelphia, \$292,000,000; Chicago, \$390,000,000; Boston, \$249,000,000. The remainder of the figures I will ask to have inserted as a part of my remarks. They cover four or five other States.

The PRESIDING OFFICER. Is there objection? The Chair

hears none, and leave will be granted.

The table referred to is as follows:

NET DEPOSITS IN 12 CITIES.

In the statement sent out by the Corn Exchange Bank, and prepared by Charles S. Calwell, its president, the net deposits in the national banks in 12 cities are given. The figures follow:

Danas in 12 cities are given. The ngures ronow.	The Assessment of the Control of the
New York	\$1, 213, 000, 000
Philadelphia	292, 000, 000
Chicago	390, 000, 000
Boston	249, 000, 000
St. Louis	121, 000, 000
San Francisco	120, 000, 000
Boltimore	62, 000, 000
Denver	45, 000, 000
Seattle	35, 000, 000
Washington	30, 000, 000
New Orleans	25, 000, 000
Atlanta	22, 000, 000

Mr. PENROSE. I have been in receipt of thousands of letters from all over the State of Pennsylvania protesting against the possibility of Philadelphia being ignored in this connection. Many trade bodies have met and passed resolutions. I have here the resolutions adopted by the merchants and manufacturers of Philadelphia, which is a fair sample of many others. It

MERCHANTS & MANUFACTURERS ASSOCIATION, Philadelphia, December 2, 1913.

The following resolution was adopted by the board of directors of the Merchants & Manufacturers Association, of Philadelphia:

"Whereas Federal regional reserve banks are contemplated by officials of the United States Government; and "Whereas the distribution of these regional banks apparently omits Philadelphia as a reserve city; and

"Whereas the importance of Philadelphia as a manufacturing and industrial center, as well as its geographical location and large banking deposits, would point to this city as a logical place for a regional bank: Therefore be it "Resolved, That the Merchants & Manufacturers Association is unalterably opposed to having this city disregarded in this respect, and that we call upon the President, Senators, Representatives, and officials of the Government, as well as business men generally, to lend aid and influence foward having Philadelphia recognized as a regional reserve city and to prevent the elimination of Philadelphia in this regard."

On behalf of the board of directors.

[SEAL.]

D. T. FLEISHER, President.

Attest :

C. W. SUMMERFIELD, Secretary.

I want to quote from a statement issued by the First National Bank of Birmingham, Ala., in a review of the situation for December, as follows:

Recent developments indicate the possibility of the banking and currency bill becoming a law before the close of the year. * * * * We would like to see more consideration of the question of four regional banks. It seems that the New England States, New York, Pennsylvania, Maryland. West Virginia, Virginia, North Carolina, South Carolina would make an ideal district, and that a regional bank located at Philadelphia, a central point, would serve it better than two or more banks in the same territory, even though one were located in New York.

I have here the resolutions of the Commercial Exchange of Philadelphia, as follows:

Philadelphia, as follows:

The Commercial Exchange of Philadelphia, December 1, 1913.

"Resolved, That the Commercial Exchange of Philadelphia would respectfully urge upon the legislative chambers of the National Government that by reason of its financial strength as the third largest city in the United States in the volume of its bank deposits and with practically \$1,000,000,000 of banking resources at command, as the reliance of populous and important smaller communities for both banking facilities and monetary guidance, the hub of an extensive and prosperous agricultural area, the center of a great manufacturing and commercial district, historically identified with great banking operations and conspicuous for ability to handle them and for having conducted vast enterprises to successful conclusions, and for other reasons which need not be enumerated in this resolution, but which are readily demonstrated, the claim of Philadelphia is paramount to that of the majority of American cities, and it is most earnestly hoped that whether the reserve centers be named in the legislation or are to be chosen by the board to be created, neither one nor the other method shall prevent Philadelphia from being selected as one of the regional reserve centers under the new Federal law."

Respectfully,

Antonio Sans, President.

I also read a letter from the Philadelphia Produce Exchange;

I also read a letter from the Philadelphia Produce Exchange:

Philadelphia Produce Exchange, Philadelphia, December 5, 1913.

Hon. Boies Penrose,

United States Senate, Washington, D. C.

Dear Sir: At a meeting of the board of trustees of this exchange, held on the 3d instant, the following resolution was unanimously adopted:

Whereas Philadelphia is the third largest city in the United States and is the center of a great manufacturing and business district; and Whereas in the volume of its bank deposits and the magnitude of its banking resources it is one of the most important cities of the country; and

try; and
Whereas in the proposed legislation by Congress to establish regional reserve centers Philadelphia is apparently omitted: Be it

Resolved, That the Philadelphia Produce Exchange earnestly urges upon Congress the claims of Philadelphia in this respect and that this city shall be one of the places in which a regional reserve bank shall be established; and be it further

Resolved, That copies of this resolution be sent to Members of Congress from this State and city, to Pennsylvania Senators, and to the Banking and Currency Committees of the Senate and House of Representatives.

sentativ

Respectfully, yours, SAML. S. DANIELS, Secretary.

Mr. President, I am aware of the fact that the selection of these cities is to be left, under the pending legislation, to a Federal board, which is expected to be nonpartisan, and that the number will be at least 8 and not more than 12. I only desire to take this opportunity to record what, in my opinion, is a unique situation in the banking world on account of the ancient and extraordinary history of the city of Philadelphia in connection with the Government and with finances. At the proper time the matter will, of course, be taken up with the Federal board and the claims of Philadelphia properly presented.

The PRESIDING OFFICER. The Chair understands that the Senator from Oklahoma [Mr. Owen] only temporarily withdrew his motion to lay on the table the amendment of the Senator from Nebraska to the amendment. The question now recurs on the motion of the Senator from Oklahoma to lay the amendment to the amendment on the table.

Mr. SHAFROTH. Mr. President, I have only a word to say in answer to the statement made by the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Colorado is

addressing himself now to the amendment offered by the Senator

Mr. SHAFROTH. I am simply about to make some observations in answer to the Senator from Michigan.

The PRESIDING OFFICER. Then the Chair will regard the motion of the Senator from Oklahoma as being still withheld.

Mr. SHAFROTH. Mr. President, I have only a word to say in answer to the statement made by the Senator from Michigan,

I have no apologies whatever to make for having in 1896 advocated a monetary system which had been in existence for more than 2,000 years. Our reasoning then was logical and it has

been verified by events subsequent to that time.

There is no question but that the production of gold was so small that it would not supply the demands of commerce. We were advocating more basic money. It was immaterial whether it was white money or whether it was yellow money; we felt that there was an insufficient supply of money in the world. Experience has demonstrated that that logic was absolutely true. If the gold mines had not yielded more of that money we would have had the conditions that existed in 1895, 1896, and 1897 upon us to-day, with probably increased conditions of distress and sorrow. So I have no apologies whatever to

I believed at that time that this Government was great enough and strong enough to establish bimetallism, and I based my belief upon the ground that we occupied a pivotal position among the nations of the world. At that time three-fourths of the nations were upon the gold standard and one-fourth upon the silver standard, with the United States occupying the pivotal position of one-fourth in importance in commerce, in manufacturing, and in all the other things that go to make a great nation, and by reason of that great power and that great strength it could have established the parity of the metals at that time. Since that time, of course, more nations have gone to the gold standard, and the result is that it becomes impossible now for one nation to do that. But at that time the situation was such, the exchanges of the country were such, that it seemed to me it was in the interest of humanity and justice, as the gold product was small, that we should advocate bimetallism. Our principles were exactly the same then as now, and our position was then taken by reason of the fact that we believed there was not sufficient basic money.

Mr. THOMAS and Mr. SMITH of Michigan addressed the

Chair.

The PRESIDING OFFICER. Does the Senator from Colo-

rado yield to his colleague?

Mr. SHAFROTH. I will yield in just a moment. By reason of the gold production since that time having largely increased, it has removed the strain to a large extent. I yield to my

Mr. THOMAS. I simply want to make the suggestion that my colleague might go one step further and say that if that great issue of bimetallism had been decided as it ought to have been decided the financial ills from which this country has suffered since then, and the question that is now before the Senate, would have been obviated.

Mr. SMITH of Michigan and Mr. REED addressed the Chair. The PRESIDING OFFICER. The junior Senator from Colo-

rado has the floor. Does he yield it, and to whom?

Mr. SHAFROTH. I was through. I merely wanted to make

that one observation.

Mr. SMITH of Michigan. I just wanted to say to the Senator in his time that I hope he did not construe anything I said as a reflection upon either his courage, his honesty, or his ability, because no man in this Chamber has a higher regard for the Senator from Colorado than myself.

Mr. SHAFROTH. Thank you.

The PRESIDING OFFICER. The Chair must remind the Senator from Michigan that his time has expired and, proceeding under the unanimous-consent agreement, he is entitled to speak but once.

Mr. SMITH of Michigan. I was interrupting the Senator from Colorado, and in his time; I may interrupt him under the

rule with his consent.

The PRESIDING OFFICER. The Chair inquired of the Senator from Colorado, and he informed the Chair that he had

Mr. SMITH of Michigan. I simply wanted the Senator from Colorado to understand that there is no personal reflection intended in what I said.

Mr. SHAFROTH. Certainly; I did not take it as personal. Mr. SMITH of Michigan. The Senator made very great sacri-

fices for the views he entertained. The Chair recognizes the Sen-

The PRESIDING OFFICER. ator from Missouri [Mr. Reed].

Mr. REED. Mr. President, the occasion of my inquiry has

passed. I was about to ask who started this filibuster.

The PRESIDING OFFICER. Then the question is upon the motion of the Senator from Oklahoma to lay upon the table the amendment offered by the Senator from Nebraska to the

Mr. HITCHCOCK and Mr. KERN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll. The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Goff	Myers	Smith, Ariz,
Bankhead	Gore	Nelson	Smith, Md.
Borah	Gronna	Norris	Smith, Mich.
Brady	Hitchcock	O'Gorman	Smith, Mich.
Brandegee		Oliman	Smith, S. C.
	Hughes	Oliver	Smoot -
Bristow	Jackson	Overman	Stephenson
Bryan	James	Owen	Sterling
Burton	Johnson	Page	Sutherland
Catron	Jones	Perkins	Thomas
Chamberlain	Kenyon	Ransdell	Thompson
Chilton	Kern	Reed	Townsend
Clark, Wyo.	La Follette	Robinson	Walsh
Colt	Lane	Saulsbury	Warren
Crawford	Lea	Shafroth	Weeks
Cummins	Lewis	Sheppard	Williams
Dillingham	Lippitt	Sherman	Works
Fletcher	McCumber		WOLKS
Gallinger		Shively	
Gainnger	Martine, N. J.	Simmons	

The PRESIDING OFFICER. Seventy Senators have answered to their names, and a quorum is present. The Secretary will now call the roll on the motion of the Senator from Oklahoma to lay the amendment of the Senator from Nebraska to the amendment on the table.

The Secretary proceeded to call the roll. Mr. NELSON (when his name was called). I have a general pair with the senior Senator from Georgia [Mr. BACON]. I believe he is not present, and I withhold my vote on that account. If I were at liberty to vote, I would vote "nay."

Mr. SMITH of Arizona (when his name was called). I again announce my pair with the Senator from New Mexico [Mr. FALL] and withhold my vote. If I were at liberty to vote, I would vote "yea."

Mr. STERLING (when his name was called). I again announce my pair with the senior Senator from Louisiana [Mr. THORNTON]. If at liberty to vote, I should vote "nay."
Mr. REED (when Mr. Stone's name was called).

the announcement with reference to my colleague, the Senator from Missouri [Mr. Stone], which I made on the last vote.

Mr. SUTHERLAND (when his name was called). whether the Senator from Arkansas [Mr. CLARKE] has voted? The PRESIDING OFFICER. He has not voted.

Mr. SUTHERLAND. I have a pair with that Senator, and therefore withhold my vote.

The roll call was concluded.

Mr. DU PONT. I have a general pair with the senior Senator from Texas [Mr. Culberson]. I transfer that pair to the junior Senator from Maine [Mr. Burleigh] and vote. I vote "nay."

Mr. WILLIAMS (after having voted in the affirmative). wish to inquire if the senior Senator from Pennsylvania [Mr. Penrose] has voted?

The PRESIDING OFFICER. He has not.
Mr. WILLIAMS. The Senator from Pennsylvania was in the Chamber a moment ago, and I was under the impression that he had voted. I have a pair with him, and therefore I withdraw my vote.

Mr. KERN. I desire to announce that the senior Senator from Georgia [Mr. BACON] has been called away from the Chamber on important public business. If he were here, he would vote "yea." He is paired with the Senator from Minnesota [Mr. Nelson].

The result was announced—yeas 41, navs 37, as follows:

STATE OF THE STATE	YE	AS-41.	
Ashurst Bankhead Bryan Chamberlain Chilton Fletcher Gore Hollis Hughes James Johnson	Kern Lea Lewis Martin, Va. Martine, N. J. Myers Newlands O'Gorman Overman Owen Pittman	Poindexter Pomerene Ransdell Reed Robinson Saulsbury Sharroth Sheppard Shields Shively Simmons	Smith, Md. Smith, S. C. Swanson Thomas Thompson Tillman Vardaman Walsh
		YS-37.	
Borah Bradley Brady Brandegee Bristow Burton Catron Clapp Colt Crawford	Cummins Dillingham du Pont Gallinger Goff Gronna Hitchcock Jackson Jones Kenyon	La Follette Lane Lippitt McCumber McLean Norris Oliver Page Perkins Root OTING—17.	Sherman Smith, Mich. Smoot Townsend Warren Weeks Works
Bacon	Fall NOT V	Smith, Ga.	Thornton
Burleigh Clark, Wyo. Clarke, Ark. Culberson	Lodge Nelson Penrose Smith, Ariz.	Stephenson Sterling Stone Sutherland	Williams

So Mr. HITCHCOCK's amendment to Mr. Owen's amendment was laid on the table.

city banks.

Mr. HITCHCOCK. Mr. President, I now offer an amendment to section 19 of the amendment of the Senator from Oklahoma [Mr. Owen], designed to change some of the reserve requirements of the Owen bill.

The PRESIDING OFFICER. The amendment to the amendment proposed by the Senator from Nebraska will be stated.

The Secretary. In section 19 of Mr. Owen's amendment, on page 47, it is proposed to strike out the last three lines on the page, all of page 48, and on page 49 down to and including line 17, and to insert:

17, and to insert:

(a) A bank not in a reserve or central reserve city as now or hereafter defined shall hold and maintain reserves equal to 12 per cent of the aggregate amount of its net deposits, as follows:

In its vaults, four-twelfths thereof.

In the Federal reserve bank of its district, for a period of six months after said date, one-twelfth, and for each succeeding six months an additional one-twelfth, until four-twelfths have been so deposited, which shall be the amount permanently required.

After said period said reserves, other than those hereinbefore required to be held in the reserve bank, may be held in the vaults of the member bank or in the Federal reserve bank, or in both, at the option of the member bank.

(b) A bank in a reserve or a central reserve city, as now or hereafter defined, shall hold and maintain reserves equal to 15 per cent of the aggregate amount of its net deposits, as follows:

In its vaults, five-fifteenths thereof.

In the Federal reserve bank of its district for a period of six months after the date aforesaid at least one-fifteenth, and for each succeeding six months an additional one-fifteenth, until six-fifteenths have been so deposited, which shall be the amount permanently required.

Mr HITCHCOCK Mr President as this bill came from the

Mr. HITCHCOCK. Mr. President, as this bill came from the other House it provided for the sudden transfer of reserves into the reserve banks. That would probably have produced such a shock upon the country and upon the banking interests as to have resulted in an enormous contraction of bank credits and possibly in a panic. The section of the committee to which I belong realized that to set this enormous machinery in motion suddenly would be a great mistake. We therefore reported in favor of transferring one-twelfth of the reserves each 6 months until, in the course of 30 months, the whole transfer should have been made. It is the difference between the setting of a piece of machinery gradually in motion and setting it violently and suddenly in motion. To some extent the section of the committee headed by the Senator from Oklahoma has adopted our plan, but the Owen bill still provides that immediately, or within 60 days, three-twelfths in the case of the country banks and three-fifteenths in the case of the city banks shall be transferred to the reserve banks. It is for the purpose of correcting this sudden transfer and making the beginning gradual that the amendment to the amendment has been offered.

Mr. BURTON. Mr. President, it seems to me one of the defects of this bill is its disregard of the vital changes in our whole banking system which will ensue from the adoption of this measure. The banking business in the United States is an evolution. In earlier years the banks were chartered by States, save in the case of the two United States Banks, and the greatest diversity of regulation prevailed concerning capital, reserves, and note issues. That caused confusion, and losses were very frequent. Bank franchises were granted as a mark Failures were very numerous. Probably, of political favor. without any exception, our banking system was the worst in the world. Among the worst features were confusion regarding note issues and also the lack of sufficient security to protect them

While the primary object of the national banking system was to sustain the Federal Government during the Civil War by providing a market for bonds, another argument was urged, that the system would substitute order and uniformity for confusion. After the adoption of the national banking system under the act of 1863 and its amendments in 1864 a general preference prevailed for the national banks. That continued for many years, but the last two decades have witnessed a great growth of trust companies and an increase in the number of State banks. Whatever may have been the evolution, the result is that we now have a banking system with well-established relations. bank in a smaller city in a season which is slack in that neighborhood deposits its surplus with a bank in a larger city, and in a season where large demands are made upon the smaller bank it relies upon the larger banks. The relations between them are very close. The attitude of the larger institutions may almost be called paternal. These ties between the different institutions have grown up under father, son, and even grandson in the related institutions. Our banking is fixed; accommodations are obtained at certain places and in a certain way; and reserves are located with particular banks. This whole system can not be revolutionized in a year, nor even in two or three years.

One of the greatest dangers from this measure is the transition from our present methods. I think the question of its ultimate success will depend very largely on the management of the Federal reserve board, but I do not feel that sufficient thought has been given to the difficulties which will attend a change from the established methods and relations which now prevail in the banking business to those which must exist when this plan is adopted. The Senate should welcome any proposition likely to make the wrench less violent in the change from the present relations concerning reserves and the varied relations of banking to the conditions which will be created by this bill. So I hope that the Senate will adopt the amendment offered by the Senator from Nebraska.

Mr. BRISTOW. Mr. President, Senators on the other side who have any interest in this legislation, if there are any, should examine the provisions of this paragraph with some care. The Senator from Ohio [Mr. BURTON] has well said that the reserves of the country are now scattered in something over 350 banks located in 50 cities. Under the bill these reserves will be transferred from these 350 banks located in 50 cities to 8 or 12 banks located in 8 or 12 cities. Take the cities of Kansas City, St. Joseph, Omaha, and Wichita, which are all reserve cities. They all have in their vaults the reserves of country banks. These reserves will have to be transferred from these banks, possibly to St. Louis, which will probably be the location of the reserve bank in that region. When that money is transferred from these reserve cities, of course the banks will have to collect it, because it is now being loaned; it is now serving its purpose in those communities. The collecting of the money for transfer and its idleness during this transition period inevitably will contract the credit of that portion of the country that depends upon these reserve cities and the reserve-

With a view of making that contraction as small as possible, the branch of the committee which reported the bill known as the Hitchcock bill provides in the amendment the Senator from Nebraska has offered that it should be done 1 per cent for each six months until the 4 per cent of the reserves of the country banks are transferred, and also the 6 per cent of the reserves of the reserve city banks and the central reserve city banks. We believe that with 1 per cent each six months being transferred, the transition will be so moderate that it will not cause any material contraction of loans, and will not cause any great disturbance.

The section of the committee which framed the bill as reported by the chairman [Mr. Owen] have improved their original bill very much by adopting some of the provisions which were incorporated in the Hitchcock bill, but still they propose to collect 2 per cent immediately instead of 1 per cent, and that additional 1 per cent will aggregate many millions of dollars the country over. It seems to me that there is no argument in favor of their proposition as against the one which we

It is a very interesting situation. If the committee had not separated, if the chairman and his associates had not withdrawn and refused longer to cooperate with the other six members of the committee, I have not the slightest doubt that this provision of the Hitchcock bill would have been adopted by the full committee, because they are manifestly better: nobody can deny that; but not having been approved of by the Democratic caucus, it makes no difference how meritorious they are or how strongly they might appeal to the judgment of Senators on the other side of the Chamber, they would not vote for them.

It is apparently useless to stand here and present an argument in favor of a proposition under such circumstances. our only duty was to appeal to Senators on the other side who are not free to recognize individual judgment, who can not vote their convictions because they have agreed not to do so unless the majority of the caucus approve those convictions, it would be really useless, so far as they are concerned, to present any arguments. I suppose that apparent situation is what led the Senator from Indiana [Mr. Kern] yesterday to suggest that this was an idle and useless debate. There are some of us, however, who believe that there is sufficient intelligence and a sufficient sense of discrimination on the part of the American public to warrant us in presenting such amendments as these and in briefly submitting our views in the hope and belief that in the end they will meet the favorable consideration of that intelligent public. Believing that, I feel we have a duty which we owe to the country to expose the legislative situation in which we find ourselves

I have great respect individually for many of the Senators on the Democratic side; I have cooperated with them in the last four years a great deal; I have been somewhat criticized

for doing so by my Republican friends and praised very much by my Democratic friends for my independence in voting as I thought I ought to vote and in favor of things which I believed were right, and it has been a grave disappointment to me to find that when the political evolution takes place and there is a change in the majority of this Chamber from this side to that those who praised me most and commended my independence in the most earnest and enthusiastic manner now utterly fail to exercise any independence themselves and bow with absolute subserviency to the caucus yoke. As the Senator from Minnesota [Mr. CLAPP] said the other day, if I had been told a year ago that Senators on the other side would have voted for the things for which they have voted during the last 10 days and against the things which they have voted against, I would not have believed it. Nothing could have made me believe that such a thing could occur except the actual visible evidence of it having occurred.

I trust before this debate closes-which will not be very long now, for we will be able to wind up the consideration of this bill some time to-morrow—that there may be some visible demonstration on the part of the Democratic membership that will show an independence of thought and of action, and that this slavish subservience to caucus rule, which is a remnant of political barbarism, may be broken.

I think this amendment ought to be adopted.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Nebraska [Mr. HITCHCOCK] to the amendment of the Senator from Oklahoma [Mr. Owen].

Mr. HITCHCOCK. I call for the yeas and nays.

Mr. OWEN. I move to lay the amendment to the amendment on the table.

The PRESIDING OFFICER. The question is on the motion of the Senator from Oklahoma to lay on the table the amendment of the Senator from Nebraska to the amendment of the Senator from Oklahoma.

Mr. HITCHCOCK. On that motion I call for the yeas and

nays.

The yeas and nays were ordered, and the Secretary proceeded

Mr. DU PONT (when his name was called). I have a general pair with the senior Senator from Texas [Mr. Culberson]. I transfer that pair to the junior Senator from Maine [Mr. Burteigh] and vote "nay."

Mr. NELSON (when his name was called). I have a gen-

eral pair with the senior Senator from Georgia [Mr. BACON]. and on that account I withhold my vote. If at liberty to vote,

should vote "nay."

Mr. SMITH of Arizona (when his name was called). announce my pair with the Senator from New Mexico [Mr. Fall]. I find, however, that I can transfer that pair to the Senator from New Hampshire [Mr. Hollis] and vote. I vote "yea."

Mr. STERLING (when his name was called). I again announce my pair with the senior Senator from Louisiana [Mr. THORNTON]. If at liberty to vote, I should vote "nay."

Mr. REED (when Mr. STONE's name was called). I renew the announcement I made this morning regarding the absence and pair of my colleague [Mr. STONE]. If he were present, he would vote "yea."

The roll call was concluded.

Mr. SUTHERLAND. I am informed that the Senator from Arkansas [Mr. Clarke] has not voted. Is that correct?

The PRESIDING OFFICER. The Chair is informed that that is correct.

Mr. SUTHERLAND. I have a pair with that Senator and

therefore withhold my vote,
Mr. WILLIAMS (after having voted in the affirmative). Understanding that the senior Senator from Pennsylvania [Mr. PENROSE] has not voted upon the roll call, I wish to withdraw

my vote, as I have a pair with him.

Mr. BURTON. I should like to inquire if the senior Senator

from Kentucky [Mr. BradLey] has voted? Mr. KERN. Mr. President—

The PRESIDING OFFICER. The Chair is informed that the Senator from Kentucky has not voted.

The Senator from Kentucky has not voted. Mr. BURTON. I understand that he is unavoidably detained

from the Chamber, and that he is paired with the senior Senator from Indiana [Mr. Kern].

Mr. KERN (after having voted in the affirmative). at this moment trying to get the floor to withdraw my vote on account of being paired with the Senator from Kentucky [Mr.

Bradley]. I ask that my vote be withdrawn.

I now desire to inquire if the senior Senator from Nevada {Mr. NEWLANDS] has voted?

The PRESIDING OFFICER. The Chair is informed that

Mr. KERN. Then I transfer my pair with the senior Senator from Kentucky [Mr. Bradley] to the Senator from Nevada [Mr. Newlands] and will allow my vote to stand.

The result was announced-yeas 40, nays 35, as follows:

YEAS-40

shurst ankhead Lane Lyan Lea namberlain Lewis nition Martine, Va netcher Martine, N ore Myers ughes O'Gorman unes Overman Owen	L.J. Saulsbury Shafroth	Simmons Smith, Ariz, Smith, Md. Smith, S. C. Swanson Thomas Thompson Tilinan Vardaman Walsh
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NAYS-35.

Brady Brandegee Burton Catron Clapp Colt Crawford Cummins	Dillingham du Pont Gallinger Goff Gronna Hitchcock Jackson Jones Kenyon	La Follette McCumber McLean Norris Oliver Page Perkins Poindexter Root	Sherman Smith, Mich. Smoot Stephenson Townsend Warren Weeks Works
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NOT VOTING 20

104 104 104					
Bacon	Clarke, Ark.	Lodge	Sterling		
Borah	Culberson	Nelson	Stone		
Bradley	Fall	Newlands	Sutherland		
Burleigh	Hollis	Penrose	Thornton		
Clark, Wyo.	Lippitt	Smith, Ga.	Williams		

So Mr. HITCHCOCK's amendment to the amendment of Mr. Owen was laid on the table.

Mr. OWEN. Mr. President, I move, on page 3, lines 19

Mr. BURTON. May I ask which print this is? Mr. OWEN. This is the print of December 1, 1913, of the amendment intended to be proposed by Mr. Owen in the nature of a substitute

Mr. BURTON. That is the one containing the substitute reported by the Senator and not the original Glass bill?

Mr. OWEN. The substitute that I am proposing to perfect.

BURTON. The one marked "Print of December 1, 1913 "?

Mr. OWEN. Yes; at the top of the page it is marked "Print

of December 1, 1913."

On page 3, in lines 19 and 20, I move to strike out "engaged in commercial banking" and insert, after the word "Columbia," in line 20, the words "incorporated under an act of Congress approved October 1, 1890." It is intended to take care of the trust companies of the District of Columbia.

Mr. BURTON. What is the object of that amendment?
Mr. OWEN. The object of it is to describe more aptly the trust companies in the District of Columbia, some of which are not engaged in commercial banking. I therefore move to strike out the words "engaged in commercial banking" and insert the descriptive words "incorporated under an act of Congress approved October 1, 1890."

Mr. BURTON. Would the amendment increase the number of eligible banks, or those required to come in, or would it diminish the number?

Mr. OWEN. It would result in increasing the number. Mr. BURTON. If they are not engaged in commercial banking, why should they be required to come in under this system? Is it not the general purpose of the bill to include banks, National and State, engaged in commercial operations, discounting short-time paper, rather than those performing a trust business or making long-time loans and investments?

Mr. OWEN. The purpose is to require institutions which are holding charters from the United States to take part in this system. They do really engage in a banking business, but the term "engaged in commercial banking" was thought to be somewhat uncertain in its description. It was upon the suggestion of the American Security & Trust Co. that this language was proposed to be changed so as to include all trust companies incorporated under an act of Congress approved October 1, 1890.

Mr. BURTON. I was a member of the District Committee at the time the act of 1890 was passed. Its main object was to establish in the District trust companies at that time-a new form of banking business. It was debated at some length. My only question here—I have no special knowledge about it—is whether the words "engaged in commercial banking" ought not to be retained, because that is the class of institutions which I understand the bill intends to include.

However, I do not have sufficient information about the matter to speak positively. The Senator from Oklahoma is more ac-

curately informed about it than I am.

Mr. OWEN. I understand there is no doubt that they are really engaged in the banking business, but they do not call themselves commercial banks; and they objected to this descriptive term, thinking it might be held as not accurately de-

Mr. BURTON. Certainly in their original organization they

were more nearly trust companies.

Mr. OWEN. Yes; but in point of fact they do really engage in banking, but they take securities in the form of stocks or bonds as security for their paper instead of making straight

discounts without such classes of securities.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Oklahoma to the amendment here-

tofore offered by him.

The amendment to the amendment was agreed to.

Mr. OWEN. On page 4, in line 24, I move to strike out the words "engaged in commercial banking," and in line 25 to insert "incorporated under an act of Congress approved October 1,

The VICE PRESIDENT. The amendment to the amendment

will be stated.

The SECRETARY. In the same amendment, on page 4, lines 24 and 25, it is proposed to strike out the words "engaged in commercial banking," and, after the words "District of Columbia," in line 25, to insert "incorporated under an act of Congress approved October 1, 1890."

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Oklahoma to the amendment here-

tofore offered by him.

The amendment to the amendment was agreed to.
Mr. OWEN. On page 11, after line 21, I move to insert, after
the word "privilege," the words "except that the issue of such notes shall not be limited to the amount of capital stock of such Federal reserve banks.'

These words eliminate what might possibly have been regarded as ambiguous under the language of the eighth para-

graph of that section,

Mr. BURTON. Mr. President, I do not expect to oppose that amendment, or, at any rate, to ask for the yeas and nays on it; but it seems to me the whole paragraph is dangerous. It departs from the present law and the method which has been in vogue for 50 years, under which the total currency that any national banking institution can issue is limited to the amount As has been stated here several times, a bank of its capital. that had a paid-in capital of only a million and a half dollars could conceivably issue \$100,000,000 of notes. It would be under the obligation of retaining the 5 per cent reserve against those hundred millions. It altogether destroys the proportion which has existed since the passage of the national banking act in 1863. Again, it tends to continue indefinitely the circulation known as the national banking currency, based upon Government bonds.

I do not believe our monetary system will ever be perfect until that class of circulation, so rigid and called by some a sodden mass, is abolished and something else substituted for it.

Of course, that can not be done immediately; but it seems to me in all our monetary legislation we should aim to withdraw the whole amount of that bond-secured circulation as soon as we can without derangement. It is not a natural method of furnishing the basis for circulating notes. It has not been retained to any considerable extent in other countries where it For example, in Japan it was tried and then abandoned. It is subject to a number of serious objections.

First of all, there is its rigidity, its inability to respond to the changing demands of trade. It requires the maintenance of bonds as an investment whether the agency which issues circulation desires those bonds or not, and moreover it carries along our national debt on a very artificial basis. very naturally been gratified by the fact that for a number of years the United States has carried the larger share of its indebtedness at 2 per cent, but that is due to this artificial arrangement. I am not sure but that fact has at some times been an incentive to extravagance in our expenditures, because it could be said, "We are borrowing money so cheaply; we are paying only 2 per cent for it.'

Mr. NELSON. Mr. President, I should like to have the

amendment stated again. I do not understand it.

Mr. OWEN. I just wish to state briefly that the amount of 2 per cent bonds of 1930 was \$646,000,000, of which \$616,000,000 has been already absorbed to secure circulation and to secure deposits of public moneys in the banks, leaving only \$30,000,000 of the Panama twos of 1930 available. Of the Panama twos of 1936 there were \$54,000,000 issued, and \$54,000,000 having been used for circulation and to secure public deposits. Of the remaining twos of the \$30,000,000 issued for 1938, \$29,000,000 of the Panama twos of 1930 available.

have been absorbed. The possibility in this case for the entire reserve banking system would be only about \$40,000,000, including the twos which are now used as a reserve against the public deposits; so there is no possibility of abuse in this matter. It is safeguarded by the management of the reserve bank and also by the supervision of the reserve board.

It is not believed there is any danger whatever of any harm coming from this. It is merely a permission. It is not a requirement. These banks have also the double liability, amounting altogether to about \$212,000,000, while the bonds available could reach only \$40,000,000.

Mr. BURTON. Mr. President, will the Senator from Okla-

homa yield to me for a question?

Mr. OWEN. Certainly. Mr. BURTON. What is the relation of paragraph 8, on

page 11, to section 18?

Mr. OWEN. Paragraph 8 is permissive. Section 18 is compulsory. It permits the Federal reserve board to require the banks to take certain of these bonds and issue notes against them.

Mr. BURTON. Suppose the Federal reserve bank takes over bonds under the provisions of section 18. What is to prevent that bank from using them to an almost unlimited amount

under paragraph 8.

Mr. OWEN. I have just stated how they could not be used in an unlimited amount, because there are only \$40,000,000 of them altogether, and the double liability and stock of these banks make a gross amount of \$212,000,000, while the banks are also safeguarded by the supervision of the reserve board as well as the directors of the Federal reserve bank.

Mr. BURTON. I recognize all that, Mr. President; but under the provisions of section 18 the Federal reserve board may, in its discretion, require the Federal reserve banks to purchase bonds for the withdrawal of which an application has been made by any member bank. Now, suppose the Federal reserve bank purchases them; why can it not utilize them under para-

graph 8?

Mr. OWEN. It could do so under either. The one permits the Federal reserve board to require, and the other is purely

permissive on the part of the Federal reserve bank.

Mr. BURTON. Then there is nothing to prevent the acquisition of bonds under section 18 and enlarging the class of circulating notes authorized by paragraph 8 to an amount far beyond \$40,000,000, is there? That is, the Federal reserve board could direct the Federal reserve bank to take these bonds, and when the Federal reserve bank had acquired them it could issue circulation under this paragraph, could it not?

Mr. OWEN. Yes; that is true. It is also true, however, that the national-bank system has been gradually expanding, and there is a call for these bonds by the new banks coming into the system which are absorbing them quite rapidly. It is not believed that many of the national banks will leave the system, but if they do, and want to sell these 2 per cent bonds, we would like to give them a market that will take care of the 2 per cent bonds, and not contract our national-bank currency. That is the object of it.

Mr. BURTON. Right in that connection, is it anticipated that under this bill the present amount of national-bank-note currency of \$730,000,000 or thereabouts will continue outstanding, either under this paragraph or under section 18?

Mr. OWEN. It will continue outstanding.

Mr. BURTON. Permanently?

Mr. OWEN. So far as this bill is concerned as amended in the Senate. The House bill has a provision requiring the compulsory retirement of those bonds in 20 years. We thought that matter should be discussed in an independent bill, so that we could consider the question of retiring the national-bank currency and the unification of our currency and putting the whole currency system in a better and more intelligent form as a separate measure

Mr. BURTON. Does not the Senator from Oklahoma believe it would be better if that class of circulation should be gradually withdrawn, at least as rapidly as was provided by the

House bill?

Mr. OWEN. I do; yes. Mr. BURTON. As I understand it, the Senate provision varies from the House provision because it was considered best to take up that subject in a separate measure?

Mr. OWEN. That was the motive that moved the members of the committee who agreed with the chairman in this draft.

Mr. BURTON. Is not that, after all, an essential part of the plan that you are seeking to adopt? Is it not necessary to know what will become of those national-bank notes?

Mr. OWEN. As far as this measure provides, it permits the

Federal reserve banks to absorb so much of these bonds as the

national banks may relinquish and to issue against such bonds notes of like quantity, in that way avoiding the contraction which would occur if the national banks were to throw their bonds on the market and sell them and retire their circulation.

Mr. BURTON. What would be the status of a national bank which had a large circulation but which did not come into this system? It would have to pay off its notes, I suppose. What

would be the status of those bonds?

Mr. OWEN. It would be the owner of the bonds, and when it went out of the system it would no longer have the right to keep the national-bank notes in circulation, but would have to put lawful money in the United States Treasury against those national-bank notes. Consequently the circulation would be contracted to that extent, because these national-bank notes would be retired and canceled or destroyed, and the destruction of that amount of our national currency would constrict the currency of the country. It would do more than that, however. It would constrict ten times as much credits, because about \$10 of credit is based upon \$1 of these notes.

Mr. BURTON. Under this plan, if all or most of the notes based on Government bonds are to continue in circulation, is there any probable necessity in the future for issuing any very

large amount of these Federal reserve notes?

Mr. OWEN. The purpose is to replace any national-bank notes that might be retired and canceled and destroyed, and therefore withdrawn from circulation, by a like amount of these Federal reserve bank notes-not Federal reserve notes, but Federal reserve bank notes. It would be, however, merely a temporary expedient. As I explained to the Senator, it is believed that we should have a bill dealing expressly with the unification of our national currency, and in that contingency I should be in accord with the Senator in the retirement of this kind of bank notes secured by bonds.

Mr. BURTON. I trust something may be done in that di-I really think it is the most urgent need in the

reformation of our currency.

Mr. NEWLANDS. Mr. President— The VICE PRESIDENT. Does the Senator from Oklahoma yield to the Senator from Nevada?

Mr. OWEN. I yield to the Senator.

Mr. NEWLANDS. Did I rightly understand the Senator to say, as to the retirement of these national-bank notes, that it would mean not only a contraction to that extent but the contraction of credits issued upon them to the extent of \$10 to \$1?

Mr. OWEN. To the extent that they are used as reserves by banks. There are about \$60,000,000 of these notes used as reserves by the State banks, and sometimes the amount goes up as high as \$100,000,000.

Mr. NEWLANDS. They are not, however, under the existing system allowed to be a part of the reserves of the national

Mr. OWEN. Not a part of the reserves of the national banks; but they serve the function of reserves for the State banks, which carry a still higher volume of credits upon the money

in their vaults, as the Senator well understands.

Mr. NEWLANDS. I wish to inquire whether, under this bill, the national-bank notes would constitute a part of the reserves

of member banks coming into this system?

Mr. OWEN. It is provided in the bill that the Federal reserve board may allow that to be done to the extent they find necessary.

Mr. NEWLANDS. I regard that as quite a dangerous power. Mr. OWEN. I have most abundantly explained the matter heretofore. I will call the attention of the Senator again at this time to the tables on page 18 of the report of the chairman of the committee, showing that if the national banks avail themselves of one-half of the resources of the Federal reserve bank by borrowing its resources to that extent there will be a surplus of \$114,000,000 of cash, but that if the State banks come in and avail themselves likewise of the right to borrow one-half of their contributions to the Federal reserve bank it would make a deficit of \$239,000,000, leaving a total deficit of \$100,000,000. makes necessary the use of a part of the national-bank notes or a part of the Federal-reserve notes as reserves, in order to prevent a contraction of credit to meet that requirement of the

Mr. NEWLANDS. So far as I am individually concerned, I should much prefer to give the banks a longer time in which to come up to the requirements of this act rather than to authorize them to put in their reserves mere promissory notes for money in the shape of bank notes, either national-bank notes or reserve notes. I hope that matter will receive the attention of the committee. I realize, of course, that if all the State banks should come into this system it would mean that the reserves of those

banks must be increased from the present average of 8 per cent up to about 14 per cent.

There will be 12 per cent and 15 per cent for reserves and 18 per cent for the central reserve cities. I imagine that the aver-

age would be about 13 or 14 per cent.

I can realize, of course, that if State banks were suddenly called upon to increase their reserves they might find it very difficult to do it except by reducing their loans, which, in turn, would reduce their deposits and thus bring their reserves within proper proportions. We do not want to force these State banks coming into this organization to reduce either their loans or their deposits, for that would mean a system of contraction which would be injurious to the country. Hence, I would much more readily provide that the State banks whose reserves are now not equal to the requirements of this act should have four or five years, or even longer, under the direction of the reserve board, to bring up their reserves to the percentage required by this act, rather than permit them to put in their reserves national-bank notes-mere promises to pay money which under a good banking system I understand has always been condemned.

The VICE PRESIDENT. The time of the Senator from Okla-

homa has expired.

Mr. NEWLANDS. I hope the committee will further consider it.

Mr. NELSON. I would like to have the amendment read.

The VICE PRESIDENT. The amendment to the amendment shall be read.

The Secretary. In section 4, amendment to paragraph 8, page 11, line 21, after the word "privilege," insert a comma and the following words:

Except that the issue of such notes shall not be limited to the amount of the capital stock of such Federal reserve bank.

Mr. NELSON. Mr. President, in the remarks which I have heretofore made on this bill I explained and called attention to the fact that the bill really perpetuates the existing bond-secured currency exactly in the form that it is to-day, and perpetuates it as long as the life of the bonds.

Paragraph 8, relating to the powers of Federal reserve banks,

is as follows:

Eighth. Upon deposit with the Treasurer of the United States of any bonds of the United States in the manner provided by existing law relating to national banks, to receive from the Comptroller of the Currency circulating notes in blank, registered and countersigned as provided by law, equal in amount to the par value of the bonds so deposited, such notes to be issued under the same conditions and provisions of law which relate to the issue of circulating notes of national banks secured by bonds of the United States bearing the circulating privilege.

So these reserve banks may take out on bonds exactly the same kind of national-bank notes that we have now. the existing law a national bank can not take out notes beyond the amount of its capital. The amendment which is offered removes that limitation so that the regional banks can take out all the circulation they want. It is only a question as to how

many bonds they can get hold of.

Section 18 must be considered in connection with that provision. That allows member banks that desire to retire the circulation of the national-bank notes to apply to the reserve board, and if the reserve board grants the permission, the regional banks are required to take up those bonds and retire that circulation; but instead of using the bonds as an investment or for any other purpose, they are absolutely required to take out new circulation of the same kind. I will read the provision:

The Federal reserve banks purchasing-

Remember that they are required to purchase those bonds-

The Federal reserve banks purchasing such bonds shall be required to take out an amount of circulating notes equal to the amount of national-bank notes outstanding against such bonds.

Upon the deposit with the Treasurer of the United States bonds so purchased, or any bonds with the circulating privilege acquired under section 4 of this act, any Federal reserve bank making such deposit in the manner provided by existing law shall be entitled to receive from the Comptroller of the Currency circulating notes in blank, registered and countersigned as provided by law, equal in amount to the par value of the bonds so deposited. Such notes shall be the obligations of the Federal reserve bank procuring same, and shall be in form prescribed by the Secretary of the Treasury, and to the same tenor and effect as national bank notes now provided by law.

They shall be issued under the same terms and conditions as national-bank notes.

Now, the only provisions of the bill that relate to the refunding of bonds are for bonds that have no circulation on them.

United States bonds bought by the Federal reserve bank, against which there are no outstanding national-bank notes, may be exchanged at the Treasury for one-year gold notes—

We have \$743,438,000 of bonds outstanding on which there is national-bank circulation. The provisions of the bill that I have referred to practically keep that circulation in existence as a bond-secured currency, exactly identical with what we have.

The bill contemplates that that currency is to remain in circulation indefinitely, just as we have had it. So it brings it to this: That the bill, with all its machinery, as now amended, simply provides for an emergency currency beyond and as an addition and supplement to the national-bank notes. The Glass bill was entirely different. That provided for the gradual retirement of these national-bank notes and the substitution of new notes at the rate of 5 per cent a year, taking 20 years to accomplish the task. That is eliminated from this bill. The only bonds that can be renewed or refunded, as it were, are \$223,-852,240. Our total amount of bonded indebtedness is \$966,823,-490, and out of those bonds \$743,000,000 are outstanding and secured for circulation.

Mr. BURTON. What was the total amount out of which the \$743,000,000 was taken?

Mr. NELSON. The total amount was \$966,823,490 of bonds outstanding, on which there is a circulation of \$743,438,000, leaving simply a residue of \$223,852,000 of bonds that can be refunded under this bill into 3 per cent per year gold notes.

That is the extent of the refunding provision in this bill.

So, to summarize the effect of the power conferred by para-

graph 8, relating to the powers of the regional banks, and the requirement of section 18 that I have quoted, it simply means the continuance and perpetuation of the entire volume of our bond-secured currency in its present form without any limitation, leaving only a little over \$223,000,000 of our outstanding bonds to be refunded.

The VICE PRESIDENT. The question is on the amendmentproposed by the Senator from Oklahoma to the amendment.

The amendment to the amendment was agreed to.

Mr. OWEN. On page 12, line 24, I move to strike out the word "respectively" and the word "and," inserting after the word "agriculture" the word "or" and after the word "other" inserting the word "industrial," so that line 24 will read:

In commerce, in agriculture, or in some other industrial pursuit.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Oklahoma to the amendment.

Mr. BURTON. The object of that is to allow the selection of three in commercial or three in agricultural or three in industrial pursuits?

Mr. OWEN. Yes; without the strict limitation of the text.
Mr. BURTON. Not one of each?
Mr. OWEN. To leave the matter open, so as to avoid the complication which the Senator from Ohio pointed out the other

The amendment to the amendment was agreed to.

Mr. OWEN. On page 13, line 2, after the words "reserve board," I move to insert:

When the necessary subscriptions to the capital stock have been obtained for the organization of any Federal reserve bank, the Federal reserve board shall appoint the class C directors herein provided for and shall designate one of such directors as chairman of the board to be selected. Pending designation of such chairman, the organization committee shall, as provided in this section, exercise the powers and duties appertaining to the office of chairman in the organization of such Federal reserve bank.

The amendment is self-explanatory. I think it needs no

further explanation.

Mr. BURTON. If the Senator from Oklahoma will yield, is it not provided here that in case there is a public subscription of stock—that is, stock subscribed for by private individuals or by the Government-the directors of class C shall vote upon it? How could there be any organization? As I understand it, this does not contemplate that they should be chosen until the organization occurs.

Mr. OWEN. It is made the duty of the chairman of the proposed board belonging to class C to receive the list of the electors and to furnish them with forms, and so forth. I call

for the question, Mr. President.

The amendment to the amendment was agreed to.
Mr. OWEN. On page 13, line 8, after the word "situated,"
I move to insert the words "or pending the appointment of such chairman, the organization committee," so that the language will

The chairman of the board of directors of the Federal reserve bank of the district in which the bank is situated, or pending the appointment of such chairman, the organization committee shall classify the member banks of the district into three general groups or divisions.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The Secretary. On page 13, line 8, after the word "situated," Insert "or pending the appointment of such chairman, the organ-ization committee."

The amendment to the amendment was agreed to.
Mr. OWEN. On page 13, in lines 16 and 17, I move to strike out the words "one of its own members as."

The VICE PRESIDENT. The amendment to the amendment will be stated.

The Secretary. On page 13, lines 16 and 17, strike out the words "one of its own members as," so as to read:

At a regularly called meeting of the board of directors of each member bank in the district it shall elect by ballot a district reserve—

And so forth.

The amendment to the amendment was agreed to.

Mr. OWEN. On page 14, line 1, I move to strike out the words "upon the list" and insert the words "of a director of class A and class B, respectively." That relieves an obscurity which the Senator from Ohio [Mr. Burton] discussed several

days ago.

The VICE PRESIDENT. The amendment to the amendment

will be stated.

The Secretary. On page 14, line 1, after the word "choices," strike out the words "upon the list" and insert the words "of a director of class A and class B, respectively."

The amendment to the amendment was agreed to.

Mr. OWEN. On page 19, line 24, after the word "bank," I move to insert "and failed member trust companies in the District of Columbia."

Mr. CLARKE of Arkansas. Mr. President, in connection with that amendment I wish to make an inquiry. Will the adoption of the amendment leave the general proposition in such a condition that the conferees on the part of the two Houses may consider the proposition to include State member banks?
Mr. OWEN. It does.

Mr. CLARKE of Arkansas. It leaves that question within

reach of the conferees.

Mr. BURTON. Mr. President, we can not in this part of the Chamber hear the discussion.

Mr. CLARKE of Arkansas. I asked the Senator from Okla-homa if the adoption of the pending amendment would leave the general proposition of guaranteeing deposits in such a condition that the conferees on the part of the two Houses might consider the proposition of including qualified State banks that had become members of the association, and the Senator from Oklahoma answered that it did. That is all I care to say about it.

The VICE PRESIDENT. The Secretary will state the

amendment to the amendment.

The Secretary. On page 19, line 24, after the word "bank," insert "and failed member trust companies in the District of Columbia."

Mr. OWEN. They would not have been included under the term "national banks," and there was a desire to include them

in this provision.

Mr. WEEKS. Mr. President—

The VICE PRESIDENT. Does the Senator from Oklahoma yield to the Senator from Massachusetts?

Mr. OWEN. I yield.

Mr. WEEKS. There is an amendment which I wish to offer at this point, but if the Senator from Oklahoma would like to finish his amendments, I will withhold it.

Mr. OWEN. I would be glad to finish the amendments I have

Mr. BRISTOW. I desire to say, if the Senator will yield, that I have two amendments to offer to section 7, when he gets

Mr. OWEN. Very well.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Oklahoma to his amendment.

Mr. HITCHCOCK. I should like to have the amendment to the amendment stated.

The VICE PRESIDENT. It will be read.

The SECRETARY. After the words "failed national banks," in lines 23 and 24, page 19, insert the words "and failed member trust companies in the District of Columbia."

Mr. HITCHCOCK. That still leaves out the State banks,

then?

It does,

Mr. HITCHCOCK. Is it not the purpose of the Senator from Oklahoma to include State banks?

Mr. OWEN. Not at this time.
Mr. HITCHCOCK. Is it expected to do it at some subse-

Mr. OWEN. I thought possibly that might be done by the Democratic conference when they had an opportunity to pass n it. They have not had any opportunity to pass on it yet.

Mr. HITCHCOCK. Would it not be wise to leave the whole

thing to the Democratic caucus?

Mr. OWEN. This will not preclude the suggestion of the Senator.

Mr. HITCHCOCK. It shall have to be rewritten then. Mr. OWEN. It need not, because the word "member" can be inserted before "national banks."

Mr. HITCHCOCK. I call the attention of the Senator to the fact that as it is drawn now it provides for the payment of money into the Treasury of the United States. I think it is very doubtful whether the Treasury of the United States can hold trust funds for State banks.

Mr. OWEN. It can under an instruction of Congress.

Mr. HITCHCOCK. I doubt that very much.

Mr. OWEN. They do that for private individuals.
Mr. HITCHCOCK. They can hold the trust funds for the reserve banks of which the State banks are members, but when you involve the Treasury of the United States, I doubt if you can go any further than the national banks.

Mr. CLARKE of Arkansas. Mr. President, the suggestion made by the Senator from Oklahoma [Mr. Owen] makes it necessary for me to submit an additional observation. When I spoke of a conference, I had reference to the usual conference committee appointed by the respective Houses to adjust differences between the two Houses, and not to the Democratic conference

Mr. OWEN. I understood that.

The VICE PRESIDENT. The question is on the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. OWEN. On page 20, line 4, after the word "shall," I move to insert the words "in the discretion of the Secretary, be used to supplement the gold reserve held against outstanding United States notes, or shall." I send the amendment to the

The VICE PRESIDENT. The amendment proposed by the Senator from Oklahoma to the amendment will be stated.

The Secretary. On page 20, line 4, of the amendment of Mr. Owen, after the word "shall," it is proposed to insert the words "in the discretion of the Secretary, be used to supplement the gold reserve held against outstanding United States notes, or shall," so that if amended it will read:

All net earnings derived by the United States from Federal reserve banks shall, in the discretion of the Secretary, be used to supplement the gold reserve held against outstanding United States notes, or shall be applied to the reduction of the outstanding bonded indebtedness of the United States, etc.

The VICE PRESIDENT. The question is on the amendment

to the amendment,
Mr. THOMAS. I should like to inquire of the Senator from Oklahoma whether that is offered by the desire of the Secretary

of the Treasury?

Mr. OWEN. It was offered by the direction of the Democratic conference held last evening, upon the suggestion of the Secretary of the Treasury, and upon a discussion of the matter in which it was thought that it was justified to use this if it might possibly be found necessary. There were some differences of opinion about it, but it was adopted, and so I have offered it.

Mr. THOMAS. It seems to me that the best use that could be made of a surplus, if we have any, would be to reduce the

outstanding interest-bearing debt.

Mr. OWEN. It is provided both in this section and

Mr. THOMAS. It gives discretion to the Secretary to do one or the other. I should like to see it mandatory, to be used for the purpose of reducing the debt.

The VICE PRESIDENT. The question is on the amendment

to the amendment.

The amendment to the amendment was agreed to.

Mr. OWEN. Mr. President, in lieu of section 8 of the amend-

ment I send to the desk a proposed substitute.

The VICE PRESIDENT. The amendment proposed by the Senator from Oklahoma to the amendment will be stated.

The Secretary. On pages 20 and 21 it is proposed to strike

out section 8 as printed in the proposed amendment of Mr. Owen and in lieu thereof to insert:

Owen and in lieu thereof to insert:

Sec. 8. That section 5154, United States Revised Statutes, be amended to read as follows:

"Any bank incorporated by special law of any State or of the United States or organized under the general laws of any State or of the United States and having an unimpaired capital sufficient to entitle it to become a national banking association under the provisions of the existing laws may, by the vote of the shareholders owning not less than 51 per cent of the capital stock of such bank or banking association, with the approval of the Comptroller of the Currency, be converted into a national banking association with any name approved by the Comptroller of the Currency: Provided, however, That said conversion shall not be in contravention of the State law. In such case the articles of association and organization certificate may be executed by a majority of the directors of the bank or banking institution, and the certificate shall declare that the owners of 51 per cent of the capital stock have authorized the directors to make such certificate and to change or convert the bank or banking institution into a national association. A majority of the directors, after executing the articles of association and the organization certificate, shall have power to execute all other papers

and to do whatever may be required to make its organization perfect and complete as a national association. The shares of any such bank may continue to be for the same amount each as they were before the conversion, and the directors may continue to be directors of the association until others are elected or appointed in accordance with the provisions of the statutes of the United States. When the comptroller has given to such bank or banking association a certificate that the provisions of this act have been complied with, such bank or banking association, and all its stockholders, officers, and employees, shall have the same powers and privileges and shall be subject to the same duties, liabilities, and regulations in all respects as shall have been prescribed by the Federal reserve act and by the national banking act for associations originally organized as national banking associations."

Mr. GALLINGER. Mr. President, I presume that the amendments which are now being submitted by the Senator from Oklahoma [Mr. Owen] are wise amendments and that they will greatly improve this bill. Assuming that to be the fact leads me to make the suggestion that when Senators were chided for delaying this bill by discussion they were doing a very wise work, because if this bill had been passed one week ago or three days ago, the Democratic conference or caucus held last evening could not have made these wise changes in the bill. I think that the strictures which have been made against this side of the Chamber, and perhaps to some extent against Senators on the other side, that we are debating the bill at too great length, ought to be withdrawn; that we ought to be congratulated and ought to congratulate ourselves upon the fact that a good-natured discussion, extending over 10 or 11 days, has been beneficial to the country, inasmuch as it has enabled our Democratic friends in conference to produce the amendments which are now being submitted by the chairman of the Committee on Banking and

Mr. BACON. Mr. President, I think I might properly suggest to the Senators on the other side that there is another charge which was made which might well be withdrawn, which was that the Democratic caucus had determined upon the form of this bill and would not permit any change.

Mr. GALLINGER. The Democratic caucus of last evening has simply added to the action that was taken in a previous Democratic caucus. It is only a second edition of caucus action;

that is all.

Mr. BACON. Mr. President, in the suggestion made by the Senator from New Hampshire that there should be a withdrawal of the suggestions which have been made on this side of the Chamber, the Senator from New Hampshire necessarily negatives the propriety of the suggestions which have been made on the other side, that we would not permit any changes to be made in the bill.

Mr. LEWIS. Mr. President, I would not deprive the very able Senator from New Hampshire of such unction as he might flatteringly lay to his soul as to the effect of the discussion upon the Democratic side produced through his colleagues. It is only fair, however, that his present illusion be dissipated to the extent of stating that the amendments being tendered by the able chairman of the Committee on Banking and Currency were inspired from other sources than those on the other side of the Chamber. Thus it is that such confidence is placed in them as to be tendered with our sanction.

Mr. SMITH of Michigan. Mr. President, I should like to ask the Senator from Oklahoma if this is not a rather radical innovation upon the principle laid down by the Comptroller of the Currency against the too liberal establishment of national banks in communities? I have known of a number of instances where the Comptroller of the Currency has seen fit to limit the establishment of national banks, because there was already a sufficient number established to serve the community; and yet here is a proposition to take them in by wholesale. A community of 10,000 people with two national banks and four State banks is to be given the privilege of having six national banks—something which has always been frowned upon by the Comptroller of the Currency as unwise. It seems to me that it is rather a radical innovation which the Senator from Oklahoma now advocates.

Further, the assets of the State banks are not at all the character of assets required of national banks; and yet you propose to admit them upon the mere whim of a majority of the board of directors and 51 per cent of the stock. I can not

believe that you regard this as practicable.

Mr. O'GORMAN. Mr. President—
The PRESIDING OFFICER (Mr. SMITH of Georgia in the chair). Does the Senator from Michigan yield to the Senator from New York?

Mr. SMITH of Michigan. Certainly.
Mr. O'GORMAN. Is the Senator from Michigan not aware that under the provisions of this bill the State banks coming in under the circumstances referred to must at once comply with the various requirements of the act and observe every rule and regulation established by the reserve board?

Mr. SMITH of Michigan. Yes, Mr. President, but that is a very difficult thing to do.

Mr. O'GORMAN. Then they will not come in.

Mr. SMITH of Michigan. Then why put the provision in the bill?

Mr. O'GORMAN. They will have the opportunity to come in. Mr. SMITH of Michigan. If it is a mere advertisement of your good will toward the State banks, all right; let it pass; but if it is put in the bill with the sincere desire to add to the number of national banks throughout the country in a wholesale way. I think that the objections to it are very serious.

Mr. O'GORMAN. Does not the Senator recognize the fact that if the number of national banks be increased in consequence of this provision, there will be a corresponding decrease

in the number of State institutions?

Mr. SMITH of Michigan. No, Mr. President; I hardly think

that would be the case.

Mr. O'GORMAN. Surely if the State bank carries itself into the national system it would cease to be a State bank.

Mr. SMITH of Michigan. Yes; but I am inclined to the belief that when the bill that is now before the Senate shall have ripened into law and the banks of the country and the stockholders thereof understand the serious situation into which they have been precipitated the changes will be from National to State charters rather than from State to National.

Mr. O'GORMAN. That is not the judgment of the bankers, many of whom appeared before the Senate Banking and Currency Committee. It is not the position taken by the leading

bankers of America to-day, who are ready to come into the system as soon as this law is enacted.

Mr. SMITH of Michigan. If they are so anxious, Mr. President, I ask the Senator from New York why make it obligatory for them to come in under the penalty of a revocation of their

Mr. O'GORMAN. Because the best banking thought of the country advised the committee to make it compulsory.

Mr. SMITH of Michigan. It must have been because of the

fear that they would not join voluntarily.

Mr. President, I do not expect to see the national banks enter this system en masse. I do expect to see a great many of them take out State charters. The State laws nowadays afford very ample scope for safe banking; their supervision is as searching as that of the national banks and their scope larger. I fully expect to see some of the national banks go under the State laws; and I candidly believe, if you did not impose a penalty and threaten to revoke their charters, that your new system would fall to the ground for want of cooperation.

If any large proportion of the national banks do change their charters and go under the State laws, the relations of those that remain will be so close to one another that the idea of the country ridding itself of a banking monopoly will be more remote than it is to-day. I do not exactly fancy putting into this bill at the behest of a party caucus a provision which is directly contrary to the settled and accepted rule of the Treas-

nry Department for many years.

I know of a town of 10,000 people, with two national banks, where an application was made for a national-bank charter. It was refused, because it was said they had banking facilities enough, and yet in that identical town-and I am speaking of a town in the State represented by my friend from California [Mr. Works]—the four State banks in that town may overnight be incorporated into the national system.

I can not understand the reasoning that would justify such a reckless departure from a rule that has hitherto been regarded

as necessary and conservative by Treasury officials.

Then, again, you are taking them in, Mr. President, in exactly the same way as the national banks were taken into the State system under the laws of Oklahoma, about which much complaint was made because of a failure to properly safeguard the personnel and the character of those institutions. Yet you are going to take them all in, 17,000 of them, if they want to come in the national-bank system, immediately after the passage of this bill. I do not believe that that is a sincere attempt to strengthen the banking credit in the country and I am opposed

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Oklahoma to the amendment

heretofore submitted by him.

Mr. BURTON. I should like to understand a little more fully the necessity for this change. The amendment was read at the desk. It does not modify the substance of this section, does it?

Mr. OWEN. It makes the method a little clearer than it was in the previous language. It does not change the substance of it. It merely facilitates the transfer of a bank that is a State bank and wants to come into the system and makes it a little

bit more easily accomplished. That is all there is in the section.

Mr. BURTON. I notice that until reaching the top of page 21, line 2, the proposed amendment concurs with the bill in its present form. Then the words "and acting through a compresent form. Then the words "and acting through a com-mittee" are omitted. Several Senators near me say they would like to hear the amendment read again. May I ask that that be

The VICE PRESIDENT. The Secretary will again state the amendment.

The Secretary again stated the amendment to the amendment. The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Oklahoma to the amendment heretofore proposed by him.

The amendment to the amendment was agreed to.

Mr. OWEN obtained the floor.

Mr. SHERMAN. Mr. President-

Mr. OWEN. I yield to the Senator from Illinois. Mr. SHERMAN. Will the Senator from Oklahoma yield a moment to permit me to offer an amendment?

Mr. OWEN. I yield to the Senator. Mr. SHERMAN. It is on page 54 of the printed bill, line 18, in regard to the divulging of examinations by bank examiners. I should like to offer an amendment so that the information gained by the bank examiner may be, by consent of the board of directors of the bank concerned, given to others. I have the amendment written out, on page 54.

Mr. OWEN. I will say to the Senator that at the instance of his colleague [Mr. Læwis] I have already had that amendment submitted and prepared, and had intended to introduce it; but I have no objection to the Senator introducing it if he

prefers.

Mr. SHERMAN. No; in that event I will not urge it at this time. It will be considered at some appropriate time?

Mr. OWEN. It will; yes. Mr. SHERMAN. It has been urged on me very strongly by the committee of the Chicago clearing house.

The committee understand the matter quite Mr. OWEN. thoroughly and had already prepared for it in the way the Senator doubtless desires. Mr. SHERMAN. Very well; then I will not urge the amend-

ment.

Mr. OWEN. On page 25, in line 12, I move to strike out "\$10,000" and insert "\$12,000," relating to the salaries of the members of the Federal reserve board.

The VICE PRESIDENT. The amendment to the amendment

will be stated.

The Secretary. On page 25, line 12, it is proposed to strike out "\$10,000" and in lieu thereof to insert "\$12,000."

The amendment to the amendment was agreed to.
Mr. OWEN. On page 25, line 13, after the word "expenses," move to insert the following words:

The members of said board, the Secretary of the Treasury, the Assistant Secretaries of the Treasury, and the Comptroller of the Currency shall be ineligible during the time they are in office, and for two years thereafter, to hold any position or employment by any member bank.

Mr. O'GORMAN. Mr. President, I suggest to the Senator from Oklahoma the propriety of inserting the word "office," so that it will read "position, office, or employment." That would cover the case of an officer as distinguished from an employee.

Mr. OWEN. I accept the suggestion, and move to insert the words so as to read:

Shall be ineligible during the time they are in office, and for two years thereafter, to hold any office, position, or employment conferred by any member bank.

The VICE PRESIDENT. Has the Senator from Oklahoma the amendment written out? It is difficult for the Secretary to catch the language. The Chair will state that the bill has been already modified at this point on December 3.

Mr. OWEN. Then I move to strike out the amendment which has been heretofore inserted in the bill and insert the matter

I send to the desk.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The Secretary. On page 25, line 13, after the word "expenses," it is proposed to strike out the comma and the words and they shall be ineligible during the time they are in office and for two years thereafter to hold any appointive office or employment under the United States or in the District of Columbia or any Territory of the United States or of any member bank of a reserve bank," and in lieu of those words to insert:

Mr. THOMAS. I would suggest striking out the word "member," so as to make them ineligible to any employment or to hold office in any bank.

Mr. CRAWFORD. How would you enforce that?

Mr. THOMAS. The reason why I make the suggestion is because it is very evident that there may be banks outside of the member banks quite as important and quite as influential as those within the member banks; and if the purpose is to exempt these men from any influence whatever, the exemption should be made general.

Mr. BURTON. Mr. President, will the Senator from Colo-

rado yield to me?

Mr. THOMAS. Certainly.

Mr. BURTON. Suppose a man has been engaged as one of these members or as Assistant Secretary of the Treasury or as Secretary of the Treasury. What right have we to say to him that within two years after he leaves that office he shall not be employed by any bank that is outside of the system? What right have we to impose a condition on a man as to private positions after he leaves office?

Mr. THOMAS. The same right we have to limit it to member banks. If we have the right to do one, we have the right to do the other, and make it a qualification for the office.

Mr. BURTON. It is a very different proposition.
Mr. CRAWFORD. Mr. President—
The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from South Dakota?

Mr. THOMAS. Certainly.

Mr. CRAWFORD. I wish to call the attention of the Senator from Colorado to another fact. That is that the Federal reserve board may control the action of the member banks in employing people, and it may say to them, "You shall not employ a man who has been in one of these positions within the past two years," but the Federal reserve board can not say that to a State bank.

Mr. THOMAS. There may be State banks which are not member banks that are quite as important and influential as other banks; and if the members of the Federal reserve board are eligible to positions in those banks, then the purpose sought

to be subserved by this amendment will fail.

Mr. CRAWFORD. I am discussing the question of power. The Federal reserve board can not say to a State bank out in Lawrence, Kans.: "You shall not employ an ex-Secretary of the Treasury in the capacity of president or cashier or in any other capacity." It can not say to the ex-Secretary of the Treasury: "You shall not engage in any such service for a

Mr. THOMAS. But it can make it a condition of holding the office of Secretary that the man filling it must subject himself to certain disqualifications.

Mr. CRAWFORD. What are you going to do with him after he has served his term in office? Shall the disqualification follow him until he is ready to be laid away in the grave?

Mr. THOMAS. What are you going to do with him if he takes a position with a member bank?

Mr. CRAWFORD. You have the power here to remove him if he is an officer of a member bank.

Mr. THOMAS. You have the same power— Mr. O'GORMAN. Mr. President—

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from New York?

Mr. THOMAS. I yield the floor. Mr. O'GORMAN. Mr. President, I take it there can not be much dispute respecting the proposition that under the Constitution there is no power conferred upon the Federal Government to place a restriction upon a citizen of the United States with respect to his private occupation after he ceases his Federal employment.

This proposed statute does not operate upon the individual. It operates upon the banks that are within the jurisdiction of

In effect this provision is that no national bank shall, within a prescribed period, employ a former member of the reserve board or certain other men who may have held Federal posi-The penalty for violation would not be visited upon the individual, but upon the national bank. Because of such a violation a national bank would incur the risk of forfeiture of its charter. So the rule that would be applicable with respect to the national banks could have no application whatever with respect to the State banks or other non-Federal institutions, public or private.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Oklahoma to the amendment heretofore offered by him.

The amendment to the amendment was agreed to.

Mr. OWEN. On page 30, after line 23, I move to insert an additional paragraph, to be designated "(m)," which I send to the desk and ask to have read.

The VICE PRESIDENT. The amendment to the amendment

will be stated.

The Secretary. On page 30, after line 23, it is proposed to insert the following paragraph:

(m) To employ such attorneys, experts, assistants, clerks, or other employees as may be deemed necessary to properly conduct the business of such board and to accomplish the purposes of this act. All salaries, allowances, and expenses of those employed to be fixed in advance by said board and to be paid in the same manner as the salaries of the members of said board. All such attorneys, experts, assistants, clerks, and other employees to be appointed without regard to the provisions of the act of January 6, 1883 (22 Rev. Stat., 403), and amendments thereto or any rule or regulation made in pursuance thereof.

Mr. BURTON. Mr. President, this amendment presents a

very important proposition.

It has been repeatedly denied here and elsewhere that this measure would be used in any way for political purposes. It has been repeatedly said by the friends and proponents of this bill that the men who would be appointed to this Federal board would be of the same high standing and command the same confidence as the members of the Supreme Court. Its success depends upon the confidence of the people, and it depends upon the degree in which the members will be able to ignore political considerations and recognize their unprecedented responsibility. Here, however, we have offered a provision to exclude their subordinates from the protection afforded by the civil-service law.

A very vigorous protest was raised here when legislation to this same effect was adopted in regard to deputy marshals and deputy internal-revenue collectors; but, to use the vernacular, I think this is the limit. This means that you are going to bring this entire system into politics instead of keeping it out. It means that these officials are invited to violate the letter

and the spirit of the civil-service law.

In the first place, they are given an authority very seldom vested in any executive officers of the Government, namely, the power to select what subordinates they please and to fix their salaries. They determine what the positions shall pay without supervision by Congress and without legislative action.

Why, Mr. President, every time that has been attempted by any commission under this Government it has awakened opposi-

tion and has come near to creating a scandal.

What reason is there for the very existence of the legislative branch of the Government unless it be to determine what offices may exist and to define their powers? What has caused the growth of liberty in England and the great progressive nations of this age? That the legislative department has controlled the power of taxation, the disbursements from the public purse, has been able to prevent the creation of unnecessary offices, and thwart oppression or partiality by those at the head of the Government.

Mr. President, I enter my most emphatic protest against any further infraction of the civil-service law in this bill, which of all bills should invite the support of the whole country without regard to party affiliations and which should be kept entirely

free from the mud and mire of politics.

Mr. O'GORMAN. Mr. President, I simply want to call the attention of the Senator to the provision of the bill requiring the reserve board to make annual report to the other branch of Congress setting forth in detail all the officers created by the board, the duties of the several positions, and the salaries and the compensations fixed. It would seem not to require much argument that in the creation of a system of this character the reserve board, charged with its great responsibilities, should be permitted to use its best judgment and care in selecting from time to time the various persons whose services may be needed to perfect the system or the detailed work of the plan. If, after the first report is made, from the information then presented to Congress, there is need for legislation or for the application of the civil-service system to this particular banking plan, Congress, will have apple appropriately a constant. gress will have ample opportunity at that time to correct any mistake that may be made.

Mr. ROOT. Mr. President, I think that Congress has never created a subordinate agency under a higher responsibility to protect the agent from political influences than rests upon Congress at this time. Of course, the argument against the application of this system of selection through civil-service examination always has been that the officer charged with responsibility would feel the necessity of making his administration of the office a success and would endeavor to select suitable and efficient assistants. That argument is theoretically sound. It would be practically sound if humanity were perfect. But we all know how the business is conducted in practice.

There is no public officer connected with the Government of the United States in Washington who has the power to appoint subordinates, free from the limitations of the civil-service system, who is not besieged by applications and forced by Senators and Representatives in Congress and by political leaders from the different States urging appointments upon him. The original impulse given to civil-service-reform system by President Grant grew out of his experience of the necessity that the appointing power should have some protection against assaults of that description.

Sir, we certainly ought to protect this board. We all agree that the board ought to be kept out of politics. We all agree that the board and its surroundings ought to be as free from political influence as possible. We all agree that that wide and important opportunity for suggestion, for direction, for giving form to the opinions and the actions of superiors resting in the practical assistance in office, ought to be in this case free from politics. But no law, no human power can prevent Senators and Representatives in Congress and the political leaders in the States from pressing upon the reserve board the appointment of particular persons as being the best persons for these subordinate places. Experts, attorneys, counsel, assistants will have vast influence in various phases of the complicated and difficult subject of finance. They will have vast influence upon the deliberations and the action of the board, and if Senators and Representatives are to urge their appointees, their favorites, the persons whom they wish to take care of, upon the board, we can not prevent the board from being surrounded by influences which are political in their

If there ever was a case in which the protection of the civilservice system ought to be thrown around public officers, this board furnishes the case.

Mr. LEWIS. Mr. President, no one who has heard the observations of both the able Senators, the one from Ohio [Mr. Burron] and the other from New York [Mr. Root], but who coincides with the logic of the argument and the philosophy of the observations. If these positions were of ordinary occupation, applicable generally to mere general clerical service, I am sure every Senator would be glad to accept the suggestions of the learned Senators, because it would relieve us of what we may frankly speak of as persecution in the attempts of many persons to have themselves lodged in positions without regard to their merits or their fitness, for it does seem that in politics a man has no possible appreciation of his own fitness

or his unfitness for the particular thing which he will seek.

But, Mr. President, there are in this measure these exceptions that I am sure the learned Senators have not reflected upon. This system is a scientific one. It can only be carried out by the aid of a form of scientific knowledge. The aids should have some knowledge of banking; they should not be ignorant of finances; they should have some information touching bookkeeping; they should have formed some previous relation to the ordinary commercial business associations. If they should be taken from a general list, where the examinations which qualified them largely consisted of questions concerning what were the capitals of the countries of Europe, and what were the relative proportions of acetylene gas compared to the present oxides, or something no more appropriate, I am very sure, as we so frequently observe from such examinations that both the able Senators and all Senators will see that very little assistance could be had as a result of such.

As the junior Senator from New York [Mr. O'GORMAN] aptly said, this board will be held responsible, and any errors on the part of the employee from either want of knowledge or want of experience will be charged to the board.

I invite both the learned Senators to the precedents upon which this action we advanced can be justified. When the Board of General Appraisers was created, having for its object the passing upon what tariffs should apply to certain merchandise and to heed the protests of shippers, that board was not hampered by the civil-service regulations, as the able senior tor from New York will recall, but the law recognizing that it would be necessary that these aids should know something about the tariff, or at least merchandise and the application of tariff rates, the Board of General Appraisers sitting in New York had the right to name these aids without recurrence to the civilservice list, because a form of scientific knowledge was essential in order that the appointee should properly discharge the duty necessary.

So I recur to a late act, which both the able Senator from Ohio and the distinguished gentleman from New York will recall. When the late President of the United States, President Taft—only late as having lately retired from his high office, and I am delighted to add that he still exists with us as a dis-

tinguished citizen-created and sent to the Senate a body called the Industrial Commission, created for the purpose of making certain investigations concerning the general industrial relations of this country between employer and employee, factories, skilled labor, and otherwise.

There was again that excellent sense shown in exempting that body from being compelled to take its aids from the civil-service list, and since the present Senate confirmed the appoint-ment, which by some accident or condition had gone over in the previous administration, and that body is now assembled have in Washburton drawing its resistants from the search have here in Washington, drawing its assistants from those who by their skill and ability disclose their fitness, but unhampered, following the wisdom of the Republican President of the United States and those who were his able advisers, by the civil-service regulations, which too often put upon officials men utterly unfit and wholly incompetent for the particular tasks assigned

I appeal to the Senator from New York for his personal experiences of Federal judges who are particularly exempt, as he will recall, and who can name the referee in bankruptcy, the clerk of the court, or the commissioners free from the civil service, upon the very theory urged by the junior Senator from New York, that fitness and qualifications in the form of scientific knowledge of the law and its difficulties were essential.

Now, by virtue of these precedents I most respectfully insist

that this committee, following it, is amply justified by the reason, by logic, and by the previous political history.

Mr. O'GORMAN. Mr. President, I desire to add one other instance to those named by the Senator from Illinois which would seem to justify his view of the question involved. If I am not mistaken, when the Tariff Board was created by the last Republican administration there was a specific provision that in the appointment of clerks and assistants the provisions

of the civil-service law would not apply.

Mr. BRISTOW. Mr. President, I do not care what precedents there are for this action, it seems to me that now we have a manifestation of the reasons for the unusual and extraordinary haste in getting this bill through. It probably is not only to relieve the financial disturbance that is imminent as a result of the unrest that has been created by this administration and the legislation that has been passed and proposed to be passed but also to satisfy the horde of hungry office seekers that have been besieging the Capital for the last 10 months. It is now proposed to unload some of them upon this great banking establishment that is to be created.

There could not be anything more inconsistent than the argument that it is necessary to exempt these officers and employees from the civil-service law in order that competent persons might be secured. If the Federal board that is created desires some one to be appointed who can not be secured through the civil-service method, the President has the power to exempt that place from the operations of the civil-service law. This board can not be hampered by the law, because exemptions are within the power of the Executive himself. To say that to get competent officers it is necessary to throw this wide open to political appointments is utterly without reason.

There is no occasion to exempt a single one of these officers from the civil-service statute. There is ample provision now for exemptions, if the interest of the service requires it, and the President exercises that power frequently. Every President has done it in the past. It has been exercised too much. It has been exercised not in the interest of the service, but in the interest of some political influences that sought to place men in office for political purposes. It seems to me that of all the indefensible propositions that are incorporated into this bill this is the worst.

Andrew Jackson destroyed the second United States Bank because it was in politics. Here are Senators who claim that in-dependent and courageous President as one of their patron saints; yet they propose to create a United States bank and put it in politics

Mr. GALLINGER. Mr. President—
The VICE PRESIDENT. Does the Senator from Kansas yield to the Senator from New Hampshire?

Mr. BRISTOW. I yield. Mr. GALLINGER. The Senator from Kansas might well make the suggestion that the Civil Service Commission are every day examining men for scientific positions. If the office of Supervising Architect of the Treasury should become vacant to-day, the Civil Service Commission would have a competitive examination for that place; and I apprehend that commission have all the required facilities for examining the men it is pro-

posed to put in these responsible positions.

Mr. BRISTOW. Mr. President, there is no doubt about that.

The Civil Service Commission will obtain a great deal more effi-

cient employees for this banking system than Democratic Representatives and Senators will select, because they are more competent to do it. The Democratic or Republican Senators and Representatives, so far as that goes, when it comes to recommending such appointees, will recommend the men who are useful to them in their political campaigns. They recommend them nine times out of ten because they are useful or they expect to make them useful politically.

This amendment is proposed here for the purpose of aiding Representatives and Senators in their next campaign by taking care of ambitious politicians from the wards and townships and the counties who will control or attempt to control primaries and conventions, to receive as a political reward some appointment in the United States banking system. This is a beautiful and delightful exhibition that we are now observing here in this enlightened age of civil government! Are we going back into the old spoils system, worse than it was in the days of Jackson? Then it was the higher officers that were in politics; now it is proposed not only that the higher officers shall be political appointments, but all of the subordinates as well.

I suppose it will go through; of course the Democratic caucus has decreed that it shall, and that ends it. It goes through; but this arrogance of power that defies reason will in time bring down upon its head the condemnation of the patriotic, intelligent American people; they will not stand for it; and experience will demonstrate that no administration, I care not with what prestige and power it may come into office, can abuse that prestige and power, as it is proposed to do in the enactment of this

measure, with impunity.

Mr. TOWNSEND. Unfortunately, Mr. President, I was not in the Chamber when this amendment was presented, nor did I hear the arguments of the distinguished Senators from New York and Ohio regarding it; but, as I understand, it is proposed to relieve from the civil-service regulations the appointments of such men as will be required by this bill. One of the things that most men who have listened to the arguments up to date and who have read the bill have had to fear has been that politics would control the administration of this proposed law. Most serious and, it seems to me, pertinent arguments have been presented against the lodgment of so much discretion in the hands of the reserve board, and the answer has always been that it is most unthinkable that these men will be other than of the highest character. I think I am saying what nearly every Senator will corroborate when I state that many Democratic Senators have already complained in private conversation that they have been pressed with applications for appointments before this proposed law has been enacted. Already candidates even for places on the reserve board are being urged through political One prominent example has been called to my attention, and the Senator besieged felt that the candidate was most unfit and yet realized that influence was great, and I inferred that there was danger that great political pressure might bring It was stated by a Senator in the course of this discussion that the Oklahoma bank guaranty law had been a failure for the first two or three years and before it was amended because it was in politics; that politicians had been so much interested in the execution of the law that it had proven a failure.

Mr. President, I think it is a serious mistake for us to take any steps backward in the operation of the civil-service law. I know of nothing that has improved so greatly under the operation of the merit-system law as has the public service of

the United States.

I know that politicians, Republicans and Democrats alike, who feel that they can reward some faithful supporter, are willing at times to ride over the civil-service law, but it is a Every one of you understands that it is a mistake. It is our business here to legislate for the best interests of the Government; and, politics aside, there is no man, in my judgment, who can stand up and consistently claim that it would not be a mistake to make it even possible for gentlemen, in whatever position of power they may be, to make appointments for political purposes only. There can be no other object in this amendment than to reward political supporters by appointments in connection with this new law.

It is idle to say that you can not get good men for these places under the civil service. The great interstate-commerce law, embracing all the technical, complicated questions of railroad valuation and railroad operation, is administered through experts appointed under the civil service; the selection of men for that work is being made without difficulty, because you can obtain men, the best men, in that way; and do Senators insist that under this administration the civil-service board, which has been reorganized, as I fear, for political purposes, can not provide proper questions to be propounded to ap-

plicants, that all of the whimsical and unimportant ones shall be omitted and only those which test the qualification of the applicant shall be asked in its examinations? I am sorry that we should not only change radically the currency and banking laws of the country, but that we should put its administration into the hands of spoilsmen. Could anything be more destructive of public confidence?

It is difficult to believe that some Senators on the other side, who I know have secretly rebelled against the pressure of the caucus, can be compelled at this time to stifle their consciences and surrender their convictions and join with their colleagues in this attack upon one of the most wholesome and progressive

laws of modern times, namely, the civil-service law.

Before I take my seat I desire to refer to a proposition to which I called attention in reference to the Oklahoma law. is short, but is an example directly in point of the possible evils under this amendment. I read from the third annual report of the bank commissioner of the State of Oklahoma. He

The only near fatal mistake made in our guaranty law was that after its passage, the immediate taking in under the guaranty system of all banks without first the most careful and rigid examination of banks, men, and methods. They should have been tried out under the most thorough test, and the incompetent and dishouest should have been eliminated from our financial institutions, and none but the strongest and best men permitted to engage in banking. The department of banking should be elevated to the highest standard and placed upon the most permanent and solid basis possible, as nearly every individual in Oklahoma is effected more or less by the condition of her financial institutions. With this end in view, the commissioner is of the opinion that all employees of the banking department should be appointed under the civil service rules, with only one object in mind, that of rendering the very best service at all times. In making the appointments therefor I have not in a single instance raked as to the politics of any applicant, but have only sought to select high-class men, considering efficiency and ability only.

This report was made after that law had been tried by experience; it was made after it was determined that the law was practically a failure. The commissioner states that after that experience it would be well for the operation of that law if appointments of men to administer it could be made under the civil service. In another place the bank commissioner says:

The reasons of the heavy losses, as they have been narrated in the foregoing discussion, may be here summarily restated: (1) The banking department was for a long time in politics. (2) Unsound banks were admitted and guaranteed at the outset. (3) The record of bankers has not been properly traced. (4) There has been procrastination in closing insolvent banks and timidity in the face of losses. (5) Economic conditions have been somewhat adverse. (6) The guaranty of deposits has relieved depositors of all necessity for care in selecting banks.

Please notice that the very first reason given for failure is "politics." And yet with this experience of Oklahoma in the operation of the banking law in that State it is now proposed by the advocates of this bill to write into a law for the Nation the inexcusable mistake of political control. It can result in no good. It may, it probably will, result in disaster.

Mr. NORRIS. Mr. President. I speak as a friend of this legis-

lation. There is no man in this Chamber who more earnestly desires that we should have proper legislation on the banking and currency question than I do. I have given to it all the careful study of which I have been capable. I attended the meetings and the hearings of the Banking and Currency Committee almost as punctually, I think, as any member of that committee. I had intended to address the Senate at some length, but because I was auxious that this legislation should be enacted into law at as early a date as possible, I have desisted.

I expect to vote for this measure. I would not vote for the bill as it passed the House; but I would vote for either bill brought in by the different branches of the Banking and Currency Committee of this body. I did believe, and do believe, that the banking and currency system and the banks organized under the system ought to be under Government control, I favored the ownership of the stock by the people. I was opposed to 12 regional banks as against 4. However, I would rather have 12 regional banks than not to have the law passed at all. I have voted for ownership of the stock by the people and for Government control of the banks.

I am not going to discuss those provisions; I am not going into a detailed discussion of any of the provisions, except to say that as between the provisions incorporated in what is known as the Owen bill and most of the amendments which have been offered to it, I have favored the amendments. I favored the amendment designed to extend the time of the notes eligible to the rediscount privilege to 6 months rather than 90 days; I favored several other amendments of less importance; but through it all I was earnest and anxious that we should get out of this bill the best possible law, and although these amendments have been defeated, I am still in favor of the bill and am as anxious as any man here to prevent emasculation of the measure by unworthy action.

I believe those amendments would have been adopted by almost a unanimous vote in this Chamber if we could have eliminated the silent but the potent influence of the secret caucus.

I was principally opposed to the House bill because it pro vided for a board of control that, in my honest judgment, would have become in a few years the football of politics, and would have meant the building up of the greatest political machine that this country or this world has ever seen; that it would have placed the banking and currency business of our country in politics, and just as surely as that is done you will not only ruin the banking and currency system but you will ruin the country as well.

I prepared an article which has been published in reference to the House bill bearing on that particular point, and I should like to have it incorporated in the RECORD as a part of my remarks without reading.

The VICE PRESIDENT. Is there objection? The Chair hears none, and permission is granted.

The article referred to is as follows:

The VICE PRESIDENT. Is there objection? The Chair hears none, and permission is granted.

The article referred to is as follows:

I am asked to state what, in my judgment, is the most objectionable feature of the currency bill as it passed the House of Representatives. Let me preface what I shall say by the statement that I am in favor of thanacial legislation. The country ought to have an elastic currency, and I am in favor of Government control as distinguished from bank control, but I am more opposed to partisan control than I am to any other kind.

The bill as it passed the House was a purely partisan measure, and we would naturally expect it to have defects that usually follow any measure on any subject that is the outgrowth of partisan manipulation and secret-caucus control.

It was first considered in secret by the Democratic members of the House Banking and Currency Committee. After they had finished they went through the formality of inviting in the entire committee while they officially reported the bill to the House. It was then considered in a secret Democratic caucus, wherein it was made possible to pass the bill through the House without any amendment, regardless of the merit that the amendment might have or how it might appeal to the individual Members.

The country could not expect good legislation from such a procedure. The entire system of banking and currency as provided in the bill sunder the control of what is called the "Federal reserve banks. Each one of these Federal reserve banks will control directly the banking of one-twelfth of the country. The capital stock of each of these banks is made up by subscription of stock taken by the various banks in each of the respective districts.

The bill provides that any bank can go to the Federal reserve banks. Each one of these Federal reserve banks of its district, and by depositing notes and bills of exchange and guaranteeing their payment, can get in return Federal reserve banks in each of the respective districts.

The bill provides that any

serve agent, who is practically made the go-between the Federal reserve bank and the Government. Then the Federal reserve board has the power to remove any or all of the board of directors included in class B.

The Federal reserve board not only names the Federal reserve agent, who is really the controlling power of every Federal reserve bank, but they fix his salary. They have the power also, to remove any of the officials of every Federal reserve bank. They can likewise suspend the operation of any Federal reserve bank and appoint a receiver therefor. They fix the rate of interest. They can compel one Federal reserve bank to rediscount the paper of another Federal reserve bank. They can suspend for a period of 30 days, and renew such suspension for another 15 days, the reserve requirements. They supervise and regulate the issuance and retirement of the Federal reserve notes. They can examine the accounts, books, and affairs of each Federal reserve bank. They can levy an assessment upon the Federal reserve banks for money to pay their expenses. They can rendjust the districts and create new ones. They can provide by regulation for the establishment of branch Federal reserve banks within each district. They can remove the chairman of any Federal reserve bank without notice. They can require the writing off of doubtful or worthless assets upon the books of any Federal reserve bank. They can determine and define the character of paper which the local bank will be allowed to discount at the Federal reserve bank. They can determine and define the character of paper which the local bank will be allowed to discount at the Federal reserve bank. It most most most the sound to be charged by Federal reserve banks.

I am not making particular complaint against the granting of these powers to this board, because I presume these powers, under the system at least provided for in the bill, must be lodged somewhere, but it will not require a moment's consideration for any man to determine that any board having all these powers

will thus be seen that any President will be able to name a majority of the board. The Secretary of the Treasury, the Secretary of Agriculture, and the Comptroller of the Currency will hold their positions at the President's will, and it would be a very easy matter for any administration to completely change the complexion of the entire board, and thereby absolutely control at will the entire financial system of the

the President's will, and it would be a very easy matter for any administration to completely change the complexion of the entire board, and thereby absolutely control at will the entire financial system of the country.

The board is made at once a football of partisan politics. I am not charging that any President would deliberately try to upset the banking and financial system of the country. I am not even intimating that any President would take any step with corrupt motives, but within the recollection of all grown men it is known that financial systems and combinations have often had the sympathy of Presidents. The men who control these combinations would be able to furnish the sinews of war in presidential campaigns, and it is fair to assume that flavy would be rewarded in the future as they have been in the past. Our banking and financial system would be on edge at every presidential campaign. It ought to be stable and absolutely unaffected by the success or the defeat of any political party or political organization. Neither do I believe that the political power of this system would develop at once. It might be quite a number of years before the control of this board would gradually drift into politics. Such has been the history of every political machine that has existed in the past.

Every political machine has always been to a great extent a matter of growth, and those who control such machines are continually reaching out for additional power and additional influence, which procedure goes on, often for many years, before the people really are awake to the great danger that such power gives.

If this provision of the bill is not changed, I believe this Federal reserve board would, in the course of years, grow into the most powerful political machine the world has ever seen. Its influence would percolate down through the Federal reserve bank, through the local bank, and finally to every borrower in the land. This would not necessarily come about with the assistance of the reserve or the local banks, b

security is not satisfactory when, as a matter of fact, the real reason is something entirely different. There is no appeal from their decision. They can supply bank "A" on one side of the street with unlimited funds and refuse all assistance to bank "B," on the opposite side of the street.

It will not be necessary for this machine, to have its influence effective, to make any threat, demand, or even express a wish. Every banker in the country will know what brand of finance or politics is desired by the Federal reserve board. They will know which political official running for office is friendly and which is unfriendly. Realizing that this machine may either make or destroy them, the bank will always try to do the things which pleases those in control.

The local banker in turn will use his influence with the borrower at his bank, He knows that he will be expected to make good in his community. This will be an incentive to him to control the man who has to use his bank in his business operations. He can easily make the borrower understand that he can not be accommodated at his bank unless favored candidates are supported and favored policies advocated. It will be an easy matter to explain to him that such a course is necessary in order to enable the bank to get funds with which to supply the man who borrows the money.

The power of such a machine carried to its ultimate finality is so great that even the imagination must recoil in horror at the wonderfully far-reaching effects that will come about through its power.

The bill has other serious objections, and it has likewise many things in its favor. The objection which I have pointed out is one that can be remedied by amendment; but, in my judgment, it is the greatest defect in the bill. It has so far attracted but little attention, because men who are discussing the measure, either in criticism or in praise, have been attracted by other features that more directly apply to the various lines of business and trade in which those who are participating in the d

Mr. NORRIS. The amendment now before the Senate, it seems to me, goes toward the proposition that I was seeking in that article to avoid-placing this board, which has the control over all the banks, in politics. No argument has been offered, and none can be presented, in favor of taking these appointees out from under the civil service that will not apply to every appointment that has ever been made in the history of the civil-service system.

Mr. President, if we injure this legislation now by making it partisan, by making it possible for official political influence to become instrumental in placing favorites in office under this law, we will, in my judgment, eliminate the good that would otherwise come from it. I can not understand, I can not appreciate, how any man, realizing the importance of the measure that we are now to place upon the statute books-and it will probably remain upon the statute books longer than any of us will live-I can not see how anyone can for a single moment concede the proposition that the appointees of this board should be politicians, rather than be appointed on account of their fit-

ness for the places they are to occupy.

Mr. President, this is only a stepping-stone. It may be said that the men who make the appointments will not be politicians, but by this act we are going to make them politicians, whether they will or no. If we are going to subject them to all of the influences that come from every State and from every city in this Nation to get favorites on account of their political belief appointed to positions under this board, we will necessarily and inevitably drag this board into politics, and when we do that, we have taken our banking and currency system into politics.

I do not believe any man wants to do that. I can not believe that those who favor this proposition really understand how far-reaching this amendment will be, and how in the end it will bring the Federal reserve banks into disrepute, just as the other national bank which was destroyed by Andrew Jackson was brought into disrepute-killed because it got into poli-

tics.

When the system provided for in this measure gets into politics we will have a political machine that will reach into every village where a bank is located. Its influence will extend to and be felt by every man who has to patronize a bank, either to borrow money or to deposit money. It will be almost limitless. It may be several years before its power will be fully gained; that is true of every political machine; but you will be sowing the seed, if you pass this amendment, that will eventually disgrace and bring into disrepute the very system that

we are trying to adopt.

It has been well said several times here that this is the most important measure which has been before Congress since the Civil War. I am inclined to believe that that is true. There is not a citizen, high or low, rich or poor, who is not anxious that the law which we place on the statute books shall be workable, shall be a good law; there is not a citizen, unless you eliminate those who are trying to get office, who does not desire that the system that we shall adopt shall be beyond the control of politicians, political bosses, and political machines. It seems to me that if we would give this candid, sober consideration not a Member of this body would think for a moment of taking the first step to make out of this system-which, if it is to succeed, must be nonpartisan—a partisan machine.

Mr. President, in all the history of the United States there has never yet been a law passed to take any bureau or official or any position out of politics where the service of the Government has not been improved thereby. It is the history of the civil service. It does not mean perfection. I am not contending for that. God knows enough mistakes will creep in; enough employees will get in perhaps who will be unworthy; but this opens the door and says to every applicant, "You must be a partisan or you can not enter here."

We are not legislating for a party. The offices that will be brought into existence by this law are insignificant when we compare them with all the people of the country who are demanding a nonpartisan banking and currency system. Yet if we commence now, at the very threshold, to say that the appointees of this system shall be appointed on account of polities we shall be appointed on account of politics. tics, we shall have opened a door that you never can close and never will close, and it will be sowing the seeds that will eventually destroy the very system we are trying to build up.

I have heard it rumored that a great many men in this body

were in favor of getting as large a number of regional banks as possible in order that certain localities might have regional banks and get buildings on that account. I never believed it. I could not conceive how any Member of the Senate should permit his vote to be in the remotest degree influenced by such a consideration. Yet here we are presented face to face with something that gives color even to that-that now, when we are about to inaugurate a new system of finance and of banking, we are making a sort of logrolling, pork-barrel, public-building proposition of it in order that we may have this patronage distributed as far as possible.

It seems to me that a second thought on the part of those who are deeply interested, as I believe we all are, in getting the best possible law and the best possible system must lead us all to the conclusion that under no circumstances, nowhere in this great system, must there be any place for partisan control. It means injury and ruin to thousands of people, not only now but in the years that are to come. There will be no stopping place until the entire system is honeycombed with politicians

and with politics, and our banks will all be in politics, not because they want to be, but because on account of the system in which they are they will be compelled to get into politics. We can not afford to jeopardize the success of this system and trade it for a few political jobs. To satisfy a few politicians in their desire to get office we can not afford to turn our banking and currency system into a partisan political machine.

Mr. OWEN. Mr. President, I must confess that I have been

amazed at the severe criticism of this provision. The Federal reserve board, consisting, as it will, of six of the most distinguished men who can be found in the United States, is by this provision given the power to select the experts and assistants it may require for organizing this work. The number of such employees will be very small. Of necessity the number will be

I believe in the civil service. I desire to see it maintained and to see it practiced in letter and in spirit. Even the civil service, however, places in the hands of some competent authorities the choice of our Federal servants, of our officers; and had just as lief trust the Federal reserve board to perform this function as I had the civil-service board. The assumption coolly made, and somewhat vociferously proclaimed to the country, that the Federal reserve board is going to use these offices in the organization of the greatest banking system in the world as a means of rewarding petty politicians from one end of the country to another, at the solicitation, perhaps, of Senators or perhaps of Members of Congress, when perhaps a dozen employees will be all that will be involved in the matter is, I think,

very unfair and very unjust.

There is another very important consideration, and that is one of urgency. The country desires to have this system put into effect. The Federal reserve board itself must take some time for its organization. It will take some time before the President can make a wise and proper selection of these six men, I take it. After they are appointed and after they determine what kind of employees will be necessary, then it would be necessary under the civil-service act, for them to certify over to the Civil Service Board what kind of employees they wanted; and then, under the rules of that board, it would be necessary to await the slow processes by which advertised examinations could be held, and all that sort of thing. All of this would delay the country, at great cost, for the poor purpose of enabling one set of men to choose the employees which another set of men can choose just as wisely, and even more wisely; because the Federal reserve board, in selecting a small number of employees for this purpose, employees who are to render service in so important an undertaking, can be relied upon to exercise the greatest caution in making the selections.

I do not feel disposed to depart from the general principle of the civil service, because I really favor it; but in this case do not think the harsh criticism upon this plan is justified. confess it has been a matter of great surprise to me, because I really did not think it would lead to any discussion at all.

Mr. GALLINGER. Mr. President, addressing myself to the Senator from Oklahoma, I wish to call his attention to a matter with which he is fully familiar. It is that the House bill, which provided for four members of this board, also provided that the transfer of the same political. that not more than two of them should be of the same political

In making that provision, I presume, it was the view of the House that, as far as possible, the board should be nonpartisan. The Senate committee has increased the number to six and has stricken out the limitation as to the number of members of one

political party.

Is the Senator from Oklahoma fully persuaded that it is more desirable to have the provision in the form in which it is now before the Senate rather than in the form in which it passed

the House, in that respect?

Mr. OWEN. Absolutely so; because if you put in a provision that not more than two shall be partisan, it means that two shall be partisan and four shall be partisan—all shall be partisan. It then becomes a bipartisan board, whereas it ought to be a nonpartisan board. I should be much disappointed if in the selection of these men it were not in truth and sober good faith a nonpartisan board.

Mr. GALLINGER. I did not ask the question for the purpose of entering into a controversy with the Senator on that point. I have no such desire. I do not think it follows, however, that if we should say that not more than three should be of the same political party the President would necessarily appoint partisan Democrats or partisan Republicans. me that he would very likely appoint men who had broad views, and, while they belonged to a certain political party, yet they would not carry their political convictions into matters relating

to banking.

I have no disposition to undertake to get the bill changed in that respect. I could not if I tried. I simply wanted the Senator's judgment, or his opinion, as to the wisdom of the change the Senate committee has made in that regard. It is not an unusual thing in legislation, both State and National, to have precisely that kind of a provision in a statute. It is a very common thing to limit the appointing power in the number he shall take from any one political party.

Mr. OWEN. I did not mean to suggest that there was any controversy between the Senator and myself. I was expressing my sincere conviction, because I feel a great anxiety that this board shall be of the very highest possible character. Where you make a provision that not more than two shall be members of a given party, I think it carries with it an implication that they shall be distinguished for party services. That implication would seem to be contained in the law itself, and therefore I think it has a tendency, as far as it has any effect one way or the other, to suggest that it should be a bipartisan board. should hope, no matter what the language, that the President would rise above the question of partisanship and make this board what it ought to be-a nonpartisan board of the very highest possible character.

Mr. CUMMINS. Mr. President, the introduction of this amendment may arouse regret, but it certainly can not excite He must be a dull observer of events who has not seen, during this administration, a persistent, successful attack upon the merit system of appointing civil-service employees. This effort has already invaded the Post Office Department. It has already made great inroads upon the Treasury Department. Now, it is proposed to abandon this new department of the Government entirely to the old method of appointing Gov-

ernment employees.

Mr. President-Mr. REED.

Mr. CUMMINS. I do not yield, Mr. President. I have but a few minutes and I can not yield, save for a question.

Mr. REED. That is all I intended to ask.

Mr. CUMMINS. Very well.

Mr. REED. I intended to ask the Senator to specify how the civil service has been set aside in the Post Office Department and in the Treasury Department, and to give us the number of

cases, instead of dealing in generalities.

Mr. CUMMINS. I should be very glad indeed to give to the Senate at this time such little information as I have—and I have been somewhat careful in gathering it—with regard to the instances I have in mind respecting the Post Office Department and the policy I have suggested in the Treasury Department. I shall do that at some future time, upon some future occasion, because I intend to make some observations upon the present state of the civil service in Washington and throughout the country. I mention these things now only for the purpose of indicating that there is a determined endeavor to strike down the merit system-that is, the merit system involving competitive examinations.

I am not suggesting that the system that is intended to be substituted for it is to be designedly prostituted by political influences. I am simply saying that the majority in this administration seems determined to return to the old plan of appointing employees; to return to individual selection determined by individual considerations, subject to whatever influences sur-

rounded that system.

We passed not very long ago a bill which required the Interstate Commerce Commission to enter upon the valuation of the railway properties of the United States. A more important measure never passed Congress. The Interstate Commerce Commission entered upon that work, and it is now selecting the men who are to do the work through examinations conducted by the Civil Service Commission. It is idle to say that the competitive examinations conducted by the Civil Service Commission do not fairly develop competency. It is idle to say that these examina-tions are not made pertinent and relevant to the particular place to which the employee is to be appointed. They are examining civil engineers, mechanical engineers, electrical engineers, scientific men of all kinds, and out of the great number which appear before the Civil Service Commission the most competent, the most worthy, are selected, and they receive the appointment of the Interstate Commerce Commission.

I do not say that there are not certain places connected with the department about to be created, the Federal reserve board. that ought not to be filled through individual selection. There may be, but to take the whole body of the employees of that board and allow them to be selected through the influences which have been so graphically described here is to deny the whole spirit of the merit system. It is to return to the old spoils system. That system has a great many advocates throughout this country; I do not disguise that from myself,

but I find that the great preponderance of the civilized judgment of mankind, not only in the United States but in every other country in the world, has been rendered for the merit system as distinguished from the individual system.

The Senator from Oklahoma said that the Federal reserve board will be made up of men of high character, exalted motives, with an eye single to the public good. I have no reason to doubt that it will be so composed; but it does not propose to conduct a competitive examination. He said that that board could select the employees as efficiently and as wisely as the Civil Service Commission. So it could if it would adopt and apply the rules of the Civil Service Commission, namely, to determine merit through a competitive examination.

JAMES. Mr. President, will the Senator from Iowa yield for a question?

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Kentucky?

Mr. CUMMINS. Certainly. Mr. JAMES. When the Vreeland-Aldrich bill was passed, creating the Monetary Commission, commonly called the Aldrich Monetary Commission, there was a provision in that law for the appointment of secretaries, experts, stenographers, messengers, and other assistants, to the number necessary for the purpose of gathering that information. No provision was incorporated in that law requiring that those officials should be taken from the civil service.

Mr. CUMMINS. I can not be called into a defense of what was done at that time. I do not pretend but that the party to which I belong has now and then been an offender against the civil-service spirit and requirements. But the Senator from Kentucky must of course remember that the Monetary Commission was a temporary board. It was not intended to continue over a great period of time. But we are here establishing a board which, if it be found to perform a wise function in our Government, will endure to the end of time, and there can be no reason given for the exemption of its employees from the merit or competitive system that will not apply with equal force to the employees of every department of the Government.

It seems to me that if this amendment be adopted it must be

accepted by the country as a final declaration of hostility to the merit system by the legislative administration through

which we are now passing.

Mr. JAMES. My purpose in calling that to the attention of the Senator from Iowa was merely to show that when the Republican Party undertook to gather this information, so valuable to the country, by a commission to go throughout the world and collate information, so that we might know what ought to be done here upon the question of finance and banking and currency, they recognized that they could get better service by leaving to the commission the selection of these employees rather than to go to the civil-service list or to the merit system that the Senator speaks of. Not only did it give to the commission the right to employ experts, stenographers, and messengers in an unlimited number, but it placed no curb whatever upon the amount of money that might be expended for these purposes.

Mr. CUMMINS. Mr. President, the commission, in my opinion, expended entirely too much money, and continued probably longer than it should, although it performed a very valuable service. The Senator from Kentucky may remember that it was upon my resolution that its labors came to an end and its expenses ceased. But there is a very great difference between a legislative committee-and it was no more-and a permanent department of the Government, a department that is to be administrative, that is to be executive, and not merely an investigating committee intended to develop information and to ac-

quire the learning upon the particular subject.

Mr. WEEKS. Mr. President-

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Massachusetts?

Mr. CUMMINS. I yield the floor. Mr. WEEKS. I wish to call the attention of the Senator from Kentucky to the fact that the number of permanent employees of the Monetary Commission did not at any time exceed a half a dozen, and very frequently not more than two or three, and that the men to whom the Senator from Kentucky refers were experts, one selected usually in each country as the bestknown expert in his country to write of the banking system of

Mr. WILLIAMS. Mr. President—
Mr. JAMES. Mr. President, that does not answer the question at all. Our friends upon the other side have attacked this bill, because they said—

The VICE PRESIDENT. The Chair must know who has the floor in order to keep the time.

Mr. JAMES. I will take the floor.

The VICE PRESIDENT. The Senator from Kentucky will

Mr. JAMES. I take the floor just for the purpose of making one observation. An attack has been made upon this bill because it provides that these experts might be selected by the Federal reserve board, who will be appointed by the President, and we are told they ought to have men who have passed the civil-service examination for the purpose of entering into the Government service, men who perhaps know utterly nothing about banking and who are experts upon finance in no respect. I was pointing out that when the Republican Party, a once historic party in this Government, had control of this Chamber here, and when they were legislating upon finance and not criticizing and faultfinding, they provided in the Aldrich-Vreeland

That it shall be the duty of this commission to inquire into and report to Congress, at the earliest date practicable, what changes are necessary or desirable in the monetary system of the United States or in the laws relating to banking and currency, and for this purpose they are authorized to sit during the sessions or recess of Congress, at such times and places as they may deem desirable, to send for persons and papers, to administer oaths, to summons and compel the attendance of witnesses, and to employ a disbursing officer and such secretaries, experts, stenographers, messengers, and other assistants as shall be necessary to carry out the purposes for which said commission was created. The commission shall have the power, through subcommittee or otherwise, to examine witnesses and to make such investigations and examinations, in this or other countries, of the subjects committed to their charge as they shall deem necessary.

Sec. 19. That a sum sufficient to carry out the purposes of sections 17 and 18 of this act, and to pay the necessary expenses of the commission and its members, is hereby appropriated, out of any money in the Treasury not otherwise appropriated.

The point I make is that the Republican Party itself upon the monetary question set aside the civil service and gave unlimited power to one man to appoint as many employees as he saw fit, giving him the unlimited right to draw upon the Public Treasury, nothing stopping him but the bottom of it, and that man was Senator Nelson W. Aldrich.

I say it comes with poor grace, if nothing more, from our friends to charge that we ourselves are destroying the civil service because we are seeking to get experts appointed by these men, who I do not suppose any Senator upon the other side will say will not be men of the highest character and the greatest ability and of the highest patriotism, to administer this law.

Mr. WEEKS. Mr. President, if the Senator from Kentucky will hold the floor for a moment until I can make a suggestion, I want to call attention once more to the fact that there were not at any one time in the employment of the Monetary Commission half a dozen men who would come within the class provided for in this amendment. My recollection is that every one of those men was in the Government service in some form and connected with the Senate service. For instance, the man who had charge of the finances was an employee of the Senate, and it is my recollection that every one of those men was employed in some capacity in the Government service.

Mr. JAMES. Does the Senator mean to urge that because the authority given was not abused it is an answer to the ques-

tion that the authority was given?

Mr. WEEKS. No; but, Mr. President, even if that authority was not justified it is a very poor argument to make that because somebody else has done something it is justifiable for me to do something.

Mr. JAMES. Yes; and it is likewise a very poor argument to make that because other people have the right to appoint them

and your side does not it ought not to be done.

Mr. WILLIAMS. Mr. President, it would be worse than an ordinary crime; it would be a sacrilege if politics were permitted to sully the organization or the maintenance or the operation of this great banking scheme. The country will not accept this action, if adopted, as a war upon the merit system, as the Senator from Iowa predicts, for the very simplest reason in the world, and that is that the country has ordinary common sense.

Senators speak about this matter as if it were a "revolution,' a "flood" of spoilsmen coming into the service of the Government of the United States. There will probably be six or eight clerks and three or four messengers at the reserve board's head-The messengers might very well be left under the civil service, and probably will be drawn from the eligible list. The other employees must be in the very highest degree banking experts and of approved experience as banking accountants. You can not draw banking experts from the ordinary civil-service eligible list. The Senator from Iowa [Mr. Cummins] and the Senator from Kansas [Mr. Bristow] and the Senator from New York [Mr. Root] ought to know that.

This board is first to organize, and then it is to manage this great scheme. I repeat, they must have skilled banking accountants. They will have to search the entire United States over to get the 6, or 8, or 10, or at the utmost 12 men of that sort |

that they must have in their employ. They not only must have men of that sort, but those men must be men of the most trustworthy character, because their relations to the board are in the highest degree confidential. It would be madness to go to the eligible list of this country in order to get men who are to act as experts for these great merchants, these great manufacturers, these great representatives of all the industrial conditions of this country who are to compose this reserve board. There is no "revolution" about it. There is no "flood" in it. It is simply a tempest in a teapot.

Gentlemen on the Republican side of this Chamber must be awfully anxious to seek partisan advantage when they undertake to take advantage of this clause in order to try to alarm the country about the safety and perpetuity of the merit system of the United States. What will this reserve board have to do? It is not a bank itself, but it has to have about it men who know banking from the ground up, who are banking accountants, banking experts, and it will get them, if it has good sense, from men who have had years of experience.

In my opinion the Senator or Representative who would be willing to lower himself to the level of going to this board in order to get them to reward some party service to himself by putting one of his partisans, simply because of party or personal political service, in that board's chamber as an employee, as a banking expert and skilled accountant, ought to be kicked out of this House or out of the other one.

Moreover, I have not the slightest idea that that board, composed as it will be, will listen to any purely political argument about one of its appointees. The board itself ought to be neither partisan nor bipartisan. Politics ought not to enter into the consideration of its selection at all. The President ought to be free to find the best men he can find in the United States, and if they shall happen every one of them to be Republicans, or every one of them to be Progressives, or every one of them to be Democrats it would make no difference. They have no political duties. They ought not to be bipartisan.

The Senator from Oklahoma [Mr. Owen] is right. When-

ever you put in a statute a bipartisan provision you secure, you necessitate the consideration of political questions in the appointment. In such an instance the President proceeds to select these men. He is confined to one party for three; he is confined to the other party for three. Merit and fitness must cease to be considered when he reaches the limit of either three.

Gentlemen need not frighten themselves about this, nor need they attempt to make the American people think that a molehill is a mountain or that a harmless mouse is a roaring lion. I can not imagine that this board could have over a dozen employees of this character. It must have, I suppose, a messenger boy or so besides. If I were a member of that board—of course a man of my lack of the required experience could not be and ought not to be; it would require a man of immense and intimate knowledge of business affairs in this country-but if I were a man of that sort and were a member of that board, I would hate-if the Senator from Iowa were one, if the Senator from Kansas were one, each of them would hate-to have to rely upon the ordinary men drawn from the eligible list of the civil service to inaugurate and perpetuate this new, novel, scientific, complicated work. It involves the possession of an intellect at once acute and comprehensive and the same time the experience of an approved expert upon the particular subject matter.

Mr. SUTHERLAND. Mr. President, the arguments made upon the other side of this Chamber with reference to the amendment, while apparently confined to the amendment itself, are really an attack upon the whole civil-service system.

The Senator from Mississippi [Mr. Williams] has just said, and other Senators have said, that only a comparatively small number of employees are to be affected by this amendment. Mr. President, that would be true with reference to any one bureau of the Government. We might do away with the civilservice rules with reference to any one particular bureau or any particular department of the Government without affecting

a comparatively large number of employees.

So it is said that these gentlemen who are to be appointed upon this board are men of high character and that they can be trusted to select the best possible employees for the service

which they are to render.

Mr. President, that also can be said of every department of Are not the Secretary of War, the Secretary the Government. of the Treasury, the Secretary of the Interior, the Postmaster General, and these other department heads men of high character, men of great responsibility?

The argument has been made here that we can do away safely with the civil-service rules because this board is composed of men of high character. Precisely the same argument could be made with reference to doing away with the civil-service rules altogether, because in this Government of ours, with rare exceptions, the men who are at the head of these great departments are men of high character.

But it is the system, the old spoils system, because it bore down men in spite of their own better desires, that we undertook to get rid of. This is a step in the direction of restoring the old, abominable spoils system, and for that reason I am

opposed to it.

The Senator from Kentucky [Mr. James] called attention to the provision of the law with reference to the Monetary Commission. Mr. President, the Monetary Commission amounted to nothing more than an extension of the committees of this body and of the body at the other end of the Capitol. The Monetary Commission was charged with duties which might well have been conferred upon the Finance Committee of the Senate, or which might have been conferred upon a joint committee composed of members of the Finance Committee of the Senate and the corresponding committee of the House, the Committee on Banking and Currency. It was a special commission, that was to be in existence for only a short time and charged with the single duty of making an investigation and ascertaining factsdischarging no governmental functions whatever. There was no more reason why the civil service should have been extended to a commission of that kind, charged with that temporary and single duty, than there would be in extending it to the Judiciary Committee of this body or to the Finance Committee or to any other committee of the Senate. This, however, is a governmental body, charged with great responsibility, perhaps for all time; as much of a governmental body charged with as responsible duties as is the Department of War or the Department of the Interior or any one of the great departments of this Government. If we can afford to do away with the civil-service rules with reference to this board, there is no reason why we can not do away with them with reference to every department of the Government.

Mr. President, the amendment we are considering simply provides that the board shall have authority to select such attorneys, experts, assistants, clerks, and other employees as it may see fit or find necessary without getting them through the civil-service board. It has been said here several times, and not challenged, that there probably will not be more than a dozen of them; and because of this provision we have all this controversy. Mr. President, it looks to me a little bit more like playing politics than anything else. We have heard the expression that in the Post Office Department the civil service has been striken down and that in some other departments the civil service has been stricken down. That statement has been made broadly and sent out to the country, I suppose, in order that there may be a little suspicion created in the minds of the people that we are building a political machine instead of trying to build a wall to strengthen our financial system. It is proposed to discredit it a little in the minds of the people; to send it out crippled, if possible.

Mr. President, I challenge the statement that the Democratic administration has stricken down the civil service in the Post Office Department. I assert that the civil service in the Post Office Department was murdered every day in the year by the past Republican administration. I have it upon reliable information that in whole divisions of the department it has been found upon examination that 92 and 93 and 94 per cent of the employees of those divisions were Republicans. In view of that result, every sane man knows that the civil service was reduced to a farce, and to nothing else. The figures can be brought to substantiate the statement. This went on without a single voice of protest being raised on the other side of the Chamber, not even by the Senator from Kansas [Mr. Bristow], whose long experience in the Post Office Department qualified him to have an intimate knowledge of the subject.

Mr. BRISTOW. Mr. President-

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Kansas?

Mr. REED. Yes; I yield for a question. Mr. BRISTOW. I want to state that I think the Senator's information is wholly erroneous, because no such condition, nor anything approaching it, existed in the Post Office Department. Mr. REED. Well, the Senator may have that opinion, but I have it on information that I regard as absolutely reliable.

Mr. President, the Senator from Utah [Mr. SUTHERLAND] said that in undertaking to draw a line of demarcation or distinction between the action of Congress in empowering the Monetary Commission to select its own employees and this measure, that the Monetary Commission was, after all, only an arm of the Government and was something similar to a committee of this body. If these gentlemen love civil service so much, I

wonder why they do not extend it to the employees of the committees of Congress, why they do not extend it to their own secretaries and their own clerks? The answer is that we want service here.

It was said by the Senator from Iowa [Mr. Cummins] that the Interstate Commerce Commission had had no difficulty in employing experts, and getting them through the civil service, in order to make the physical valuation of the railroads. I want to say to the Senator from Iowa that my information is that the only kind of examination which was conducted, or which they could conduct for the engineers whom they selected, was to send out blanks upon which the applicant was required to certify where he graduated, how long he had practiced his profession, the extent of his experience, and to add some recommendations as to moral character and fitness

You talk about the civil service board conducting an examination that will tell whether a man is competent to help lay out a great banking system! I undertake to say that there is not a man upon the civil service board who knows enough to pass an examination of that kind, who has any such qualifications himself, or who knows anything about the matter.

I do not intend to detain the Senate, but I should like to ask the Senator from Massachusetts [Mr. Weeks] how he would like to open up a great bank and be obliged to draw his cashier, his paying teller, and his other confidential men from a civil-

service list?

This board has a great task before it. It requires special talent to enable it to put this system into effect, and it would be as ridiculous to tie its hands and compel it to take incompetent people who have passed some kind of an examination prescribed by a civil-service board, who know nothing about banking, as it would be to compel the Supreme Court of the United States to select its clerk from a list of clerks that might have been furnished to it by a civil-service board.

It seems to me that the Senator from Massachusetts, who has all along taken a very high plane upon this banking question, ought to want to see two things: First, a board of the highest character selected-and I know he does want that-a board skilled in matters of finance and acquainted with the conditions of the country-I know he wants that-and, having created such a board, it seems to me he ought to allow that board a free hand in selecting the men it must trust, in selecting the arms through which it is to put this great system into force and effect.

Mr. BURTON. Mr. President, how much more time have I? have spoken once.

The VICE PRESIDENT. Twelve minutes.

Mr. BURTON. Mr. President, this proposition comes as a thunderclap out of a clear sky, and I believe it will cause surprise, if not amazement, throughout the entire country. If ever there was a board appointed or a system organized in which partisanship should be entirely eliminated, it is the board which this bill proposes to create. The capital of the country does not belong to the Republicans, or to the Democrats, or to the Progressives; it belongs to that great mass of our people who are engaged in agriculture, in industry, and in commerce, including as well the great magnate and the occupant of the humble home who has a few dollars. A part belongs to the ten million and ten thousand of men, women, and children who have four and a half billion dollars in the savings banks.

There has been much complaint of the provisions in this bill. It has been said that coercion lurked in its paragraphs; it has been said that discrimination would be exercised, that one lecality would be preferred over another; but the greatest fear of all has been that politics, with its polluting touch, would in-

fluence this great system.

Mr. President, we have been told that politics will be eschewed; that the President, in his great responsibility—and I trust him as much as Democrats do-would choose the best of men; and, notwithstanding some shifting of the centers of finance and of business, the country at large would be benefited, rates of interest would be lower, and every class in every State would be benefited.

It has been said that by this measure the scepter of finance and banking would be transferred to the New World. Once it dwelt at Venice, where, "laughing at the storm," stout argosies, laden with priceless cargoes, turned their prows from the sea into the canals of the city and glided along under the shadow of turret and spire near that magnificent tower of St. Marks. Then it was transferred to Amsterdam. The sturdy inhabitants of the Netherlands, who with their navy bearing the broom at the masthead, sailed up the Thames. Then it was trans-ferred to London, the great metropolis of the world. But "westward the star of empire takes its way," and it has been promised us that the center of financial operations would be transferred from the banks of the Thames to the banks of the Hudson, where great business structures rise toward the sky, towering higher than the Pyramids, or perhaps to the banks of the Delaware or the Potomac or the mighty Mississippi, because the New World, in its buoyancy and its enterprise, had reached a position in which it deserves this distinction and all the power and glory which it carries.

How are these mighty promises fallen! You are descending from the mountain peak into the miasma of the swamp; you are falling from the castle's top into the muck; you are proposing to establish a great system of finance, but not one that is fair to the whole country, not one that gives to the young man who has graduated from the grammar school or from some other educational institution an equal opportunity with the favorite of the members of this board, for you say, "Throw aside the civil-service law; ignore its provisions."

Oh, but we have heard here so many times that it is futile to examine people in chemistry or conic sections in order to ascertain their ability to perform certain classes of work; we have been told that an examination does not determine the

capability of a man for any task.

Why, Mr. President, examinations in historical erudition are not necessary parts of a civil-service selection. Appointments are made according to experience. Much as I would trust the members of the Federal reserve board as men, I would not trust them as members of that body, with their environment and with the influences which will surround them. As was said at one time in this very Chamber in a discussion on political corruption, the angels fell from heaven with less temptation than that to which men are subjected who have this power of appointment.

As to the Monetary Commission, that was but a temporary organization. The Senator from New York says that the Federal reserve board must make a report every year. How futile that is. Is not that an illustration of the old adage of locking the door after the horse is stolen? After they have disregarded the civil service, after they have made their appointments, after they have introduced politics into the sacred temple of finance and into the management of the savings of the people, then they will write out a statement and submit it to Congress, to be put on the desk of the Presiding Officer, who will say, "Received and ordered to be printed." Oh, what an amount of solace there would be in that after the public service had been looted!

Mr. President, I can not listen with patience to such arguments. From the very first day I entered Congress I have advocated the extension of the civil service. I have sometimes stood against currents of popular opinion in my own State and community, because I thought that it was right to remove the public service of the country from the spoils system, to pro-claim to the young men and young women, to those of all parties, "You shall be appointed to public positions, with the distinction which belongs to employment by the Government, according to your ability and standing under a competitive examination." If ever there was a place where it was needed it is here in this measure which we are now considering

I want to say to my friends on the other side that the people are watching your actions on this measure. They are watching every section and every line of this bill. There never was a They are watching time when the people desired so much to rely on your patriotism as in framing this law. They may alternately entertain distrust and hope, but they desire that hope may prevail. I trust this system will succeed, but in order that it may succeed, we must have a good bill and we must not allow the withering touch of the spoils system to corrupt it. We must not set up any standard except that of the welfare of the whole country, the devotion of our best efforts to establishing a financial system which shall enlarge our wealth and our resources, which shall be fair to every one, which shall treat alike Republican, Democrat, and Progressive, and which especially shall be, like Cæsar's wife, above suspicion, above the imputation that it marks a return to the old spoils system, with all its iniquities.

Mr. THOMAS. Mr. President-

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Colorado?

Mr. BURTON. I do.

Mr. THOMAS. I am considerably impressed by this debate on both sides of this Chamber. Before the Senator takes his seat I should like to call his attention to one feature of this amendment. It provides for the selection of attorneys, experts, assistants, employees, etc. Does not the Senator think there is, or should be, a distinction in the method and source of selecting attorneys and experts, as contrasted with attendants,

Mr. BURTON. If I were at the head of a Government bureau and desired the services of an attorney or an expert, I should

hesitate to depend upon my own judgment. I should rather have an eligible list to choose from, that I might bring them in before me and see them. But does not the Senator from Colorado recognize that the President, who is of your party, has the absolute right to suspend any provision of the civil-service law?
Mr. THOMAS. Oh, yes; I understand that.

Mr. BURTON. Why make an exception here when you have that authority?

Mr. THOMAS. I do not understand that there is such a thing as an eligible list of attorneys and financial experts. However, if I am wrong the Senator will please correct me.

Mr. BURTON. There may not be an eligible list, but here you are seeking to organize a body that will enjoy a certain distinction beyond any organization or bureau of the Government. It will be the very blue ribbon of the Government service. Are we to say at the very outset right here in this bill, "We will shut out every young man who desires to come into that organiza-tion and who is willing to make it his life work," merely in order that somebody may exercise favoritism in making the selections for appointments?

The PRESIDING OFFICER (Mr. Walsh in the chair). The

time of the Senator from Ohio has expired.

Mr. WEEKS. Mr. President, as the action of the Monetary Commission has been used as a precedent for the proposed action on this amendment, I wish to call to the attention of the Senate specifically what was done by that commission.

The financial clerk of the commission was the financial clerk of the Senate. He received no salary, but after the commission had terminated its services he was voted \$1,200 for his entire work connected with the Monetary Commission.

The secretary of the commission was the secretary of the Committee on Finance. He was voted by Congress \$2,200 for his work in connection with the commission. He received no salary.

The clerk of the commission received \$2,000 during the life of the commission, which was four or five years.

A messenger was employed at \$60 a month, who served when

the commission was actually in session. Those were the only employees of the Monetary Commission

with the exception of Dr. Andrew, who was the financial expert

during the services of the commission.

Mr. BRISTOW. Mr. President, it has been stated here time and time again that there would not be more than a dozen of these employees. Of course no Senator knows how many employees there may be, nor how large a bureau or establishment this Federal reserve board may ultimately grow into; but here it is proposed to incorporate into the law a provision that the employees of this great governmental agency shall not be selected through the civil service.

Mr. SMOOT. Mr. President, will the Senator yield to me?
Mr. BRISTOW. I have only a minute's time. I wish the
Senator would take the floor after I am through. This is my second speech, and I have not much time left.

Reference was made to what would be my personal action in the event that I were in charge of a bureau or a department of the Government. I want to say that my experience has been that you will get better employees through the civil service than you will get upon political recommendation. I think that is the experience of nearly every executive officer. But the astounding thing is that we are urged here to make it impossible for the President to have these appointments made through the civil service by forbidding it in the law.

As has been said, the President has the authority to exempt every employee from the civil-service law if he thinks the interests of the banking department require it. The Democratic caucus is not willing to trust the President of the United States with that authority, but seeks by this amendment to take from him any authority, so far as concerns the exercise of the civilservice law, in making these appointments. It is wholly and solely for the purpose of making them political appointments, of throwing this open to the depredations of political spoilsmen; and all of the declarations that have been made that this organization was not to be in politics are contradicted by the adoption of this amendment here this afternoon.

Mr. SMOOT. Mr. President, I should have said nothing on this question at this time if it had not been for the reference made by Senators to the number of employees affected by the

pending amendment.

It is perfectly ridiculous for a Senator to get up on this floor and state there will not be more than a dozen employees involved. I predict that the board will not be organized one year until there will be a hundred or more employees and we will be asked to provide by appropriation for their salaries. I want the Senators on the other side to remember that I now state, and with all the confidence in the world, that it will not be one year until there will be a hundred or more employees. If this is not the case, the work of the board will amount to nothing.

There are six members to be appointed. If the board's labors amount to anything by way of imparting information or obtaining information for proper and intelligent action on their part, each member will have to have at least two stenographers. Who is going to keep in order all of the information the board will be compelled to receive and distribute? Each member of the board can not do this necessary work, nor will we expect him to

I want to say now, as other Senators have already said, that there has been and is a determined effort on the part of the Democratic majority to abolish the merit system. Of course, the Senator from Oklahoma under present conditions would as soon trust the Federal board to select these employees as the Civil Service Commission. Under this administration he might have said the same of every bureau in this Government, and with just as much justification. If we are going to maintain the civil-service system and have appointments made under that system for all the bureaus of this Government, this amendment should be defeated.

I wonder why this amendment was not incorporated in the bill when first reported to the Senate. I believe I know why. If it had been, there would have been protests against it from one end of this country to the other, and we would have had time to discuss it and the country would have been informed of the intent of it; but it is not offered until a unanimous-consent agreement is reached preventing any Senator from speaking longer than 15 minutes upon any one amendment.

I believe the offering of this amendment is a mistake. not improve the bill, but it is an attack upon the civil service. The mere fact that the Democratic Party wants these positions for political purposes will not be a sufficient justification in the minds of the people of this country for setting aside a most splendid merit system of securing employees for the different departments and bureaus of our Government.

Mr. GALLINGER. Mr. President, I have not taken much time in this debate, and I do not propose to do so. I will simply ask to have read the Democratic platform of 1908 and the

Democratic platform of 1912 relating to the civil-service law.

The PRESIDING OFFICER. In the absence of objection, the Secretary will read as requested.

The Secretary read as follows:

CIVIL SERVICE.

The law pertaining to the civil service should be honestly and rigidly enforced, to the end that merit and ability shall be standard of appointment and promotion, rather than services rendered to a political party.

Mr. GALLINGER. That is the plank of the Democratic national platform of 1908.

Now I ask that the plank of the Democratic national platform of 1912 be read.

The Secretary read as follows:

CIVIL-SERVICE LAW.

CIVIL-SERVICE LAW.

The law pertaining to the civil service should be honestly and rigidly enforced, to the end that merit and ability shall be the standard of appointment and promotion, rather than service rendered to a political party; and we favor a reorganization of the civil service, with adequate compensation commensurate with the class of work performed, for all officers and employees; we also recommend the extension to all classes of civil-service employees of the benefits of the provisions of the employers' liability law; we also recognize the right of direct petition to Congress by employees for the redress of grievance.

RECESS.

Mr. CUMMINS. Mr. President, I think we ought not to vote upon this amendment before the recess. I know a great many Senators have already gone from the Chamber, believing the debate would consume the time until 6 o'clock. If our friends upon the other side would like to take a recess now, I think it would be entirely proper to do so. I do not move a recess, but if it is not desired, I shall have to suggest the absence of a quorum. The Senators who have left have done so in the belief that there would be no vote on this amendment until the evening session.

Mr. OWEN. I think the suggestion is a good one; and I therefore move that the Senate take a recess until 8 o'clock.

The motion was agreed to; and (at 5 o'clock and 55 minutes p. m.) the Senate took a recess until 8 o'clock p. m.

EVENING SESSION.

The Senate reassembled at 8 o'clock p. m.

Mr. SMOOT. Mr. President, I do not believe we ought to start business without a quorum to-night. I see about five Senators in the Chamber. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. WALSH in the chair).

The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Gronna Hollis Hughes James Johnson Jones Kern Lane Lea	Overman	Smith, Md.
Borah		Owen	Smith, S. C.
Brady		Page	Smoot
Brandegee		Pittman	Sterling
Bristow		Pomerene	Sutherland
Rryan		Rausdell	Thomas
Burton		Reed	Thompson
Catron		Robinson	Tillman
Chilton		Root	Townsend
Chilton Clarke, Ark. Colt Cummins du Pont Fletcher Goff	Lewis McCumber Martin, Va. Martine, N. J. Myers Newlands Norris	Saulsbury Shafroth Sheppard Sherman Shively Simmons Smith, Ariz.	Vardaman Walsh Warren Williams

The PRESIDING OFFICER. Sixty-one Senators have answered to their names. There is a quorum present. The Senate resumes the consideration of House bill 7837.

BANKING AND CURRENCY.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7837) to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States,

and for other purposes.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oklahoma [Mr. Owen] to the amendment proposed by him in the nature of a substitute.

Mr. BRANDEGEE. I ask for the yeas and nays on the amendment to the amendment.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CHILTON (when his name was called). I have a general pair with the junior Senator from Maryland [Mr. Jackson]. In his absence I withhold my vote, unless it is necesto make a quorum.

Mr. DU PONT (when his name was called). I have a general pair with the senior Senator from Texas [Mr. Culberson].

I transfer that pair to the junior Senator from Maine [Mr. Burleigh] and vote. I vote "nay."

Mr. SMITH of Maryland (when his name was called). I have a pair with the senior Senator from Vermont [Mr. Dilayer and the senior Senator from Vermont [Mr. Dilayer and the senior Senator from Vermont [Mr. Dilayer and the senior Senator from Oblehoma LINGHAM]. I transfer that pair to the Senator from Oklahoma [Mr. Gore] and vote "yea."

Mr. STERLING (when his name was called). I transfer my pair with the senior Senator from Louisiana [Mr. Thornton] to the junior Senator from California [Mr. Works] and vote 'nav.'

Mr. REED (when Mr. Stone's name was called.) I renew the statement heretofore made in reference to the illness of my colleague [Mr. Stone]. He is paired with the Senator from Wyoming [Mr. Clark]. If my colleague were present, he would vote "yea.

The PRESIDING OFFICER (when Mr. Walsh's name was called). The present occupant of the chair is paired with the Senator from Rhode Island [Mr. LIPPITT], and will therefore refrain from voting.

The roll call was concluded.

Mr. OVERMAN. I have a general pair with the senior Senator from California [Mr. Perkins]. I will transfer that pair to the senior Senator from Arizona [Mr. Ashurst] and vote. I vote "yea."

Mr. WILLIAMS (after having voted in the affirmative). Since I have voted I have learned that the Senator from Pennsylvania [Mr. Penrose] is not in the Chamber at this moment and has not voted. I therefore withdraw my vote, being paired with that Senator.

Mr. MYERS. I inquire if the Senator from Connecticut [Mr. McLean] has voted?

The PRESIDING OFFICER. He has not.

Mr. MYERS. I have a pair with that Senator and in his absence I withhold my vote. If I were at liberty to vote, I would vote "yea."

Mr. CHAMBERLAIN. I have a general pair with the junior Senator from Pennsylvania [Mr. OLIVER]. In his absence I

Mr. SMITH of Arizona. I announce my pair with the Senator from New Mexico [Mr. Fall]. If I were at liberty to vote, I would vote "yea."

Mr. WARREN. My colleague [Mr. Clark of Wyoming] is detained from the Chamber. He is paired with the Senator from Missouri [Mr. Stone]. If my colleague were present and permitted to vote, he would vote "nay."

Mr. KERN. I desire to announce the unavoidable absence of the senior Senator from Georgia [Mr. Bacon], and to state that he is paired with the senior Senator from Minnesota [Mr. NELSON 1.

The result was announced-yeas 34, nays 29, as follows:

YEAS-34.

Bankhead Bryan Clarke, Ark. Fletcher Hollis Hughes James Johnson Kern	Lea Lewis Martin, Va. Martine, N. J. Newlands O'Gorman Overman Owen Pittman	Pomerene Ransdell Reed Robinson Saulsbury Shafroth Sheppard Shields Shively	Simmons Smith, Md. Smith, S. C. Swanson Thompson Tillman Vardaman
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NAVE 90

	Title D. Do.			
Borah Bradley Brady Brandegee Bristow Burton Catron Colt	Crawford Cummins du Pont Gailinger Goff Gronna Jones Kenyon	Lane McCumber Norris Page Root Sherman Smoot Sterling	Sutherland Thomas Townsend Warren Weeks	

NOT VOTING 32

1101 10111			
Ashurst Bacon Burleigh Chamberlain Chilton Clapp Clark, Wyo. Culberson	Dillingham Full Gore Hitchcock Jackson La Follette Lippitt Lodge	McLean Myers Nelson Oliver Penrose Perkins Poindexter Smith, Ariz.	Smith, Ga. Smith, Mich. Stephenson Stone Thornton Walsh Williams Works

So Mr. Owen's amendment to the amendment was agreed to.

Mr. OWEN. Mr. President— Mr. JONES. Will the Senator from Oklahoma yield? I wish Mr. JONES. to offer an amendment following the amendment just adopted.

Mr. OWEN. I will yield to the Senator.
Mr. JONES. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. It will be read.

The Secretary. It is proposed to add at the end of the amendment just agreed to the following proviso:

Provided, That nothing herein shall prevent the President from placing any or all the foregoing officers and employees in the classified service.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. Jones] to the amendment of the Senator from Oklahoma [Mr. OWEN].

Mr. GALLINGER. I ask the Senator from Washington if the consequence of that amendment is that they may be appointed outside of civil service, and then the President is authorized by the amendment to put them in the civil service?

Mr. JONES. That would be the effect of it.

Mr. GALLINGER. Well, Mr. President— Mr. JONES. As I understand, under the amendment which has just been offered, the President could not at any time put these places under the civil service. If that is not the effect of the amendment proposed by the Senator from Oklahoma, then, of course, I should not care to offer my amendment. I have understood from the argument and from the reading of the amendment of the Senator from Oklahoma that if the amendment were adopted, it would absolutely prohibit the President from putting these positions at any time under civil service.

Mr. DU PONT. I ask that the amendment may be read.

Mr. JAMES. As I understand the Senator from Washington, he is trying to make it possible for President Wilson to do what Republican Presidents have heretofore done under like circumstances

Mr. JONES. I am trying to make it so that if the President deems it wise to put these places under the civil-service regulations he can do so, because that is where they ought to be. Even though President Wilson may appoint them in the first instance outside the civil-service law, they ought to be put under the civil service hereafter.

Mr. SMOOT. Under the present law—
The PRESIDING OFFICER. The Senator from New Hamp-

shire [Mr. GALLINGER] has the floor.

Mr. GALLINGER. I will simply make this observation: I do not see why the President could not exercise that discretion, so far as these officials are concerned, as well as in reference to other officials. That is one, as I think, of the evils of the civil-service law. In fact, the civil-service law is not responsible for it, but it has been done under another statute. I think it is an evil that the President is given authority at all to extend the civil-service regulations by Executive proclamation; but that has been done in thousands of cases, and I can not quite understand why he would not have authority to do it in this

case. Perhaps the Senator from Oklahoma can explain the operation of it.

Mr. OWEN. I think the President would have authority under the general law, but I have no objection to the amendment of the Senator.

Mr. GALLINGER. I think, Mr. President, we ought to object to it.

Mr. JONES. Mr. President, will the Senator from New

Hampshire yield to me?

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Washington?

Mr. GALLINGER. I do.

Mr. JONES. If the statement of the Senator from Oklahoma is correct that under the amendment offered by him, if it is adopted, the President would still have authority to place these officials under the civil service, I withdraw my amendment.

Mr. OWEN. I think he undoubtedly has that authority: Mr. JONES. On that statement I withdraw the amendment.

The PRESIDING OFFICER. The amendment to the amendment is withdrawn.

Mr. OWEN. On page 30, line 20, after the word "State," I move to insert the words "or local," so as to read:

(1) To grant by special permit to national banks applying therefor, when not in contravention of State or local law—

And so forth.

Mr. WEEKS. I should like to ask the Senator from Oklahoma what is meant by "local law"?

Mr. OWEN. That refers to the laws of the District of

Mr. OWEN. Columbia.

The amendment to the amendment was agreed to.

Mr. OWEN. On page 31, line 10, after the word "council," I move to insert the words:

May, in addition to the meetings above provided for, hold such other meetings in Washington, D. C., or elsewhere, as it may deem necessary—

Referring to the Federal council.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Oklahoma to the amendment.

Mr. GALLINGER. Let the amendment be stated.

Mr. BURTON. After the word "select," how would the whole line read as proposed to be amended?

Mr. OWEN. It would read:

The council may, in addition to the meetings above provided for, hold such other meetings in Washington, D. C., or elsewhere, as it may deem necessary, may select its own officers and adopt its own methods of procedure, and a majority of its members shall constitute a quorum for the transaction of business.

The PRESIDING OFFICER. The question is on the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. OWEN. On page 33, line 7, I move as an amendment to the amendment—and I call the attention of the Senator from South Carolina, the Senator from Texas, and the Senator from Montana, who have been especially interested in this matter, to this amendment-the following:

Provided, That notes, drafts, and bills drawn or issued for agricultural purposes or based on live stock and having a maturity not exceeding six months may be discounted in an amount to be limited to a percentage of the capital of the Federal reserve bank, to be ascertained and fixed by the Federal reserve board.

The amendment to the amendment was agreed to.

Mr. OWEN. On page 38, line 4, after the word "receivable," I move to insert the words "by all national and member banks and Federal reserve banks, and," so as to read:

The said notes

Referring to the Federal reserve notesshall be obligations of the United States and shall be receivable by all national and member banks and Federal reserve banks, and for all taxes, customs, and other public dues.

The amendment to the amendment was agreed to.

Mr. OWEN. On page 40, line 5, referring to the redemption of Federal reserve notes presented for redemption at the Treasury of the United States, after the word "issued," I move to

And thereupon such Federal reserve bank shall, upon demand of the Secretary of the Treasury, reimburse such redemption fund in lawful money, or if such Federal reserve notes have been redeemed by the Treasurer in gold or gold certificates, then such funds shall be reimbursed to the extent deemed necessary by the Secretary of the Treasury in gold or gold certificates, and such Federal reserve bank shall, so long as any of its Federal reserve notes remain outstanding, maintain with the Treasury in gold an amount sufficient in the judgment of the Secretary to provide for all redemptions to be made by the Treasurer.

Mr. BURTON. Why is the matter of judgment of the amount.

Mr. BURTON. Why is the matter of judgment of the amount left to the Secretary of the Treasury rather than to the Federal reserve board? It seems to me the power to determine these questions should be left in principal degree to the Federal reserve board. The redemption is to be at the Treasury.

Mr. OWEN. Mr. President, the reason for that was that the Secretary of the Treasury, having charge of the administrative end of the redemption of these notes, through the Treasurer of the United States, it was thought better that he should determine the question of the amount of gold that might be required for this purpose, because he would be in immediate communication with the Treasurer of the United States, who is acting in the Treasury Department, and it was not thought necessary to require the Federal reserve board to pass upon a mere administative matter of this character. We have found, with regard to the national-bank notes, that while a 5 per cent redemption fund was provided by the statutes, in reality it has since transpired that a larger amount than 5 per cent was necessary because of the continual supply of these notes flowing through the Treasury for redemption.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Oklahoma to the amendment.

The amendment to the amendment was agreed to.

Mr. OWEN. Mr. President, on page 41, line 6, after the word "delivery," I move to insert the words "together with such notes of such Federal reserve bank as may be issued under section 18 of this act upon security of United States 2 per cent Government bonds," so that the language shall read:

And the amount of such Federal reserve notes so issued to any such bank shall, upon delivery, together with such notes of such Federal reserve bank as may be issued under section 18 of this act upon security of United States 2 per cent Government bonds, become a first and paramount lien on all the assets of such bank.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oklahoma to the amendment heretofore submitted by him.

The amendment to the amendment was agreed to.
Mr. OWEN. On page 47, line 4, after the word "issued," I
move to insert the words "and redeemed," so that the language as to these notes shall read:

They shall be issued and redeemed under the same terms and conditions as national-bank notes.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Oklahoma to the amendment heretofore submitted by him.

The amendment to the amendment was agreed to.
Mr. OWEN. On page 47, line 15, after the word "maturing,"
I move to insert the words "or payable," so as to read:

Maturing or payable within 30 days.

Mr. BRANDEGEE. Mr. President, I wish to ask the Senator, Would that include a liability which matured 30 days after date? It reads "maturing or payable within 30 days."

Mr. OWEN. It would be something less than 30 days Mr. BRANDEGEE. I assume that the ordinary note would be payable 30 days after date. Now, such a note as that would not be a demand liability, within the definition of this bill, would it?

Mr. OWEN. I think it would not.
The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oklahoma to the amendment heretofore submitted by him.

The amendment to the amendment was agreed to.

Mr. OWEN. On page 47, line 17, in the provision giving the definition of "time deposits," I move to insert, after the words "30 days," the words "and all savings accounts and certificates of deposit which are subject to not less than 30 days' notice

before payment."

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oklahoma to his amendment. Mr. GALLINGER. Let the amendment to the amendment be stated at the desk.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The Secretary. On page 47, line 17, after the words "30 days," it is proposed to insert a comma and the following words: "and all savings accounts and certificates of deposit which are subject to not less than 30 days' notice before payment.

Mr. BRISTOW. Mr. President, is it not true that a great many banking establishments receive deposits which are subject to 30 days' notice, but, as a matter of fact, they never exercise the right of demanding notice and they are treated as merely checking accounts? The amendment proposed would require all such accounts to be considered as time deposits. Take almost

any trust company in town here—
Mr. OWEN. The terms "which are subject to not less than 30 days' notice" relate to all savings accounts and certificates They do not relate to the ordinary checking of deposit. account, which is not a savings account, and which is not a certificate of deposit.

Mr. JONES. Mr. President, does not the Senator think that the words "on or" should be inserted just before the word "payable," so as to read "on or after 30 days"? It seems to

me that you have no provision here covering a 30-day obligation. The first clause relates to those maturing within 30 days and the second to those maturing after 30 days.

Mr. OWEN. Those words "subject to not less than 30 days' notice" are included with time deposits. Those within 30 days are less than 30 days; the others are those not less than 30 days, which includes both, and does not leave even a day uncovered.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Oklahoma to the amendment

The amendment to the amendment was agreed to.

Mr. OWEN. On page 48, line 22, I move to strike out the word "eighteenths" and to insert the word "fifteenths," so as to read:

In its vaults six-fifteenths thereof.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma to the

The amendment to the amendment was agreed to.

Mr. OWEN. On page 49, line 15, I move to strike out the words "For a period of 24 months after said date" and begin a new sentence, so as to read:

The balance of said reserves shall be held in its own vaults or in the Federal reserve bank, at its option.

The PRESIDING OFFICER. The question is on agreeing to to the amendment of the Senator from Oklahoma to the amendment.

Mr. BURTON. One minute, Mr. President. I do not quite understand what that means,

Mr. OWEN. It refers to the reserves of banks in central reserve cities. It authorizes such a bank to keep the balance of its reserves not required to be placed in the Federal reserve bank either in its own vaults or in the Federal reserve bank, at its option

Mr. BURTON. Why is not the language now in the bill nec-

essary-" for a period of 24 months after said date'

Mr. OWEN. There is no reason for postponing the period, since the bank has the cash in its own vaults; and if it chooses to transfer it to the Federal reserve bank for its convenience, there is no reason why it should not do so.

Mr. BURTON. That is, if the bank holds a certain amount of reserve, there is the option retained to itself to turn it over? Mr. OWEN. That is correct. That is correct.

Mr. BURTON. So there is no reason for placing any limit upon it'

Mr. OWEN. That is right.
The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oklahoma to the amendment heretofore offered by him.

The amendment to the amendment was agreed to.

Mr. OWEN. On page 49 I move to strike out lines 18, 19, 20, and 21,

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The Secretary. On page 49, beginning on line 18, it is proposed to strike out the following paragraph:

After said 24 months' period all of said reserves, except those herein permanently required to be held in the Federal reserve bank, shall be held in its own vaults or in the Federal reserve bank, or both, at its

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma to the amendment heretofore offered by him.

The amendment to the amendment was agreed to.

Mr. OWEN. On page 50, line 14, I move to strike out the words following the word "shall," down to the end of the sentence, and to insert the following words: "Act as the medium or agent of a nonmember bank in applying for or receiving discounts from a Federal reserve bank under the provisions of this act," so as to read:

No member bank shall act as the medium or agent of a nonmember bank in applying for or receiving discounts from a Federal reserve bank under the provisions of this act.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The Secretary. On page 50, beginning on line 14, after the word "shall," it is proposed to strike out the remainder of the paragraph and insert:

Act as the medium or agent of a nonmember bank in applying for or receiving discounts from a Federal reserve bank under the provisions of this act.

Mr. GRONNA. Mr. President-

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from North Dakota?

Mr. OWEN. I do.

Mr. GRONNA. Does that mean that a member bank may extend credit to or discount the notes of a nonmember bank, but it can not act as its agent in getting a loan from the reserve association?

Mr. OWEN. It means they are at liberty to have any transactions whatever with the nonmember banks, but that they must not act as a medium for nonmember banks to get

loans out of Federal reserve banks.

Mr. GRONNA. I think that would be much better. I called attention to this provision on yesterday. In my State we have about 600 State banks. They are all small banks, and I do not think they will all come into this association and become parts of this system. They have correspondents in the larger cities. It seems to me it would work a hardship on the member banks in the large cities to prohibit them from doing business with these small banks. That is why I called attention to

it on yesterday, before we took a recess.

Mr. BURTON. Are the words "except upon written permission of the Federal reserve board" stricken out, or do they re-

main in, under the proposed amendment?

Mr. OWEN. They are stricken out, The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oklahoma to the amendment heretofore proposed by him.

The amendment to the amendment was agreed to.
Mr. OWEN. On page 54, line 18, after the words "Comptroller of the Currency," I move to insert the words "or from the board of directors of such bank," so as to read:

No examiner, public or private, shall disclose the names of borrowers or the collateral for loans of a member bank to other than the proper officers of such bank without first having obtained the express permission, in writing, from the Comptroller of the Currency or from the board of directors of such bank, except when ordered to do so by a court of competent jurisdiction.

The PRESIDING OFFICER. The amendment to the amendment will be stated

The Secretary. On page 54, line 18, after the words "Comptroller of the Currency," it is proposed to insert:

or from the board of directors of such bank.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oklahoma to the amendment heretofore offered by him.

The amendment to the amendment was agreed to.

Mr. OWEN. On page 58, I move to insert, after line 21, as a new section, the provision I send to the desk.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The SECRETARY. On page 58, after line 21, it is proposed to insert a new section to be known as section 28, and to read as follows:

SEC. 28. Any association formed under this title may, by the vote of shareholders owning two-thirds of its capital stock, reduce its capital to any sum not below the amount required by this title to authorize the formation of associations; but no such reduction shall be allowable which will reduce the capital of the association below the amount required for its outstanding circulation, nor shall any reduction be made until the amount of the proposed reduction has been reported to the Comptroller of the Currency and such reduction has been approved by the said Comptroller of the Currency and by the Federal reserve board, or by the organization committee pending the organization of the Federal reserve board.

Mr. BRANDEGEE. Will the Senator allow me to ask a question there? I notice the language is, "Any association formed under this title."

Mr. OWEN. It refers to the national-bank act. Mr. BRANDEGEE. Does this bill purport to be an amendment of the national-bank act?

Mr. OWEN. No; this section of the bill purports to be an

Mr. OWEN. No; this section of the bill purports to be an amendment of that particular section of the national-bank act.
Mr. BRANDEGEE. Very well.
Mr. WEEKS. I should like to ask the Senator from Oklahoma to explain the necessity for this provision, and what is

intended to be accomplished by it.

The PRESIDING OFFICER. Before that is done, the Chair desires to state that the Secretary informs the Chair he did not

read all of the amendment, and he will read it again.

Mr. BURTON. In order that we may clearly understand it, I ask that it be read again in its entirety.

The Secretary. It is proposed to add a new section to the bill, to be known as section 28, and to read as follows:

bill, to be known as section 28, and to read as follows:

Sec. 28. Section 5143 of the Revised Statutes is hereby amended and reenacted to read as follows: "Any association formed under this title may, by the vote of shareholders owning two-thirds of its capital stock, reduce its capital to any sum not below the amount required by this title to authorize the formation of associations; but no such reduction shall be allowable which will reduce the capital of the association below the amount required for its outstanding circulation, nor shall any reduction be made until the amount of the proposed reduction has been reported to the Comptroller of the Currency and such reduction has been approved by the said Comptroller of the Currency

and by the Federal reserve board, or by the organization committee pending the organization of the Federal reserve board.

Mr. WEEKS. I ask, for information, what is the purpose of this amendment?

Mr. OWEN. The purpose is, as the amendment states, not to permit a bank to lower its capital stock without providing for its circulation in the first place, nor to do it without the consent of the Federal reserve board as well as the Comptroller of the Currency. Under this new system it was thought proper to give this right of supervision to the Federal reserve board. which exercises a general supervision over the system.

Mr. BURTON. The only difference between this and the

present law is that the consent of the Federal reserve board, or of the organization committee before the Federal reserve board is established, is added to the present law; otherwise it is the

same as the present law, is it not?

Mr. OWEN. It is practically the same; yes, The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oklahoma to the amendment heretofore offered by him.

The amendment to the amendment was agreed to.

Mr. OWEN. I move, on page 58, line 22, to strike out "28" and insert "29," so as to read "Section 29" instead of "Section 28."

The PRESIDING OFFICER. The Chair is advised that the Secretary makes such corrections without the necessity of formally adopting an amendment of that character.

Mr. OWEN. I now move the reconsideration of the amendment made to-day, on page 3, in lines 19 and 20, in which there were stricken out the words "engaged in commercial banking," and there were inserted in line 20, after the word "Columbia." the words "incorporated under an act of Congress approved October 1, 1890."

I should like to explain that matter. The amendment adopted to-day compels the trust companies of the District of Columbia to enter the system. They are not really engaged in commercial banking under the terms of their charters under the act of October 1, 1890. The way the language was first written it related to trust companies engaged in commercial banking. Having ascertained that they did not engage in commercial banking in the ordinary acceptation of the term, it is desired to make it permissive as to them, and these words are proposed to be changed so as to leave it permissive and not compulsory.

Mr. BURTON. Just what is stricken out there? As the bill read before the amendment of to-day the trust companies engaged in commercial banking within the District of Columbia were placed on the same footing as national banking associa-They were required, within 60 days after the passage of the act, to accept it or forfeit their charters.

Mr. OWEN. I was asking to have this amendment reconsidered, so as then to insert words, after "eligible bank," in line 21, which would make it permissive, but I have first to ask the

reconsideration of the form adopted this afternoon.

The PRESIDING OFFICER. The question is on the motion made by the Senator from Oklahoma to reconsider the vote by which the amendment was adopted on page 3, lines 19 and 20, of the amendment heretofore offered by the Senator from Okla-

The motion to reconsider was agreed to.

Mr. OWEN. I now move, in line 21, page 3, after the word "bank," to insert the words "including the trust companies within the District of Columbia incorporated under an act of Congress approved October 1, 1890," so as to read:

And every eligible bank, including the trust companies within the District of Columbia incorporated under an act of Congress approved October 1, 1890, is hereby authorized to signify.

Mr. ROOT. What becomes of lines 19 and 20?
Mr. OWEN. I intend to strike them out as a part of this motion. I move also to strike out the words "including the trust companies engaged in commercial banking within the District of Columbia," in lines 19 and 20, which leaves the language then to read:

Under regulations to be prescribed by the organization committee, every national banking association in the United States is hereby required and every eligible bank and trust company within the District of Columbia incorporated under an act of Congress approved October 1, 1890, is hereby authorized to signify in writing—

Mr. BURTON. On that reading, would not that confine the eligible banks to those incorporated within the District of Columbia under the act of October 1, 1890? As I understand this, "every eligible bank" is a very general expression.

Mr. OWEN. I think the suggestion of the Senator is sound. I will change that to read "every eligible bank in the United States and every trust company within the District of Columbia incorporated under an act of Congress approved October 1, 1890, is hereby authorized.'

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The SECRETARY. On page 3, lines 19 and 20, it is proposed to strike out the words "including the trust companies engaged in commercial banking within the District of Columbia," and on line 21, after the word "bank," to insert the words "in the United States and every trust company within the District of Columbia incorporated under an act of Congress approved October 1, 1890."

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oklahoma to the amendment heretofore offered by him.

The amendment to the amendment was agreed to.

Mr. OWEN. On page 4 the same subject matter was treated this afternoon, in which an amendment was passed striking out the words "engaged in commercial banking," in lines 24 and 25, and inserting after the words "District of Columbia" the words "incorporated under an act of Congress approved October 1, 1890." It refers to the same subject matter, and I move a reconsideration of that amendment.

The motion to reconsider was agreed to.

Mr. OWEN. I now move to strike out, in line 24, on page 4, the words "or trust company engaged in commercial banking in the District of Columbia."

The amendment to the amendment was agreed to.

Mr. OWEN. On page 5, lines 6 and 7, I move to strike out the words "within the discretion of the Federal reserve board," so as to read:

All of the rights, privileges, and franchises of such association granted to it under the national-bank act, or under the provisions of this act, shall be thereby forfeited.

The amendment to the amendment was agreed to.

Mr. OWEN. On page 29, line 9, I move to strike out the words "such tax to be uniform in its application to all Federal reserve banks and to member banks required to keep the same reserves," and to insert the words:

And provided further, That when the gold reserve held against Federal reserve notes falls below 40 per cent, the Federal reserve board shall establish a graduated tax of not more than 1 per cent upon such deficiency until the reserves fall to 32½ per cent, and when said reserve falls below 32½ per cent, and when said reserve falls below 32½ per cent or fraction thereof that such reserve falls below 32½ per cent. The tax shall be paid by the reserve bank, but the reserve bank shall add an amount equal to said tax to the rates of interest and discount fixed by the Federal reserve board.

Mr. BRISTOW. Let me inquire if that tax is to be distributed to all banks that have obtained rediscounts during the year. Suppose a number of banks obtained rediscounts before the gold reserve falls below 40 per cent, and then a bank, after it falls below 40 per cent, should obtain a discount. Is the penalty added to that bank or is the burden distributed upon all the banks which have received discounts during the year?

Mr. OWEN. It would be added to the interest rate. would become a part of the earnings of the bank itself in that contingency, and would be distributed as a part of the net

earnings

Mr. BRISTOW. It would be an expense that followed the

member bank that got the discount?

It would go to the credit of the United States. Mr. BRISTOW. But the point is this: Suppose a bank has not had any rediscounts during the year. Other banks have had them, and because of the rediscounts that other banks have secured the gold reserve is reduced, so that if the bank coming in late, that had none at all, gets any rediscount it must pay the additional tax caused by the accommodations which had been extended previously to other banks. The provision we have in our State is similar, except that we have a provision requiring that the tax shall be distributed upon all the banks in proportion to the rediscounts that they have obtained.

Mr. WEEKS. During the year. Mr. BRISTOW. During the year.

Mr. OWEN. That was not considered in framing this amendment.

Mr. BRISTOW. The Senator can see that it would be manifestly unfair if in November or some other period in the year a bank that had no discount at all was taxed because it needed the money then, when other banks that had discounts, for which the additional tax was charged, had reduced the gold reserve

Mr. OWEN. I take no special issue with that suggestion, but it is ignored in this amendment.

Mr. BRISTOW. I call the Senator's attention to it so that he may consider it.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Oklahoma,

Mr. HITCHCOCK. I should like to have the amendment

The PRESIDING OFFICER. It will be read.

The Secretary. On page 29, line 9, after the word "specified," strike out the remainder of the paragraph and insert a colon and the following additional proviso:

And provided further, That when the gold reserve held against Federal reserve notes falls below 40 per cent the Federal reserve board shall establish a graduated tax of not more than 1 per cent upon such deficiency until the reserves fall to 32½ per cent, and when said reserve falls below 32½ per cent a tax at the rate, increasingly, of not less than 1½ per cent upon each 2½ per cent or fraction thereof that such reserve falls below 32½ per cent. The tax shall be paid by the reserve bank, but the reserve bank shall add an amount equal to said tax to the rates of interest and discount fixed by the Federal reserve board.

Mr. HITCHCOCK. Mr. President, in the place of the first proviso I offer the following amendment:

Provided, That the amount of such tax paid by the bank during a fiscal year shall be charged to the member banks in its district in proportion to their average discounts during that year.

That makes the tax fall pro rata upon all the borrowing banks and is an equitable arrangement. It simplifies it by having it done in a lump sum at the end of the year.

Mr. OWEN. I think it would require quite complicated bookkeeping to adjust matters on that line, where a bank has two or three thousand correspondents, and I do not feel that I can accept the proposed amendment.

Mr. HITCHCOCK. I think if the Senator from Oklahoma will consider it a moment he will realize that this is the simplest plan. It does not require during the year the adjustment of any interest rate, as the amendment which the Senator proposes does. The bank goes on and does its business, discounting the paper of member banks, and when its reserve falls below the amount stipulated in the Senator's amendment then the reserve bank will be required to pay a certain lump sum of money to the Government of the United States. That sum of money it will then assess against its member banks in proportion to the discounts they received during the year. The Senator's provision is exactly the same, as far as the tax is concerned which the reserve bank pays to the Treasury, but when at the end of the year the reserve bank has ascertained the amount which it has paid to the Treasury of the United States my amendment distributes that among the banks which have borrowed during the year in proportion to their borrowing.

There is no possible way in which it can distribute it during the year. At one time the reserves in the reserve bank may be down 11 per cent and at another time they may be down 2 per cent. They will be down different amounts at different times during the year, and there is no possibility of distributing that tax for the deficiency upon the banks unless you do it in a lump

sum at the end of the year.

Mr. WILLIAMS. If the Senator will pardon me, it is automatically distributed by adding the tax to the discount rate. It automatically distributes the tax to the borrower, who comes in at the time when the reserve has fallen below the required amount.

There is nothing in what the Senator from Kansas said about the misfortune of somebody who had not borrowed early enough. If I am running a bank and find my reserves depleted, I immediately raise my rate so as to bring my reserves back to their proper state by checking up discounting and lending. simply the misfortune of the bank that comes at the wrong time to borrow money, and it is a misfortune that prevails in the entire banking business.

Mr. HITCHCOCK. If the Senator will permit me, as I can not yield for a long interruption in the short time I have to speak, I will say that he is mistaken, because the rate of discount which is charged by the reserve bank is under the regulation and control of the Federal board. Under the general terms of the act the rate can be raised at any time without regard to this penalty.

Mr. WILLIAMS. That has nothing to do with this question, if the Senator will pardon me.

Mr. HITCHCOCK. I say that is an entirely different proposition.

Mr. WILLIAMS. It is an entirely different proposition.
Mr. HITCHCOCK. When a bank comes to the reserve bank
to secure a discount it is charged the rate of discount which prevails at that time, which is dependent upon the scarcity of

money.

Mr. WILLIAMS. I understand that.

Mr. HITCHCOCK. As a matter of fact, these borrowing banks are the owners of the reserve bank, and they will be required to pay this tax not in proportion to their holdings of stock in the reserve bank, but in proportion to the amount of accommodation which they receive from the reserve bank.

Mr. WILLIAMS. The stockholders ought to stand loans in proportion to the stock, not in proportion to their borrowing or their dealing

Mr. HITCHCOCK. That is not the amendment of the Senator from Oklahoma. He is attempting to distribute it in proportion to the loans, but it can not be distributed in proportion to the loans by attempting to do it piecemeal. It has to be done pro rata at the end of the year.

Mr. WILLIAMS. As every bank, it distributes in proportion to the loans to-day by simply raising the rate of interest whenever its reserve goes below what it thinks is safe.

Mr. HITCHCOCK. It is not a question of raising the rate of interest. That the bank can do regardless of this provision. This is a question of paying a tax to the Government of the United States upon a sliding scale applied at different times during the year and in different amounts at different times.

Mr. REED. Mr. President, the plan of distributing these burdens which is submitted by the Senator from Nebraska is inequitable and impractical, in my judgment. It proposes, in addition to the interest rate which a man contracts to pay, to add an arbitrary sum which is occasioned not by the money market when he borrows nor by the contract which he makes but by the independent action of other men, which takes place subsequent to the time he makes his bargain. A bank under these circumstances desiring accommodation and finding the interest rate low and a good reason for borrowing money, because it is a good investment, and having borrowed that money because it is a good investment, and discharged its loan, could be mulcted by an interest rate or a tax rate fixed six months thereafter, by reason of the improvident conduct of people thereafter or by reason of a change in the money market, which, if it had taken place before the bank borrowed, would have led them never to make the investment.

The plan suggested in the Owen amendment is absolutely the practical and proper thing. It proceeds upon this basis: If a bank when the market is easy and the rate is low borrows money, it pays its debts on that basis; but if a bank comes to borrow money when the reserve is low, when there is a great amount of money out, when it is engaged in increasing a burden that is already so high that it has become a danger to the system, it knows that it must pay a tax or penalty for having further invaded the system. It is in the shape really of an increased interest, fixed at that time and in that district, and based upon the invasion of the gold reserve which has taken The man, therefore, who comes at that time to get an accommodation, who comes at the time of danger and demands help, pays for the accommodation just the price that he ought to pay for coming at that time, and the transaction is closed.

We are putting the member banks on the same basis that any

man is on who comes to a bank to borrow money. A man who comes to a bank to borrow money and finds money easy gets it at a low rate of interest; but if he comes to a bank to borrow money when the rate is high, when money is scarce, he pays for his money, because it is worth more to him and it is a greater hardship for the bank to loan it.

It seems to me the amendment of the Senator from Oklahoma is correct.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Nebraska to the amendment offered by the Senator from Oklahoma.

I make the point of order that it is an amend-Mr. OWEN.

ment in the third degree. The PRESIDING OFFICER. The Chair is advised that the amendment is one in the second degree only and falls within

the provision of Rule XVIII. The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now recurs on the amendment offered by the Senator from Oklahoma to his amendment, in the nature of a substitute.

The amendment to the amendment was agreed to.

Mr. OWEN. On page 39— Mr. BRANDEGEE. Will the Senator permit a question about an amendment that he has just had adopted before he passes

Mr. OWEN. Certainly.

Mr. BRANDEGEE. On page 5 the Senator had his bill amended by striking out in line 6 the words "within the discretion of the Federal reserve board.'

As it now stands, if any member bank fails to comply with any provision of this act, thereby its franchises become forfeited. Under the section of the national-bank act which treats with the same subject, section 5239, the provision is that "if the directors of any national-banking association shall knowingly violate, or knowingly permit any of the officers," and so forth, to violate any of the provisions, their franchises shall be forfeited.

By striking out that the franchises shall be forfeited within the discretion of the Federal reserve board, it seems to me that it absolutely forfeits the national bank's franchise if unwittingly it should fail to comply with the slightest provision of this act. wondered whether the Senator had intended to bring about that situation.

Mr. OWEN. It was believed that, if this language was followed and any noncompliance with or violation of the act should be determined and adjudged by a court of competent jurisdiction in a suit brought for that purpose under the direction of the Federal reserve board by the Comptroller of the

Currency, it would cover that contingency.

Mr. BRANDEGEE. Let me direct the Senator's attention to this view of it: I agree that before the corporation could be dissolved under the language of the bill the court would have to find that there had been a noncompliance, but inasmuch as the act provides that any noncompliance, whether wittingly unwittingly, would be a noncompliance that would forfeit thereby, it is not within the jurisdiction of the court to say that it ought not to be forfeited because the noncompliance was an innocent one. It seems to me very hard and fast and utterly mandatory. An innocent omission of one of the details contained in this bill thereby forfeits the franchise. All the court can determine is whether there was such a noncompliance; the court can not say that the franchise ought not to be forfeited because it was an innocent and immaterial noncompliance, for it was thereby forfeited.

Mr. OWEN. Mr. President, I venture to suggest to the Senator from Connecticut that no authoritative assertion of noncompliance can be made except through the process provided

by the statute itself.

Mr. BRANDEGEE. I agree to that. I think, however, I failed to make myself understood by the Senator. It is not for the court to say that the noncompliance ought not to forfeit the franchise because it is an innocent one or an immaterial one. Under the language of the proposed act, as it now stands as amended, without the word "knowingly," which is contained in the national-bank act, and with the discretion given the Federal reserve board stricken out, it leaves it so that no matter if it is the most innocent violation or noncompliance in the world, the franchises are thereby forfeited. All the court can find afterwards is whether there had been such a non-compliance. If the court finds that the noncompliance was perfectly innocent-

Mr. OWEN. I remind the Senator that the court can not make any declaration on the subject one way or the other until the Federal reserve board sees fit to direct a suit, and they would not, within the exercises of a wise discretion, authorize

or direct a suit for an innocent noncompliance. Mr. BRANDEGEE. All the court can do under this act is,

after the comptroller has brought the suit-Mr. OWEN. The comptroller will not bring a suit on the assumption of the Senator.

Mr. BRANDEGEE. The proposed act provides:

Any noncompliance with or violation of this act shall, however, be determined and adjudged by any court of the United States of competent jurisdiction in a suit brought for that purpose in the district or territory in which such bank is located, under direction of the Federal reserve board, by the Comptroller of the Currency in his own name before the association shall be declared dissolved.

Mr. OWEN. The Senator from Connecticut is assuming that the Federal reserve board would direct a suit to be brought by the Comptroller of the Currency upon circumstances which

would not justify a suit.

Mr. BRANDEGEE. But the discretion of the Federal reserve board to decide whether a franchise is forfeited or not has been taken away, and if the Federal reserve board obeys the language of the act they will direct a suit to be brought. Then, the court says the act was a violation or a noncompliance, although it was an innocent one, it has to dissolve the association, because, under the terms of the act, its franchise has been forfeited.

I have no special interest in the matter whatever, but I do not see why the present provision of the national banking act that the noncompliance must have been knowingly made should be stricken out as it is stricken out in this bill.

Mr. OWEN. Mr. President, on page 39, line 6, I move to strike out the words "thirty-three and one-third" and insert "forty," so as to read:

shall be at least equal to 40 per cent of the Federal reserve notes issued to said bank—

And so forth. Mr. BURTON. I move to amend the amendment by striking out the word "forty" and inserting "forty-five."

The PRESIDING OFFICER. The Chair regards the amend-

substitute. The question is on the amendment to the amendment proposed by the Senator from Ohio. [Putting the question.] The "noes" have it, and the substitute is rejected. The question recurs on the amendment to the amendment offered by the Senator from Oklahoma.

The amendment to the amendment was agreed to.

Mr. OWEN. On page 39, line 9, I move to strike out the clause beginning with the words "The Federal" down to the end of the sentence in line 16, that being in conflict with the provisions otherwise made in the amendment which has been adopted.

The PRESIDING OFFICER. The amendment proposed by the Senator from Oklahoma will be stated.

The SECRETARY. On page 39, line 9, after the word "agent," it is proposed to strike out down to and including the word suspension," in line 16.

The amendment to the amendment was agreed to.

Mr. OWEN. Mr. President, that completes the amendments

to the amendment which I desired to offer.

Mr. ROOT. Mr. President, the amendment of the reserve provisions which has been adopted is, I think, a very great improvement of the bill, and it is very gratifying that it should be made. I do not think, however, that it is adequate, and, without detaining the Senate at all by any remarks, I will ask for a vote on the amendment which I presented the other day.

The PRESIDING OFFICER. The amendment to the amendment proposed by the Senator from New York will be stated.

The Secretary. In section 16 of the amendment of Mr. Owen it is proposed to strike out lines 24 and 25 on page 37, and lines 1 to 9, inclusive, on page 38, and insert in lieu thereof the following:

and lines 1 to 9, inclusive, on page 38, and insert in lieu thereof the following:

The Federal reserve banks may, from time to time, with the consent and approval of the Federal reserve board, issue notes to meet business requirements.

The said notes shall be obligations of the Federal reserve bank issuing the same and shall be receivable for all taxes, customs, and other public dues.

They shall be redeemable in gold on demand at the Treasury Department of the United States in the city of Washington, D. C., or in gold or lawful money at the bank of issue.

All note issues of the Federal reserve banks shall at all times be covered by legal reserves to the extent required by this section and by notes or bills of exchange arising out of commercial transactions or obligations of the United States.

All demand llabilities including deposits and note issues of the Federal reserve banks shall be covered to the extent of 50 per cent by a reserve of gold or other money of the United States which the national banks are now authorized to hold as a part of their legal reserve: Provided, That whenever and so long as such reserve shall fall and remain below 50 per cent the Federal reserve bank shall pay a special tax upon the deficiency of reserve at a rate increasing in proportion to such deficiency, as follows: For each 2½ per cent or fraction thereof that the reserve falls below 50 per cent a tax shall be levied of 1½ per cent: Provided further, That no additional circulating notes shall be issued whenever and so long as the amount of reserve held by any Federal reserve bank falls below 33½ per cent of its outstanding notes.

Any notes of the Federal reserve banks in circulation at any time in excess of an aggregate of \$00,00,000 for all of said banks, which are not covered by an equal amount of lawful money, gold bullion, or foreign gold coin, held by said banks shall pay a special tax at the rate of 5 per cent per annum: Provided, That in computing said amounts of \$000,000,000 and of \$1,200,000,000 for all said banks

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New York to the amendment of the Senator from Oklahoma.

Mr. ROOT. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BRISTOW. Mr. President, I desire to say that I am very much in favor of the provision relating to the gold reserve, and I think 50 per cent is not too high. I believe that the gold reserve should be the barometer to regulate the amount of this paper currency. The objection I have to the amendment is the arbitrary limitation, beyond which it can not go without a supplemental tax. I think the tax ought to be imposed on the deficiency in the gold reserve; I believe that is the way it should be regulated; and my objection to the amendment is to that part of it on page 3 which fixes an arbitrary tax. I regret, because of that limitation, that I can not vote for the amendment, as I am very much in favor of its other provisions.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New York [Mr. Root] to the

amendment of the Senator from Oklahoma [Mr. Owen]. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. DU PONT (when his name was called). I have a general pair with the senior Senator from Texas [Mr. Culberson]. I transfer that pair to the junior Senator from Maine [Mr. Burleigh] and vote. I vote "yea."

Mr. KERN (when his name was called). I am paired with

the senior Senator from Kentucky [Mr. Bradley] and there-

fore withhold my vote.

Mr. MYERS (when his name was called). In the absence of my pair, the Senator from Connecticut [Mr. McLean], I withhold my vote. If at liberty to vote, I should vote "nay."

Mr. STERLING (when his name was called). I again announce my pair with the senior Senator from Louisiana [Mr.

THORNTON] and withhold my vote.

Mr. REED (when Mr. STONE's name was called). I desire to renew the announcement I have heretofore made of the necessary absence of my colleague [Mr. Stone] and the fact that he is paired with the Senator from Wyoming [Mr. CLARK]. If my colleague were present, he would vote "nay."

The roll call was concluded.

Mr. CHIL/TON. I inquire if the junior Senator from Maryland [Mr. Jackson] has voted?

The PRESIDING OFFICER. The Chair is informed that he

Mr. CHILTON. I have a pair with that Senator. In his absence I can not vote. If permitted to vote, I should vote

Mr. OVERMAN. I have a general pair with the senior Senator from California [Mr. Perkins]. I transfer that pair to the senior Senator from South Carolina [Mr. TILLMAN] and vote. vote "nay." Mr. GOFF.

Mr. GOFF. I wish to announce that I am paired with the Senator from Alabama [Mr. BANKHEAD] and therefore with-

hold my vote.

Mr. JAMES. My colleague [Mr. Bradley] is unavoidably detained from the Senate. He has a general pair with the Senator from Indiana [Mr. KERN]. I will ask that this announcement stand for the day.

Mr. SMITH of Georgia (after having voted in the negative). I desire to withdraw my vote, as I have a pair with the senior Senator from Massachusetts [Mr. Lodge].

The result was announced-yeas 22, nays 49, as follows:

YEAS-22. Brandegee Burton Catron Gallinger Hitchcock Lippitt McCumber Penrose Root Townsend Warren Weeks Works Sherman Smith, Mich. Smoot Sutherland Colt Dillingham du Pont Page NAYS-49. Ashurst Brady Bristow O'Gorman Hughes Simmons Smith, Ariz Smith, Md. Smith, S. C. James Johnson Overman Bryan Chamberlain Clapp Clarke, Ark. Pittman Pomerene Ransdell Jones Kenyon La Follette Swanson Thomas Reed Robinson Saulsbury Shafroth Thompson Vardaman Walsh Lane Lea Lewis Martin, Va. Martine, N. J. Newlands Crawford Cummins Fletcher Gore Williams Sheppard Shields Gronna Hollis Norris Shively NOT VOTING-24, Clark, Wyo. Culberson Fall Goff Lodge McLean Myers Nelson Bacon Bankhead Borah Smith, Ga. Stephenson Sterling Stone Thornton Tillman Bradley Burleigh Perkins Poindexter Jackson Chilton Kern

So the amendment of Mr. Root to the amendment of Mr. OWEN was rejected.

Mr. McCUMBER. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The Secretary. On page 41, line 4, after the words "Federal reserve board," it is proposed to insert:

which rate shall not be less than 5 per cent per annum on the average of such notes received by such bank and put into circulation, and afterwards an additional rate of 1 per cent per annum for each month such notes are in circulation, until a rate of 10 per cent per annum has been reached.

Mr. McCUMBER. Mr. President, the purpose of the bill and the purpose of the amendment are identical. Both are to meet a condition; and the question whether or not the amendment better subserves the condition may need some explanation.

The President of the United States signalized the entry of his administration into the political life of the country by a concise declaration of his democratic purposes. On the 8th day of April last, in his first message delivered in person to the two Houses of Congress in joint session, he said:

Houses of Congress in joint session, he said:

We must abolish everything that bears even the semblance of privilege or of any kind of artificial advantage and put our business men and producers under the stimulation of a constant necessity to be efficient, economical, and enterprising masters of competitive supremacy, better workers and merchants than any in the world. Aside from the duties laid upon articles which we do not and probably can not produce, therefore,

* * the object of the tariff duties henceforth laid must be effective competition, the whetting of American wits by contest with the wits of the rest of the world.

* * To some not accustomed to the excitements and responsibilities of greater freedom, our methods may in some respects and at some points seem heroic, but remedies may be heroic and yet be remedies.

Mr. President the anticipation and the hone of the President

Mr. President, the anticipation and the hope of the President of the United States have been realized. Our business men and producers have been put under the necessity for efficient economy. They have been put in competition with the business men of the world, and laboring under the much heavier cost of production, they are slowly, doggedly, but surely retreating. They are slowly but surely restricting their output and discharging their employees. We have whetted the wits of the charging their employees. American producers, and in the face of a vast reduction in orders for their products they have been compelled to direct those whetted wits, not toward aggressive competition, but in defensive reductions in expenses. We have whetted not only the wits of the foreign producer, but also his cupidity, and the two conjoined are being exercised for a grand conquest of the American market.

Mildly putting it, the methods adopted by the Democratic majority have in general been more than heroic. Measured by the effect upon the section of the country which I represent, the word "diabolic" would better express their efforts.

Closely associated with the President's idea of a heroic

tariff operation is his idea of an opiate to make the patient, the American people, forget for a while the mutilation made by the tariff knife.

The President follows this declaration which I have quoted immediately with another so closely that the two become merged in a sort of combined idea. He says, in the same paragraph of his message:

At a later time I may take the liberty of calling your attention to reforms which should press close upon the heels of the tariff changes, if not accompany them, of which the chief is the reform in our banking and currency laws.

Why did the President feel that the amendment to our banking and currency laws should press close upon the heels of the tariff changes, if not actually to accompany them? Why this close association between tariff reform and emergency currency? What but the anticipated emergency?

Let us be fair and honest with the President, with the country, and with ourselves. Notwithstanding the declaration of the Democratic majority that the business interests of the country would not suffer by the proposed tariff change, the President did not think so. He did not believe that the tariff remedies which he would apply would not seriously disturb industrial conditions. The President did anticipate injury, at least temporary injury, to the country, and hence his keen desire and his timely declarations that the anæsthetic should be ready for immediate use.

I have no complaint to urge against what I consider the commendable precaution of the President. I complain only of the particular remedy he prescribes, and which is being compounded by the Democratic doctors in Congress—the remedy of currency inflation. Intoxication may make a man forget his ailments or his poverty; it never cures them. Inflating our currency will not create prosperity. All it can do is temporarily to excite the belief that as long as we can borrow, as long as we are creating debts, we are prosperous. The hair-pulling day is sure to arrive in either instance; and the longer and greater

the currency debauch the greater the final suffering.

In simple, plain English the purpose of this bill has been, and the operation of this law will be, an inflation of our currence of this law will be a minimum of our currence. rency as a tonic to revive us temporarily from the assured depression following our recent tariff legislation.

Mr. President, that is not the proper remedy. The proper remedy is to remove the cause of the depression, and the recuperative quality of the American people will take care of the disease.

I have therefore, Mr. President, prepared an amendment to this bill which will make it what it ought to be. The country has been demanding an elastic currency bill as distinguished from a bill for currency inflation. The country has never asked for inflation. Wherever it has had an opportunity it has voiced a strong sentiment against it. It has called for an elastic currency. You are responding to that call by giving it a debased currency. currency.

This amendment fixes a tax on the issue which will allow the paper currency provided in the bill—the Federal reserve notes to issue only when there is a real emergency or demand for it, and which will compel it to retire from circulation the moment it has fulfilled its purpose.

I shall not even delay the Senate by a roll call. The majority of the Senate in caucus have determined the form of this bill, and this amendment would naturally follow the fate of all other offered amendments. I simply want the amendment to indicate my own view of what would be a proper currency for this

I ask for a vote on the amendment.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from North Dakota to the amendment of the Senator from Oklahoma.

Th amendment to the amendment was rejected.

Mr. OWEN. On page 19, in line 23, after the word "in," I move to insert the word "all"; and after the word "failed," to strike out the word "national" and insert in lieu thereof "member"; and after the word "banks," in line 24, to insert "in the United States," so as to make the clause read:

As a trustee for the benefit of depositors in all failed member banks in the United States.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The Secretary. On page 19, in line 23, before the word "failed," near the end of the line, it is proposed to insert the word "all"; after the word "failed," to strike out the word "national" and insert "member"; and after the word "banks," in line 24, to insert the words "in the United States," so that if amended it will read:

Paid to the United States as a trustee for the benefit of depositors in all falled member banks in the United States and failed member trust companies in the District of Columbia—

And so forth.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oklahoma to the amendment heretofore offered by him.

The amendment to the amendment was agreed to.

Mr. OWEN. At the end of section 27 I move to add the following words:

lowing words:

Provided, however, That section 9 of said act is hereby amended so as to change so much of the tax rates fixed in said section by making the portion applicable thereto read as follows:

National banking associations having circulating notes secured otherwise than by bonds of the United States shall pay for the first three months a tax at the rate of 3 per cent per annum upon the average amount of such of their notes in circulation as are based upon the deposit of such securities, and afterwards an additional tax rate of one-half of 1 per cent per annum for each month until a tax of 6 per cent per annum upon the average amount of such notes.

The effect of that is, I will say to lower the tay on the notes.

The effect of that is, I will say, to lower the tax on the notes issued under the so-called Vreeland-Aldrich Act from 5 per cent to 3 per cent, gradually increasing it to 6 per cent, according to the period of time.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oklahoma to the amendment

heretofore offered by him.

The amendment to the amendment was agreed to.

Mr. WEEKS. Mr. President, my colleague has been unavoidably absent during this debate on account of illness. He has a general pair with the junior Senator from Georgia [Mr. SMITH] and wishes to be recorded, when the vote is taken on the bill, in the negative. Having, however, given the matter more or less consideration he has expressed his views briefly in a letter which I received to-day and which I wish, in his behalf, to insert in the RECORD. I should like to have it read.

The PRESIDING OFFICER. The Secretary will read the letter of the senior Senator from Massachusetts.

The Secretary read as follows:

"NEW YORK, December 17, 1913.

"MY DEAR SENATOR WEEKS: I am, as you know, unable to be in Washington before the holidays. I can not, therefore, be present and give my vote in person upon the final passage of the currency bill. This I greatly regret; so much, indeed, that I am unwilling to have the bill acted upon in the Senate without making public record of the reasons which would govern my

vote, were I able to give it, upon the passage of the bill.

"The many details of this most important law I have had no opportunity to master as they should be mastered by anyone who presumes to discuss them. Fortunately for me, however, there is no one who has a more thorough knowledge, not only of come for the following hill but also of the for words. of every feature of this particular bill but also of the far-reaching and difficult questions which must be involved in any bill of this character, than you. This mastery of the subject you have demonstrated in debate, and therefore with the most absolute confidence I authorized you to pair me upon all amendments as you yourself voted, without any statement or explanation on my part.

"When, however, the Senate comes to a final vote upon the bill as a whole, there are certain general principles involved upon which I have very strong convictions. By these convictions my vote, could I be present and give it in person, would be decided.

"I quite agree that there are provisions covering the details of the system proposed which would effect marked improvements in the system, or lack of system, of our banking laws as they now exist. This could hardly be otherwise, as many of these details are taken from the report of the Monetary Commission. But these improvements, which are not only most desirable, but which are very necessary, are not sufficient, in my opinion, to command my vote for the bill if they are linked with general principles which are both perilous and unsound.

Let me briefly state the objections which seem to me so grave as to make the adoption of the beneficial provisions of the bill impossible without a sacrifice of the fundamental principles upon which, as I believe, all sound and enduring banking laws

must rest.

"Throughout my public life I have supported all measures designed to take the Government out of the banking business. voted for the withdrawal of the Treasury notes and hoped that I should live to see the legal tenders also withdrawn—the Government confined to coining gold, silver, and copper, and wholly free from responsibility for note issues. I believe very strongly that banking should be done and bank notes issued by banks rigidly supervised by the Government, but that the Government itself should have no part in either function. This bill puts the Government into the banking business as never before in our history, and makes, as I understand it, all notes Government notes when they should be bank notes.

"The bill as it stands seems to me to open the way to a vast inflation of the currency. There is no necessity of dwelling upon this point after the remarkable and most powerful argument of the senior Senator from New York. I can be content here to follow the example of the English candidate for Parliament who thought it enough 'to say ditto to Mr. Burke.' I will merely add that I do not like to think that any law can be passed which will make it possible to submerge the gold stand-

ard in a flood of irredeemable paper currency.
"The guaranty of bank deposits seems to me a direct encouragement to bad and reckless banking. I can not but think that it may have results like those which followed Jackson's deposit of the surplus in the State banks.

The powers vested in the Federal board seem to me highly dangerous, especially where there is political control of the board. I should be sorry to hold stock in a bank subject to

such domination.

"I will not attempt to enumerate any other objections. Still less shall I undertake to argue upon those which I have men-

tioned, for that would be impossible in a letter.

"I merely desire, as I have already said, to make public record of the reasons which lead me to ask you to pair me against the passage of this bill. I had hoped to support this bill, but I could not vote for it as it stands, because it seems to me to contain features and to rest upon principles in the highest degree menacing to our prosperity, to stability in business, and to the general welfare of the people of the United States.

"I am, as always,

"Very sincerely, yours, H. C. LODGE"

Mr. BRISTOW. I desire to offer an amendment to sec-

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The Secretary. On page 19, line 15, strike out "six" and insert "five."

On page 19, line 16, after the period insert:

On page 19, line 16, after the period insert:

After the aforesaid dividend claims have been fully met, an amount equal to 1 per cent of the subscribed capital stock of each regional bank shall be set aside annually in a trust fund, to be known as the depositors of insarance fund, and shall be used for the payment of the depositors of insolvent member banks under rules and regulations made by the board. When, in the judgment of the board, there has been accumulated in such depositors insurance fund a sufficient sum fully to insure the payment of the depositors of insolvent member banks the board shall have power to suspend the setting aside of the said 1 per cent, except that in the event the depositors' insurance fund is depleted by the payment of depositors of insolvent member banks such fund shall be replenished by again setting aside such 1 per cent or so much thereof as, in the judgment of the board, may be necessary.

On page 19 line 18 after the word "claims" insert "and

On page 19, line 18, after the word "claims," insert "and trust funds."

On page 19, line 22, after the word "tax," strike out the remainder of the line and all of lines 23, 24, and 25 on page attended with the uncertainty in the smaller regional districts

25, and on page 20 strike out lines 1 and 2, and in line 3 the word "Treasury."

Mr. BRISTOW. Mr. President, the purpose of this amendment I will explain, and I hope that the chairman of the com-

mittee will see fit to accept it.

It reduces the rate of interest which is paid on the capital stock from 6 to 5 per cent per annum. The capital stock in the system as the Senate has created it up to this time is owned by the member bank, and there is a 6 per cent cumulative dividend. I would reduce that from 6 to 5 and then use that 1 per cent to create this guaranty or insurance fund for depositors. The amendment provides that the 1 per cent then shall be set aside as an insurance fund for the depositors in the member bank. It takes 1 per cent of the profits that would come from the dividends, and since the subscribed capital will be approximately \$100,000,000, it means that there would be \$1,000,000 a year accumulated for the purpose of insuring the depositors in all the member banks. This fund would out of the pockets of those who subscribed for the stock. This fund would come

offer this amendment because, with 8 or 12 banks created, I think there will be some banks that will not have any net profits after the dividends have been paid and the other expenses which are provided for. I would make this an assessment, a claim, before any of the profits go to the Government, because I think the depositors in the member banks should be

first considered.

Mr. NORRIS. Mr. President-

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Nebraska?

Mr. BRISTOW. I do.
Mr. NORRIS. There is already provision in the bill for the insurance of depositors?
Mr. BRISTOW. Yes.
Mr. NORRIS. Would this 1 per cent be in addition to that?
Mr. BRISTOW. No; I have cut that out.

Mr. NORRIS. If this is adopted, the Senator would strike that out?

Mr. BRISTOW. Yes; the amendment proposes to strike out that provision.

Mr. NORRIS. I could not tell from the reading at the desk. I will ask the Senator if he can give any information as to whether the amendment he has offered would raise a larger

sum than that already provided in the bill?

Mr. BRISTOW. Yes; this makes a fund; there is no doubt about it. First, there was a dividend of 6 per cent provided, and then 50 per cent of the net profits was set aside to accumulate a surplus equal to 40 per cent of the capital. Then half of the additional net profits were set aside as an insurance fund. I would make the insurance fund come in ahead of any of the net profits and really take 1 per cent of the dividends of the banks upon their stock and make an insurance fund of that, so that in these small banks there will be an opportunity to create a fund about which there will be no uncertainty.

I think under the provisions in the bill there will be some regions that will have an insurance fund and others will not, while if this amendment should be adopted they would all have

an insurance fund.

Mr. SMOOT. Mr. President-The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Utah?

Mr. BRISTOW. I do. Mr. SMOOT. I did not quite catch the full meaning of the Senator's amendment, and therefore I will ask him a question. Suppose the profit of the regional bank was only 5 per cent, under the Senator's amendment there would be no provision for a fund for bank depositors?

Mr. BRISTOW. No; that is true. If the bank is unable to pay dividends, this fund would not accumulate.
Mr. SMOOT. In other words, there would be no accumulation of the fund until after the bank had made 5 per cent profit for the stockholders?

Mr. BRISTOW. That is right. After that there would be this accumulation of 1 per cent.

The advantage of this amendment is that it brings in 1 per cent before the surplus is created. Instead of giving the bank 6 per cent, it gives it 5 per cent and takes 1 per cent of the dividend that is provided in the bill and puts it into an insurance

I do not think that the chairman has been giving very serious attention to what I have been saying. I should like the attention of the chairman. I do not know whether he has heard any part of my conversation here, but I should like to know if he can not accept this amendment, so that we shall have a genuine insurance fund and will know what it will be. It will not be that there is under the provision as it is in the bill as it is I am afraid that the chairman did not hear my reframed.

Mr. OWEN. I do not understand that the Senator expected a reply from the chairman. I thought it was rather oratory than a direct question. In reply to the Senator I will state that the Senate has already disposed of the matter by adopting a provision which is superior to the proposal of the Senator from Kansas.

Mr. BRISTOW. I do not understand that the provision had been yet adopted. There are still some amendments offered to section 7, and the section has not been adopted.

Mr. OWEN. It has been so far amended by the Senate as to make it very certain that such a provision would be adopted when the Senate came to pass upon the matter in its entirety, because it has been amended so as to make certain its meaning.

Mr. BRISTOW. I realize that the Senator has offered an amendment which enables all member banks to participate in this fund if there is any fund. My amendment seeks to insure a fund, to get a fund, to have a fund even in the smaller bank I understand the Senator is not much interested in that. He thinks that the fund he has provided for is enough Or does he really think that possibly this is for this purpose. consuming valuable time for nothing-that in the end we will not have any insurance guaranty fund anyway?

Mr. OWEN. I will say to the Senator from Kansas that it is very difficult on this side to hear what the Senator says because of the buzz of conversation throughout the Chamber. So in reality the chairman has not heard all that the Senator has said, although he is disposed to hear, and ordinarily has no difficulty in hearing the Senator from Kansas.

Mr. BRISTOW. I am very sorry I have not time to go over it again, but I should like very much to do it. I suppose I should not have proceeded while there was so much confusion on the other side of the Chamber. I want to take 1 per cent of the 6 per cent that is provided for dividends of these banks and have a dividend of 5 per cent, with the other 1 per cent creating an insurance fund for the depositors in the member Does not the Senator think that would be a good thing

Mr. OWEN. I believe that an insurance fund of a sufficient volume is an advisable thing to have, provided you have a system of examination that precludes the abuse of such a fund by banks that are conducted in a slipshod, careless way. There in some States of the Union no law at all with regard to bank inspection, and in some of the advanced States it is only recently, indeed, that there has been any proper method of examining banks. So in adopting a system of this kind, which relates to banks under such a variety of laws as we have, I think there ought to be considerable caution observed. I think that the present provision in the bill is hardly more than an acknowledgment of a principle of government which, in time, would be developed; but I do not think it is worth while in this bill to attempt to develop a complete system.

I believe we have gone about as far as we can conveniently or safely go to provide a fund of the kind which has been suggested, but I do not think in a bill of this kind we could perfect a measure of legislation that would be sufficiently well contrived to meet the exigencies that would arise under the various State laws and the defective system of examination which prevails with regard to so many banks that would be member banks.

Mr. BRISTOW. I think the Federal board has ample power to provide for such examinations. I am just as anxious that examinations should be very critical and exact as anyone could be. I know that the examinations should be thorough.

I realize the futility of undertaking to get this amendment adopted unless the chairman of the committee will accept it. I will not consume the time of the Senate by asking for a roll call, because I could not secure any Democratic votes unless the caucus had passed upon it. Since the caucus has not passed upon this amendment and the chairman, I suppose, would have no authority to accept anything that the caucus had not authorized him to accept, and since a number of my associates on this side are very much opposed to such beneficial legislation as this, I know it could not pass. So I will not ask for a roll call, but I do ask for a vote.

Mr. OWEN. In view of the lack of sympathetic consideration by the Senator's colleagues and his frequent suggestions as to the Democratic caucus, I might suggest that he attend the next Democratic caucus that is held and submit his proposition.

Mr. WEEKS. Mr. President, as the Senate knows, I have no sympathy whatever with any proposition to guarantee bank banking; that it offers a premium to unprincipled adventurers

deposits by the National Government. All such propositions are bad. There may, perhaps, be a modifying of the degree of un-wisdom injected into some such particular scheme, but I want to call the attention of the chairman of the committee to this one proposition: In his bill it is proposed to pay the holders of this stock 6 per cent. The Senator from Kansas wishes to take 1 per cent of that and constitute a fund to guarantee deposits. I would not do that with the 1 per cent. I wish to say to the Senator from Oklahoma that, in my judgment, he is wasting a million dollars a year of dividends on this stock. I think that he will find, as soon as this system is established, that the stock, which is now being sold on a 6 per cent basis with cumulative dividends and no taxes, will be selling on a 5 per cent basis, and the Government will lose the difference; in other words, the stock will be selling at about \$120 a share. I would be willing to stake what little business reputation I have that every dollar of that stock could be sold on a 5 per cent basis and save a million dollars a year.

Mr. THOMAS. Mr. President, up to this time I have taken no part whatever in the discussion of the pending bill, and perhaps the Senate would feel more grateful to me if I should continue that policy; but in view of what the chairman of the committee has stated concerning the section of the bill relating to an insurance fund, and inasmuch as I want to see that principle ingrafted upon this measure as an actual working reality, I feel impelled to say something in behalf of the provision which will be adopted by the Senate, and also to express the opinion that the proposition of the Senator from Kansas would be more acceptable, and I think more beneficial to the bill, but, as stated by him, it is quite evident that on both sides of the Chamber there is a very considerable opposition of a fundamental character to the principle which is involved in what is generally known as the guaranty of bank deposits, which this is not. I wish it were. As I understand this matter, it is intended to take a portion of the earnings which are realized from the operation of these Federal reserve banks and devote them to the payment of depositors of failed banks under the system. That is not a guaranty and falls short of an insurance, because if the fund provided for is not sufficient for the purpose, there is no payment, or at least but a partial payment.

It is not a guaranty, because the fund does not come from the banks, but from the profits which are made in this system after dividends are paid and after a surplus fund has been created.

Mr. President, to my mind, this is one of the most beneficent

features of the measure. Perhaps I may be partial to it because I have advocated the principle for a good many years. It gives some measure of security to depositors, the individuals whose money, after all, is the real thing behind the new system, as it has been behind the old system, and which new system places a first lien practically upon all that they have as security for the notes that are to be issued under the operation of the system itself. That being the case, the depositors in the member banks being the fundamental basis of the entire system and upon their deposits in the last analysis there rests the first lien, why should they not have some protection in this general scheme of banking, especially when it can be easily given to them by devoting a part of the profits to that purpose, just as well as not? I have heard much discussion here about the protection which holders of reserve notes need, but too little in behalf of the man whose little store lies at the foundation of the whole system.

There are some great banks in the United States-very great banks-but the Government of the United States will not trust one of them with a dollar of its money unless some guaranty or indemnity or security is given, nor will the States of the Union nor the cities nor any of the municipal subdivisions. It is a principle running through all deposits of public money without reference to the solvency or security of the depositee that security must be given for them. When a failure comes, if come it does, it is not the public depositor, Mr. President, but it is the private individual who has the last lien and the last chance to get his money out of the bank. This is wrong, and it is in his behalf that I invoke the consideration of the Senate.

Mr. WEEKS. Mr. President-The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Massachusetts?

Mr. THOMAS. I will yield, if it is not taken out of my time. The PRESIDING OFFICER. The Chair will be obliged to rule that it will be taken out of the time of the Senator from Colorado.

Mr. THOMAS. If that is the case, I can not yield.

Mr. President, the chief objection that is urged against this system is, and always has been, that it encourages fraudulent

to go into the banking business. The senior Senator from New York [Mr. Root] the other day complained that—

it gives the credit of the United States to every speculator, every promoter, every blackguard, who is able to scrape together \$25,000 and take out a national-bank charter.

Depositors may intrust their money to the speculator with the same confidence with which they intrust their money to the sound and conservative banker.

It is a fact, Mr. President, that unprincipled men go into all lines of business in this world, and I know of no system of legislation that will prevent it. If we could keep scoundrels and adventurers out of the banking business, the system would be absolutely perfect, and we would not be obliged to waste the time which this Senate has wasted upon the consideration of a banking and currency measure. It is against that class of individuals, Mr. President, that all schemes of protective legislation are necessarily directed. Our common experience is that they are in the banking business, and they have been ever since there was such a business. And they will be until human nature undergoes radical transformation. Says the Senator from New York:

It is a premium on speculation.

It is an invitation to every adventurer in the world to come into the national-bank system and get the indorsement of the United States upon all the moneys he comes to owe for his schemes.

Then the Senator from New York calls attention to this as an illustration, I presume, of his general statement:

In the panic of 1907 there was a chain of banks in the city of New York—a chain, five of them linked together—that had been promoting enterprises out of which the managers of the banks looked for great profit. If they had kept on, they would have become millionaires. There were ice companies, steamship companies, and all sorts of speculative enterprises. If they succeeded, the managers of the banks would have made enormous fortunes. They failed. The men who had trusted them suffered the natural consequences which in this world follow folly and a failure to regard the laws of probity and good sense.

There is an instance of bad banking given by the Senator under the present system which is devoid of any guaranty feature whatsoever; in other words, the condition of which the Senator complains now exists. It does not need to be promoted or stimulated by any bank guaranty system. It is here, and the Senator can not draw his illustrations from what is bred from the law which he commends in order to punctuate an evil which he prophesies. And, Mr. President, in addition to this chain of banks which failed there were and are other chains of banks which did not fail; and failure, or the want of it, seems to be the measure of determining its legitimacy. Contempora-neously with the Heinze chain was a chain which the firm of Morgan forged and controlled, consisting of the First National Bank, the Guaranty Trust Co., the Bankers' Trust Co., the First Securities Co., the Equitable Life Assurance Society, and the New York Life Insurance Co., and doubtless many others. They also financed ice companies and railroad companies and steamship companies, and a great many other companies. They succeeded. Their success has been tremendous; it has been phenomenal. The Morse system of banks failed and Morse went to the penitentiary. The Morgan system of banks succeeded and Morgan went to heaven. [Laughter.]

There is no great difference in principle, Mr. President, between that chain of banks which the Senator from New York used as an illustration and those chains of banks which exist everywhere, the principal difference being that some represent enormous and stupendous capitalization bound and linked together in millions, while the others, weak imitators, are generally made unsuccessful because of the opposition of their gigantic competitors, which regard them as nuisances. greater power which dictates and dominates the liquid money and finances of the country therefore determines their fate and then holds them up as horrible examples of what may occur under a guaranty system. So that, so far as these conditions exist, they are here, and they will continue so long as banking continues, whether we have a guaranty system or not.

Mr. President, some years ago what was known as the Walsh Bank, in the city of Chicago, failed. It was a tremendous failure; it was one which threatened for a time the financial situation in that great city. The banks comprising the clearing house, to protect themselves, had to get behind the failed bank and practically guarantee all its deposits. If there had been a system coupled, as the Senator from Oklahoma suggests, with a good method of examination, which they have now, as has been suggested, and which they have put into operation because of this bitter experience, they never would have been obliged to become guarantors after the fact, at a loss to themselves, as they should have been guarantors before the fact, with resulting immunity.

I might mention a number of instances in which the principle of bank guaranty has been vindicated by experience, and I might mention the fact, because I believe it to be true, that, in the instance which the Senator from New York used as his illustration, ultimately the depositors got their money.

Mr. President, the time is coming, in my judgment, when in every State in this Union there will be a system of bank guaranty, because the people see the force of it; the depositors demand it, and the demand will be so potent as to overcome the opposition of the banking interests of this country.

In this connection it might, perhaps, not be amiss to call attention to the fact that the same opposition was made to our postal savings-bank system that is made to the bank guaranty system. It was something unheard of, something entirely out of the ordinary, something which in banking eyes menaced the welfare and the interests of the country. I call attention to an article which appeared in the Chicago Banker of date February 5, 1910, which, I am told, is a most reputable publication, and which graphically outlines the opposition which the American Bankers' Association made at that time to the postal savings bill. As it is not very long, I will read it into the RECORD:

New York, January 31-

It must be January 31, 1910-

The American Bankers' Association to-day told why it is willing to spend a vast sum of money (\$1,000,000 if necessary) to educate the people against the postal savings bank. The association regards the postal savings as a menace to the American people.

The association probably is the most important and financially powerful organization of capitalists in the world. It consists of the officials of every National, State, and savings bank in the United States. The capital controlled runs into billions of dollars.

The organization is prepared to go "the limit" to defeat the proposed postal savings bank bill now before Congress, and it declares, without equivocation, that this opposition is absolutely unselfish and without prejudice. The American Bankers' Association has expended between \$20,000 and \$25,000 in postage stamps alone in circulation throughout the country of literature bearing on the subject and petitions in blank addressed to Members of Congress, which read:

"Believing that the postal savings bank system would prove detrimental to the best business interests of this community and of the country at large, the undersigned respectfully urge that you oppose any legislation for the establishment of postal savings banks."

Half a million copies of this petition have been sent out by the association to every chamber of commerce, to every board of trade, to every commercial body, life insurance company, and provident loan society, and also to every bullding and loan association in the United States.

In order that the people may understand the motives actuating the American Bankers' Association.

States.

In order that the people may understand the motives actuating the American Bankers' Association, William Hanhart, secretary of group 2 of the American Bankers' Association, which includes the savings-bank section, said:

"The idea of postal savings banks originated with Postmaster General Meyer, and my statistics show that Mr. Meyer's proposition was based on utterly erroneous figures furnished year after year by the Comptroller of the Currency. In the belief that this postal savings-bank legislation is not for the best interests of the American people we are engaged in a campaign to educate the people on this topic, and, while the expense is heavy, we reckon not the cost."

This statement from the Chicago Banker well illustrates the position of the American Bankers' Association to great and needed changes in banking operations. This organization, composed of gentlemen of the highest character and doubtless anxious to serve what they believe to be the public welfare, unfortunately stands too close to the practical details of banking to catch the larger vision which a broader perspective would afford; and so, when the postal savings-bank measure was before the country, although the public sentiment of the Nation was behind it, understood it thoroughly, were familiar with its benefits in European countries and anxious to see it crystallized as soon as possible into a law, this great association, with its head in the sund, used all of its power and all of its influence in a useless and ridiculous effort to defeat it.

Whatever its motive may have been-and that I do not question-the subsequent events which began with the enactment of that bill into law have demonstrated that instead of "educating the people" the association should have educated itself as to the wants and needs of the people, because, generally speaking, the mass of the people are more nearly right in their eco-nomic ideas and desires than any specific interest has ever proved to be.

I make the prediction that if this measure is incorporated into the pending bill, as I think it will be, the time is not far distant when the opposition to it which is now so manifest will not only disappear, but will be accepted as an essential to a safe system of banking. It is a system of legislation which is designed to protect the poor man, the depositor of limited means, the man with a small but precious hoard, who can least afford to lose his money, and who is therefore more directly interested than anyone else in a safe and sound system of banking and currency.

Mr. President, the purpose of this bill is to enable the banks of the country to obtain money when needed, in order that the business of the country may not suffer from panics and from disaster through temporary monetary stringency. In other words, the credit of the United States is given to the banking interests of the country, to the end that they may serve the people. To put it more concisely, the credit of the people is given to the people's creditors, although for a beneficent purpose. Surely those who deposit their money in the banks, those who lie at and whose collective savings form the basis of the entire system, without whose deposits the system itself could not be maintained and might not be necessary, and who have suffered most in times past from the failure of banks in which they had confidence, should be themselves made to feel, through the operation of this bill and the provisions it contains, that their interests have been cared for, or at least have not been wholly overlooked.

The risk to the fund is comparatively small. I have here a postal card which I received from Chicago the other day. I have not had time to verify the figures, but I think they are very nearly right. The communication is directed to this particular portion of the bill.

My correspondent says:

The Government has received in the past 50 years from national banks in the shape of taxes on circulation \$120,000,000. Expenses of administration of that department have not exceeded \$30,000,000. Hence the net profit to the Government is \$50,000,000, or firee times the amount of losses to depositors during same period.

I may say that in round numbers the loss to depositors during that period was \$37,000,000, which is somewhere near onefortieth of 1 per cent of the total deposits of the country.

How easy and without added expense to the banks it would have been to have insured national-bank deposits all these years out of the profit from this tax and to have used it for the relief of this small percentage of losers. And why could not one or two millions out of this \$90,000,000 of profit have been devoted to a deposit-guaranty fund? And why does not this slender percentage of loss justify the establishment of the policy now, when the surplus of the regional banks will soon be sufficient for the purpose, and thus provide for making it effective at once, and not at some future or indefinite time, as contemplated by the Senate amendment?

That, Mr. President, suggests in concrete form what I think the amendment to the bill is designed to accomplish-to take a part of that which comes from the general business of banking, which taxes no one, and devote it to the security of the depositor. You want to make this new law popular. That is right. And let me tell you that it will be popular when the depositor knows that the Government keeps watch and guard over his savings as well as the millions of industry and commerce. While it is true that the total amount of losses to depositors in national banks up to 1912 aggregated but \$37,000,000, it does not represent the actual loss to the depositors themselves.

To illustrate what I mean, the other day there was a run on one of the banks in the city of Washington during which men were going up and down the lines of depositors who were waiting for an opportunity to get their money working upon their needs and fears and offering to discount their deposits for 5 per cent. In many instances this offer was eagerly accepted, notwithstanding the bank was sound. I know, and I suppose it is the experience of a great many other Senators, that when a bank fails the depositors are frequently obliged by their necessities to sell their accounts to speculators, at speculators' prices, the latter making a great profit upon them. That is neither more nor less than legalized robbery.

A proper system of bank guaranty or bank insurance would do away with this additional spoliation of the poor depositor, who because of his necessities is subject to loss by the failure of the bank, on the one hand, and to be stripped of his small possessions and small opportunity to obtain some part of it by speculators, on the other.

It seems to me this is one of the most beneficent features of this measure, and I am glad it is to be inserted in the bill. I wish it were more specific and more definite, as it must become if the great mass of depositors throughout this country have their interests and welfare conserved as they should be by a great scheme of banking and currency. The postal savings bank is a success. Who to-day would dare to suggest its abolition? The guaranty of deposits under a system of frequent and exhaustive examinations will prove a greater one. Hasten the

day when it shall become a law.

Mr. OWEN. Mr. President, I submit and ask to have printed in the Record a memorandum bearing upon the question of the

guaranty of bank deposits.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the request is granted.

The matter referred to is as follows:

[Memorandum by George H. Shibley, publicist.]

HISTORY OF GUARANTY OF BANK DEPOSITS IN THE UNITED STATES, 1907-1913.

HISTORY OF GUARANTY OF BANK DEPOSITS IN THE UNITED STATES, 1907-1913.

On December 17, 1907, the State of Oklahoma, noted for its progressiveness, enacted a law providing for the establishment of a fund for the guaranty of the safety of deposits in the State banks. This system is compulsory.

Fifteen months later a somewhat similar system was established in Nebraska (Mar. 25, 1909).

Three weeks earlier, in Kansas, a voluntary system for the incorporated banks of the State was enacted (Mar. 6, 1909).

Three days after the Kansas voluntary system was installed a similar plan was established in South Dakota.

On August 9, 1909, the Texas Legislature established a law providing that all incorporated State banks must secure depositors either by the guaranty fund or by furnishing a guaranty bond.

Nearly six years have passed since the first State entered upon this procedure for the protection of the people of their several jurisdictions and what is the net result?

In each of the States the people, through their Representatives in the Government, have continued the system, amending it in such points as experience has shown should be improved.

That is conclusive proof that the main principle is indorsed by the people in the States where it has been tried.

In line with the favorable action by the people of these five progressive States are the following statements by bank commissioners.

In the last published report of the bank commissioner of Oklahoma, Hon. J. D. Lankford, he says:

"With reference to the bank guaranty feature of our law, will say that it is not growing in favor with the bankers, but is becoming more popular each day with the people." (Report of Dec. 15, 1912, p. vii.)

The last published report of the Kansas bank commissioner, Hon. J. N. Dolley, says:

"The guaranty law in Kansas has done more to put the proper amount of confidence in the State banks than any other one thing since its enactment. It also has done much toward assisting us to regulate and supervise the banks in the manner that they

THE PROPOSALS IN THE OWEN AND THE HITCHCOCK BILLS.

These official statements are in line with the people's action in retaining the laws.

THE PROPOSALS IN THE OWEN AND THE HITCHCOCK BILLS.

The proposals in the Owen and the Hitchcock bills are improvements over the State laws for the guaranty of the safety of bank deposits in that the fund for the payment of losses is to come from part of the profits to the Government from the Federal reserve banks, so that the banks in the system will not be taxed to supply the fund to pay the losses. That is a vital difference.

Another great difference between these two bills and the State systems is that the proposed Federal system is to be in connection with an elastic volume of money, so that whenever a bank shall be liquidated the payment of depositors in cash will no longer cause any stringency in the money marker; and then as rapidly as normal conditions are marked to the payment of depositors in cash will no longer cause any stringency in the money marker; and then as rapidly as normal conditions are marked to the payment of depositors in cash will no longer cause any stringency in the money marker; and then as rapidly as normal conditions are marked to the payment of depositors are sure as rapidly as normal conditions are marked to the constant of the money depositors are sure to get the Secretary of the Treasury the issuance of the necessary regulations, as experience demonstrates, is that inasmuch as depositors are sure to get their money back from each bank that is in the system, and therefore the thing which decides them to patronize a bank does not include a consideration of the sound sense with which the competing banks are managed, it becomes necessary to prescribe regulations limiting the amount of interest that shall be paid.

With this safeguard for all concerned, company which the described to rely for safety, except, as they secure special security or security for wildcat "banking."

Unfair competition will not be permitted. Therefore the system will be a benefit of the Nation. All concerned will be benef

existing national banks will find it to their advantage to remain as national banks, and a considerable proportion of the State banks will doubtless come in in the near future, and eventually all of them. In Oklahoma, Kansas, Nebraska, Texas, and South Dakota the State banks are being obliged to pay the insurance fund, whereas under the Federal reserve system the Government is to contribute it. In the States where as yet there is no State provision for insurance of the safety of deposits the people's self-interest will cause them to gradually transfer their funds to safe banks. Furthermore, the additional advantages in the Federal reserve system of the cheap method for transferring funds throughout the Nation by means of the Federal clearing house will cause the Federal reserve system to become the prevailing one throughout the Nation. The two advantages just described and the fact that the tendency to a unification of the banking system is bound to continue will make it inevitable that the State systems of banking will eventually lead to their complete termination through transfers to the national system, with its great natural and man-made advantages.

The immediate questions of just how great will be the payment of dividends to the member banks for their funds that are to be placed in the forthcoming system, and how great shall be the percentage of deposits of the member banks that must be placed with the reserve bank of each district, are merely temporary matters, for as soon as a couple years of experience shall have been had there then will be provided whatever changes are needed.

The present aim is to be sure and amply safeguard the public interests, so that it well may be that experience will demonstrate that the member banks will be able to secure reductions in percentages and increases in rates for the money on deposit with the Federal reserve banks that will materially aid. Certain it is that Congress will supply to the business world in this country the most effective system that it will be possibl

GUARANTY OF BANK DEPOSITS.

REBUTTAL

Guaranty of Bank Deposits.

REBUTAL

Because the Democratic majority in the Senate have seen fit to provide in their bill for a depositors' insurance fund, to be built up from funds due to the United States Government, the senior Senator from New York has seen fit to declare against the plan, using strong words in denunciation, and closing with the words:

"We (the people of this Nation) are turning our faces away from the fundamental principle upon which we have come to our high estate. We are turning them weakly toward practices which history shows have invariably led to decadence, to degradation, and the downfall of nations."

It is thus that the ones who have served with the powerful few when they were the rulers in this Nation talk. They would that the people would leave themselves unprotected in their relations with the bankers, while the Government and the rich few take special security from the banks that they deposit with. But the philliptics of these statesmen will not deter the party organization that represents the new order of things in this country.

Each point that the reactionists make against the providing of a depositors' insurance fund is either a fallacy or there are advantages which more than offset it.

For example, the New York Senator said:

"The serious side of it is that this is giving the credit of the United States to every speculator, every promoter, every plackguard, who is able to scrape together \$25,000 and take out a national-bank charter."

The Senator failed to state that the United States is also to examine the banks and constantly supervise them; also, that bank examinations and supervision ought to be so thorough that the certificate of the supervising power will be the thing upon which the depositors and of the executive officer. Always there are some bankers who are inclined to take undue risks, and the examinations and supervision should be adjusted to that class so that under no circumstance shall the depositors so their money. The depositors are compelled by the circum

(The following extract from the argument in favor of a limited insurance on noninterest-bearing deposits by ROBERT L. OWEN, United States Scnator, on February 25, 1908, on S. 3023:)

THE GUARANTY OF DEPOSITS.

The substitute provides that noninterest-bearing deposits in national banks shall be guaranteed out of the tax paid by the national banks on their present circulation and by the proposed tax on emergency circulation.

As I have heretofore pointed out, the tax on the annual circulation is over three millions per annum, and the average loss to depositors of national banks during the last nine years is \$85,000 per annum.

There would be no need for so large a guaranty fund except for its moral effect. There is no harm in making it so abundant that confidence in the fund should be assured. There might be harm if the fund were not large enough to thoroughly establish public confidence.

As I have already pointed out, the fear of the depositor is the real cause of hoarding money on a large scale by the people. If you remove the cause for this hoarding, there will be no panic capable of seriously harming our national commerce.

When the depositor is absolutely assured in the security of his deposit, regardless of the solvency of the bank, he has no reason whatever to withdraw his funds, and he has no reason to hoard it.

There is a class of persons who do not keep any bank account, because of their distrust. One of the strongest benefits arising from the guaranty of deposits would be to bring out the currency hoarded by this class of people, who at present do not keep any bank account. The insurance plan would bring into activity a considerable volume of money which is now hidden.

But the value of the insurance plan is not the protection of the depositor; it is the protection of the public; it is the protection of our commerce; it is the protection of the public; it is the protection which is specially to be desired. The depositor is perfectly safe now, but nevertheless when he takes fright and withdraws currency for hoarding and produces a panic he is very dangerous to our commerce, and it is this danger which should be absted.

I have received a vast number of letters from bankers with regard to the insurance of deposits. The great majority of these letters strongly favor the guaranty plan and give abundant reason therefor. I submit a sample of these letters (Appendix "E"), but I have also received various letters from bankers opposing the idea of the guaranty of deposits.

received various letters from pankers opposing the face of the guarant, of deposits.

I have carefully read the letters which oppose this proposition and have scrutinized every objection made.

The first objection is that it will promote reckless banking, which will encourage unscrupulous bankers to offer high interest for deposits, with a view to embezzling the funds of the depositors; that this would be at the expense of the honest bankers of the country. The answer to

First. That interest-bearing deposits are not insured and, therefore, the entire objection fails because the supposititious embezzler has no inducement to offer for deposits, and, moreover, the honest banker pays nothing more under the plan proposed than he does now. It costs him

nothing.

Second. In the second place, the embezzlement of funds is made sufficiently unattractive by the criminal code to prevent the predicted embezzlement.

Third. In the third place, the safeguards of national banks are otherwise abundant to prevent embezzlement, and with 6,600 of such banks in the United States the losses for the last nine years have been a negligible quantity. The persons who invest their money in a national bank are subject to a double liability, so that the stockholders of a national bank of the smallest kind put up \$25,000 and are liable to a like amount under the law before any harm can come to the depositor. This equals a \$50,000 bond to secure fidelity.

No bank can start with any prospect of success that has not a board of local directors favorably known to the community, who comprise a further safeguard.

There is no force whatever in this objection.

Another objection which is offered is that it puts a conservative banker on a par with a reckless banker, who will offer special privileges in exchange for deposits.

The answer to this is: He is not allowed to insure an interest-bearing account; the depositor is protected by double liability of the bank's stockholders, and that the depositors are perfectly safe now, as a matter of fact, and there would be no more force in the objection under the new condition of insurance than there is under the present condition of no insurance.

But everybody familiar with the banking business knows that the pri-

of fact, and there would be no more force in the objection under the new condition of insurance than there is under the present condition of no insurance.

But everybody familiar with the banking business knows that the primary condition of a deposit is the belief of the depositor that the bank is safe. The real factors which control the deposit are the personal friendship of the depositor for the bank, for some of its officers or directors or stockholders; the fact that it is convenient to his business; the fact that he has a right to expect the reasonable business accommodations to which he is entitled. These are the motives which control deposits. The question of the security of the deposit does not control it except in a negative way. A man would not deposit where he had doubt; and if a bank were in the hands of a reckless, extravagant man, the common people can be relied on to find that out, and no such man can attract deposits against a man more honorable and more worthy of trust.

Another objection which is made is that it will do great harm to the State banks, because the State banks will not have a like insurance.

The answer to this is that the national banks for the last nine years have lost their depositors relatively only about \$1 where the State banks have lost their depositors \$23. The average loss of the State banks have been about \$85,000 per year for the last nine years.

Notwithstanding this greater safety of the national banks, the State banks have twice as much in deposits. This further discredits the theory of the objection.

It is not true, therefore, that the greater security of the national bank depositor would break up the State banks. I think it is true that where a small State bank in a town has a small national bank as its rival, under the guaranty plan, it would weaken to some extent the State bank depositor of the State bank, especially in time of panie, if there should ever be a panie under this improved system and in the event that the State banks and no friend of the State bank

It should always be kept in mind that it is not the welfare of the bank, nor the welfare of the depositor which is the main object to be attained, but it is the prevention of panic, the protection of our commerce, the stability of business conditions, and the maintenance in active operation of the productive energies of the Nation, which is the question of vital importance.

Mr. OWEN. I ask, out of order, to submit a motion that 5,000 copies of the banking and currency bill, H. R. 7837, showing the Senate amendments, be printed for the use of the Senate document room.

Mr. BRISTOW. Mr. President, I should like the amendment which I have offered first to be disposed of.

Mr. OWEN. I beg the Senator's pardon. I overlooked the

fact that his amendment was pending.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Kansas [Mr. Bristow] to the amendment of the Senator from Oklahoma [Mr. OWEN].

The amendment to the amendment was rejected.

Mr. OWEN. Out of order, I ask that the following order be made by the Senate.

The PRESIDING OFFICER. The Senator from Oklahoma submits an order, which will be read.

The Secretary read as follows:

Ordered, That 5,000 additional copies of the banking bill, H. R. 7837, be printed for the use of the Senate document room.

Mr. SMOOT. Do I understand that that includes all the amendments that have been offered up to the present time?

Mr. OWEN. No; it is intended to let the printers prepare for the bill in the form in which it passes the Senate. In that way they will be able to get it out promptly. There will be quite a demand for this bill as it shall be finally amended and passed by the Senate.

Mr. GALLINGER. The bill will not be printed until its con-

sideration is completed?

Mr. OWEN. Oh, no. Mr. SMOOT. Then it is proposed that the 5,000 additional copies of the bill shall not be printed until the bill is com-

Mr. OWEN. When the bill is completed; that is what it means. I will modify the order to make it clear.

The order as modified was considered by unanimous consent and agreed to, as follows:

Ordered, That 5,000 additional copies of the banking bill, H. R. 7837, when finally passed by the Senate, be printed, showing the Senate amendment, for the use of the Senate document room.

Mr. OWEN. I ask for the adoption of the following order

(S. Doc. No. 335):

(8. Doc. No. 559):

Ordered, That there be printed as a Senate document, in document type and in three parallel columns, a comparative print of the banking and currency bill, H. R. 7837, "An act to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective superivision of banking in the United States, and for other purposes," showing the bill as passed by the House, the bill as passed by the Senate, and the bill as agreed to in conference, and that 5,000 additional copies be printed for the use of the Senate document room.

Mr. SMOOT. I should like to ask the Senator what he means "the bill as agreed to in conference"?

Mr. OWEN. It is simply saving time; that is all. It is in order to save the time that would elapse if this order were de-

layed until after the conference had been held.

Mr. GALLINGER. If the Senator will permit me, I will venture to ask the Senator from Oklahoma if he thinks the general public will be interested in any phase of the bill except the bill as it shall be completed and approved by the President?

Mr. OWEN. I thought the Senate would be very much interested in making the comparison and would like to have these parallel columns so that they could see what the conferees

were doing with the bill.

Mr. GALLINGER. It occurs to me that all that will interest the public, and it seems to me all that ought to interest the Senate, is the bill as it finally becomes a law. We have had these other bills printed over and over again.

Mr. OWEN. I would remind the Senator that there are 25,000 banks, and they are quite interested in the bill and the various steps in it. They write asking for information about it, and it is very difficult to answer them unless we have it in some such form.

Mr. GALLINGER. I want to give them all possible information, but it seems to me the House bill and the bill as amended

by the Senate would be, in a sense, ancient history.

Mr. OWEN. It was believed that the Senate itself want to have this print for the purpose of comparison. It was believed that the Senate itself would demand from the banks of the country for information about the bill and the changes made is the basis of the request.

Mr. GALLINGER. I shall not object to the request, and yet it does seem to me that it is simply piling up the expense of printing without any result. That is the way it strikes me.

Mr. SMOOT. Let me suggest to the Senator that he increase the number of copies to be printed of the bill as it passes the Senate, when the bill becomes completed, because there will be a great demand for those documents.

Mr. GALLINGER. The Senator means as it is approved?

Mr. SMOOT. As it is approved. Mr. OWEN. There will be a very great demand for the bill itself after it becomes a law. For the bill just as it passes the Senate I do not think there will be a larger demand than 5,000 conies

Mr. SMOOT. I meant, of course, after the bill became a law. Mr. OWEN. Oh, after it becomes a law there will be a large

demand for it.

Mr. SMOOT But I wish to call the Senator's attention to the fact that Document No. 264 shows what the House bill contains, the Owen amendment as reported to the Senate, and the Hitchcock amendment. It does seem to me that is all the comparison the Senate needs, and especially all the comparison the banks need. If they have this comparison and then have a copy of the bill as it becomes a law, they will have almost the complete history of the bill from the beginning.

Mr. OWEN. I will remind the Senator that it will not take very much time to change this pamphlet and make it comply with what has been actually done. The changes are not very numerous, although they are sufficiently numerous to make it very confusing if one were to rely upon that particular print.

Mr. SMOOT. If the Senator really thinks it is necessary, I shall not object; but I really do think it is a waste of money.

Mr. OWEN. It will require a very small amount of money.

The PRESIDING OFFICER. The question is on agreeing to the order offered by the Senator from Oklahoma.

The order was agreed to.

Mr. NORRIS. In connection with section 7, I have an amendment that I should like to have read at the desk. I should like to have the attention of the Senator from Oklahoma while the Secretary is reading the amendment.

The Secretary. On page 20, line 3, after the word "Treas-

ury," it is proposed to insert:

Whenever the Secretary of the Treasury, out of said fund, shall pay any amounts due to depositors of failed member banks, the Secretary of the Treasury shall be subrogated to all the rights of said depositors, and in the settlement of the affairs of any such bank all dividends that would have been due to such depositors shall be paid to the Secretary of the Treasury, and the same shall be by him paid into and become a part of said depositors' insurance fund.

Mr. OWEN. The reason that was not put in was because it was believed those rights would be subrogated; but I have no objection to the amendment.

Mr. NORRIS. I presume with that statement, then, there will

be no opposition to the amendment. I do not care to take up the time of the Senate in debating it. I am ready to vote.

The PRESIDING OFFICER. The question is upon the amendment offered by the Senator from Nebraska to the amendment of the Senator from Oklahoma.

The amendment to the amendment was agreed to.

Mr. OWEN. I ask that there shall be a reprint of the bill for the use of the Senate in the morning.

Mr. GALLINGER. A reprint with the amendments as agreed to?

Mr. OWEN. With the amendments as agreed to.

The PRESIDING OFFICER. In the absence of objection, it will be so ordered.

Mr. BURTON. I should like to ask if it is expected that that print will be ready here to-morrow morning by 10 o'clock? Can anyone tell about that?

Mr. OWEN. Yes; to-morrow morning. Mr. CRAWFORD. I desire to offer an amendment and have it read, so that it may be printed in the RECORD, and I shall call it up in the morning when we resume the consideration of the I offer it as a substitute for section 24.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The Secretary. In lieu of section 24 as printed in the amendment, it is proposed to insert:

All national banks not located in central reserve cities may make loans secured by improved, occupied, and unencumbered farm land situated within the Federal reserve district where the loaning bank is located to the extent of one-half of its value; but no such loan shall be made for a longer period than five years, nor shall the aggregate of such loans by any bank exceed one-third of its time deposits.

Mr. NEWLANDS. I wish to offer, for the consideration of the committee, the following amendment:

On page 2, lines 15 and 16, strike out the words "nor more than 12," leaving the clause to stand:

Shall designate not less than eight cities, to be known as Federal reserve cities.

And on page 29, at the end of line 2, add the words:

And to require from the Federal reserve banks such proportion of the reserves deposited by member banks with the Federal reserve banks, not exceeding one-fourth, as they may require for the purpose of advancing to any Federal reserve bank in order to rediscount the dis-counted paper of member banks.

The PRESIDING OFFICER. The hour of 11 o'clock having arrived, the Senate stands adjourned until 10 o'clock to-morrow

morning.

The Senate thereupon (at 11 o'clock p. m.) adjourned until to-morrow, Friday, December 19, 1913, at 10 o'clock a. m.

HOUSE OF REPRESENTATIVES.

THURSDAY, December 18, 1913.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the fol-

lowing prayer:

Almighty Father, from whom cometh every blessing, "As the rain cometh down, and the snow, from heaven, and returneth not thither but watereth the earth and maketh it bring forth and bud, that it may give seed to the sower and bread to the eater," so may Thy spirit permeate our souls that it may temper our minds, mellow our hearts, and fit us for the new duties of the new day; that we may use the gifts Thou hast bestowed upon us as children of the living God, and quit ourselves like men, to the glory and honor of Thy holy name. In the name of the Master. Amen.

The Journal of the proceedings of yesterday was read and

approved.

LEAVE OF ABSENCE.

The SPEAKER laid before the House the following personal request:

House of Representatives, Washington, D. C., December 17, 1913.

To the honorable the SPEAKER OF THE HOUSE OF REPRESENTATIVES.

DEAR SIR: I desire to request that I be granted leave of absence for four days on account of important business.
Yours, respectfully,

George E. Gorman.

The SPEAKER. Is there objection to the request? There was no objection.

ENROLLED JOINT RESOLUTION SIGNED.

Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled joint resolution of the following title, when the Speaker signed the

H. J. Res. 165. Joint resolution for recognition of the services of the late David Du B. Gaillard, lieutenant colonel, Corps of Engineers, United States Army, as a member of the Isthmian Canal Commission, and for the relief of Mr. Katherine Davis Gaillard.

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL. Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the

United States, for his approval, the following bill:

H. R. 10081. An act to make the tenure of the office of the major general commandant of the Marine Corps for a term of

four years.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. PAGE of North Carolina. I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the District of Columbia appropriation bill (H. R. 10523); and, pending that motion, Mr. Speaker, I would like to inquire of the gentleman from Minnesota [Mr. Davis], on the other side, as to whether we can now reach an agreement as to the closing of general debate.

Mr. DAVIS. I do not know whether we can or not. I know the gentleman from Wyoming [Mr. Mondell] wants 30 minutes, and the gentleman from Illinois [Mr. Mann] wants some time; I can not really tell how much. I want about 20 or 25 minutes The gentleman from Illinois says he wants an hour.

Mr. PAGE of North Carolina. Oh, I do not think the gentleman from Illinois wants an hour at this stage of the proceedings. He is not going to discuss this bill, I imagine.

Mr. MANN. No doubt I would if I had the chance. Mr. DAVIS. And the gentleman from Tennessee [Mr. AUSTIN] wants 15 minutes.

Mr. PAGE of North Carolina. Why, Mr. Speaker, that would prolong this debate to a time beyond what it seems to me there is any necessity for. The debate has already run for one full

Mr. DAVIS. I am willing to agree that we take two hours on this side. Will the gentleman from North Carolina be satis-

field with that?

Mr. PAGE of North Carolina. How is that?

Mr. DAVIS. Two hours on this side.
Mr. PAGE of North Carolina. One hour on each side.

Mr. DAVIS. No; two hours on this side.

Mr. PAGE of North Carolina. That will take practically the whole legislative day. I want to yield to the sentiment of the House, but I do not feel inclined, being in charge of this bill, to agree to spend another legislative day in general debate. would agree very readily to an hour on a side.

Mr. MANN. If the gentleman from North Carolina will per-

mit, it is early in the session now, and usually it has been customary to give a reasonable opportunity for general debate at this time in the session. If it were late in the session, it would be different, but there has been no protracted general debate on

Mr. PAGE of North Carolina. No; but I think the gentleman realizes that there are some 12 other appropriation bills that will come into the House, and their consideration will give ample opportunity for the unlimited debate of-

Mr. MANN. I do not realize that, because if you are not to have a reasonable debate on this bill at this time in the session, I do not see how anyone can anticipate that there would be reasonable debate on any other appropriation bill. Late in the session there is reason for cutting off debate.

Mr. PAGE of North Carolina. Mr. Speaker, will the gentleman from Minnesota [Mr. Davis] agree to close general debate within three hours, the time to be equally divided between him-

self and myself?

Mr. DAVIS. I will agree to that.

Mr. MANN. It may cut me off, but in consideration of the anxiety of the gentleman from North Carolina to prevent my making some statements on the floor at this time which I appreciate that side of the House does not want me to make, I

Mr. PAGE of North Carolina. It is not so much the statement that the gentleman would make as it is the time that he will take to make it that makes the impression on this side.

Mr. MANN. I think it is the statements that will be made that the gentleman worries about.

Mr. PAGE of North Carolina. We on this side of the House will take care of any statements that may be made.

Mr. MANN. To try and prevent their being made.

Mr. PAGE of North Carolina. Mr. Speaker, I ask unanimous consent that general debate close within three hours, the time to be controlled one-half by myself and one-half by the gentleman from Minnesota.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that general debate be limited to three hours, if Members want to use that much time, one half to be controlled by himself and the other half by the gentleman from Minnesota. Is there objection? [After a pause.] The Chair hears none, and it is so ordered. The gentleman from North Carolina moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the District of Columbia appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. HULL in the chair.

The CHAIRMAN. The House is now in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10523, the District of Columbia appro-

Mr. PAGE of North Carolina. Mr. Chairman, I will ask the gentleman from Minnesota to use some of his time. I will say to the gentleman that there will only be two speeches made on this side of the House.

Mr. DAVIS. Mr. Chairman, I yield 30 minutes to the gentle-

man from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Chairman, at the outset of my remarks I desire to testify to the thorough, efficient, and painstaking investigation and consideration which the subcommittee of the Committee on Appropriations, headed by the gentleman from North Carolina [Mr. Page], gave to the estimates of the District government in connection with the preparation of the District appropriation bill. I am sure that every member of the sub-committee, as well as all the members of the full committee which reported the measure, approached, carried on, and concluded their labors with a sincere desire to ascertain the needs of the District and to reasonably provide for every department of the District government. From the necessarily hurried examination which, as a member of the committee and not of the subcommittee, I have been able to give to the bill, I am of the opinion that the details of the items have been carefully and fairly adjusted. It is also possible that no administrative

department of the city government will be seriously handicapped in carrying on its labors and meeting its responsibilities with at least a moderate degree of success and satisfaction by reason of the rigid economies which have been practiced in the preparation of this bill.

As a member of the committee desirous of cooperating in a friendly and harmonious way with my colleagues, I wish I could say more with regard to the merits of the measure, but from my viewpoint of the needs of the District I can not truthfully do so. I do desire, however, to emphasize my opinion that the faults of omission, which so seriously mar the virtues of the bill, are not due to any unfriendly attitude toward the District on the part of the Committee on Appropriations. They are largely due to a belief on the part of the majority that in the face of uncertain and dwindling revenues it becomes necessary to use the pruning knife wherever any excuse, valid or otherwise, is found for so doing. It is true that under a fair application of the half-and-half principle, reductions in the District appropriation bill do not afford the saving to the Treasury that reductions in other appropriation bills do. Should the departure from that principle contemplated by this measure become effective, however, for every dollar less than twice the revenues of the District this bill carries, a like sum will be transferred from the District revenues to the Treasury of the United States. It is thus very clear that in the face of a probable deficit in national income the majority has a real and substantial incentive to keep this, the first of the appropriation bills, as low as possible.

tion bills, as low as possible.

It has been and will be urged in defense of the measure that it appropriates approximately \$84,000 more than the bill for the current year. Assuming that there was an actual increase of \$84,000 in the sums provided for running the District departments, which is not the case, as I will show later, it is very doubtful if such an increase would meet the legitimate and necessary requirements of a rapidly growing and expanding city such as Washington is, not to mention those expenditures in the nature of investments, such as schoolhouses, hospitals, markets, playgrounds, and parks, which become increasingly important every year. It is an exceedingly narrow and, in my mind, untenable view that the growing Capital of a growing Nation should be compelled to mark time and forego indefinitely any enlargement and extension of its public service or of the facilities for the education, care, and comfort of its people.

facilities for the education, care, and comfort of its people. The fact is, however, that this bill does not increase by \$84,000, or by any other sum, the amounts available for the administration of the city government. On the contrary, the amount so available is less than in the current law, and it comes about in this wise: Owing largely to the necessity of making a larger appropriation than last year for the construction of a new Central High School, the appropriation for school buildings and grounds is increased \$156,000 above the current appropriation. Deducting the \$84,000 of total increase from this sum we find that the actual sum available for all purposes of administration and improvement, other than this new building, is \$72,000 less than the current law provides.

I said a moment ago that I was of the opinion that it is possible that no administrative department of the city government would be seriously handicapped in carrying on its labors and meeting its responsibilities with at least a moderate degree of success and satisfaction by reason of the rigid economies of this bill. I fear I must somewhat qualify even that moderate statement, for I am not entirely satisfied that three important departments of the city government will not be badly handicapped or at least embarrassed in meeting the reasonable demands and requirements of the people of the District. I have in mind the public schools, the public library, and the public utilities commission.

Outside of the increases for buildings and longevity pay to teachers, the increase for schools is approximately \$20,000, a very slight increase indeed compared with the growth of the city and the total increase of about \$800,000 asked and urged by the commissioners.

In the matter of the public library the commissioners asked an increase of about \$27,000, and about \$7,000 was granted, though Commissioner Newman, who is thoroughly conversant with needs of the District in this regard, earnestly urged the allowance of the larger sum.

With a view of performing the duties imposed by the public utilities act, and in carrying out a mandatory provision of that act, the commissioners ask for the sum of \$110,000 to defray the expenses of a valuation of the property of every public utility in the District. No portion of this was granted, though the commissioners earnestly urged the appropriation in order that the commission might perform a duty imposed upon them by the law of last year, and called attention to the fact that it was

impossible for them to properly and intelligently perform their duties in determining what service and facilities might properly be required and what charges allowed without the valuation which the law commands and good administration requires. Have we so soon forgotten the circumstances under which this commission was created and the hopes we entertained of its efficiency in the service of the people of the District that we refuse the sums which the law contemplated and the commission insists is necessary to enable it to properly perform its duties?

Turning now from questions of administration to those which relate to providing additional means and facilities for the safety, care, comfort, and convenience of the public we are at once confronted with the remarkable fact that not a single one of a considerable number of projects of this character, recommended by the commissioners, finds a place in this bill. I have grouped these items under two heads: First, the items which appear to me to be of first and primary importance; second, items possibly of less immediate necessity, but nevertheless important, and some of which should have been provided for at this time:

Items of first importance not provided for.

FISH WHARF AND MARKET.	
Buildings \$125,000 Wharves, reconstruction of 50,000	
	\$175,000
MUNICIPAL MARKET.	
Preparation of plans	5, 000
BATHING BEACHES.	
New beach at Tidal Basin. Potomac Park \$66,000 New beach on Anacostia River 21, 369	
Physical valuation public utilities	87, 369
PUBLIC-CONVENIENCE STATIONS.	
Fifteenth and H Streets NE\$11, 000 Wisconsin Avenue and M Street\$20, 000	
Municipal bossital	31,000
Municipal hospital Municipal lodging house	50, 000 50, 000
Total	The Art Staveley
Important items not provided for.	020,000
Viaduct, Benning Road	\$110,000
Municipal warehouse	86, 500
Municipal warehouse Lump purchase, municipal supplies	100, 000
Resurfacing approaches to bridges	30,000
Paving P Street between Twenty-eighth Street and Wisconsin Avenue	
Paving Seventh Street NW	18, 000 30, 000
New Park. Patterson tract	375 000
Hospital for inebriates	75, 000
Total	824, 500

I regret that the time at my disposal is not sufficient to enable me to refer to these items in detail. As to the first of them, the fish wharf and market, no argument is necessary to convince anyone at all familiar with the situation and conditions of the urgency for and importance of its improvement. As was well said during the hearings, it would be difficult to exaggerate the wholly unsatisfactory conditions which now exist. The city has a splendid property which could be made of great use and value not only to the people of the District but to the fishermen and farmers of Maryland and Virginia. The present wharf facilities are entirely inadequate, and the buildings are a disgrace to the community. Enlarged and permanent wharves and good buildings at this point would facilitate and cheapen the unloading and distribution of fish and produce. It is a work which ought to be immediately undertaken in the interest of the health and the pocketbooks of the people of the District. There was some difference of opinion as to whether facilities should be provided for retail trade at this point. That is altogether a minor question, and ought not delay the undertaking of this needed improvement. Not only is it entirely omitted from the bill, but no provision is made for further plans; and an item for plans for a municipal market is also omitted.

One of the things that Washington needs badly is additional bathing beaches. One was estimated for at the tidal basin in Potomac Park, one on the Anacostia River. There was such an urgent demand for these additional facilities that it did not seem possible that the committee could ignore them. The advocates of economy found, however, an unexpected ally in an overzealous advocate of bathing pools in the interior of the city in connection with the playgrounds. This misguided gentleman discovered and brought forward a physician with a microscope and an imagination so powerful as to enable him to discover bugs and "varmints" in the tidal waters of the Potomac which, he gravely insisted, threatened the health of the youth of the community if allowed to bathe in it. Aghast at these startling revelations of lurking dangers in good Potomac water, the committee shrank from the responsibility of authorizing the pro-

posed bathing beaches. At the same time the committee seems to have overlooked the filtered-water swimming pools that these professional investigators hoped would take the place of the shore beaches. Never was an overzealous butter-in more serviceable in the interest of false economy than in this case.

I have not the time to even refer to the other items which I have scheduled, asked for by the commissioners and denied by the committee. That they are not all of immediate and pressing importance is undoubtedly true. That some of them are of such immediate importance as to warrant provision being made for them there can be no question, and this is particularly true of the public-comfort stations which the commissioners asked for.

The present Secretary of Commerce is much quoted as an authority on a variety of subjects. I believe it was he who suggested and urged a municipal warehouse and lump-sum purchase of supplies in one of those numerous reports, so fashionable of late, reflecting on the management of the District government. His recommendations do not seem to have found favor in the eyes of the majority of the committee.

THE HALF-AND-HALF PRINCIPLE

Much of the trimming and many of the omissions of the bill can be accounted for by section 8, which appears on page 84 of the bill, and which is as follows:

SEC. 8. That to the extent the revenues of the District of Columbia for the fiscal year 1915 shall exceed the proportionate part of the appropriations made in this or any other act and chargeable against said revenues, the same shall be covered into the Treasury of the United States to the credit of "miscellaneous receipts."

This provision strikes at the vitals of the plan under which the District has been operating for many years. I have neither the time nor the inclination to discuss the wisdom or propriety of the arrangement under which the Federal Treasury is pledged to pay one-half of the expenditures of the District, but this is not the time, this bill is not the place, to attempt to change that plan. That fiscal plan is one of the features of an arrangement under which the General Government has taken over and administers the affairs of the District. The arrangement in its general features has been considered wise and advantageous to the Nation, and if the time has come to modify it the modification should come after full consideration of all features of that relationship between the District and the General Government, of which the half-and-half plan is but one of the factors.

PUBLIC PLAYGROUNDS.

As an illuminating illustration of the unfair and illogical character of section 8, to which I have referred, let me call attention to the facts with regard to playgrounds: Playgrounds are supported entirely from District revenues. It seems we are so little interested in giving the children of this community an opportunity for fresh air and exercise that we have declined to carry out our part of the pact so far as playgrounds are con-This year the commissioners asked for an increase in the appropriation for playgrounds amounting to nearly \$70,000, most of which was to be used for the purchase of a tract in the northwest now used for playgrounds by the sufferance of the owner. As the District must make payment out of its own revenues, there would seem to be no excuse for denying them the opportunity of securing this property before it further enhances in value; but, although under section 8 nearly a million and a half dollars of the District revenues would be confiscated by the National Government, the committee declines to allow the commissioners to rescue a portion of these funds belonging to the people of the District for the purpose of pur-chasing a needed playground for their children.

The gentleman from Iowa [Mr. Prouty] during the debate on Tuesday said it was "no secret that the people of this town look with suspicion and disrespect on Congress." I hope that is not true. If it is, may not Congress be at least partly to blame? Suspicion and disrespect seldom exist without some slight foundation. What has been the attitude of the House as voiced on the floor of late toward the District. I am certain that there is much work of a constructive character in legislation for the District that needs to be done. Have we performed our duty in this regard? I think not. I can not recall any discussion, much less the enactment, of any useful constructive legislation for the District in many months. On the contrary, there has been a perfect flood of criticism and faultfinding of the District and its people, and a number of proposals of legislation ob-noxious to them and of doubtful justice and wisdom have been pressed with heat and haste.

District baiting has become a popular pastime in certain quarters, and under these circumstances it is perhaps not to be wondered at if the people of the District are suspicious and critical of Congress.

Whatever Congress may conclude to do in the future, our duty in the present is to deal fairly and considerately with these people from whom we have taken the franchise and whose city council we have constituted ourselves. It may be that some different plan may be devised better adapted to present on future conditions, but it is neither fair nor logical for Congress to overturn, in whole or in part, one feature of the arrangement under which the District is governed and administered without consideration of the situation as a whole.

One thing is certain; I do not anticipate that the constituents of any of us will receive more at the hands of the Federal Government because the District may receive less. It is not particularly logical, in my opinion, to argue against the present arrangement under which the Government is pledged to pay half of the expenses of the District on the theory that the sums thus expended would, if divided up on the basis of population, amount to certain sums for each State or locality of the Union. On that theory I should be entirely justified in voting against river and harbor appropriations, even in voting against the Panama Canal expenditure, neither of which can be of direct benefit to my constituents, because the sums thus expended, if divided up among the States, would give each a certain sum. The question is: Is the plain a fair one; is the expenditure proper; are we bound to abide by the arrangement as made until changed as a whole? As to the last question, there can be but one answer.

It is natural that the people of the District should desire such appropriations as will maintain a creditable government here and provide satisfactory facilities here. As citizens of the Nation, of which this is the Capitol, we should all be of the same mind. With a view of restoring amicable relations between the District and Congress, if such have been in anywise disturbed, I desire to express the hope that those charged with legislation for the District will in the future give at least as much time and attention to the work of constructive and helpful legislation as is given to the resurrection of ancient and doubtful claims, to faultfinding and criticism of the District, its officers

claims, to faulting and criticism of the District, its officers and its people, and to plans for the confiscation of their revenues. [Applause.]

Mr. DAVIS. Mr. Chairman, I now yield 15 minutes to the gentleman from Tennessee [Mr. Austin].

Mr. AUSTIN. Mr. Chairman, I wish to call the attention of the House to the consideration of this bill and other appropriation bills that will follow, and the following provision of the Democratic platform adopted at Baltimore last year:

Republican extravagance:
We denounce the profligate waste of money wrung from the people by oppressive taxation through a lavish appropriation of recent Republican Congresses, which have kept taxes high and reduced the purchasing power of the people's toll. We demand a return to that simplicity of economy which befits a Democratic Government, to a reduction in the number of useless offices, the salaries of which drain the substance of the people.

The Committee on Appropriations has published the estimates submitted to that committee by the Democratic national administration elected upon the Baltimore platform. The estimates called for by the Democratic heads of the executive departments aggregate \$1,108,681,777.02. That is an increase over the estimates submitted to the last session of the Sixty-second Congress by a Republican administration of \$3,474,813.80. These estimates show an increase over the appropriations of the present fiscal year, appropriations enacted by a Republican Senate and a Republican national administration, of \$38,466,498.15.

The last Democratic House of the Sixty-second Congress, third session, agreed to appropriations amounting to \$1,150,-206,963.14, the largest appropriation ever carried through any Congress within the recollection of man. The District of Columbia appropriation bill that we are now considering shows an increase over existing law and an increase over the appropriations of the last Republican Congress. A Democratic Secretary of Agriculture stated to the Committee on Appropriations that he desires \$774,102 more for the administration of his department under Democratic administration than the Republican Secretary of Agriculture certified he needed to administer the same department.

The Secretary of War has asked for \$9,550,127.52 more than his Republican predecessor requested from the last Congres

The Secretary of State, who has been credited with having something to do with writing the Democratic platform on the waste and extravagance of the Republican Party that I have just read, has asked for \$481,650 more than his Republican predecessor called upon Congress for.

The District of Columbia Commissioners, appointed by the President elected upon this pledge of economy, have asked for \$1,617,316.89 more than the three District Commissioners appointed by President Taft asked for.

Mr. LOBECK. Will the gentleman yield?

Mr. AUSTIN. Yes.

Mr. LOBECK. The gentleman from Wyoming [Mr. MONDELL] stated a few moments ago that the requests by the District Commissioners were absolutely correct. How does the gentleman

reconcile that with his statement?

Mr. AUSTIN. I will speak of that later. This administration has asked for \$2,114,565.49 more to be expended upon fortifications that the last Republican Secretary of War requested. In this plank of the platform just read is a denunciation of my party for the creation of useless offices, and yet this estimate made up by the Democratic members of the Cabinet has requested, in the way of increase in the legislative, executive, and judicial appropriation bill which carries the salaries of Government officials, an increase of \$3,069,754.20.

And the Postmaster General, who has served upon the Committee on Appropriations in this House, has asked for \$25,161,609

more than his Republican predecessor.

In other words, these members of the Cabinet whom I have mentioned have asked us for \$42,769,125.15 more than the corresponding Republican Cabinet officers asked to administer their respective departments. I am not complaining of this. The Government business is growing and expanding. But I do com-plain of this unjust criticism made of the Republican Party in the Democratic platform, and I am saying that in the action of the agents of the Democratic administration you are not carrying out in good faith that pledge made in the Baltimore platform in the interest of retrenchment and economy.

Every department of the Government is growing and properly

extending its work. I vote for these appropriations because I believe the money is needed, and that the American people never complain of their representatives if the money is needed and is

honestly expended.

What are we going to do under this appropriation bill? We are going to prevent the Capital City from going forward with the development of its plans and purposes as enunciated by the three District Commissioners appointed by President Wilson.

We are told in the public press that a conference was held of the Speaker and other Members of the House looking to economy and a reduction of expenses and the cutting down of estimates submitted here by the executive departments for the expansion and development of the people's business all over the Union. Why, gentlemen, you are setting a bad example for the entire country in this plan of yours. If you let it go out to the American people that you are going to enter upon a scheme not to do anything, a scheme to reduce and retrench and lop off and discharge Government employees, every thoughtful citizen in the Republic who is engaged in business and in the employment of labor will stop and hesitate, and he will naturally follow the example of Congress. If in the judgment of Congress no public improvements should go forward, then the cautious, prudent business man will take heed; and instead of making this country prosperous and enabling your party to make the condition of the workingman better than it was under the Republican administration, you will produce the very opposite

These amounts are asked for, and I take it that the able men who compose the Cabinet of President Wilson are sincere, honest, patriotic, and have the welfare of all the people at heart in submitting these estimates, and I believe they submitted them in good faith.

Mr. ADAIR. Will the gentleman yield there?
Mr. AUSTIN. Yes.
Mr. ADAIR. Is it the gentleman's notion that the proper way to make the people throughout the country prosperous is to tax

them heavily to carry on improvements here in Washington?

Mr. AUSTIN. You are not going to tax them heavily. You have reduced tariff taxation, and what is the result? Has it resulted in the construction of a single additional manufacturing plant, or an enlargement? Has it added one single pay envelope to a workman in a State or city in the Union? On the contrary, has not that mistaken policy of yours resulted in hardship and the stopping of the construction of new plants or the extension of existing plants? Did not the Democratic leader in the Senate state in a public debate yesterday that there are thousands of workingmen out of employment in Indiana? And has not one of the Representatives from the Pacific coast, Mr. HUMPHREY of Washington, stated here in the debate on the floor of this House, without any contradiction, that your legislation has resulted in turning into idleness 15,000 workingmen in his State in the lumber and shingle industry alone?

Mr. ADAIR. Will the gentleman yield? Mr. AUSTIN. In a moment. Let me get through with this thought. Has not the Chicago Tribune published in the last House my irritation at the treatment which the majority party

24 hours the statement that more than 100,000 men, who were busy and employed before you passed your tariff bill, are wandering aimlessly around in that city without employment? And it is a serious proposition that confronts your Democratic mayor of Chicago how to house and feed them. What else?

Mr. ADAIR. Now will the gentleman yield?
Mr. AUSTIN. Not yet. Here is an extract from the Washington Herald of this morning:

MILWAUKEE, December 17.

A report to the citizens committee says there are 30,000 unemployed in the city, and that of this number nearly 6,000 are on the border line of starvation and need immediate assistance. The condition is steadily growing worse, and the prospect for the winter is bad.

Only a few days ago the New York Sun published a telegram from Connecticut, I believe from the town of Stamford, stating that 10,000 mechanics were idle there. Yet you are encouraging this condition in cutting down and paring down the appropriations of this National Government. And I warn you, not in the interest of any political party, but I warn you in the interest of the prosperity and happiness of all the American people-Mr. ADAIR. Now will the gentleman yield? Mr. AUSTIN. Yes.

Mr. ADAIR. Does the gentleman believe that by taxing the unemployed he speaks of in the great cities of the country, to carry on improvements in the city of Washington, it will open up the mills he talks about being closed throughout the country?

Mr. AUSTIN. The gentleman knows well enough that the army of unemployed just starting out now are not heavy tax-But what will you do for the District of Columbia?

The building operations in this town alone show a falling off of 30 per cent. But you are going to saddle upon the people here an additional burden in the way of taxation. You are going to attempt to force the people of this city to do what our predecessors for 40 years said Congress should do. You are going to add to their burdens of taxation. This is a great city. It belongs to all the people, and it is unfair and unjust, after pursuing this just policy, which is fair and equitable to the Government, to change or alter it.

The CHAIRMAN. The time of the gentleman from Tennessee

has expired.

Mr. AUSTIN. Mr. Chairman, I will ask the gentleman from Minnesota to let me have a little more time.

Mr. DAVIS. Mr. Chairman, I will yield three more minutes

to the gentleman.

Mr. AUSTIN. Mr. Chairman, what you are going to do is unjust to this magnificent city, a city which is the envy of the world and the admiration of all of our people, and it is not right to enter upon a policy here that will set it back a half century in its development, progress, and beautification. My constituents do not complain at any vote I cast to continue this policy. No man's constituents will complain. They admire and they

have a pride in this great and beautiful city.

Mr. Chairman, let me say this in conclusion: You began in this House with an investigation of the Steel Corporation. Then you started in on the so-called Money Trust and then the Sugar Trust. You followed that with your tariff bill, which means, according to the statements of the committee, the sale in this country of millions of dollars of foreign-made goods. Not satisfied with passing a tariff bill against the interests of thousands of our manufacturers, and countless thousands of deserving toilers, you brought in a currency bill striking at the security and soundness of the banking system of the country, the stockholders, the men and women and children, who have their savings invested in these institutions, and now the President is busy on additional legislation against the railroads and corporation interests. Where are you going to stop? Are you surprised that capital is timid; that manufacturers are halting; that bankers are cautious; that business men are alarmed? You have given every reason and argument why they should be demoralized. Stop it; stop it in the interests of all the people; forget your partisan and unpatriotic promises written in the Democratic platform at Baltimore, which proclaimed a fight against everything, every man, and every corporation that was developing the country and giving employment to our people and furnishing prosperity from ocean to ocean. [Applause on the Republican side.]

Mr. PAGE of North Carolina. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. HINEBAUGH].

Mr. HINEBAUGH. Mr. Chairman, I shall probably not consume the entire five minutes which has been allotted to me by the chairman of the subcommittee of which I have the honor to be a member. I think it my duty, notwithstanding the fact that I have expressed on other occasions on the floor of this in this House has given the party which I have the honor to represent in the matter of the distribution of time. Nevertheless, in spite of the objection I have to that treatment, I must say that on this subcommittee I find myself very largely in accord with the action taken by the majority party, and that, with the possible exception of three items out of the entire mass of items considered in the District bill, I find it my duty to vote with the majority members of the committee in their program of economy. And I can not refrain from noting the fact that one of our Republican brethren complains this morning because the committee cut down the estimates submitted by the various department heads, while another Republican brother complains because the department heads submitted estimates which were larger than those submitted under the last Republican administration. I submit that under these conditions it would be very difficult for any committee to please everybody. believe that the chairman of this subcommittee has acted intelligently. I believe that this subcommittee, through its chairman, has taken the utmost pains and the utmost care to examine into the various items of the estimates submitted, and that where a cut has been made it was done after careful

In the one item of streets alone I desire to call the attention of the House to the fact that this subcommittee took the pains to visit personally every street proposed to be improved, and that no action was taken with reference to the estimates made until each member of the committee had an opportunity to satisfy himself as to whether or not the particular improve-

ment ought to be allowed.

The three items in this bill upon which I find myself unable entirely to agree with the majority members of the committee are the items for public schools, public library, and the juve-nile court. I had hoped that on the item of public schools, where some \$800,000 was asked more than was in the estimates of the last fiscal year, the committee would see its way clear to allow more than \$20,000 additional. I also thought from the hearings on the public library that that institution, because of the great good it does in the community, ought to be allowed a little more money; but I was especially, and I may say personally, interested in the estimate submitted by the juvenile court of the District of Columbia, possibly due to the fact that I have had a number of years of personal experience in that work.

It is true the majority members of the District Committee did increase the allowance of the juvenile court, and that increased allowance will increase the efficiency of the court; but the hearings demonstrated the fact that they handle some 540 children on probation annually and never have less than 480 children to care for. The testimony showed that they had but three proba-Anyone who is at all familiar with the character of the work done by the probation officers and the juvenile court system in this country will readily understand it is absolutely impossible for three or even four probation officers to properly care for 480 children. The records of cities of the size of Washington will show that the probation efficer ought not to have under his immediate charge more than 50 children, and in the city of Washington they have something like 150.

The CHAIRMAN. The time of the gentleman has expired. Mr. PAGE of North Carolina. Will the gentleman from Minnesota [Mr. Davis] now consume some of his time?

Mr. DAVIS. Mr. Chairman, how much time have I re-

The CHAIRMAN. The gentleman has 51 minutes remaining. Mr. DAVIS. Would the Chairman notify me after I have spoken for 20 minutes?

The CHAIRMAN. The gentleman from Minnesota is recog-

nized for 20 minutes.

Mr. DAVIS. Mr. Chairmen and gentlemen of the committee, I was in hopes that the chairman of the subcommittee [Mr. Page of North Carolina] would have explained this bill before I had anything to say concerning it. I believe that he is thoroughly familiar with every detail and perhaps more so than any individual Member. This subcommittee, in my judgment, spent more time and made a more thorough examination of all the departments of the government of the District of Columbia than has ever been done heretofore. We not only spent nearly three weeks listening to witnesses produced before us, but in most instances they were witnesses of our own choosing. In addition to that, as my colleague has just said, we visited all proposed street improvements, and, with very few exceptions, I am

ment. It is perhaps a just and fair criticism to say that while the present appropriation bill carries a larger amount for the management of the governmental affairs of the District than any previous bill, yet I believe that as to new projects and advancement along new lines, many of which are needed within the city, this bill perhaps carries less. Now, as to that. proper, is it right, is it just that a city of this size should, as it were, remain almost stationary as regards new improvements? As I said, that is the question that the Members of the House will have to decide. There were, as has been read here in your hearing, many new projects, some of which I agree should be given and others I thought could justly wait until some future time, but a large majority of the committee decided that nothing whatever in the form of new improvements or new plans should be taken up at this time, and that

is the rock upon which some of us split.

I for one thought that there should be some improvements down at the wharves and that the condition there warranted it. The estimates requested a large appropriation for a new fish market, wholesale and retail, and a large sum for improvements for the wharves. There was a disagreement as to the propriety of placing a large retail fish market on the outer edge of the While I believe that the accommodations for receiving the fish should be better than now, yet, in my judgment, a smaller building to receive them and, as it were, make it a wholesale department, and then distributing the fish in several retail markets in other portions of the city more convenient to the population would be preferable to a large single retail market down on the wharves. Yet I believe that the committee should have done something along those lines. At least, plans and specifica-tions should have been provided and appropriation made there-for. The chairman of the committee will no doubt put in the RECORD, in explanation of this bill, many figures which are contained therein. I wish to justify myself for the present by simply saying that the increase for governmental purposes in the whole bill is as follows, compared with previous years: For the year 1913 there was appropriated \$10,302,208; for the fiscal year 1914 there was appropriated \$11,222,964; and for the year 1915, for which this bill stands, \$11,473,938.45. Perhaps this slight increase is largely due to the increased number of new streets that the committee have ordered to be paved and otherwise improved. Mr. Chairman, I wish to coincide and agree, heartily and fully, not only with the District Commissioners along this line but with the subcommittee in every respect, not as to the number and amount which we granted but in the theory and idea that was carried out. Wherever a proposition was presented in which the owners had purchased their property and had built up both sides of the street, and they owned their houses, and there was no street paved between them, it was my idea, the idea of the commissioners, and the idea of the committee that such improvement should be granted first. In other words, that the small owners, the small householders, who had not heretofore received benefits from the District appropriation bill for improving their streets should have the first consideration.

And I believe that the major portion, at least 90 per cent. of the improvements granted are granted upon that basis, and properly and justly so. Perhaps there are some others that ought to be granted that were not.

Mr. GOULDEN. Mr. Chairman—
The CHAIRMAN. Will the gentleman yield to the gentleman from New York?

Mr. DAVIS. Yes. Mr. GOULDEN. Who pays for these street improvements? Are they assessed against abutting property owners or are they

assessed against the area of improvement?

Mr. DAVIS. At the present time, under existing law, the property owner pays for one-half of the improvement of the sidewalk, including the curb, not the gutter. The Treasury, of which the Government furnishes half, pays the other half. But, as I understand the law, the paving of the street, the improvement of the street, including the gutter, is paid for wholly out of the revenues of the Federal Government and the District, each half and half, the property owner paying no part thereof whatever.

Mr. GOULDEN. Does that seem to be just? The abutting

property owners having benefited so largely, should they not

participate more largely than they do in this matter?

Mr. DAVIS. Now the gentleman has touched a great question that will be discussed on this floor in a day or two, and posed street improvements, and, with very few exceptions, I am inclined to believe that the present District bill, as far as the expense of the management and government of the city is concerned, will not be very disastrous. There is one question, however, upon which some of us disagree and perhaps more will be said on that when the bill is to be finally read for amendarises in my mind now whether at one fell swoop the change should be made, perhaps to the injustice of some of the present small property owners, when others have already received that great benefit; whether great consideration should not be given the subject before embarking upon a new system in order that justice may be given not only to the Government of the United States but also to the people of the District of Columbia.

Mr. GOULDEN. I think the gentleman is clearly right in his

conclusion, but he and I have been here 10 years and neither one of us have made any particular move in the direction of removing what he and I both think should be changed.

Mr. DAVIS. Now, the gentleman is in error as far as I am

concerned. I will state to him that 10 years ago I was placed upon the legislative District committee. I brought with me these breezy western progressive ideas which some people in this vicinity do not appreciate fully, in my judgment, and I was placed upon a subcommittee with my friend, Mr. Cowherd, of Missouri, on the subject of taxation. I advanced some of of Missouri, on the subject of taxation. I advanced some of those ideas which I have now expressed, both as to the taxa-tion of personal property and real estate, and I was told, first, and I found afterwards, that I was up against, metaphorically speaking, a stone wall, and unless I changed my course my membership on the District Committee would fade away. And it. did. Hence the gentleman's statement that we have not attempted anything along that line may be correct as to himself, but it is not correct as to me, although I will admit that I have done or accomplished very little.

Mr. GOULDEN. I did not mean to insinuate for a minute

that the gentleman had not done his duty. I have watched his course very carefully here for all these years, and I know he has been one of our most active and progressive Members. regret, as he said, that he has lost some of the breeziness he had when he came here, although that is a natural result to all

of us who come here with those feelings.

Mr. DAVIS. Now, Mr. Chairman, those are matters about which, perhaps, I will have something to say when the bill is being read for amendment. But there are two or three matters I wish to speak about, on which I did not fully agree with the subcommittee.

Did time permit I would like to talk for an hour on the subject of the Public Library of the city of Washington. We have here one of the finest institutions, or the making of one of the finest institutions, in the United States. We have a library here that in 1904, the beginning in the new building, had a circulation of 278,178 volumes annually. In the last six or seven years it has almost trebled the circulation, until now it circulates 686,278 volumes. It shows that the people of Washington are anxious to obtain information. Of course I can not help but suggest, since the question of the breezy West has been spoken of, that the little city of Minneapolis, about the size of Washington, has a library with an annual circulation of 1,311,727 volumes. But I will say, Mr. Chairman, that is because the people of that section have seen fit to invest their money, to hire sufficient employees, to place substations and other places of contact with the people, that all so desiring can have access to this great blessing, even though the percentage of expense there is 2½ per cent annually.

Now, let me say that in 184 cities in the United States similar to Washington in population the average percentage of expense for libraries and their management is 1.6. That is the average percentage of them in all those 184 cities. Will it not surprise the good people of this country and, I think, surprise this Congress to know that the great and famous city of Washington, which has had the taxing power of its own citizens and the Federal Treasury also behind it, spends only eight-tenths of 1 per cent on its public library? That is but one-half of that which is spent by each of 184 cities of similar size throughout

the United States, North and South, East and West.

Mr. Chairman, when those figures were presented to me I felt like saying: "You ought to spend more money. You ought to give the people here an opportunity to read the 150,000 or 160,000 volumes contained within the walls of that library build-But, no; I discovered the force was not ample.

I discovered that instead of having what they ought to have and what other cities have they did not have one-half the necessary force employed. Hence my suggestion was—and I worked hard for it—that additional force be provided. I succeeded only in getting a compromise by which one or two additional assistants for this great and growing institution was added.

Now, I protest against this, because it is the lowest and poorest paid institution in the United States.

Mr. JOHNSON of South Carolina. Mr. Chairman, will the gentleman yield?
The CHAIRMAN. Does the gentleman yield?

Mr. DAVIS. I will.

Mr. JOHNSON of South Carolina. Has the gentleman taken, into consideration the fact that we have a great library right over here east of the Capitol, where there are millions of books, and that the people of the city of Washington have the advantage of it, and that large numbers of people in the Government service get books from the Congressional Library instead of the Public Library?

Mr. DAVIS. I have, and that was all thrashed out and gone over to a large extent in our subcommittee. But if the gentleman will ascertain the facts about that he will find that the Congressional Library is not open to the public except to a few to go in there. How many books can a resident of Washington get from that library? I can issue a favored permit to one or two friends to go there and get a book, to be returned in a little while; but do the masses of the people in Washington, the hard-working tollers, want to go there? Will they go up into that marble palace and sit down and read in the evening? That is the class of people I wanted to reach in the public library, and hundreds of them stand daily at the entrance of this public library and can not get in, and can not get the books because the help is insufficient even to wait upon them. That is the condition, and that is what I fought against.

I contend that the public library employees are the fewest in number and poorest paid in the city of Washington, although it is the best managed, considering the number of assistants, of any library in the United States. That condition ought to be changed. The expense of circulation in the Public Library here is from 10 to 11 cents. In other cities the lowest runs from 13

up to 19. That is the condition.

Some say, "Oh, it is because of the negro population here." My friends, the hearings upon this bill show that the negroes of the city of Washington are in many instances very anxious, indeed, not only for school privileges but for library privileges as well; and I think their desire for education compares well with the desire for education of the lower classes of people, so called, in other cities. But I shall not make an argument along that line, because I do not think it necessary.

The CHAIRMAN. The time of the gentleman from Minne-

sota has expired.

Mr. DAVIS. Mr. Chairman, I shall take 10 minutes more Now, Mr. Chairman, as to the salaries paid in this institution. It is well known by every Member here that the salary of an ordinary clerk, the low-priced clerk in the governmental departments, is \$720 per annum. What do you think of assistant librarians, men and women, engaged in library work and con-

sidered and classed as expert librarians, working for \$480 or

\$540 per year? It is a disgrace.
You ask, "Why do they not quit their places?" I can not tell you; but I will say that the statistics show that the personnel shifts in the public library in Washington-those who leave that employment and seek something better elsewhere-is very

great indeed. Some years the change of personnel amounts to as high as 53 per cent, and the last 10 years it has never been lower than 20 per cent. Think of the whole working force of an institution of this kind changing its personnel almost one-half every year because of low salaries and hard work. That is the condition.

Mr. Chairman, I desire to insert in the RECORD as part of my remarks a statement made by Theodore W. Noyes, the president of the board of trustees of this public library.

The CHAIRMAN. Without objection, the request is granted.

The Chair hears no objection. The statement is as follows:

The Chair nears no objection.

The statement is as follows:

Mr. Noyes. Mr. Chairman and gentlemen of the committee, in accordance with the custom, I present for the trustees some reasons why the commissioners' estimates concerning the library should be enacted in their entirety. After making my statement I will then make way for the librarian to explain the estimates in detail. We have asked this year, and the commissioners have approved in their estimates, not merely the slight annual percentage of increase that is customary, but a somewhat radical readjustment of the library appropriation, invoiving new positions and some increases of salary. We hope and believe that an examination of the law creating the library will convince you that the creation of these new positions is authorized by that law and that there are no limitations in the law which prevent Congress at the instance of this committee from fixing or changing salaries in accordance with its judgment; and I would like to have this law inserted in the record.

Mr. Page. We will be very glad to have it put in the record. Suppose you hand it to the stenographer.

Mr. Noyes. There are one or two sentences, however, I want to read now. In examining this law you will note that the only limitation in respect to salaries has reference to the trustees. Congress provides in regard to the board of trustees that they shall serve without compensation. Of course if any bill was reported from this committee proposing salaries for the trustees, it would conflict with existing law and would be subject to a point of order; but the law says nothing in the way of a limitation upon salaries or upon the fixing of salaries in regard to anyone else, and it says nothing in the way of limitation upon the number of assistants.

Mr. Page. Just at that point let me ask you this: In the original fixing of salaries—was that done by this committee?

Mr. Noves, Yes, sir. The provisions of law in regard to these appointments are as follows:

On the proper of the impartial enforcement of all raises and care and superintendence of said library, who shall be responsible to the board of trustees for the impartial enforcement of all raises and the proper of the control of the proper of the proper of said library, who shall be responsible to the board of trustees for the impartial enforcement of all raises and librarian shall appoint such assistants as the board shall deem necessary to the proper conduct of the library, and the law, have indicated the assistants which they deemed necessary for the proper conduct of the impartial control of the control of the same of the

one-fourth and fourteen and one-half millions. It is not known what division between maintenance and permanent improvement appropriations the commissioners have proposed in their estimates. In taking up this matter now before the convening of Congress and before the estimates have gone in, we do not know, naturally, what division between maintenance and permanent improvement appropriations the commissioners have proposed in their estimates. If the full amount is appropriated and it is distributed between maintenance expenses and permanent improvements in the same ratio as in 1910, there would be for maintenance considerably over \$10,000,000. Now, should the library appropriations be made to measure up to the average library expenditures of American cities—that is, should they be made 1.6 per cent of the total—there would be made available for the library work in 1915 over \$160,000. The trustees' estimate of about \$98,000 as needed for 1915 would be at the most 0.98 per cent of the total expenditure as against an average of 1.6 per cent in all other American cities. If the commissioners' estimate of about \$90,000 for the library were appropriated, it would be 0.9 per cent of the total expenditure, or a little over one-half of the American average or the average in all American municipalities. Thus, if the commissioners' estimates for 1915 were approved and appropriated in full, Washington's library expenditure would full far short of being as large a percentage of the total municipal expenditures as that of the average American city.

But the library maintenance is shown to be inadequate not only by comparisons from every conceivable angle with library expenditures in other American cities, but by the evidences of overwork and underpay supplied by the library itself.

The original library appropriations were slowly and inadequately made. Starting on a cramped basis, the increases in maintenance provision have been virtually at a standstill, suffering practical paralysis. As a result of this extraordinary increas

overwork and underpay the library force has suffered a constant shifting in personnal, losing by resignations 53 per cent of its entire force in the fiscal year 1907, 25 per cent in 1910, 33 per cent in 1912, and 25 per cent in 1904, 35 per cent in 1912, and 25 per cent in 1904, the first full year in which the present the name years from 1904, the first full year in which the present central building was occupied, the congressional appropriations for the library have increased 71 per cent and the total library expenditures 59 per cent; but in the corresponding period the book stock has increased in volumes 147 per cent. The library has grown in these nine years from 64,473 volumes to 150,263 volumes; and in volumes circulated the means of the library has grown in these nine years from 64,473 volumes to 150,263 volumes; and in volumes circulated, the meansure of the library's activity and usefulness, from 7 the control of the control of the volume in the years from 64,473 volumes to 150,263 volumes; and in volumes in the part of the volumes of the volume in the years there has been not only this wonderful increase in increase of maintenance and development provision at all. During these nine years there has been not only this wonderful increase in the quantity of library work, but as notable an improvement in its quality. The fiction percentage of the books circulated has been decreased, for example, from 84 per cut to 55 per cent. This centage of the first part of the community of the provision of the cost of the provision of the cost per volume. The public Library has been conducted both economically and other paraches of practical instruction and mental broadening and uplift.

The Public Library has been conducted both economically and officiently. Its scanty resources have not been permitted to paralyze or cripple its useful activities. It has done well for the community or the provision of the 20 cities of Washington's class. The economically and or cripple its useful activities, it has done well for the c

teachers who come for expert aid and guidance. Almost one-third of the library's home circulation of books is composed of juvenile literature. All the work of schools has been built up since 1904. From a stock of 6,000 volumes more than 76,000 volumes were circulated into homes from 82 public-school buildings. Semiweekly deliveries of requested books were made to the seven high schools. In 1904 the lecture halls and study rooms of the library were practically mused. Last year 23 organizations held 68 public meetings with lectures in the assembly room, with an attendance of 7,158 auditors, and 18 small organizations held 140 meetings in the study rooms. Such meetings are all held for study purposes.

The Takoma Park branch library has been erected and duplicates in miniature the work of the main library. In furtherance of the study and extension work of the library, it publishes monthly a four-page builletin, listing new books added. It issues a monthly educational bulletin to bring library resources to the attention of teachers; it issues a monthly social service bulletin in the interest of social workers; it publishes from time to time in pamphlet form the reference list of books needed in connection with lecture courses; it prepares numerous brief multigraph lists on divers subjects for groups of readers and thousands of reference lists for individual students. The library has collected about 20,000 mounted pictures, which in this age of visual instruction have large use, as is attested by the fact that 72,450 pictures were borrowed for school or home use last year. The foregoing is but an incomplete summary of some of the library's activities the trend of which is all in the direction of making it, in fact, a true "university of the people."

Should so important and valuable a branch of the local educational system be starved and stunted? The public library is active, efficient, useful; worthy of public consideration and support: worthy not only of protection against crippling, but of liberal development.

B

SALARY OF LIBRARIAN.

Mr. Page. You ask, Mr. Noyes, that the salary of the librarian be increased from \$3.500 to \$4.500?

Mr. Noyes, Yes, sir. The suggestion of inadequate compensation in our library force crops out here, there, and everywhere, from the charwomen to the librarian. The charwomen receive \$180 per year, against \$240 per year everywhere else. Many assistants who are trained librarians are paid \$480 and \$540 per year, when the minimum pay for merely clerical work in the departments is \$720. The librarian originally received \$2.500 and is now paid \$3,500 per year for labors which are compensated in other libraries of approximately the same size and usefulness as that of Washington by an annual salary of \$5,000 or more. For instance, in Cincinnati the salary is \$5,500; in Cleveland it is \$5,500; in Newark it is \$6,000; Pittsburgh, \$6,000; in Kansas City it is \$5,000; in Springfield, Mass., it is \$5,000; in \$6,000. The trustees have for several years been recommending the increase of the salary of our progressive and efficient librarian from \$3,500 to \$5,000. They made that estimate this year, but the commissioners, in the necessary pruning of the library estimates to bring the total estimates within the estimated revenue, have recommended that the librarian's salary be fixed at \$4,500.

Mr. GOULDEN. Will my friend from Minnesota yield?

Mr. GOULDEN. Will my friend from Minnesota yield?

Mr. DAVIS. Yes.
Mr. GOULDEN. Who is responsible for this condition of low

salaries and the constant change in the personnel?

Mr. DAVIS. I will say that it is probably because the Appropriations Committee, who make up the bill, have not heretofore considered it of sufficient importance. The pressure of other matters connected with the District was stronger than the pressure for that, and hence that has been neglected.

Mr. GOULDEN. Does not the gentleman think that is rather

a poor place to economize?

Mr. DAVIS. I think it is the poorest-absolutely the poorest. I should like to make a speech on the conservation of our natural resources, the greatest of which is our boys and girls. Here you neglect to conserve them and to give them facilities for the proper growth of their minds.

Mr. Chairman, the juvenile court is another item. My friend and colleague [Mr. Hinebaugh] explained it fully. Every year we have between 400 and 500 probationers in that court. Last year, with those on hand at the beginning of the year and those operated on, so to speak, the number ran up to 1,000 or more, and only the chief, assistant chief, and one probation officer to care for all these children. The result was that when Judge Latimer came on the bench a short time ago he was compelled to and did discharge over one-half of those under probation, simply because he did not have the officers to look after them. He simply selected those who were the best, as it were, and discharged them, until to-day, out of that entire number, the force at his command only warrants him in keeping 165 out of the 500 under observation. What a mockery; what a farce that is! Still that juvenile court enforces the husband and wife nonsupport law, and has collected in the last five or six years \$240,000 of money.

When one or two more probation officers are asked for they are denied. There should be at least five more—eight in all—to take care of 500 or 600 probationers. In the cities of Cleveland, Buffalo, and other places of similar size they have 12 or more probation officers.

Mr. PAYNE. How much money is saved by not having these

five people?

Mr. DAVIS. The judge of the municipal court wanted them to have \$1,000 a year each. There would perhaps be \$5,000

saved yearly by not having them. But the loss to those unfortunates and to the community is incalculable by not having

Mr. PAYNE. Half of that amount would aid considerably in

reducing the bonded indebtedness in the course of 12 months.

Mr. DAVIS. Mr. Chairman, I believe I shall reserve the right, when this bill is being read upon the floor, to ask for an increase of two or three of these probation officers in addition to those we have. Let me say, Mr. Chairman, that the necessity for this has impressed itself upon the people so strongly that that great, intelligent, philanthropic, and patriotic body of women, the Daughters of the American Revolution, who have a little fund at their command, have at their own expense provided one additional probation officer, who is down there now serving in the cause of humanity. Can we not afford to take care of those people ourselves when it costs so little? Must we look to organizations like the Daughters of the American Revolution to furnish that which the municipality is in duty bound to provide in order to properly care for this work? Such economy as that, Mr. Chairman, does not appeal to me, although by nature, when we are dealing with public funds, I must confess that I am considerable of an economist. We hold the funds of the public as a trustee, and we ought to spend them, not lavishly, but justly, properly, and judicially, in no case shirking our responsibilities.

Mr. Chairman, perhaps you will hear a complete and full statement from the gentleman from North Carolina [Mr. PAGE], the chairman of the committee; and I want to say right now that my association with him has been of the most friendly character, and I appreciate his ability and integrity as highly as that of any man I ever met. I think if he had had his full way on this committee, perhaps some other slight changes would

have been made, but he did not.

Mr. Chairman, I desire to insert as part of my remarks a communication from Judge J. Wilmer Latimer, of the juvenile

The CHAIRMAN. Without objection, the request is granted. The communication referred to is as follows:

JUVENILE COURT OF THE DISTRICT OF COLUMBIA, Washington, October 14, 1913.

The COMMISSIONERS OF THE DISTRICT OF COLUMBIA, Washington, D. C.

GENTLEMEN: In transmitting to you on October 3 the estimates for the juvenile court for the ensuing fiscal year, I stated that I should shortly forward a memorandum setting forth the reasons for the increases and additional clerks and probation officers. I have now to submit the following:

PROBATION OFFICE.

If the juvenile court is to do the important work for which it was created, it is imperative that the probation office be properly equipped and that sufficient trained officers be provided. At present there are but three probation officers, who must, in addition to their work with the children, keep all of the records of the office, and make the preliminary investigations in all of the children's cases. During the fiscal year ended June 30, 1913, there were approximately 450 children always on probation. Experience has everywhere demonstrated that one officer can not hope to get satisfactory results where the number under his supervision exceeds 50. In Louisville, Brooklyn, and Cleveland, for example, where the average number on probation is 400, they have 7, 8, and 12 probation officers, respectively; or, in Louisville, one probation officer to each 57 children; in Brooklyn, one to each 50 children; and in Cleveland, one to each 34 children. Our officers have each had about 150 children, and to this work could devote but a part of their time.

about 150 children, and to this work could devote but a part of their time.

It is probably unnecessary to present any argument in support of probation work with erring children. That splendid results can be obtained under proper conditions has been thoroughly demonstrated wherever those conditions exist.

In order to enable this court to look after the large number of children needing the care, supervision, and frequent counsel of the probation officer, it will be necessary to provide the additional officers requested in the estimates.

The chief probation officer should be a man of education, executive ability, and experience, and the services of such a person can not be long retained for less than the amount asked, \$2.500. This is the amount paid that officer in St. Louis, Cleveland, and Pittsburgh, while in New York and Chicago he receives \$3.000.

To provide an assistant chief probation officer, who must be a person of more ability than required of an ordinary probation officer, \$1,500 is asked.

In order that the probation officers may give their time to actual probation work rather than having to spend, as at present, so much

In order that the probation officers may give their time to actual probation work rather than having to spend, as at present, so much time in keeping up the details of the office, a clerk, at \$900, is requested.

DEPUTY CLERK.

An increase of \$300 in the salary of the deputy clerk is requested. This is a bonded officer who, in addition to his many other duties, is the financial clerk of the court. During the seven years since the court was established it has been the means of collecting \$240,930.95 under the nonsupport law, from delinquent husbands and fathers. These collections have increased from \$6,250.59 in 1907 to \$51,831.79 in 1913, thus greatly increasing the work of accounting by the deputy clerk.

STENOGRAPHER AND TYPEWRITER

One stenographer and typewriter, at \$900, is also requested. This clerical assistance is for the judge and to aid in keeping the records in the clerk's office absolutely necessary. No stenographer or typewriter is now provided by law.

The small increase submitted for the balliff and janitor ought to be made as a matter of justice to these officers, and would place their com-pensations at the same amount provided for those officers in the police

OTHER INCREASES.

The increase in the appropriation for furniture, fixtures, and equipments, and repairs to courthouse and grounds, from \$300 to \$600, and in the appropriation for miscellaneous expenses from \$1,000 to \$1,500 are made necessary by the tremendous increase in the volume of business of the court. Additional equipment must be provided in the clerk's office and in the probation office, including one adding machine and two new typewriters. There has been no increase in this appropriation since 1908, and the lack of necessary facilities has been a serious handicap in the work.

Because our estimates call for such a large increase in the appropriations for the court for the next fiscal year, and because I believe these increases are so necessary, I hope that the committees of Congress will afford me an opportunity to present the situation in person.

Respectfully,

J. W. Latimer, Judge.

J. W. LATIMER, Judge.

The CHAIRMAN. The gentleman has used 10 minutes. Mr. DAVIS. I will take about three minutes more. Chairman, it sounds large to say that there are 41 new employments and officers provided for in this bill. I ask the membership of this House to examine those 41 new employments and officers. Their salaries are small. You will see that they are \$600 people, \$480 people, and employees of that kind. I want these people employed, but it seems to me that the employment of only 41 new small employees for this great city

annually is virtually standing still.

It is virtually on the same theory that what we had three or four years ago, or last year, is sufficient. We have virtually left the personnel and the salaries with no increase, except in a few small instances-virtually left them as they were. In fact, the committee comes as near being a stand-pat committee as any committee I ever saw. I am not a standpatter in any sense of the word, and especially so with reference to the improvement of this city. Washington should go on and progress, and I know it is going to, but for the present I do not believe that it will progress as rapidly as it ought to if we are not a little more liberal. [Applause.] Mr. Chairman, how much time have I remaining?

The CHAIRMAN (Mr. SIMS). The gentleman has 19 minutes

remaining.

Mr. PAGE of North Carolina. Mr. Chairman, I think that every member of the subcommittee who has preceded me has been kind enough to make some pleasant reference to their association with the chairman, and as chairman of the subcommittee which prepared this bill for the House I can not let the occasion pass without saying that they have been a very

diligent subcommittee.

In my service of a little more than 10 years in the House of Representatives my observation has led me to the conclusion that every District of Columbia appropriation bill reported to this House has always been, from the standpoint of certain gentlemen who live in the city of Washington, the worst one. The bill that is reported from this subcommittee and now under consideration by the House, while it has been criticized by my colleague on the committee [Mr. Davis] because it did not carry a sufficient amount, and while he has termed that subcommittee as a committee of standpatters, I want to deny, so far as I am personally concerned, being a standpatter in this day of progressivism; but if there is anything on earth that a Democrat can afford to stand pat on, it is on the expenditures of Government money after 16 years of spending it by the Republican Party. [Applause on the Democratic side.]

The bill under consideration carries more money for the conduct of the government of the District of Columbia than any bill that has ever been reported to the House of Representatives from the Committee on Appropriations. It is true that the bill for the fiscal year 1912, as enacted into law, carried a greater amount of money than is now carried in this bill, but the excesses of that bill over this one were put on in another body. The bill as reported to the House was less than this bill.

The estimates, as submitted by the District Commissioners through the Treasury Department for appropriations for the conduct of the affairs of the District of Columbia, amounted to \$14,354,754.49, an amount almost \$2,000,000 in excess of the estimates submitted at any former period for the District

The bill as it is presented to the House carries in appropriations \$11,347,503.49. The excess in amount of the bill under consideration over the current bill is \$81,949.49. The net increase that is carried in the bill is more than covered by the increases that have been given to two single items.

The schoolhouses have come in for the largest amount of increase recommended over the current law. The law for 1914 carries, for the conduct of schools in the District of Columbia,

\$2,979,540. The present bill carries \$3,201,740, or an increase in appropriation for the conduct of the schools and the building of schoolhouses in the District of Columbia of \$222,200.

The other large increase over the current law occurs in the item for street improvement. The present law appropriates for improvement of the streets in the city of Washington \$67,800. The bill under consideration carries for that item \$110,700. You will readily see that the increases in these two items are largely in excess of the net increase in amount car-

ried by this bill over the former bill.

At this point, in connection with the appropriation for the schools of the District of Columbia, I want to digress briefly. We have appropriated in this bill for the construction of one new schoolhouse, to be situated in the extreme northern section of the city, where during the last half dozen years there has been a wonderful development. The subcommittee visited the site for this new school building. We found that by an appro-priation in the former bill the site had been acquired, and that there is a school already conducted in portable buildings on the site. We found that it has a densely populated section, and is removed a considerable distance from any other school building. We investigated as to the condition of the school buildings nearest to it, and discovered the fact that they were not only full but that they were crowded. Your committee was impressed that this community needed additional school facilities, and they have provided here for a building of 16 rooms, to cost \$132,000.

We also carry other new items in connection with the schools, for the purchase of small pieces of land adjoining the present school properties. I believe in every one of these instances the school building practically covers the school lot, and there was not an additional foot of ground upon which the children might play, except that they went into the streets or on the sidewalks. These buildings happen to be in sections of the city where the land values are low, and the ground can be purchased at a comparatively small price.

Mr. KELLEY of Michigan. Mr. Chairman, will the gentleman yield?

Mr. PAGE of North Carolina. Yes. Mr. KELLEY of Michigan. Does the construction of the buildings which the gentleman has just described relieve the necessity for an addition to the Powell School, as asked for?

Mr. PAGE of North Carolina. No; I think not. It has no relationship whatever to the Powell School.

Mr. KELLEY of Michigan. I would like to ask the chairman if he visited the Powell School?

Mr. PAGE of North Carolina. No; the subcommittee did not. The chairman of that subcommittee did on another occasion visit that school.

Mr. KELLEY of Michigan. I went to see it for myself. was over there the other day, and I found it to be an old wooden structure, heated with stoves-a perfect fire trap.

Mr. PAGE of North Carolina. I think they do not need an addition to that Powell School. If the time comes when anything is to be done there, they will need a new school building.

In connection with the aggregate appropriation for the schools of the city of Washington there is only one item about which I have any quarrel, and only one toward which I shall direct any I am not convinced that a certain law placed upon the statute books for the District of Columbia is a proper law, nor do I think that any man, when he starts out, can tell where the end will be in complying with that law. I refer to the longevity pay of teachers. I have not found that it exists elsewhere, except in a very few municipalities.

Mr. MANN. It exists in the State of Illinois.

Mr. PAGE of North Carolina. Yes; I was going to make an exception. One who serves upon this subcommittee and comes in contact with the working of this law in actual practice will understand what I have in mind. In the estimates submitted to this committee it occurs time and time again that where this law has been in operation for a sufficient length of time for the teacher-who has been employed at a basic price, we will say, of \$600 with longevity increase under the law of \$25 per annum-to reach the maximum at \$750-and, in my judgment, it will continue for all time, as long as this law is on the statute books-there is a demand that this teacher, having reached the maximum in that grade, he or she be transferred to the next higher grade, with a longevity increase of \$50 per year, until the maximum of that grade is reached, and then to the next grade. It also appears that in these estimates those in the highest grade were asking in the estimates of the school board, submitted through the commission, that we change the basic salary and put it at the maximum of the highest, so that it might go on indefinitely, reaching as high as \$3,000 a year. The large increase of this \$222,000 that is written into the bill

is because of the increase of longevity pay, and I do believe there is not a mathematician in this House, and I doubt if there is one in Washington or elsewhere, who can tell with any degree of accuracy the amount of appropriations necessary to meet this obligation on the part of the District of Columbia. It is an absolutely uncertain amount, that has to be guessed at, and for one, in making appropriations of the people's money, I

do not believe at guessing at what you are doing.

As to the improvement of the streets, and the appropriations made for that purpose, any man who has served in this body for any length of time has not failed to hear repeatedly upon this floor in discussion of these appropriations the charge made that the Congress has discriminated against certain sections of the city in its street improvements and that it has been partial to one section of the city in the improvement of streets. I am not going to take the time at this juncture to refute that argument, but it can be refuted by the appropriations and the work that has been done in the past 20 years in the city of Washington. Based either on the taxable value or upon the population of these sections there has been a larger distribution of money for the improvement of streets in other sections of the city than there has been in the one great section, the northwest. But I am not here to defend the past. I am here merely to defend the items that are in this bill, and your committee in this street item, in submitting it to the House of Representatives, divided the city into five sections, the Georgetown section, the northwest section, the southwest section, the southeast section, and the northeast section. The current law carries for the Georgetown section appropriation for street improvement to the amount of \$6,500; the present bill for that section carries \$6,000, a decrease of \$500. The northwest, under the current law, has \$16,500 for street improvements; under the bill committed to the House at this time an appropriation of \$8,200 is recommended, a decrease of \$8,300 under the current law. In the southwest the current law carries an appropriation of \$6,300; the bill presented to this House carries for street improvements in that section of the city the sum of \$21,000, or an increase of \$14,700. In the southeast section the current law carries \$19,000; the bill before you carries \$45,500, or an increase of \$26,500. The northeast section under the present law has an appropriation of \$19,500, and the bill before you carries \$30,000, an increase of \$10,500.

As has been said by the various members of the subcommittee, who have mentioned these street improvements, these appropriations were recommended for the specific streets after your committee had personally viewed every one of them and inspected the need and were based upon their individual merits without regard to the section of the city in which they were located or in regard to the totals we might appropriate for their improve-

ment.

Mr. MANN. Will the gentleman yield? Mr. PAGE of North Carolina. I yield.

Mr. MANN. I have noticed the increases in the bill, of course, to which the gentleman has just referred, and the comparison with the current law. It seems like a very large increase in appropriations for streets in the southwest section, the southeast section, and northeast section. The southwest section increase is not very large. What are these streets to be im-

proved?

Mr. PAGE of North Carolina. These improvements in the southwest, one of them—speaking entirely from memory and without taking time to refer to the bill I think I can state it with approximate accuracy-is a street leading from Fourth Street SW. to the wharves of the steamboa; companies that has never been improved in any form. Another appropriation in that section was for a short space just south of the Capitol, where there formerly was a bridge over the old canal; the tearing down of the bridge and the filling in of the canal made necessary the paving of that space. Then there was a short street between Delaware and New Jersey Avenues in approximately the same section.

Mr. MANN. Really what I wanted to ask the gentleman for information was as to whether any of these streets that would be improved in these three sections of the city were streets where the Government had property or where there is Government construction for new Government buildings?

Mr. PAGE of North Carolina. I think there is not a single instance where there is Government property, existing or prospective, except possibly one quite near the location of the navy

Mr. MANN. Well, there is no street to be improved up by the new Bureau of Engraving and Printing?

Mr. PAGE of North Carolina. None in that locality at all.

Mr. MANN. There is need, by the way.

Mr. PAGE of North Carolina. It may have needed it, but that was not estimated for, and the committee did not take it under consideration.

Now, in the matter of new employment, referred to by the gentleman from Minnesota (Mr. Davis), I have not even taken the trouble to see how many there are. There are very few indeed, and only where, in the judgment of your subcommittee, this new employment was made necessary. In the executive office there is no increase of employment, but a slight increase of salary. Under the Excise Board there is one new messenger, this board having been created in the last appropriation bill and no appropriation for a messenger having been made. In the auditor's office we have increased the pay of one messenger from \$480 to \$600, and if gentlemen have the report before them they will find a number of places in these personal employments where the committee has increased the salary of men who re-ceived \$480 to \$600, and I want to say frankly that we did it upon the broad ground that \$480 was insufficient pay for any man holding a position under the Government. The simple reason was that unless he was more economical than we could imagine, even if he was a single man, he would find great difficulty in keeping body and soul together.

In the sinking-fund office, which is under the Treasurer of the

United States, we have omitted one clerk at \$1,600 and made an appropriation of \$500 that will be explained when that item is

reached in the bill.

In the free public library, that lies so near to the heart of my colleague, Mr. Davis, we have made more increases in personal employment than under any other department. We have increased the pay of the librarian from \$3,500 to \$4,000; we have increased the compensation of six charwomen to \$240 a year, and the following additional are recommended: One assistant to the children's librarian for work in the schools, \$900; one assistant at \$900, one assistant at \$720, one assistant at \$600, and one messenger at \$480. In other words, there are recommended in this bill five new employments in connection with the city

library.

I do not agree, except in small part, to the statements made by the gentleman from Minnesota [Mr. Davis] as to the needs of this institution. I believe that it needed what is in this bill or it would not have been written there. But he asked for very large increases, not only in employment, but in the salary of those now employed. And while I am ready to admit from the hearings submitted to our committee that this library is performing a very large service in the distribution of books among the reading public of the city of Washington, I do not admit that comparison of the city library in the city of Washington with the city library in any other city in the United States is a fair comparison, because in the city of Washington there exists the greatest library in the world to which the people of this city in large measure have access. In addition to that, there are library facilities in practically every governmental department in this city, to which the employees of that department have access. In addition to that, there is in every school practically in this District a library and librarian provided for, and a salary paid, in this bill, in order that books may be disseminated among the children who attend those public schools. These conditions do not exist in anything like the same degree in any other city than Washington, and I be-lieve that the appropriations in this bill for this institution are ample to meet all the needs of the present, at least, for the usefulness of that institution.

Mr. MANN. Will the gentleman yield for a question?

Mr. PAGE of North Carolina. I yield.

Mr. MANN. Is the gentleman able to state how far books may be taken out of these libraries to which he has referred?

Mr. PAGE of North Carolina. So far as books in the Congressional Library are concerned, I presume every gentleman here by experience knows that Members of Congress can take them out, except that the circulation is limited. But I want to say to the gentleman that there is absolutely no limitation as to the reading room in the Congressional Library for any citizen of Washington who properly conducts himself.

Mr. MANN. Of course there is quite a limitation of space, as far as that is concerned, and other limitations. But I ask for information. Of course you are referring to the Congressional Library in the main. I receive every week from that

institution six books.

Mr. PAGE of North Carolina. Does the gentleman read those

Mr. MANN. I have not failed for several years in doing it every week. But as to the libraries in the departments, how far are the people in those departments permitted to take the books out and take them home?

Mr. PAGE of North Carolina. I confess to the gentleman that I am not informed. I can not answer his question, and I shall not undertake to make any statement in that connection.

Your committee, in the preparation of this bill, tried to avoid a conflict with the rules of the House of Representatives. Personally I can not say that I am in accord with all the rules of the House of Representatives, but I believe in an observance of the law, whether it is the law of the House of Representatives or the law of the land, and unless there is a special reason for it, I do not believe in transgressing that law. In the estimates submitted to the Appropriation Committee, covered by this fourteen million and odd thousand dollars, there were a great many provisions, most of them referred to by the gentleman from Wyoming [Mr. Mondell] in his address before the committee a little while ago, that were purely and entirely legislative propositions, unauthorized by any law upon the statute books, and, under the law of the House of Representatives, your committee has not the authority to appropriate for any moneys that have not been previously authorized by law.

In addition to that, it might answer all that my friend from Wyoming said as to the remissness of this subcommittee in not providing for a great many of the things that he mentions, but not all of them. Possibly by some construction of the law it might have been held in order to have written into this bill an appropriation for a fish wharf, which seems to be so near to his heart, because there already exists in a small way a fish market in this locality. But I say to him frankly that I will not put off the failure to provide this institution on the grounds that I have just stated, but that your subcommittee felt there were not only other things in these estimates, and numerous other things, that suggested themselves to their minds that the city of Washington needed vastly more than to spend \$160,000 in the construction of a fish wharf on the extreme side of the

city to retail fish to people who live 3 miles away.

Mr. MONDELL. Mr. Chairman, will the gentleman yield?

Mr. PAGE of North Carolina. I yield.

Mr. MONDELL. Of course the gentleman realizes that you

would have to put a fish wharf near the water?

Mr. PAGE of North Carolina. I think we have already one sufficiently near and of sufficient capacity and facilities for the

Mr. MONDELL. My attention was diverted for a moment, and I did not catch the first item that the gentleman referred to as having been mentioned by me, which he said was not authorized by the bill. What item was that?

Mr. PAGE of North Carolina. I did not say what had been mentioned by the gentleman, but I said that the omissions from this bill had been left out because they were not authorized by law.

Mr. MONDELL. That is not true, of course, with respect

to a considerable number.

Mr. PAGE of North Carolina. It is not true as to the fish market, and I make an exception as to that. I confess that

would be in order on this bill.

The gentleman speaks also of the bathing beach. I think under the recommendation of the last appropriation bill that item would have been in order. And I might as well in this place as in any other say that your subcommittee did not write into this bill an appropriation for these bathing beaches for the reason that after the bill was under consideration, in fact after that item had been passed, so far as the hearings were concerned, by the subcommittee preparing this bill—and I believe it is not violating any confidence to say that it commended itself to the individual members of that subcommitteethere came a report from an eminent authority in this city to the effect, in plain and unmistakable terms, that the construc-tion of the bathing beaches at the points designated by the Commissioners of the District of Columbia and the use of them by the citizens of Washington would be greatly detrimental to the public health; in other words, that the water was affected from the sewage of the city of Washington, and that to construct them there would be a great mistake,
Mr. MONDELL. Now will the gentleman yield, Mr. Chair-

Mr. PAGE of North Carolina. I yield.

Mr. MONDELL. Does the gentleman take real seriously that

report of Dr. Anderson?

Mr. PAGE of North Carolina. I will say to the gentleman that I took it this seriously: Here is a report made by a gentleman recognized in his profession as a man of eminent ability making these statements as to the condition of this water, and as one member of the subcommittee preparing this bill I was unwilling to assume the responsibility, not being a scientist myself, of flying in the face of that report. And I think the gentleman from Wyoming will admit that that is a sufficient reason for the action of the subcommittee in leaving out this appropriation

Mr. MONDELL. If the gentleman will accept the amendment of inserting, in lieu of the word "reason," the word "ex-

cuse," I do not know but that I would accept it.

Mr. PAGE of North Carolina. At this stage in the consideration of the bill I am not accepting any amendments. The op-

portunity will be offered later for that.

Now, as I was saying, there are a few items written into this bill, anxious as your subcommittee was not to write legislative provisions into it, which may be considered as subject to points of order. Conditions arise in the preparation of an appropriation bill which sometimes prompt the committee preparing it to insert such provisions. In this instance your subcommittee felt that we should submit a few items that might be subject to a point of order, and I want briefly to call attention to those.

In the first place, I want to say that in the construction of the bill in former years the appropriations for the purchase and maintenance of motor-driven vehicles had been scattered throughout under the heads of the various departments to which they belong. Your committee believed that it was in the interest of good legislation, and possible harmony in this House, to segregate all the passenger-carrying automobiles now in the possession of the District and place them in one paragraph, so that Members of the House could see at a glance the ownership

of those automobiles by the District.

And we went further than that. We felt that they ought to be put under the direct control of the Commissioners of the District of Columbia; so you will find, by reference to the report, that we have put all passenger vehicles under the direct control of the Commissioners of the District of Columbia. We have also placed a limit upon the price that may be paid for passenger automobiles for city service in the future. In addition to that, we have provided that every one of these automobiles in the service of the city of Washington shall be painted a uniform color. We have also provided that they shall be lettered with the words "city service," in letters not less than 6 inches high, placed in a conspicuous place upon the car, so that Members of Congress and anybody else may know what those cars are for when they see them passing through the streets.

Mr. MANN. Mr. Chairman, will the gentleman yield?

Mr. PAGE of North Carolina. I yield. Mr. MANN. The gentleman has just stated, I believe, that this bill carries an appropriation for an automobile for the two citizen commissioners?

Mr. PAGE of North Carolina. I had not stated it, but I was just going to state it.

Mr. MANN. I thought probably the gentleman had included

I knew that the bill did include it.

Mr. PAGE of North Carolina. In this bill provision is made for the purchase of a new automobile, at a limit of cost not to exceed \$2,000, for the civilian Commissioners of the District of Columbia, for their joint use. They asked for two; the committee gives them one. I have no apology to make, so far as I am concerned, for writing that into this appropriation bill. the men who have been selected as Commissioners of the District of Columbia are to discharge the very onerous duties that are imposed upon them under the law, if they are to familiarize themselves with the city government, with all its activities, covering a very large territory for a city of its population, I, for one, am thoroughly convinced that they can not do it without the aid of this more rapid and modern means of transportation.

go further than that and say that if I were a Commissioner of the District of Columbia and should be denied this facility for performing the duties of that office, if I did not have from my own private means the ability to have one, I should immediately resign the office, for the reason that I believe no man can properly discharge the duties of that office without this

Mr. MANN. That would depend somewhat on how much you wanted the job, would it not?

Mr. PAGE of North Carolina. I think I would never want

it that badly.

Mr. MANN. I think the gentleman himself might not. Will the gentleman yield for another question there?

Mr. PAGE of North Carolina. Yes.

Mr. MANN. These commissioners now have a carriage apiece, have they not?

Mr. PAGE of North Carolina. They have a carriage apiece. Mr. MANN. Is that eliminated? Mr. PAGE of North Carolina. I think so. There may be some question as to whether the language of this bill does eliminate them, but I think it does.

Mr. MANN. It did not seem to me that it did, although I would not be very sure. They are maintained out of the contingent fund, are they not?

Mr. PAGE of North Carolina. They are maintained out of

the contingent fund.

Mr. MANN. Now the proposition is to give the two together an automobile.

Mr. PAGE of North Carolina. Yes.

Mr. MANN. Of course, we all know, as a matter of fact, while the law says they can only be used for official purpose it is considered an official purpose to go from the house of the commissioner to the office and return, and also an official purpose to view the city along with your wife, or have her do it when you are not along, without any extra expense probably to the Government.

I am not criticizing that part of it; but if you have only one automobile for the two, will one of them have a carriage, and will they draw lots for the automobile?

Mr. PAGE of North Carolina. That is for them to decide. Mr. MANN. Is it not for us to decide whether they shall have both?

Mr. PAGE of North Carolina. I think so. Certainly it is for the House of Representatives to decide whether they shall have one or none, or whether they shall have two, for that matter.

Mr. FOSTER. Will the gentleman yield?

Mr. PAGE of North Carolina. Yes

Mr. FOSTER. How many automobiles are now in official use in the District of Columbia?

Mr. PAGE of North Carolina. There are 11 passenger automobiles.

Mr. FOSTER. Are those automobiles in use constantly, or

could they be exchanged?

Mr. PAGE of North Carolina. We have written in a provision here giving the commissioners the right to exchange them between the officers of the District of Columbia.

Mr. FOSTER. Does that apply to their own offices?

Mr. PAGE of North Carolina. Yes; it applies to all passenger automobiles in use by officials of the District of Columbia.

Mr. FOSTER. Then they do not need any automobiles them-

selves outside of these 11?

Mr. PAGE of North Carolina. That is a question.

Mr. FOSTER. I am asking the gentleman.

Mr. PAGE of North Carolina. I think they do, because I think the 11 that they now have are in pretty constant use by the officials. If I did not think so I would not have recommended the purchase of an additional automobile.

Mr. FOSTER. I am trying to get the information from the gentleman, because I do not know.

Mr. DAVIS. Does not the bill provide that the fire department, the Board of Charities, and the police department shall have separate control of their own automobiles?

Mr. PAGE of North Carolina. Perhaps I ought to have said that this provision giving the commissioners control of the interchange of these vehicles does not apply to the police department, the fire department, or the Board of Charities, for reasons which, I think, will be obvious without going into a detailed explanation to the Members of the House.

I must hurry on, for my time is limited, and there are a few

other things I want to say to the House.

I would be glad if members of the committee would avail themselves of copies of this report and read for themselves these provisions that have been written into the bill, because I see that I shall not have the time to make the explanation in detail.

Mr. CLARK of Florida. Will the gentleman yield?

Mr. PAGE of North Carolina. I yield to the gentleman.

Mr. CLARK of Florida. Did the gentleman say that the Dis-

trict had 11 passenger automobiles?

Mr. PAGE of North Carolina. That is my understanding, s. They range all the way from a small two-seated run-

Mr. CLARK of Florida. To a touring car.

Mr. PAGE of North Carolina. To a seven-passenger touring car that was given to the engineer commissioner some years ago. Mr. CLARK of Florida. Have not all of these automobiles

Maryland and Virginia licenses?

Mr. PAGE of North Carolina. I confess I can not answer that question. That was asked before I came on the floor, and I have not noticed them particularly enough to say. I do not know. It may be or it may not be so.

Now, in conclusion I want to call attention, last of all, to a limitation that is placed in this bill and designated as section 8, one that has been very greatly criticized by the newspapers in the city of Washington since last Monday afternoon and that I

has brought under severe criticism all of us who are responsible. for it; one that in my judgment means a great deal as to future adjustment. This limitation, which has been written by your committee at this time, is of particular importance because of the agitation in the House of Representatives and in the city of Washington over the participation of expense and the mainte-nance of the District government. Your committee, after very careful consideration, having before them estimates in the amount of more than \$14,000,000 and in their judgment the necessity for the expenditure of a little more than \$11,000,000, after very careful consideration of this question of what was going to be done with this money not appropriated, wrote into the bill section 8, which reads:

SEC. 8. That to the extent the revenues of the District of Columbia for the fiscal year 1915 shall exceed the proportionate part of the appropriations made in this or any other act and chargeable against said revenues; the same shall be covered into the Treasury of the United States to the credit of "Miscellaneous receipts."

Mr. MADDEN. That will be subject to a point of order, will it not?

Mr. PAGE of North Carolina. That will remain to be seen; that is a matter of opinion at this stage of the discussion. I think there has been, and there is, in the House of Representatives a good deal of misapprehension of the facts as to the relationship between the National Government and the government of the District of Columbia. There is very active agitation at the present time for the abolition of what is known as the halfand-half participation in the expense under a law that was written on the statute book in 1878; and which has been in existence from that time until now.

The legislative history leading up to the enactment of the act of 1878 is not only interesting, but, I think at this juneture, instructive. The District of Columbia found itself in the early seventies under a Territorial form of government and very largely in debt. There was a condition of appropriations, as far as the National Government was concerned, that was absolutely chaotic. The Congress of the United States appropriated and paid certain proportions of certain expenses in certain departments in the city of Washington. No one knew just what, and there was absolutely no system as to the participation of the National Government in those expenses. The charter of the city of Washington and the charter of the city of Georgetown were repealed, and Congress believed that it was the duty of Congress to supervise and govern and direct the activities of this particular territory, exempting it from other territory or States, and it appointed a joint commission, the chairman of which was the late Senator Allison, of Iowa. That commission made an exhaustive report, comprising three large volumes, and they concluded at that time that a fair and equitable division of the expenses of the city of Washington was half to be borne by the National Treasury and half to be assessed upon the property of the District of Columbia.

It may have been at that time a fair division. I am one of those who believe that that time has passed, and while I am here to say, and do say emphatically, that I do not accept the statements made by the gentleman a few days ago in the discussion of this bill, that this city ought to be turned over to govern itself, I think that no greater mistake could be made than for the Congress of the United States to relinquish the absolute control of this territory, in which is situated its National Capital. [Applause.]

I believe that the time has come when there is no longer a necessity that the National Government should contribute onehalf to the support of this great city. I believe there should be a modification and a rewriting of the law in this respect. I do not believe that the man lives who can work out upon a fair,

equitable division a system upon any percentage basis.

I think that is not a mathematical possibility, because conditions vary from year to year, and the obligations of the Government to this National Capital may and do vary from year to year. I believe that the policy that is written in this section 8 will meet the present conditions and the conditions for all future time. The Congress of the United States having control over this territory will have control over the tax rate; it can absolutely control, and if the tax rate is too low, the fault is with the Congress of the United States more than anybody else, and they can remedy it. They have absolute control over the machinery of the assessment in the District of Columbia.

There is a complaint made, and I share in it, that there is a large amount of property in the city of Washington that escapes taxation. I believe we ought to write into the law machinery that will tax capital stocks and bonds, bank capital, and other personal property of that character that exists in the city of Washington. But that is a matter for Congress to take care of, Mr. MADDEN. Will the gentleman yield?

Mr. PAGE of North Carolina. Certainly.

Mr. MADDEN. The banks do now pay a tax, do they not?
Mr. PAGE of North Carolina. They pay a tax on the capital

stock, but they do not pay on mortgages or bonds.

Mr. MADDEN. They pay 4 per cent on the earnings, do they

Mr. PAGE of North Carolina. Something like that; I do not remember the exact figures.

But I was going to say there is an obligation, and I think no greater calamity could befall the city of Washington and no greater calamity could befall the United States Government, since this is its seat of government and it has here the buildings and the property owned by the Government for the conduct of its business, than to relinquish its rights to the control of this territory, originally laid out and designated in the Constitution as being under the control of the Congress of the United States. The effect of the provision in this bill has had various interpretations placed upon it. The bill carries appropriations of something over \$11,000,000, and we find by an analysis of the estimates and hearings that the available revenues of the District of Columbia for the fiscal year 1915 amount to a little more than The appropriations carried in the bill, including the water department and the playgrounds, which are paid out of the District of Columbia, amount to \$11,347,503, and as the result of this proviso the revenues of the District of Columbia as collected, in the amount of seven million and odd dollars, will be expended for the benefits of the city of Washington, and they will be supplemented from the Treasury of the United States to the amount of \$4,172,726 to meet the appropriations made in That is the interpretation and the meaning of section 8 as written into the bill. Your committee believes it is fair not only for this fiscal year, but that this principle, once established, will be fair through all of the years in all appropriations for the District of Columbia. It will not satisfy the District of Columbia.

The truth is that if you were to write into the law an appropriation by which the National Government should pay \$2 for every dollar that was raised in taxes in the District of Columbia, there are citizens in the District who would still be dissatisfied and who would howl. There are certain associations that would hold meetings of indignation and condemnation, and they would talk about repudiation and all that sort of thing on the part of Congress. It makes me a little bit tired, as one Member of Congress, that certain people in the city of Washington are continually harping about the organic act, and any departure from an act by the party who made it is repudiation. There is nothing more sacred in the act of 1878 touching the appropriations for the District of Columbia than there is in any other act that is written upon the statute books by the Congress of the United States. It might have been repealed the next day or the next year or now without any repudiation on the part of Congress. [Applause.]

Mr. SIMS. Mr. Chairman, will the gentleman yield?

Mr. SIMS. Mr. Chairman, will the gentleman yield? Mr. PAGE of North Carolina. I yield for a question. Mr. SIMS. Did the District by reason of the so-called organic

Mr. SIMS. Did the District by reason of the so-called organic act suffer any loss which if the act were now repealed would be irreparable to it?

Mr. PAGE of North Carolina. I think not. The truth is, I meant to say that I was impressed in reading the debate and legislative history leading up to the enactment of the law of 1878 that that commission appointed, and the Congress in enacting into law its recommendation, did it as much to protect the Treasury of the United States as to help the city of Washington.

I can not close without some reference to some of the things that have appeared in some of the Washington rewspapers within the last few days. Their criticism of this subcommittee because of this section 8, and stating that we were repudiating and taking the money that was paid by the taxpayers of the District and putting it into the Treasury of the United States, is a misinterpretation, and in my judgment a willful misinterpretation of the language of the section.

Some associations have met and passed resolutions, and they are composed of people who are absolutely dependent upon the Congress of the United States for what they get. Yet they hold meetings and spend their time in villification of Members of this body. I notice that there was a meeting, as reported in a newspaper, a night or two ago of the Historical Society of the City of Washington. If there be any people in this District who ought to know and who ought to feel that the National Government has not only done its duty but most surely more by the District of Columbia, it ought to be these people who belong to the historical society. If they had looked up the incidents of the past, they would have convinced themselves that this was true. But I want to call attention to a few things that were said at this meeting. One of those who addressed it was a good

woman—I am not going to criticize her personally or call her name. She wound up her criticism of this particular paragraph and of the subcommittee that has reported the bill to the House of Representatives by saying: "It is up to us women of the District to defend our men." God save the mark! [Laughter.]

There was another speaker at that meeting, and, since he was a man, I will put his name into the Record. I do not know him and would not know him from Adam. His name is Edgar Robinson. In the course of his remarks, as reported, quite briefly, he says that it appears to be the policy of the men on the Capitol Hill to cut the District's throat, metaphorically speaking, every chance they get. He said:

It is a shame that we citizens of dear old Washington have to be badgered and insulted by these so-called statesmen from the West, many of whom never saw a city before in their lives.

[Laughter.]

I commend that statement to my colleague on the subcom-

mittee, the gentleman from Minnesota [Mr. Davis].

How the citizens of the District of Columbia expect to be treated any better than they are in the face of constant criticism of the men who hold the purse strings for them is more than I can conceive. So far as I am concerned, as I have said before, I recognize that there is a national obligation here. I believe that we ought to discharge it fearlessly and in full measure. I believe that the constituency of every man on this floor will stand for that principle. I believe that there is not in all this Government a constituency that does not take and will not take just pride in the proper maintenance of its National Capital. I wish that it were possible that every boy who lives in the congressional district I represent might come to this National Capital; I wish that he might have an opportunity to see this magnificent building that is his as well as ours; I wish that he might look at the other magnificent structures and the beautiful grounds maintained here at the expense of his Government. I believe that it would broaden his patriotism and make him a better citizen; and I am willing and he is willing and his father is willing to contribute in just proportion to the maintenance of our Capital City. [Applause.]

Mr. Chairman, will the gentleman from Minnesota now use

his time?

Mr. DAVIS. Mr. Chairman, I yield the remainder of my time to the gentleman from Illinois [Mr. Mann].

The CHAIRMAN. The gentleman from Illinois is recognized for 19 minutes.

Mr. DAVIS. How much has the other side left, Mr. Chair-

The CHAIRMAN. Thirty minutes.

Mr. MANN. Mr. Chairman, whatever criticism may have been indulged in by citizens of Washington concerning the distinguished gentleman from North Carolina [Mr. Page], the chairman of the subcommittee of the Committee on Appropriations. I feel that every Member of this House, at least, who has the pleasure of his acquaintance, and certainly every old Member of the House, has absolute confidence in the patriotism, the integrity, and the desire to do right of that gentleman. have noted that the gentleman himself seems to take a little exception to the criticism of the subcommittee by citizens of Washington, and I take it that in view of the attitude of the President concerning the Carabao dinner we will soon be reduced to the point where no man can either criticize or smile without asking the consent of the governing authorities first. [Laughter and applause on the Republican side.] Notwithstanding my personal obligation to the gentleman from North Carolina, I very greatly regret that owing to the superior numbers on the other side of the House who would follow the gentleman in any motion he might make, I will not be permitted at this time to say to the House that which I desire to say at the earliest opportunity I shall have concerning the condition of affairs in the country. I do not blame the Democratic Party for refusing to give a liberal latitude in the debate in order that the conditions which come may be presented to the country. do not wish the matter discussed, but, after all, Mr. Chairman. throughout the country to-day wherever men are congregated there is that quiet discussion going on now which when cold weather strikes the country, so fortunately held off so far, will end in a roar and a howl that will even penetrate the ears of the deaf statesmen on the other side of the aisle.

Mr. Chairman, I desire to take a few moments in discussing the District proposition. Early in November the Washington Post published an article, evidently inspired by the distinguished commissioners, purporting to state what great work the new District Commissioners had already performed and what they were to perform in the future. "Big things the new commissioners, backed by the President, have done to benefit the National Capital. Reforms accomplished and proposed which

presage great betterments." Then follows a list of things accomplished and proposed. I do not think any of them were accomplished or have been accomplished yet. The new commissioners, backed by the President, furnished this information to the press for publication in the District of Columbia. And what are these great things accomplished and proposed? "Advocated are these great things accomplished and proposed? "Advocated the harnessing of Great Falls for light and power." I have not found anything on the subject in the District appropriation bill. "Made provision for a municipal hospital and one for inebriates." Made provision for these, but it has not penetrated the minds of the subcommittee on appropriations yet, because there is nothing carried in this appropriation bill for this purpose. "Planned for many public comfort stations, new streets, bridges, lighting and parking improvements." They have not discovered it in the Committee on Appropriations yet. "Arranged for a model fish wharf and fish market." They have not discovered that in the Committee on Appropriations yet. "Drawn plans for a model reformatory at Occoquan." I do not think that is carried in the appropriation bill. "Asked for a larger appropriation for public playgrounds than any previous board."

Asked for it. The new commissioners, backed by the President, asked for it, and they will ask for it next year if they are still in office; but after that, if they ask for it, they will probably get it, because there will be a different control in this body. [Applause on the Republican side.] "Designed a new municipal lodging house." There is nothing in this bill concerning a new municipal lodging house, but the need for one will soon be apparent. Municipal lodging houses will soon be in demand all over the country. I can remember 20 years ago, when I was a member of the city council of Chicago, that the city hall was opened at night in order that the unemployed might lie on the marble floor in order to secure a little rest and, perchance, a little sleep.

I never have thought that it was possible in this great Nation for that condition to again be brought about, even by Democratic legislation. I thought the country had become too prosperous, too great, with too many industries well established, for even bad legislation or the threats of worse to reduce the country to the position where again men would be seeking opportunity to lie on the floors of public buildings for rest and sleep. And yet that is the condition to-day in my own town. And if the advices which come to me from all parts of the country are anywhere near the truth, that condition is largely prevailing all over the land. Here is an article in the Chicago Tribune of

December 16:

ARMY OF IDLE IN CITY GROWS—THOUSANDS ARE FED BY CHARITY AND MUNICIPALITY SHELTERS 1,200 A NIGHT—WORDS OF CHEER GIVEN—IMMANUEL CHURCH SUPPLEMENTS GOOD BREAKFAST WITH ENCOURAGE-

MENT.
The city's problem of housing and feeding homeless men grows greater. Yesterday the Rev. Johnston Myers gave 1,400 men breakfast at the Immanuel Baptist Church. Last night 1,200 men were sheltered by the city and over 1,000 stood in the bread line on Meridian Street.

Half a loaf of fresh bread, with butter, and two cups of hot coffee, with milk and sugar, were given to every man at the Immanuel Church, 2320 Michigan Avenue, and the Rev. Mr. Myers gave them a word of encouragement.

"They didn't have to stay for my talk," said the doctor, "but about 600 did. I talked on courage. I told them to go forth and look for work, and if they didn't find it, to come back to-morrow morning.

RECORD FOR NUMBER IDLE.

RECORD FOR NUMBER IDLE.

"This is the largest number we have ever had here, and it is stupendous for this time of the year."

Lodgers at the municipal lodging house have been getting "mulligan," with coffee and bread. Last night 100 gallons were passed outabout a thousand small bowls full.

A new organization, the Volunteer Slum Workers, held forth on West Madison Street last night, with drum and tambourine, and invited the homeless to their mission at 211 South Desplaines Street.

"Gen." Hattle Morgan asked for funds, while the "colonel," the "captain," and several "lieutenants" sang hymns. It was hard work. She begged for nickels or pennies.

SCANT FUNDS FOR WORK.

"We feed about 50 or 60 men at our mission every day," she said.
"We give them soup, bread, and coffee when we can get the money.
We haven't made a dollar all night."
Meantime work is going on in the building at Washington and Desplaines Streets. All but the electricians are done. The top floor of the Otis Building, at 913 Jackson Boulevard, will also be thrown open when a fire escape has been built. It will take about \$550 and necessitate a council order, according to Health Commissioner Young.

At a meeting of the unemployed in Hod Carriers' Hall it was voted that the agitation committee call upon the mayor and the city council to demand work at the full union rate of wages, and to hold parades to demonstrate the urgency.

Just a few headlines. One from the Chicago Tribune of December 7, as follows:

The mayor revives the committee on unemployed.

He is a distinguished Democratic mayor, and a very able one. It savs:

Mayor Harrison yesterday revived the committee on unemployed, giving it the same advisory powers it formerly had.

In the Tribune of next day, December 8, occurs the following: McCormick offers county building to house idle men.—Board to-day passes on tender of ninth floor to city as bed space for COO.—Labor heads ready to aid.—Chicago federation thinks Government embarrassed by condition.—Big river improvement urged.

Or something somewhere, provided that men may work who are willing to work, rather than men who are willing to work shall starve while the President is investigating the fun of a Carabao dinner.

From the Chicago Tribune of December 10, the committee on unemployed, consisting mainly of distinguished Democrats, and none of them distinguished Republicans, adopted resolu-

RESOLUTIONS URGE RELIEF.

resolutions read:

The resolutions read:

1. The committee on unemployment is convinced that a very large number of persons in Chicago are at present out of work—a number so large as to constitute a grave industrial and social cituation.

2. Temporary relief, such as food and shelter, should be at once undertaken for the really needy cases. Such relief should be undertaken by the municipality or through existing relief agencies.

3. The committee is further convinced that a large proportion of the unemployed are worthy and deserving persons, who desire work rather than charity.

4. Therefore the committee recommends that the city take immediate steps to consider the feasibility of establishing some form of municipal employment for as many of the unemployed as possible at a fair wage, preference to be given to those having families dependent upon them.

It says "preference being given to those having families de-pendent upon them." These men with wives and children, willing to work, who were at work three months ago, are now seeking the opportunity in this great land of ours, where the natural resources are beyond contemplation and where the possibilities of consumption by our people can never be outrun-these men with families, with wives and children, without food, without shelter, seeking an opportunity for employment, which you on that side of the House have taken away from them by closing up the establishments in this country in order that you may buy goods in foreign lands. [Applause on the Republican side.]

This morning's paper advertises that the Navy Department, which had just let contracts for some supplies to be purchased from other countries, was now expecting to receive bids for new supplies to be furnished from abroad, while these fathers, the heads of families, are walking the streets of Chicago and every other large city in the land hoping, praying, for a chance to earn an honest dollar with the hard labor of the arm.

I will now quote from the Chicago Tribune of December 11, 1913. I am giving extracts mainly with reference to one paper day by day, not because the information is peculiar, but because the consecutive statement gives some idea of the progress of the conditions. The Chicago Tribune of December 11 bears these headlines:

City opens new hotel for idle—Homeless men given beds at once in building to be used free by municipality.

Somebody furnished the building. I read further:

Order two job bureaus—Officials put light and water in lodging house too fast for permits.

The city of Chicago last night actively took up a solution of the problem of caring for the unemployed by opening an auxiliary to the Union Street municipal lodging house at 913 Jackson Boulevard.

First, they opened the municipal lodging house, and now they are beginning to add the auxiliaries to it. It will not be long until more and more auxiliaries are needed.

And what is your response to this? What are you doing to relieve these conditions in the country? Nothing. You are threatening more trouble for them.

Mr. Chairman, I never have been and never expect to be a calamity howler on the floor of this House or elsewhere. have preserved silence here in regard to the conditions in the hope that the cloud might pass over. No one desires to see the country lie prostrate. No political advantage will ever accrue to the man who helps to contribute to disaster. We hope that business will revive. But it were idle to say that we dare not speak about a condition in the country which everybody knows

about and concerning which we ought to take some steps.

The President of the country could do to-day much toward reviving confidence, if he would. That side of the House could do much toward reviving confidence, if they would. But they are pursuing the fatuous policy which they have talked about on the stunn for so many years regardless of the effect year.

on the stump for so many years, regardless of its effect upon the body politic or the people of the country.

I do not believe that we are justified in keeping entire silence upon this situation. I hope, with you, that the present discouraging conditions may change. But I think it is fair to the country that we should call attention to these matters, and I intend to do so from time to time, and much more fully if I can get the time.

Mr. LEVY. Mr. Chairman, will the gentleman allow me an interruption? Does not the gentleman think that this is on account of the debatable uncertainties of the Sherman antitrust law and the dilatory conduct of the Interstate Commerce Com-

Mr. MANN. Well, the country was very prosperous for a great many years while the Republicans were in control, and the Sherman antitrust law was on the statute book and the Interstate Commerce Commission was in existence, and no one discovered how bad they were until the gentleman's party got into control and commenced to legislate—contrary to the gentleman's desires, of course. He does not agree with anything that his party does, I believe. [Laughter on the Republican side.]

Mr. LEVY. Oh, no; I do agree with my party, but I think that the Sherman law as now constituted is unreasonable and uncertain. I think the Interstate Commerce Commission was

and is dilatory. They take two years for a decision.

Mr. MANN. It will take a great many years more than two

for the gentleman to have his way about any of them.

Mr. REILLY of Connecticut. Mr. Chairman, will the gentleman vield?

The CHAIRMAN. Does the gentleman from Illinois yield to the gentleman from Connecticut?

Mr. MANN. I do.

Mr. REILLY of Connecticut. The gentleman read a few moments ago from newspaper extracts. The gentleman did not say what year that was. Was it 1907 or 1913?

Mr. MANN. It was 1913; and if the gentleman knew enough to know anything about it, he would know that it was not so in 1907

Mr. REILLY of Connecticut. It was in my part of the

Mr. MANN. It was not so in any part of the country in 1907. The soup houses were not open in 1907. The free lodging houses were not open in 1907. The conditions were bad enough in 1907, God knows. But there was no bread line in 1907; there were no soup houses open; there were no free lodging houses open; there were no municipal buildings turned over in order that men might sleep on the cold marble floor. [Applause on the Repub-

Mr. REILLY of Connecticut. Mr. Chairman, will the gentleman yield further?

Mr. MANN. Certainly. Mr. REILLY of Connecticut. The gentleman attributes this to the tariff bill?

Mr. MANN. Oh, I attribute it partly to the tariff bill, in part to the threat of the political control of banking and currency. in part to other threats, and to a general lack of capacity on the part of your party to govern the country. [Applause on the Republican side.]

Mr. REILLY of Connecticut. Mr. Chairman, just a word. The people had great faith in our capacity and put us in power

and put you out.

Mr. MANN. Oh, yes; but they have not that confidence now. [Laughter and applause on the Republican side.]

Mr. REILLY of Connecticut. That remains to be proven.

Mr. MANN. It is already proven.

Mr. REILLY of Connecticut. So far as the tariff is concerned I want to say this: The condition of business in the section where I live and in my own city is just about the same as it was a year ago; no better and no worse. The silver industry is a great industry in my own city, and the tariff bill increases the duty from 45 to 50 per cent in that particular industry. We have had no material change there.

Mr. MANN. Fortunately, then, the gentleman has not lost anything by having the tariff reduced, but where it was reduced the country is killed. [Derisive laughter on the Democratic

side. 1

Mr. PAGE of North Carolina. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. Thirty minutes.

Mr. PAGE of North Carolina. I yield 10 minutes to the gentleman from Missouri [Mr. CLARK]. [Applause.]

Mr. CLARK of Missouri. Mr. Chairman, if a Member without any reputation or standing in the country had made the statements and insinuations and charges which the gentleman from Illinois [Mr. Mann] has made on three separate occasions recently, I would not have paid the slightest attention to them. [Applause on the Democratic side.] But he is in the limelight constantly and people observe what he says; they listen to it; and it is to be regretted exceedingly that he made the threat he made on two separate occasions this week and that he has made the speech he made to-day. It will, I fear, do considerable damage in the country.

I think it is an incontestable statement that every good citizen of this Republic-Democrat, Republican, Bull Mooser, Prohibitionist, Socialist, or what not-wants to see continued prosperity, because we all have a stake in the Republic, especially those of us who have wives and children. Lord Bacon, who possessed the most exquisite intellect ever housed in a human skull, said that "He that hath wife and children hath given hostages to fortune."

I dislike exceedingly to say it, but it seems to me, touching the declarations of the gentleman from Illinois and several other more or less eminent statesmen made in the last week or so as to the imminence of a panic, that the wish is father to the

thought. [Applause on the Democratic side.]

One swallow does not make a summer; but when you find the eminent Senator from New York [Mr. Root], the eminent ex-Speaker of this House, Mr. Cannon, the eminent ex-governor of Missouri, Mr. Hadley, the eminent gentleman from Illi-nois [Mr. Mann], and the eminent chairman of the Republican national committee, Mr. Hilles, all giving out the same kind of a statement in less than a week, all on the same identical line, I do not believe I exceed the bounds of propriety or of fact when I state that it appears like a Republican conspiracy against the prosperity of the country. [Applause on the Democratic side.] Of course there are some minor ones who chip in, but they do not count. [Laughter.] It is to be hoped that their

predictions of disaster to the country will fail.

The greatest stump debates that ever took place on the face of the earth were the seven debates between Lincoln and Douglas in 1858 in Illinois. The part of Lincoln's speech which had the most effect, and the part which made Douglas maddest, was this kind of a statement about the Dred Scott decision, Franklin Pierce having gone out of the Presidency, James Buchanan having come in as President, Roger B. Taney being Chief Justice of the United States, and Stephen A. Douglas the leader of the Senate: Lincoln said that if it turned out on investigation that Franklin, James, Roger, and Stephen were all sent out into the woods at places a great distance apart to get out timbers, and when you got those timbers all together it was found that they fitted with exact nicety to go into a building, it was not an extreme or unfair conclusion to say that there must have been an agreement between James, Franklin, Roger, and Stephen. [Applause on the Democratic side.]

The gentleman from Illinois [Mr. Mann], while howling calamity, disclaimed that he is a calamity howler; but I undertake to say that the Senator from New York [Mr. Roor]; the ex-Speaker of the House, Mr. Cannon; the chairman of the Republican national committee, Mr. Hilles; the ex-governor of Missouri, Mr. Hadley; and the minority leader on this floor [Mr. Mann] have been the greatest calamity howlers in America

this fall. [Applause on the Democratic side.]

It is strange that nobody else seems to have heard of these remarkable signs of falling prices and all that which the gentleman has collated. There is not a big city in the country which has not idle men in it. There never was one that did not have idle men in it at any time [applause on the Democratic side], and unfortunately there never will be one. The gentleman from Illinois and I live in the richest portion of the civilized earth. The gentleman knows as well as I do, and everybody that in that country out there last summer there was an all-devastating drought, in Oklahoma, Kansas, a part of Nebraska, Missouri, Arkansas, Kentucky, and a part of Illinois, Now, what is the result of a short crop anywhere? It reduces the business of the merchants in Chicago, St. Louis, and Kansas City, and the great centers of trade which supply that region.

The main proposition that runs through the speech, the main proposition that runs through all these speeches and interviews to which I have referred, is that when the Democrats are in you have bad times and calamities and when the Republicans are in you have good times. There is not a

syllable of truth in it and there never was.

I do not like to talk about old things, but the panic of 1893-94 came under the McKinley bill, before the Democrats ever had a chance to put a law on the statute books. [Applause on the Democratic side.] I rejoice in the prosperity that began in this country in the fall of 1894, because it is true that as soon as President Cleveland sulked 10 days and let the Wilson tariff bill become a law without his signature, next day times began to get better. [Applause on the Democratic side.] There is no question about that, and if the Dingley bill had never been passed they would have continued to get better. The Dingley bill may have helped it along; I will not say yes or no to that. But they had prosperity in this country under the Wilson bill, under the Dingley bill, and under the Payne bill; and they had a panic under the Dingley bill. Senator Aldrich is pretty good authority on the Republican side. He is the best-looking Republican that has been in the Capitol since I have been here— 20 years. [Laughter.] He said that the panic of 1907 was the worst that ever struck this country. If anybody doubts the correctness of that statement, let him get the Congressional RECORD and read it. You could not get your own money out

of a bank with a jimmy. [Laughter.] I will tell you of an experience I had: Gen. Grosvenor and I went out on a lecture tour, so called. It was called a lecture tour because we wanted to get the money out of it. [Laughter.] We started out on a two weeks' tour. When I started out I took \$100 or so in my pocket to cover accidents. We went on this lecture tour and got \$150 a night each, and every night regularly we were paid in checks. When we got into Toledo at the end of 10 days I counted up the money I had and I had \$5.45. I said, "General, you will have to lend me money enough to get out of town, providing they do not pay us money to-night. He counted his money up and he had \$5.20. We notified the manager at 10 o'clock in the morning that we wanted our pay in money, and at 10 o'clock at night he paid us each \$75 in money and \$75 in a check, and said that he could not raise \$300 in money in the whole town of Toledo in 12 hours. [Laughter.] That was my personal experience in the Republican panic of 1907. Most assuredly you can not charge that panic up to us. As good luck would have it, we got our money on all the checks.

I want to tell you one thing, and it is one reason I am making these remarks. I heard a doctor say once that if a man would start down town in the morning feeling perfectly well, and every man that he met for five or six blocks would stop him and condole with him as to how badly he looked and inquire of him what was the matter, before he had gone another block he would feel sick sure enough. And that is precisely what these men are doing. [Laughter and applause on the Democratic side.] They propose to get into the newspapers every day, day after day, that the country is going to the dogs and business is going to the deuce; and people that never thought about a panic will begin to study about it. By all right thinking men this will be considered a monstrous and unpardonable performance.

What is the effect of this tariff bill? My kind-hearted friend from Tennessee, Mr. Austin, was talking about the tariff law that put everybody out of business. I went down to the Treasury Department and got the figures for the months of Novem-

ber, 1912, and November, 1913. These are the figures: November, 1912, imports free, \$89,688,024. November, 1913, \$91,468,577.

Now, there is a difference in that month of about \$2,000,000. Does any man in his senses believe that the increase of \$2,000,-000 in imports free of duty in the month of November would create a panic?

Dutiable goods, November, 1912, \$63,406,874; November, 1913, \$56,684,007; total, November, 1912, \$153,094,889; November, 1913, \$148,152,584.

Customs duties, November, 1912, \$25,660,535; November, 1913,

Now, if more goods come in free, the consumers get the benefit. [Applause on the Democratic side.]

I want to give you another experience I had, as a comment on this bill. I have two tailors in this city; one makes my frock coats and cutaways, and the other the sacks. About six or eight months after the Dingley bill got started I went down to one and wanted him to make me a good suit of clothes, and asked him what he would do it for. He stated a price \$10 higher than he made one for me of the same quality two years before. I said, "What are you putting the price up for?" He said, "The Dingley bill."

One day last week I concluded I would negotiate for another good suit, and I called the same tailor up. I asked him if the prices of suits of clothes had gone down recently. He said, "No; just the same as they were." I said, "Does not this tariff bill that we passed enable you to sell clothes cheaper than you did 12 months ago?" and he said, "No."

I will tell you what will happen. As long as they can hold up these old stilted prices they will do it, but some enterprising tailor will come along to this town before those artists know it, and he will sell goods to people at a fair price, and they will say good-by to a good deal of their trade, including my own.

Mr. MANN. The gentleman ought to buy ready-made clothes.

Mr. CLARK of Missouri. The gentleman was talking about soup houses. He says there were no soup houses in 1907. Along in the winter of 1907 I made a speech on the floor of this House and quoted a whole lot of this kind of stuff which he has been quoting here to-day. [Laughter.] Republican soup houses was my theme on that occasion.

Mr. MANN. Was it true? Mr. CLARK of Missouri. It was true. I have no doubt that there are soup houses now. The gentleman from Illinois [Mr. Mann] was talking about this soup house in the city of Washington. I will give you the history of that. There has always been a soup house in the city of Washington. It is a There has good thing there is, too. This municipal soup house in this town was maintained for a good many years by a private charitable association, and a short time ago they turned it over to the United States Government.

Mr. FITZGERALD. Mr. Chairman, will the gentleman yield?

Mr. CLARK of Missouri. Certainly. Mr. FITZGERALD. One of the last acts of the last Republican Congress was to incorporate in an appropriation bill a provision accepting this municipal lodging house for the District of Columbia

Mr. CLARK of Missouri. Of course.

Mr. MANN. We knew what was coming. [Laughter.]
Mr. CLARK of Missouri. But the idea that the gentleman from Illinois tries to convey to the country is erroneous, namely, that under Republican administrations you do not have any soup houses in this town, and under Democratic administra-tions you have one. They have just shifted it over from private ownership to municipal ownership, and that is all there is to it.

If there is any hold up in the business of the country-and it may be that a good deal of prudence is being exercised about it-it is not on account of the tariff bill. The people of the United States are satisfied with that tariff bill. I will tell you an experiment that I tried not long ago. I represent one of the 12 finest agricultural districts in America and I made up my mind that as I could not get home-I was the only one of the whole crowd here that could not-I was going to find out what the opinion was about that tariff bill, and about what this Democratic Congress was doing, and about what the Democratic administration was doing. So I wrote out a sentence something like this, that on account of the extra session I had not been able to get home since the 13th day of November a year ago, and "I want you to take 30 minutes off, or an hour, and write me a letter and tell me what your acquaintances think of the Democratic Congress and the Democratic administra-I sent that to Democrats and Republicans. I have received about 150 letters in reply, some from Republicans, but most of them, of course, from Democrats, and with one exception those letters indorsed the Democratic Congress and the Democratic administration that passed the Democratic tariff bill. One disgruntled brother said that the whole crowd were a lot of damn fools. [Prolonged laughter.] There is a college professor in my district who happens to be a Democrat, though the college is in one of the very strong Republican counties, but they always vote for me. He replied to my letter that the people in that part of the State were absolutely satisfied with the tariff bill—all the Democrats and nearly all Republicans.

Mr. Chairman, if this currency bill that we passed in the House had been passed by the Senate in two weeks, neither the gentleman from Illinois, Mr. Mann, nor Mr. Root, nor Mr. Hadley, nor Mr. Cannon, nor Mr. Hilles would have dared to make the kind of speech the gentleman from Illinois has made here to-day. [Applause on the Democratic side.] I am not criticizing the Senate. There ought to be some place in this Capitol where you can have a thing talked out, but here is the situation about that. It is the uncertainty which hurts. Bankers do not like to lend their money out until they know what the bill is going to be, and if the Senate will pass the bill substantially as it passed the House, it will be the most popular banking bill ever passed in the United States.

There are two men from whom I always get information. Of course I manage to get information from almost everyone I run across, but there are two men to whom I never talk when they come to see me-I simply ask them questions. They are reservoirs of information. One of them is Mr. James J. Hill, the great empire builder of the Northwest, and the other is the Rev. Dr. John T. M. Johnson, a Baptist preacher out in Kansas City, who has had sense enough to make three or four million dollars. I talked to Mr. Hill last week-that is, he talked to me. He talked for over an hour, and he said that he does not believe there is going to be any panic in this country. [Applause on the Democratic side.] He said the banks were going slow until this banking bill was passed—until they knew where they were going to land.

I believe that the currency bill will be as popular as the tariff bill. [Applause on the Democratic side.] Dr. Johnson told me this, and I will give it to you; I have stated it here once in the caucus, and I will state it now so it will get into print. He said that the good points of that bill were that, so far as

human power could fix it, it kept all the money in this country from drifting into New York City. [Applause on the Democratic side.] Now, according to this Washington paper Mr. PAGE of North Carolina was reading, we western Members do not know anything because we never saw a big town. The doctor said that, as far as human ingenuity can control it, it broke up gambling on the stock exchanges; and the country people of this country are in favor of that proposition. [Applause on the Democratic side.] He said, in addition to that, it rigged up a scheme whereby the farmers could get loans at the national banks on farming lands, the best security for the money known among men. [Applause on the Democratic side.] He said, in addition to that, that it would increase the currency of the country and that it needed increasing. I knew there was a sort of scarcity of money in this country, because the rates of interest showed it, but I did not know it was world-wide. He says it is; that the interest rates have risen in France from 31 to 41 and 5 per the interest rates have risen in France from 3½ to 4½ and 5 per cent; in Germany from 4 and 4½ to 5 and 5½ per cent; and the same way in England, practically. I read a statement in the paper the other day that took my breath away. I knew, in a general way, that the East Indians, for some unaccountable reason, had been hoarding gold for a long time. That piece I read stated that last year they got hold of \$327,000,000 of gold. in bar gold and English coin, and it disappeared like the earth had swallowed it up.

Now, let us see another thing about this hard-times business In the last few years Canada and the British possessions could get all the money they wanted from Great Britain by asking for it and putting up any reasonable security. The upshot of it is they overbuilded themselves in the Canadian Northwest, and all of a sudden England closed down on them and they can and an of a state ringiand closed down on the day of the people in the British Northwest possessions that up there the other day at Victoria they passed some kind of a regulation—I do not know who had the authority to do it, but they did do it—that for the next four months no sort of immigrant artisan or methods and that the province. So it seems the gauge chanic could get into that Province. So it seems the cause which has operated in this country has operated there. Now next Monday or Tuesday we are going to pass this currency bill. [Applause on the Democratic side.] And unless there are some very contrary Members around here I think we will pass it Saturday night. [Applause on the Democratic side.] The very minute that bill becomes a law the banks will open up, people can get money to carry on the business of the country, and the country will blossom like a rose under these Democratic bills. [Applause on the Democratic side.] It would be very strange, indeed, if a man went out with a telescope and could not find a spot on the sun, but notwithstanding the sun goes on and warms and fructifies and lights the world.

Mr. MADDEN. Will the gentleman yield for a question? Mr. CLARK of Missouri. Certainly.

Mr. MADDEN. I think the gentleman made the statement that the banks had hoarded money and refused to extend loans.

Mr. CLARK of Missouri. What banks?

Mr. MADDEN. The banks of the country, and that was the reason for the conditions we find there. The records of the Comptroller of the Currency show that instead of making loans on a basis of 8 to 1 of cash in the vaults, since these condi-tions have arisen while this currency bill was under considera-tion they have increased their loans from 1 to 8 to 1 to 12, and have increased their loans by a hundred million dollars above what they have the right to do under their reserve laws.

And if that information was given to the public, as it is in the possession of the Secretary of the Treasury, a totally different situation would be shown than that shown by the state-

ment of the Speaker.

Mr. CLARK of Missouri. Let me ask the gentleman while he is up, if that is true, how does the gentleman from Illinois get any foundation for his claim that the business of the country is bad?

Mr. MADDEN. All I know are the facts, and these facts are in the possession of the Secretary of the Treasury and can be made public. It is known to every business man in the United States who has any knowledge of the situation.

Mr. MANN. Does the Speaker think because people owe a

great deal of money that they are prosperous?

Mr. CLARK of Missouri. No; I do not think that; but everybody, including the gentleman, knows that if the people can get money enough with which to carry on their business they will carry it on to the fullest extent. If they can not get money from the banks with which to carry on their business, they must curtail the volume of business.

Mr. MANN. If the Speaker will permit, what they need

now is not money so much as orders for goods.

Mr. CLARK of Missouri. One of the biggest cement plants on the face of the earth is in my district, is running full blast, and the other day it electrified itself from that great dam up there at Keokuk, and it works 2,400 men in three eight-hour shifts.

The OHAIRMAN. The time of the gentleman from Missouri

has expired.

Mr. CLARK of Missouri. I am sorry my time is up, but, nevertheless and notwithstanding, I have said about what I wanted to say, anyhow [applause on the Democratic side], except one other fact, which I will state, if the House will bear with me.

Mr. MANN. I am perfectly willing to ask unanimous con-sent that the Speaker may proceed for five minutes, although the House was discourteous enough to me not to let me have the

time I wanted.

Mr. CLARK of Missouri. Well, I will not take it. [Applause on the Democratic side.1

Mr. Chairman, I ask unanimous consent to print a part of an editorial on this same subject, from the St. Louis Republic, and revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection? [After a pause.] The

Chair hears none.

Mr. CLARK of Missouri. Mr. Chairman, in a very able editorial on this subject recently the St. Louis Republic said:

editorial on this subject recently the St. Louis Republic said:

A deliberate attempt is being made by Republican leaders to bring on financial depression, without regard to the danger to the commercial community and the possibility of panic, with the express purpose of discrediting the Democracy and so restoring the Republican Party to power. These rule-or-ruin marplots do not care what happens to the country. They are striving, with ELIHU ROOT at their head, to kill the pending currency bill by statements concerning it which are financial nonsense. They are striving, with Uncle Joe Cannon at their head, to depress business by wild tales about the decline of values of property in the West. They are striving, under such leaders as Herbert Hadley, to disseminate lies about the new tariff and its effects. What answer will American courage and American common sense make to tactics at once so cowardly, so treacherous, so perilous—and so characteristic?

Mr. MANN, Mr. Chairman, I ask unanimous consent to print an editorial from the New York American and the Chicago Tribune on the same subject.

The CHAIRMAN. Is there objection? [After a pause.]

The Chair hears none.

Mr. DAVIS. Mr. Chairman, I desire to incorporate as a part of my speech some of the hearings before the subcommittee, particularly a portion of the testimony of Mr. Noves and Judge

The CHAIRMAN. Is there objection? [After a pause.] The

Chair hears none.

All time has expired, and the Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the half of the following sums named, respectively, is hereby appropriated, out of any money in the Treasury not otherwise appropriated, and the other half out of the revenues of the District of Columbia, in full for the purposes following, being for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1915, namely:

Mr. CRISP. Mr. Chairman, I move to strike out the last word.

Mr. PAGE of North Carolina. Mr. Chairman, I ask unani-mous consent that the gentleman from Georgia may proceed for 10 minutes.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that the gentleman from Georgia may be allowed to proceed for 10 minutes. Is there objection?

Mr. MANN. Reserving the right to object, what is the request?

Mr. PAGE of North Carolina. He moved to strike out the last word.

Mr. MANN. Reserving the right to object, may I ask the gentleman from Alabama [Mr. Underwood] a question?
Mr. PAGE of North Carolina. Yes, sir.

Mr. MANN. In view of the statement made by the Speaker, for the information of the House, I would like to ask the gentleman from Alabama [Mr. Underwood] what are the apparent prospects in reference to the currency bill?

Mr. UNDERWOOD. The information that I get from the Senate indicates that the probabilities are that the bill will

reach a final vote this week.

Mr. MANN. They have agreed in the Senate to take a final vote before they adjourn to-morrow night. Assuming that it passes the Senate some time Friday night or Saturday morning, does the gentleman have any information about how long it is liable to take in conference?

Mr. UNDERWOOD. I do not speak by the card, but the information I receive is that there are some points of serious disagreement between the two Houses, but not many. I am inclined to believe and to agree with the Speaker that on Monday or Tuesday the conferees will be able to get together.

I hope so and I believe so, and if they do, I intend to offer a resolution for a recess until Monday, the 12th day of January.

Mr. MANN. How long will that be?

Mr. UNDERWOOD. A little over two weeks?

Mr. MANN. It would be three weeks lacking a day. Does

the gentleman think that is necessary?

Mr. UNDERWOOD. No; I do not think it is necessary for other purposes. The House has been in session for a year, and the Senate has been in continuous session since early last summer. A good many gentlemen say to me that they would like to go home to attend to their business—gentlemen that have not been home this year.

Mr. MANN. I think there are only four on that side who

have not been home. [Laughter.]
Mr. UNDERWOOD. There are a great many in the Senate who have not been home.

Mr. FITZGERALD. There are not that many on that side of

[Laughter.] the House.

Mr. MANN. I was wondering whether, in view of the haste with the appropriation bills, it was desirable to take so long a

Mr. UNDERWOOD. Of course, if the proposition does not meet with the desire of Members on this side of the House, I do not care to have any contest about it. While it is usual to take a holiday for two weeks, I imagine that we will not be able to adjourn until the day before Christmas. Of course we would take Christmas day anyhow. That is Thursday. Now, if we should recess until the 12th of January, we would take only two legislative days in addition to the usual two weeks' That is what it would amount to. holiday. That is what it would amount to. Mr. MANN. The 12th of January is what day?

Mr. UNDERWOOD. What is that? Mr. MANN. The 12th is Monday?

Mr. UNDERWOOD. The 12th is Monday.

Mr. MANN. Of course there would not be any quorum here

Mr. UNDERWOOD. I do not know why there should not be.

There never has been.

Mr. UNDERWOOD. We might transact business without it.

Mr. MANN. That might be.

Mr. UNDERWOOD. I am inclined to think that the House is entitled to a two weeks' holiday, and that the difference between the usual two weeks for Christmas and the recess proposed would be about three days' additional time.

Mr. MANN. Everybody here is asking these questions, so that the gentleman will pardon me for asking them. Assuming that we get through the District appropriation bill before the conference report on the currency bill is disposed of, is there an expectation of taking up any other important matter?

Mr. UNDERWOOD. I think we ought to push the appropriation bills as fast as we can, but I think it is probable that this bill will take until Saturday, and there probably will not be much time for other bills, but if they are here they ought to be disposed of.

Mr. MANN. I suppose there will not be other appropriation

bills in here, but I do not know.

Mr. UNDERWOOD. I think the appropriation bills ought to be pushed as fast as possible, I will say to the gentleman

Mr. MANN. That is the reason why I think it would not be desirable to take such a long recess as the gentleman suggests.

Mr. UNDERWOOD. I am inclined to think that the recess will not delay the appropriation bills, but, on the contrary, expedite them. So far as I am personally concerned, I am stating only my own view in regard to the matter. My disposition would be to offer a resolution for a recess until January 12, but if I find that there is serious objection among the Members of the House on either side, because this is not a party mat-

Mr. MANN. I think if the gentleman will come to a conclu-

sion about it, it will be accepted by the House.

Mr. UNDERWOOD. If there is any serious objection to taking that long a recess I will be glad if the Members would let me know, and I will be willing to cut it down. But I take it we should recess until that time on account of the long session we have had all summer. A number of Senators have stated to me that they would like to have a three weeks' recess.

Mr. MANN. I will say frankly to the gentleman that the Senate did take a virtual recess part of the time. I have been here practically all the summer, notwithstanding the times I have been away. I would really like to be home some time next

Mr. SHERLEY. What's your hurry? [Laughter.] Mr. FITZGERALD. Perhaps the gentleman had better be. [Laughter.]

Mr. MANN. Oh, I am not in the fix that the gentleman is in. have been reelected before and can be again. [Laughter.]

Mr. UNDERWOOD. I will say to the gentleman from Illinois that I think, if the House will promptly take up and pass the appropriation bills without undue delay after the 1st of January, there is no reason why this House can not reach an adjournment by the 1st of June, and I would like very much to see it done.

e it done. [Applause.] Mr. MANN. The gentleman from Alabama must know that it will be impossible for Congress at a long session, just after a tariff bill has been enacted and just after a currency bill has been enacted, to remain in session without the allowance of some partisan debate-a privilege we never denied to that side of the House when we were in the majority, and which for the

first time was denied to me to-day.

Mr. UNDERWOOD. I recognize that fact, I will say to the gentleman from Illinois; but there may be reasonable political debate and also a fair opportunity to adjourn before the 1st of June if we are willing to drive business when we are not de-

Mr. MANN. If we keep our noses to the grindstone, and I am willing to do that. That is the reason I question whether the gentleman would want to take so long a rest.

Mr. UNDERWOOD. I ask the gentleman candidly, Does he really think it seriously matters whether we take three days more than two weeks or the usual two weeks' holiday?

Mr. MANN. Frankly, I will say to the gentleman, I can see no reason why we should not meet here about the 3d or 4th of January. We have usually met on about Thursday, and I think we might go ahead with our business without interfering with the Senate at all. I think the Senators are entitled to a rest, but that is easily arranged in the Senate. And yet I am not tenacious about my opinion.

Mr. UNDERWOOD. As I said before, I will say to the gentleman from Illinois, if there is any serious objection on this side of the House, or on that side, as far as that is concernedbecause, as I say, I do not apprehend that it is a party question, but is a question of the convenience of the Members on both sides—I will not press the request. I shall be glad to hear if any considerable number of the membership of the House think that a recess until January 12 is too long.

Mr. MANN. I think that would depend largely upon the condition of the appropriation bills. If they are ready to be brought in, so that the House can proceed with them, without waiting for them to come in, it seems to me it would be de-

sirable to go on.

The CHAIRMAN. Is there objection to the request that the gentleman from Georgia [Mr. CRISP] be allowed to proceed for 10 minutes.

There was no objection.

The CHAIRMAN. The gentleman from Georgia [Mr. CRISP]

is recognized for 10 minutes. [Applause.]

Mr. CRISP. Mr. Chairman and gentlemen of the House of Representatives, I thank you for the courtesy extended to me of permitting me to address you for 10 minutes, but I doubt if I shall inflict myself upon you that long. I have never in my life sought publicity or to be in the limelight, but for the last few days I have had more of it than I ever had in my life before. I have no criticism or complaint to make of anything the local papers have said or may say about me. Neither can anything they say about me deter me from performing a duty I conscientiously believe I owe to the people of the United States. [Applause.]

Mr. Chairman, I had intended to offer an amendment to this appropriation bill providing for the repeal of the act of June, 1878, authorizing the United States to contribute half the expenses of the District government, because I believe that law to be unjust. I knew that when I offered such an amendment a point of order would be lodged against it, but I thought then and I think now that I could prepare such an amendment as would bring it within the purview of the Holman rule, and that it would be in order; but I could not attach to that amendment legislation that I think should logically and rightly follow the repeal of the act of June, 1878.

I stated that I should offer such an amendment, and I intended to do so, to bring up this issue-whether the people of the United States should longer be required to bear half the

burden of the government of a tract of land 10 miles square. Since I made that statement the Committee on the District of Columbia yesterday reported favorably the bill that I had introduced, providing for the repeal of this law, and that bill is now upon the calendar of the House; and under the rules of the House, on the second and fourth Mondays of each month it is in order for the District of Columbia Committee to call up legislation, and the bill can come up before the House for con-

Gentlemen, I am not acting for buncombe, I am not acting for home consumption; I am acting to right a wrong that I think I am a practical man, and I want to pursue the course that I think best to accomplish the end desired.

I realize that if I attempt to legislate on this appropriation I shall meet with the opposition of the Committee on Appropriations, some of whom are friendly to my bill, and I will also incur the opposition of many Members of this House who do not believe in legislating on an appropriation bill.

I realize further, Mr. Chairman, that under the laws now existing, under the low tax rate and low assessment prevailing in the District of Columbia, intangible personal property being free from all taxation, only \$7,000,000 were raised for the management of the affairs of the District this year, and that the amount carried by the bill is \$11,300,000, and that if an amendment was adopted to this bill repealing the act of 1878 and not providing any other revenue to meet this deficit, it might cause chaos, and it would necessitate the rereferring of this bill to the Committee on Appropriations to bring in a bill appropriating \$7,000,000. For these reasons I believe that it will be wiser to take up the bill as an independent, substantive proposition as to whether the United States Treasury ought to pay half the expenses of operating the District of Columbia, and that it will receive more support than it would if I attempted to attach it as a rider on this appropriation bill.

I believe the merits of the measure proposed by me are so strong that the Members of this House, irrespective of party for there is no partisanship in the matter-will consider it, and upon consideration will adopt the law repealing this half-andhalf plan.

Mr. Speaker, as far as I am personally concerned, I believe in local self-government, and I believe the people of the District are entitled to local self-government, and I will say to some of the new Members of the House that it is no new proposition.

From 1802 to 1871 the affairs of the District of Columbia were managed by a mayor and council, a legislature elected by the inhabitants of this city; and the Supreme Court of the United States, speaking of it, says:

This general review of the form of government which prevailed in the District of Columbia and city of Washington prior to 1871 is sufficient to show that it was strictly municipal in its character, and that the Government of the United States, except so far as the protection of its own public buildings and property was concerned, took no part in the local government, any more than any State government interferes with the municipal administration of its cities. The officers of the departments, even the President himself, exercised no local authority in city affairs. It is true, in consequence of the large property interests of the United States in Washington, in the public parks and buildings, the Government always made some contribution to the finances of the city, but the residue was raised by taxing the inhabitants of the city and District, just as the inhabitants of all municipal bodies are taxed.

Mr. Chairman, I have never contended that I wanted the Government of the United States to be a burden to the District of Columbia, neither do I want the District of Columbia to be a burden upon the taxpayers of the United States. I recognize that the Government of the United States has property here, that the Government receives services from the city in the way of sewerage and paving, and I would have the Government bear its legitimate part of the expenses, but I know that paying one-half of the expense is absolutely inequitable, and I am opposed to it.

Now, I have not in the bill introduced proposed any plan to remedy that, because in my judgment the issue must be fought out on the cardinal issue as to whether the act of 1878 shall be repealed. But it is my purpose, if the act of 1878 shall be repealed, to do what was done in 1874, when the present form of government was organized.

From 1802 to 1871 we had a local municipal government. In 1874 Congress passed a law providing a general commission, composed of Senators and Members of this House, who reported form of government for the management of the District of Columbia, and that report was made and adopted in 1874, and it is in the main, with certain amendments, the law that is in force now as to the regulation of the District of Columbia.

It is my purpose when this bill comes up on its merits, when the whole subject will be before you for consideration and amendments be in order, to amend it. The bill as reported from the Committee on the District of Columbia provides that it shall not go into effect until 1916, giving another fiscal year during which Congress can pass a law making intangible property, such as stocks, bonds, mortgages, and also jewelry and articles of adornment liable for taxes, so the District can raise revenue enough to run the government without being a burden upon the property owners.

It is my purpose, if my bill is passed, to offer a resolution providing for the appointment of a joint committee, consisting of Members of this House and the Senate, to report as to what form of government shall be in operation in the District, and report what amount, if any, the Government of the United States, in equity, shall contribute annually to the support of the government of the District of Columbia on account of property owned here and services received from the District.

The CHAIRMAN. The time of the gentleman from Georgia

has expired.

Mr. BORLAND. Mr. Chairman, I move to strike out the last two words. I did not take any time in general debate on this bill, because they wanted to limit it and expedite the business. This bill was drawn on the half-and-half principle, as it shows on its face. I hope that before another bill is drawn that principle will have been abrogated and we shall have a working law by which the District of Columbia shall contribute toward its own maintenance—the maintenance of its own governmentin a fair proportion, as other municipalities contribute, and the

balance required to be contributed out of the National Treasury. I want to say now that the claim that this proposal is aimed at the property owner, or small property owner, or the average citizen of the District of Columbia is a mistake and a palpable error on the face of it. The law now fixes the tax rate in the District of Columbia at 15 mills. That 15 mills tax and the general excise tax in the District raises about \$7,000,000 revenue. That 15 mills covers all that the citizen of the District contributes for what amounts to city, State, county, school district, and special-assessment tax. I undertake to say that there is hardly a city in the United States that does not contribute from 15 to 20 mills for city purposes alone, and outside of that they have the taxes for school district, tax for special improvements which are never included, and in addition to which there are the county and State tax, in all amounting to over 30 or 35 mills in the average municipality of the size of Washington. So there is no overtaxation in the District of Columbia, and that this can fall on the small property owner is a mistake.

The limit of taxation, 15 mills, is raised on the owner of the small home and the tangible property—the man who has a team or a wagon, a stock of goods on his shelves-whereas all the great wealth represented by stocks and bonds and investments of that kind go untaxed.

If we were to tax the untaxed wealth of the District of Columbia, instead of raising \$7,000,000 from the poor property owners, we would raise \$12,000,000, the other \$5,000,000 from the property holders who come here and bring their intangible wealth for the purpose of escaping taxation in the States back home, where they ought to stay. And right here in this paper, the Washington Times, of the issue of this evening, there is made what is evidently a slip of the pen. It says that the Washington real estate men look to the Senate and the President to check the onslaughts on the District. The Washington real estate men! That is a slip of the tongue; but it tells the true story as to who is fighting this reform. There is no onslaught on the property owners in the District of Columbia. I hope, without raising a dollar of additional revenue from any man who pays his dollar and a half tax on his little home or stock of goods, that by abolishing this iniquitous half-and-half principle, which has prevented a just reform in the District of Columbia, we shall be able to reach a vast amount of untaxed wealth that has come here from all over the Union, from your State and from mine, for the express purpose of escaping taxation back home, which remains untaxed here. We shall tax that, not only for the benefit of the average citizen of the Dis-We shall tax trict, but for the benefit of the National Capital and the people of the United States. When that time comes about no man need have fear but that a gathering of the representatives of the American people will do ample and liberal justice to the National Capital by contributing out of the Federal Treasury what is necessary to make up a higher form of government than the District itself could support on its ordinary revenues.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. SMITH of Minnesota. Mr. Chairman, I can not see just what bearing the remarks of the gentleman from Georgia [Mr. CRISP] and the remarks of the gentleman from Missouri BORLAND] have on the bill now under consideration, unless they be for the purpose of embarrassing those who feel that the District should have sufficient revenue to carry on its affairs. If the amendment which was suggested by the gentleman from Georgia were proposed, then I could understand why such a discussion would be in order, but in the absence of that suggested amendment to this bill it seems to me that the discussion has been wide of the mark.

I am not satisfied that the half-and-half principle is the best that can be devised for the District of Columbia and the National Government. If a change ought to be made, it should be one that is just and fair both to the United States and to the

District of Columbia.

The suggested amendment strikes down the half-and-half principle without offering a substitute. The District of Columbia has no voice in its own government, and the proposed amendment does not extend to its people any voice in the running of the District government; but it proposes to tax the citizens of this District, not only for the purpose of carrying on their own municipal affairs, but also for protecting and improving the property of the National Government, and in addition thereto turning over any surplus there may be to the National

Have we forgotten the remonstrances against the stamp act, the Boston tea party, and the other events which happened as a result of the belief that taxation without representation

is tyranny?

Mr. CALLAWAY. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Minnesota. Certainly.

Mr. CALLAWAY. As I understand the gentleman's line of argument, it is that these people having no representation in this Government are unjustly taxed. If that be the truth, we are doing them a great injustice to require them to pay half of the expenses of the Government, and following that line of argument we ought not to require them to pay any of this expenditure at all, but the Federal Government, because they have no vote in their own Government, should pay it all. Is that the position of the gentleman?

Mr. SMITH of Minnesota. If that position which the gentleman states suggests a wrong, I would say that half a wrong is

not as great as a whole wrong.

Mr. CALLAWAY. The gentleman would not contend for a minute that the Federal Government ought not to do a complete right for the District?

Mr. SMITH of Minnesota. Not at all.

Mr. CALLAWAY. Then, if it is half a wrong to require them to pay half the expenses, the gentleman suggests that we remove that entirely and that the Government pay it all?

Mr. SMITH of Minnesota. I am suggesting nothing except

that there has been drawn into this discussion an unwarranted proposition that is foreign to it and has nothing to do with it, and as I proceed with my remarks I think the gentleman will ascertain my views in reference to this particular subject. do not want to be put in a false attitude, and I do not think any Member here does. It must not be forgotten that the District of Columbia is a part of the United States.

While under the present system the District is governed by the National Government, the United States assumes one-half of the expenses. Under the proposed system the government of the District is to remain in the United States, but the District is to bear the whole burden of the expense of the municipal government, while the United States is to be entirely exempt, though its property, benefited by municipal improvements, streets, sidewalks, lights, maintenance, and upkeep of parks, squares, and other accessories established by the National Gov-

ernment, is worth hundreds of millions of dollars.

The more property there is in any city exempt from taxation the greater are the burdens upon the taxpaying portion of its citizens. What city in the United States of the size of Washington would stand for a proposition which would exempt from taxation as many million dollars' worth of property as is owned by the National Government in this city, and which by the suggested amendment it is proposed to exempt entirely from the payment of its proportional share? Half and half may not be the right proportion, but let us ascertain what is the right pro-Let us not go at it blindly and arbitrarily, as this portion. amendment does.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. SMITH of Minnesota. Mr. Chairman, I ask unanimous consent to proceed for two ininutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SMITH of Minnesota. When there is a measure brought before Congress that does away with the half-and-half proposition and at the same time offers a substitute that will do fustice to the citizens of Washington, who have no voice in this legislation, I will vote for it, and when there is brought before this House a bill that will spread upon the tax books of this city the millions of dollars of personal property now untaxed I will also vote for that.

But I am unwilling to place these burdens upon the smallsalaried Government clerk, who has no personal property and who is struggling along trying to pay for a home.

Mr. CALLAWAY. Mr. Chairman, I desire to ask the gentleman a question. The gentleman's statement was that the burden of taxation would fall on the Government clerks who had no property. I can not understand how that can possibly be, except in a poll tax, and I can not think that there has been any proposition to diminish or decrease any poll tax. I am just informed there is no poll tax levied in this city. If there is no poll tax, how could the raising or the lowering of a tax affect the poor Government clerks who have not been able, out of their meager salaries, to save anything?

Mr. SMITH of Minnesota. I spoke of the Government clerks who have no personal property but who are struggling along trying to pay for a home. If you strike down the half-and-half proposition under the present conditions and do not substitute something to take its place, and the personal property, or most of it, escapes taxation, as it does, then the great burden of the increase in the tax will be placed on the Government clerks who

have bought small homes in Washington.

Mr. JOHNSON of Kentucky. Mr. Chairman, I move to strike out the last word. Mr. Chairman, a misstatement can be made so often that if it is left unchallenged people may finally accept the statement as true. There has been a misstatement many, many times during the last day or two, and it has been made here to-day, that under the bill which the District Committee reported to this House yesterday, and commonly known as the Crisp bill, that it strikes out the half-and-half principle and leaves nothing in lieu of it. There was never a greater mistake than that. The bill strikes out the half-and-half part of the organic act and then leaves the District government standing just as it is, with the power to levy taxes upon property in the District of Columbia and getting nothing from the United States. It leaves every power, taxing and otherwise, to stand just as it is now, except that it places the whole burden upon the District government and none upon the Federal Government. I want to say that much to challenge the statement in its early life, so that people may not believe hereafter that it is true.

Mr. SIMS. Mr. Chairman, I desire to speak in opposition to

the Borland amendment.

Mr. MANN. I want to ask if anybody on the other side of the proposition-

Mr. SIMS. I am speaking in opposition to the motion.

Mr. PAGE of North Carolina. May I inquire of the gentleman what is the motion?

Mr. SIMS. To strike out the last two words. Mr. MANN. I wondered if anybody in favor of the half-and-

half plan will have a chance to speak?

Mr. SIMS. Mr. Chairman, the gentleman from Georgia and the gentleman from Missouri are a little bit radical and extravagant in their opinions of reform. They want to tax all the intangible personal property of people now here or who may come here hereafter. Now, do not these gentlemen think it wrong after having had here all these years no tax on stocks, bonds, mortgages, and money; having thus induced many citizens, in their great desire to take advantage of a national tax exemption over State requirements, to leave their own States, where such property is taxed, and come here? Now, these gentlemen desire to modify, to change the law, after these parties have been induced to come here. induced to come here in order to evade those taxes? many men have come here, and out of the taxes they have thus evaded by leaving their own States are enabled to live here on the difference in the taxes they pay here and what they had to pay in their States. Now, these gentlemen want to stop that sort of thing! The idea that these gentlemen do not know and do not realize that charity becomes a vested right! want to overturn and destroy this thing. Now, all the millionaires who come here, or most of them, own railroad stocks and bonds, bank stocks and bonds, trust stocks and bonds. Now, tax these things and there will be no inducement for them to leave the States and cities in which they formerly resided and come here. I am surprised that these gentlemen want to prevent further immigration to this city of men who are able to pay large prices for land and houses, for servants, for automobiles, the cost of which is not coming out of their pockets, because they save that amount by dodging the State taxes, by coming to this city, the only haven we have in the United States where a man can come and save the payment of all taxes on such property. It is true that finally we have got an income tax, by which part of their earnings on such property may be taken. Do not ruthlessly destroy all this favoritism all at once.

Mr. McKENZIE. Will the gentleman yield for a question? Mr. SIMS. Certainly.

Mr. McKENZIE. I would like to ask the gentleman whether, if we adopt the amendment offered by the gentleman from Georgia or pass the bill that he has introduced, it will cure this

matter of unjust taxes in the District of Columbia?

Mr. SIMS. Oh, the gentleman and myself are on the same side; we are in favor of the millionaires. There is nothing for me to answer. I am opposing this discrimination. Why change These men would not come here if such property is to be taxed. Besides, let me ask my friends, who are in favor of this, what do you gain by it?

Under the theory that only half the burdens of the District shall be collected out of the District, what difference does it make, when you can only collect half, as to who pays it and what the rate is? Those who are taxed are the only ones who are interested, on the theory that is advocated here by some of the Members that only half the bills must be paid by the District taxpayers, and that Congress must appropriate a sum equal to the tax collected in the District, and must spend it all here. So you can have an ever-decreasing tax rate with an ever-increasing gross amount to spend in the District, and at the same time have the unrepealable, unamendable Constitution of 1878 saying that Congress is no longer at liberty to appropriate its own moneys as its judgment may indicate, but must by compulsion appropriate a sum out of the funds of the General Government equal to the amount of the taxes realized, whether we need the projects appropriated for or not.

Go on with your radicalism. Destroy this haven of the tax dodger and there will be no inducement for millionaires to come here hereafter. You will no longer have these citizens here to be proud of; no longer will you be able to see their costly automobiles, read about their great houses, which you will never enter unless you happen to be a friendly lawmaker and can be relied on to do something in favor of these self-sacrificing citizens who come here to avoid the duties and responsibilities of citizenship in the States, where they have accumulated their unearned millions. Tax these creatures? Perish the thought.

The CHAIRMAN. The gentleman from Illinois [Mr. Mann]

Mr. MANN. Mr. Chairman, if you consider the philosophy I suppose it is perfectly natural that the other side of the House, which ever since I have been in Congress-at least, until they became a majority-were trying to oppose and tear down things, should by the law of inertia continue in that direction after they have come in authority. I have not heard in more than two years any constructive propositions relating to the District of Columbia, but have heard propositions to destroy something which exists. There has been nothing in the way of something which exists. constructive legislation.

Now, for myself, I am proud of the Capital at Washington. I believe we have not only a great country, but that the people of the country are proud of Washington. I do not believe the people are in any opposition at all toward contributing the amount they have contributed toward the maintenance of the Government in this city and in this District. The half-and-half propositions are perfectly satisfactory to me, and, in my judgment, perfectly satisfactory to not only my constituents but to all the constituents throughout the country. In the last Con-

gress this House

Mr. JOHNSON of Kentucky. Will the gentleman yield to me, Mr. Chairman?

Mr. MANN. If I have the time, I will be glad to yield.

Mr. JOHNSON of Kentucky. I would like to ask him if he knows whether or not the half-and-half principles are entirely satisfactory to the Leiters, who moved from Chicago to Washington to avoid the payment of taxes?

Mr. MANN. I apprehend they did not move to Washington in order to avoid the payment of taxes. I do not know any-

thing about that, and neither does the gentleman.
Mr. JOHNSON of Kentucky. I was inquiring.

Mr. MANN. No; the gentleman was seeking to cast an insinuation, and that is the principal part of what he is doing all the time, casting an insinuation against somebody, and so he refers to the Leiters. Mr. Leiter has been dead for a number of

years, and Mrs. Leiter died but recently.

Mr. JOHNSON of Kentucky. I would like to interject the remark that the gentleman from Illinois can give cards and spades to anyone in this country in casting reflections.

Mr. MANN. If I can anywhere equal the gentleman from Kentucky [Mr. Johnson], I am a prince at the business.

Mr. Chairman, we can afford to maintain the Capital in good order. The committee presided over by the gentleman from Kentucky [Mr. Johnson] now proposes to put the burden of maintaining the District of Columbia entirely upon the local property, without even any reduction because of the great

governmental functions carried on in Washington. This is not an industrial city. I hope it never will be. It is a residential city on the one side, and with governmental activities on the other. In every other large city there are a great many industries, manufacturing establishments, and factories, which go to pay taxes. Here the principal manufacturing establishment is one maintained by the Government, which is the Government Printing Office. Other manufacturing establishments are maintained by the Government, but none of them pay taxes. And we require, and ought to require, better streets in Washington than would be needed in a town that is not the Capital of the

We require greater beauty here than we do in an industrial center. I do not believe any visitor comes to Washington for the first time without his visit increasing the patriotism of that visitor if an American, or without its increasing the respect and admiration for this country of the visitor if a foreigner. I am glad of it. I would maintain a city here which, when people came to visit it, would make them proud of their country, as

we all wish to be proud of our country.

Now, gentlemen are worrying for fear their constituents will pay some of the taxes. Why, in the last Congress this House passed a good roads bill, and it will pass another one in this Congress, the bill in the last Congress taking, I think, in the neighborhood of \$20,000,000, not a dollar of which was to be expended either in my district or in the city which I in part represent; and although we have a city with a population fully as large as the population of the entire State of Kentucky or of Georgia, they proposed to take the money which we contribute. We did not object. I voted for the bill. I have no objection to spending some money there, while you are terribly afraid to spend in Washington a little money which you may have contributed. [Applause. The CHAIRMAN. [Applause.]

The time of the gentleman from Illinois

has expired. The Clerk will read. The Clerk read as follows:

For transportation, means of transportation, and maintenance of means of transportation, \$1,000.

Mr. FOWLER. Mr. Chairman, I reserve a point of order against this paragraph. I desire to ask the gentleman in charge of the bill if this is not a new piece of legislation?

Mr. PAGE of North Carolina. No, sir. This provision, exactly as it is, is carried in the current bill. There is absolutely no change, either in the language or the amount of the appropriation.

Mr. FOWLER. Was this carried in the appropriation bill of

last year?

Mr. PAGE of North Carolina. It is carried in the appropria-tion bill of this year in exactly the same language and in exactly the same amount. On the top of page 2, as it is printed in this form in the current law, the gentleman will find this item:

For transportation, means of transportation, and maintenance of means of transportation, \$1,000.

Mr. FOWLER. That is true, Mr. Chairman. In my investigation I had overlooked it. I withdraw my point of order.

The CHAIRMAN. The point of order is withdrawn. Clerk will read.

The Clerk read as follows:

Excise board: Three members of excise board, at \$2,400 each; clerk, \$1,500; inspector, \$1,500; messenger, \$600; hire of means of transportation, \$1,000; in all, \$11,800.

Mr. FOWLER. Mr. Chairman, I reserve a point of order against the last paragraph.

The CHAIRMAN. The gentleman from Illinois [Mr. FOWLER]

reserves a point of order against this paragraph.

Mr. FOWLER. I desire to inquire of the gentleman in charge the provision for the three members of the excise board at \$2,400 each is not new legislation?

Mr. PAGE of North Carolina. No, sir. They were authorized in the last appropriation bill in an amendment put on in the Senate creating the excise board, and their salaries were fixed and the employment that they were to perform was fixed in the law creating the excise board, in the last District appropriation bill.

I discover in the last bill that you provided Mr. FOWLER. an excise board chief clerk, \$2,000; clerk, 1 at \$1,200 and 1 at \$1,000; messenger, \$600; in all, \$4,500. I see no provision there whatever for the three members of the excise board, and in examining it—not as carefully as I desired—I did not find

any provision for the three members of the excise board.

Mr. PAGE of North Carolina. The members were provided for and their salaries were provided for in the provision creating the board carried in the last bill.

Mr. MANN. A lump sum.

The CHAIRMAN. If the gentleman will permit, the Chair will call his attention to page 123 of the appropriation bill, section 9, paragraph 2, in which this provision is made of \$2,400 a year for these commissioners.

Mr. FOWLER. I would like also to inquire about the hiring

of means of transportation, \$1,000.

Mr. PAGE of North Carolina. That is new language in this bill. If the gentleman wants to know why it was placed there, I will undertake to tell him.

Mr. FOWLER. It is new legislation, is it not? Mr. PAGE of North Carolina. It is absolutely new. law creating the excise commission there was no provision for any means for them to get over the District. The law requires them to inspect places where applications are made for licenses and where licenses have been issued, and, in the judgment of the commissioners, this amount will be necessary during the next fiscal year to pay their street-car fare or carriage hire, or whatever means they take to get to the various places which they must visit.

I will say to the gentleman that the law makes it obligatory upon them to make these trips of inspection and to see these

places

Mr. FOWLER. I discover that there is a provision in this

bill for the purchase of automobiles and motor cycles.

Mr. PAGE of North Carolina. Not at this particular point. Mr. FOWLER. That may be true; and there is where the crux of the whole affair comes in—that there are provisions for plenty of transportation by automobiles, motor cycles, or any other cycling way—and yet if it does not occur in each item of this bill you interpose it as a defense for an appropriation for street-car fare.

Mr. PAGE of North Carolina. But, so far as the gentleman having the bill in charge is concerned, it is absolutely immaterial to him whether in going to the various places where the law demands they shall go the members of the excise board expend it for taxicab hire or carriage hire or whether they ride on a motor cycle or ride on a bicycle or whether they walk. That does not make any difference; but in the judgment of this committee they were entitled to an appropriation to enable them to carry out the mandates of the law under which they were created.

Mr. SISSON. Will the gentleman permit?

Mr. FOWLER. Yes, Mr. SISSON. The item to which the gentleman calls attention is nothing more or less than an effort on the part of this committee to control and keep track of the automobiles owned by the different departments of the District government, except three—the fire, health, and police departments, which must have their machines instantly. The excise board have absolutely no means of transportation at all, unless you give this item, because they own no automobiles and no machines, and yet the law requires them to go and enforce the liquor laws of this District. It is absolutely necessary that they have some means to do it.

Mr. FOWLER. Is there an emergency for them to go quickly? Mr. SISSON. None on earth, and no means of transportation unless you want them to walk from one place to another in the

Mr. FOWLER. I discover that there is a provision for an

inspector at \$1,500. Is that new legislation?

Mr. SISSON. It is provided for in the Jones-Works bill. It was put on in the Senate and passed at the last session of Congress, and is provided for by law.

Mr. FOWLER. The only new item you have in here is \$1,000

for transportation.

Mr. SISSON. That is all.
The CHAIRMAN (Mr. CULLOP). If the gentleman from Illinois will permit, the Chair will call his attention to page 124, paragraph 3, of the book of appropriations, in which provision is made for that item,

Mr. FOWLER. I thank the Chair. If the committee thinks

it is absolutely necessary

The CHAIRMAN. The time of the gentleman from Illinois

Mr. SISSON. I will say to the gentleman that if the committee did not think it was necessary they would not have put it into the bill. In view of the fact that the duty devolved on these people to enforce the liquor laws of the District, we felt that we ought not to deprive them of the means of doing it.

Mr. FOWLER. If they will enforce the liquor laws, I will

vote to double the appropriation.

Mr. CARY. Mr. Chairman, is there not also another item for

a messenger, that is new legislation?

Mr. PAGE of North Carolina. Yes; there was inserted a new employment, for one messenger at \$600. That was not pro-

vided for in the original personnel of the organization in the

Mr. CARY. Is that necessary?

Mr. PAGE of North Carolina. It was represented to our committee that it was necessary that this board should have a messenger, and one was provided at the lowest compensation. The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Office of corporation counsel: Corporation counsel, \$4,500; first assistant, \$2,500; second assistant, \$1,800; third assistant, \$1,600; fourth assistant, \$1,500; ifith assistant, \$1,500; stenographers—one \$1,200, one \$840; clerk, \$720; in all, \$16,160.

Mr. FOWLER. Mr. Chairman, I reserve a point of order against this paragraph. I direct my point of order against the salary of the corporation counsel, as provided in this bill, which is an increase of salary.

Mr. PAGE of North Carolina. Mr. Chairman, in reply to the gentleman from Illinois I will say that the salary of the corporation counsel carried in this bill is identically the same as was

carried in the last appropriation bill.

Mr. FOWLER. That is true. How long has it been carried

Mr. PAGE of North Carolina. For several years. I do not know. I have not looked up the record. It has been carried at \$4,500 for several years.

Mr. FOWLER, I will ask if the salary fixed by law is not

Mr. PAGE of North Carolina. It probably is, if the gentleman will produce the law. He has made the point of order, and it is his business to establish it.

Mr. FOWLER. Mr. Chairman, the rule is just the reverse; but if the burden is thrown upon me to show that that is the

law, I am able to do it.

Mr. PAGE of North Carolina. Mr. Chairman, the record we have here only runs back to 1911. During these years the corporation counsel has had an annual salary of \$4,500.

Mr. FOWLER. That was in the face of the plain provisions

of the existing law.

Mr. PAGE of North Carolina. I am free to confess that I have not the statute and I do not know. I make no assertion of what the salary is under the law unless I have the statute

The CHAIRMAN. The Chair will call the attention of gentlemen to the fact that the book of appropriations where this appropriation is estimated for contains the current law, and the amount is exactly the same as in this bill.

Mr. FOWLER. That is true, Mr. Chairman, but it is against the plain provisions of existing law and is not because the law

is or ever has been changed from the salary of \$3,000. The CHAIRMAN. Will the gentleman cite the statute that

he refers to?

Mr. FOWLER. If the Chair desires, I would be very glad to cite the statute and authorities which I have; but, Mr. Chairman, ever since 1878 there has been a violation of this plain provision of the law which fixes the salary of the corporation counsel at \$3,000.

Mr. PAGE of North Carolina. Mr. Chairman, I ask unanimous consent that this item may be passed over for the present

and that we return to it later.

Mr. FOWLER. Mr. Chairman, I have no objection to this provision going over if the committee is not satisfied, but I have a compilation of the law here and I am fresh from the statutes myself now, and I know that the salary is only \$3,000.

Mr. PAGE of North Carolina. Mr. Chairman, I renew my

request that it may be passed over, in order that we may have an opportunity to look at it.

The CHAIRMAN. The gentleman from North Carolina asks

unanimous consent that this item be passed.

Mr. FOWLER. Mr. Chairman, reserving the right to object, if this provision can be taken up when I am present, and I will be present unless I am dead or somebody pulls me away, I have no objection.

The CHAIRMAN. The item will not be returned to or taken

up unless the gentleman is present.

Mr. PAGE of North Carolina. I will assure the gentleman that it will not be taken up in his absence. If the gentleman happens to die, I will concede the point of order. [Laughter.]

Mr. FOWLER. O Mr. Chairman, if that is the only condition upon which the gentleman will concede the point of order, I trust that the point of order will never be made. [Laughter.]
The CHAIRMAN. Is there objection to the request of the

gentleman from North Carolina? The Chair hears pone, and the provision will be passed over.

Mr. FOWLER. With the point of order pending? The CHAIRMAN. Yes; the point of order made by the gentleman from Illinois.

The Clerk read as follows:

Fish wharf and market: Market master and wharfinger, who shall have charge of the landing of vessels, the collection of wharfage and dockage rentals, and the collection of rents for fish houses at the municipal fish wharf and market, \$900; assistant market master, who shall also act as laborer, \$600; in all, \$1,500.

Mr. MONDELL. Mr. Chairman, I offer the following amend-

The Clerk read as follows:

After line 15, page 7, insert the following: "For reconstruction of wharves, \$50,000; for market buildings, \$125,000."

Mr. PAGE of North Carolina. Mr. Chairman, to that I

reserve a point of order.

Mr. MONDELL. Mr. Chairman, I do not think the amendment is subject to a point of order. It proposes an improvement of the present fish market at the foot of Sixth and Seventh Streets. As I said a short time ago, no one at all familiar with the conditions there would deny the necessity for the improvement of this fish market. This market is rather more than its name implies. It is not only a fish market but it is a market to which the gardeners, the farmers of Maryland and Virginia, bring their fruit and vegetables in the summer, particularly watermelons. I visited the market many times during the watermelon season last summer and witnessed the inefficiency of accommodations there. I have seen five of these little river and Chesapeake Bay sloops anchored one outside of the other, five deep, so that it was necessary to take the products, carry them from the farther vessel over four others, or unload it into a small skiff and bring it up to the wharf. That entails a great deal of additional expense, and it is an expense borne by the people of this District on the produce they consume.

It is also a great inconvenience to the people of Maryland and Virginia, who come here with fish, oysters, and produce, to have to bring them to this wharf with insufficient wharfage

accommodations.

The less said about the buildings the better. They are miserable, insanitary, tumble-down, wooden shacks. They would be a disgrace to a frontier country town, much more to the Capital

of a great Nation.

There was some question as to whether or not in providing for an improvement of this wharf provision should be made for the repair of the market or for the erection of market buildings. That is not really an important matter. What we need is the extension of a wharf, a permanent concrete structure, a permanent, concrete, sanitary building in connection with it.

Now, if it is deemed wise after we have gone on to that construction to provide for retail stalls in these buildings, well

and good; if not, it is not necessary to do it.

I understand that the excuse for not including these items is that there was some difference of opinion with regard to the retail feature of the proposition. That seems to me hardly a The committee could have written in the bill valid excuse. that no part of the building could be used for retail purposes if it saw fit, although that would scarcely be wise, because the best plan is to have this market used in the main as a wholesale market, but to give opportunity, as the District does now, for purchase at retail. It would not be wise to attempt to make this the only fish and produce market in the city. Far from it. Nobody proposes to do so, and we will not do so by providing for retail sales at the market. These retail sales would be patronized by the people who were convenient to the city or the people who desire to go there and would not in any way interfere with the construction of other markets in other parts of the city or the conduct of other markets in other parts of the city

The CHAIRMAN. The time of the gentleman from Wyoming

has expired.

Mr. MONDELL. Mr. Chairman, I ask unanimous consent to proceed for two minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MONDELL. The fact is that we are not treating the people of the District right, and we are not treating the farmers, the fishermen, the produce men of Maryland and Virginia as we should in our refusal to make this improvement. It is a matter that has been discussed for years. It is well understood by the commissioners, it is well understood by the committee, and there is no good reason why the appropriation should not be made.

Mr. DONOVAN. Mr. Chairman, will the gentleman yield for

a question?

tary shacks, and while the committee did not appear to be satisfied with the plans proposed, they made no provision for other plans, so that we remain just where we have been for years past, with no progress made and no progress contemplated. other words, this item, like many other items in the bill, illustrates the fact that the committee is not progressive in providing for the needs of the District.

Mr. CARY. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Certainly.

Mr. CARY. Is there any revenue derived from this market? Mr. MONDELL. Some. I desire to be corrected, if I am not correct, but my information is that there is a revenue of about \$7,000.

Mr. JOHNSON of Kentucky. Eight thousand dollars.

Mr. CARY. Is that supposed to be divided equally between

the District and the United States Government?

Mr. MONDELL. I do not know about that; but that is about the revenue, and of course the revenue would be very much larger if we had adequate, modern, up-to-date wharves and good, sanitary, permanent buildings. There is not an institution in the District that requires improvement as much as this institution does

The CHAIRMAN. The time of the gentleman from Wyoming

has again expired.

Mr. JOHNSON of Kentucky. Mr. Chairman, it seems to ma that the amendment is certainly subject to the point of order. In the last appropriation bill this item was subject to a point of order, and the fact that they got an appropriation, notwithstanding the fact that the point of order was not urged against it, does not now leave it an open question or authorize an appropriation for a new building.

Mr. MONDELL. Do I understand the gentleman to say that these buildings that are there now were provided for last year?

They have been there for 20 years.

Mr. JOHNSON of Kentucky. No. I say that the last Conmr. Johnson of Kentucky. No. I say that the last Congress may have made an appropriation for some buildings down there. I do not remember what they did about it.

Mr. MONDELL. Mr. Chairman, if the gentleman from North Carolina insists upon the point of order, I would like to

be heard on the point of order.

Mr. JOHNSON of Kentucky. In addition to that, if I may be pardoned for just a moment, I will explain the situation to the House. If I am correctly advised, the United States Government owns the land on which they propose to erect these buildings. Under the law relative to the fish wharves all of the receipts that are taken in from it are divided between the United States and the District government—one-half each. When the Federal Government turns this property over to the District of Columbia and gives one-half of the proceeds to the District of Columbia as a gratuity, then the District of Columbia treats that gratuity as a revenue, and against that revenue the Congress puts up dollar for dollar to match it. In other words, the District of Columbia in the first instance gets onehalf of the revenues from that property as a present from the United States. Then, when the District of Columbia treats it as a revenue, against which Congress puts up, then the District of Columbia takes the other half. There is nobody to dispute that.

Do you wish to place yourself in the position of granting a gratuity of half of it and then let the beneficiary force you by that to give him the other half of it? Only a few days ago this House passed a bill doing away with this very proposition. Now you are asked to stultify yourself by voting to do what the other day you said you would not do.

Mr. CARY. Will the gentleman yield? Mr. JOHNSON of Kentucky. I do.

Mr. CARY. I would like to ask the gentleman what the conditions are in regard to the bridge which the street cars run over to Alexandria?

Mr. JOHNSON of Kentucky. The tolls over the Long Bridge are treated exactly the same way; and I would further say, for the information of the gentleman from Wyoming [Mr. MONDELL], who spoke of the fish wharf being a great watermelen market. Last summer, when watermelons were being brought there, and when the gentleman from Wyoming went there to buy some of them, he found that crowded condition to be true, yet an officer of the District of Columbia had taken it upon himself to forbid the sale of watermelons and canteloupes in less numbers than 25 to any one purchaser. Thereupon I introduced a bill——
Mr. MONDELL. Will the gentleman yield?

Mr. MONDELL. Certainly.

Mr. DONOVAN. Do they not provide for repairs or improvements of this in any way in the bill?

Mr. MONDELL. They provide only for the salaries of the men who are now there in these tumble-down, miserable, insani-

instead of letting the farmers come there and sell them out as they chose, one or two at a time. Immediately the Commis-sioners of the District of Columbia revoked that order.

Mr. PAGE of North Carolina. Mr. Chairman, in regard to the point of order reserved against the paragraph, without making any pretensions to a very full knowledge of parliamentary proceedings under the rules of the House, I think the language of the amendment as offered by the gentleman from Wyoming [Mr. MONDELL! is subject to the point of order. The last law turned over to the commissioners the fish market—certain small buildings and a wharf to be conducted as a fish market down on the Potomac River—but the gentleman's amendment provides, not for the management or extension of those wharves or those buildings, but it provides for the erection of new buildings. It is practically a new proposition involving an appropriation of \$150,000. That, in my judgment, is not authorized by any existing law, and I am inclined to believe that the Chair will find this obnoxious to the rules of the House and that the point

of order ought to be sustained.

Mr. DONOVAN. Mr. Chairman, I do not wish to speak on the point of order, but I would like to ask a question of the chairman.

Mr. PAGE of North Carolina. Will the gentleman refrain until we have a ruling on the point of order, and I assure the gentleman I will not stand in the way of his making any re-

Mr. MONDELL. Mr. Chairman, I call the attention of the Chair to the language of the current District appropriation bill, page 3:

And the Commissioners of the District of Columbia are authorized and directed, in the name of the District of Columbia, to take over, exclusively control, regulate, and operate as a municipal fish wharf and market the water frontage on the Potomac River lying south of Water Street, between Eleventh and Twelfth Streets, including the buildings and wharves thereon, and said wharf shall constitute the sole wharf for the landing of fish and oysters for sale in the District of Columbia.

And so forth.

Now, Mr. Chairman, that wharf has been there for many years. These buildings were erected years ago, and for a long time they were leased. Last year we took the market over, and assumed control and jurisdiction over it. We are collecting rent. My appropriation is for the improvement of the wharf. property of the Government there in wharves, and so forth, cost \$50,000 to improve; the buildings are old and tumble-down, and some expenditures are necessary. It is in no sense a new project. This committee has full authority to erect buildings there in place of old tumble-down shacks that are there at the present time. It has full authority to improve that wharf. they have not, then the committee is certainly in a bad way.

If a bill must be brought in here every time the committee If a bill must be brought in here every time the committee desires to spend a few dollars for the improvement of that wharf, we may require a good deal of legislation. We will need bills every time money is needed to mend a road, every time a few dollars is required to improve a street. I do not care to take up the time of the Chair, but it seems to me very clear, indeed, that this is property of the District, an enterprise of the District, and the amendment proposing to improve it is entirely in order.

Mr. SISSON. If the Chair has any doubt about any point of order, I want to call his attention to the fact that this market was taken over by an amendment put in in the Senate, which has this language in it:

And the Commissioners of the District of Columbia are authorized and directed, in the name of the District of Columbia, to take over, exclusively control, regulate, and operate as a municipal fish wharf and market the water frontage on the Potomac River lying south of Water Street, between Eleventh and Twelfth Streets, including the buildings and wharves thereon.

Now, there is a great deal of difference between taking over a market, which is a complete institution there, and the total reconstruction of the old market. We carry an appropriation here for \$500 for the purpose of improving the market in the sense that we take care of the property which is there, or maintain the market, but here comes the proposition now, under this language, to build an entirely new market, an entirely new wharf, and for that reason the point of order, in our opinion, should be sustained.

Mr. JOHNSON of Kentucky. Will the gentleman yield?

Mr. SISSON. I yield to the gentleman.

Mr. SISSON. I yield to the gentleman.

Mr. JOHNSON of Kentucky. I would like to invite the attention of the gentleman to the fact, Mr. Chairman, that this fish-wharf market act is found on page 3 of the copy of the current law, which we all have before us, and in that there is no provision whatever for any expenditures toward building. Therefore they can not claim—

Mr. SISSON. Absolutely not.

Mr. JOHNSON of Kentucky (continuing). That this is a continuation of a work that is in progress.

The CHAIRMAN. The Chair is ready to rule.

The only provision covering this matter that has been referred to the Chair is found on page 3 of the current law, which reads as follows:

And the Commissioners of the District of Columbia are authorized and directed in the name of the District of Columbia to take over, exclusively control, regulate, and operate as a municipal fish wharf and market, the water frontage on the Potomac River lying south of Water Street between Eleventh and Twelfth Streets, including the buildings and wharves thereon, and said wharf shall constitute the sole wharf for the landing of fish and oysters for sale in the District of Columbia; and said commissioners shall have the power to make leases, fix and determine rentals, wharfage and dockage fees, and to collect and pay the same into the Treasury, one-half to the credit of the United States and one-half to the credit of the District of Columbia.

Now, the rule relating to this subject is section 2 of Rule XXI, which is as follows:

No appropriation shall be reported in any general appropriation bill, or be in order as an amendment thereto, for any expenditure not previously authorized by law, unless in continuation of appropriations for such public works and objects as are already in progress.

This is not a work in progress, is not authorized by existing law, and therefore it is subject, in the opinion of the Chair, to the point of order made against it, inasmuch as it would be the construction of a new work. Therefore the point of order is sustained. The Clerk will read.

The Clerk read as follows

Fish wharf and market: Market master and wharfinger, who shall have charge of the landing of vessels, the collection of wharfage and dockage rentals, and the collection of rents for fish houses at the municipal fish wharf and market, \$900; assistant market master, who shall also act as laborer, \$600; in all, \$1,500.

Mr. DONOVAN. Mr. Chairman, I move to strike out the last

The gentleman from Wyoming [Mr. MONDELL] has stated here that these structures are ramshackle affairs, and he has practically stated that there has been no provision to make them good or to put them in good condition.

It strikes me, Mr. Chairman, that the people of the District of Columbia are wards of the Government. They are practically children of the Government. We should provide proper buildings for them and for their markets. I find here several thousand dollars appropriated for automobiles. I find, on listening in the House yesterday, that we are going to provide for many millions of dollars for several hundred miles of railway, and we will probably never see a penny of it again. Right here at the seat of your Government, the Capital of your country, you allow a man to rise and state that you are maintaining ramshackle buildings, buildings in decay, and have no provision in your great appropriation bill for putting them in good order. It ought to bring to shame a great lawmaking body to allow transactions of this character. [Applause.]

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Office of superintendent of weights, measures, and markets: Superintendent, \$2,500; 2 assistants, at \$1,200 each; clerk, \$1,200; laborer, \$480; in all, \$6,580.

For purchase of small quantities of groceries, meats, provisions, etc., in connection with investigation and detection of sales of short weight and measure, \$50.

Mr. CARY. Mr. Chairman, I move to strike out the last word. I would like to ask the chairman of the subcommittee on appropriations a question about this item for the purchase small quantities of groceries, meats, provisions, and so forth. I wish to inquire if before his committee he was told what becomes of these things after they had been used for investigation. What do they do with them afterwards?

Mr. PAGE of North Carolina. This appropriation is made so that some agent of the Commissioners of the District of Columbia can go into the grocery stores and elsewhere and buy some small articles for the purpose of testing the weights of the grocers and other people who are selling things to the people of the District of Columbia. It is a sort of measure to enable them to detect whether or not proper weights are given by the grocers

Mr. CARY. Then they are destroyed afterwards?

Mr. PAGE of North Carolina. Yes. Mr. FOWLER. Mr. Chairman, will the gentleman yield? The CHAIRMAN. Does the gentleman from North Carolina yield?

Mr. PAGE of North Carolina. Yes; I yield.

Mr. FOWLER. Does the gentleman object to extending that authority by giving them the right also to go into the markets? We have several of them here.

Mr. PAGE of North Carolina. I think the authority would include markets.

Mr. FOWLER. Not only to inspect the false weights, but also inspect false representations as to the quality as well as quantity?

Mr. PAGE of North Carolina. Well, I will say to the gentle-man that that falls under another department altogether of the city government. The health department of the District government has ample authority and means, and has employees for the very purpose of inspecting foodstuffs, as to their quality and everything in connection with them, before they are sold to the people of the District.

Mr. FOWLER. I will say to the gentleman from North Carolina that there is a practice in this city by men coming from the country as hucksters who pretend to sell fresh produce, such as fresh eggs, while, as a matter of fact, they go to coldstorage warehouses, load up their wagons with cold-storage eggs, haul them to the country, and bring them back and sell them

in the city as fresh eggs.

Mr. PAGE of North Carolina. I think that is within the purview of the food inspection, under the department of health. This committee has endeavored to provide that department of the city government with ample force to enforce these laws in the District of Columbia. We do not want a duplication of authority in the enforcement of the health laws, so that I think that has no place with this particular appropriation. to detect the fact if there are short weights.

Mr. FOWLER. I think quantity and quality should go together; an imposition in either of these instances is a great detriment. The one, shortage in weight, is perhaps not as important as the other, stale eggs, which affects the health of the

Mr. PAGE of North Carolina. I will say to the gentleman that he must realize that the determination of the quality of the food product may necessitate a chemical analysis.

Mr. FOWLER. That is true.

Mr. PAGE of North Carolina. And therefore-and properly, in my judgment—the appropriation is made to look after these things under the department of health, where they have an inspection force to do it. It would not be a proper place to have here an item of that sort. This item is under the direction of the commissioners, who are not to be expected under this provision to enforce the health laws.

Mr. FOWLER. The object is to prevent a fraud. You want to prevent fraud as to weight by this \$50 appropriation. I would like to prevent fraud in the false representations that are made in the markets, both as to quantity and quality.

Mr. PAGE of North Carolina. The proper place to do that, if the gentleman can find some place to suit his fancy, will be under the bureau of health and the inspection of foodstuffs in the District of Columbia.

The CHAIRMAN. Without objection, the pro forma amendment will be considered withdrawn. The Clerk will read:

The Clerk read as follows:

ment will be considered withdrawn. The Clerk will read:

The Clerk read as follows:

.ngineer Commissioner's office: Engineer of highways, \$3,000; engineer of bridges, \$2,250; superintendent of streets, \$2,000; superintendent of suburban roads, \$2,000; superintendent of sewers, \$3,300; asphalts and cements—inspector \$2,400: Provided, That the inspector of asphalts and cements shall not receive or accept compensation of any kind from or perform any work or render any services of a character required of him officially by the District of Columbia to any person, firm, corporation, or municipality other than the Distlet of Columbia; assistant inspector \$1,500; trees and parkings—superintendent \$2,200, assistant superintendent \$1,200; assistant engineers—one \$2,200, one \$2,100, four at \$1,800 each, two at \$1,600 each, four at \$1,500 each, one \$1,050; rodmen—four at \$900 each, eight at \$780 each, one \$1,050; rodmen—four at \$900 each, eight at \$780 each, inch \$1,050; rodmen—four at \$900 each, eight at \$780 each, one \$1,050; sasistant engineer, \$1,350; general inspector of sewers, \$1,200; bridge inspector, \$1,200 each, one \$1,050; assistant engineer, \$1,350; general inspector of sewers, \$1,200; inspectors—two at \$1,500 each, five (including two of streets) at \$1,200 each, one \$1,000, one \$900; transitman, \$1,200; foremen—twelve at \$1,200 each, one \$1,000, ten at \$900 each; foreman, Rock Creek Park, \$1,200; three subforemen, at \$1,500 each; bridgekeepers—one \$650, three at \$600 each; chief clerk, \$2,250; permit clerk, \$1,500; assistant permit clerk, \$1,000; findex clerk and typewriter, \$900; clerks—one \$1,800, three at \$1,500 each, one \$4,000 each; skilled laborers—one \$625, two at \$600 each; janitor, \$720; principal steam engineer, \$1,800; three steam engineers, at \$1,200 each; six ollers, at \$600 each; six firemen, at \$8750 each; inspector, \$1,400; store-keeper, \$900; superintendent of standers, at \$600 each; in all, \$175,010.

Mr. FOW

Mr. FOWLER. Mr. Chairman, I reserve a point of order

against the paragraph. Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

Mr. CULLOP. Mr. Chairman— Mr. PAGE of North Carolina. Mr. Chairman, will the gentleman from Illinois [Mr. Fowler] state his point of order?

Mr. FOWLER. I desire, on page 8, line 14, to ask the gentleman in charge of the bill if the assistant engineer at \$1,350 is not new legislation?

Mr. PAGE of North Carolina. No, sir; it is not. I will explain to the gentleman that that item makes no change whatever in the amount of the appropriation. It is merely a change

of title. He is now in the law as a draftsman at \$1,350. The change was made to an assistant engineer to conform to the man's real employment. He is in no sense of the word a draftsman, but is an assistant engineer, and the change was made to designate his employment properly.

Mr. FOWLER. It is only a change of name?

Mr. PAGE of North Carolina. It is only a change of name, and there is one other case exactly like it.

Mr. FOWLER. In line 18, a transit man.

Mr. PAGE of North Carolina. Yes. The same is true there. It is a change from inspector of streets at \$1,200 to a transit man at \$1,200, for the same reason, so that the designation may conform to the employment of the man who fills that position.

Mr. FOWLER. I withdraw the point of order. Mr. STAFFORD. I move to strike out the last word.

Mr. MANN. What became of the point of order?

Mr. MANN. What became of the point of order?

Mr. FOWLER. I withdrew it.

Mr. STAFFORD. I rise for the purpose of obtaining some information. I notice that you ferbid the inspector of asphalt and cement to receive any compensation for work of a public character performed for any person in the District. I assume that there is a general law forbidding employees and officials of the District to receive compensation for other work performed by them.

Mr. PAGE of North Carolina. I think the gentleman's presumption is a violent one, and that there is no such law.

Mr. STAFFORD. There is not?

Mr. PAGE of North Carolina. No.

Mr. STAFFORD. This is the only instance where you forbid District official from accepting any perquisites for the performance of work of a public character for pri ate individuals?

Mr. PAGE of North Carolina. I can not say it is the only place, but I can inform the gentleman that it has been carried for several years, and was put in particularly to protect the Government in this instance.

Mr. MANN. If the gentleman will permit me, I think I can

explain it.

Mr. STAFFORD. It needs explanation.

MANN. The inspector of asphalt was not formerly an official employed all the time by the District. In fact, in the nature of things he was a consulting inspector and was, in addition, doing inspection work outside. This provision was originally put in the bill to compel him to give his whole attention to District work, so that they could not employ him simply as a consulting inspector.

Mr. PAGE of North Carolina. I think, if the gentleman will allow me, that is correct, except that at the time this was done this gentleman had a designated salary and was drawing a salary from the District government, but was giving a part of his time to the inspection of asphalt for private corporations.

Mr. MANN. I understand that; but I say it was not under-

stood at the time his employment commenced that he should give his entire time to the District.

Mr. PAGE of North Carolina. That is true.
Mr. MANN. And it was decided to change it so that he would have to do that, or else allow the District to get some one else.
Mr. PAGE of North Carolina. That is correct.

Mr. STAFFORD. As I understand from the explanation of the gentleman, he is now giving his entire time to the work of the District?

Mr. PAGE of North Carolina. Yes. Mr. STAFFORD. As are hundreds of other District officials? Mr. PAGE of North Carolina. They are supposed to be do-

ing so.

Mr. STAFFORD. What is the need of singling him out for prominent mention that he is not to receive perquisites from

private sources?

Mr. PAGE of North Carolina. I will say to the gentleman that this particular subcommittee did not single him out. Undoubtedly there was a reason at the time it was put there, and to leave it out now might be construed as notice to this gentleman that he was at liberty to go out and do as he formerly did, and I do not think that would be wise.

Mr. STAFFORD. So far as the chairman is informed, there is no other instance of District officials performing outside work

and receiving perquisites from private individuals?

Mr. PAGE of North Carolina. None within the knowledge of the present chairman.

Mr. STAFFORD. I withdraw the pro forma amendment.

Mr. SELDOMRIDGE. Will the gentleman yield?

Mr. PAGE of North Carolina. I yield to the gentleman from Colorado.

Mr. SELDOMRIDGE. If this is the only place in the bill where such a provision is carried, would it not be possible to incorporate a general provision that would prohibit and forbid any District official from receiving any gratuity or any outside

employment?

Mr. PAGE of North Carolina. Certainly. I think, however, that it would occasion a very great demand for increase of salaries on the part of some gentlemen who are employed by the District.

Mr. CULLOP. I should like to ask the gentleman from North Carolina a question.

Mr. PAGE of North Carolina. I yield to the gentleman from

I find here an appropriation for an engineer

of bridges, \$2,250. What is the cuty of that official? Mr. PAGE of North Carolina. The District of Columbia is constantly constructing bridges. There are two large bridges

under authorization and contract, one concrete bridge on Pennsylvania Avenue, leading over to Georgetown, and the other at Q Street, leading over to Georgetown. He is employed in the capacity of superintendent of construction.

Mr. CULLOP. Do his duties require all of his time? Mr. PAGE of North Carolina. I think so.

Mr. CULLOP. I see there is a superintendent of suburban

roads, at \$2,000.

ads, at \$2,000. What are his duties? Mr. PAGE of North Carolina. His duties are to superintend and overlook the appropriations that are carried in the bill for suburban roads; roads not designated as streets, but which are constantly being repaired.

Mr. CULLOP. About a year ago a gentleman living over in Virginia adjacent to the city of Washington reported this kind of a case to me in which he said they wanted to build an interurban road into Washington from that locality, traversing a They found that they could not get admission part of Virginia. to the streets of the city of Washington, that they could only come to the line and then must be carried on the street railway of the city of Washington. Is there any such franchise granted to the street railways of the city of Washington which excludes

outsiders from the rights of the streets of the city?

Mr. PAGE of North Carolina. Without investigating the sub-

ject I should say that no, there was not.

Mr. CULLOP. If there was any such, it ought to be promptly repealed. Such a monopoly would be intolerable, and to permit it to remain would be most reprehensible.

Mr. PAGE of North Carolina. I agree with the gentleman.

Mr. CULLOP. Outside roads should have a right to come into the city and occupy the streets in order to accommodate the public and furnish competition in transportation.

Mr. MANN. Mr. Chairman, I move to strike out the last

word.

Mr. PAGE of North Carolina. Mr. Chairman, I suggest to the gentleman from Illinois that we proceed until half past 5 o'clock.

Mr. MANN. Suppose we read the next paragraph which the gentleman from Wyoming will offer an amendment to.

Mr. PAGE of North Carolina. I suggest that we let that be

The Clerk read as follows:

Municipal architect's office: Municipal architect, \$3,600; superintendent of construction, \$2,000; chief draftsman, \$1,700; draftsmen—1, \$1,400, 1, \$1,300; heating, ventilating, and sanitary engineer, \$2,000; superintendent of repairs, \$1,800; assistant superintendent of repairs, \$1,200; hoss carpenter, boss tinner, boss painter, boss plumber, boss steam fitter, 5 in all, at \$1,200 cach; boss grader, \$1,000; machinist, \$1,200; clerks—1, \$1,050, 1, \$620; copyist, \$840; driver, \$540; in all, \$26,250.

Mr. JOHNSON of Kentucky. Mr. Chairman, the Committee of the Whole has just been discussing the proviso on page 8 relating to an inspector of asphalt. There has been considerable complaint that the draftsmen in the municipal architect's office are taking fees from other people, and I believe that the proviso which applies to the inspector of asphalt should also be made applicable to this paragraph.

Mr. SELDOMRIDGE. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. SELDOMRIDGE. What objection would there be to inserting a general provision that will confine the services of all the employees in the District to the duties of their position?

Mr. JOHNSON of Kentucky. I think it would be a wise

Mr. SELDOMRIDGE. The gentleman from North Carolina says that if we did that there would be many employees who

would want an advance in pay.

Mr. PAGE of North Carolina. Oh, I said that they might do

Mr. SELDOMRIDGE. I want to say that there are several citizens in my district that would be glad to move into Washington and take those same positions.

Mr. MANN. I am glad that the gentleman is coming to my defense. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. MANN. The case of the asphalt inspector was entirely

different. When he took employment outside, very likely he got his employment through the asphalt company which had the contract where the inspector was to pass upon the job. But what objection is there to a clerk in the municipal architect's office going to the law school out of hours or doing some drafting work out of hours?

A good many Members of Congress have clerks employed here now who do work either for themselves in going to school or in some other way outside of the work that they do for Members of Congress, and I do not think that that is objectionable.

Mr. JOHNSON of Kentucky. I think the situation is quite different from the one that the gentleman pictures. There is a common complaint that draftsmen in the municipal architect's office find some kind of technical fault with many of the plans and drafts submitted by the architects in town, until finally it has become a business to find fault with the plans of other architects and approve only the drafts or plans made by themselves.

I am also told that one of them has an office in town and is doing this character of work. I have not had the time to ascertain whether these charges are true or not, but that is the common rumor. The rumor could be stopped if we apply to this the same provision that applies to the inspector of asphalt. Therefore, Mr. Chairman, I move to amend that paragraph by adding the following:

Provided, That none of the officers, clerks, or other employees provided for in this paragraph shall receive or accept compensation of any kind from, or perform any work or render any services of a character required of them officially by the District of Columbia—

The CHAIRMAN. The gentleman will send that amendment

to the desk in writing.

Mr. MANN. Mr. Chairman, I reserve a point of order to it. Mr. PAGE of North Carolina. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee determined to rise; and the Speaker having resumed the chair, Mr. Hull, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 10523) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1915, and for other purposes, and had come to no resolution thereon.

SESSION CLERKS FOR COMMITTEES.

Mr. LLOYD. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution which I send to the Clerk's desk

The Clerk read as follows:

House resolution 351.

House resolution 351.

Resolved, That the Committee on Expenditures in the Department of Agriculture, the Committee on Expenditures in the Department of Justice, the Committee on Expenditures in the Department of Commerce, the Committee on Expenditures in the Department of the Interior, the Committee on Expenditures in the Department of Labor, the Committee on Expenditures in the Navy Department, the Committee on Expenditures in the Post Office Department, the Committee on Expenditures in the State Department, the Committee on Expenditures in the Trensury Department, the Committee on Expenditures in the Trensury Department, the Committee on Expenditures in the War Department, and the Committee on Expenditures on Public Buildings, each be allowed a clerk at the rate of \$125 per month during the second session of the Sixty-third Congress, the salaries of said clerks to be paid out of the contingent fund of the House; and H. Res. 260, adopted December 4, 1913, is hereby repealed.

The SPEAKER. Is there objection?

The SPEAKER. Is there objection?

Mr. MANN. Mr. Speaker, reserving the right to object, I am not sure that the House can repeal a resolution. It can change it, but the proper thing to do would be to ask unani-

mous consent to reconsider the other resolution.

Mr. LLOYD. Mr. Speaker, in the resolution that was passed a day or two ago providing for pay of these clerks in these several committees, we left out the Committee on Expenditures in the Agricultural Department, and we also failed in the resolution to show out of what fund the money was to be paid.

Mr. MANN. The gentleman will remember I asked him whether it carried 10 committees?

Mr. LI.OYD. Yes; I remember and it did carry 10, but it should have carried 11.

Mr. MANN. What is the other committee—that is not an

expenditure committee?

Mr. LLOYD. Labor.

Mr. MANN. Oh, there is one on public buildings.

Mr. LLOYD. Yes.

The SPEAKER. Does the gentleman object?

Mr. MANN. I shall not object. I never before knew any-

body to repeal a resolution.

Mr. LLOYD. There was one repealed two months ago when

the gentleman and I were away.

Mr. MANN. Oh, there is no telling what happened then.

What time does this resolution date from?

Mr. LLOYD. This, the beginning of the session.

Mr. MANN. Is that what the resolution says?

Mr. LLOYD. Yes.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the resolu-

The resolution was agreed to.

ADJOURNMENT.

Mr. PAGE of North Carolina. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow.

The SPEAKER. Is there objection?

Mr. FOWLER. Reserving the right to object, I would like

to know the occasion for changing the time of meeting?

Mr. PAGE of North Carolina. The occasion in the mind of the gentleman who submits that request is a desire to get through with this appropriation bill.

Mr. FOWLER. I object.

Let us see if we can not get some sort of an ar-Mr. MANN. rangement otherwise. Supposing we should not conclude tomorrow, may we not be able to get an agreement to meet at 10 o'clock on Saturday?

Mr. PAGE of North Carolina. That would be entirely satisfactory; but it is useless for myself and the gentleman to argue it since the gentleman from Illinois [Mr. Fowler] objects.

The SPEAKER. The gentleman from Illinois [Mr. FOWLER]

objects

Mr. PAGE of North Carolina. Mr. Speaker, I move that the

House de new adjourn.

The metion was agreed to; and accordingly (at 5 o'clock and 28 minutes p. m.) the House adjourned until to-morrow, Friday, December 19, 1913, at 12 o'clock noon.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 8522) granting an increase of pension to Jefferson Hurst, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials

were introduced and severally referred as follows:
By Mr. EDMONDS: A bill (H. R. 10937) appropriating \$155, 000 to purchase additional ground at Frankford Arsenal, Phila-

delphia, Pa.; to the Committee on Appropriations.

By Mr. MERRITT: A bill (H. R. 10938) providing for a survey of Lake Champlain at Rouses Point, N. Y., and vicinity; to

the Committee on Rivers and Harbors. By Mr. LANGHAM: A bill (H. R. 10939) to provide for a site for a public building for post-office purposes at Blairsville, Pa.;

to the Committee on Public Buildings and Grounds. By Mr. POWERS: A bill (H. R. 10940) authorizing an appropriation and expenditure to make a survey and procure an estimate of the cost of the construction of a macadamized post road from Crab Orchard, Ky., to Cumberland Gap, in said State, said road to be known as "The Boone Way"; to the Committee on the Post Office and Post Roads.

By Mr. LEVER: A bill (H. R. 10941) authorizing the Director of the Census to collect and publish statistics of cotton seed and

cottonseed products; to the Committee on the Census.

By Mr. BALTZ: A bill (H. R. 10942) providing for the furnishing of information as to the yield of grain in the United States and Territories, and for other purposes; to the Committee on Agriculture.

By Mr. HAYES: A bill (H. R. 10943) to amend the naturalization laws; to the Committee on Immigration and Naturalization. By Mr. STEENERSON: A bill (H. R. 10944) prohibiting false

and misleading advertising; to the Committee on the Post Office and Post Roads

By Mr. DYER: A bill (H. R. 10945) amending section 2 of the pension act of June 27, 1890; to the Committee on Invalid Pensions.

By Mr. McCOY: A bill (H. R. 10946) to regulate the judicial procedure of the courts of the United States; to the Committee on the Judiciary

By Mr. COVINGTON: A bill (H. R. 10947) providing for the establishment of a life-saving station between Ocean City and Pensions.

North Beach, on the coast of Worcester County, in the State of Maryland; to the Committee on Interstate and Foreign Com-

By Mr. HARRISON: A bill (H. R. 10948) to encourage and promote commerce among the States and with foreign nations, and to remove obstructions thereto; to the Committee on Agri-

By Mr. BROWNING: A bill (H. R. 10949) to prohibit the payment of claims against the United States to public administrators, except in certain instances; to the Committee on the Judiciary.

By Mr. MOTT: A bill (H. R. 10950) to provide for an examination and survey of the Harbor at Oswego, N. Y.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 10951) for the erection of a public building at Oneida, N. Y.; to the Committee on Public Buildings and

By Mr. JOHNSON of Kentucky: A bill (H. R. 11002) to amend the act of March 4, 1913, entitled "An act making appropriations to provide for the expenses of the government the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes"; to the Committee on the District of Columbia.

By Mr. SMITH of Minnesota: Joint resolution (H. J. Res. 174) regulating transmission of mails during holiday season; to the Committee on the Post Office and Post Roads.

By Mr. GRIEST: Joint resolution (H. J. Res. 176) providing for the adjournment of Congress; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:
By Mr. ADAIR: A bill (H. R. 10952) granting a pension to

Otho E. Gepler; to the Committee on Pensions.

By Mr. AINEY: A bill (H. R. 10953) granting a pension to Gilbert D. Smith; to the Committee on Invalid Pensions,

Also, a bill (H. R. 10954) granting an increase of pension to Solomon D. Brenckley; to the Committee on Invalid Pensions. Also, a bill (H. R. 10955) granting an increase of pension to

John Smith; to the Committee on Invalid Pensions.

By Mr. ANTHONY: A bill (H. R. 10956) granting an increase of pension to Judson N. Pollard; to the Committee on Invalid

Pensions. By Mr. BALTZ: A bill (H. R. 10957) for the relief of James

W. Kingon; to the Committee on War Claims.

By Mr. BARTHOLDT: A bill (H. R. 10958) granting an increase of pension to Loyd G. Harris; to the Committee on Invalid Pensions.

By Mr. BOOHER: A bill (H. R. 10959) granting a pension to William H. Watson; to the Committee on Pensions.

By Mr. COVINGTON: A bill (H. R. 10960) for the relief of William E. Bradshaw; to the Committee on War Claims. By Mr. CRAMTON: A bill (H. R. 10961) granting an increase

of pension to James Stewart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10962) granting an increase of pension to

William Adamson; to the Committee on Pensions.

By Mr. DAVENPORT: A bill (H. R. 10063) granting an increase of pension to Edword T. Parker; to the Committee on Invalid Pensions.

By Mr. DOOLITTLE: A bill (H. R. 10964) granting an increase of pension to Charles H. Golden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10965) for the relief of Matthew McDonald;

Also, a bill (H. R. 10303) for the rener of Matthew McDonald, to the Committee on Military Affairs.

By Mr. DRISCOLL: A bill (H. R. 10966) granting a pension to Henry F. Caplick; to the Committee on Pensions.

By Mr. DYER: A bill (H. R. 10967) granting a pension to Mary Barlow; to the Committee on Invalid Pensions.

By Mr. EAGAN: A bill (H. R. 10968) granting an increase of pension to Jacob M. Stewart; to the Committee on Invalid Pensions. sions.

By Mr. FOWLER: A bill (H. R. 10969) granting a pension to Matsin W. Bond; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10970) granting an increase of pension to

Andrew J. Shore; to the Committee on Invalid Pensions.

By Mr. GOEKE: A bill (H. R. 10971) to remove the charge of desertion from the record of Hezekiah R. Hubbell; to the Committee on Military Affairs.

By Mr. GREEN of Iowa: A bill (H. R. 10072) granting an increase of pension to Mary A. Slack; to the Committee on Invalid Pensions.

By Mr. HAMILTON of New York: A bill (H. R. 10973) granting a pension to Eugene Ames; to the Committee on Invalid

By Mr. HAWLEY: A bill (H. R. 10974) granting an increase of pension to George Gans; to the Committee on Invalid Pensions.

By Mr. HULINGS: A bill (H. R. 10975) granting an increase of pension to Robert A. Hodges; to the Committee on Invalid

By Mr. LANGHAM: A bill (H. R. 10976) granting an increase of pension to Susannah Reitz; to the Committee on Invalid Pensions

By Mr. LINTHICUM: A bill (H. R. 10977) granting a pension to Andrew McFrederick; to the Committee on Invalid

Also, a bill (H. R. 10978) granting a pension to Mary E. Cole; to the Committee on Invalid Pensions.

By Mr. LOGUE: A bill (H. R. 10979) granting a pension to Mary Pierce; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10980) for the relief of Frederick Leser,

jr.; to the Committee on Claims.

Also, a bill (H. R. 10981) for the relief of the legal representatives of Joseph H. Maddox, deceased; to the Committee

By Mr. McGILLICUDDY: A bill (H. R. 10982) to remove the charge of desertion from the military record of Chauncey Allard; to the Committee on Military Affairs.

By Mr. O'HAIR: A bill (H. R. 10983) for the relief of Pales-

tine Troup; to the Committee on Military Affairs. Also, a bill (H. R. 10984) granting a pension to John W.

Hinds; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10985) granting a pension to Mary Overmire; to the Committee on Invalid Pensions.

By Mr. RIORDAN: A bill (H. R. 10986) granting an increase of pension to Andrew Houlihan; to the Committee on Invalid

By Mr. RUSSELL: A bill (H. R. 10987) granting an increase of pension to William H. Simmons; to the Committee on Invalid

Also, a bill (H. R. 10988) granting an increase of pension to Frank Kesler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10989) granting an increase of pension to Ellen M. Mills; to the Committee on Invalid Pensions

Also, a bill (H. R. 10990) granting a pension to Maggie Martin; to the Committee on Invalid Pensions.

By Mr. SCULLY: A bill (H. R. 10991) granting a pension to Ada Smith Condict; to the Committee on Pensions.

Also, a bill (H. R. 10992) to remove the charge of desertion now existing on the records of the War Department against Alfred Jewett Cook; to the Committee on Military Affairs

By Mr. SHARP: A bill (H. R. 10993) granting a pension to

Emily Linehos; to the Committee on Pensions.

Also, a bill (H. R. 10994) granting a pension to John G. Schrock; to the Committee on Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 10995) granting an increase of pension to James W. Shields; to the Committee on Invalid Pensions

By Mr. SPARKMAN: A bill (H. R. 10996) granting a pension to Barbara E. Thomas; to the Committee on Invalid Pensions. By Mr. STEPHENS of Texas: A bill (H. R. 10997) to cancel

the allotment of Ollie House; to the Committee on Indian Affairs.

By Mr. TALBOTT of Maryland: A bill (H. R. 10998) for the relief of the heirs of Ann Gregory, deceased, widow of Charles N. Gregory, deceased, purchaser; to the Committee on War

By Mr. TAYLOR of Arkansas: A bill (H. R. 10999) for the relief of the legal representatives of Jennie Hunter, deceased; to the Committee on War Claims.

By Mr. WHITACRE: A bill (H. R. 11000) granting an increase of pension to Charles M. Reilly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11001) granting an increase of pension to Franklin I. Gilbert; to the Committee on Invalid Pensions. By Mr. KINDEL: Joint resolution (H. J. Res. 175) for the

recognition of the services of the late Hon. John H. Marble, secretary and later a member of the Interstate Commerce Commission, and for the relief of Mattie Louise Marble; to the Committee on Appropriations.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. ANSBERRY: Memorial of the Youngstown Association of Credit Men, favoring the passage of a bill for flood control; to the Committee on Rivers and Harbors.

By Mr. BARNHART: Petition of business men of Elkhart, Goshen, New Paris, and four other towns of the thirteenth dis-

trict of Indiana, favoring the passage of legislation compelling concerns selling goods direct to the consumer by mail to contribute their portion of the funds for the local community, county, and State; to the Committee on Ways and Means.

By Mr. CALDER: Petition of United Master Butchers' Association of America, of Brooklyn, N. Y., favoring the passage of the cold-storage bill; to the Committee on Interstate and Foreign Commerce.

By Mr. CARY: Petition of Merchants and Manufacturers' Association of Milwaukee, Wis., protesting against the passage of the seamen's bill (S. 136); to the Committee on the Merchant Marine and Fisheries.

By Mr. CRAMTON: Petition of citizens of the seventh congressional district of Michigan, favoring the passage of the Lindquist pure fabric and leather bill; to the Committee on Interstate and Foreign Commerce.

Also, petition of the common council of St. Clair and 14 other clubs, councils, associations, etc., of the seventh congressional district of Michigan, all protesting against the passage of Senate bill 136 unless amended to conform to the interests of the Great Lakes and river commerce; to the Committee on the Merchant Marine and Fisheries.

Also, petition of the Retail Grocers and General Merchants' Association of Michigan, favoring the passage of legislation to fix a Federal standard of measure for fruits, vegetables, etc.; to the Committee on Interstate and Foreign Commerce.

Also, petition of the Michigan State Grange, favoring the passage of an amendment to the Constitution of the United States to grant suffrage to women, and asking the appointment of a House committee on woman suffrage; to the Committee on the Judiciary

By Mr. DALE: Petition of the E. C. Brown Co., of Rochester, N. Y., favoring 1-cent letter postage; to the Committee on the Post Office and Post Roads.

Also, petition of United Master Butchers' Association of America, of Brooklyn, N. Y., favoring the passage of the cold-storage bill; to the Committee on Interstate and Foreign Com-

By Mr. DYER: Petition of the Federation of Jewish Farmers of America, favoring the passage of a bill for adequate rural credit facilities; to the Committee on Banking and Currency.

By Mr. EAGAN: Petition of sundry residents of the eleventh

congressional district of New Jersey, protesting against the passage of the seamen's bill in its present form; to the Committee on the Merchant Marine and Fisheries.

By Mr. ESCH: Papers to accompany bill (H. R. 10756) granting a pension to Charles P. Dyrud; to the Committee on Pensions.

By Mr. FRANCIS: Petition of the Youngstown Association of Credit Men, favoring the passage of such legislation that will prevent floods on the Mississippi River; to the Committee on Rivers and Harbors.

By Mr. GOEKE: Petition of Evans Bros., Cincinnati, Ohio, and 90 other firms of Ohio, in support of House bill 4322, the 1-cent letter postage rate; to the Committee on the Post Office and Post Roads.

By Mr. GREEN of Iowa: Papers to accompany bill (H. R. 10972) granting an increase of pension to Mary A. Slack; to the Committee on Invalid Pensions.

By Mr. GRIFFIN: Petition of the United Master Butchers' Association of America, of Brooklyn, N. Y., favoring the passage of the cold-storage bill; to the Committee on Interstate and Foreign Commerce.

Also, petition of the Maritime Association of the Port of New York, protesting against the passage of the seamen's bill in its present form; to the Committee on the Merchant Marine and Fisheries.

By Mr. GUERNSEY: Petition of citizens of the fourth congressional district of Maine, favoring the passage of House bill 5308, to compel concerns selling goods direct to the consumer by mail to contribute their portion of the funds for the development of the local community, county, and State; to the Committee on Ways and Means.

Also, petition of citizens of the fourth congressional district of Maine, favoring the passage of the Lindquist pure fabric and leather bill; to the Committee on Interstate and Foreign Commerce.

By Mr. HOWELL: Petition of Local No. 377, Journeymen Barbers' Union of America, favoring the passage of House bill 7826, for Sunday closing and shorter hours for barber shops in the District of Columbia; to the Committee on the District of Columbia.

Also, petition of the Trades and Labor Assembly and the Utah State Federation of Labor, Ogden, Utah, both favoring the passage of House bill 1873, granting the use of the waters of

the Hetch Hetchy Valley to the people of San Francisco, Cal.;

to the Committee on the Public Lands.

By Mr. KENNEDY of Rhode Island: Petition of the Marathon Club, of Providence, R. I., protesting against the segregation of the colored employees in the Government departments; to the Committee on the District of Columbia.

By Mr. MacDONALD: Memorial of the Trades and Labor Council of Hancock, Mich., favoring an investigation of the strike situation in the upper peninsula of Michigan; to the Com-

mittee on Labor.

Also, petition of 700 residents of Hancock and residents of Ironwood, Mich., favoring an investigation by Congress of the strike situation in the Upper Peninsula of Michigan; to the Committee on Labor.

Also, petition of W. S. Felton and other citizens of Engadine and residents of Ironwood, Hubbell, and Lake Linden, Mich., favoring the passage of the Lindquist pure-fabric and leather bill; to the Committee on Interstate and Foreign Commerce.

By Mr. McGILLICUDDY: Memorial of Local No. 11 (Livermore Falls, Me.) of the International Brotherhood of Paper Manufacturers, favoring the passage of House bill 1873; to the

Committee on the Judiciary.

Also, petition of sundry citizens of the State of Maine, favoring the passage of the pure-fabric bill; to the Committee on Interstate and Foreign Commerce.

By Mr. PADGETT: Petition of citizens of the seventh congressional district of the State of Tennessee, favoring the passage of the Lindquist pure fabric and leather bill; to the Com-

mittee on Interstate and Foreign Commerce.

By Mr. POWERS: Memorial of sundry citizens of the State of Michigan, protesting against certain provisions of the seamen's bill; to the Committee on the Merchant Marine and Fish-

By Mr. SCULLY: Memorial of the council of the city of Benton Harbor and Benton Harbor Development Co., of Michigan, and citizens of Highlands, Red Bank, Sea Bright, and Elberon and other points in New Jersey, protesting against the passage of the seamen's bill in its present form; to the Committee on

the Merchant Marine and Fisheries.

By Mr. THACHER: Petitions of the Board of Selectmen of Plymouth, favoring bill for enlargement, deepening, and maintenance of Government basin near wharves in Plymouth Harbor, and the Onset (Mass.) Board of Trade and Boston Marine Society, favoring proper aids to navigation at either end of the Cape Cod Canal; to the Committee on the Merchant Marine and Fisheries.

Also, memorial of the Ship Masters' Association, Lodge No. 4. at Cleveland, Ohio, favoring an investigation by the necessary committee of Congress of conditions on the Great Lakes before reporting out the seamen's bill; to the Committee on the Merchant Marine and Fisheries.

SENATE.

FRIDAY, December 19, 1913.

The Senate met at 10 o'clock a. m.

Prayer by the Chaplain, Rev. Forrest J. Prettyman, D. D.

The Secretary proceeded to read the Journal of yesterday's proceeding, when, on request of Mr. Overman and by unanimous consent, the further reading was dispensed with, and the Journal was approved.

CALLING OF THE ROLL.

Mr. DU PONT. Mr. President, I suggest the absence of a

The VICE PRESIDENT. The Secretary will call the roll. The Secretary called the roll, and the following Senators answered to their names:

Bacon	Gallinger	Martine, N. J.	Smith, Ariz.
Bankhead	Goff	Myers	Smith, Ga.
Brady	Gore	Norris	Smith, Md.
Brandegee	Gronna	O'Gorman	Smith, S. C.
Bristow	Hollis	Overman	Smoot
Bryan	Hughes	Owen	Sterling
Burton	Jackson	Page	Sutherland
Catron	James	Perkins	Swanson
Chamberlain	Johnson	Pittman	Thomas
Chilton	Jones .	Ransdell	Townsend
Clapp	Kenyon	Reed	Vardaman
Clark, Wyo.	Kern	Robinson	Walsh
Clarke, Ark.	La Follette	Saulsbury	Warren
Colt	Lane	Shafroth	Weeks
Crawford	Lea	Sheppard	Williams
Dillingham	I.ewis	Sherman	Works
du Pont	McCumber	Shively	
Wlatahan	Mantin Vo	Cimmons	

RANSDELL. I wish to announce that my colleague [Mr. THORNTON] is unavoidably absent. He is paired with the and telegram be read.

Senator from South Dakota [Mr. STERLING]. I ask that this announcement may stand for the day.

Mr. SHEPPARD. I wish to announce the unavoidable absence of my colleague [Mr. Culberson] and to state that he is

paired with the Senator from Delaware [Mr. Du Pont]. This announcement will stand for the day.

Mr. REED. I wish to announce the necessary absence of my colleague [Mr. STONE]. He is confined to his room by sickness. My colleague is paired with the Senator from Wyoming [Mr. CLARK].

Mr. WEEKS. I wish to state that my colleague [Mr. Lodge] is absent on account of sickness and to have this statement stand for the day

The VICE PRESIDENT. Seventy Senators have answered to the roll call. There is a quorum present.

BATTLE MONUMENTS, BULL RUN, VA. (H. DOC. NO. 481).

The VICE PRESIDENT. The Chair lays before the Senate a communication from the Secretary of War, transmitting, pursuant to law, a copy of the report of the board of officers appointed by the War Department to consider the protection of the monuments already erected on the battlefield of Bull Run, Va., and other monuments that may be there erected. communication will be referred to the Committee on Military Affairs and printed. It is accompanied by papers and illustrations, which will also be referred to the committee, but which will not be printed unless ordered.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the bill (H. R. 11003) to provide for expenses of representatives of the United States at the International Maritime Conference for Safety of Life at Sea, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bill and joint resolution, and they were thereupon signed by the Vice President:

S. 2689. An act amending an act entitled "An act to increase the limit of cost of certain public buildings, to authorize the enlargement, extension, remodeling, or improvement of certain public buildings, to authorize the erection and completion of public buildings, to authorize the purchase of sites for public buildings, and for other purposes; and

H. J. Res. 165. Joint resolution for recognition of the services of the late David Du B. Gaillard, lieutenant colonel, Corps of Engineers, United States Army, as a member of the Isthmian Canal Commission, and for the relief of Mrs. Katherine Davis

Gaillard.

PETITIONS AND MEMORIALS.

Mr. JAMES. Mr. President, I send to the desk a telegram received yesterday from various national banks in Kentucky and ask that it may be read.

There being no objection, the telegram was read, as follows: Louisville, Ky., December 13, 1913.

Hon. OLLIE M. JAMES, Washington, D. C .:

Hon. Ollie M. James, Washington, D. C.:

We have sent the following telegram to Senator Owen:

"Referring to section 22, page 73, line 19, currency bill, should not the words 'or from the directors of such bank' be inserted after the words 'Comptroller of the Currency'? The Louisville Clearing House Association has recently appointed a special examiner, believing such a step to be in line with modern banking, safety, and developments. It is the unanimous opinion of the association that the scope of the examiner will be narrowed to such an extent that the value of the examinations will be greatly impaired."

National Bank of Kentucky, by H. D. Ormsby, cashier; National Bank of Kentucky, by S. Gaines, assistant cashier; Citizens National Bank, by S. S. Gaines, assistant cashier; Citizens National Bank, by H. C. Rodes, president; German Insurance Bank, by H. C. Walbeck, president; German Bacurity Bank, by Chas. Bohmer, president; German Bank, by P. Viglini, president; Louisville National Bank, by J. D. Stewart, president; Union National Bank, by J. D. Stewart, president; American National Bank, by L. C. Murray, president; Fidelity & Columbia Trust Co., by L. M. Render, secretary.

Mr. JAMES. I desire to state that an amendment has already been adopted to the substitute proposed by the Senator from Oklahoma [Mr. Owen] which incorporates the words suggested in the telegram.

Mr. BURTON. I present a petition signed by approximately 4,800 employees of the National Tube Co., of Lorain, Ohio. This is a constituent corporation of the United States Steel Corporation. The petition relates to the suit now pending for the dissolution of the Steel Co. I ask that the accompanying letter

Mr. KENYON. I think the heading of the petition might properly be read, too.

Mr. BURTON. Very well.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Secretary will read as requested.

The Secretary read as follows:

LORAIN, OHIO, November -, 1913.

Hon. THEODORE BURTON, United States Senate, Washington, D. C .:

United States Senate, Washington, D. C.:

We, the undersigned employees of the National Tube Co., a subsidiary company of the United States Steel Corporation, noticing in the papers that suit has been instituted in the courts by order of our Government for the purpose of dissolving it, we, the signers of this petition, desire to enter this as a protest against such action, as we think our interests will be injured. The company that we are employed with has been very solicitous of our welfare, sparing neither time nor money to make our working conditions better. Conditions are better now under the United States Steel Corporation than ever existed before. Many of us workmen are reaching the age when we will be eligible for the pension fund, which will be of great benefit to us and our dependents. We have also taken advantage of the privilege of subscribing for stock, which has been of great benefit to many of us in the way of large returns. We all feel satisfied under the conditions we work: that when injured the company looks after our welfare, and also helps us in a financial way. We therefore ask you that you use your good offices and your good influence to have this suit stopped, as we think it will be an injury to all of us employees of the United States Steel Corporation.

LORAIN, OHIO, December 18, 1913.

Senator T. E. Burton,
Senate Chamber, Washington, D. C.:
Approximate number of signatures is 4,800.

W. W. ROBBINS.

LORAIN, OHIO, December 13, 1913.

Hon. THEODORE E. BURTON, Washington, D. C.

DEAR SIR: We, the signers of this letter, are a self-appointed committee of the employees of the National Tube Co., Lorain, Ohio, who have circulated a petition to the Government to stop its dissolution suit against the United States Steel Corporation, which we are forward-

suit against the United States Steel Corporation, which we are forwarding by express.

The signers to this petition were obtained without assistance from the officials of the company. In fact, more than 1,000 names were secured before the matter was brought to their attention. The sentiment expressed herein represents the feeling existing between the men of these mills and the United States Steel Corporation.

We therefore respectfully request that you use your good offices to the extent that this sentiment may be presented at the proper time and place

place. Yours, very respectfully,

W. W. ROBINS, Chairman. K. A. DAUGHERTY. JOHN W. PRICE.

The VICE PRESIDENT. The petition will be referred to

the Committee on the Judiciary.

Mr. THOMAS. I wish to offer, in connection with the petition just presented by the Senator from Ohio [Mr. Burton], a short editorial from the Saturday Evening Post, which was published some time ago, and which I think it appropriate should appear in the RECORD:

THE WRONG AND THE REMEDY.

Originally the common stock of the Steel Corporation was thinner than water, but it is not now. The last annual report shows that, first and last, \$600,000,000 of net earnings have been used for the purpose of solidifying the water. One hundred and seventy-five million dollars have been paid in dividends on the common stock. Four hundred and twenty-five million dollars of earnings have been appropriated for the purchase of additional property for new construction and for the retirement of mortgage liens—all to the benefit of the common stock.

Six hundred million dollars is far more than three years' full wages for every hand employed by the corporation. Last year, after deducting approximately \$45,000,000 from earnings for ordinary repairs and maintenance, the corporation further deducted twenty-two millions for extraordinary replacements and twenty-five millions for common-stock dividends. These two sums—applied to strengthen the common stock—would have increased the pay of every employee, from the president down, by 25 per cent.

That common-stock issue was an economic crime. It puts a perpetual handicap upon higher pay, shorter hours, and lower prices; but any corporation is still at liberty to issue all the common stock it pleases—if not in one State, then in another. Here is a very tangible trust evil that legislation can easily cure. Why does not legislation go about it? The wrong is patent; the remedy at hand. We should rejoice to see one practical step taken by the Federal Government on this trust subject.

Mr. WEEKS. I present resolutions adopted at a recent

Mr. WEEKS. I present resolutions adopted at a recent meeting of the Massachusetts State Board of Trade, relating to the pending currency legislation. I should like to have the resolutions read.

There being no objection, the resolutions were read and ordered to lie on the table, as follows:

MASSACHUSETTS STATE BOARD OF TRADE, Boston, Mass., December 17, 1913.

Hon. John W. Weeks.

United States Senate, Washington, D. C.

DEAR SIR: At a meeting of the executive council of the Massachusetts State Board of Trade held this day the following resolution was unani-

mously passed:

Resolved, That the Massachusetts State Board of Trade protests against the use of the words "gold and lawful money" whenever used in connection with the proposed new issue of currency.

It regards it as essential that the words "lawful money" be eliminated.

It believes there is danger to the stability of our currency if by any possibility it be redeemable in anything but gold.

Very respectfully, yours,

RICHARD L. GAY, Secretary, Per I. L. S.

Mr. WEEKS presented resolutions adopted by the Board of Selectmen of Dedham, Mass., favoring the enactment of legislation providing for the construction of the proposed supply ship for the Navy at the Boston Navy Yard, which were referred to the Committee on Naval Affairs.

Mr. THOMPSON. I desire to present a letter from E. V. Lanyon, president of the First National Bank of Pittsburg, Kans., pertaining to a guaranty of bank deposits, and expressing the sentiments of the bankers, as well as of the people generally, in my State on this important question. I ask to have the letter read at the desk.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Secretary will read as requested.

The Secretary read as follows:

THE NATIONAL BANK OF PITTSBURG, Pittsburg, Kans., December 15, 1913.

WILLIAM H. THOMPSON,
Senate, Washington, D. C.

My Dear Sir: I notice from newspaper reports that there is quite a strong sentiment in the Senate to put a clause in the new currency bill guaranteeing deposits of banks operating under the new currency act.

Kansas, as you well know, has a State guaranty law, and a number of other States have been talking of enacting similar laws for the protection of deposits in State banks.

I think it would be much better for Congress to pass a guaranty law and make it a part of the new currency bill rather than to have the different States enact such laws.

I believe the guaranteeing of bank depositors has come to stay and that before many years all States will have such laws. For this reason I think Congress should enact such a law at this time.

Unless Congress takes some action of this kind national banks will be placed at a disadvantage as compared with State banks.

I think bankers generally have been opposed to the guaranteeing of deposits; but from my observation since Kansas enacted the present law I have changed my mind somewhat on this subject, and I would much rather see a national law passed than to have each State take it up individually.

Hoping that you will give this matter your kind consideration, I am, Yours, truly,

Mr. BURTON. I desire to have read a joint telegram from the president of the Chamber of Commerce and the president of the Credit Men's Association of Youngstown, Ohio, pertaining to the pending banking and currency legislation.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Secretary will read as requested.

The Secretary proceeded to read the telegram-

Mr. SMITH of Arizona. Mr. President, I shall not object to the reading of this telegram, but I shall object to the reading of any other telegrams, thus burdening the RECORD with literature from the outside about matters which we have been studying and on which we have been working here for nearly a year. Now, just on the eve of the passage of the currency bill to be constantly burdening the Record with the opinions of every-body outside of the Chamber seems to me unnecessary so far as furnishing light that we should have on the subject. I repeat that as to this communication I shall not object to it being read, but I shall object to any further requests of this kind.

The VICE PRESIDENT. The Secretary will continue the reading of the telegram.

The Secretary resumed and concluded the reading of the telegram as follows:

Youngstown, Ohio, December 18, 1913.

T. E. BURTON, United States Senate, Washington, D. C.:

United States Senate, Washington, D. C.:

At a joint meeting of the chamber of commerce and the Credit Men's Association, of 494 business men, held this day in this city, the following expression regarding banking and currency legislation was unanimously adopted, and is urged to your earnest consideration:

We favor—

(a) The establishment of a central bank with branches rather than a number of regional banks.

(b) Control of this bank by the Government.

(c) A board of control composed of men representing various lines of business, including banking, who shall be appointed for long terms expiring at different times.

(d) The issuance of currency by this bank rather than by the Government itself.

(e) The maintenance of a gold reserve of not less than 40 per cent against all demand liabilities of the bank, including currency issued, and in addition the segregation by the bank of short-time commercial paper indorsed by national or other member banks in an amount equal to 100 per cent of all currency issued as and by way of special security for such issues.

(f) Retirement of all forms of paper currency now in use, excepting

(f) Retirement of all forms of paper currency now in use, excepting only gold and silver certificates, as soon as such retirement can be effected without disturbance of business or hardship to the Government or the present national banks.

(g) Ownership of this central bank in the hands of the public and of national and other banks complying with the requirements of the system, and so regulated that it can not be concentrated.
(h) Pald-in capital for this bank of not less than \$100,000,000.
(i) Restriction of this bank to Government and member banks' busi-

JAS. L. WICK,
President Youngstown Credit Men's Association.
J. G. BUTLER, Jr.,
President Youngstown Chamber of Commerce.

Mr. BURTON. Mr. President, the Senator from Arizona [Mr. SMITH] did not object to the reading of the telegram, for which I express my thanks to him. This is but one of a multitude of telegrams filed here, and I do not believe our constituents will approve, nor do I think the Senate will approve, the sentiment expressed by the Senator from Arizona, in which he speaks with disparagement of "the people outside." If anything, we have paid too little attention to the people outside in the framing of this bill.

Mr. SMITH of Arizona. Mr. President, in reply to the Senator from Ohio, I should like to say that it depends upon the point of view from which we look at the question. I notice that several Senators, for purposes of their own, have paid much more particular attention to the opinions of people outside than they have to the interests of the country.

Mr. SMITH of Michigan presented a memorial of the board of directors of the Association of Commerce of Grand Rapids, Mich., remonstrating against the passage of the so-called La Follette seamen's bill, which was ordered to lie on the table.

He also presented a petition of Local Union No. 67, Cigar Makers' International Union of America, of Grand Haven, Mich., praying for the enactment of legislation to make lawful certain agreements between employers and laborers and persons engaged in agriculture or horticulture, and to limit the issuing of injunctions in certain cases, and for other purposes, which was referred to the Committee on the Judiciary.

REPORTS OF COMMITTEE ON MILITARY AFFAIRS.

Mr. WARREN, from the Committee on Military Affairs, to which was referred bill (S. 3592) to remove the charge of desertion from the military record of Daniel Carpenter, reported adversely thereon and the bill was postponed indefinitely.

He also, from the same committee, to which was referred the

bill (S. 3149) to remove the charge of desertion from the military record of Moses Chauncey, reported it with an amendment

and submitted a report (No. 143) thereon.

Mr. CHAMBERLAIN, from the Committee on Military Affairs, to which was referred the bill (S. 1884) for the relief of Phoebe W. Chase, reported it without amendment and submitted a report (No. 144) thereon.

TREATIES AND CONVENTIONS.

Mr. FLETCHER. I am directed by the Committee on Printing to report Senate resolution 210, submitted by the Senator from Kansas [Mr. Bristow] on November 6 last, with an amendment in the nature of a concurrent resolution (S. Con. Res. 11), and I submit a report (No. 145) thereon. The committee finds that to have printed, as suggested in the resolution, the treaties, conventions, international acts, and protocols between the United States and other powers will cost an amount in excess of that fixed by law and that can be ordered by a Senate resolution, and have therefore reported a concurrent resolution as a substitute. The report of the committee may be read if desired, but I should like to have it printed in the RECORD, at any rate, if there be no objection. I ask unanimous consent for the immediate consideration of the concurrent resolution.

Mr. SMOOT. I should like to ask the Senator from Florida if this includes the third volume?

Mr. FLETCHER. It does include the third volume.

Mr. SMOOT. And the expense of the printing of it will not be above \$1,800?

Mr. FLETCHER. About \$1,800 bound in cloth, which will bring the whole publication down to last March.

The VICE PRESIDENT. The Secretary will read the concurrent resolution and report proposed by the committee.

The Secretary read as follows:

The Secretary read as follows:

Resolved by the Senate (the House of Representatives concurring),
That there be printed for the use of the Senate 1,000 additional copies
of Senate Document No. 357, volumes 1 and 2, Sixty-first Congress, and
Senate Document No. 1063, Sixty-second Congress, being a compilation
of the treaties, conventions, international acts, protocols, and agreements between the United States of America and other powers from
1776 to 1913; and that the superintendent of documents is hereby authorized to order reprinted such copies of the foregoing documents as
may be required for sale by his office in accordance with law.

[Senate Report No. 145, Sixty-third Congress, second session.]

Mr. FLETCHER, from the Committee on Printing supmitted the fol-

Mr. FLETCHER, from the Committee on Printing, submitted the following report, to accompany Senate concurrent resolution 11:

The Committee on Printing, to which was referre. Senate resolution 210, providing for the printing of 1,000 additional copies of Senate

Document No. 357, volumes 1 and 2, Sixty-first Congress, and Senate Document No. 1963, Sixty-second Congress, containing a compilation of treaties, conventions, international acts, protocols, and agreements between the United States and other powers from 1776 to 1913, report back a concurrent resolution as a substitute therefor and recommend that the same be adopted.

The supply of Senate Document No. 357, Sixty-first Congress, which contains a compilation of treaties, conventions, etc., from 1776 to 1909, is entirely exhausted, many Members of Congress being without a reference set of this valuable publication, of which only 500 extra copies were printed. Of Senate Document No. 1963, Sixty-second Congress, only 500 additional copies were printed for the use of the Senate, and these are about exhausted. Senate Document No. 1963 is a supplement to Senate Document No. 357, and brings the compilation of treaties, conventions, etc., down to 1913. The two documents are bound in three volumes.

conventions, etc., down to lead, three volumes.

The concurrent resolution as reported by the committee also authorizes the superintendent of documents at the Government Printing Office to reprint such copies of the two documents is may be required for sale by his office in accordance with law, which directs that public documents shall be sold at cost of printing from stereotyped plates, the proceeds from such sales being covered into the Treasury of the United States to the credit of the appropriation for the public printing and binding.

proceeds from such sales being covered into the Treasury of the United States to the credit of the appropriation for the public printing and binding.

The superintendent of documents, in a letter to the chairman of the committee requesting authority to reprint the compilation of treaties, conventions, etc., for sale, stated:

"We note also in yesterday's proceedings in the Senate the resolution of Senater Batsrow favoring a reprint of the three compiled volumes of the United States treaties. You may perhaps remember that this office suggested the usefulness of such a reprint, owing to the fact that there is a continuous demand all the year round for the compilation of the United States treaties. As the compilation now corrent, and of which the plates are still available in the Printing Office, is considered to be the most complete and accurate composition yet made, it including all treaties, those which are still operative, and those which have become obsolete but remain of historical value, the time seems opportune for producing more economically than has been possible before, a reasonable supply of this publication to be made available for sale at a moderate price to all persons interested. Of this authentic diplomatic history of the country, this office can undoubtedly sell 500 sets, and if no new compilation were to supersede the present one for several years, could readily sell 1,000 sets, it seems to this office rather disagreeable to be compelled to deny citizens a knowledge of these publications when they are willing to pay the cost of their production."

The Public Printer estimates that the cost of printing 1,000 additional copies of Senate Document No. 357, Sixty-first Congress, and Senate Document No. 1063, Sixty-second Congress, will be \$1,847.03 for the three volumes, cloth bound. This estimated cost, being in excess of the \$500 limitation fixed by law upon printing ordered by a simple resolution, he committee therefore substituted a concurrent resolution, herewith submitted, for that introduced b

Mr. BURTON. Mr. President—
The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Ohio?

Mr. FLETCHER. I do.

Mr. BURTON. I should like to know if the proposed publication will include all the treaties to date?

Mr. FLETCHER. All down to last March, as I understand; all that are available and can be printed.

Mr. BURTON. To March, 1913?

Mr. FLETCHER. 1913. I ask for the immediate consideration of the concurrent resolution.

Mr. NORRIS. Mr. President, from the reading of the resolu-

tion I notice there is a provision only for copies of this document for the use of the Senate. Is there any provision in it for copies of the document for the use of Members of the House of Representatives?

Mr. FLETCHER. I have not the resolution before me.

Mr. NORRIS. I may be mistaken. I have not, of course, examined it.

Mr. FLETCHER. I think there is not. It was introduced as a Senate resolution, and we changed it to a concurrent resolution because the cost exceeded the limit of \$500; but we provide for the publication of additional copies, to be placed in the hands of the superintendent of documents.

Mr. NORRIS. Yes; but they could not be used by the Members of the House of Representatives unless they paid for them. It seems to me the resolution ought to provide for the publication of some copies for the House as well as for the Senate.

While I am on that point I wish to ask a further question. Is it the design of the resolution that these documents shall be divided up pro rata, according to the quota to which each Senator is entitled, or will they all be in the document room, subject to the order of the first Senator who happens to come along?

Mr. FLETCHER. I take it they will go to the document room

and be apportioned out.

Mr. NORRIS. I ask the question in good faith, because the publication is a very valuable one. I think we all get requests for it. I know I have and I have been unable to comply with them. It is a publication that is very much sought after in certain localities, especially by attorneys who are engaged in the settlement of estates in localities where there is a large foreign population.

Mr. SMOOT. Mr. President, I will say to the Senator that the concurrent resolution provides that a thousand additional copies shall be printed for the use of the Senate. That means that they shall go to the folding room and each Senator shall have his pro rata of the thousand copies.

Mr. NORRIS. That is the way it ought to be.
Mr. SMOOT. The resolution does not say that they shall go to the document room. If it did, then the Senators calling for them first would secure the copies.

Mr. NORRIS. The resolution does not say they shall go to

the folding room.

Mr. SMOOT. All documents as to which it is not specifically provided in the resolution that they shall go to the docu-ment room go to the folding room, and the division is made

there according to the number of Senators.

In answer to the Senator in relation to the lack of a provision in the resolution for a number of copies for the Members of the House, I will say that in all of our concurrent resolutions we always leave that question to be decided by the House itself. If the House desires any copies of this document, it will amend the concurrent resolution and include in it the number the House may want. That has always been the rule in the House, and it has always been the rule in the Senate to introduce resolutions in that way.

CRAWFORD. Mr. President, I shall object to the present consideration of the resolution. I realize that the document is a valuable one and one that Senators will want. have had calls for it myself. I wish, however, to examine the resolution more carefully than I am able to do in the short time given here. I am also opposed to coupling a reasonable need of the Senate for its own Members in the way of printed documents with a consent to be secured from the House of Representatives before the Senate's reasonable request can be granted. I am opposed to it and shall oppose the consideration of the resolution on that ground.

Mr. FLETCHER. In that connection, I will say that we shall be unable to supply the Senate with the documents within the limit fixed by law that the Senate can control by simple Therefore it is necessary to have a concurrent resolution.

I will say further, in answer to the Senator from South Dakota, that while his point is doubtless well taken—that the Senate ought to control the documents it desires to have printed-we found upon investigation that the amount fixed by law in the control of the Senate-\$500-would not give us the publication that was desired. Hence we had to put it in the shape of a concurrent resolution, which requires the action of both Houses. The Senate can use only \$500 by a simple resolution, and we could not print a sufficient number of these three volumes to supply the Senate within that limit. Hence we had to report a concurrent resolution.

will say, further, that the Senator from Utah is correct. I did not have the resolution before me when the Senator from Nebraska asked the question. It is true that these documents will go to the folding room instead of to the document room. and will be apportioned out there as far as the Senate is concerned. We apprehend that the usual thing will nappen, and that is that when the concurrent resolution passes the Senate and goes to the House it will be referred to the House committee, the House will put in the number it may feel it ought to have, and then the concurrent resolution will come back here for final action. That is the situation. Of course, if it is desired to have the resolution go over, I can not prevent it.

Mr. CRAWFORD. No serious harm can be done

The VICE PRESIDENT. The introduction of bills and joint resolutions is in order.

Mr. CRAWFORD. Does the presiding officer take a Member of the Senate off the floor by an announcement of that kind

when the discussion that was pending had not closed?

The VICE PRESIDENT. The president officer was out of the Chamber temporarily and was informed upon his return that the resolution had gone to the calendar.

Mr. CRAWFORD. I was simply going to make an observation that would not have taken 10 seconds.

The VICE PRESIDENT. The Senator from South Dakota is recognized. The Chair did not know that the Senator from South Dakota was on his feet.

Mr. CRAWFORD. I simply desired to say that I am not objecting on any hypercritical grounds; but under the circumbe printed, and that we shall have an opportunity to examine

The VICE PRESIDENT. The concurrent resolution had gone to the calendar, and the Chair did not observe that the

Senator from South Dakota had the floor. The Chair thought the Senate was proceeding in regular order.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CHAMBERLAIN:

A bill (S. 3777) to protect the dignity and honor of the uniform of the United States; to the Committee on Military Affairs. By Mr. SAULSBURY:

A bill (S. 3778) granting an increase of pension to William H.

White; to the Committee on Pensions.

By Mr. JOHNSON:

A bill (8. 3779) to authorize the appointment of Joshua L. Chamberlain, late a brigadier and brevet major general of volunteers, to be a brigadier general in the Army on the retired list (with accompanying papers); to the Committee on Mili-

By Mr. SHAFROTH:

A bill (S. 3780) for the relief of John H. Williamson; and A bill (S. 3781) for the relief of Dennis Sexton; to the Com-

mittee on Claims.

A bill (S. 3782) granting an increase of pension to John H. Williamson;

A bill (S. 3783) granting a pension to Ella Nickerson;

A bill (S. 3784) granting an increase of pension to Daniel

A bill (S. 3785) granting an increase of pension to Jacob A.

A bill (S. 3786) granting a pension to Henry C. Doll;

A bill (S. 3787) granting a pension to Alice B. Stowe; and

A bill (S. 3788) granting an increase of pension to Jane Hubbard; to the Committee on Pensions.

By Mr. GRONNA:

A bill (S. 3789) granting an increase of pension to Harry N. Medberry (with accompanying papers); to the Committee on

By Mr. WORKS:

A bill (S. 3790) to correct the military record of Arthur W. Taylor to show honorable discharge from the service and to expunge and declare of no effect certain words in his discharge (with accompanying papers); to the Committee on Military

By Mr. ASHURST:

A bill (S. 3791) to provide for the construction of a fence on the international boundary line from the Rio Grande River to the Pacific Ocean on the southern boundary of the United States, and appropriating \$350,000 therefor; to the Committee on Foreign Relations.

By Mr. SHERMAN:

A bill (S. 3792) granting an increase of pension to Edward McMillan; to the Committee on Pensions.

By Mr. KERN:

bill (S. 3793) for the relief of Herbert Pennington (with accompanying papers); to the Committee on Military Affairs. A bill (S. 3794) granting an increase of pension to Jacob W.

Perkins; and A bill (S. 3795) granting an increase of pension to James R. Beaty (with accompanying papers); to the Committee on Pensions

By Mr. COLT.

A bill (S. 3796) granting an increase of pension to Abby P. Randall (with accompanying papers); to the Committee on Pensions.

WOMAN SUFFRAGE.

Mr. TOWNSEND. Mr. President, I should like to ask the chairman of the Committee on Woman Suffrage, if it would be of any avail to him or his committee to have filed the hundreds of telegrams which Senators receive both for and against the proposition to submit a constitutional amendment providing for woman suffrage? I ask this question because I have received literally hundreds of telegrams on one side or the other of this question. I have not submitted them because it was my opinion that the committee would not have time to consider this vast number of telegrams and petitions.

Mr. THOMAS. Mr. President, the Committee on Woman

Suffrage, through the Senator from Arizona [Mr. ASHUEST]. has made a favorable report upon Senate joint resolution No. 1, which is now on the calendar. That report was made some time ago, and the Senator from Arizona has, on several occasions since then, sought to have it taken from the calendar for immediate consideration, but unsuccessfully. It is his purpose. well as my own, to press it for as early consideration as possible, consistent with the consideration of the pending measure,

which has the right of way.

Replying directly to the inquiry of the Senator from Michigan [Mr. Townsend], I may say that his experience has been my own. I also have been in receipt of a great many telegrams both for and against, and a great many letters both for and against, this measure. I have not brought them to the attention of the Senate, because it has seemed to me that it would simply be to encumber the RECORD with surplus literature on the subject. My impression is that during the course of the discussion a great many of these papers might be referred to with a good deal of benefit, but I can not see the advantage of doing so at present by anything that has occurred up to this time.

Mr. GALLINGER. Mr. President, in connection with the matter brought to the attention of the chairman of the Committee on Woman Suffrage, I am glad of the opportunity to say that I have received hundreds and hundreds of letters, most of them opposing the constitutional amendment providing for woman suffrage. They came from women of standing in my own State, but they are largely an appeal to me to vote against the amendment when it comes up for consideration. For that reason I have not burdened the RECORD with them. I am glad to make this statement, so that the good women may know that I have received and have read their communications, and while they will probably not influence my vote in the least degree, yet they have been given respectful consideration.

MARKETING OF APPLES.

Mr. POINDEXTER. Mr. President, in connection with the work of the Division of Markets, which has recently been established in the Department of Agriculture, I have a paper, quite brief, with a special bearing upon the great problem, particularly interesting to the people of the Pacific Northwest, on the marketing of apples, a study of the causes and conditions in which tons and tons of fruit, the best in the world, rot upon the ground, while millions upon millions of people in almost all of the thickly populated parts of the country are suffering for the want of food of that kind. I ask leave to have this article, prepared by a very able student of the subject, printed as a public document.

Mr. President, may I ask the Senator who is Mr. SMOOT.

the author of the article?

Mr. POINDEXTER. Mr. John P. Hartman, of Seattle, Wash. Mr. FLETCHER. Mr. President, I think the paper should go to the Committee on Printing.

Mr. POINDEXTER. I have no objection to that.

The VICE PRESIDENT. The paper will be referred to the Committee on Printing for action.

SAN FRANCISCO WATER SUPPLY.

Mr. PITTMAN. Mr. President, I have here a statement issued by the President of the United States upon signing the Hetch Hetchy bill, the bill to provide a water system for the city of San Francisco. The statement is very short, and I desire to have it incorporated into the RECORD. I ask that the Secretary may read it with the consent of the Senate.

The PRESIDING OFFICER (Mr. SHIVELY in the chair). Is unanimous consent given for the reading of the statement? The Chair hears no objection, and the Secretary will read as

requested.

The Secretary read as follows:

The Secretary read as follows:

I have signed this bill because it seemed to serve the pressing public needs of the region concerned better than they could be served in any other way, and yet did not impair the usefulness or materially detract from the beauty of the public domain. The bill was opposed by so many public-spirited men, thoughtful of the interests of the people and of fine conscience in every matter of public concern, that I have naturally sought to scrutinize it very closely. I take the liberty of thinking that their fears and objections were not well founded. I believe the bill to be, on the whole, in the public interest, and I am the less uncertain in that judgment because I find it concurred in by men whose best energies have been devoted to conservation and the safeguarding of the people's interests, and many of whom have, besides, had a long experience in the public service which has made them circumspect in forming an opinion upon such matters.

INTERNATIONAL COMMISSION OF PHYTOPATHOLOGY (H. DOC. NO. 504)

INTERNATIONAL COMMISSION OF PHYTOPATHOLOGY (H. DOC. NO. 504).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Agriculture and Forestry and ordered to be printed: To the Senate and House of Representatives:

In view of the provision contained in the deficiency act, approved March 4, 1913, that:

Hereafter the Executive shall not extend or accept any invitation to participate in any international congress, conference, or like event without first having specific authority of law to do so.

I transmit herewith, for the consideration of Congress and for its determination whether it will authorize the acceptance of the invitation, a report from the Secretary of State, with accompanying papers, being an invitation from the Government

delegates to an international commission of phytopathology to meet at Rome on February 24, 1914, and a letter from the Secretary of Agriculture showing the favor with which the Depart-

ment of Agriculture views the proposed gathering.

It will be observed that the acceptance of the invitation will involve no special appropriation of money by the Government.

Woodrow Wilson.

THE WHITE HOUSE, December 19, 1913.

HOUSE BILL REFERRED.

H. R. 11003. An act to provide for expenses of representatives of the United States at the International Maritime Conference for Safety of Life at Sea was read twice by its title and referred to the Committee on Appropriations.

BANKING AND CURRENCY.

Mr. OWEN. I move that the Senate proceed to the considera-tion of House bill 7837.

The VICE PRESIDENT. Without objection, the Chair lays

Without objection, the Chair lays

before the Senate House bill 7837.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7837) to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States,

and for other purposes.

The VICE PRESIDENT. The pending amendment is the amendment offered by the Senator from South Dakota [Mr. Crawford] to the amendment of the Senator from Oklahoma

[Mr. OWEN]

Mr. CRAWFORD. I ask that the amendment offered by me may be read.

The VICE PRESIDENT. The Secretary will read the amendment to the amendment.

The Secretary. It is proposed to strike out section 24 as printed in the amendment of the Senator from Oklahoma and in lieu thereof to insert:

All national banks not located in central reserve cities may make loans secured by improved, occupied, and unencumbered farm land situated within the Federal reserve district where the loaning bank is located to the extent of one-half of its value; but no such loan shall be made for a longer period than five years, nor shall the aggregate of such loans by any bank exceed one-third of its time deposits.

Mr. CRAWFORD. Mr. President, the State banks of the country, as a rule, under the laws of the States in which they are located, are allowed to loan money upon farm mortgages to the extent of a certain proportion of their loanable assets. This gives them a material advantage in that respect over the country national banks. There is, and has been for a long time, a demand that the national-bank act shall be amended so as to permit, within safe and reasonable safeguards and restrictions, the loaning of a part of the funds of national banks upon farm mortgages.

The provision in the Owen bill designed to afford relief of that kind is, to my mind, entirely inadequate. It confines the amount which may be loaned on mortgages upon improved and unencumbered farm land for the term of not to exceed five years to an amount not exceeding 50 per cent of the actual value of the property offered.

The class of banks that need this authority to loan are the small country banks, not banks in central reserve cities, nor even to any considerable extent banks in reserve cities, but small banks capitalized for \$25,000 and \$50,000 and dealing

almost exclusively with farmers.

To say that a bank with a capital of \$25,000 or \$50,000 may loan only one-fourth of its capital upon farm mortgages of this kind is to say that it shall loan practically nothing upon that kind of security. With a capital of \$25,000, one-fourth of it would be less than \$7,000. With \$50,000 capital, one-fourth of it would be less than \$15,000. That amounts to nothing.

I have talked with these small bankers about the provision.

I discussed with them the provision in the original bill which allowed them to loan on farm mortgages for the term of nine months. They all said that it was a farce; it meant nothing in practice in their business. This, too, is a farce. It means nothing so far as any substantial accommodation that is needed along that line affects their business.

The amendment I offer is that one-third of the time deposits held by these banks may be loaned on farm mortgages. It is safeguarded. They can not go above 50 per cent of the value of the land. It must be an actually occupied, unencumbered, improved farm for which the security is given.

I hope the amendment may be adopted.

Mr. SMOOT. May I ask the Senator a question?
Mr. CRAWFORD. Certainly.
Mr. SMOOT. The Senator's amendment provides that no of the French Republic to that of the United States to send loan shall be made on a farm exceeding 50 per cent of its value,

Would not the amendment be in better shape if the Senator would say "assessed value," rather than to leave the question open as to the value? If it is left open, who is to decide the valuation?

Mr. CRAWFORD. The assessed value is oftentimes only one-fourth of the value of the land. As a rule, it is from onethird to one-fourth the value of the land. Then, if you restrict it to 50 per cent of that, you practically exclude

Mr. SMOOT. Does the Senator mean to say that the as sessed valuation of farm lands in this country is only about 25 per cent of their value?

Mr. CRAWFORD. As a rule, it is. I think in a large section of the country the assessment is based on one-third and onefourth of the actual value.

Mr. SMOOT. It is not so in my State.

Mr. CRAWFORD. Then the Senator's State is an exception. I am satisfied that all through the great agricultural region the assessed valuation is only a small part of the value. course, now, in some States, and my own is one of them, there is a statute or a movement to require property to be assessed at its full value. It is the first time in a generation that it has been attempted, but they are going up to 100 cents on the dollar on all lines, real property and personal property. The prevailing rule all through that country is, and has been for years and years, that this property should be assessed at onefourth and one-third, and in some States it is provided that the

assessment shall be on some ratio like that.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from South Dakota [Mr. Crawford] to the amendment. [Putting the question.] The noes seem to

have it.

Mr. CRAWFORD. I ask for the yeas and nays.

Mr. OWEN. I will say to the Senator from South Dakota that I think that matter may be adjusted in conference. I do not believe there is any real opposition to it, but to take it as presented would be objectionable.

Mr. SMOOT. I should like to ask the Senator from Oklahoma how it is possible to adjust it in conference? I understand that the conferees can not put new matter into the bill. This is entirely new matter.

Mr. OWEN. I think the conferees can do so, in the form in which this bill would be presented to them.

Mr. SHAFROTH. We have a clause in our substitute con-

cerning farm mortgages.

Mr. SMOOT. There may be a clause concerning farm mortgages, but it would not give the conferees the right to put in this matter merely because the subject matter is mentioned in the bill.

Mr. SHAFROTH. There is a determination that farm mortgages may be discounted for a period of five years and notes secured thereby. This is a mere matter of detail, it seems to me, as to that.

Mr. SMOOT. If the conferees had that power, they could make an entirely new bill. They have no right to do it and no power to do it.

Mr. CRAWFORD. Mr. President-

Mr. OWEN. If the Senator from South Dakota will permit me a moment, I will move an amendment to that section that will cover the case, and I am sure it will not be objected to. On page 58, line 17, I move to strike out the words "a reserve city or" and to add at the end of line 24 the words "or to one-third of its time deposits." That will accomplish the purpose which the Senator has in mind.

Mr. CRAWFORD. Would not that leave it uncertain as to

what it means?

Mr. OWEN. It would leave the reserve city banks the right to make a loan of that kind, limiting it to one-third of the time deposits of such banks.

Mr. CRAWFORD. Then, should not the Senator strike out the words "equal to 25 per cent of the capital and surplus"

Mr. OWEN. "Or" gives the alternative, "or to one-third of its time deposits."

Mr. CRAWFORD. But they do not mean the same thing.

Mr. OWEN. Certainly they do not mean the same thing, but it would give the alternative; they might do one or the other, as the bank pleased. It gives them the broad liberty.

Mr. CRAWFORD. This is the capital of a reserve bank.

Mr. OWEN. No; it does not have anything to do with a re-It relates only to member banks. serve bank.

Mr. CRAWFORD. Let us see if I understand it. It is a bank of \$25,000 capital. This would in effect be fixing a maximum and a minimum for these loans on farm mortgages.

Mr. OWEN. Section 24, I will say to the Senator, relates to national banks alone and does not relate to the Federal reserve banks.

Mr. CRAWFORD. I understand that.

Mr. OWEN. Since the Senator desires to enlarge the number of the banks that might make these loans so as to include the banks in reserve cities, that is accomplished by striking out the words "a reserve city or," in line 17; and since he desires to have one-third of the time deposits made available, that is accomplished by adding the words "or to one-third of its time deposits" after line 24.

Mr. CRAWFORD. Would not that be equivalent to saying that loans of this class might be made in amounts not less than one-fourth of the capital of a bank and not more than onethird of its time deposits? What is the use of having this minimum limitation there? That is what I am getting at,

Mr. OWEN. The use of the minimum limitation is to prevent commercial banks tying up their funds in long-time loans. The limitation, however, as to time deposits on a part of the capital is free from the larger objection that would apply to the general use of their deposits for that purpose.

Mr. CRAWFORD. If the Senator will permit me, that would leave the value the maximum limit. Why have the smaller amount named at all? That is what I have in mind.

Mr. OWEN. I do not think the Senator understands the proposal made by the chairman,

Mr. CRAWFORD. I think I do. The language would give these banks authority to loan upon these farm mortgages an amount equal to one-third of their time deposits. Am I correct about that?

Mr. OWEN. That is right.

Mr. CRAWFORD. Now, that is the extent to which they could make such loans if this amendment were adopted.

Mr. OWEN. It is.

Mr. CRAWFORD. That answers the entire purpose of putting on the limitation. Then why name a smaller amount

Mr. OWEN. They might not have any time deposits.

Mr. CRAWFORD. That would be an extraordinary situation. Mr. OWEN. Yes; it would be an extraordinary thing, perhaps; and the time deposits might not be as large in one case as the other

Mr. CRAWFORD. It does not seem to me necessary, but I am perfectly willing to accept it.

Mr. OWEN. It gives the Senator more than he asks for, and

I do not think anyone has any objection to it whatever. I move, in line 17, page 58, that the words "a reserve city be stricken out, and, after line 24, that there be inserted "or

to one-third of its time deposits." Mr. SMOOT. Let me suggest to the Senator that the article "a" should be retained. It should read "not situated in a cen-

tral reserve city." Mr. OWEN. That is right. Let it read "in a central reserve

city.

The VICE PRESIDENT. The amendment to the amendment will be stated as modified.

The Secretary. On page 58, line 17, before the word "central," strike out the words "reserve city or," and at the end of line 24, after the word "surplus," insert a comma and the words "or to one-third of its time deposits."

The VICE PRESIDENT. The question is on agreeing to the

amendment to the amendment.

The amendment to the amendment was agreed to.

The VICE PRESIDENT. The question recurs on the amendment proposed by the Senator from South Dakota.

Mr. CRAWFORD. I withdraw the amendment that I offered

in view of what the Senator from Oklahoma has presented.

Mr. NELSON. Mr. President, I should like to have the at-

tention of the Senator from Oklahoma for a minute. I should like to have certain words added after his last amendment in line 24. I think the Senator will have no objection to it. I suggest that these words be added:

and such banks may continue hereafter as heretofore to receive time deposits and to pay interest on the same.

Mr. OWEN. I have no objection to the amendment. I know very well what is the meaning of it.

Mr. NELSON. The Senator knows why I am in favor of it,

and I think the Senator has no objection to it.

The VICE PRESIDENT. The Secretary is taking down the

words. Mr. NELSON. I will read it:

and such banks may continue hereafter as heretofore to receive time deposits and to pay interest on the same.

Mr. OWEN. 'The Senator means such banks-

The VICE PRESIDENT. Let us see if the Secretary gets it. It is very difficult for the Secretary to take the language of Senators.

The Secretary. It is proposed to add after the amendment proposed by the Senator from Oklahoma and already agreed to a comma and the following words:

and such banks may continue hereafter as heretofore to receive time deposits and to pay interest on the same.

The VICE PRESIDENT. Is there objection to the amendment to the amendment? The Chair hears none, and it is agreed to.

Mr. OWEN. I move the adoption of my amendment as amended.

Mr. NEWLANDS. Mr. President-

Mr. OWEN. I yield to the Senator from Nevada.

Mr. NEWLANDS. I ask the Senator from Oklahoma whether he can not accept an amendment, on page 2, to strike out the words "nor more than 12 cities," in lines 9 and 10, and the words "not to exceed 12 in all," in line 21, so that the section will stand as follows, "shall designate not less than eight cities to be known as Federal reserve cities"?

Mr. OWEN. Mr. President, that has been a matter of very great controversy. It has been debated over and over again. The chairman does not feel at liberty to accept so serious an amendment.

Mr. NEWLANDS. I will ask the Senator whether there is to be any further conference among the Democratic Senators to-day?

Mr. OWEN. It has not been called, that I know of.
Mr. NEWLANDS. Mr. President, I will move that the words
"nor more than 12 cities" be stricken out of lines 9 and 10,
and also the words "not to exceed 12 in all," in line 21, page 2, of the print of the amendment of the Senator from Oklahoma bearing the date of December 18.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 2, lines 9 and 10, the last print of
the amendment of the Senator from Oklahoma, strike out the
words "nor more than 12 cities," and in line 20, after the words "Federal reserve board," strike out the comma and the words "not to exceed 12 in all."

Mr. NEWLANDS. Mr. President, I want to say a few words in regard to this amendment. I propose to follow it up by another amendment, on page 30, at the end of line 6, by inserting the following words in the enumeration of powers of the Federal reserve banks:

And to require from the Federal reserve banks such proportion of the reserve deposits by member banks with the Federal reserve banks, not exceeding one-third, as they may require, for the purpose of advancing to any Federal reserve bank in order to rediscount the discounted paper of member banks.

Mr. President, the purpose of these amendments which I offer is to enable the Federal reserve bank, if it deems it wise, to organize more than eight Federal reserve banks and not to limit the number. My hope is that ultimately, as the result of a gradual growth, a reserve bank will be established in every State, and in keeping with that organization that there shall be a Federal reserve bank at Washington which will control directly one-third of the reserves turned over by the member banks to the Federal reserve banks, so that instead of calling upon Federal reserve banks to rediscount the notes of other Federal reserve banks it can act directly in aid of any Federal reserve bank in the country.

Thus, if any Federal reserve bank finds that it is unable to take care of the discounts that may be required within its district, to prevent a bank panic or to relieve a stringency the Federal reserve board can directly give the relief to the Federal reserve bank without the tedious process of calling upon some

Federal reserve bank to give the relief required.

This amendment, if adopted, will throw the matter in conference, and I trust that some provision on the line of my suggestion will be carried out there.

Mr. President, I hear on every side the statement made that if it were not for the plank in the Democratic platform which announces the opposition of the party to the Aldrich plan or a central bank, the central reserve organization would be more efficient than the regional reserve organization in meeting these conditions. There are a large number of votes on this side of the house that will be cast against a centralized system, not because their judgments are convinced, but because they feel that their party platform is opposed to such a procedure.

Mr. President, I do not believe myself in a central-bank system, but I do believe in a Federal system, which has the advantages of both the regional system and the central-bank system. The Federal system means that you will have a reservoir in each State controlled by a Federal reserve bank composed of National and State banks within that State, and that you will also have at Washington a great central reservoir controlled by the reserve board, through which relief can be directly given

to any State reserve association which requires it. That plan is not forbidden by the Democratic platform under any construction, however strained, and it conforms to our entire theory of government, which regards the States as the basic units and the Nation as the union of these basic units for national and interstate purposes.

Mr. President, in pressing this motion I find myself met by the embarrassment that the Democratic conferences, in which I have shared, have not seen fit to accept the view which I have urged. I feel, also, that if I should attempt to exercise entire independence upon this matter, my single vote might mar the symmetry of this bill and throw this whole legislation into confusion. I believe that the plan which I suggest is absolutely in harmony with the Democratic platform, is in harmony with the regional system which the Democratic Party has presented, and is only a modification of that regional system leading, by a process of evolution, to an organization of a Federal reserve bank in every State and the union of those Federal reserve banks in a Federal reserve bank at Washington that can give aid to each member Federal reserve bank; but I am unwilling to press my individual judgment in this matter to the point of marring the general symmetry of this bill and producing con-

The conferences which the Democratic Senators have held whilst this bill has been pending have been necessarily hurried; so many views have been pressing upon their consideration that has been impossible to fairly consider all the views entertained by each individual member. The bill has now reached such a stage that I believe it would be wise and judicious to hold a Democratic conference to-day for two or three hours, and review this entire amendment which is presented by the Senator from Oklahoma [Mr. Owen] practically as a substitute for the House bill.

Individually, I believe that the House provision in this particular is better than this, because it provides for not less than 12 regional banks, but does not limit the entire number, as does the Senate amendment. I should like to have that question further discussed by a conference.

There is another question which is of vital importance, and that is the question as to whether we have put proper restraints in this bill upon inflation. I do not believe that we have; and I should like to have that subject further discussed in conference. We all admit that the country and the world are suffering from inflation both of basic money and of credits. We all know that in this country the basic money has vastly increased since the agitation of 1896 against contraction and that the bank credits of the country have vastly increased. We all know that the rising prices, of which we all complain, are due mainly to that economic cause, the tremendous increase in the output of gold and the tremendous increase throughout the world of bank credits as the result of that increase. Our purpose here is not to increase the volume of money but to make the flow of money in the channels of commerce so easy, continuous, and unobstructed as to prevent the occasional breaks in exchange, from which at varying periods we suffer. There is enough blood flowing in the arteries of commerce. What we want to prevent is an obstruction of the flow. As soon as the obstruction is removed we want the flow to go on, but not swollen in volume in such a way as to threaten the bursting of the arteries them-When, as a result of a bank panic, basic money is either withdrawn from the banks and put into the vaults of safe-deposit companies or remains congested in certain localities we propose to increase the circulating medium just for that emergency, and not to leave the emergency currency out continuously in circulation. The Senate bill provides for greater expansion than the House bill, and in that respect is, in my judgment, inferior to the latter.

The VICE PRESIDENT. The time of the Senator from Nevada has expired.

Mr. NEWLANDS. Mr. President, I will not at the present time press the amendment which I am urging, but I will take another opportunity, in the hope that meanwhile there will be a Democratic conference upon the subject.

Mr. CRAWFORD. Mr. President, I offer an amendment, which I send to the desk.

The VICE PRESIDENT. Does the Senator from Nevada withdraw his amendment?

Mr. NEWLANDS. I reserve the amendment.

The VICE PRESIDENT. The Chair does not understand whether the Senator from Nevada withdraws the amendment or whether the question is to be put upon it.

Mr. GALLINGER. Why not move its reference to a Democratic conference?

Mr. NEWLANDS. That would be hardly regular, I think. I will withdraw the amendment for the present.

The VICE PRESIDENT. The amendment proposed by the Senator from South Dakota [Mr. Crawford] will be stated.

The Secretary. It is proposed to strike out the first paragraph of section 14, and in lieu thereof to insert:

SEC. 14. Any Federal reserve bank may under rules and regulations prescribed by the Federal reserve board, purchase and sell in the open market at home or abroad, either from or to domestic or foreign banks, firms, corporations, or individuals, notes, drafts, bills of exchange, cable transfers, and acceptances of the kinds and maturities by this act made cligible for rediscount.

Mr. CRAWFORD. Mr. President, that amendment simply includes notes with bills and the other paper which is eligible to discount, and proposes to bring them within the scope of open-market operations. The House bill, while it is not that broad, apparently was believed to be sufficiently broad to include this paper, because that is indicated by the report made by the committee in the other House. I discussed this matter briefly the other day in connection with some quotations from Mr. Untermyer's article in the North American Review.

It seems to me that one of the purposes of this section is to give the Federal reserve board and these new banks the power to control discount rates. In my judgment it will be ineffective for that purpose, unless it is broadened to include notes. Hence I have proposed the amendment.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from South Dakota to the amendment.

Mr. OWEN. I hope that the amendment will not prevail. The amendment to the amendment was rejected.

Mr. CRAWFORD. I offer another amendment, which I send to the desk

The VICE PRESIDENT. The amendment to the amendment proposed by the Senator from South Dakota will be stated.

The SECRETARY. In the last print of the bill, in section 24, page 59, at the end of line 4, it is proposed to insert:

No person shall be qualified to hold the position of director in a member bank who is a director in another competing bank. Any other bank which seeks to do a general commercial banking business in the same city, town, village, or community in which a member bank does business shall be deemed a competing bank within the meaning of

business shall be deemed a competing bank within the meaning of this act.

Any bank permitting a director of a competing bank to act as one of its directors shall be ineligible to membership in a Federal reserve bank, and any bank which violates this provision after becoming a member shall, if found guilty thereof by the Federal reserve board after hearing and notice in writing specifying such charge, be suspended from all privileges as a member of a reserve bank. Said suspension shall remain in full force so long as such violation continues to exist.

Mr. CRAWFORD. Mr. President, all the outcry against the Money Trust and against undue concentration and control in the great banks of New York, and all the outcry against interlocking directorates, the voting-trust habit, and all that sort of thing, is either a sham and unfounded or else it is a matter of tremendous import and seriousness. We are dealing here with the question of revising the banking law and removing abuses, and it seems to me this is the time and place to put a provision of this kind in the statute. There is no need of any extended discussion, and under the limitations here I do not propose to enter into an extended discussion of this question, but I give the opportunity through this amendment for the Senate to pass upon it.

The VICE PRESIDENT. The question is on the amendment of the Senator from South Dakota to the amendment of the Senator from Oklahoma.

The amendment to the amendment was rejected.

Mr. NEWLANDS. Mr. President, I move to amend, on page 30, at the end of line 6, by inserting the following:

And to require from the Federal reserve banks such proportion of the reserves deposited by member banks with the Federal reserve banks, not exceeding one-third as they may require for the purpose of advancing to any Federal reserve bank in order to rediscount the discounted paper of member banks.

Mr. SMOOT. Mr. President-

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Utah?

Mr. NEWLANDS. Certainly.

Mr. SMOOT. I wish to ask the Senator if that is not the identical amendment he offered some 10 minutes ago?

Mr. NEWLANDS. No; the amendment I offered a few moments ago was one in reference to the number of regional banks. I said that I would offer this amendment later on.

Mr. SMOOT. This is not included, then, in the amendment which the Senator offered before?

Mr. NEWLANDS. Oh, no.

Mr. SMOOT. I simply want to say, Mr. President, that if it is the same amendment it is virtually a technical violation of the unanimous-consent agreement.

Mr. NEWLANDS. Oh, no; it was not included.

Mr. SMOOT. Of course, I take it for granted that the Senator from Nevada is in perfect harmony with every other Senator in desiring the passage of the bill at the earliest hour possible.

Mr. NEWLANDS. Certainly.

The VICE PRESIDENT. The amendment was stated at "one-fourth" before, was it not; and it is now "one third"?

Mr. NEWLANDS. The amendment was not offered at all before. I simply said in the course of my argument that I would offer such an amendment. The amendment which I had printed last night did say "one-fourth" instead of "one-third." I have now changed that to "one-third."

Mr. President, the section proposed to be amended relates to the powers of the reserve board, and the particular paragraph is the one which authorizes that board-

to permit or require Federal reserve banks to rediscount the dis-counted paper of other Federal reserve banks at rates of interest to be fixed each week or oftener by the Federal reserve board.

The amendment which I offer gives the board, in addition to that power, the power of taking from the Federal reserve banks one-third of the reserves deposited with them by the member banks and utilizing them directly in aiding any Federal reserve bank which may require funds with which to rediscount the notes of its member banks.

Mr. President, this bill in giving the Federal reserve board the power "to permit or require Federal reserve banks to re-discount the discounted paper of other Federal reserve banks" clearly admits that a contingency may arise where a Federal reserve bank may not be able to take care of the contingencies that will arise within its district; that the condition of panic or stringency may be so extensive as to be entirely outside of and beyond the control of the regional reserve bank. It seems to me that in that case the Federal reserve board should not be called upon to exercise the indirect method of requiring an individual reserve bank to rediscount for another individual reserve bank, but it ought to have the power itself to put these funds directly into the reserve bank which requires aid; otherwise the process may be defeated by the protest of the individual reserve bank that is called upon to rediscount for another Federal reserve bank.

The power is one of emergency, and the Federal reserve board should have it in its power to act quickly and directly, and it should not be subjected to the necessity in a case of extreme emergency or crisis of arguing the matter out with other reserve banks which may be so solicitous regarding the conditions in their own districts as to make them unwilling to comply with the requirement of the Federal reserve board.

Mr. President, I wish to say one word further regarding the

possibility of inflation under this bill.

I was unable to conclude what I had to say upon that subject when I addressed myself to the preceding amendment. my judgment, this bill contains more facilities for inflation than does the House bill. In the first place, the House bill provides for the gradual retirement, within a period of, I believe, 20 years, of all the national-bank notes now outstanding. within a time fixed by the law, it will relieve us of a vast quantity of uncovered paper money, which certainly ought not to exist during any period of inflation.

The only justification for the existence of uncovered paper money is a contraction of the money volume such as necessitates the issue of uncovered paper money in order to give the people enough units of money with which to do their business. It is absolutely unjustified in such conditions of inflation as exist to-day, when the production of gold in the world is \$450,000.000 annually, as against \$150,000,000 twenty years ago, when bank credits have been so swollen as to furnish the people of practically every civilized country with all needed facilities for quick exchange in transactions, and when the inflation both of credits and of money has been such as to lead to an enormous rise of prices throughout the world. It ought to be the policy of every wise Government under such conditions gradually to retire its uncovered paper money and to rely simply upon the basic money itself supplemented by the bank credits based upon it. Yet in this bill we are doing away with the wise requirement of the House bill for the gradual retirement of the uncovered paper money represented by national-bank notes. There is no civilized country in the world to-day that has anywhere near the amount of uncovered paper money that we have.

In addition to that we are providing for enormous issues of reserve notes, and, in my judgment, without proper requirements as to their retirement when the emergency is over. It is true that the reserve notes are intended, so it is claimed, for emergencies, and yet the rate of interest which we exact for the reserve notes is not such as to force an automatic retirement when an emergency is over; so the reserve notes put out for purposes of emergency may be allowed to remain out for purposes of inflation. In addition to that, the banks are authorized by the bill to hold the reserve notes in their re-

I claim that as an elemental principle of banking the reserves of banks should be basic money and nothing else. There is no excuse for using anything else, unless it may be in a period of contraction, when it is of the highest importance that the number of units of money should be increased, even at the risk of abandoning temporarily the safety devices which experience has

proved necessary in a sound monetary system.

In this period of inflation we have no justification at all for permitting the reserve notes, which are mere promises to pay money, to be used as the cash reserves of the banks in compliance with the law requiring a certain percentage of their deposits to be represented by cash. It is true that if the State banks come in under this system with their inadequate reserves to-day, averaging only 8 per cent, they may be compelled to reduce their loans in order to come within the requirements of the act as to a 12 per cent reserve. It would be a misfortune to force a reduction of the loans, but that matter can be met by giving the reserve board power to force the reserves of the State banks to be gradually brought up to the requirements of this statute by giving them five years' time under the provisions of the law, and authorizing an extension in the discretion of the reserve board.

It seems to me that is very much better than to adopt the vicious principle of allowing mere promises to pay to be put into the cash reserves of a bank as a basis of an enormous

inflation of bank credits.

Then there is another inflation of credit that is provided for by this bill, by the very reduction required in the reserves Under the national-bank act an average reserve of at least 18 per cent is required. We propose to substitute for that an average reserve of about 13½ per cent, 4 per cent less. What does that mean? Why, instead of doing as we are now and permitting national banks to issue bank credits to the extent of about \$6 for every dollar of cash they have, under this law we will permit those banks to issue \$7 or \$8 of credits to \$1 of cash. So we are permitting an expansion of bank credits under this bill.

If the reduction in the reserve requirements is to be accomplished simply for the purpose of enabling the State banks to get the discarded portion of the national-bank reserves, in order that they may put such portion in their reserves, and thus come up to the average of this law, I have no objection to it; but instead of stimulating the State banks to secure the discarded portion of the reserves of the national banks under this lessened requirement we are absolutely discouraging them from maintaining their present meager allowance of basic money by permitting them to use reserve notes, mere promises to pay,

as cash reserves.

With reference to the amendment I have offered, I propose to withdraw it for the present until a Democratic conference can act upon it.

Mr. CUMMINS. Mr. President, I offer an amendment to be added to section 13.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The Secretary. It is proposed to add at the end of section 13, page 37, of the last print:

13, page 37, of the last print:

Whenever in the judgment of the board of directors of a Federal reserve bank the banking institutions of any community are unable or unwilling to loan money to an individual, copartnership, or corporation in that community of such financial responsibility or offering such security as would, under the general and ordinary rules recognized in the banking business, entitle the individual, copartnership, or corporation applying for the loan to the credit asked for, then and in that case the bank may make a loan to any such individual, copartnership, or corporation for a period not exceeding three months, at such rate of interest as may be agreed upon and with such security, either by way of guaranty or collateral, as may be acceptable to the bank: Provided, The board shall establish a general rule fixing the minimum amount of any such loans: Provided further, That no such loan shall be made to any officer or director of a banking institution or to any corporation engaged in the business of banking: And provided further, That not more than an amount equal to 10 per cent of the deposit of reserves shall be outstanding in such loans at any one time.

Mr. CUMMINS. Mr. President, the effect of the amendment

Mr. CUMMINS. Mr. President, the effect of the amendment I have proposed is to permit a Federal reserve bank to loan not to exceed 10 per cent of the deposit of reserves to an individual or a corporation directly, provided the individual or the corporation presents such security as is acceptable to the bank.

Senators will not have failed to observe in the course of the consideration of the bill that we have first coerced the capital of the Federal reserve banks, and, second, as compensation for that coercion, we have given to the banks the absolute control over the new institutions called the Federal reserve banks. regret very much-it is impossible for me to say adequately how much I do regret-that we have departed from the almost

universal sentiment of the country, which, I think, requires that the Federal reserve banks should be controlled by the Government of the United States, for two reasons: First, in order that they might distribute the reserves so as best to serve or promote the general welfare; second, to counteract what might be called, and what has been called, the conspiracy of wealth.

I do not mean a conscious conspiracy. I do not mean an explicit agreement entered into between the banks or between the men of wealth. I mean the effect which grows out of the intimacy of wealth, the business connections of men who possess great wealth. If there is one thing for which the American people are waiting, it is some relief from the consequences of the close intimacy of great bankers with business transactions of unusual magnitude.

Our Democratic friends have decided that the Federal reserve banks shall be controlled by the banks. I accept that as a final conclusion. I should like to know, however, why our Democratic friends are not willing to give the Federal reserve banks, controlled as they will be by the banks themselves, the right, the power, to loan a limited amount of money-not enough money to enter into general competition with the individual banks, but a very little of their money-in order to meet the cases that have been presented in the past, and that will be presented in the future, in which some man entitled to credit, by reason of his attitude toward public affairs or toward business affairs is denied credit not only by the banks in the larger cities, but by the banks in his own community.

I know there have been such instances in the past. The Democrats must know there will be such instances in the future. Why not give the Federal reserve banks the power, at least, to

meet that emergency?

What have you done? You have given the Federal reserve banks the power to buy notes without the security or indorsement of a member bank, provided they are offered by the bank itself; the purchase must be made from the bank. The new institution is not permitted to go directly to the individual. must approach this new source of relief through the medium of the banks. Again, you have provided, with respect to certain transactions which are had only by men of the largest affairs indeed, international affairs-that the Federal reserve banks can buy, from the individual, paper related to or growing out of international trade. Why not allow the Federal reserve bank a little power, a little opportunity to relieve instances of distress and remedy injustice that may be perpetrated upon our own people engaged in domestic trade?

Allow me to refer the Senator from Oklahoma to the early

part of section 14:

Any Federal reserve bank may, under rules and regulations pre-scribed by the Federal reserve board, purchase and sell in the open market, at home or abroad, either from or to domestic or foreign banks, firms, corporations, or individuals, cable transfers and bankers accept-ances and bills of exchange of the kinds and maturities by this act made eligible for rediscount with or without the indorsement of a member bank.

I also call his attention to a paragraph, with which, of course, is very familiar, farther on in section 14, in which the Federal reserve bank is given the power to purchase from member banks and to sell, with or without its indorsement, bills of exchange arising out of commercial transactions as hereinbefore defined; and also in that part of the bill which relates to foreign business it is declared that it may

open and maintain banking accounts in foreign countries, appoint correspondents, and establish agencies in such countries wheresoever it may deem best for the purpose of purchasing, selling, and collecting bills of exchange, and to buy and sell with or without its indorsement, through such correspondents or agencies, bills of exchange arising out of actual commercial transactions which have not more than 90 days to run and which bear the signature of two or more responsible vertices.

In these three instances there has been given in this bill to the Federal reserve bank the power to deal in commercial paper without the indorsement of a member bank.

I ask, therefore—I ask earnestly, and I expect an answer to it—when you have legalized the combination of bankers, when you have thought it desirable and necessary that the Federal reserve bank shall be controlled by the bankers, why is it that you will not give to this new bank not a mandate but the power to take 10 per cent of the deposit of reserves and loan it to individuals? If it shall find that the banks are inflicting an injustice upon some individual, one who is denied credit without reason, one who is denied credit simply because it may be for the interest of some banks to deny him credit, why will you not give to these banks this pittance of power, this meager and inadequate instrument to correct an injustice which is becoming more and more prevalent with passing years?

Of course, I do not expect any consideration for this amendment from the other side. I do not know whether it will have much consideration on this side, but it is one of those advances

which is required by the times.

I think, Mr. President, that we ought to amend our rules, if necessary. I think it ought to be in order to refer a particular amendment to the Democratic caucus. We can move to refer any proposal to any other committee of the Senate for its consideration, and I can not see why we should not be permitted to move to amend this bill and then move to refer that amendment to the Democratic caucus. In that way we might secure some fair consideration.

Mr. President, I do not know how much strength this proposal has in the Chamber. I believe in it thoroughly. I believe it is necessary. I believe that we ought to do something anyhow in this bill to counteract the great power of the banking capital of this country. Therefore I intend to ask for the yeas and nays upon this amendment.

The VICE PRESIDENT. Is the demand for the year and navs seconded?

The yeas and nays were ordered.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary proceeded to call the roll, and Mr. ASHURST

answered " nay.

Mr. BURTON. I ask to have the amendment read again.
Mr. CLAPP. Let it be read.
The VICE PRESIDENT. The Chair would be very glad to

comply with the request of Senators, but the roll call has begun and the Senator from Arizona has responded.

Mr. CLAPP. Before the roll call was begun Senators here tried to get the attention of the Chair.

The VICE PRESIDENT. The Chair will assume that he did not hear the response of the Senator from Arizona, and the amendment will be read.

Mr. ASHURST. Mr. President, the Chair is correct; but I must protest against a continued violation of the rule. After my name was called I made a response. The rule should not be violated and the roll call should be proceeded with. However, I shall not object at this time under the circumstances.

Mr. CLAPP. A strict adherence to the rule would be war-ranted if it related to something rather than the mere seeking to obtain information as to the reading of a proposed amend-

The VICE PRESIDENT. The Chair will have the amendment again read.

The Secretary. It is proposed to add at the end of section 13 the following words:

Whenever, in the judgment of the board of directors of a Federal reserve bank, the banking institutions of any community are unable or unwilling to loan money to an individual, copartnership, or corporation in that community of such financial responsibility, or offering such security as would, under the general and ordinary rules recognized in the banking business, entitle the individual, copartnership, or corporation applying for the loan to the credit asked for, then and in that case the bank may make a loan to any such individual, copartnership, or corporation for a period not exceeding three months, at such rate of interest as may be agreed upon, and with such security, either by way of guarantee or collateral, as may be acceptable to the bank: Provided, That the board shall establish a general rule fixing the minimum amount of any such loans: Provided further, That no such loan shall be made to any officer or director of a banking institution, or to any corporation engaged in the business of banking: And provided further, That not more than an amount equal to 10 per cent of the deposit of reserves shall be outstanding in such loans at any one time.

The Secretary resumed the calling of the roll.

The Secretary resumed the calling of the roll.

Mr. CLARK of Wyoming (when his name was called). I have a general pair with the senior Senator from Missouri [Mr. STONE], who is ill and unable to reach the Chamber. I therefore withhold my vote. I ask that this announcement may stand for the day. If I were at liberty to vote I would vote " yea."

Mr. DU PONT (when his name was called). I have a general pair with the senior Senator from Texas [Mr. Culberson].

transfer that pair to the junior Senator from Maine [Mr. Bub-LEIGH] and vote. I vote "yea."

Mr. SMITH of Arizona (when his name was called). I again announce my pair with the Senator from New Mexico [Mr. FALL]. I transfer that pair to the Senator from New Hamp-

shire [Mr. Hollis] and vote. I vote "nay."
Mr. STERLING (when his name was called). I announce my pair with the senior Senator from Louisiana [Mr. THORNTON]. If I were at liberty to vote, I would vote "yea.

The roll call was concluded.

Mr. REED. I again announce the necessary absence of my colleague [Mr. Stone], on account of illness. If he were present he would vote "nay." In his absence he is paired with the Senator from Wyoming [Mr. CLARK].

Mr. SMITH of Georgia. I transfer my pair with the senior Senator from Massachusetts [Mr. Lodge] to the junior Senator from Kansas [Mr. Thompson] and vote. I vote "Nay."

The result was announced-yeas 33, nays 47, as follows:

	YE	AS-33.	
Bradley Brady Bristow Catron Clapp Colt Crawford Cummins Dillingham	du Pont Gallinger Goff Gronna Jackson Jones Kenyon La Follette McCumber	Nelson Norris Page Penrose Perkins Poindexter Sherman Smith, Mich, Smoot	Stephenson Sutherland Townsend Warren Weeks Works
	N.A	YS-47.	
Ashurst Bacon Bankhead Brandegee Bryan Chamberlain Chilton Clarke, Ark. Fletcher Gore Hughes James	Johnson Kern Lane Lea Lewis Lipplit Martin, Va. Martine, N. J. Myers Newlands O'Gorman Oliver	Overman Owen Pittman Pomerene Ransdell Reed Robinson Root Saulsbury Shafroth Sheppard Shields	Shively Simmons Smith, Ariz. Smith, Ga. Smith, Md. Smith, S. C. Swanson Thomas Tillman Walsh Williams
	NOT V	OTING-15.	
Borah Burleigh Burton Clark, Wyo	Culberson Fall Hitchcock Hollis	Lodge McLean Sterling Stone	Thompson Thornton Vardaman

So Mr. CUMMINS's amendment to the amendment was rejected.

Mr. WEEKS. I offer an amendment, which I ask to have read.

The VICE PRESIDENT. The Secretary will read the amendment.

Mr. WEEKS. Before the Secretary commences to read the amendment, I should like to have the attention of the Senator from Oklahoma, because it is an important amendment. If adopted it will establish a Government policy, and it ought not to be considered in such confusion as has been prevailing during the last hour.

The VICE PRESIDENT. The Chair is informed by the Secretary that in the print of December 1 the words "Secretary of the Treasury" do not appear in line 12, on page 20.

Mr. WEEKS. The amendment is to the print of the amend-

ment of the Senator from Oklahoma of December 18.

The Secretary. On line 19, page 20, after the words "Secretary of the Treasury" insert:

In providing for the disposition of the surplus earnings of the reserve banks it is the fixed policy of the United States to apply all surplus revenues of every character to the liquidation of the public debt, and to make effective this policy, it is hereby provided that any surplus revenue which remains in the Treasury unappropriated at the close of the fiscal year, except an amount needed to provide a suitable working balance, shall be applied to the purchase of United States bonds now ourstanding. outstanding.

Mr. OWEN. I should like to have the amendment stated again.

The Secretary again read the amendment to the amendment. Mr. OWEN. Mr. President, the Senate has already in a previous part of the same section provided for the disposition of these earnings. This would change what has been already done and put the remaining part of the section in confusion. I therefore hope that the amendment proposed will not be adopted.

Mr. WEEKS. Mr. President, I want to call the Senator's attention to the fact that this does not in any way affect what has been done. This proposes that surplus earnings of all kinds at the end of the fiscal year shall be used to liquidate the public debt. It does not apply alone to the earnings of reserve banks, which may be applied to that purpose, but it applies to the earnings of all kinds and all characters. If the Senator does not wish to consider the amendment at this time, I will offer it when the bill gets into the Senate. I prefer to take it up now, because

Mr. SHAFROTH. Mr. President, I understand the amendment provides that all the surplus in the Treasury now shall be turned over for the purpose of purchasing bonds.

Mr. WEEKS. It does not provide for any such thing. It provides that the surplus money at the end of a fiscal year—
Mr. SHAFROTH. Well, at the end of the fiscal year. Here

you are predicting a deficit in the Treasury, and you want this money to go right to the purchase of bonds, when, if your prediction is true as to a deficit in the Treasury, we will need all the money to meet the expenses of the Government.

Mr. WEEKS. That shows the difficulty of legislating in the midst of confusion and when Senators are not paying attention to their duties on the floor. Here is a Senator making objection

to an amendment because it will use all the revenues, when this amendment specifically provides that a sufficient working balance shall be left in the Treasury, and that over and above the working balance the revenue shall be used to liquidate the national debt.

Mr. President, it is the purpose of this amendment to establish as a Government policy that hereafter, whenever there is any surplus which is not needed for the expenses of the Government for the fiscal year, that surplus shall be used as it would be used in the case of a corporation or any individual in civil life,

in paying the funded debt.

The sinking fund of the Government has been suspended for many years for the very good reason that the bonds which were outstanding were needed as a basis for our circulating medium. If the sinking fund had been in operation and we had issued bonds against the cost of the Panama Canal and other unusual expendes we would in the last 13 years have had a surplus revenue of \$579,000,000, which could have been applied to the liquidation of the debt. There were 3 years during that period of 13 years when there was a deficit amounting to \$98,000,000. In other words, there would have been a net income of \$481,000,000, which could have been applied to liquidating the public debt.

I want to see the Government out of debt. There is no reason why it should not go out of debt, now that we do not need the bonds as a basis for circulation. If we were, it would be a condition of immeasurable strength from every standpoint. It would be morally right, it would be financially right, and we should provide at this time a definite policy which will enable the liquidation of the public debt in the shortest pos-

sible time.

I hope that Senators on the other side will take the matter into consideration carefully before voting against a policy which would once for all free us from debt, and that then we could keep ourselves out of debt, providing for our annual

expenditures as they develop.

Mr. OWEN. Mr. President, the chairman did make a mistake in interpreting the language suggested by the Senator from Massachusetts [Mr. Weeks]. The mistake was a natural mistake, because he supposed that the matter referred to the section to which it was proposed as an amendment. He supposed that the reference was to the surplus of the reserve banks, and that the Senator was not attempting in disposing of the earnings of the reserve banks to declare a new fiscal policy with regard to the general revenue of the United States,

which was not germane to the section.

While there is force, of course, in the suggestion that the United States ought to pay its debts, that is a matter which is not germane to the establishment of a reserve banking sys-It is a matter which ought to be considered and which will be considered at a very early date, determining the policy of the Government with regard to the payment of its outstanding obligations and at the same time taking care of the currency which is based upon that outstanding currency. the bonds of the United States should be summarily paid to-morrow it would contract the Federal currency through the national-bank notes \$740,000,000, a thing which can not be done without the most serious disturbance unless some adequate provision were made to supplement the retirement of such national-bank notes.

The amendment proposed by the Senator from Massachusetts has no proper place in this bill, and much less has it any place in the section disposing of the net earnings of a Federal reserve

Mr. WEEKS. Mr. President, I do not think the Senator from Oklahoma need worry about retiring all the bond-secured circulation, as a result of surplus earnings, in the immediate future. Under the tariff law which is now in operation I doubt if there will be any considerable surplus earnings at present. But we are establishing a policy in providing for a disposition of the surplus earnings of the Government. For the first time, I think, in the history of the Government we are providing that surplus earnings which would go into the Treasury shall be applied to debt-paying purposes. This provides that such policy shall be followed in the use of the general revenues. If an amendment making it a definite policy, that the surplus earnings shall be applied to a reduction of the national debt, is not germane, then I very much misunderstand what would be germane.

Mr. BRISTOW. Mr. President, it seems to me there should not be an objection to the amendment which has been offered by the Senator from Massachusetts [Mr. Weeks]. It is purely a business proposition. At times, when the fiscal year closes, we have a surplus, and it has been a matter of a good deal of con-

cern as to what to do with the surplus.

The amendment simply provides that when there is a surplus, when we have abundant revenues on hand to carry on the business of the country at the end of the fiscal year, whatever that surplus is shall be applied to the reduction of our indebtedness.

As has been suggested to me by the Senator from Utah who sits by me [Mr. SUTHERLAND], it would take away the temptation for extravagance. I am in sympathy with the pretensions that are made by the administration and by both branches of

Congress along the line of economy.

If you want to start right, let us put something in the bill that indicates that we mean at least to try to pay some of our debts. There is not an intelligent man in the country who, when he has money on hand, does not reduce his indebtedness. That is all the Senator from Massachusetts is asking to do in this amendment; that is, to apply the ordinary common sense, honest business principles to the administration of our Government.

Mr. WEEKS. Will the Senator yield?

Mr. BRISTOW. Certainly.
Mr. WEEKS. I should like to call attention to the fact that the bonded interest-bearing debt of the Government 20 years ago was \$585,000,000. It is now \$965,000,000. If the sinking-fund provisions had been in operation during that time, and we had levied sufficient taxes to have made them workable, we would have no debt now. As a matter of fact, we have increased the debt \$360,000,000 during this time of great prosperity, and we have done it because we have had unusual expenses in building the Panama Canal and in other ways. But under the provision of this amendment we would in a similar time-that is, within 20 years—pay every dollar of our national debt.
Mr. BRISTOW. Without any excessive tax

Without any excessive taxation or even any

unusual taxation.

I have quite intimate personal relations with Senators on the other side of the Chamber in committee work and I know that this appeals to their judgment. I hope that we can have an expression of honest judgment from the Senate in regard to

this very plain and proper amendment.

Mr. SMITH of Michigan. Mr. President, I hope the amendment offered by the Senator from Massachusetts [Mr. WEEKS] may find some support on the other side of the Chamber. It has been a matter of very serious concern as to the appropriate function that the bonds of this Government may perform after this bill becomes a law. They now perform a dual function. and have an artificial value by reason of that fact. That will be practically withdrawn and, unless some stable policy of government is adopted providing for their retirement, I believe that the value of our national bonds will become impaired and their present high value shattered.

The remark of the Senator from Colorado [Mr. Shafboth] a moment ago attracted my attention, when he said that this side of the Chamber were proclaiming that there would be a deficit. I do not know that we have proclaimed that, although there was a deficit last month of over \$4,000,000. The other side of the Chamber have deliberately thrown away vast millions of income by their recent tariff legislation; they presented over \$60,000,000 a year as a gift to the American Sugar Refluing Co. in remitted duties. This does lead to the fear that possibly there will not be revenue enough collected in the manner provided to insure any great surplus as long as they are

This last 13-year period of Republican ascendancy referred to by the Senator from Massachusetts interests me very much. Senators upon the other side of the Chamber who have seen fit to impose new legislative conditions upon the country can not be very familiar with that record. It is a record of which we feel proud. We are proud that the national wealth of the country during those 13 years referred to by the Senator from Massachusetts has increased from \$90,000,000,000 to over \$140,-000,000,000. We are proud of the fact that the savings of the people during that identical period increased from over two and a half billion dollars to over four billion dollars, representing in large part the savings of labor. The wages of those employed in manufactures during those 13 years increased from two and a quarter billion dollars to four and a half billion dollars, while the products of manufacture during that period increased in value from nearly twelve billion dollars to over twenty billion dollars. During the same period the number of employees in the industries of our country increased from over five million to over seven million two hundred and fifty thousand people. To-day many of those people are looking for employment, which has been seriously jeopardized by legislation which has been enacted during the present administration.

The value of farm lands increased during that period of 13 years from \$13,000,000,000 to nearly \$30,000,000,000; our ex-

ports increased from \$1,500,000,000 during that period of 13 years to \$2,100,000,000. The manufactures exported last year under the law for which this side of the Chamber was responsible, not including foodstuffs, amounted to the unprecedented

sum of over a thousand million dollars.

Mr. President, with such a record we had hoped that there would continue to be a sufficient balance in the Treasury to warrant the policy advocated by the amendment proposed by the Senator from Massachusetts. But is there to be a deficit? Is the policy of the other side of the Chamber to bring ruin upon the country? There is scarcely a city or a town in this broad land that has not been unfavorably affected by this overdose of Democracy; scarcely a city or town in which men have not been driven from their customary and remunerative employment by the hostile legislation for which the present national administration is largely responsible.

As I said yesterday, and as I shall not repeat in detail, there is as much money in the country to-day as there was a year ago, when we were at the very height of our prosperity, when the credit of the country was at its highest point; there is to-day the same amount of money in circulation; there has been no curtailment of our circulating medium; it amounts to more per capita than it ever did before, and in its aggregate represents more than three and a half billion dollars of the best money that the people of this country have ever had or desired.

Mr. President, surely this amendment can not be in contravention of any well-settled principle of our opponents on the other side. Opposition to it surely can not voice the wishes of an administration that has so recently injected the new freedom into the affairs of government and plumes itself upon its solicitude for the welfare of the country; surely there should be no opposition to a simple declaration of governmental policy that when there is ample surplus it shall be devoted to the payment of the obligations of the Government, which, in my opinion, is about the only way in which the credit of the country, as represented in its Government bonds, can be maintained. hope Senators on the other side of the Chamber will not vote this amendment down; I hope they will consent to a policy so wholesome and helpful and beneficial. I know that Senators upon the other side are patriotic and have the interest of the country at heart; many of them perhaps differ from us in the details of governmental management, but in the general principle enunciated in this amendment there should be general and universal acquiescence.

The PRESIDING OFFICER (Mr. SHIVELY in the chair). The question is on the amendment submitted by the Senator from Massachusetts [Mr. WEEKS] to the amendment of the Senator from Oklahoma [Mr. OWEN].

Mr. WEEKS. On that I ask for the yeas and nays,

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CLARK of Wyoming (when his name was called). cause I am paired with the senior Senator from Missouri [Mr. STONE], who is ill and therefore absent, I withhold my vote. If

at liberty to vote, I should vote "yea."

Mr. DU PONT (when his name was called). eral pair with the senior Senator from Texas [Mr. Culberson]. I transfer that pair to the junior Senator from Maine [Mr. Burleigh] and vote. I vote "yea."

The roll call was concluded.

Mr. STERLING. I am paired with the senior Senator from Louisiana [Mr. Thornton] and therefore withhold my vote.

Mr. REED. I renew my announcement with reference to the absence and pair of my colleague, the Senator from Missouri [Mr. STONE]

Mr. SMITH of Arizona. I announce my pair with the Senator from New Mexico [Mr. Fall]. If the Senator from New Mexico were present and I were permitted to vote, I should vote "nay."

Mr. SMITH of Georgia (after having voted in the negative). I withdraw my vote, as I have a pair with the Senator from Massachusetts [Mr. Lodge].

The result was announced—yeas 40, nays 44, as follows:

YEAS-40.

Borah Bradley Brady Brandegee Bristow Burton Catron Clapp Colt	Cummins Dillingham du Pont Gallinger Goff Gronna Hitchcock Jackson Jones	La Follette Lippitt McCumber Nelson Norris Oliver Page Penrose Perkins	Root Sherman Smith, Micl Smoot Stephenson Sutherland Townsend Warren Weeks
Crawford	Kenyon	Poindexter	Works

Service of the servic	NA NA	YS-44.	The Martin S
Ashurst Bacon Bankhead Bryan Chamberlain Chilton Clarke, Ark. Fletcher Gore Hollis Hughes	James Johnson Kern Lane Lea Lewis Martin, Va. Martine, N. J. Myers Newlands O'Gorman	Overman Owen Pittman Pomerene Ransdell Reed Robinson Saulsbury Shafroth Sheppard Shields	Shively Simmons Smith, Md. Smith, S. C. Swanson Thomas Thompson Tillman Vardaman Walsh Williams
	NOT V	OTING-11.	
Burleigh Clark, Wyo. Culberson	Fall Lodge McLean	Smith, Ariz. Smith, Ga. Sterling	Stone Thornton

So the amendment of Mr. WEEKS to the amendment of Mr. Owen was rejected.

Mr. BURTON. Mr. President, I offer an amendment, which ask to have read from the desk.

The PRESIDING OFFICER. The Secretary will state the amendment.

The Secretary. On page 30 of the last print of the bill, line 7. subdivision (c), it is proposed to strike out:

To suspend for a period not exceeding 30 days, and from time to time to renew such suspension for periods not exceeding 15 days, any reserve requirement specified in this act: *Provided*, That.

Mr. BURTON. The first word of the remaining portion of the subdivision should then begin with a capital letter—"It." Subdivision (c) is found on page 37 of the original print of December 1, on page 29 of the amendment as introduced by the Senator from Oklahoma on December 1, and on page 30 of the

revised print of last night. In order to understand the matter which it is proposed to

strike out, and also the object of this amendment, it is necessary to read two other provisions of the bill, to which I will refer later; but, in the first place, Mr. President, I question the desirability of a substantive law providing for the suspension of reserve requirements. One of the most essential conditions to safety and stability in the banking business is confidence. An order for the suspension of reserve requirements would spread alarm over the entire country. We have now definite requirements for reserves-25 per cent in central reserve cities and reserve cities, and 15 per cent outside of reserve cities. It is perfectly well known that on many occasions the percentages of reserves have fallen below the requirements; indeed, in the panic of 1907 certain banks, although they were entirely solvent, reduced their reserves to 11 per cent. This infraction of the law was connived at because it was thought best to utilize reserves for the purpose for which they were intended, namely, that of meeting emergencies.

What makes especially objectionable this permission to suspend reserve requirements is the existence of two further provisions in the bill. On page 32 of the print of last night this provision is found among the powers of the Federal reserve

board:

(k) To authorize member banks to use, as reserves, Federal reserve notes, or bank notes based on United States bonds, to the extent that said board may find necessary.

Thus it is permitted to use as reserves, not merely gold nor that which can be immediately changed into gold, but the very obligations of the regional banks, which are a debt. On page 52 of the print of last night there is another provision, as follows:

Any Federal reserve bank may receive from the member banks as reserves, not exceeding one-half of each installment, eligible paper as described in section 14 properly indorsed and acceptable to the said reserve bank.

So in this bill we see a departure from the salutary rules of banking. First, authority is given to the Federal reserve board to use the notes issued, it is true, in form by the Government and obligations of the Government, but really the obligations of the regional banks; second, to use a certain class of paper as reserves. To that is added the right to suspend reserve requirements.

In each of these instances, in the acceptance of obligations or paper and in the authority to use notes that are the obligations of banks of the system, the bill transgresses the safe rules of banking; and now it is proposed to add to all these the right to suspend the reserve requirements for 30 days. Mr. President, that makes a system which is subject to inflation and which is most unsafe.

Mr. OWEN. Mr. President, the Bank of England has approximately 62 per cent of gold against its notes. It holds as reserves against its liabilities, its deposits, 40 per cent of those notes. In effect 40 per cent of 60 per cent is about 25 per cent of gold against the deposits of the Bank of England, which is the reserve bank of England. The Bank of England operates

under the law of 1844. Three times by ministerial permit a tremendous panic and crisis in England has been immediately averted by suspending the reserve requirements. They have done that in violation of law. We have preferred to permit by law that which in England has been done on three great occasions in spite of the law and in defiance of the law, just as in this country we do not permit clearing-house certificates, and yet the clearing houses have been compelled by the exigencies of our national system to emit clearing-house certificates for the safety of themselves and their member banks. I am opposed to the proposed amendment.

Mr. BURTON. Mr. President, the situation presented by the action of the Bank of England is not at all parallel. rency system of Great Britain is perhaps the most rigid in the world. It has authority to issue £18,500,000 of notes based upon Government debt or stock. Not a dollar can be issued in addition to that unless there is an equivalent amount of gold on which the note is based. It is true there were suspensions of this rule, by the authority of the Government, in 1847, in 1857, and in 1866, but on only one of those three occasions were extra notes issued. But here in this bill you have commercial paper as a reserve, you have Federal reserve notes as a reserve. Thus you have already the authority for, and the possibility of an indefinite expansion of your reserves. Still further, in addition to all that, you intend to say there may be a suspension of the reserve requirements.

The PRESIDING OFFICER. The question is on the amendment submitted by the Senator from Ohio to the amendment.

The amendment to the amendment was rejected.

Mr. BRISTOW. Mr. President, I offer the amendment which

The PRESIDING OFFICER. The amendment to the amend-

ment tendered by the Senator from Kansas will be stated.

The Secretary. On page 30, line 10, after the word "act," it is proposed to amend the amendment of Mr. Owen by insert-

Except the provisions relating to gold reserve against Federal reserve notes.

Mr. BRISTOW. That permits the suspension of the reserve requirement so far as the deposits are concerned, but it does not permit the suspension of the reserve requirement so far as the notes and the gold reserve against the notes are concerned.

The objection which the Senator from Oklahoma made to the amendment offered by the Senator from Ohio can not lie against this amendment. Certainly we should not permit any board to suspend the gold reserve that is behind the circulating notes of the country. That should be fixed by law. It is a dangerous power. It might lead to the gravest trouble. stability of the gold reserve should be hedged about with the greatest care.

I hope the Senator from Oklahoma will not resist this amend-

Mr. OWEN. Mr. President, I must protest against the constant reiteration that there is a lack of stability in the American banking system as to its note issue. The American notes are better secured than the notes of the Bank of England. have \$1,100,000,000 of gold against the gold certificates. have \$150,000,000 of gold against the greenbacks. We have \$110,000,000 of free gold in the Treasury. We have \$225,000,000 We have of silver on a gold basis in value. We have in the Treasury approximately \$1,500,000,000 of value in gold measure against the issue of \$1,100,000,000 of gold certificates, \$346,000,000 of greenbacks, and \$480,000,000 of silver certificates, making a total of about \$1,500,000,000 against \$1,900,000,000.

The national-bank notes are not only secured by bonds, dollar for dollar, but they are secured also by the assets of the national banks, which amount to approximately \$10,000,000,000, and they have \$600,000,000 of gold in their vaults.

I deny this idea of American notes being inferior to European notes. It is not true. No American ought to protest that these notes are defective in quality or character and are not

equal to the European notes.

Mr. BRISTOW. Mr. President, the Senator is discussing the question as to what our wealth is in money. I know we have over a billion dollars in gold down here in the Treasury. It does not belong to us, however. It belongs to the people of the United States.

This amendment simply takes from a board the authority to suspend the gold-reserve requirement for the notes. The Democratic caucus has increased that gold reserve from 331 per cent to 40 per cent. Why did it do it? Because it felt that 331 per cent was not a sufficient reserve behind those notes; but of what account is such increase if authority is given to a board to suspend the requirement?

Personally, I am in favor of putting into the law the goldreserve requirement, and fixing the amount as nearly as we can at what we believe is necessary. I agree that in case of a gradual decline below the reserve requirement, the deficiency can be taxed so as to stop the decline in the reserve; and provision has been made for that, though, I think, in a very imperfect way, by the caucus action. What I want, however, is to take out of the hands of this board the authority to suspend the requirement as to the gold reserve behind the currency.

The fact that there is in the Treasury of the United States a lot of gold, belonging to hundreds of thousands of people, for which certificates are out, has not anything to do with the gold reserve behind these notes. That is simply an asset of the American people. To be of any use, so far as the notes are concerned, it must be in the hands of the banks that issue the notes and stand responsible for them. It simply means that we have gold in the United States that the banks can get; but we do not know how long it will be before that gold stock may be depleted. To provide against such depletion it is necessary to have fixed in the law the gold reserve that is required.

Mr. WILLIAMS. Mr. President, as I understand the Senator's amendment, it is that this reserve is never to be less than

the percentage fixed in the bill.

Mr. BRISTOW. Yes; that is right.
Mr. WILLIAMS. That is true, is it not?

Mr. BRISTOW. Yes. Mr. WILLIAMS. That it shall be a violation of law for it

to fall below the minimum stated in the bill?

Mr. BRISTOW. Yes; that is correct-not a violation of the law, but the proposed law takes from the board the authority to suspend that requirement.

Mr. WILLIAMS. I understand; so that under no circum-

stances whatsoever can it ever be varied from.

Mr. President, I want to say that no more absurd idea ever was thrown out than the notion of a fixed, anchored, immovable reserve in a banking system—a reserve which can not work; a reserve which, no matter what the emergency may be, is worth John Stuart Mill said that a reserve of that sort might just as well be sunk 4 miles deep in the middle of the ocean, and he was exactly right.

In the old times the Austrian monarchy had what was called the Aulic Council. It was a board of military men who sat in Vienna and directed the campaign. They drew up beforehand the manner in which a campaign had to be fought by the generals in the field. A great many stories illustrating their stupidity have been told or written, and amongst others this

story:

It was said that they once gave a general in command of an army the order that when he went into battle at a certain place, fixed by them beforehand—the enemy to be there all right—he should hold 20,000 men in reserve all through the battle. At no stage of the battle was the reserve to be fought. At no stage of the battle were those 20,000 men to be used. The fool Aulic Council did not see that they were passing an order to subtract 20,000 men from the total number of the army engaged in the It was solemnly related that later on, when the general put the 20,000 men into battle anyhow and won the battle, which he could not have won but for them, they summoned him before a court-martial in Vienna, and had him temporarily

Mr. BORAH. Mr. President—
The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Idaho?

Mr. WILLIAMS. I do.

Mr. BORAH. That was an instance in which the military

general broke over the caucus rule.

Mr. WILLIAMS. That was an instance in which the military general broke over a fool law, or regulation with the force of law, just like the one that the Senator from Kansas is trying to put upon this bill, providing for a fixed, immovable, anchored reserve, sacred, not to be used. Why, you might just as well sink it 4 miles deep in the middle of the Atlantic for all the good

England tried that fool thing, and put it upon the statute books. It is a law there yet. What is the consequence? When-ever they get into a tight place the board of governors go to see the premier, and the premier promises a bill of indemnity from Parliament if they will violate the law—pursuing the uniform course of our cousins across the water of making a law and then making its breach respectable by precedent.

Our present national-banking law has the same foolish thing upon the statute books. There never is a strain upon the financial system of this country when it is not necessarily violated, and no man ever has been bold enough to propose to punish the

I am speaking in all due seriousness and not humorously when I say that this proposition is precisely equal in intelli-gence to the order which the jester said had been issued by the Aulic Council to the general about to engage in a great battle.

Every now and then we come to a situation of things where it requires every financial nerve of the country to support the system and where a bank ought to pay down to the very last dollar in its till in the hope that the rush may stop before the last dollar is reached. Meanwhile, while paying out, it can be making arrangements to reinforce the reserve through other means.

It is hard for me to believe that the Senator from Kansas means anything more by this amendment than to embarrass the majority or to get an opportunity on which to found a

speech about an insufficient gold reserve.

If there is an insufficient gold reserve, of course it ought to be raised. Experience will teach us whether there is or not. Whatever it may be, however, it ought not to be held there without any use, without any possibility of use, without any utility, without any work to perform, no matter how great the

crisis of the battle may be.

Mr. BRISTOW. Mr. President, of course the Senator from Mississippi, in his usual dogmatic way, has pronounced every opinion that is offered contrary to his views to be ridiculous, silly, foolish, absurd, and unworthy of serious attention by anybody. If the great English nation in its administration for hundreds of years has done anything that does not meet his approval, he pronounces it a foolish and ridiculous thing. The same is true of any other of the great civilized nations, or of any great statesman, as far as that is concerned. If he has done anything that does not meet the approval of the Senator from Mississippi, he at once pronounces it the most ridiculous and absurd thing of which a sensible man could have been

The Senator from Mississippi has proceeded to discuss this matter as though the amendment I have proposed undertook to forbid a bank from paying out money to its depositors if its reserve is below the legal requirement. It does not have anything to do with the deposits. It relates to the gold notes.

Mr. WILLIAMS. I did not say that. I said you forbid it to be used when a rush of notes is brought upon the bank.

Mr. BRISTOW. It has not anything to do with the payment It is the issuing of notes that it would forbid. It does not forbid the payment of notes, but it does forbid a bank from going further into debt, unless it has the resources to meet that debt. It is as sound a business proposition as could be incor-

Let me use an illustration. If a man is in debt as much as it is safe for him to go in debt with his available resources, he ought not to go in debt any more and run the risk of injuring his credit. If the gold reserve behind the Federal notes gets down to a certain point, we think, and the majority caucus thinks, it should then stop. So I suppose after full deliberation this provision was inserted in the bill yesterday:

And provided further. That when the gold reserve held against Federal reserve notes falls below 40 per cent, the Federal reserve board shall establish a graduated tax of not more than 1 per cent upon such deficiency until the reserves fall to 32½ per cent, and when said reserve falls below 32½ per cent, a tax at the rate increasingly of not less than 1½ per eent upon each 2½ per cent or fraction thereof that such reserve falls below 32½ per cent.

That amendment provides that the gold reserve may go down and notes may be issued when the reserve is below the legal requirement, but the banks that receive those notes must pay additional interest and an additional tax because of the condition of the gold reserve.

The illustration about the use of reserves which the Senator from Mississippi makes with such confidence has no application whatever to this amendment. Not only has the Democratic caucus provided that the reserves may be depleted, and that when they are depleted a tax shall be imposed to stop further depletion, but it goes further and nullifies the very provision which is incorporated in it by giving the Federal reserve board power to suspend it.

What is a gold reserve for except to maintain the credit of the Government's obligations-for these are made the Government's obligations-to sustain the credit, to sustain the value and usefulness of the notes that are based upon that reserve? When it is depleted, when it is paid out to the last cent, the notes will be below par and demoralization will ensue. A gold reserve against notes can not be paid out to the last cent, and it never should be thought of.

Mr. WILLIAMS. I should like to ask the Senator a question, to see if I understand him. I understand his position to be

that if people shall bring notes to a reserve bank for redemption, when the gold in the vaults of the reserve bank has been decreased by a process of redemption to a point where it is less than 40 per cent of the notes still outstanding, the bank must stop the process of further redemption of its notes. Is that the case, or not?

Mr. BRISTOW. If the Senator will yield to me, he of course does not understand what the Senator from Kansas has been saying. I can not understand why. The very paragraph I have read does not maintain it at 40 per cent. It lets it go down to the bottom, but it puts on a tax, and the result of imposing that tax would be to prevent it from going to the bottom.

not want that salutary provision suspended by any board.

Mr. WILLIAMS. The amendment of the Senator from Kansas provides that the reserve held against the notes shall never

be reduced below the minimum.

Mr. BRISTOW. The Senator from Mississippi has not heard the amendment, and does not know what it means, nor what it says. He had better ask for a reading of the amendment.

Mr. WILLIAMS. A moment ago, when I started out, I asked

the Senator from Kansas if that was not his amendment, and he said "yes."

Mr. ROOT. May I ask that the amendment which is before the Senate may be read?

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from New York?

Mr. WILLIAMS. Yes.
Mr. ROOT. I ask for a reading of the amendment.
The PRESIDING OFFICER. The amendment will be read.
The Secretary. The amendment comes in section 11, subdivision (c). In the last print of the amendment of the
Senator from Oklahoma it is on page 30, line 10. After the word "act" it is proposed to insert a comma and the words:

Except the provisions relating to gold reserve against Federal reserve notes

So that, if amended-

Mr. WILLIAMS. I understood the amendment perfectly, and I understand it now. We have provided there that it shall be within the power of the Federal reserve board to suspend all reserve requirements in the act. The Senator now offers an amendment to the effect that that shall not apply to the re-serves behind the notes. Therefore it necessarily follows that if bank has paid its notes, redeemed them, down to the point where it has less than 40 per cent or only 40 per cent left, it can not proceed further in paying out the reserve for the redemption of notes

Mr. BRISTOW. Mr. President, will the Senator yield to me? Mr. WILLIAMS. No; I decline to yield right now. I will in a minute.

Just one word more. The clause which the Senator has read about the tax applies to the reserve held for deposits. In that way we put into the body of the act an automatic tax which shall operate upon the reserve when the reserve is held for deposits.

I said a moment ago-and I want the attention of the Senator from Kansas-that that applies to the deposits. I do not mean it applies to the deposits alone; it applies to all the reserv

The Senator's amendment applies only to the reserve held behind the notes. What he proposes to do is to provide that under no circumstances, either by law or by order of the board, shall the reserves held behind the notes ever be less than 40 per cent, or the minimum requirement, whatever it is. If that be the case and a Federal bank had a run upon it with notes for redemption, the Senator would stop the redemption of those notes at the 40 per cent line. If that is not the case, then I have said what I have said under a misapprehension of the Senator's amendment. If so, it is because in order to understand it I asked the Senator before I said a word if that was what he meant, and he said, "Yes"; and the RECORD will show it.

Mr. BRISTOW. The Senator is mistaken in every instance.

should like to have the amendment read again, please, and I should like to have the attention of the Senator from Mississippi to the reading of the amendment.

The Secretary. On page 30, line 10, after the word "act," it is proposed to insert a comma and the words "except the provisions relating to gold reserve against Federal reserve notes," so that if amended it will read:

(c) To suspend for a period not exceeding 30 days, and from time to time to renew such suspension for periods not exceeding 15 days, any reserve requirements specified in this act, except the provisions relating to gold reserve against Federal reserve notes.

Mr. BRISTOW. Now, what is that provision? I will read it:

And provided further, That when the gold reserve held against
Federal reserve notes falls below 40 per cent, the Federal reserve board
shall establish a graduated tax of not more than 1. per cent upon such
deficiency until the reserves fall to 32½ per cent, and when said reserve

falls below $32\frac{1}{2}$ per cent, a tax at the rate increasingly of not less than $1\frac{1}{2}$ per cent upon each $2\frac{1}{2}$ per cent or fraction thereof that such reserve falls below $32\frac{1}{2}$ per cent.

I take from the Federal board the authority to suspend that provision, and under that provision the Federal bank can pay out as long as it has a dollar of gold; but the tax piles up, and of course it will not pay the tax, because it will get the gold.

Mr. WILLIAMS. Yes; I understand that; and if the tax should grow, let us say, to 15 or 20 per cent, where it would become prohibitive, they could not pay out another dollar of

Mr. BRISTOW. Why, no; but that is the provision incorpo-ated in the bill. The principle, I think, is all right. The PRESIDING OFFICER. The time of the Senator from rated in the bill.

Kansas has expired.

Mr. ROOT. Mr. President, the best way to ascertain the effect of an amendment which takes away the power of suspension pro tanto is to see what the law is now, unsuspended, without the exercise of the power of suspension, and then see what would be the effect upon it if the power of suspension

The Senator from Oklahoma introduced yesterday evening, and the Senate adopted, an amendment which fixed the gold reserve against circulating notes at 40 per cent, and provided, not that the payment of notes that were presented to the bank should cease at the point of 40 per cent, not that the payment should cease at any other point, but that whenever the payment brought the reserve below 40 per cent there should be a progressive tax-not a very heavy one; in my judgment, not a sufficient one-a tax of not more than 1 per cent upon the deficit from 40 per cent down to 321 per cent, and then a larger tax as the reserve is reduced below 321 per cent.

Mr. WILLIAMS. Not less than 14.

Mr. ROOT. Not less than 11, as against, preferably, 21 per

Now, that is what can be done by the law as it is now. The banks, while the reserve is fixed at 40, nevertheless are at liberty, it would be lawful for them to keep on paying, to keep on reducing their reserves down from 40 to 32, and below 32, without limit. The only thing which tends to discourage that is that it will be increasingly expensive for them to do it. That is the law now, and that will always be the law so long as no provision is suspended. So, if you take away from the reserve board the power to suspend it will continue the law that the banks can go on reducing the reserve lower and lower, discouraged only by the increasing expensiveness of doing it.

Now, what would be the effect if the board were to suspend these provisions? It would be not to confer upon the banks power to pay out but to repeal, nullify, set aside the whole taxing provision. That is to say, while the Senate in its wisdom has now determined to discourage a reduction of reserves below 40 per cent by a progressive tax, the former provision giving power to the board to suspend reserve requirements leaves it in the power of the board to nullify the provision the Senate has just put in. The effect of suspending reserve requirements to the gold reserve would be not to permit the banks to keep paying, for that the law gives them the power to do, but it would enable the board to repeal the progressive-tax provision; it would enable them to nullify the very mandatory provision that by the amendment adopted last night we put upon them; that is

Mr. WILLIAMS. Does not the Senator from New York think that when we put into the bill an automatic tax which we think ordinarily will work well there still ought to be discretion left in the board, when peculiar circumstances show that it is not working well, giving them the authority to dispense with it or suspend it for the nonce? At any rate, that was the idea in our minds, that while for the ordinary normal working of the system this rule was the best we could contrive, there might come a very remarkable set of circumstances for a time during which it would be well for the board to have the power to suspend all the regulations concerning the reserve.

Mr. ROOT. No, Mr. President; I do not think that ought to be done. Of course, it will always be abnormal when the banks go very much below their reserves. All that leaving this power in the board amounts to is that whenever this progressive-tax provision is brought into operation the board can dispense with it. It makes our provision of a tax brutum fulmen; it makes it of no avail. It declares a rule and authorizes this subordinate agency to set aside the rule. I think it makes the whole provision a vain pretense.

Mr. WILLIAMS. Let me put a case to the Senator before he takes his seat. Suppose the condition should be such that it would be evident to everybody that an immediate tax of 5

per cent would stop a wild inflation. When the reserve had reached 40 per cent this provision says that this board shall fix a tax of 1 per cent and on down to 321. It seems to me it would be very wise to let the board have the power under those peculiar circumstances to make that tax 3 or 5 or 6right down-if it was considered necessary in order to check the speculation.

Mr. ROOT. But the provision to which the amendment offered by the Senator from Kansas is directed does not touch that at all. The power to suspend, from which he would exempt this tax provision, does not carry the power to impose a larger

Mr. WILLIAMS. Oh, the power to suspend in whole carries the power to suspend in part.

Mr. ROOT. Yes.

Mr. WILLIAMS. If the board, instead of fixing a tax of 1 per cent at that time for the fall below 40 per cent and not below 32½, would fix a tax of 5 per cent, that would be a suspension of that much of it.

Mr. ROOT. It would be more than a suspension; it would be imposing a tax for which no power is given in the bill, for the provision which did give them power to impose a tax has now been stricken out. If you want to accomplish that, instead of giving the board power to suspend, change the terms of this provision and instead of a requirement of a tax of not more than 1 per cent make it a requirement of a tax not less than 1 per cent. Then the board would have the power to which the Senator refers.

Mr. WILLIAMS. It would be better to strike it out and leave it entirely in the discretion of the board?

Mr. ROOT. I did not say that. I said that the provision which gave the board discretion had been stricken out.

Mr. WILLIAMS. I will tell the Senator why we thought, under a normal working system, it would be better to have the rule laid down in the law, even if the board could at times suspend it. When it works automatically it creates no excitement; everybody knows beforehand just what must happen; but if it were left entirely within the discretion of the board without this automatic rule, of course the board would sound an alarm unnecessarily, psychologically, whenever it issued an order to suspend a reserve requirement. So it was thought better to have in the body of the act that which would work in normal times and ordinarily automatically and perfectly, and still leave the board with some authority for abnormal and very remarkable cases.

Mr. HITCHCOCK. Mr. President, the Senator from Mississippi evidently labors under the delusion that if the amendment offered by the Senator from Kansas is adopted a reserve bank will be prohibited from paying a note which may be presented at any time. That is not the case. As I understand the amend-ment adopted by the Senate last night on the motion of the Senator from Oklahoma, it provided that the reserve should be 40 per cent against the notes, and that when banks issued those notes so that their reserves fell below 40 per cent a graduated tax should be imposed, increasing as the deficiency increased. During all the time, however, the reserve bank would be under obligation to redeem any note presented, no matter how low its reserve might be at the time, the only restriction imposed upon it being against the issuance of new notes, and even then the only restriction being that it was taxed increasingly as its deficiency increased.

Under those circumstances it seems to me entirely unnecessary to empower the board to suspend the reserve requirements. I agree with the Senator from Kansas and the Senator from Ohio that it would be manifestly a weakening of the bill and a suspension of its safeguards to repose discretionary power in the reserve board or anywhere else to nullify the safety provisions which the Senate has seen fit to place in the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Kansas to

the amendment.

Mr. BRISTOW. On that I ask for the yeas and nays.

The yeas and nays were ordered.
Mr. SHAFROTH. Mr. President, I suggest the lack of a quorum.

SEVERAL SENATORS. Oh, no. Mr. SHAFROTH. Senators who are in the Senate Office

Building-

Mr. GALLINGER. It is not debatable. Mr. SHAFROTH. Are unable to reach the Chamber before the conclusion of one roll call.

The PRESIDING OFFICER. The Secretary will call the

The Secretary called the roll, and the following Senators answered to their names:

Ashurst Bacon Borah Myers Nelson Newlands Sherman Shively Simmons Gallinger Goff Gore Newlands Norris O'Gorman Overman Owen Page Perkins Poindexter Pomerene Ransdell Gronna Hitchcock Hollis Hughes James Smith, Ariz. Smith, Ga. Smith, Md. Smith, S. C. Bradley Brady Brandegee Bristow Bryan Burton Smoot Stephenson Johnson Jones Kenyon Kern Lane Burton Catron Chamberlain Chilton Clapp Clark, Wyo. Clarke, Ark. Cummins Dillingham Flotcher Sutherland Swanson Thomas Thompson Reed Robinson Lane
Lea
Lewis
Lippitt
McCumber
Martine, N. J. Townsend Vardaman Walsh Warren Weeks Root Saulsbury Shafroth Sheppard Fletcher

Mr. REED. I renew my announcement in reference to the necessary absence of my colleague [Mr. Stone], on account of illness.

Mr. GALLINGER. I desire to announce the absence of the junior Senator from Maine [Mr. BURLEIGH], on account of illness

The PRESIDING OFFICER. Seventy-two Senators have answered to their names. A quorum is present. The question is on the amendment submitted by the Senator from Kansas, on which the yeas and nays have been ordered. The Secretary will call the roll.

The Secretary called the roll.

Mr. CHAMBERLAIN. I ask if the junior Senator from Pennsylvania [Mr. OLIVER] has voted.

The PRESIDING OFFICER. He has not voted.

Mr. CHAMBERLAIN. Having a pair with the junior Senator from Pennsylvania, I withhold my vote.

Mr. SMITH of Arizona. I again announce my pair with the Senator from New Mexico [Mr. Fall]. If I were at liberty to vote, I would vote "nay."

Mr. WILLIAMS (after having voted in the negative). The Senator from Pennsylvania [Mr. Penrose] voted upon the last yea-and-nay call, and I thought he was in the Chamber. Thinking that, I voted under a misapprehension. I have a pair with

that Senator, and I wish to withdraw my vote.

Mr. REED. I renew my announcement in reference to the enforced absence of my colleague [Mr. Stone] and his pair with the Senator from Wyoming [Mr. CLARK]. If my colleague were present, he would vote "nay."

Mr. CHILTON (after having voted in the negative). thinking that the junior Senator from Maryland [Mr. Jackson] was in his seat. He has not voted, and, as I have a pair with him. I ask leave to withdraw my vote.

Mr. DU PONT. I have a general pair with the senior Senator from Texas [Mr. Culberson]. I will transfer that pair to the junior Senator from Maine [Mr. Burleigh] and vote. I

Mr. STERLING. I transfer my pair with the senior Senator from Louisiana [Mr. Thornton] to the junior Senator from California [Mr. Works] and vote "yea."

The result was announced—yeas 37, nays 41, as follows:

YE	AS-37.	
Cummins Dillingham du Pont Gallinger Goff Gronna Hitchcock Jones Kenyon La Follette	Lippitt McCumber McLean Nelson Page Perkins Poindexter Root Sherman Smith, Mich.	Smoot Stephenson Sterling Sutherland Townsend Warren Weeks
NA	YS-41.	
Kern Lane Lewis Martin, Va. Martine, N. J. Myers Newlands O'Gorman Overman	Pittman Pomerene Ransdell Reed Robinson Saulsbury Shafroth Sheppard Shields Shively Simmons	Smith, Md. Smith, S. C. Swanson Thomas Thompson Tillman Vardaman Walsh
NOT V	OTING-17.	
Fall Jackson Lodge Norris Oliver	Penrose Smith, Ariz. Smith, Ga. Stone Thornton	Williams Works
	Cummins Dillingham du Pont Gallinger Goff Gronna Hitchcock Jones Kenyon La Follette NA Kern Lane Lea Lewis Martine, N. J. Myers Newlands O'Gorman Overman Overman Overman Overn Fall Jackson Lodge Norris	Dillingham du Pont McLean Gallinger McLean Nelson Goff Page Gronna Hitchcock Poindexter Jones Root Kenyon Early Photograph Martin, Martine, N. J. Saulsbury Myers Sherman Shields O'Gorman Shield

So Mr. Bristow's amendment to the amendment was rejected. Mr. OWEN. I move the adoption of my amendment.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Oklahoma.

Mr. BURTON. What is that amendment?

Mr. OWEN. The amendment in the nature of a substitute for the House bill.

Mr. BURTON. The whole bill?

Yes. Mr. OWEN.

Mr. BURTON. I have several amendments that I desire to offer first.

The VICE PRESIDENT. The Senator from Ohio proposes an amendment, which will be read.

The Secretary. On page 39, line 5, strike out subdivision (k) in the following words:

(k) To authorize member banks to use, as reserves, Federal reserve notes, or bank notes based on United States bonds, to the extent that said board may find necessary.

Mr. BURTON. Mr. President, I regard this as one of the most objectionable portions of the bill. It did not appear in the measure as it passed the House and, according to the best of my recollection, it was not included in the bill as first presented to the Senate by the Senator from Oklahoma. What does it mean? That debts, debts for which the Federal reserve banks are responsible, can be used as reserves. It is in its essential feature no different from the position of a man who having borrowed \$10,000 proposes to use his debt of \$10,000 as a basis for further credit.

Are we to have reserves or not? There are strong arguments against the maintenance of any fund or security in the form of reserves and leaving it to the discretion of the individual bank or banker; but whatever we do, we ought to make a requirement that the reserve, however provided for, shall be actual money and not debts.

All over the world, at least in the more civilized countries, gold is the favorite reserve. Silver is still employed in some nations, and to some extent notes, which can be readily exchanged for gold, may be used for this purpose.

It is argued on the other side, "Why, these notes are redeemable in gold; they are well secured; they ought to be placed on the same basis with the greenback." But, Mr. President, do not let us deceive ourselves in this regard. The law of the country for the last 50 years has excluded national-bank notes from use as reserves by national banks. Why? Because they did not have that same quality of money which gold has or which greenbacks have.

Let us compare the gold or the greenbacks with these Federal reserve notes. Gold, of course, is accepted as money the world over. Greenbacks can be immediately exchanged for gold. The silver certificates can be exchanged for silver dollars, and those silver dollars rest on the faith that the United States Government will fulfill its promise, expressed in the most explicit terms, that their value shall be maintained on a parity with gold.

So all these are either metallic money, the money of the world, or else transferable into it, and they may be a credit of the banks that hold them. But these regional reserve notes, though in form an obligation of the Government, though the Government must issue them, apportioning the amounts to the different banks, are the debts of the regional banks. Whatever may be the form or the manner in which they are issued, when a Federal reserve note is put out, it may be taken to the regional bank or to the Treasury to be redeemed. The Government may, in the first instance, redeem it, but it must call on the bank to which it was issued to pay immediately in gold. The distinction is perfectly manifest. The fact that they are stable notes has nothing to do with it, because they are the obligation of this system of regional banks. It is a new kind of currency which is entirely different from the greenback, from gold, or any form of reserve money which has been used in the banks.

Dangers of inflation lurk in this to a degree that is unthinkable. After a bank might have used all its gold, all the greenbacks, all the forms of money which are now in vogue for reserves, it might go still further, and proceed indefinitely to issue these notes, pyramiding the reserves, basing loans on false credit, until there would be a degree of expansion not only dangerous to the country but, I insist, even ruinous.

It may be said that this is within the discretion of the Federal reserve board. But, Mr. President, in the mutations of politics we do not know what may happen. We know one thing, that in the past there has been grave danger to this Republic and to its people from unsound views on the subject of money. If we had a Federal reserve board that believed, as a very numerous class of thinkers have believed, that you can add to the wealth of the world by setting the printing press at work, there would not only be danger but financial disaster to the very last degree.

So, Mr. President, I move that this provision be stricken out. There is abundant opportunity to secure reserves without it.

There is another provision that I do not think ought to be left in here, and I shall move to strike it out. It is that certain kinds of paper or obligations may be used for half of the

There is another provision that the Federal reserve board may suspend all requirements; and not only is this piling Ossa on Pelion, but you have brought a whole mountain range and

piled it upon the two.

Mr. SHAFROTH. Mr. President, I wish to say just a word. This matter has been discussed very thoroughly; it is not a proposition that is at all new. The dangers which the Senator from Ohio [Mr. Burron] indicates might occur are so remote that they are hardly a possibility. We find, as a matter of fact, that it is not a compulsory provision. The necessity for something of this kind arises from the fact that there is now a shortage in reserve money, even for the national banks. We have invited the State banks to come into this system, and the Senator from Oklahoma [Mr. Owen] has estimated that if they come into the system there will not be enough reserve money by

\$239,000,000.

According to my calculation, the sum will be even greater than that; but even taking that figure, there is evidently not enough. That being the case, the Federal reserve board are not going to exercise this power unless it be necessary to exercise it. On that account it seems to me that this is a precautionary measure. We ought not to have a central board here with no discretion whatever with relation to matters. This is a matter which, it seems to me, is wisely placed within their discretion. If there was plenty of reserve money, the position of the Senator from Ohio might be well taken. Even then, however, it would not be wise, but we know that there is not now enough reserve money even for the national-bank notes, because they would not be sent to the United States Treasury for redemption to the extent of \$600,000,000 a year, unless it was for the purpose of getting reserve money that they can use. That being the case, when we are short even of national-bank notes, when we are short of reserve money for national banks, it seems to me when we invite the 18,000 State banks into the system we ought to permit them to come in and not put a barrier against them so that they can not come in.

Mr. BURTON. Mr. President, in saying that there is a shortage of reserve money in this country and that this measure should be passed it seems to me the Senator from Colorado has fallen into one of the very worst fallacies which anyone could entertain. Shortage of reserve money! What does that mean? It means a shortage or a shrinkage of credit. If the Senator's theory is correct, whenever there is a shortage of reserves, as he calls it, all that we have to do is to print pieces of paper and place tokens in circulation among the people. What does a shortage of reserve money mean? That you have gone to the very limit of what you can loan, that you have entirely exhausted the credit which should be extended. The whole basis of commerce and of all kinds of credit depends, in the first instance, on the quantity of ultimate money, gold or silver or whatever it may be. That quantity of gold or silver depends, in the last analysis, upon the amount of capital existing in the world and the reproduction of that capital. When you reach a point where there is a shortage in any of them you must slow down—indeed, you must stop—because you have gone further than is safe. If you go beyond that, you have a crisis; your whole structure topples over; there is a smash, because in the extension of and it and the critical structure. extension of credit and the resultant expansion people have gone on recklessly.

It is said the State bank can use national-bank notes. Why, Mr. President, there is no comparison between the two. The State banks are entirely outside of the national banking system. State banks can take these national-bank notes to a national bank and ask for greenbacks in their place, or they can take them to the Federal Treasury and ask for greenbacks in return for them. Then they can take the greenbacks to the Treasury and have them redeemed in gold. The process involves some indirection, two steps, but the State banks may obtain the gold upon the greenbacks. However, the national banks are in an entirely different position. These are their notes. To use their notes as reserves would be using their debts as reserves. So, ever since the formation of the national banking system every national bank has been forbidden-and the provision has been a wise and necessary one—to use national-bank notes as reserves. This bill, I may say, Mr. President, includes notes issued on the security of bonds as well as Federal reserve notes.

Mr. SHAFROTH. Mr. President, in answer to the Senator from Ohio, with relation to printing paper money and using it as reserves, I will say that it has been demonstrated time and again here that these will be the best secured notes that have

ever been issued by any Government or by any bank in the world. They are the notes not of the member banks, but they are the notes of the Federal reserve bank of the United States. They are not to be held as the reserves of the Federal reserve banks, but they are to be held as reserves in the reserves of the member banks. That being the case, it seems to me there

can be no objection to them whatever.

Mr. ROOT. Mr. President, I will not take up the time of Mr. ROOT. Air. President, I will not take up the time of the Senate, but I want to make one remark. I think I never saw anything more preposterous than this proposition since Mr. Micawber discharged his pecuniary obligations by giving his personal note of hand. I never saw anything so absurd as to authorize banks to secure their debts by a reserve consisting of a part of their debts. It seems to me, Mr. President, that our friends on the other side, having introduced into the bill a measure of protection against inflation, however unsatisfactory and inadequate it may be, are bound to keep the bill filled with other provisions which will make that protection entirely

The VICE PRESIDENT. The question is on the amendment

proposed by the Senator from Ohio.

Mr. BURTON. On that I ask the yeas and nays, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll. The Secretary called the roll, and the following Senators answered to their names:

Nelson Norris O'Gorman Owen Page Perkins Pittman Poindexter Pomerene Goff Gore Gronna Hitchcock Hollis Hughes Simmons Smith, Ariz. Smith, Md. Smith, Mich. Smith, S. C. Smoot Bacon Bankhead Borah Bradley Brady Brandegee Bristow Stephenson Sterling Sutherland James Johnson Bryan Burton Catron Chamberlain Johnson
Jones
Kenyon
Kern
La Follette
Lane
Lewis
Lippitt
McCumber
Martin, Va.
Martine, N. J. Pomerene Ransdell Swanson Thomas Reed Robinson Root Saulsbury Shafroth Thomas Thompson Tillman Townsend Vardaman Walsh Chilton Clark, Wyo. Clarke, Ark. Crawford Sheppard Sherman Shields Shively Cummins du Pont Fletcher Williams Works Gallinger

Mr. REED. I renew the announcement which I previously made with reference to the illness of my colleague, the senior Senator from Missouri [Mr. STONE], and his pair with the Sen-

ator from Wyoming [Mr. CLARK].

The VICE PRESIDENT. Seventy-six Senators have an-wered to the roll call. There is a quorum present. The pendswered to the roll call. There is a quorum present. ing question is on the amendment submitted by the Senator from Ohio [Mr. Burton] on which the yeas and nays have been ordered. The Secretary will state the amendment to the amend-

The Secretary. In section 11, outlining the authority and powers of the Federal reserve board, it is proposed to strike out subdivision (k), which appears on page 32 of the last print. The subdivision reads as follows:

(k) To authorize member banks to use, as reserves, Federal reserve notes, or bank notes based on United States bonds, to the extent that said board may find necessary.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. DU PONT (when his name was called).

I have a general pair with the senior Senator from Texas [Mr. Culberson]. I transfer that pair to the junior Senator from Maine [Mr. Burleigh] and vote. I vote "yea."

Mr. SMITH of Georgia (when his name was called). I have a pair with the senior Senator from Massachusetts [Mr. LODGE] and therefore refrain from voting. If I were at liberty

to vote, I should vote "nay."

Mr. STERLING (when his name was called). I announce my pair with the senior Senator from Louisiana [Mr. Thorn-

TON] and therefore withhold my vote.

Mr. REED (when Mr. Stone's name was called). I again announce the illness of my colleague [Mr. Stone] and his enforced absence from the Chamber. He is paired with the Senator from Wyoming [Mr. Clark]. If present, my colleague would vote "nav

Mr. WILLIAMS (when his name was called). I wish to inquire whether the senior Senator from Pennsylvania [Mr. Pen-

Rosel has voted?

The VICE PRESIDENT. The Chair is informed that he has not.

Mr. WILLIAMS. I have a pair with that Senator. If he were present, I should vote "nay." As it is, I withhold my The roll call was concluded.

Burleigh Chamberlain Chilton

Mr. CHILTON. I inquire if the junior Senator from Maryland [Mr. Jackson] has voted?

The VICE PRESIDENT. The Chair is informed that he has not.

Mr. CHILTON. I have a pair with that Senator and therefore withhold my vote.

Mr. SMITH of Arizona (after having voted in the negative). voted inadvertently. I have a pair with the Senator from New Mexico [Mr. Fall] and therefore withdraw my vote.

Mr. CHAMBERLAIN (after having voted in the negative). Having a pair with the junior Senator from Pennsylvania [Mr. OLIVER | and he not having voted, I desire to withdraw my vote.

Mr. STERLING. I transfer my pair with the Senator from Louisiana [Mr. Thornton] to the junior Senator from Minnesota [Mr. Clapp] and vote "yea."

The result was announced—yeas 37, nays 40, as follows:

	YE	AS-37.	
Borah Bradley Brady Brandegee Bristow Burton Catron Colt Crawford Cummins	Dillingham du Pont Gallinger Goff Gronna Hitchcock Jones Kenyon La Follette Lippitt	McCumber Nelson Norris Page Perkins Poindexter Root Sherman Smith, Mich. Smoot YS-40.	Stephenson Sterling Sutherland Townsend Warren Weeks Works
Ashurst Bacon Bankhead Bayan Clarke, Ark. Fletcher Gore Hollis Hughes James	Johnson Kern Lane Lea Lewis Martin, Va. Martine, N. J. Myers O'Gorman Overman	Owen Pittman Pomerene Ransdell Reed Robinson Saulsbury Shafroth Sheppard Shields	Shively Simmons Smith, Md. Smith, S. C. Swanson Thomas Thompson Tillman Vardaman Walsh

Smith, Ariz. Smith, Ga. Clapp Clark, Wyo. McLean So Mr. Burton's amendment to the amendment of Mr. Owen was rejected.

NOT VOTING-18.

Culberson

Fall Jackson

Newlands Oliver

Stone Thornton Williams

Mr. BURTON. I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 52 of the last print of the bill, it is proposed to strike out lines 15 to 18, inclusive, as follows:

Any Federal reserve bank may receive from the member banks as reserves, not exceeding one-half of each installment, eligible paper as described in section 14, properly indorsed and acceptable to the said reserve bank.

Mr. BURTON. Mr. President, here is another flagrant violation of the principles of banking. It grants a permission never before given in any Federal law, namely, that a bank may carry as a part of its reserves not money, not even Federal reserve notes, but eligible paper. That experiment was tried a great many times by the State banks under the old system, and I am safe in saying that, without exception, it worked badly.

The eligible paper described here is no doubt useful. It might constitute what is termed by the best writers on banking "a secondary reserve." A secondary reserve is composed of that secondary reserve." A secondary reserve is composed of that which can be changed into money in a brief time, such as Government bonds, securities that have a value readily ascertainable in the market and which can easily be sold on the exchanges. It includes bills of exchange, which have a special value because of the standing of the acceptor or the indorser. In time of stress, when the bank fears trouble, these can be realized upon promptly. But this is a bolder proposition than has been accepted by any State or country for many years in that it proposes to make of bills of exchange and other claims for money the equivalent of money.

Yesterday I called attention to the fact that the tendency in every one of the great banks of Europe has been to increase its metallic reserves. The quantity against circulating notes increased from a percentage of 29 in 1883 to 59 in 1904, and in all countries where there are reserve requirements the conditions have been made more severe. Shall we take a backward step by granting authority for the use of what is merely the obligation of others as the equivalent of gold or lawful money?

Both these provisions remind me very much of the device of the navigator who set up a bellows on his sailboat and placed it behind the sail, thinking that by manipulating it he could provide a capable substitute for the favoring breeze. You can not make a substitute for that which, according to the experience of the banking communities of other countries, is the one requisite for reserves-gold, or money that can be immediately changed into gold.

Mr. BRISTOW. Mr. President, let me ask the Senator if it is not equivalent to a man starting a bank with a capitalization, we will say, of \$300,000, and instead of paying the capital stock in he pays one-sixth of it, or \$50,000 in cash, and then the depositor, instead of depositing money, deposits his notes?

Mr. BURTON. The Senator means the stockholder?

Mr. BRISTOW. Yes; the stockholder deposits his notes in-

stead of cash.

Mr. BURTON. It is in principle just the same. Mr. BRISTOW. Instead of paying \$250,000 in cash he puts up his notes for that amount.

Mr. BURTON. That policy is exactly what wrecked banks by the hundred under the old State-bank system. One of the great advances made by the national banking law was the requirement, that the capital should be paid, one-half in cash and the remainder in not more than five months. That was not intended as a mere arbitrary provision of law. It was the result of long experience with a system under which there had been

disastrous failures. The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Ohio to the amendment.

The amendment to the amendment was rejected. Mr. BURTON. Mr. President, after the first amendment had been rejected I had little expectation of securing favorable action on the one just voted upon. They are of the same general type, but the former provision which I sought to have stricken out I think was more objectionable than the one intended to be eliminated by the last amendment. I now desire to offer another amendment.

The VICE PRESIDENT. The amendment will be stated. The SECRETARY. On page 45 of the last print of the bill, line 7, it is proposed to strike out "\$1, \$2," so as to read:

And shall have printed therefrom and numbered such quantities of such notes of the denominations of \$5, \$10, \$20, \$50, \$100, as may be required to supply the Federal reserve banks.

Mr. BURTON. Mr. President, as the bill now stands, authority is given to issue notes in denominations of \$1, \$2, \$5, \$10, \$20, \$50, and \$100. We have had a great deal of experience along this line. Greenbacks in denominations of \$1 and \$2 were issued, and at the same time national-bank notes of the same denominations were allowed, but when we took a stock of our monetary supply in the latter part of the last century it was found that many varieties of our currency were redundant. It was realized that our silver did not have intrinsic value, and that it might cause us serious trouble. We had a large amount of money dependent on the faith of the Government, and we had other money which, like silver, was dependent in part, you may say one-half, on the faith of the Government, because it had, say, 50 cents of intrinsic value and the other 50 cents was like our paper money. Provision was made for a redemption fund for the \$346,000,000 of greenbacks by a gold reserve of \$150,-000,000. The question was, How can we float the rest of this very large quantity of paper money? But for a perfectly obvious fact it would have caused embarrassment at a very early The fact is that a certain amount of circulation is required in every nation-money to pass from hand to hand as a medium of exchange. There was the further fact that in many portions of the country metallic money, silver dollars certainly, was not in favor for pocket money; persons disliked the weight of silver, and did not wish to carry it around in their pockets.

In other portions of the country a generation had grown up accustomed to using paper money during the time when gold was out of circulation. Because of these conditions a very considerable quantity of paper money of small denominations was required.

What was done? What was the general policy adopted? The national banks had been issuing small bills, ones and twos, but they were forbidden thereafter to issue bills in denominations of less than \$5. The issuance of greenbacks in dennations of less than \$5 was forbidden at a later time. The issuance of greenbacks in denomiplan was to float this great amount of silver, whether in the form of silver dollars or in the form of silver certificates, by giving it the function of supplying small amounts, small change, \$1 and \$2 amounts. As the result of that policy, it appears from the report of the Secretary of the Treasury for 1912 that there were in circulation in June, 1912, the following amounts in small bills:

United States notes, greenbacks, \$1,830,994 in \$1 bills; in

\$2 bills, \$1,374,959.

Those are the survival of earlier laws, during which they were issued by the Government; no doubt a part of these amounts represent bills which have been lost.

Of national-bank notes outstanding issued before the lowest denomination was fixed at \$5 there were, in ones \$343,588, and in two-dollar bills \$164,312.

Now we come to silver certificates, which make up the great bulk of the circulation of one and two dollar bills.

In \$1 bills there are \$161,327,436; in \$2 denominations there

are outstanding \$62,854,116 of silver certificates.

The circulation of larger bills is left to other kinds of money. The minimum of the national-bank note is \$5. That of the greenback is also \$5. The minimum of the gold certificate is \$10. I may say, in this connection, to digress for a moment, that I think it is unfortunate that the minimum gold certificate is not larger than \$10, because the partial void which would be created in circulation would be supplied by greenbacks or other bills, such as silver certificates.

In England the minimum bank note is £5 (\$25). In Germany until recently it was 100 marks, or nearly \$25. In France it is 50 francs, or \$10. The rest of the money that is required is supplied by coins. It is the usual custom in other nations to utilize bank notes, such as are frequently brought to the treasury or to the bank for redemption in amounts of \$10 or more.

What will be the result if you put out these one and two dollar notes? In the first place, it will tend to drive the silver dollars out of circulation. In the next place it will cause trouble from the redundancy of those small bills—this great mass of silver, which has only been prevented from becoming an embarrassment to us through our need for small change-and by small change I do not mean merely the 50-cent pieces, the quarters, and so forth, but I mean also that the dollars and the two dollars will find a rival in the notes of the Federal reserve bank. Indeed, I think it would be best if the denominations were limited to \$10 and over rather than otherwise, but with a view to asking only what seems reasonable and for which there are unanswerable arguments, this amendment has been drawn so as to exclude merely the one and the two dollar notes.

Mr. BRISTOW. Mr. President, I should like to inquire of the Senators representing the Western States if they do not think it would be far better, and in the interest of the West, to strike out these one and two dollar notes, and let the smallest of the regional bank notes be \$5? Will it not encourage the use of silver as a subsidiary coin and be beneficial to the entire Rocky

Mountain region?

Mr. SHAFROTH. I presume that question is directed to me. If it were compulsory that they should issue one and two dollar notes, that might be; but we can not foresee the contingencies that may occur. The Federal reserve board, having this entire system at hand, would naturally conclude, I think, that the ones and twos probably should be left to silver and silver certificates. It is not a matter of importance, however, because it is a question of power only, and in all likelihood they will not exercise that power unless there is necessity for it. I do not believe in

curtailing that power unnecessarily.

Mr. BRISTOW. Does not the Senator think there might be some grave emergency where it would be necessary for the people to use one and two dollar bills instead of silver dollars

in the ordinary marts of trade?

Mr. SHAFROTH. We do not use one and two dollar bills in our part of the country. We use silver dollars, the coins themselves, and we seldom come across a one or two dollar bill. A condition of grave emergency which might arise is one of the things the Federal reserve board should take into consideration. In addition to that, I will say that even if such bills are issued in case of great emergency, the board can cancel them in 30, 60, or 90 days when the notes mature. They can hypothecate money with the Federal reserve agent, and they can exchange that money for ones and twos and retain the ones and twos and not let them out. It is all in their hands, and it is something that can be withdrawn at any time.

Mr. SUTHERLAND. Mr. President, the Senator from Colorado, like myself, comes from a silver-mining State. The Senator knows that for many years the quantity of coined silver dollars has not been materially, if at all, increased. Does not the Senator think that is very largely due to the fact that 1-dollar and 2-dollar bills are circulated in place of the silver? And does not the Senator think that if we were to-day to retire all of the 1-dollar and 2-dollar bills, the result of

that would be an increased coinage of silver?

Mr. SHAFROTH. Why, no; because we have no right to purchase silver. Ever since 1893 the law has been that you are prohibited from purchasing silver, except practically for subsidiary coinage; and the silver certificates have been used in place of the silver all over the United States. I do not think it would increase the coinage of silver.

Mr. SUTHERLAND. Of course, the Senator is right when he says that the purchasing clause has been repealed; but is it not true that if these 1-dollar and 2-dollar bills were retired, the need for smaller denominations of money would bring

about a change of the law in that respect? Is it not true, further, that it would increase the coinage of the subsidiary coin, the 50-cent pieces and 25-cent pieces, which to a very large extent are kept from circulation by reason of these paper

Mr. SHAFROTH. The difficulty with the position of the Senator is that he assumes that the ones and twos are going to be issued and can not be retired, whereas, as a matter of fact, it is only a matter of discretion. In the course of the administration of this law, if it is deemed proper to do it, we have confidence in board that they will do the proper thing,

Mr. SUTHERLAND. Let me ask the Senator another ques-What exigency does the Senator foresee that would call for the printing of the \$1 and \$2 bills provided for in this bill?

Mr. SHAFROTH. I do not foresee the contingency; of course not; but it possibly may occur. We do not foresee many of the contingencies that arise. Consequently, under such contingencles as we can not foresee, we do not want to foreclose or tie the hands of this board. If an emergency arises in which it is proper to do this, we have imposed various limitations. Our limitation now upon the coinage of subsidiary silver is \$200,-000,000. It used to be \$100,000,000; and notwithstanding the Treasury begged for a long while to have that increased, Congress would not do it, until at last it was increased from \$100,-000,000 to \$200,000,000; and now I understand there probably may be some shortage in that.

Mr. SUTHERLAND. Whatever may be the opinion of the Senator from Colorado, I have no doubt in my own mind that if this provision is left out of the bill, and if we were to go further and prohibit the printing of \$1 and \$2 bills altogether, the result would be an increased demand for silver, and that we necessarily would have to provide for the purchase of more

Mr. THOMAS. Mr. President-

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Colorado?

Mr. SUTHERLAND. I do.

Mr. THOMAS. I was simply going to say that I thought the last suggestion of the Senator was the most pertinent one. If the use of one and two dollar bills as the representative of silver coin could be discontinued, so that money of those denominations could be based entirely upon the metal itself, there could be no question that that would encourage the further use of silver. Personally, I should be very glad to see that done, because I believe that would have the effect which the Senator from Utah suggests. I do not perceive, however, how the provision here for the use of one and two dollar bills can in any manner affect the increased use of silver, in view of the fact that under the present law, instead of having silver in circulation, we have its paper representative.

Mr. SUTHERLAND. To the extent that there is utilized

the power that is provided in this bill for the printing of \$1 and \$2 bills, just to that extent it will shut out the demand for

additional silver.

Mr. THOMAS. I do not think so.

Mr. SUTHERLAND. If we require more money of small denomination and the demand is supplied by this paper money, quantity of silver.

quantity of silver.

Think it is it seems to me inevitably it must shut out from coinage that

Mr. SUTHERLAND. I think it is a distinct discouragement to it; and whatever may be the position of others, I can not understand how any Senator coming from a silver State can support a provision of that sort, and not be willing to give what little encouragement he can to an industry of that character in

Mr. THOMAS. I will join the Senator and go him one better on any proposition to increase the use of silver money; and that, I think, is true of a majority of the Members on the Democratic side of the Chamber. So long, however, as under the statute the paper representative of silver money is being circulated, so long as the efficiency of the act of 1893 rests upon the clause forbidding the purchase of more silver, it is impossible for me to conceive how the injection into the present currency system of \$1 and \$2 bills is going to improve the silver situa-

If I thought it could do so, I certainly should be very glad to see this amendment prevail; and I may say personally that it might be a good thing, anyhow. In so far as it affects the use of silver, however, unless we go a step further and prohibit the use of paper representatives of the silver dollar, and then go another step further and provide for further coinage, free or otherwise, of the silver dollars, I think we are helpless so far as the silver situation is concerned.

Mr. SUTHERLAND. I wish to make just one further observation.

In what I have said about the coinage of silver, both in the form of the dollar and in the form of subsidiary silver, I do not mean to indicate any disbelief in the necessity for sound money or the gold reserve; but I do believe that if we can legitimately increase the use of silver for coinage in this country, it will be a direct encouragement to one of the very important industries of I think the demand for the small paper money-\$1 and \$2 bills—in place of silver is very largely a superstition, very largely a matter of prejudice. In the West, and perhaps in the whole country west of Chicago, until very recent years, the \$1 and the \$2 bills were seldom seen. We took the silver dollar and the 50-cent piece and carried them about and used them in our business with perfect satisfaction. Our people out there had become used to coin, and we preferred the coin to the paper. That condition still exists to a very large extent, particularly in the far West. As the Senator from Ohio has said, there is scarcely a great country upon the globe that prints paper of as small denominations as we do. I do not at this moment recall any great country, except Canada, which does.

Mr. BURTON. I will substitute "any highly advanced coun-Some large countries and some of very great powers do

print small bills.

Mr. SUTHERLAND. In England the gold coin and the silver coin in small denominations circulate almost exclusively. The same is true of France, as the Senator says. The same is true of Germany, and no hardship results. The people are quite satisfied to use it, and we would be, in this country, if it were not in large measure for the prejudice which has grown up in the eastern section of the country against the use of silver.

The VICE PRESIDENT. The question is on the amendment

proposed by the Senator from Ohio to the amendment of the

Senator from Oklahoma.

Mr. BURTON. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. DU PONT (when his name was called). I have a general pair with the senior Senator from Texas [Mr. Culberson]. I desire to transfer that pair to the junior Senator from Maine

[Mr. BURLEIGH] and vote. I vote "Yea." Mr. WILLIAMS (when his name was called). I inquire whether the senior Senator from Pennsylvania [Mr. Penrose]

has voted? The VICE PRESIDENT. He has not.

Mr. WILLIAMS. Then I shall be compelled to withhold my vote.

The roll call was concluded.

Mr. REED. I again announce the necessary absence of my colleague [Mr. STONE], on account of illness. He is paired with the senior Senator from Wyoming [Mr. CLARK]. If my colleague were present, he would vote "nay."

I make the announcement as to his absence and pair for the day, and the general announcement that upon all votes that may be taken if he were present he would vote with his party.

Mr. STERLING. I again announce my pair with the senior Senator from Louisiana [Mr. THORNTON] and withhold my vote. The result was announced—yeas 35, nays 44, as follows:

YEAS-35. Dillingham du Pont Goff Smith, Mich. Smoot Stephenson Sutherland McCumber McLean Bradley Brady Brandegee Bristow Nelson Newlands Oliver Page Perkins Root Sherman Gronna Hitchcock Townsend Warren Burton Catron Colt Crawford Jackson Jones Kenyon La Follette Works Cummins NAYS-44. Smith, Md. Smith, S. C. Swanson Thomas James Johnson Pittman Ashurst Pomerene Ransdell Bacon Bankhead Kern Bryan Chamberlain Chilton Lane
Lea
Lewis
Martin, Va.
Martine, N. J.
Myers
O'Gorman
Overman
Owen Lane Reed Robinson Thompson Tillman Vardaman Walsh Saulsbury Shafroth Sheppard Shields Clarke, Ark. Fletcher Shively Shively Gallinger Gore Hollis Hughes Simmons Smith, Ariz. NOT VOTING-16. Norris Penrose Poindexter Smith, Ga. Culberson Sterling Borah Burleigh Fall Lippitt Lodge Stone Thornton Williams Clapp Clark, Wyo.

So Mr. Burron's amendment to the amendment was rejected. Mr. BURTON. I should like to call the attention of the chairman of the committee to the third section, which is very

brief. I read it in the form in which it appears in the print of this morning. It is on page 8, at the top:

Each Federal reserve bank shall establish branch offices within the Federal reserve district in which it is located and also in the district of any Federal reserve bank which may have been suspended, such branches to be established and conducted at places and under regulations approved by the Federal reserve board.

Now, suppose you omit the last portion of the paragraph, which is merely a matter of regulation, and leave out also the other portions which are not material. Then it would read

Each Federal reserve bank shall establish branch offices in the district of any Federal reserve bank which may have been suspended.

Suppose you have 8 or, say, 12 of these regions, in each of which there is a bank, the New England States constituting one, the States on the Pacific coast another, the remaining States being divided into regions or districts. Then, suppose the regional bank in New England fails. Why, under this provision must not the regional bank located on the Pacific coast, and every other regional bank, establish a branch in the New England district? Is that the intent of this provision?

Mr. OWEN. That could not be the intent of this provision. The Senator obviously ignores the latter part of the section, which says that such branches are to be established and conducted at places and under regulations approved by the Federal reserve board, unless the Senator would imply that the Federal reserve board would authorize and direct the bank located on the Pacific coast to put a branch in the New England district, which, of course, is unreasonable and not to be anticipated. But if there should be a Federal reserve bank suspended within the Mississippi Valley, surrounded by three other districts, there would be no reason why branches might not be established at places contiguous to any one of the three districts which were attached to the districts in which the suspended bank might happen to be, and in that way it should be broader than to confine it to a single reserve bank.

Mr. BURTON. It seems to me the chairman of the committee reads into this paragraph or section something which it would be sensible to include, but that he overlooks the sub-stantive portions of it which contain an express direction, whether it be absurd or not:

Each Federal reserve bank shall establish branch offices-Where?

within the Federal reserve district in which it is located and also in the district of any Federal reserve bank which may have been suspended.

Mr. OWEN. Under what condition?

Mr. BURTON (reading):

Such branches to be established and conducted at places and under regulations approved by the Federal reserve board.

Now, what does the word "places" mean? The towns in those districts. You have an absolute direction that such a branch shall be established before you reach the subject of regu-

When you are reading a statute it is perhaps an excellent regulation to read it sensibly, according to the meaning that was intended, but nevertheless you can not be governed by that rule. You must read it according to its express language. language here declares that you shall establish a bank in the district of any Federal reserve bank which may have been suspended. It then goes on to say:

Such branches to be established and conducted at places and under regulations approved by the Federal reserve board.

That does not at all contradict that which precedes.

Mr. OWEN. No; it qualifies it.

Mr. BURTON. That merely refers to the fact that a direction is given as to specific localities in that district, cities or towns, in which the branch banks are to be located. It seems to me that that provision, in the form in which it now appears, is faulty.

I have no desire to move any amendment in regard to it unless

the chairman of the committee desires to do so, Mr. OWEN. Mr. President, I do not think that the section requires any amendment. It is perfectly clear and need not be misinterpreted by anyone.

Mr. BURTON. I understand there is now no section or clause in the bill providing for interest on Government deposits.

Mr. OWEN. There is none. Mr. BURTON. Mr. President, I desire next to introduce an amendment relating to the comparative or the relative powers of the Federal reserve board and the Secretary of the Treasury. In the form in which the print now appears the amendment should be inserted on page 37. It is intended to restore the language of the Glass bill. Let the Secretary read the amendment to be inserted on page 37.

The VICE PRESIDENT. The amendment will be read. The Secretary. Insert, on page 37, the following words:

The Secretary of the Treasury shall, subject to the approval of the Federal reserve board, from time to time, apportion the funds of the Government among the said Federal reserve banks, distributing them as far as practicable equitably between different sections.

Mr. BURTON. That provision is stricken out in the Owen

Mr. President, the powers given to the Federal reserve board under this bill are enormous, but in a very important sense the authority vested in the Secretary of the Treasury is greater still. I suppose the question of the relative position of the board and the Secretary has been considered by the Democratic caucus, and I do not know that I care to criticize that further than to call attention to some possible cases of difficulty.

It is exceedingly desirable, it seems to me, that the House provision, which is the amendment that I have introduced, should remain in the bill, so that in the location of funds the Secretary of the Treasury should act in concert with the Federal reserve board. Otherwise this very peculiar situation will arise: The Federal reserve board may be commanding one regional bank to lend its money to another, as it can do under this bill, while the Secretary of the Treasury, working at cross purposes, may order money transferred from the borrowing bank to the lending bank. That is, there are two ways of furnishing money to a regional bank when it is required. Under the order of the Secretary of the Treasury the Treasury De-partment may deposit funds, or the regional bank may borrow money from another bank.

That authority should be invested in the same agency or oard. Otherwise the Secretary of the Treasury may thwart the action of the Federal reserve board. I can not make that situation too clear. Suppose St. Louis desires to borrow from Chicago; the Federal reserve board orders Chicago to lend to St. Louis. At that same time a Secretary of the Treasury might demand that money be transferred the other way, from St. Louis to Chicago. The two powers ought to act in unison. For that reason I trust in the conference that the House provision may remain, and I shall ask a vote upon it here.

I wish to call attention to a few of the special powers of the Secretary of the Treasury under this bill. In the first place, if this public stock is subscribed by the Government, at his own free will he can order it sold to anyone at a price not below par without any provision for public announcement and without any competitive bidding. Such an opportunity leaves the door open for assisting favorites and for grave scandal.

Again, while there is some ambiguity in the bill, who is to determine the matter of examining banks? Apparently the authority to direct examiners to inspect the banks in a system is now given to the Federal reserve board with a provision that there shall be two examinations each year and as many more as the Federal reserve board may desire. But it is also said in a very important provision in section 10 on page 25—and this paragraph shows the extent to which the power of the Secretary of the Treasury is reserved—that he shall continue to exercise all the powers which are now vested in him. The virtual effect of the paragraph is that in case of any doubt arising between his authority and that of the Federal reserve board that doubt shall be resolved in his favor.

I think that ought to be made clear. In the very case to which I have referred, who is to control the examinations of banks under this bill? Does that power remain vested in the Secretary of the Treasury in the same degree as it is now, or is it transferred to the Federal reserve board?

The depositors' insurance fund is under the supervision of the Secretary of the Treasury, although the Federal reserve banks are organized and the money of the Treasury-at any rate, that of the general fund-is to be deposited with these banks. The depositors' insurance fund is to be under a division of the Treasury to be organized and managed under such regulations as may be prescribed by him.

Net earnings derived by the United States from Federal reserve banks shall be applied to the reduction of the bonded indebtedness or to the creation of gold reserves, according to the discretion of the Secretary of the Treasury. Whatever the banking situation may be, he can at will demand that money be withdrawn from one bank and transferred to another. This opens the door for favoritism quite as reprehensible as

existed under the system of pet banks in the days of Jackson.

I may concede that in the first instance the Secretary of the Treasury ought to select the bank in which the deposit is made; but after a bank has received this deposit and has extended ac-

commodations on the strength of it, to say that the Secretary can then demand that it shall be transferred to another bank permits a very dangerous exercise of power. In fact, under the terms of this bill the Secretary of the Treasury would have practically unrestricted control of \$200,000,000 of funds. He would be the predominant figure in the Federal reserve board. The judgment of the other six members might be contrary to his, but such are his powers that he could compel them, however reluctantly, to acquiesce in his opinion, because by a transfer of deposits or by any other means he might make the action they desired to take entirely nugatory.

Mr. President, I ask a vote on this amendment restoring the House provision to the effect that, subject to the approval of the Federal reserve board, the Secretary of the Treasury shall from time to time apportion the funds of the Government.

I repeat what I have already said. I think their joint action is necessary for the success of this system. We may readily conceive of a case where the Secretary of the Treasury would belong to an administration the political complexion of which differed from its predecessor, and his views would be out of harmony with those of the remainder of the Federal reserve board.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Ohio to the amendment. The amendment to the amendment was rejected.

Mr. BURTON. I desire to offer as an amendment another bill for a central bank. I do not wish to have it read, nor do I intend to ask for the yeas and nays upon it. It is the bill which I introduced on the 1st of December, and of which I gave a brief explanation at that time.

I move to strike out the substitute bill as introduced by the Senator from Oklahoma [Mr. Owens] and as perfected and insert this bill in its place. I explained it very briefly when introduced, and I will say now that it provides for the organization of a Federal reserve bank owned by the people and entirely controlled by the Government; the capital stock to be in the sum of \$190,000,000, open to popular subscription, in shares of \$100 each, the stockholders to receive dividends of 5 per cent per annum. The seven directors are to be chosen for a long term by the President and confirmed by the Senate, and they are to establish branches wherever they may be needed, and select the officers for those branches throughout the country.

Mr. President, I believe the pending bill is based on a wrong principle. In a day when all the great activities of this country are concentrating more and more, keeping pace with the railroad, the telegraph, the telephone, and all those means which bind us together in one hope as by golden chains, the proposition is here presented to divide this great united country of ours into eight sections and have a separate bank in each of them. Possibly this plan may prove a success. It is possible that by the process of evolution this bank may become so similar to a central bank that most of the benefit of one unified institution may be secured. It is my humble opinion, however, that the chances are against such a possibility and that in due time we shall become convinced that we must follow the example of every other advanced nation of the globe and have a central bank. If by process of evolution in time this approximates a central bank, how much better it would be to make the right start at this time rather than get out of line with the course already pursued everywhere else and sanctioned by the teachings of experience. They have had our experiences, the same alternations of prosperity and distress, the same increasing reliance on credit and banking, and every one of them has come to the conclusion that the central bank is best.

I recognize the degree of misapprehension in regard to this proposal. I realize also the amount of prejudice that exists in some localities; but, after all, to the student of banking it is perfectly evident that one great institution would more readily respond to the popular will and more adequately provide for the wants of a growing people than would a plurality of institutions with scattered heads and presumably with inefficient control for some of them.

It is more democratic, if I may use the word, because this measure contemplates that the stock shall be subscribed not by banks but by all the people of the United States. the stock of such an institution is offered, preference would be given to the smaller holders; and I am satisfied there would be such a rush for subscription that in a fortnight after the stock was offered the \$100,000,000 would be subscribed several times over.

Mr. President, it is not with hope for present success that I submit this bill, but it is as an appeal to the future, the best judge of all our actions. I think it should be printed in the RECORD, though I do not ask to have it read.

The VICE PRESIDENT. It will be so ordered, in the absence of objection.

The substitute referred to is to insert the following in lieu of the substitute proposed by Mr. OWEN:

That this act shall be known as the Federal reserve act.

Sec. 2. That the words and phrases used in this act, except where the context clearly indicates a contrary intention, shall be defined as follows:

The word "committee" shall mean the context of the Follows:

SEC. 2. That the words and phrases used in this act, except where the context clearly indicates a contrary intention, shall be defined as follows:

The word "committee" shall mean the organization committee of the Federal reserve bank of the United States.

The word "bank" shall mean the Federal reserve bank of the United States and shall include all the branches, subbranches, and agencies thereof.

The word "board" shall mean the board of seven directors of the Federal reserve bank of the United States, known as the Federal reserve board.

The word "branch" shall mean a branch of the Federal reserve bank of the United States established in the United States.

The words "executive committee" shall mean the executive committee of a branch of the Federal reserve bank of the United States.

The words "national bank" shall mean a national banking association now or hereafter organized or existing.

The word "depositor" shall mean a national bank or a bank or trust company, organized under the laws of a State or the laws of trust company, organized under the laws of a State or the laws of a deposit in the Federal reserve bank of the United States.

The word "district" shall mean a banking district from time to time created and designated by the Federal reserve board.

The word "district" shall mean a banking district from time to time defined for national banking associations by the Comptroller of the Currency, not inconsistent with law.

The word "subbranches" shall mean subordinate offices of branches of the Federal reserve bank of the United States.

The word "agencies" shall mean agencies of the Federal reserve bank of the United States, and insular possessions of the United States.

ORGANIZATION COMMITTEE.

ORGANIZATION COMMITTEE.

ORGANIZATION COMMITTEE.

Sec. 3. That as soon as practicable after the passage of this act the President shall appoint a committee of five, to be designated the "Federal reserve-bank organization committee." The committee—

(a) Shall select a chairman and secretary and such other officers as it may deem necessary from its own members and appoint assistant officers, clerks, and other necessary employees;

(b) Shall accomplish the corporate organization of the Federal reserve bank of the United States;

(c) Shall adopt a seal for the bank, which shall, during the process of organization thereof, be the seal of the committee, and adopt seals for the several branches, which shall correspond to the seal of the bank with the name of the branch added;

(d) Shall invite and receive popular subscriptions to the capital stock of the bank, in accordance with the provisions of section 5 of this act and under regulations to be prescribed by the committee;

(e) Shall make the certificate provided in section 6 hereof;

(f) Shall do all other things necessary to accomplish the corporate organization of the bank.

Appropriation for expenses.

APPROPRIATION FOR EXPENSES.

SEC. 4. That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, a sum sufficient to establish and provide accommodations for the bank and its branches, not to exceed \$500,000 for the bank, and an equal amount for each branch thereof, and for the purpose of carrying out the provisions of this act, in accordance with the following limitations, viz: Each member of the committee shall receive in full compensation for his services the sum of \$10,000, besides his actual and necessary traveling expenses, and in carrying out the provisions of this act the committee is authorized to incur such expenses as it shall deem necessary, not exceeding the sum of \$250,000, including compensation and expenses, all of which shall be payable by the Treasurer of the United States upon vouchers approved by the committee. The balance of the appropriation herein made shall be disbursed by the board for the purposes herein set forth, payments to be made by the Treasurer of the United States upon vouchers approved by the board. The total amount of the appropriation herein made shall, from time to time, be reimbursed to the United States by the bank as hereinafter provided.

STOCK ISSCE.

STOCK ISSUE.

SEC. 5. That the capital stock of the bank shall be \$100,000,000, divided into 1,000,000 shares of a par value of \$100 each; such stock shall have no voting power, and shall be free from all Federal, State, municipal, or other taxes, except that the holders thereof shall be subject to the provisions of Federal income-tax laws with respect to the income derived therefrom. The holders of such stock shall be entitled to dividends thereon at the rate of 5 per cent per annum and no more, which dividends shall be cumulative, and upon dissolution of the bank such holder shall receive the par amount of such stock and all the balance of the assets shall become the property of the United States.

States.

Such stock shall be offered for popular subscription at par by the committee, under regulations to be prescribed by it, not more than six months after the passage of this act. In case the amount of capital stock is oversubscribed, the committee shall first allot the shares of stock to the subscribers for the smallest number of shares. Every subscriber shall accompany his subcription with cash or a certified check for 5 per cent of the total amount thereof. The proceeds of the 5 per cent payment of the stock subscription shall be deposited in national banks to the credit of the committee, and by the committee assigned and transferred to the credit of the bank upon its organization.

ORGANIZATION CERTIFICATE.

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ORGANIZATION CERTIFICATE.

SEC. 6. That after the popular subscriptions to the capital stock of the bank shall have been closed the committee shall make an organization certificate specifying—

(a) The names of the subscribers to the stock, with the number of shares allotted to them respectively;

(b) The form of stock certificate adopted by the committee and the methods for the transfer thereof and such other details in connection with the organization as the committee may determine.

Such certificate shall be executed under the name of the committee by the chairman and secretary thereof and attested with its seal, and shall

be forthwith transmitted to the Comptroller of the Currency, who shall file, record, and carefully preserve the same in his office.

CHARTER,

SEC. 7. That upon receipt of such certificate the Comptroller of the Currency shall issue a charter of incorporation to the persons appointed by the President and confirmed by the Senate as the board hereinafter provided for, which charter shall contain a rectial of the compliance with the provisions of this act by the committee and a statement of the subscriptions that have been made to the capital stock of \$100,000,000 of the Federal reserve bank of the United States; and the issuance of such charter by the Comptroller of the Currency, countersigned by the Secretary of the Treasury, shall complete the corporate organization of the Federal reserve bank of the United States. Upon such organization of the Federal reserve bank of the United States is upon such organization of the board and their successors and the stockholders of the bank as they may from time to time exist shall be a body corporate, to be known as "The Federal Reserve Bank of the United States"; to have a term of existence of 50 years from the date of the issuing of such charter; to have the power to contract, to sue and be sued, to acquire, own, lease, sublease, hold, and sell such real and personal property as may be necessary for the conduct of its business; to buy, sell, and deal in gold coin and gold bullion, promissory notes, and other evidences of indebtedness, and to discount notes, bills, and acceptances; and to have such further powers, privileges, and functions as are hereinafter specific in this act. The bank shall be located in the city of Washington, D. C., and shall have 12 branches located in cities selected by the board and subbranches wherever designated.

GOVERNMENT OF THE BANK.

and shall have 12 branches located in cities selected by the board and subbranches wherever designated.

GOVERNMENT OF THE BANK.

Sec. S. That the government and control of the bank shall be, and hereby is, vested in a board of seven directors, to be known as the Federal reserve board, who shall exercise the powers conferred upon them by the provisions of this act. Such directors shall be appointed, and one of them shall be designated as governor, and another of them shall be designated as deputy governor by the President of the United States, all by and with the advice and consent of the Senate. Such selections shall be made from persons who are citizens of the United States and are qualified by experience and training for the proper discharge of the duties imposed upon them by this act, and in making such selections due weight shall be given to the agricultural, commercial, and industrial interests of the different sections of the country, and at least three of the members shall be persons recognized as possessing exceptional banking and financial experience.

The term of office of each member of the board shall be 14 years, and until his successor is appointed and qualified, except that the terms of office of six of the persons first appointed shall expire at the end of 2, 4, 6, 8, 10, and 12 years, respectively. The President shall have power to remove any member of the board for cause, such removal and his reasons therefor to be communicated by him to the Senate. The governor and the deputy governor shall, subject to the supervision of the board shall be an officer or director of any bank or banking institution, or hold stock in any bank or banking institution, or hold stock in any bank or banking institution, or hold stock in any bank or banking institution, or hold stock in any bank or banking institution, or other members of the board shall be filled by the President by and with the advice and consent of the Senate, and any person appointed to fill such vacancy shall hold office for the unexpired term o

BRANCH RESERVE BANKS.

Sec. 9. That the board shall create and designate in the continental United States, exclusive of Alaska, 12 banking districts for the purpose of establishing within each of such districts a branch of the bank. Such districts shall be established with due regard to the convenience and customary course of business of the various sections of the country, and shall not necessarily coincide with the boundaries of such State or States as may be wholly or in part included within any given district. The board shall also establish within each district a branch of the bank which shall be designated by prefixing the name of the city in which such branch is established to the words "Branch, Federal Reserve Bank."

The board, after two years from the time of the city in which

such branch is established to the words "Branch, Federal Reserve Bank."

The board, after two years from the time of the organization of the bank, may create new districts and establish branches therein, and may readjust the boundaries of districts.

The management of such branches shall be vested in an executive committee consisting of five persons to be appointed by the board, who shall be citizens of the United States and residents of the districts in which they serve, shall devote all their time to their official duties, and shall retire at the age of 70 years. Such selections shall be made from persons qualified by experience and training for the proper discharge of the duties imposed upon them by this act, and at least two of the members shall be persons recognized as possessing exceptional banking and financial experience. Each member of an executive committee before entering upon the discharge of his duties shall take an oath of office, to be prescribed by the Federal reserve board, and which shall be filed with the board. The term of office of each member of such executive committee shall be 10 years, except that terms of office of four of the persons first appointed by the board upon each such executive committee shall expire at the end of 2, 4, 6, and 8 years, respectively. The board shall fix the compensation to be received by the members of the executive committee and shall designate a chairman and vice chairman for each executive committee. The chairman, or in his absence the vice chairman, shall

preside over the meetings of the executive committee and, subject to the supervision of the executive committee, shall be the active executive officers of the branches. The executive committee shall have authority to establish and discontinue subbranches within their respective districts. No member of an executive committee shall be an officer or a director of any bank or banking institution, and before entering upon his duties as a member of such committee he shall certify under oath that he is eligible under this requirement. Vacancies caused by death, resignation, retirement, or removal shall be filled by the board, and any person appointed to fill such vacancy shall hold office for the unexpired term of the member to whose place he is appointed. Members of executive committees may be summarlly suspended and subsequently removed for cause by the board after due hearing, and shall be so removed at the request of a majority of the depositors of a district expressed by resolutions of the respective boards of directors of such depositors. Each such executive committee shall annually, and more frequently if required by the board, make a report of the operations of its branch to the board to be by it incorporated in or transmitted with its annual report to the Speaker of the House of Representatives. Such report of the executive committee shall also embody reports from each subbranch established in the district.

All actions of the executive committees shall be subject to the approval of the board.

POWERS OF THE FEDERAL RESERVE BOARD.

Sec. 10. That the board shall be authorized and empowered:

(a) To govern and control the operations of the bank;

(b) To supervise and control the actions of the executive com-

(c) To supervise and regulate the issue and retirement of notes of the bank, and to prescribe the form, tenor, and denominations of such

notes;

(d) To suspend in whole or in part in an emergency all reserve requirements of the bank for 30 days, and to continue such suspension for periods not to exceed 15 days;

(e) To suspend in whole or in part in an emergency all reserve requirements relative to national banks for 30 days, and to continue such suspension for periods not to exceed 15 days;

(f) To examine, at its discretion, the accounts, books, and affairs of depositors;

(g) To examine at its discretion, the accounts, books, and affairs of depositors;

depositors;

(g) To call for statements of the condition of all depositors, in such form as it may prescribe;

(h) To open and maintain banking accounts in foreign countries, to establish agencies in foreign countries, and to make regulations for the conduct of the foreign business of the branches through such agencies;

(l) To open and maintain banking accounts, establish branches or agencies, or require the establishment by a branch of subbranches in the Territories of Alaska or Hawali and in the insular possessions of the United States.

The enumeration of the powers hereinabove set forth shall not be deemed to be a limitation upon the general authority of the board to perform and exercise all the services, duties, functions, or services specified or implied in this act.

APPLICATION OF EARNINGS.

APPLICATION OF EARNINGS.

Sec. 11. That the net earnings of the bank, after deducting taxes, expenses, and proper reserves against the acquisition of permanent property, shall be devoted, first, to the payment of a 5 per cent cumulative dividend upon the stock; and, second, after the reimbursement to the United States of the advances appropriated under section 4 of this act, to the accumulation of a surplus of \$20,000,000, and after the accumulation of such surplus, one-half of such earnings above said dividend requirements shall be paid to the United States and the other one-half devoted to the accumulation of a further surplus until the total surplus reaches \$50,000,000, at which amount it shall be maintained, and thereafter all earnings beyond such dividend and surplus requirements shall be paid to the United States. The earnings so distributed to the United States shall be applied by the Secretary of the Treasury, within three months after the receipt thereof, to the redemption of outstanding bonds of the United States, after advertisement published in each district at least once a week for four successive weeks immediately preceding the date fixed for such redemption, which advertisement shall call for the tender of bonds, and the Secretary of the Treasury shall thereupon, in his discretion, purchase of the bonds so tendered those offered at the lowest prices up to the amount of such earnings in his hands at such redemption date.

BUSINESS OF THE FEDERAL RESERVE BANK.

Sec. 12. That, except as otherwise provided in this act, the bank

SEC. 12. That, except as otherwise provided in this act, the bank shall conduct business solely with the United States Government, with the national banks, and with such other banks and trust companies as may from time to time be permitted to deposit their reserves with the bank. The accounts and transactions of all depositors shall be confined to the branch and subbranches of the banking district in which such depositors are located, and to foreign agencies of the bank, as herein defined.

FISCAL AGENCY.

SEC. 13. That the bank shall be the fiscal agent and sole depository of the United States, except with respect to deposits authorized by the postal savings bank act, and except that for purposes of collection and transfer only the Secretary of the Treasury may designate national banks as Government depositories.

The Secretary of the Treasury shall gradually effect a transfer of the general fund of the Treasury shall gradually effect a transfer of the general fund of the Treasury to the bank, which transfer shall be completed within 12 months after its organization. Such transfer, however, shall not include the 5 per cent fund for the redemption of outstanding national-bank notes, nor that portion of the general fund of the Treasury held by Government depositories in the insular possessions or Territories of the United States or balances of disbursing officers there held so long as no branch or subbranch of the bank exists in such possessions or Territories.

On and after a date to be determined by the Secretary of the Treasury and the board, but not later than six months from the organization of the bank, all the revenues of the United States shall be regularly deposited in the bank and disbursements shall be made by checks drawn against such deposits, except revenues and disbursements in the insular possessions and Territories of the United States,

FIVE PER CENT REDEMPTION FUND.

FIVE PER CENT REDEMPTION FUND.

SEC. 14. That the bank shall be required in behalf of the national banks which have notes in circulation to make good the 5 per cent redemption fund held in the general fund of the United States Treas-

ury, and any deficiencies in the said fund shall be forthwith paid by the bank to the Treasury of the United States upon demand, and the bank shall be forthwith reimbursed by the national bank in whose behalf such payment is made.

GENERAL FUNCTIONS OF THE FEDERAL RESERVE BANK.

GENERAL FUNCTIONS OF THE FEDERAL RESERVE BANK.

SEC. 15. The bank shall have power:
(a) To purchase and sell the obligations or other securities of the
United States, as defined by section 5413 of the Revised Statutes, and
also such of the obligations of the Territories and insular possessions
of the United States as are guaranteed principal and interest by the
United States;
(b) To purchase, sell, and deal in gold coin and gold bullion, to
make loans thereon, and to contract for loans of gold coin and gold
bullion, with or without giving security therefor, which security may
include the bonds and other obligations of the United States owned by
the bank;
(c) To receive from any described to

make loans thereon, and to contract for loans of gold coin and gold bullion, with or without giving security therefor, which security may include the bonds and other obligations of the United States owned by the bank;

(c) To receive from any depositor for deposit or collection current funds in lawful money, national-bank notes, notes of the bank, or checks, drafts, notes, or bills of exchange payable upon presentation;

(d) With the acceptance or indorsement of any depositor, to discount notes, drafts, and bills of exchange arising out of commercial transactions, such notes, drafts, and bills to be of a character to be determined and defined by the board. Such definition shall only include notes, drafts, and bills of exchange issued or drawn for agricultural, industrial, or commercial purposes, or which shall represent a bona fide sale of agricultural products or other goods, wares, or merchandise, or which shall have been issued for the purchase or sale of the bonds or other obligations of the United States. Such definition shall not, however, include notes, drafts, or bills of exchange issued or drawn for the purpose of holding for future sale and delivery agricultural products or other goods, wares, or merchandise, or for carrying or trading in stocks, bonds, or investment securities, other than the bonds and obligations of the United States. Notes, drafts, and bills of exchange admitted to rediscount;

(e) With the acceptance or indorsement of any depositor to discount notes, drafts, or bills of exchange which are based upon the exportation or importation from or to the United States of goods, wares, merchandise, or agricultural products, as determined and defined by the board, and which mature within not exceeding six months from the date of rediscount;

(f) To purchase from depositors and to sell, with or without its indorsement, bills of exchange arising out of commercial transactions as determined and defined by the board and payable in foreign countries, but such bills of exchange must mature in not e

cable transfers;

(h) To open and maintain banking accounts and establish agencies in foreign countries for the purpose of purchasing, selling, collecting, discounting, and dealing in foreign bills of exchange, gold coin and gold bullion, and cable transfers, and to buy and sell, with or without its indorsement, through its foreign correspondents or agencies, such prime foreign bills of exchange, arising out of commercial transactions, as may be defined by the board, which have not exceeding 90 days to run and which bear the signature, acceptance, or indorsement of two or more responsible parties;

DOMESTIC EXCHANGES.

Sec. 16. That the bank shall receive at par all checks, drafts, or other obligations of the bank and each of its branches or sub-branches. The executive committee of each branch shall from time to time, subject to the approval of the board, determine and publish exchange and collection charges to be made with respect to all checks, drafts, and other exchange and collection items, other than those of the bank, received in accordance with paragraph (c), section 15, of this act. Such charges shall not be in excess of the approximate actual cost of collection of such checks, drafts, and other items.

PRIORITY OF LIEN.

SEC. 17. That the bank shall have a first and paramount lien upon all of the assets of every national bank for all debts and liabilities due from it to the bank, except as to taxes and the claims of the United States, and the bank shall likewise have a first and paramount lien upon all the assets of every other depositor for all debts and liabilities due from it to the bank, except debts due by such a depositor to the United States and to the State of its incorporation, and except with respect to trust funds held by trust companies.

LIMITATIONS OF DISCOUNTS.

SEC. 18. That no depositor shall be entitled to discount notes, drafts, bills of exchange or acceptances, with the bank, in excess of the amount of the unimpaired capital and surplus of such depositor, nor shall the aggregate of such notes, drafts, bills of exchange, and acceptances, upon which any one person, company, firm, or corporation shall be primarily liable be rediscounted for any one depositor, at any time exceed 10 per cent of the unimpaired capital stock and surplus of such depositor; but this restriction shall not apply to the discount of bills of exchange payable outside of the continental United States, drawn in good faith against existing values.

RESTRICTION OF INDEBTEDNESS OF NATIONAL AND STATE BANKS.

SEC. 19. That no national bank shall at any time be indebted or in

RESTRICTION OF INDESTEDNESS OF NATIONAL AND STATE BANKS.

SEC. 19. That no national bank shall at any time be indebted or in any way liable to an amount exceeding the amount of its capital stock at such time actually paid in and remaining undiminished by losses or otherwise, except on account of demands of the nature following:

(a) Notes of circulation;

(b) Moneys deposited with or collected by it;

(c) Bills of exchange or drafts drawn against credits due to it, or money actually on deposit to its credit or due to it;

(d) Liabilities to the stockholders of the national bank for dividends, surplus, and undivided profits;

(e) Liabilities incurred under the provisions of paragraph (d), section 15, of this act;

(f) Liability as indorser on notes, drafts, and bills of exchange, arising out of commercial transactions, as defined in paragraph (f), section 15, of this act;

(g) Liability as acceptor of drafts or bills of exchange; subject to the limitations of section 20 of this act: Section 5202 of the Revised Statutes of the United States is hereby

repealed. Depositors other than national banks shall be subject to the provisions of this section.

ACCEPTANCES.

SEC. 20. That any national bank may, at its discretion, accept drafts or bills of exchange drawn upon it, having not more than six months' sight to run, and growing out of commercial transactions as described in this act and so defined by the board, but no national bank shall accept such drafts or bills of exchange to an amount at any time exceeding in the aggregate one-half of its paid-up and unimpaired capital stock and surplus fund.

CIRCULATING NOTES

SEC. 21. That the bank may issue its circulating notes, which shall be receivable at par in all parts of the United States in payment of all taxes and excises and all other dues to the United States, and also for all salaries and other debts and demands owing by the United States to individuals, corporations, and associations within the United States and its possessions except interest on the public debt. Such notes shall be a first lien on all of the assets of the bank and shall be redeemable on demand at any office of the bank in gold or lawful money of the United States, at the option of the holder. As long as any such notes are outstanding the bank shall segregate in its own vaults and carry in a special reserve account on its books gold coin or gold buillon or United States gold certificates to the amount of the face value of the notes from time to time so outstanding, or at its option shall so segregate gold coin or gold buillon or United States gold certificates to the amount of not less than 50 per cent of such face value, and collaterals, consisting of promissory notes and bills accepted for rediscount under the provisions of section 15 of this act, or refunding notes of the United States hereinafter provided for, or both such collaterals and refunding notes, equal at their cash value to 100 per cent of the face value of the notes from time to time so outstanding. Such collaterals may be exchanged from time to time for other collaterals or refunding notes within the limitations aforesaid and of equal cash value.

PRINTING, DENOMINATIONS, AND FORM OF THE CIRCULATING NOTES OF THE BANK.

SEC. 22. That in order to furnish sultable notes for the bank the Comptroller of the Currency shall, under the direction of the Secretary of the Treasury, cause plates and dies to be engraved, in the best manner to guard against counterfeiting and fraudulent alterations, and shall have printed therefrom, upon the distinctive or special paper which has heretofore been or may hereafter be lawfully adopted by him for printing United States notes, and numbered, such quantity of notes, in blank, of the denominations of \$5, \$10, \$20, \$50, \$190, \$500, \$1,000, and \$10,000, as may be required by the bank. Such notes shall express upon their face the promise of the bank to pay on demand, attested by the written or engraved signature of the governor or deputy governor and cashler, and bear the engraved imprint of the seal of the bank.

RESERVES OF NATIONAL BANKS

SEC. 23. That from and after a date to be fixed by the board, in no event longer than 5 years nor less than 30 months from the date of the organization of the bank, every national bank shall be required to keep and maintain a reserve of not less than 12 per cent of its net deposit liabilities, as defined by the Comptroller of the Currency. Any part of such reserve, but in no event less than one-half thereof, may consist of a deposit with the bank, and the remainder shall be in gold and lawful money in the vaults of the national bank.

From and after the organization of the bank the board shall effect as rapidly as it may deem wise under commercial conditions from time to time existing, and complete within the periods herein provided, the change to the minimum reserve requirements above set forth. Such change shall be effected by the issuance of notices to all national banks which shall state the percentage of the total reserve which must 30 days thereafter, and until further notice, be deposited with the bank, and the amount which thereafter may be held in gold and lawful money in its vaults. Such requirements, however, shall fairly consider the agricultural, commercial, and industrial conditions of the country and its various sections, and be so apportioned and determined as to cause the least restrictions upon the business of national banks, and compliance with such directions of the board shall be mandatory, and in such direction the board shall give due weight to the distinctions recognized under existing laws between country banks, reserve city banks, and central reserve city banks, but such directions shall be uniform with respect to banks of each of such classes.

Abolition of National banks classification.

ABOLITION OF NATIONAL BANK CLASSIFICATION.

SEC. 24. That from and after the organization of the bank no action shall be taken under the provisions of section 1 of the act of March 3, 1903, or section 2 of the act of March 3, 1887, providing for the designation of cities as additional reserve cities and additional central reserve cities, respectively, and from and after the establishment of the new minimum reserve provided in this act the classification of national banks, as now provided by section 5491 of the Revised Statutes of the United States, as amended, shall be abolished.

RESERVES

Sec. 25. That the bank shall establish and maintain at all times a reserve equal to not less than 50 per cent of the net deposit liabilities of the bank. Such reserve shall consist of gold coin, gold bullion, United States gold and silver certificates, and other lawful money of the

RATES OF DISCOUNT.

SEC. 26. The board shall establish, from time to time, a normal rate of discount, which shall be uniform at branches and subbranches of the bank, except as herein provided, and the board shall renew or change such normal rate at stated meetings to be held at least once in each week and shall immediately announce the normal rate so renewed or changed. The normal rate of discount so established shall be charged by the branches and subbranches of the bank to depositors with respect to all rediscounts of such depositors up to an amount not exceeding the amount of 20 per cent of the unimpaired capital and surplus of each such depositor; and the rate of discount charged by the branches and subbranches of the bank upon all rediscounts in excess of such 20 per cent shall be increased by the board for each 10 per cent of increase in such rediscounts. The additional rates of discount established by the board upon such rediscounts in excess of said 20 per cent shall in like manner be uniform through-

out the United States, but such additional rates may be established by the board in progressively increasing amounts for each 10 per cent of increase, and the additional rates of discount above the normal rate shall, in like manner, be announced from time to time by the board.

PROVISION FOR THE ISSUE OF REFUNDING NOTES AND REFUNDING BONDS.

shall, in like manner, be announced from time to time by the board.
PROVISION FOR THE ISSUE OF REFUNDING NOTES AND REFUNDING BONDS.
SEC. 27. That the Secretary of the Treasury is hereby authorized and directed to refund one-half of the 2 per cent United States bonds having the circulation privilege and on deposit with the Treasurer of the United States to secure national-bank note circulation at the date of the organization of the bank at the times and in the manner provided in section 28 of this act. He shall accomplish such refunding in part by the issue of refunding notes. Such refunding notes shall be a direct obligation of the United States, shall bear interest at the rate of 3 per cent per annum, shall be payable in gold of the present standard of weight and fineness and only at the bank or any of its branches, and shall mature at various periods, as determined by the Secretary of the Treasury, not exceeding one year from their respective dates of issue, and shall be issued under regulations to be prescribed by the Secretary of the Treasury as to the form, tenor, and denominations thereof: Provided, That such notes may, at the option of the Secretary of the Treasury so extended for periods of one year during a period of 20 years from the date of the organization of the bank.

The Secretary of the Treasury is further hereby authorized and directed to refund such of the 2 per cent United States bonds having the circulation privilege, the refunding of which is not hereinbefore provided for and at the times and in the manner provided in section 28 of this act. He shall accomplish such refunding by the issue of bonds. Such bonds shall be a direct obligation of the United States, shall bear interest at the rate of 3 per cent per annum, shall be payable in gold coin of the present standard of weight and fineness, shall mature 20 years from the date of issue thereof, shall not have the circulation privilege, and shall be issued under regulations to be prescribed by the Secretary of the Treasury as to the ferm, te

secretary one Treasury as to the form, tenor, denominations, and nature these. In both the refunding notes and the 3 per cent bonds and other taxation, both as to income and the process.

FURCHASE ARN HEMPLONEOUS OF 2 PER DAY PONDS.

SEC. 28. That the bank shall from time to time purchase from the several national banks at prices not exceeding par and accrued interest 2 per cent bonds of the United States up to an amount not exceeding one half of the total of such bonds on deposit at the date of the organization of the bank with the Treasurer of the United States to secure circulation. Such purchases shall be made from the several national banks up to amounts not exceeding the par value of one-half of the amounts of bonds owned by the respective national banks, and of the amounts of bonds owned by the respective national banks, and of the hank, and thereupon the bank and to red of the organization of the bank, and thereupon the bank and to red of such national banks to the amount of the purchase price of the bonds, less interest, so purchased from it, which responsibility shall constitute payment to such national bank shall be relieved from all further liability in respect of such notice of such national bank shall be relieved from all further liability in respect of such notice of such national bank, the responsibility for the redemption pay the same on demand and receive in exchange therefor from the bank and to the face amount of such notes. So much of section 18223 of the Revised Statutes of the United States Statutes, page 164, and a specific or the section of the such notes. So much of section 18223 of the Revised Statutes of the United States Statutes, page 164, and of the act of July 12, 1882, chapter 290, section 9; Twenty-second United States Statutes, page 164, and of the section of several manufactures are provided to lawylor may national bank of circulation notes, and as prevides that the amount of bonds on deposit for circulation shall not be reduced below \$50,000 for any such national bank and as

STATE BANKS AS DEPOSITORS.

SEC. 29. That from and after the organization of the bank any bank or banking association or trust company organized under any law of any State or under any law of the United States relating to the District of Columbia may make application to the board and shall by the board be authorized to become a depositor in the branch organized or to be organized within the district where the principal office of the applicant is located, but before granting such application, and from time to time thereafter, the board shall satisfy itself that no provision of the charter of such applicant or of any law applying to it prevents a lawful compliance with the requirements of this act and the regulations of the board, and unless so satisfied the board shall refuse such application or require the retirement of such depositor.

Before being admitted as a depositor, and during the period when it shall continue as a depositor, each applicant shall comply with the regulations promulgated from time to time by the board and with the following requirements:

(a) To establish and maintain a reserve of the character defined in this act equal to 12 per cent of its net deposits as defined by the board.

(b) To establish and maintain a paid-up and unimpaired capital to an amount not less than that required of national banks under the provisions of section 5138 of the Revised Statutes, as amended.

(c) To be subject to such examinations of its books and affairs as the board may from time to time direct.

(d) To prepare and submit reports of its condition and transactions at such times and in such forms as the board shall direct.

Upon the issuance of a certificate of authority by the board each applicant shall be entitled to have all the rights and privileges enjoyed by national banks as depositors in the bank.

If at any time it shall appear to the board that any such applicant which has become a depositor has falled or ceased or become unable to comply with the provisions of this section or the regulations of the board, it shall be within

BANK EXAMINATIONS.

BANK EXAMINATIONS.

Sec. 30. That the board shall, at least once in each calendar year, cause an examination to be made of the assets and affairs of every depositor, and more frequently if the board shall consider special examinations necessary, in order to furnish a full and complete knowledge of the condition of any such depositor. The reports of such examinations shall be made in triplicate, one copy thereof filed in the office of the Comptroller of the Currency, one copy in the principal office of the bank, and one copy in the office of the branch of the bank of the district in which such depositor has its principal office. The person assigned to the making of such examinations shall have power to call together a quorum of the directors of the depositor under examination, and they may be required to state under oath the character and circumstances of any asset or liability of such depositor. All examiners, their assistants and clerks, other than those appointed by the board, shall be appointed and employed by the executive committees of the respective branches, subject to the approval of the board, and for service within the districts where such branches are located. They shall receive fixed salaries, the amounts whereof shall be determined by the board. The expenses of the examinations herein provided for shall be assessed by the executive committee upon the depositors of the respective districts, in proportion to the assets or resources held by such depositors upon the dates of the examinations.

Upon request of any depositor the executive committee of any branch may arrange for special or periodical examinations of its affairs, the

mittee upon the depositors of the respective districts, in proportion to the assets or resources held by such depositors upon the dates of the examinations.

Upon request of any depositor the executive committee of any branch may arrange for special or periodical examinations of its affairs, the cost and expenses of such examinations to be borne by such depositor. All examinations, whether thus regularly provided or specially authorized, shall be so conducted as to inform the bank of the actual condition of the depositor, and any other information essential to a knowledge of the condition of such depositor, as may be required.

The board shall, at least once each year, order an examination of each branch and subbranch, and a report of such examination shall be made in triplicate and one copy thereof filed in the office of the Comptroller of the Currency, one copy in the principal office of the bank, and one copy in the office of the respective branch. Such examinations and reports shall be so conducted and made as to exhibit the actual condition of the assets and liabilities of the respective branches and subbranches, and the amount and character of their reserves, and of the amount, character, and maturity of all their investments and rediscounted paper.

The Comptroller of the Currency shall, at least once in each calendar year, make an audit and examination of the books, accounts, and affairs of the bank, a report of which he shall include in his annual report to the Congress. The cost of such examination shall be borne by the bank. No depositor, nor any officer, director, or employee thereof shall make any loan or grant any grantity to any examiner. Any bank officer, director, or employee violating this provision shall be deemed guilty of a misdemeanor, and shall be fined not more than \$5,000 and a further sum equal to the money so loaned or grantity given. Any examiner accepting a loan or grantity from any depositor shall be deemed guilty of a misdemeanor, and shall be fined not more than \$5,000, and a fur

have their offices.

Section 5241 of the Revised Statutes is hereby amended to read as follows: "No association shall be subject to any visitorial powers other than such as are authorized by this title, or are vested in the directors, officers, or employees of the Federal reserve bank of the United States, or are vested in the courts of justice."

PROHIBITED COMPENSATION.

Sec. 31. That no officer, director, or employee of a national bank shall be beneficiary of or receive, either directly or indirectly, any fee (other than the usual salary or director's fee paid to such officer, director, or

employee by the national bank and other than a legitimate fee paid to an attorney at law for legal services) or any commission, gift, or other consideration other than as aforesaid for or on account of his services, vote, or influence as such officer, director, or employee, in connection with or in respect of any loan, purchase, sale, payment, exchange, or transaction with respect to stocks, bonds, or other investment securities or notes, bills of exchange, acreptances, bankers' bills, cable transfers, or mortgages made by or on behalf of a national bank of which he is such officer, director, or employee. Any person violating any provision of this section shall be punished by a fine of not exceeding \$5,000 or by imprisonment not exceeding five years, or by both such fine and imprisonment, in the discretion of the court having jurisdiction: Provided, That this restriction shall not be construed to cover transactions in good faith and in the ordinary course of business between a national bank and another national bank or a banking firm or a State bank or a trust company.

POWERS OF NATIONAL BANKS.

Sec. 32. That from and after the passage of this act any national bank having a paid up and unimpaired capital stock of not less than \$1,000,000 shall be authorized to establish agencies or branches in foreign countries, and such agencies or branches shall be established and maintained under regulations to be prescribed by the Comptroller of the Currency; and any national bank whose place of business shall be in a city of not less than 50,000 population shall be entitled to establish branches within the corporate limits of the municipality within which its principal office is located, and all national banks shall be authorized to exercise such trust company powers and functions as may be permitted by the laws of the State within which its principal office is located; and section 5190 of the Revised Statutes is hereby amended accordingly.

REPEAL OF BOND REQUIREMENT.

SEC. 33. That so much of the provisions of section 5159 of the Revised Statutes of the United States, and section 4 of the act of June 20, 1874, and section 8 of the act of July 12, 1882, and of any other provisions of existing statutes as require that before any national bank shall be authorized to commence banking business it shall transfer and deliver to the Treasury of the United States a stated amount of United States registered bonds be, and the same is hereby, repealed, and hereafter a national bank, having retired all of its national-bank note circulation, may withdraw all United States bonds deposited with the Treasurer of the United States. From and after the organization of the bank no national bank not having Government funds on deposit with it shall be required to maintain on deposit with the Treasurer of the United States any bonds of the United States in excess of the amount required to secure the outstanding circulating notes of the national bank.

EXEMPTION FROM TAX.

amount required to secure the outstanding circulating notes of the national bank.

EXEMPTION FROM TAX.

Sec. 34. That sections 19 and 20 of the act of February S, 1875, shall be amended to read as follows:

"Sec. 19. That every person, firm, association other than national bank associations, and every corporation, State bank, or State banking association other than the Federal reserve bank of the United States shall pay a tax of 10 per cent on the amount of their own notes used for circulation and paid out by them."

"Sec. 20. That every such person, firm, association, corporation, State bank, or State banking association, and also every national banking association, shall pay a like tax of 10 per cent on the amount of notes of any person, firm, association, other than a national banking association, or of any corporation, State bank, other than the Federal reserve bank of the United States, or of any town, city, or nunicipal corporation, used for circulation and paid out by them."

Sec. 35. That all existing statutes relating to the control and examination of the plates and dies for the printing of the notes of national banks, and replacing of worn-out, lost, stolen, and mutilated notes of national banks, and to the maceration of notes of national banks, and prescribing penalties for imitating or mutilating all notes of the national banks, and for counterfeiting notes of the national banks, and for using or having control, custody, or possession of any such plates without authority, and for passing counterfeit circulation, and for taking unauthorized impressions of tools used in the preparation of notes of national banks, or having the same in possession, or for dealing in counterfeit circulation, shall apply in all respects to the notes of the bank and to the plates, dies, and tools of all descriptions connected with the issuance thereof; and all penal provisions of existing laws in connection with any acts done with respect to any of the matters or things above described shall be applicable to such acts done

SEC. 36. That the district courts of the United States shall have jurisdiction to hear and determine all causes to which the bank shall be a party, and such causes shall be brought in the judicial district in which any party to the action other than the bank is a resident, and service of all process may be made upon any officer of the bank at its office in Washington or at any of its duly authorized and established branches or subbranches.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Ohio [Mr. Burton] to insert the matter proposed by him in lieu of the words proposed to be inserted by the Senator from Oklahoma [Mr. Owen].

The amendment to the amendment was rejected.

Mr. OWEN. I now move the adoption of my amendment as amended.

The VICE PRESIDENT. The question is on the amendment of the Senator from Oklahoma as amended.

Mr. BURTON. Mr. President, the Senator from Iowa [Mr. Cummins] wishes to still further present an amendment.

Mr. OWEN. The Senator can do that when the bill is reported to the Senate, if he likes.

Mr. BRISTOW. As I understand, there will be opportunity to amend this amendment after it is in the Senate.

Mr. OWEN. Certainly.

Mr. BRISTOW. The question now is, as I understand, on the adoption of the amendment as in Committee of the Whole? Mr. OWEN. The bill will be reported from the Committee of

the Whole to the Senate, and in the Senate Senators will have a right under the rule to offer amendments.

Mr. BURTON. To foreclose any possibility of any error, as to parliamentary rules, I desire to give notice now that I shall

ask for a separate vote on the so-called civil-service amendment

when the bill is in the Senate.

The VICE PRESIDENT. The Chair will be compelled to rule against the Senator from Ohio on that question. The amendment comes from the Committee of the Whole as a whole, and it must either be agreed to by the Senate as a whole or rejected by the Senate as a whole; but that does not prevent the Senator from Ohio from again introducing an amendment

in the Senate and having it voted upon.

Mr. BURTON. Then, I give notice that in the Senate I shall move to strike out of the amendment that portion relating to

civil service.

Mr. BRISTOW. Now, Mr. President, that I may understand this matter, I ask if the amendment of the Senator from Okla-Mr. BRISTOW. homa is adopted as in Committee of the Whole, and then as amended the bill passes into the Senate, will it be in order to move to strike out any part of the bill or to offer an amendment to it?

The VICE PRESIDENT. The Chair has ruled that amendments may continue from now until every Senator has had every opportunity to introduce every amendment he wishes to introduce, whether such amendments have been introduced in Committee of the Whole or not. Mr. OWEN. Question!

The VICE PRESIDENT. The question is on the adoption of the amendment of the Senator from Oklahoma as amended. The amendment as amended was agreed to.

The bill was reported to the Senate as amended.

The VICE PRESIDENT. The bill is in the Senate and open to amendment.

Mr. BRISTOW. Mr. President-

The VICE PRESIDENT. The question is, Will the Senate concur in the amendment made as in Committee of the Whole? Mr. NELSON. I offer an amendment to a portion of section

11, subdivision (c), on page 30 of the last print of the bill.

Mr. BRISTOW. Mr. President, there are quite a number of Senators who are absent who did not expect the bill to come into the Senate at this time, and I suggest the absence of a

quorum in order that we may have a full Senate.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators

answered to their names:

Gallinger Goff Gore Gronna Hitchcock Hollis Hughes Jackson James Johnson Ashurst Bacon Bankhead Martine, N. J. Myers Nelson Norris O'Gorman Oliver Shively Simmons Smith, Ariz. Smith, Ga. Smith, Md. Smith, S. C. Borah Bradley Brady Brandegee Bristow Oliver Overman Owen Page Perkins Pittman Poindexter Pomerene Ransdell Reed Smoot Sterling Sutherland Bryan Burton Catron Chamberlain Swanson Thomas Thompson Tillman Jones Kenyon Kern La Follette Chilton Clapp Clark, Wyo. Clarke, Ark. Colt Crawford Townsend Lane Reed Robinson Lea Lewis Lippitt McCumber McLean Martin, Va. Walsh Warren Weeks Williams Root Saulsbury Shafroth Cummins Dillingham Fletcher Sheppard Sherman Works

The VICE PRESIDENT. Eighty-three Senators have answered to the roll call. There is a quorum present. The Sena-

tor from Minnesota is entitled to the floor.

Mr. NELSON. Mr. President, I offer the amendment which

I send to the Secretary's desk.

The VICE PRESIDENT. The amendment proposed by the Senator from Minnesota will be stated.

The Secretary. In the print of the amendment of December 18, which has just been agreed to as in Committee of the Whole, on page 30, beginning with line 13, it is proposed to strike out the provise which begins "And provided further," down to and including the words "one-half per centum," on line 22, and in Heu thereof to insert the following words:

And provided further, That whenever and so long as such reserve shall fall and remain below 50 per cent the Federal reserve bank shall pay a special tax upon the deficiency of reserve at a rate increasing in proportion to such deficiency, as follows: For each 2½ per cent or fraction thereof that the reserve falls below 50 per cent a tax shall be levied of 1 per cent.

The VICE PRESIDENT. The question is on the amendment of the Senator from Minnesota [Mr. Nelson] to the amendment made as in Committee of the Whole.

Mr. ROOT. Mr. President, the effect of the amendment offered by the Senator from Minnesota [Mr. Nelson] is to make the tax which controls the reduction of reserves an effective control in lieu of the very weak and ineffective provision included in the amendment which was offered and adopted last evening. The provision for maintaining the gold reserve of 40 per cent, which was adopted last evening on the motion of the Senator from Oklahoma [Mr. Owen], was that when the reserve falls below 40 per cent down to the point of 321 per cent the Federal reserve board shall impose a tax of not more than 1 per cent-in itself but a trifling restraint. It will be quite ineffective to discourage the reduction of the reserve. The discouragement comes from making it expensive to reduce the reserve—that is to say, making it expensive to increase the amount of the reserve notes in proportion to the reserve. A tax of 1 per cent would be quite ineffective for that; but under the provision which has been adopted it is to be not more than 1 per cent. It could be one-fiftieth of 1 per cent if the board saw fit; so that the Congress of the United States really does not put its heavy hand upon the reduction of reserve practically at all until the reduction of reserve comes down to 324 per cent.

The effect of the amendment proposed by the Senator from Minnesota is that we begin with the amount fixed as a reserve and make it increasingly more and more expensive for the banks to reduce the reserve beyond the amount fixed. I hope the amendment will be adopted.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Minnesota [Mr. Nelson] to the

amendment adopted as in Committee of the Whole.

Mr. THOMAS. Mr. President, the discussion of this bill has centered so largely around the gold reserve and there have been so many predictions of the dire consequences which must ensue. unless it is much larger than that required by other nations. and so many prophecies of coming misfortune not only to the bill but to the purpose which is sought to be subserved by it have been made that I have been constrained to remind the Senate of the fact, although it is a trite one, that history repeats itself, and does so with each recurrence of the same species of legislation. I want therefore to trespass upon the Senate for a moment or two to read an extract from Mr. Blaine's Twenty Years of Congress, which recites some of the utterances that attended the discussion of the legal-tender act-an act, Mr. President, which became necessary because of its exigencies to prosecute the greatest war in history, when gold and silver, like the cowards they are, had crawled into their holes, found their hiding places, and left the Nation face to face with nothing to sustain it but the credit of its people upon which, after all, this contemplated currency and all currency must eventually rest. I read from page 417 of the first volume of Mr. Blaine's work:

of Mr. Blaine's work:

Mr. Conkling agreed with some other gentlemen, who said this bill was a legislative declaration of national bankruptcy. He agreed with still another gentleman who said that we were following at a humble and disgraceful distance the Confederate Government, as it is called, which has set up the example of making paper a legal tender and punishing with death those who deny the propriety of the proposition. Mr. Conkling declared that insolvency is ruin and dissolution, and he believed that in passing this bill, as was said by the gentleman from Massachusetts [Mr. Thomas], we are to realize the French proposition about virtue—that it is the first step that costs. Another and another and another \$100,000,000 of this issue will follow. We are plunging into an abyss from which there are to be no resuscitation and meresurrection. Mr. Conkling thought it right to learn of an enemy, and already the London Times halls this \$150,000,000 legal-tender bill as the dawn of American bankruptcy, the downfall of American credit. The public debt by the 1st of the ensuing July, within less than a year from the first battle of the war, was already estimated at \$806,000,000.

I read from page 421:

I read from page 421:

Mr. Owen Lovejoy sought occasion to give the measure a parting malediction, declaring there is no precipice, no chasm, no yawning bottomiess guif before this Nation so terrible, so appalling, so ruinous as the bill before the House, and Mr. Roscoe Conkiling sought the flow to say that he concurred in every word Mr. Lovejoy had spoken.

I read further from page 421:

SENATE.

In the first section they provided that the interest on the national debt should be paid in coin. Upon this point Mr. Fessenden considered that the public credit in large degree depended. As to the legal-tender feature of the notes he could not make up his mind to support it. Wil your legal-tender clause, he inquired, make your notes any better? He you imagine that because you force people to take these notes, they are to be worth the money, and that no injury is to follow? What is the consequence? Does not property rise? You say you are injuring the soldier if you compel him to take a note without its being a legal tender, but will not the sattler put as much more on his goods? And if the soldier sends the notes to his wife to be passed at the country store for necessaries for his family, what will be the result? The goods

that are sold are purchased in New York, the price is put on in New York, a profit is added in the country, and thus the soldier loses just as much. You are not saving anything for anybody.

Mr. Fessenden then inquired, What do we offer without this legaltender clause? We are offering notes with the interest secured beyond a question if the amendments proposed by the Committee on Finance of the Senate are adopted, based on the national faith, and with the power to deposit and receive 5 per cent interest in any subtreasury, and the power of the Government to sell its stock at any price to meet whatever it may be necessary to meet. Will notes of this kind stand better when going out if you put the confession upon their face that they are discarded by you and that you know they ought not to be received and would not be unless their reception is compelled by legal enactment?

The argument against this view, according to Mr. Fessenden, is simply that the banks will not take the notes unless they are made a legal tender, and therefore they will be discredited. It was thus reduced to a contest between the Government and the banks, and the question is whether the banks have the will and the power to discredit the notes of the United States Treasury.

On page 424 Senator Summer said:

On page 424 Senator Sumner said:

Is it necessary to incur all the unquestionable evils of unconvertible paper forced into circulation by act of Congress to suffer the stain upon our national faith, to bear the stigma of a seeming repudiation, to lose for the present that credit which is in itself a treasury, and to teach debtors everywhere that contracts may be varied at the will of the stronger? Surely there is much in these inquiries which may make us pause. * * He could not give his vote without warning the Government against the danger of such an experiment. The medicine of the Constitution must not become its daily bread.

Mr. President, Congress in that crisis rose to the occasion and enacted that law, the celebrated legal-tender act, in spite of the fierce opposition it encountered and the prophecies of disaster which attended its birth. With the money thus ob-tained and thus created the Union was saved, for it gave it the means for the equipment of its armies and the supply of its navies. It strengthened the credit of the Government by test-

ing its staying powers.

I am one of those old-fashioned men who believe that the currency which was then issued was and is and will continue to be the most popular currency in the country. No party has dared since 1878 to propose the retirement of the remaining Treasury notes issued under its provisions. Mr. President, in the years to come, when this bill shall have been tried in the crucible of experience and found equal to the needs and welfare of the country, Senators may have occasion to remind the country by similar historical references to what has been said in this discussion concerning the operations of this bill and the character of the money which it proposes to quicken into life.

Mr. OWEN. Mr. President, I ask to submit for the Record a memorandum of comments upon the national-bank bill at the

time it was passed, and prophecies of evils that it was said

would follow.

The VICE PRESIDENT. Is there any objection? The Chair hears none.

The matter referred to is as follows:

The matter referred to is as follows:

[Extracts from the New York Herald upon the currency bill of 1863.]

New York Herald, February 14, 1863: "The Secretary should understand that everybody approves the object of his bill. * * * But, in the first place, it is not considered wise or fair, when the northern banks have invested every dollar of their capital in United States securities, to choose this moment to make war upon them; nor is it considered politic in the present delicate condition of the relations between the States and the General Government to provoke a conflict on the subject of banking, which would inevitably be the result in the event of an attempt by Congress to override and annul the banking laws of New York, Massachusetts, New Jersey, and Ohio. In the second place, the idea which seems to be entertained by the Secretary of the Treasury that the passage of this banking bill will provide money for the prosecution of the war and enable the Government to dispense with further issues of greenbacks, is scouted in business circles as a monstrous delusion. * * Mr. Chase's incomprehensible belief in his bank scheme has created no little uneasiness among commercial men."

(In Financial and commercial column.)

February 19, 1863 (Financial and commercial): * * * "It is to be hoped that there may be some men of sense and business experience on the committee, as otherwise there is reason to fear that the childish annoyance which the advance in gold causes at Washington and the extraordinary hallucination which prevails in official circles with regard to the effect of the bank bill, may lead to the adoption of a policy which may leave the Government without means before the summer ends. If Congress relies to any extent whatever upon the bank bill or upon loans before further issues of greenbacks have been made for means to carry on the war, it is certain as fate that the Government will be bankrupt and that Mr. Chase will find himself before the year ends obliged to solicit more money from Congress. Should [Extracts from the New York Herald upon the currency bill of 1863.]

understood that the House, deeming it a dead letter, agreed to pass it on condition that the Senate would adopt the House scheme for \$300,000,000 more legal tender, bearing no interest."

February 23, 1863 (Financial and commercial): "The bank bill has now passed both Houses. The bill was forced through the House of Representatives by the party spur and against the conviction of a majority of Members. * * * Our conservative financiers are somewhat alarmed at the prospect and do not conceal their opinion that the new bank law is likely to produce an inflation more general, more dangerous, and more certain to generate wild speculation than direct issues of legal-tender money by Government. It is clear that the bill as passed imparts to the bonded debt of the United States the same inflation capacity as is possessed by the legal-tender notes; in other words, it 'mobilizes' the whole Government debt, bonded and floating, and places it in the light of an irredeemable currency, which is certain to enhance values of all kinds. Meanwhile it provides the Government with no money."

February 26, 1863 (Financial and commercial): "Mr. Chase believes that he will get money under his bank act. Some of his confidential advisers, who have made fortunes by their intimacy with him since the war, are generally understood to be short of stocks. * * ° The premium on gold seems to have deprived the Washington financiers of the little financial capacity they possessed, and they seem likely to legislate in view of that premium only."

Farther articles appear in subsequent issues of the Herald, which can be obtained or summarized for the Secretary, if he desires. They all flout the idea that the bill will check expansion or that it can fail to inflate prices of all kinds. These articles are all under the "Financial and commercial" headings.

[Extract from the Detroit Free Press on the currency bill of 1863.]

Editorial, February 25, 1863: "The effect of the passage of the banking bill of Mr. Chase * * was most disastrous on the price of gold in Wall Street, it having suddenly advanced from 65 to 71 per cent. At this rate, long before the issue of \$300,000,000 is completed, \$1 in gold will be worth \$2 in paper. * * The immediate effect of this inflation is already visible in the advance of prices."

[Extract from the Life of Salmon P. Chase, by Shuckers.]

[Extract from the Life of Salmon P. Chase, by Shuckers.]

Senator Collamer summed up the chief objections against it (the bill). They were: That it proposed to tax the State banks out of existence; that it substituted for the 1,300 or 1,400 banks doing business in what were called the loyal States at least 3,000 and perhaps 6,000 institutions entirely independent of the power of visitation by those States; that it removed from all forms of State taxation all the capital employed in local banking corporations, thus interfering with the school funds of many of the States; that it made the Government responsible for the ultimate redemption of the circulation of the associations; that it put great political power into the hands of the Secretary of the Treasury; that it hired the banking associations to circulate three hundred millions of currency at a yearly expense of twelve millions in gold to the people, who were at last responsible for the circulation; in short, the people of the country would derive no benefit from the operations of the bill; and that, after all, the profits derivable to the banks would be too small.

[Extracts from the Bankers' Magazine, 1863.]

[Extracts from the Bankers' Magazine, 1863.]

The September number (pp. 162-166): "Section 46 of the bill is said to be unjust, since an association formed in Connecticut, where the interest is but 6 per cent, must take 1 per cent less than an association formed in New York or 4 per cent less than one formed in California, while at the same time it is subjected to all the restrictions of either of the others.

"2. It is, in a measure, subversive of the objects of the law, since by this clause it renders it impracticable for banks in many of the States to avail themselves of its privileges. In the first place, in many of the States commercial necessity has forced the legislatures to make laws authorizing parties to fix the interest of money by contract at rates higher than that established as the legal rate of interest in the absence of the contract, in some cases so high as to amount to a virtual repeal of the usury laws. Yet this law provides that associations may take the rate of interest established for parties in the absence of contract, and no more."

This forms the themse for quite a long article.

Page 816 begins an article by H. H. Van Dyck, superintendent of the banking department of New York, entitled "Banking in New York." This is included in the April, 1864, number. I have copied parts of it, as follows:

"The first obvious effect of the national system must be the incredictions."

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"He first obvious effect of the national system must be the inordinate multiplication of banks of small capital throughout the country."

"He designed merely as conduits through which the circulation received from Washington is to flow out upon the community."

"Under these seductive influences, aided by the hope of becoming depositories of the public funds, it is not improbable that the number of national banks will be rapidly multiplied and that a large accession to the irredeemable currency already afloat will serve further to illustrate the problem of the rising properties of gold."

Fear is expressed that uniformity of appearance in the notes will not produce the expected suppression of counterfeiting, as the experiment of uniformity had been tried in New England and New York and abandoned. The uniformity of design is also said to be a very great inconvenience in counting, assorting, etc.

"The lessons of experience, as well as the principles of sound reasoning, are repugnant to the theory that the currency to be issued from the banks can be kept at par at the commercial centers by the mere fact that they are received for the public dues." (An argument follows supporting this proposition.)

"Time and experience will also demonstrate the inutility of attempting to make Washington the focus for the business incident to furnishing currency to the banks of the whole country, with the attendant receipt and transfer of securities, which a state of continual financial change requires." (A long paragraph devoted to working out this idea.)

"Under existing laws two-thirds per cent of the stockholders of

cial change requires. (A long paragraph devoted to working idea.)

"Under existing laws two-thirds per cent of the stockholders of any banking association may give notice of a discontinuance of business and proceed to wind up its affairs. But the process is a lingering one and may require years. A proceeding of this kind entered into at the same time by all the institutions of the State would be destructive of business interests.

" In what manner can the legislature trans-

fer the issues of this currency in a body to the jurisdiction of the National Government and still retain its hold upon these securities, enforce the regulations under which the trust is now managed, and yet shorten the almost interminable period which must clapse before this circulation can be returned? The banks organized under the national currency act are restricted in their suits, actions, and proceedings to the circuit, district, and Territorial courts. These courts are too few and far between to answer the demands of a system as extended as that proposed. On what terms and under what restrictions shall the State courts be brought into requisition for the collection of debts and the adjustment of controversy?"

Bankers' Magazine for June, 1864 (p. 964): "A report of the committee expresses the most serious apprehension in regard to the financial situation."

[Extracts from National Monetary Commission report on origin of the national banking system.]

Page 90. "In May, 1863, Hon. Amasa Walker published in the Bankers' Magazine some remarks which he had prepared for a speech in the House of Representatives, but which he was prevented from delivering through the application of the previous question. After having shown that the proposed currency was full of imperfections, that at best it was a 'feeble and imperfect currency,' he nevertheless says he prefers it 'to that it was designed to supersede, because it will be uniformly current everywhere, because there is a tax on it, because it will aid the Government in financial operations, and because it will identify the interests of our moneyed institutions with the credit of the Government."

Page 92. "On the 2d of Newerbor Security 1997.

Government in financial operations, and because it will identify the interests of our moneyed institutions with the credit of the Government."

Page 92. "On the 2d of November, Samuel Hooper wrote Mr. Chase from Boston, inclosing with comments a slip cut from the London Examiner, which he thought might interest Mr. Chase as expressing the opinions of an intelligent writer on financial subjects. He closed his letter with the following expression of his disappointment at the situation: 'I do not like having the small banks only organized under the new law, and regret that no large banks are yet organized in the principal commercial cities, to be made depositories of public money, as it seems to me very desirable, though I doubt if any large banks here or at New York would receive deposits of the public money on conditions that I understand to be prescribed by the Treasury Department.

"The new organizations were attacked on the 28th of November, 1863, by a committee of the New York Clearing House, composed of John E. Williams, president of the Metropolitan Bank, of New York, and John L. Everett. The preparation of the report was attributed to Mr. Williams. It was submitted to the clearing house at a meeting on the 5th of December, 1863, and was accepted and ordered to be printed and distributed. The following clause of the report is of interest: 'It must have been observed by all that the applications for banks under this law, though numerous, are for small amounts, many of only \$50,000 or \$60,000 capital. Your committee know of but very few who are designed to do a legitimate banking business. There may be others, but from the small amount of capital of more than a hundred of them, and the localities of several, your committee know of but very few who are designed to do a legitimate banking business. There may be others, but from the small amount of capital of more than a hundred of them, and the localities of several, your committee know of but very few who are designed to do a legitimate banking business. Ther

[Extracts from report of the New York committee on banks, made April 1, 1864, to the legislature.]

This report criticizes bitterly the action of Secretary Chase in unsettling the rates of interest at which legal-tender notes could be converted into interest-bearing securities. It complains because Congress has "carried the immunity annexed to investments in the stocks and securities of the United States so far as to exempt them from taxation by or under State or municipal authority." The primary effect of this exemption is said to be more particularly evident in the case of corporations. "The banks of this State hold United States stocks to an amount far beyond their aggregate capital. Could this exemption therefore be made operative in their case, it would at once remove \$109,000,000 from the reach of State and local taxation and throw the accumulated burden upon property in other forms. When it is borne in mind that the aggregate amount of the national debt already exceeds two thousand millions of dollars, and that an equivalent amount of property is to be withdrawn from taxation, we can not but apprehend disastrous results." * * *

two thousand millions of dollars, and that an equivalent amount of property is to be withdrawn from taxation, we can not but apprehend disastrous results."

"The payment of the tax imposed under this law was resisted by the banks who were parties to the suits not from an unwillingness to contribute toward the public expenses, but from the inequalities known to exist in other sections of the State in regard to the taxation of investments in United States securities and the belief that the corporations established under the authority of Congress would, under the exemptions authorized by that body, evade all taxes for State and municipal purposes. It is due to the distinguished and able representatives from the New York banks who appeared before the bank committees of the senate and assembly to say that they emphatically declared their entire concurrency in causing all capital * * * to pay its legitimate share of the public burdens; but that a discriminating tax, which should reach only the institutions of this State, whilst those of congressional origin would escape with impunity, could not fall to be fatal to the existence of the former." Further complaint is made that the New York banks have encountered the determined hostility of the Secretary of the Treasury, and through him of congressional action, until their continued existence is problematical. "It is the crime of our system that it stands in the way of a gigantic scheme of centralization, by which the whole banking capital of the country is to be brought under the dominant influence at Washington, and if not made subservient to the ambitious views of a financial Secretary, at least to become the football of congressional politicians. Questions of constitutional prerogative are disposed of in a manner so flippant as to leave a reasonable doubt whether the provisions of the Constitution are regarded as of binding validity. * * * Corporations with special privileges are planted within the States, without the consent of the latter. * * The sovereign right of

a bounty for enlisting under the banner of congressional banking." It is further said that the legitimate wants of government could be provided for by the State banks. A crisis in the near future is predicted.

[Extract from Hugh McCullough's Men and Measures of Half a Century.]

Extract from Hugh McCullough's Men and Measures of Half a Century.]

There were four causes for the unwillingness of the State banks to become national banks:

First. The apprehension that the national system might prove a repetition of the free-bank system of the West, which had been a disreputable failure.

Second. The opinion that in becoming national banks, and issuing notes secured by Government bonds, their interests would be so identified with the interests of the Government, their credit so dependent upon, so interwoven with, the public credit, that they would be ruined if the integrity of the Union should not be preserved.

Third. The danger of hostile legislation by Congress or the annoyance to which they might be exposed by congressional interference with their business for partisan purposes.

Fourth. The requirement that in order to become national banks they must relinquish the names to which they had become attached and be known by numerals.

[Extracts from the New York Times in regard to the currency bill of 1863.]

The Times of January 29, 1863, prints and editorially indorses a plan for restoring the national credit, which the writer offers to take the place of Mr. Hooper's and Mr. Spaulding's bills. "Unless the public is willing to exchange the paper money for bonds and by thus returning to the coffers of the Government limit the issues to a reasonable amount, the whole system must tumble to pieces, involving everybody in the common ruin."

Editorial, February 16, 1863, quotes and opposes an article in the Albany Atlas and Argus, in which that papers says, "This favorite measure of the administration and of the Cabinet would not have elicited the opposition of those Senators (extreme upon all questions of party) if it had not been liable to the most serious objections on grounds both of expediency and constitutionality."

In addition to these, it is asserted that Messrs. Howe, Howard, and Lake, of Indiana, were up to the last moment opposed to Mr. Chase's scheme.

Lake, of Indiana, were up to the last moment opposed to Mr. Chase's scheme.

"The bill may be defeated, but if so, some other nearly as objectionable will be submitted." The Times criticizes this article very bitterly and throughout the course of legislation upholds the administration in respect to the bill.

February 18, 1863, a letter signed J. says, in part, "The objection to this scheme is that it is too slow in its operation to aid the Government, and it is still inflation in another form and will not prevent a depreciation of the currency any more than the issue of greenbacks without banks." Further, this man advocates a central bank located in New York.

[Extracts from Bolles's Financial History of the United States.]

depreciation of the currency any more than the issue of greenbacks without banks." Further, this man advocates a central bank located in New York.

[Extracts from Bolles's Financial History of the United States.]

Page 201. "The bankers of New York having heard that Mr. Chase would recommend a national banking system in his annual report, James Gallatin prepared and read to him 'an exposition of the futility of resorting to such a scheme, and explained how it would fail to yield to him the supply of capital which he required.' The banks had not yet fully learned how Mr. Chase regarded their advice; their doubt, however, was solved within a few months. """ "At this time public opinion was divided and opposition to the plan was not confined to the banks nor to interests allied with them. In an able and elaborate report on the finances and resources of the country adopted by a very respectable society in January—the Geographical and Statistical Society—the following criticism was expressed: Were this plan of banking adopted the circulating currency of the country would redeem at par at the center of exchanges. Not only so, but would be constantly varying in amount, producing perpetual change in values, for marketable value depends on the quantity of the circulating medium. Each bank would sell its security and call in its circulation whenever the high price of United States stocks or the wish of the owner might suggest the course. And, again, from other sources large amounts of bank notes would at different times be thrown out for circulation, and thus inevitably would perpetual change in the quantities of circulating medium perplex and embarrass commercial transactions.

"'It is true that in New York this system has worked well, but it is equally true that in Hilmois it has been a failure; and it would have been a failure in that State on the first financial pressure had no rebellion occurred. The larger part of the banking capital of the State of New York is in the city of New York, and the center of exchange be

and to distribute the \$300,000,000 of stock which could be put into these institutions. 'If the Secretary of the Treasury can be furnished with these powers and chooses to use them,' said Senator Collamer. 'he must be a very bungling politician if he can not make himself President any day.' Other objections were raised by him, but the most fully discussed feature of the law was the proposed tax of 2 per cent on their capital.

"James Gallatin, of New York, wrote to Senator Fessenden during the debate: 'In our State, as well as in the West, the system of banking on public stocks has proved delusive in seasons of great depression in the prices of such stocks, being less reliable than banking upon real business mercantile paper (not accommodation) at short dates; and the banks dealing in the latter in this city having been compelled to protect circulation of the public-stock banks in order to save the latter from bankruptcy."

in the prices of such stocks, being less reliable than banking upon real problems of the public stock banks in order to save the latter from bankruptcy.

"The principal speech delivered against the bill in the House was by Mr. Baker, of New York. Many objections were stated, one of which was that the bill did not provide a central place for the redemption of notes. Each bank was to redeem its circulation at the place of issue. The New York banking system provided for the redemption of notes. Each bank was to redeem its circulation at the place of issue. The New York banking system provided for the redemption of all bank notes in the chief city of the State. When the previous safety-fund system existed there bank notes were from one-eighth to 2 per cent discount, varying by their distance from the place of redemption." Such would be the case, said Mr. Baker, with the notes which we propose to Issue under this system in each individual State, but the points from their place of issue. To remedy this evil and make this currency of uniform value throughout the United States, it is absolutely necessary that these associations should be compelled to redeem their notes at their counters, at the commercial center of the State in which they are located, and also at New York.

"Another objection stated by him was the requiring of the banks to keep on hand 25 per cent of their circulation and deposits in lawful money. (The States generally allowed banks to issue notes without reference to the amount of specie in their vaults. The only exceptions were the State of Louislana, which required a reserve of 33 per cent upon circulation and deposits, and Massachusetts, which after 1858, required a reserve of 15 per cent. No other case is recollected where any definite proportion between specie and immediate liabilities was essentially the proportion between specie and immediate liabilities was essentially and the committee of the banking department of New York, at the beginning of 1864."

Note: This article by Mr. Van Dyyck is su

[Extracts from adverse congressional comment on the national-bank bill of 1863.]

SENATE.

Senator Powell, of Kentucky: "I am " " " of the opinion that a bank note issued upon any other than a specie basis will be injurious to the country in which it is issued. " " I am opposed to this bill in every form, but if it is to be passed, I think it should be given at least a little stiffening." (He was presenting an amendment requiring banks to keep in their vaults in gold and silver coin, at all times, an amount equal to one-fourth of their issues.) The note holders had but little security. "All the States which have adopted this free banking system require the banks to keep in their vaults a limited amount of specie, some 12 per cent, some 30 per cent. " " Here, however, is a scheme for a series of banks, a gigantic scheme, that absolutely does not require them to pay coin or keep any on hand at all. I have conversed with intelligent merchants and business men from New York, Boston, and Philadelphia, and have yet to find the first one who does not condemn it." The Senator gave notice that he would offer a further amendment to prevent the resulting money from being received for customs. (Feb. 9, 1863.)

Senator Powell. February 10, 1863: "The whole object of the bill is a grand consolidated scheme for the issue of paper money."

Senator Henderson, February 10, 1863: "I have not nearly the confidence in this bill that others seem to have. " * " I do not desire to fasten such a system for all time on the country, " * " It is thought by the Secretary of the Treasury, the President, and others that this bill will give any at all."

Senator Carille, February 10, 1863: "If this bill passes in its present shape " * every man * " will have a little bank at every crossroads, throwing out upon the country, \$15,000 of paper based upon an outlay of his own of \$6,000. " A large portion of the stock of the State banks is owned by widows and orphans, and you strike the most deadly blow at these State institutions that you could do by the passage of this bfil."

Senator Collamer, of Vermont, February 10, 1863: "You propose to set up these banks, put out their circulation as a national currency, and guarantee its payment. Wherein is that any better than the paper we have got now? Is it any better? What is it founded on? United States credit, United States stocks. Whom do the bill holders look to for final redemption? The United States Treasury. We say we will redeem them. The system has no other foundation. All these fictitious contrivances about the responsibility of the individual stockholders amount to nothing at all. "" It is simply founded upon the public responsibility, and indeed to the Senator from Ohio [Mr. Sherman] that seems to be their great value."

On another sheet will be found a summing up of the opinions expressed by Senator Collamer, who really led the opposition, which was taken from Mr. Hugh McCullough's Men and Measures of Half a Century.

HOUSE OF REPRESENTATIVES.

Representative Fenton, one of the supporters of the bill, read a letter to the House from a New York banker, who expressed the opinion that the scheme proposed by Secretary Chase would inevitably destroy the State banks. (Feb. 19, 1863.)

Representative Baker, February 20, 1863, expressed the opinion that the State banks would be ruined by the bill, and also objected to the section requiring every association to keep on hand 25 per cent of its circulation and deposits in lawful money; also, he disliked the proposal to issue circulating notes secured by United States bonds, which were to be redeemed by "inconvertible" and irredeemable notes. He asserted that when the expenses were deducted the banks would find the terms of the act in nowise conductive to large or even ordinary profits; that the feature of the bill which provides that only 90 per cent of the face value of the bonds shall be issued depreciates the security of the United States bonds; and says the whole system is based on the idea of a permanent public debt and would confer upon the Secretary of the Treasury extraordinary power, politically, through the manner and extent of its patronage. "With a Comptroller of the Currency unworthy of the trust, the slender reed on which this system is based would break and involve all in one common ruin." Special stress is laid in this speech upon the idea of the State banks being ruined.

Representative Alley said the inevitable effect of expanding the currency and increasing its volume to \$1,000,000,000 would be to "enhance the prices of everything to twice or thrice their present value * * thus ultimately occasioning widespread disaster and ruin to an extent never before witnessed."

Representative Noble (Feb. 20) did not believe the framers of the Constitution ever intended to grant such power to Congress, and discussed the eighth section of the Constitution, saying the Secretary (Chase) himself found it difficult to tell where the power might be found.

These addresses are in some cases very long. I have marked their places in the volumes and can supply them if desired.

[Extract from New York Commercial Advertiser.]

Editorial, February 21, 1863: Although we have not felt oversanguine as to the great benefits which the banking bill would accomplish, we shall be the last to countenance any factitious opposition to it.

* * It affords some consolation that there is a tolerable prospect of having "touched bottom" on the issuing of Government paper as legal tender, with the probability of its gradually returning to a specie level.

tender, with the probability of its gradually returning to a specie level.

[Extract from proceedings of the meeting in relation to the establishment of a large national bank in this city (New York).]

October 21, 1863: Mr. McCullough, Comptroller of the Currency (afterwards Secretary of the Treasury), stated that he had been opposed to the currency bill before its passage, but later on, on examination, thought it might suffice. * * * " It was his opinion that the system of internal-revenue taxes of itself created a necessity on the part of the Government for a national circulation which could be received and held with safety." Besides, "the people have got a taste for notes that will go everywhere." In relation to the organization of a large national bank in New York, Mr. McCullough said he trusted that such a bank would be organized as the result of this meeting.

In regard to amendments of the law, Mr. McCullough said he considered some amendments necessary. It went too much into detail in the regulations of the affairs of the banks and contained some provisions that he thought unnecessary and unwise. He thought that the rate of interest should be the same in all States, and that the provision in regard to usury was too severe. While many laws might still be needed where capital was not abundant they were hardly necessary in the older and richer States, and in no State should usury make vold the contract. There had been times in the history of the country when the banks of New York might have saved large amounts of coin from exportation and the excessive importations of goods had they possessed the privileges of the Bank of England, of raising or depressing the rate of interest as the public interest required. The law also might need amendments to compet the banks to keep their notes from being depreciated at commercial points, and other amendments not necessary to mention might be well. "The main features of the law are right, but not perfect."

Mr. BRISTOW. Mr. President, I intend to support the amendment offered by the Senator from Minnesota, because I believe it is very much better than the provision which is found in this bill.

The bill as it is now before the Senate, in my opinion, will result in an inflation of our currency. It provides that all of the national-bank notes shall continue in circulation. Therefore, there can be no reduction in the amount of paper currency now in circulation. The bill as it came from the House sought to substitute the regional-bank notes for the national-bank notes. As it has been amended by the Senate it does not substitute the regional-bank notes for the national-bank notes, but adds to the present circulation whatever regional notes are issued.

There is no gold reserve behind the national-bank notes. That is a bond-secured circulation. There is a gold reserve of something over 40 per cent behind the greenbacks. Now it is proposed to add to the circulation, besides the national-bank notes that are out, a bond-secured circulation which represents no gold reserve, an additional circulation of paper, and to require for that additional circulation but 40 per cent gold reserve,

That reduces the gold that is behind the paper circulation to a very low point, in my opinion. If we were, as the bill proposed in the first place, substituting these regional reserve notes for the national-bank notes, then there would stand behind the paper money 40 per cent of gold, less, of course, whatever reduction might be made under the provisions of the bill when it fell below the 40 per cent, as provided against by the tax. The tax will not be effective, however, as has been very clearly pointed out by the Senator from New York; so we are in fact providing for only $32\frac{1}{2}$ per cent gold reserve, in my opinion.

I do not believe that is enough, when we have in circulation \$750,000,000 of paper money that is not secured. We are adding to the circulation of the country all that can be added to it upon a 32½ per cent basis. I think that will lead to an inflation of the currency. I do not believe any one of the great commercial nations of the world has any such danger in its currency laws as that which we are now about to incorporate into this bill.

I think, therefore, the amendment of the Senator from Minnesota is absolutely essential. I believe it would be wise if this currency were being substituted for the national-bank notes; but since it is not to be substituted for the national-bank notes, I believe it is imperative that the gold reserve shall be maintained at a higher point than that provided in the bill. So far as I am concerned, I intend to support the amendment, believing it to be very essential.

I voted against the amendment of the Senator from New York [Mr. Root] last night because in that amendment there was a limitation on the amount of currency that could be issued in addition to the gold reserve required. I intend to vote against the provision in the present bill because there is a minimum limitation. The present bill says that our paper money can not be less than it is now, whether the commercial interests of the country demand it or not.

The amendment offered by the Senator from New York last night said that if the paper money aggregated more than \$900,000,000 there should be a tax put upon the circulation, regardless of the business or commercial necessities. I do not believe there should be either a maximum limitation or a minimum limitation as to the amount of paper money that is put into circulation. That should be regulated, in my opinion, wholly by the gold reserve that is required. If you fix your gold reserve at the proper amount, it will serve as the barometer that will regulate and act according to the commercial necessities of the country, and our money will expand or contract as business requires. It will always be sound if the gold reserve is sufficient. If the gold reserve is not sufficient, it will not be sound. If the gold reserve should be too high, it would be contracted too much. At 50 per cent it is approximately the same percentage of gold that we have now in the country, as compared to our total circulation.

So I am very much in favor of the amendment, because I think it is sound, and at the same time it will give the widest opportunity for the expansion of business, with no impediment, so far as the law is concerned, either up or down.

Mr. NELSON. Mr. President, I am unwilling at this hour of the day to take up the time of the Senate further in discussing the amendment. I think all Senators understand its merits, and in view of that fact I ask for a yea-and-nay vote

The year and nays were ordered.

Mr. CLARKE of Arkansas. I ask that the amendment which constitutes the pending question may be stated to the Senate.

The VICE PRESIDENT. The Secretary will state the amendment to the amendment.

The Secretary. In the last print of the amendment of the Senator from Oklahoma, on page 30, beginning on line 13, it is proposed to strike out the proviso down to and including the words "one-half per cent," on line 22, and in lieu of the words stricken out to insert:

And provided further, That whenever and so long as such reserve shall fall and remain below 50 per cent, the Federal reserve bank shall pay a special tax upon the deficiency of reserve at a rate increasing in proportion to such deficiency, as follows: For each 2½ per cent or fraction thereof that the reserve falls below 50 per cent a tax shall be levied of 1 per cent.

Mr. CLARKE of Arkansas. I think the Chair should state the pending question, so that it may be understood. Some of us have not been in the Chamber during the discussion.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Minnesota to the amendment which has just been stated, and on which the yeas and nays have been ordered. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. CLARK of Wyoming (when his name was called). I desire to announce my pair with the senior Senator from Missouri [Mr. Stone]. In his absence, I withhold my vote.

Mr. DU PONT (when his name was called). I have a general pair with the senior Senator from Texas [Mr. Culberson], I transfer that pair to the junior Senator from Maine [Mr. Burleigh] and will vote. I vote "yea."

Mr. STERLING (when his name was called). I announce

my pair with the senior Senator from Louisiana [Mr. Thornton]. If at liberty to vote, I would vote "yea."

The roll call was concluded.

Mr. STERLING. I transfer my pair with the senior Senator from Louisiana [Mr. Thornton] to the senior Senator from New Mexico [Mr. Fall] and will vote. I vote "yea."

Mr. GALLINGER (after having voted in the affirmative). have been informed that the junior Senator from New York [Mr. O'GORMAN] did not vote. Am I correct? The VICE PRESIDENT. He did not vote.

Mr. GALLINGER. I have a standing pair with that Senator, and I therefore withdraw my vote.

The result was announced—yeas 41, nays 44, as follows:

YEAS-41.

Borah Bradley Brady Brandegee Bristow Burton Catron Clapp Colt Crawford	Dillingham du Pont Goff Gronna Hitchcock Jackson Jones Kenyon La Follette Lippitt McCumban	McLean Nelson Norris Oliver Page Penrose Perkins Poindexter Root Sherman	Smoot Stephenson Sterling Sutherland Townsend Warren Weeks Works
Cummins	McCumber	Smith, Mich.	

Committee	MIKO CO GERMANDON	Course only week cree	
	NA	YS-44.	
Ashurst Bacon Bankhead Bryan Chamberlain Chilton Clarke, Ark, Fletcher Gore Hollis Hughes	James Johnson Kern Lane Lea Lewis Martin, Va. Martine, N. J. Myers Newlands Overman	Owen Pittman Pomerene Ransdell Reed Robinson Saulsbury Shafroth Sheppard Shields Shively	Simmons Smith, Ard. Smith, Md. Smith, S. C. Swanson Thomas Thompson Tillman Vardaman Walsh Williams
The same of the sa	NOT V	OTING-10.	
Burleigh Clark, Wyo. Culberson	Fall Gallinger Lodge	O'Gorman Smith, Ga. Stone	Thornton

o Mr. Nelson's amendment to the amendment was rejected. Mr. BURTON. I move to strike out subsection (m) in section This subsection exempts appointees chosen under the terms of the bill from the operation of the civil-service law. I ask that the subsection be read.

The VICE PRESIDENT. The amendment will be stated. The Secretary. On page 32, of the last print, the Senator from Ohio [Mr. Burton] proposes to strike out all of subsection (m), which reads as follows:

(m) To employ such attorneys, experts, assistants, clerks, or other employees as may be deemed necessary to properly conduct the business of such board and to accomplish the purposes of this act. All salaries, allowances, and expenses of those employed to be fixed in advance by said board and to be paid in the same manner as the salaries of the members of said board. All such attorneys, experts, assistants, clerks, and other employees to be appointed without regard to the provisions of the act of January 6, 1883 (22 R. S., 403), and amendments thereto, or any rule or regulation made in pursuance thereof.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Ohio to the amendment.
Mr. BURTON. On that I call for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CLARK of Wyoming (when his name was called). Again announcing my pair with the senior Senator from Missouri [Mr. Stone], I withhold my vote. If I were at liberty to vote, I should vote "yea."

Mr. DU PONT (when his name was called). I have a general pair with the senior Senator from Texas [Mr. Culberson]. I transfer that pair to the junior Senator from Maine [Mr. Burleigh] and vote. I vote "yea."

Mr. STERLING (when his name was called). I again an-

nounce my pair with the senior Senator from Louisiana [Mr.

Thornton] and withhold my vote.

The roll call having been concluded, the result was announced-yeas 40, nays 43, as follows:

YEAS-40.

Borah	Cummins	La Follette	Root
Bradley	Dillingham	Lippitt	Sherman
Brady	du Pont	McCumber	Smith, Mich.
Brandegee	Gallinger	McLean	Smoot
Bristow	Goff	Nelson	Stephenson
Burton	Gronna	Oliver	Sutherland
Catron	Hitchcock	Page	Townsend
Clapp	Jackson	Penrose	Warren
Colt	Jones	Perkins	Weeks
Crawford	Kenyon	Poindexter	Works

NAYS-43. James
Johnson
Kern
Lea
Lewis
Martine, N. J.
Myers
Newlands
O'Gorman
Overman Ashurst Bacon Bankhead Bryan Chamberlain Owen Pittman Pomerene Ransdell Simmons Smith, Ariz. Smith, Md. Smith, S. C. Reed Robinson Swanson Chilton Clarke, Ark. Fletcher Thompson Tillman Robinson Saulsbury Shafroth Sheppard Shields Shively ardaman Walsh Williams Gore Hollis Hughes Overman NOT VOTING-12. Burleigh Clark, Wyo, Culberson Fall Norris Smith, Ga. Sterling Stone Lane Lodge Thomas Thornton

So Mr. Burton's amendment to the amendment was rejected. Mr. BRANDEGEE. The amendment just voted upon provided for striking out subsection M, running from line 13 on page 32, to the bottom of the page. The subsection provides that the board shall employ attorneys, experts, assistants, and so forth, and that they shall be exempted from the operations of the civil-service law. I now move as an amendment to strike out the language commencing in line 19 with the words "all such attorneys" down to and including the last word on the page.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The Secretary. On page 32, subsection M, beginning in line 19, strike out the following words:

All such attorneys, experts, assistants, clerks, and other employees to be appointed without regard to the provisions of the act of January 6, 1883 (22 Rev. Stat., 403), and amendments thereto, or any rule or regulation made in pursuance thereof.

Mr. BRANDEGEE. The effect of this amendment, if it prevailed, of course would be to authorize the board to employ these attorneys, experts, and assistants just as is provided in the bill, but not to exempt them from the operation of the civil-service law.

Mr. BURTON. The motion I made before included the whole subsection. The motion as now presented raises solely the question in regard to exemption from the civil-service law. I regard the two preceding paragraphs as extremely objectionable. In the first place, they give unlimited authority to this board to employ such attorneys, experts, assistants, and so forth, as may be deemed necessary, and, in the next place, in the second paragraph the right is given to fix all salaries.

The authority given in both paragraphs is unprecedented. It takes away the control of Congress and gives to an executive body the determination as to the number of appointments they shall make, and also the determination of the salaries, without the usual rule that the authority must first be given by Congress

Mr. ROOT. Mr. President, as I understand it, the amendment as now offered by the Senator from Connecticut does not raise either of the questions the Senator from Ohio has just stated, but it relates solely to the exemption from the civil-service system, and if adopted it leaves it still competent for the President to exempt any one of these positions from the operation of the civil-service requirements.

Mr. BRANDEGEE. That would be my understanding of it. It would strike out from the bill the mandatory provision that they should not be subject to the civil-service rules.

Mr. BACON. Mr. President, if I correctly understand the Senator from Connecticut, I think his amendment is not in order. I am not sure that I correctly understand him. Therefore I make the point subsequent to that correction, if I should be in error.

I understand that the motion which was previously made, and upon which we have just voted, was to strike out the entire paragraph, and it was not a motion to strike out and insert. I understand the motion of the Senator from Connecticut now to be to strike out simply a part of the same paragraph with no additional motion to insert.

If that be the case, Mr. President, I submit that under Rule XVIII the motion is not in order. If the prior motion had been to strike out and insert, then the motion would be in order, or if the present motion were to strike out and insert, it would be in order; but the prior motion having been simply to strike out and having been negatived by the vote of the Senate, a motion now merely to strike out a part of the same paragraph is not in order under Rule XVIII.

Mr. BRANDEGEE. Will the Senator be kind enough to read the rule?

Mr. BACON. I was about to read the rule. I will read the rule, Mr. President:

If the question in debate contains several propositions, any Senator may have the same divided, except a motion to strike out and insert, which shall not be divided—

Now, the part directly applicable follows-

but the rejection of a motion to strike out and insert one proposition shall not prevent a motion to strike out and insert a different proposition, nor shall it prevent a motion simply to strike out.

Mr. President, there is a statement as plain as it can be that after a motion to strike out a paragraph has been negatived, a motion to strike out a part of the same paragraph is not in order, unless it be accompanied by a motion to insert in the part that is sought to be stricken out.

I understand the motion of the Senator is simply to strike out; the prior motion was simply to strike out, and therefore it is not in order.

Mr. BRANDEGEE. I have not looked at the rule in the book, but, of course, I know the Senator has read it correctly. However, as near as I am able to understand it, as the Senator read it, it does not apply to this case at all. Under the interpretation of the rule for which the Senator contends, if a Senator moved to strike out all after the enacting clause of a bill, and that motion failed, it would not be in order for a Senator to strike out any paragraph in the bill. The motion of the Senator from Ohio was to strike out half a page of the bill, to wit, all the language of lines 13 to 24, inclusive, containing various provisions. The Senate was unwilling to strike out all those provisions; but it does not seem to me that it can be seriously contended, under the rule read by the Senator, that because the Senate is not willing to strike out all those provisions it may

not be allowed to strike out any one of them.

It seems to me the amendment that I proposed is an entirely different amendment from the one proposed by the Senator from Ohio. Indeed, it is only one of several different provisions. I think the mere statement of the case carries conviction. I am quite sure I could not by amplifying it make any Senator take my view of it who does not take it upon the mere statement of the case. I submit the question to the judgment of the Chair.

Mr. BACON. Just one word, Mr. President. The suggestion of the Senator that the rule would lead to the conclusion he mentions in the case of a motion to strike out all after the enacting clause does not change the proposition, because there would follow exactly what the Senator suggests would be the case. A motion to strike out, when negatived, is in parliamentary law equivalent to a motion affirmatively retaining it, the same as a motion which adopted it. The suggestion of the Senator is based upon the possible hardship which might follow from the application of such a rule to the case of a motion to strike out an entirety after the enacting clause. But that is not a hardship at all, because in the same rule there is provided a method by which Senators who do not wish to strike out the whole may protect themselves by asking for a division of the question. The very first clause of the rule is as follows:

If the question in debate contains several propositions, any Senator may have the same divided, except a motion to strike out and insert, which shall not be divided.

Therefore, when a motion to strike out is presented, if Senators present are in favor of striking out a part but not in favor of striking out the whole, their method is not to wait until the motion has been negatived and then seek to strike out another part, but their proper procedure is in the beginning to ask for a division of the question. That should have been done in this case. When the motion was made to strike out this paragraph there was a distinct proposition in which it was available for Senators to ask for a division, that being a right which can not be denied. It is the right of any one Senator to have the different portions of this paragraph voted upon separately.

So there is no hardship flowing from the enforcement of the rule. The only thing is that Senators shall have the right at the proper time to avail themselves of that right.

I repeat, Mr. President, that it is a recognized rule and a proper rule, that a vote refusing to strike out is treated the same as a vote affirmatively adopting, and that therefore those who desire to strike out a part and who do not desire to strike out another part have their remedy in advance by asking that the question be divided and that the vote be taken separately.

Mr. President, the language of the rule, it seems to me, is too plain to admit of any possible doubt as to the meaning. It expressly provides the cases in which a motion to strike out a part may be made after a motion to strike out the whole of it has been negatived, what part of it may be stricken out, and to that extent there is an exception to the general rule which I have spoken of which makes a negative equivalent to an affirmative vote; that is, affirmatively voting in favor of the provision which it is refused to strike out. If the motion

is to strike out and insert, there is an exception. Why should it be specified that a motion to strike out and insert should be permitted if any motion to strike out is to be permitted? The expression of the one is necessarily the exclusion of the other. If it be true that the motion to strike out, unaccompanied by a motion to insert, were legitimate, the rule would simply say that a motion to strike out a part would be permitted, but it says a motion to strike out and insert as to a part shall be permitted; but there is no place where there is any sanction for the proposition that a motion to strike out a part without an accompanying motion to insert in lieu thereof can be entertained after the motion to strike out the whole has been negatived by the body.

Mr. BRANDEGEE. Mr. President, of course I am not claim-

Mr. BRANDEGEE. Mr. President, of course I am not claiming there is any hardship about this matter; I am not denying that any Senator could have asked for a division of the question; but no Senator asked for a division of the question. The question now is, as it seems to me, this: The amendment has been agreed to as in Committee of the Whole; it is now in the Senate; the Senate has decided that it will not strike out from line 13 to line 24, both inclusive. According to the contention of the Senator from Georgia, it is not in the power of the Senate now to amend that language in any respect.

Mr. BACON. No; I beg the Senator's pardon. He can amend it if he accompanies the motion to strike out with a motion to insert anything in lieu thereof, but he can not make a motion to strike it out in its entirety and propose nothing in lieu thereof.

Mr. BRANDEGEE. Very well, Mr. President, rather than take the chance of the point of order raised by the Senator being sustained by the Presiding Officer, I will modify my motion to this extent: I move to strike out the language I have indicated, on line 20, page 32, and to insert what I send to the desk.

Mr. BACON. What are the words which the Senator moves to insert?

Mr. BRANDEGEE. I offer the amendment which I send to the desk in lieu of the amendment I have heretofore proposed.

The VICE PRESIDENT. The amendment proposed by the Senator from Connecticut will be stated.

The Secretary. It is proposed to strike out, on page 32, all of line 19, after the word "board," and all of the remainder of the paragraph, and to insert in lieu thereof the following:

In employing such attorneys, experts, assistants, clerks, and other employees regard shall be had to the provisions of the act of January 6, 1883 (22 R. S., 403), and all amendments thereto, and to all rules and regulations made in pursuance thereof.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Connecticut to the amendment.

Mr. BRANDEGEE. On that I ask for the yeas and nays.

Mr. CLARKE of Arkansas. Let me inquire of the Senator
from Connecticut whether or not he has withdrawn his original
motion?

Mr. BRANDEGEE. Oh, yes.

Mr. CLARKE of Arkansas. That is all right. I did not want the occasion to pass with the assumption that the point of order raised by the Senator from Georgia [Mr. Bacon] was conceded by all the Members of the Senate on this side of the Chamber.

Mr. BRANDEGEE. It was not conceded by any on this side, either; but I did not know what might happen to the amendment in another place.

Mr. CLARKE of Arkansas. The concession made by the Senator from Connecticut by withdrawing his amendment must not be accepted as an admission, by some of us at least, that the point of order was well taken.

Mr. GALLINGER. I agree with the Senator from Arkansas. I should have taken a different view from that taken by the Senator from Georgia.

Mr. SMOOT. I also should have taken a different view.
Mr. BRANDEGEE. There was no ruling on the point.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. DU PONT (when his name was called). I have a general pair with the senior Senator from Texas [Mr. Culberson]. I transfer that pair to the junior Senator from Maine [Mr. Burleigh] and vote. I vote "yea."

Mr. SMITH of Georgia (when his name was called). On account of my pair with the senior Senator from Massachusetts [Mr. Lodge] I withhold my vote.

Mr. Lodge] I withhold my vote.

Mr. STERLING (when his name was called). I transfer my pair with the senior Senator from Louisiana [Mr. Thornton] to the senior Senator from New Mexico [Mr. Fall] and vote. I vote "ven."

The roll having been concluded, the result was announced—yeas 43, nays 43, as follows:

THE PROPERTY AND ADDRESS OF THE PARTY OF THE	4.44	10.	
Borah Bradley Brady Brandegee Bristow Burton Catron Clapp Colt Crawford Cummins	Dillingham du Pont Gallinger Goff Gronna Hitchcock Jackson Jones Kenyon La Follette Lane	Lippitt McCumber McLean Nelson Norris Oliver Page Penrose Perkins Poindexter Root VS—43.	Sherman Smith, Mich. Smoot Stephenson Sterling Sutherland Townsend Warren Weeks Works
Ashurst	James	Owen	C1
Bacon Bankhead Bryan Chamberlain Chilton Clarke, Ark. Fletcher Gore Hollis Hughes	Johnson Kern Lea Lewis Martin, Va. Martine, N. J. Myers Newlands O'Gorman Overman	Pittman Pomerene Ransdell Reed Robinson Saulsbury Shafroth Sheppard Shields Shively	Simmons Smith, Ariz. Smith, Md. Smith, S. C. Swanson Thompson Tillman Vardaman Walsh Williams
	NOT	VOTING-9.	
Burleigh Clark, Wyo.	Fall Lodge	Smith, Ga. Stone	Thomas Thornton

The VICE PRESIDENT. On the amendment of the Senator from Connecticut [Mr. Brandeger] to the amendment made as in Committee of the Whole, the yeas are 43 and the nays are 43. The Vice President votes "nay." The amendment is rejected.

Mr. CUMMINS. Mr. President, I now offer the amendment which I proposed on December 12 and upon which I submitted some observations. I do not ask that the amendment be read, unless the Senate insists upon it. It is found upon page 733 of the Congressional Record in the proceedings of December 12. The references in the amendment are to the print of the bill bearing date December 1. I ask unanimous consent, Mr. President, that the reading of the amendment be dispensed with, because I intend to state its purport.

The VICE PRESIDENT. If there be no objection, the amendment will not be read.

Mr. CUMMINS. Mr. President, the amendment was read in full several days ago. I do not desire to protract this session by having it again read. It is sufficient to say that in the fewest possible changes in and with the least possible disturbance of the text of the substitute offered by the Senator from Oklahoma [Mr. Owen], it opens the subscriptions of the capital stock of the Federal reserve banks to the public and provides that these banks shall be controlled and managed by a board of nine directors, six of whom shall be appointed by the Government.

I believe, Mr. President, that the new institution which we are creating, whether it shall consist of 1 bank or 4 banks or 8 banks or 12 banks, should be owned by the people of the United States. I believe that the affairs of the reserve banks should be controlled absolutely by the Government of the United States.

The principle embodied in this amendment has been set forth in many proposals upon which many votes have been had. I do not intend to ask for the yeas and nays upon my amendment, but I take this opportunity to emphasize my protest against consolidating the banks of the United States into either 1 or 8 or 12 combinations. Whenever we have a combination of this character, it ought to be entirely controlled by the people of the country through the Government which they have established for their safety and protection.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Iowa [Mr. Cummins] to the amendment made as in Committee of the Whole.

The amendment to the amendment was rejected.

Mr. JONES. Mr. President, at the conclusion of paragraph (m), on page 32, I move the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.
The Secretary. On page 32, line 24, at the end of the paragraph, it is proposed to insert a colon and the following:

Provided, That nothing herein shall prevent the President from placing said employees in the classified service.

Mr. JONES. Mr. President, last evening I withdrew that amendment on the assurance of the chairman of the committee, or rather on the opinion he expressed, that there was nothing in this provision in the bill that would prevent the President from hereafter placing these employees under the civil service. I believe that the language of the provision does expressly prevent the President from doing that; and, if we are going to start this new banking institution under the spoils system, I

think the President ought to have the right to put it under the civil service at any time that he deems it advisable to do so.

Mr. BRANDEGEE. Will the Senator from Washington tell me, if a lot of employees are to be put in office in violation of the civil service, whether he thinks it would be good policy, then, to apply the rules of the civil service to them to keep Mr. JONES. I think so.

Mr. OWEN. I have no objection to the amendment offered

by the Senator from Washington.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Washington [Mr. Jones] to the amendment. Those in favor of the amendment will say "aye," those opposed "no." [Putting the question.] The "ayes" have it, and the amendment is agreed to.

Mr. GALLINGER. I ask for the yeas and nays on that

amendment.

The VICE PRESIDENT. The Senator from New Hampshire asks for the yeas and nays. Is the demand seconded?

Mr. REED. Mr. President-

The yeas and nays were ordered; the Secretary proceeded to call the roll, and Mr. ASHURST responded to his name.

Mr. REED. I rise to a point of order. The vote was announced finally by the President. The President gave time for a call, and it was not made, and then, after he had finally decided the matter, a call was made for the yeas and nays

Mr. GALLINGER. Mr. President, I rise to a point of order. A response has been made, and debate is not in order.

The VICE PRESIDENT. A response has been made to the

roll call.

That does not interfere with the point of order, if the Chair please. A point of order affecting the roll call is

Mr. BRANDEGEE. Nothing is in order except the roll call.

The VICE PRESIDENT. No; nothing is in order except the roll call. The Secretary will proceed with the calling of the roll.

The Secretary resumed the calling of the roll.

Mr. DU PONT (when his name was called). I have a general pair with the senior Senator from Texas [Mr. Culberson]. I transfer that pair to the junior Senator from Maine [Mr. Bur-LEIGH] and will vote. I vote "nay."

Mr. SMITH of Georgia (when his name was called). On account of my pair with the senior Senator from Massachusetts [Mr. Lodge], I refrain from voting. Were I at liberty to vote, I should vote "yea."
Mr. STERLING (when his name was called). I transfer my

pair with the senior Senator from Louisiana [Mr. Thornton to the senior Senator from New Mexico [Mr. Fall] and will vote. I vote "nay."

The roll call having been concluded, the result was announced—yeas 63, nays 19, as follows:

	YE	CAS—63.	
Ashurst Bacon Bradley Brady Bryan Burton Chilton Clapp Clarke, Ark, Colt Cummins Fletcher Gore Gronna	Hollis Hughes Jackson James Johnson Jones Kenyon La Follette Lane Lea Lewis Lipplit Martin, Va. Myers	Norris O'Gorman Oliver Overman Owen Page Penrose Perkins Pittman Poindexter Pomerene Ransdell Robinson Saulsbury Shafroth	Shively Simmons Smith, Ariz. Smith, Md. Smith, S. C. Smoot Swanson Thomas Thompson Tillman Vardaman Walsh Weeks Williams Works
Hitchcock	Newlands	Sheppard	
	NA.	AYS-19.	
Brandegee Bristow Catron Dillingham du Pont	Gallinger Goff McCumber McLean Martine, N J.	Nelson Reed Root Smith, Mich. Stephenson	Sterling Sutherland Townsend Warren
	NOT Y	OTING—13.	
Bankhead Borah Burleigh Clark Wyo	Crawford Culberson Fall Lodge	Sherman Shields Smith, Ga.	Thornton

So Mr. Jones's amendment to the amendment was agreed to. Mr. CRAWFORD. I send to the desk an amendment which ask to have read.

The VICE PRESIDENT. The Secretary will state the amend-

The Secretary. At the end of section 9 it is proposed to add the following:

No person shall be qualified to hold the position of director in a member bank who is a director in another competing bank. Any other bank which seeks to do a general commercial banking business in the same city, town, village, or community in which a member bank does business shall be deemed a competing bank within the meaning of this act.

Any bank permitting a director of a competing bank to act as one of its directors shall be ineligible to membership in a Federal reserve bank, and any bank which violates this provision after becoming a member shall, if found guilty thereof by the Federal reserve board after hearing and notice in writing specifying such charge, be suspended from all privileges as a member of a reserve bank. Said suspension shall remain in full force so long as such violation continues to exist.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from South Dakota to the amendment. Mr. CRAWFORD. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. STERLING (when his name was called). I again announce the transfer of my pair with the senior Senator from Louisiana [Mr. Thornton] to the senior Senator from New Mexico [Mr. Fall] and will vote. I vote "yea."

The roll call was concluded.

Mr. DU PONT. I have a general pair with the senior Senator from Texas [Mr. Culberson]. I transfer that pair to the junior Senator from Maine [Mr. Burleigh] and will vote. I vote "vea.

Mr. SMITH of Georgia. I transfer my pair with the senior Senator from Massachusetts [Mr. Lodge] to the senior Senator from Nevada [Mr. Newlands] and will vote. I vote "nay."

The result was announced—yeas 29, nays 53, as follows:

	YE	AS-29.	
Borah Bradley Brady Bristow Catron Clapp Crawford Cummins	du Pont Gronna Hitchcock Jackson Jones Kenyon La Follette Lippitt	McCumber Nelson Norris Oliver Penrose Perkins Poindexter Smith, Mich.	Smoot Stephenson Sterling Townsend Works
	NA	YS-53.	
Ashurst Bacon Bankhead Brandegee Bryan Chamberlain Chilton Clarke, Ark. Colt Dillingham Fletcher Gallinger Goff Gore	Hollis Hughes James Johnson Kern Lane Lea Lewis Martine, N. J. Myers O'Gorman Overman Owen	Page Pittman Pomerene Ransdell Reed Robinson Root Saulsbury Shafroth Sheppard Shields Shively Simmons Smith, Ariz.	Smith, Ga. Smith, Md. Smith, S. C. Sutherland Swanson Thomas Thompson Tillman Vardaman Walsh Williams
	NOT V	OTING-13.	
Burleigh Burton Clark, Wyo. Culberson	Fall Lodge McLean Newlands	Sherman Stone Thornton Warren	Weeks

So Mr. CRAWFORD's amendment to the amendment was rejected.

Mr. JACKSON. I offer an amendment, which I send to the desk.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The Secretary. On page 35, line 7, after the word "shall," it is proposed to strike out the rest of the sentence down to and including the word "States," in line 11, and to insert in lieu The SECRETARY. thereof:

also include notes, drafts, or bills covering investments in stocks, bonds, and other investment securities when same are used as collateral to secure said notes, drafts, or bills.

Mr. REED. Mr. President, a moment ago I voted against a proposition to prohibit interlocking directorates. I do not want to have that vote stand without an explanation.

I voted as I did simply because the amendment is brought in at this time, when the debate is limited, in the closing hours of this contest, and no fair opportunity is afforded for an examination of the amendment. I do not say that to criticize its author, but because I have felt there was not sufficient time to understand and comprehend fully the effect of the amendment, I voted as I did.

I am heartily in favor, however, of an amendment to the law embodying the idea expressed in that amendment. A further reason for my vote lies in the fact that I am confident that at an early date an amendment of that kind will be attached to the banking act.

Mr. CRAWFORD. Mr. President, I think it is only fair to say that I offered that amendment in committee before the bill was reported, and immediately afterwards I presented it to the Senate, and it was printed and placed upon the desks of Senators. It has been at their disposal for examination for several weeks; I would not undertake to say how long, but for a considerable period of time.

When I addressed the Senate several days ago on some features of the bill I dwelt upon this, among other things. I think the amendment has been placed before the Senate for a sufficient length of time, and notice given of the fact that it would be offered has been before the Senate for a sufficient length of time for it to be fairly considered, and not be regarded as a matter of surprise here to-day.

Mr. JACKSON obtained the floor.

Mr. REED. Mr. President—
The VICE PRESIDENT. Does the Senator from Maryland yield to the Senator from Missouri?

Mr. JACKSON. I do.

Mr. REED. In reply to what the Senator from South Da-kota has said, I wish to say that I did not undertake to I did not undertake to say that the resolution criticize him. or amendment had not been pending. What I meant to convey was that it was brought forward at this time, and that, as far as I am personally concerned, I have been so engaged with the work of the committee that I have had no opportunity to examine it

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Maryland [Mr. Jackson] to the amendment, on which he is entitled to the floor.

Mr. LA FOLLETTE, Mr. President-

The VICE PRESIDENT. Does the Senator from Maryland yield to the Senator from Wisconsin?

Mr. JACKSON. Certainly.

Mr. LA FOLLETTE. I wanted to inquire of the Senator from South Dakota [Mr. Crawford] while he is on his feet about this amendment of his, whether it was presented to the Committee on Banking and Currency of the Senate and whether there was a vote had upon that amendment, and whether it was rejected by the committee before the report was made upon the bill.

Mr. CRAWFORD. That is true. It was presented by me in the committee several days before the committee reported, and

it was rejected there.

Mr. LA FOLLETTE. With ample time for its consideration? Mr. CRAWFORD. With ample time for its consideration. Mr. JACKSON. Mr. President, I simply desire to make a few remarks in behalf of the amendment which I have offered.

It seems to me the class of people whose investments consist largely of bonds or stocks are unduly criticized in the bill. If I understand the bill correctly, a regional bank has a right to discount any note offered to it by a local bank, provided the notes do not extend over 90 days; but if the notes of the individual, as I understand the way the act is now drawn, should be secured by any stocks or bonds excepting United States Government bonds, the regional banks are not allowed to rediscount the notes for local banks.

I know of some institutions in the East that are not allowed to discount anyone's paper, regardless of the wealth of the maker, unless the paper is secured by collateral. It certainly is no detriment to anyone's note to have it further secured by collateral, and often a business man can secure money at a less rate of interest if he can properly secure the banking institu-tion in good collateral. I think that paper ought to be allowed to be rediscounted by the regional bank.

I ask for the yeas and nays on the amendment.

Mr. GORE. Mr. President, I wish to say that I favor legislation in regard to the subject of interlocking directorates. The sentiment in favor of such legislation, I assume, is unanimous on this side of the Chamber. It will be taken up at an early day, when the national-bank laws are revised and codified. It is indeed a part of our general program of legislation.

Mr. President, I have not heretofore wasted either the day or the night with words. I have been so anxious to speed the or the night with words. I have been so analysis to speak passage of this measure that I have observed unbroken silence. Speaking under the 15-minute rule, I need not now promise to be brief. On another occasion I discussed the subject of banking and currency at great length—some Senators thought at too great length. I shall not pursue that path again. Neither do I intend at this time to discuss either the principles or the details of the pending measure. That would be vain repetition. shall content myself with merely enumerating the principal evils which it is intended to correct and the principal benefits which it is intended to secure. My first and present purpose is to refer briefly to the overpowering obligation back of this measure which has impelled its early consideration and passage.

The Democracy came to power on the 4th of March last. It came to power after an enforced absence of 16 years. It came to power with an unprecedented victory. That victory was not due entirely to the distraction of our opponents or to the unity of our friends. It was due in part to the character of our candidate and to the promises contained in our platform.

Government was committed to our charge. That platform and its promises constitute a solemn covenant between the Democratic Party and the American people. That platform and its promises also constitute a specific program of progressive legislation.

We promised certain definite reforms. Tariff reform was "nominated in the bond." That promise has been redeemed in That promise has been redeemed in good faith. Banking and currency reform was "nominated in the bond." That pledge is now being redeemed in good faith. That pledge is now being redeemed in good faith. Trust reform was likewise named in this solemn compact, and in due season that obligation will be fulfilled with prudence and

not, as some have suggested, with precipitation.

These three reforms are but parts of a whole. They are parts of a definite program looking to the betterment of conditions in the United States. The supreme purpose and object of this program is the emancipation of the people from the tyranny of privilege. This emancipation is essential to what has been fitly called "the new freedom." It is our hope that the reign of privilege will be ended, not mended, during this administration. In order to accomplish this end, not only unity of purpose but unanimity of action has been and will continue to be indispensable. To secure such action we have had re-

course to the party caucus.

Senators on the other side have animadverted upon the caucus method. They have confused the means with the endone of the worst blunders alike in science, philosophy, and politics. They have imagined that the people will confuse and confound the means and the end. Sir, they will be disappointed. The American people are intelligent; they are discriminating; they will distinguish not only between end and means, but between the use and abuse of means which are innocent within themselves. When Congress passes a measure, when Congress accomplishes an end desired by the people, they will not condemn honorable methods employed in the execution of their own

will or in the redemption of plighted party faith.

The one comment upon the lips of all to-day is the splendid teamwork which has prevailed among the Democrats in the two Houses of Congress. Republicans have charged for years that the Democratic Party was incapable of organization or concerted action. All Republicans believed and many Democrats feared this was true. The unparalleled harmony which has prevailed here is at once the delight of all Democrats and is the dismay of their opponents. Whenever this harmony passes from our councils, power will pass from our hands. It ought to be said here that the rules of the Democratic caucus expressly excuse a Senator from caucus action whenever he has doubts as to the constitutionality of a measure, whenever he is under instructions from his State legislature, or whenever he is under pledge to his constituency. The caucus merely seeks to subordinate unessential differences to the success of essential principles.

Under the English parliamentary system, while the King is the nominal head, the prime minister is the virtual head of the executive department and is the actual and acknowledged head of the legislative department. There they secure perfect identity of purpose in one and the same person. That is impossible un-der our constitutional system. Our national conventions promulgate our national platforms and nominate our national ticket. This constitutes the President the chosen and accredited leader of his party. To him the country looks for leadership in the fulfillment of party faith.

I say, sir, that this administration is immensely popular aroughout the country. The President's popularity has inthroughout the country. fected-Senators on the other side will approve the word-it has infected all classes, Progressives and Republicans alike.

Mr. President, I must speed, as I have only a few minutes Senators on the other side seem to have a program, perhaps a fortuitous one. I do not believe that it has been adopted by design, though it has been carried out with considerable con-

cert of action.

I believe that the majority ought to respect not only the rights but the feelings of the minority. I can not forget the time when power resided on the other side of the aisle. I think that we ought now to treat the minority-I need not say with the same consideration that was extended to us-but with the same consideration which I felt ought to have been extended to us when we were in the minority.

I believe in the freedom of debate. I still believe that discussion may possibly illuminate rather than darken a subject. It is not the length of debate; it is the character of debate to

which exception might be taken.

No one would be justified in saying that Senators on the other side have undertaken to disturb business, to destroy During the campaign we gave certain assurances to the credits, or to shatter confidence—the very breath of our busi-American people. Those assurances were accepted and the ness life. But, sir, if they had desired to accomplish those objects, they could not have adopted a course better calculated to accomplish those disastrous results.

I have seen Senators tugging like unshorn Samsons at the very pillars of the temple of credit and prosperity. This is true of Senators to whom circumstance and fortune have vouchsafed the influence and reputation of authorities upon such subjects.

Perhaps the passage of such a measure as this must be attended with some slight disturbance of business. The wonder is not that there has been some slight suspension of business activity. The marvel is that the delicate fabric of credit has withstood so well the concentrated and continuous assaults of Senators on the other side. This proves at once the inherent soundness of business conditions and the good sense, fortitude, and patriotism of the American business man. I doubt not that the faith of the business men in the administration will be abundantly justified. If confidence should take flight, the blame and responsibility must rest upon those who have persistently prophesied impending disaster. Distinguished Republican statesmen who have been retired from the cause and who are now wearing the "X" brand, have recently manifested as much joy and jubilation over the reports that a few laboring men here and there were unemployed as it would seem possible to exhibit over the reported triumph of American arms against a foreign foe. If this should continue, it would be in order to substitute a screech owl for the vaulting eagle as the emblem of the Republican Party. Emblazoned upon their coat of arms to-day is a claw hammer rampant and a well-worn pair of holding-back straps.

When the tariff bill was under discussion Republican Senators pronounced their curse upon it. They lapsed into pessimism of the bluest dye. They became prophets of plagues. Indeed, all the plagues of Doneraile were to overwhelm the country over-The measure went into effect. No disturbance followed. The sun arose with Protection passed. Prosperity survived. all its accustomed splendor notwithstanding the cock had not

I heard a distinguished Republican Senator a few days since complaining that prices were not only high but were increasing; complaining that the cost of living had not been reduced. In another breath I heard him discoursing eloquently about a widespread, far-reaching industrial depression which was raging in some obscure village in a neighboring State. The Senator has a right to elect upon what count he will proceed with the prosecution.

No Democrat could foresee or foretell with precision to what extent a reduction of prices would follow upon the reduction of the tariff. The object of protection is to enable the manufacturer to add the duty to the foreign price. This is always the intention, though it is not always the effect. The possibility of adding the duty to the foreign price is regulated by wellascertained economic laws. These laws, however, presuppose a free and unmonopolized market. In a market which is monopolized there might be an entire removal of duty without any perceptible reduction in prices.

The early theory of the protectionist was that high duties would protect the domestic manufacturer against foreign competition and that local competition among domestic producers would protect the people against extortionate prices. The first half of this theory succeeded. The last half has failed. Manufacturers have found it more profitable to combine than to

Democratic statesmen and Democratic platforms have predicted for more than a generation that the tariff would breed trusts and that protection would beget monopoly. "Time and trusts and that protection would beget monopoly. the hour" have converted these prophecies into history. senior Senator from Wisconsin [Mr. La Follette] demonstrated here on one occasion that there are more than 1,000 industrial combinations in the United States. He showed capitalization aggregated more than thirty billions. He showed that their

If the reduction of the tariff should not be followed by a reduction of the cost of living, it does not prove that the tariff bill should not have been enacted. There is neither pleasure nor profit nor patriotism in the payment of taxes which are unjust, unequal, and unnecessary. It would demonstrate that within the outposts of protection privilege has erected a citadel in the form of monopoly. It would demonstrate both the wisdom and necessity of proceeding to carry out the promises of the Democratic platform to strip monopoly of its power to smite the producer with low prices and smite the consumer with high prices.

The very keep in the citadel of monopoly is the Money Trust or the Credit Trust. A committee in another House in an able report recently asserted the existence of such a trust in this country. I do not mean to discuss that question now. He does not expect to sow to-day and to reap upon the morrow,

It must be admitted on all hands that a money or credit trust would be the worst type of trust and the worst form of monopoly. If existing combinations should combine, should confederate, and control the money and credits of the country, it is self-evident that they could cripple or crush existing competitors and prevent new competitors from coming into existence. They could make a desert and call it peace.

Those who believe in the existence of a money trust believe that the pending measure will strip it of its capacity for evil. Those who deny the existence of a money trust can not complain if the present measure safeguard the country against the possibility of such a trust in the future.

Leaving these controverted questions aside, it is universally agreed that our existing banking and currency system calls loudly for reform. We ought to approach the subject in no sort of hostility toward the banks. Banks are essential to developed industry and commerce. They are, therefore, essential to civilization. Systems of commercial banks were evolved during the days of Assyria and Babylon, and they likewise existed among the States of Greece and in the Republic of Rome. Negotiable instruments and promissory notes, bills of exchange, and personal checks were in common use. modern banks of issue I have reviewed on a former occasion.

I now recur for a moment to those reforms on which public opinion has crystallized. The bankers and the people agree that we ought to create a rediscount market in the United States after the order of such markets in the commercial countries of Europe, securing greater steadiness and uniformity in the rates of discounts and giving a greater measure of efficiency to our currency. The friends of the pending measure believe that it will accomplish that end.

Bankers and people agree that our present system of reserves is feeble and ineffective. Our reserves do not avert those evils which they are intended to avert, and when those evils come they do not mitigate their severity. They can not be utilized where-ever needed, whenever needed. The lifeboats are available except when storms arise. The friends of the pending bill believe that it will remedy those conditions.

The bankers and people agree that our present system of banking and currency is rigid and inelastic. The volume of currency does not vary with the varying needs of trade and There is often a deficiency in the fall when the crops are moving which embarrasses and injures the farmer. There is sometimes excess in other seasons which stimulates overspeculation and gambling.

The supply of currency ought to be made to adjust itself automatically to the effective demand. Elasticity of volume ought to be united with stability of value. There are those who believe that this elasticity can be accomplished without, as suggested by the Hoosier banker, printing our currency on india The friends of the pending bill believe that it will in great measure accomplish these needful improvements. all, this measure is intended to prevent panics. Civilized men will not continue to suffer from preventable panics or preventable diseases or preventable famine. These words must sooner or later be marked "obsolete" in the dictionary of civilization.

This bill creates a system of reserve banks whose capital is contributed by and whose dealings are largely limited to member banks. They do not undertake to deal directly with the individual citizen or borrower, although it subserves his interest by affording security against panics and stringency. To this system we will soon make one addition which will perfect our banking and currency plan. I mean that we shall establish a system of farm credits patterned after the most approved systems in the commercial countries of Europe, but adapted, of course, to the local needs and requirements of our own country. I do not mean a system which will enable the farmers to get into debt, but which will enable them to get out of debt. Farm mortgages in the United States aggregate \$2,000,000,000 These mortgages run for comparatively short time or a comparatively high rate of interest. We need a and bear a comparatively high rate of interest. We need a system under which they could be commuted into long-time loans at low interest rates. This will lay deep and broad the foundation of agricultural credit and prosperity in this country; and, after all, our national prosperity is founded upon the farm. In his recent message the President avowed his deep and active interest in the subject of farm credits, and legislation upon this subject is undoubtedly assured at no distant date. When this is done, it can not be said of our system "One thing thou lackest yet"; and whatever an enlightened and perfected system of banking and currency can contribute to national prosperity will be our portion.

Mr. President, the prudent man sows the seed in the fall or springtime and awaits in patience the coming of the harvest.

especially those who reap only what they have sown. The provident man plants his orchard and then abides the slow "process of the suns." He plants with prudence and awaits with patience the passage of the years. He does not expect in a single season to plant the tree and gather the ripened fruit. It is not to be expected that the full fruition of Democratic principles and policies shall be realized within a single month or even within a twelvementh. But I doubt not that if the people will abide in patience their faith and their hope will be abun-

dantly rewarded.
Mr. CRAWFORD. Mr. CRAWFORD. Mr. President, in justice to the junior Senator from Missouri [Mr. Reed] and members of the Committee on Banking and Currency who may not have been present, I wish to say that I find a memorandum in my desk showing the original typewritten draft of the amendment which was voted upon a few minutes ago and a note written in my handwriting underneath stating that it was offered in the committee November 19 and rejected. Whether at that date the committee had divided into the two divisions that made separate reports I am unable to recall. I know very well that I had reports I am unable to recall. I know very well that I had discussed the amendment several times before it was acted upon on the date of November 19. I had carried in a little memorandum book a notation of the substance of it, written with lead pencil, and had brought it up on two or three occasions informally, and this typewritten draft was finally presented on November 19 and rejected by the committee. I am satisfied, from what the Senator from Missouri has told me, that he was not present at the time the amendment was acted upon and

rejected by the committee. I say that in justice to him.

Mr. SMITH of Arizona. Mr. President, before the final vote is reached I should like to announce that I have received a telegram, which is mislaid at this time, from the Senator from New Mexico [Mr. Fall], with whom I am paired, in which he states that he is in favor of the Hitchcock bill and if present would have voted for the amendments submitted by Republicans to that bill. He also stated that as between the present financial status and the Owen bill if he were present he would vote for the Owen bill, and he asked me to make this declaration to the

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Maryland to the amendment, on which he demands the yeas and nays.

The yeas and nays were not ordered. The amendment to the amendment was rejected.

Mr. BRISTOW. Mr. President, I desire to reoffer an amendment that I offered last night, not for the purpose of getting a roll call, but simply to impress upon the committee that will have this bill in conference with the suggestion as to bank depositors' insurance. On page 1161 of the Record will be found the amendment, and I desire to reoffer it. It corresponds exactly with the bill as printed this morning. I want a formal vote on it, because I think it offers the proper solution for the insurance of bank deposits. After it is read I will make a few remarks

The VICE PRESIDENT. The amendment to the amendment

will be read.

The SECRETARY. On page 19, line 16, of the original print, after the period insert:

after the period insert:

After the aforesaid dividend claims have been fully met, an amount equal to 1 per cent of the subscribed capital stock of each regional bank shall be set aside annually in a trust fund, to be known as the depositors' insurance fund, and shall be used for the payment of the depositors of insolvent member banks under rules and regulations made by the board. When, in the judgment of the board, there has been accumulated in such depositors' insurance fund a sufficient sum fully to insure the payment of the depositors of insolvent member banks the board shall have power to suspend the setting aside of the said 1 per cent, except that in the event the depositors' insurance fund is depleted by the payment of depositors of insolvent member banks such fund shall be replenished by again setting aside such 1 per cent or so much thereof as, in the judgment of the board, may be necessary.

Mr. President, the House bill provides for

Mr. BRISTOW. Mr. President, the House bill provides for a 5 per cent dividend on the stock; the Senate has increased that dividend from 5 per cent to 6 per cent. This amendment proposes to leave the dividend at 5 per cent, as it came from the other House, and to take 1 per cent on the subscribed capital stock each year and put it into a trust fund, which shall be used to insure the deposits in member banks.

If the dividends are made by all of the regional banks, the sum will aggregate about \$1,000,000 a year. That will go into the trust fund, instead of into the treasury of the banks or to

the credit of the banks.

Since this stock would be a 5 per cent cumulative, nontaxable stock, I think 5 per cent is enough. This 1 per cent will create a fund that will have something to it. It will mean the insurance of the deposits of every member bank and the creation of a fund that will be ample to give full insurance. It is the only proposition which will absolutely insure such a fund.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Kansas [Mr. Bristow] to the

The amendment to the amendment was rejected.

The VICE PRESIDENT. Are there any further amendments? Mr. HITCHCOCK. Mr. President, I move as a substitute for the bill presented by the Senator from Oklahoma [Mr. Owen] the bill as reported by myself on behalf of six members of the Committee on Banking and Currency, and I ask unanimous consent that the reading of the substitute may be omitted, but that it be published in the RECORD at this point.

The VICE PRESIDENT. Is there objection? The Chair

hears none, and it is so ordered.

Mr. HITCHCOCK's proposed substitute for the substitute submitted by Mr. Owen, which was adopted as in Committee of the Whole, is as follows:

That the short title of this act shall be the "Federal reserve act."

The terms "national bank" and "national banking association" used in this act shall be held to be synonymous and interchangeable. The term "member bank" shall be held to mean any national bank. State bank, or trust company which has become a member of one of the reserve banks created by this act. The term "board" shall be held to mean Federal reserve board; the term "district" shall be held to mean Federal reserve district; the term "reserve bank" shall be held to mean Federal reserve bank.

FEDERAL RESERVE DISTRICTS.

Federal reserve bank.

FEDERAL RESERVE DISTRICTS.

SEC. 2. That the Federal reserve board, hereinafter provided for, shall, as soon as practicable after their appointment and confirmation, designate from among the reserve and central reserve cities now established a number of such cities to be termed Federal reserve cities, and shall divide the continental United States into districts, each district to embrace one of such Federal reserve cities: Provided, That the districts shall be formed with due regard to the convenience and customary course of financial and commercial business in each district, and need not necessarily coincide with State or county boundaries. The districts of them shall be designated by the name of the Federal reserve city located therein. The Federal reserve board shall, as soon as practicable after the said districts have been established, proceed to organize, conformable to the provisions of this act, in each Federal reserve city designated as aforesaid, a Federal reserve bank, which shall be known by the name of the city in which it is established, as, for example, "Federal reserve bank of Chicago," Four Federal reserve cities, and appurtenant to them four Federal reserve districts, and noner, shall in the first instance be designated and established as such by the Federal reserve board: Provided, That after Federal reserve banks have been organized and in operation for a period of two years in said four Federal reserve cities, the Federal reserve board any, in its discretion, from time to time, designate not to exced in all cight additional Federal reserve cities, with the requisite Federal reserve districts appurtenant thereto, and for that purpose may alter and change the limits and areas of existing Federal reserve bark of such district, a sun equal to 6 per cent of the Federal reserve bank of such district, as an equal to 6 per cent of the Federal reserve bank of such district, as an equal to 6 per cent of the Federal reserve bank of such district, as an equal to 6 per cent of the

STOCK ISSUES.

SEC. 3. The capital stock of each Federal reserve bank shall be divided into shares of \$100 each, and shall be without voting power. The Federal reserve board shall have power to prescribe regulations for the transfer of said stock. With the consent and approval of the board, reserve banks may establish such branch offices, within their respective districts, as they deem necessary to conform to the convenience and established course of business.

PEDERAL RESERVE BANKS.

Sec. 4. When the Federal reserve board has established Federal reserve districts as prescribed in section 2 of this act, the governor or vice governor of such board shall, under his hand and seal, execute a certificate designating the territorial limits of such districts and the Federal reserve city in each district, and shall file such certificate with the Secretary of the Treasury. When such certificate has been executed and filed as aforesaid, the board shall allot to each and every national bank stock in the reserve banks as prescribed in section 2 of this act, and when, conformable to section 2 of this act, and amount of srch stock has been subscribed for in any Federal reserve district equal to \$6,000,000, and one-third of such subscription has been paid in, the board shall, by its governor or vice governor, under his hand and seal, issue a certificate in writing specifying the name and location of the reserve bank in such district, the territorial limits of the district, the amount of the capital stock subscribed, and the amount paid in on such

subscription, and the name and amount of stock taken by each subscriber. Such certificate shall be acknowledged before the cierk of a court of record, or a notary public, and shall be filed with the Secretary of the Treasury.

Upon the filing of such certificate with the Secretary of the Treasury as aforesald, the said reserve bank so formed shall become a body corporate, and as such, and in the name designated in such organization certificate, shall have power—

First. To adopt and use a corporate seal.

Second. To have succession for a period of 20 years from its organization unless it is sooner dissolved by an act of Congress, or unless its franchise becomes forfeited by some violation of law.

Third. To make contracts.

Fourth. To sue and be sued, complain and defend, in any court of law and equity as fully as natural persons.

Fifth. To appoint by its board of directors, elected as hereinafter provided, such officers as are not otherwise provided for in this act, to define their duties, require bonds of them and fix the penalty thereof, to dismiss such officers or any of them as may be appointed by them at pleasure, and to appoint others to fill their places.

Sixth. To prescribe by its board of directors by-laws not inconsistent with law regulating the manner in which its general business may be conducted and the privileges granted to it by law may be exercised and enjoyed.

Seventh, To exercise by its board of directors, or duly authorized

mes such officers or any of them as may be appointed by them as the point of appoint of others to fall their places.

Eighth To prescribe by its board of directors by-laws not inconsistent with the provision of the privileges granted to it by law may be exercised and enjoyed.

Seventh To exercise by its board of directors, or duly authorized officers or agents, all powers as shall be necessary to carry on the business of banking within the limitations prescribed by this act.

No Federal reserve bank shall be more any banking business, except such as pertains to the perfection of its organization and management, until two-thirds of its stock subscribed for has been paid in as prescribed in the provision of the provision of the prescribed by the prescribed in the provision of the prescribed in the provision of the prescribed in the prescribed prescribed in the prescribed of the prescribed in the prescribed prescribed and appointed by the member banks as follows:

As soon as practicable after a reserve bank has been incorporated as above provided, the board shall notify the member banks in said Federal reserve district to elect four directors within a certain date to be named in the notification. Said board sing the vote of said member banks and forwarded, shall certify that they are the choice of the board of directors of said member banks, which certificate shall be signed by the officers of said bank and forwarded to the board within the time which said board shall limit. Said board shall cannot be signed by the officers of said member banks and forward a certificate of the result to each of said member banks. The candidate for director of the result to ach of said member banks and forward a certificate for the result to each of said member banks and forward a certificate of the result to each of said member banks and forward a certificate of the result to said board shall limit. Said board shall celected

INCREASE OF CAPITAL.

SEC. 5. That the capital stock in the reserve banks shall be maintained as nearly as practicable in an amount equal to 6 per cent of the capital and surplus of the member banks in said district, and the board is authorized from time to time to sell to the public such additional stock in any reserve bank as may be required to maintain this proportion. The price at which said stock shall be offered to the public shall be at its fair market value, but in no case below par. Any bank applying for membership in a reserve bank shall be required by the board to underwrite, at the price fixed by the board, such an amount of capital stock in said reserve bank equal to 6 per cent of the capital and surplus of such applying bank, as may be allotted to it by the board, and to purchased by the public, as provided for in this act.

When the capital stock of any reserve bank has been increased, the board shall certify the same to the Secretary of the Treasury.

Sec. 6 That in case the Federal reserve bard shall decide, after two years' operation of the reserve banks first established, that one or more additional banks herein authorized should be established it shall make the necessary change in lines of existing districts, designate the new reserve city or cities, and notify the member banks affected by such change to associate themselves with the new reserve bank or banks and

change the deposit of their reserves accordingly. Stockholders in previously established reserve banks affected by the change shall be invited to exchange a portion of their stock certificates as indicated by the reserve board, and for all stock so exchanged the reserve board shall direct the transfer to the new reserve bank or banks from the old reserve bank or banks of the corresponding amount of cash capital in gold.

If sufficient stock certificates are not thus exchanged the reserve board may offer to the general public at par stock in the newly created district or districts to an amount necessary to make up the difference.

As an inducement to make the exchange of stock the reserve board may direct that the stock of the old reserve bank or banks so exchanged shall be entitled to payment in cash of its share of the accumulated surplus.

may direct that the stort of the old reserve bank or banks so exchanged shall be entitled to payment in cash of the share of the accumulated surplus.

SEC, 7. That after the payment of all necessary expenses and taxes, necluding its share of the expenses of the Federal reserve board, the stockholders of each Federal reserve bank shall be entitled to receive an annual dividend of 5 per cent on the paid-in capital stock, which dividend shall be cumulative. Net earnings over and above expenses and the aforeauld dividend shall be applied as follows: Twenty-five per cent of such net earnings to be carried to a surplus fund until such serve bank, and 373 or eneme of the paid-in capital stock of such reserve bank, and 373 or eneme of the paid-in capital stock of such reserve bank, and 373 or eneme of the paid-in capital stock of such reserve bank, and 373 or eneme of the paid-in capital stock of such reserve bank, and 373 or eneme of the paid-in capital stock of such reserve bank, and 373 or eneme of the paid-in capital stock of such reserve bank, and 373 or eneme of the paid-in capital stock of such crucks and regulations made by the board. When, in the judgment of the board, there has been accumulated in such depositors of insolvent member banks under tules and regulations made by the power to suspend the setting aside-after such 374 per cent of such earnings shall be paid to the United States, except that in the event the depositors' insurance fund is depleted by the payment of depositors of insolvent member banks such fund shall be replenished by again setting aside such 374 per cent of the carnings of so much thereof as, in the judgment of the board, may be necessary. The remaining net earnings shall be paid to the United States; and board, the payment of the part of the setting shall be replenished by again setting aside such 374 per cent of the earnings or so much thereof as, in the judgment of the board, may be necessary. The remaining net earnings shall be applied to the purchase of other capital stock therei

STATE BANKS AS MEMBERS.

State banks as members.

Sec. 10. That from and after the passage of this act any bank or banking association or trust company incorporated by special law of any State, or organized under the general laws of any State or the United States, may make application to the Federal reserve board to become a member of the Federal reserve bank organized or to be organized within the Federal reserve basis organized or to be organized within the Federal reserve bank organized or to be organized within the Federal reserve bank organized or to be organized within the Federal reserve bank or the Federal reserve bank of the Applying bank to become a member of the Federal reserve bank of the distriction which such applying bank is located, in which case stock shall be allotted to it as provided in this act.

No such applying bank shall be admitted to membership in a Federal reserve bank unless it possesses a paid-up naimpaired capital sufficient to entitle it to become a national banking association in the place where it is situated, under the provisions of the national banking act, and it shall thereafter be required to make the same reports and be subject to the same examination and supervision as national banking associations and subject also to the reserve requirements of this act.

If at any time it shall appear to the Federal reserve board that a member bank has failed to comply with the provisions of this act or the regulations of the Federal reserve board it shall be within the power of the said board, after due hearing, to suspend or expel the said bank from membership. The Federal reserve board in the place where upon due proof of compliance with the conditions imposed by this act.

FEDERAL RESERVE BOARD.

SEC. 11. That the President of the United States shall appoint, by and with the advice and consent of the Senate, a Federal reserve board consisting of eight members, in addition to whom the Secretary of the Treasury shall be an ex officio member. Of the eight members appointed in the first instance, the President shall appoint one for a term of one year, one for a term of two years, one for a term of three years, one for a term of four years, one for a term of five years, one for a term of six years, one for a term of seven years, and one for a term of eight years. Not less than one nor more than three of said members shall be appointed from any one Federal reserve district. Appointments to fill vacancies in the board shall be for the unexpired term and may be made by the President when the Senate is not in session, which appointments shall expire at the end of the next session. In selecting members of the reserve board consideration shall be given to experience in commerce and banking. The eight members of the Federal reserve board thus appointed by the President shall devote their entire time to the work and duties of the board and shall not while in office be officers, directors, or employees of any bank or trust company, nor hold stock in any such institution, and they shall each receive a salary of \$12,000 per year, payable monthly out of the Treasury of the United States upon the order or warrant of the Secretary of the Treasury, one member of said board as governor thereof, and one member as vice governor thereof who shall act in place of the governor during his disability or absence. The governor shall be the active executive and presiding officer of the board. The Secretary of the Treasury bepartment Building, or the board. The Secretary of the Treasury bepartment Building, or the board shall be held as soon as may be, upon the call of the Secretary of the Treasury, at a time and place designated by him.

The Federal reserve board shall have power to levy semiannually upon the Federal reserve board sh

plus, an assessment sufficient to pay its estimated expenses and salaries for the half year succeeding the levying of such assessment, together with any deficiency carried forward from the preceding half year.

The Federal reserve board shall annually make a full report of its operations to the Congress.

Section 324 of the Revised Statutes of the United States shall be amended so as to read as follows: "There shall be in the Department of the Treasury a bureau charged with the execution of all laws passed by Congress relating to the issue and regulation of national currency secured by United States bonds and, under the general supervision of the Federal reserve board, of all Federal reserve notes, the chief officer of which bureau shall be called the Comptroller of the Currency, and shall perform his duties under the general direction of the Secretary of the Treasury." Nothing in this act contained shall be construed as taking away any powers heretofore vested by law in the Secretary of the Treasury which relate to the supervision, management, and control of the Treasury Department and the bureaus under such department.

SEC. 12. That the Federal reserve board hereinbefore established shall be authorized and empowered—

(a) To examine at its discretion the accounts, books, and affairs of each Federal reserve bank and of each member bank and to require such statements and reports as it may deem necessary. The sald board shall publish once each week a statement showing the condition of each Federal reserve bank and a consolidated statement for all Federal reserve banks. Such statements shall show in detail the assets and liabilities of such Federal reserve banks, single and combined, and shall furnish full information regarding the amount and character of the money held as reserve and the amount, nature, and maturities of the paper and other investments owned or held by Federal reserve banks.

(b) To permit or require, in time of emergency, Federal reserve banks to rediscount rate of not more than 3 per cent in

FEDERAL ADVISORY COUNCIL.

FEDERAL ADVISORY COUNCIL.

Sec. 13. There is hereby created a Federal advisory council, which shall consist of as many members as there are Federal reserve districts. Each Federal reserve bank, by its board of directors, shall annually select from its own Federal reserve district one member of sald council, who shall receive such compensation and allowances as may be fixed by the board of directors, subject to the approval of the Federal reserve board. The meetings of said advisory council shall be held in Washington, D. C., at least four times each year, and oftener if called by the Federal reserve board. The council may select its own officers and adopt its own methods of procedure, and a majority of its members shall constitute a quorum for the transaction of business. Vacancies in the council shall be filled by the respective reserve banks, and members selected to fill vacancies shall serve for the unexpired term.

The Federal advisory council shall have power by Itself or through its officers (1) to meet and confer directly with the Federal reserve board on general business conditions; (2) to make oral or written representations concerning matters within the jurisdiction of said board; (3) to call for complete information and to make recommendations in regard to discount rates, rediscount business, note issues, reserve conditions in the various districts, the purchase and sale of gold or securities by reserve banks, open-market operations by said banks, and the general affairs of the reserve banking system.

REDISCOUNTS.

REDISCOUNTS

Sec. 14. That any Federal reserve bank may receive from any member bank and from the United States deposits of current funds in lawful money, national-bank notes, Federal reserve notes, and checks and drafts upon solvent member banks of the Federal reserve system, paya-

ble upon presentation; and, solely for exchange purposes, may receive from other Federal reserve banks deposits of current funds in lawful money, national-bank notes, and checks and drafts upon solvent member or other Federal reserve banks, payable upon presentation. Reserve banks shall not pay interest on deposits.

Upon the indorsement of any member bank with a waiver of demand notice and protest any Federal reserve bank may discount notes, drafts, and bills of exchange religion out of actual commercial transactions; and bills of exchange issued or drawn for agricultural, industrial on the protect of the page of the proceeds of which have been used, or may be used, for such particultural, industrial or may be used, for such particultural, industrial or may be used. For such particultural, industrial or may be used, for such particultural, industrial or may be used. For such particultural, industrial or may be used for such particultural products; or other goods, wares, or merchandise from being eligible for such discount; but such include notes, drafts, or bills covering merely interest of the contraction of the purpose of carrying or trading in the definition shall not include notes, drafts, or bills covering merely interest of the government of the United States and Integrations and notes of the Government of the United States and Integration of discount of not more than 180 days; Provided, however, That not more than 180 days; Provided, however, That not more than 180 days; Provided, however, That not more than 50 per cent of the paper discounted for any member bank which are based on the exportation or importation of goods and which have a maturity exceeding 90 days and in no case shall any member bank have more than 8200,000 of rediscounts having a maturity which are based on the exportation or importation of goods and which have a maturity at time of discount of not more than six months and of acceptances based on domestic shipments of goods and which have a based on the exportation of importation of th

OPEN-MARKET OPERATIONS.

OF its capital stock without special authority by the board.

OPEN-MARKET OPERATIONS.

Sec. 15. Any Federal reserve bank may, under rules and regulations prescribed by the Federal reserve board, purchase and sell in the open market, either from or to domestic or foreign banks, firms, corporations, or individuals, prime bankers' bills, and bills of exchange of the kinds and maturities by this act made eligible for rediscount, and cable transfers.

Every Federal reserve bank shall have power (a) to deal in gold coin and bullion both at home and abroad, to make loans thereon, and to contract for loans of gold or bullion, giving therefor, when necessary, acceptable security, including the hypothecution of interest-bearing obligations of the United States; (b) to buy and sell interest-bearing obligations of the United States and of its dependencies when payment of principal and interest is guaranteed by the United States, and bonds or warrants of any State, county, or muncipality, or short-time interest-bearing obligations issued by foreign governments, with a maturity from date of purchase of not exceeding one year, such purchases to be made in accordance with rules and regulations prescribed by the Federal reserve board; (c) to purchase from a member bank and to sell, with or without its own indorsement, bills of exchange arising out of commercial transactions, as hereinbefore defined; (d) to establish publicly from time to time, subject to review and determination of the Federal reserve board, a rate of discount to be charged by such bank for each class of paper, which shall be fixed with a view of accommodating the commerce of the country and promoting stability in business; and (e) establish accounts with other reserve banks and with the consent of the Federal reserve board, to open and maintain banking accounts in foreign countries and establish agencies in such countries wheresoever it may deem best for the purpose of purchasing, selling, and collecting bills of exchange, letters of credit, and travelers chec

GOVERNMENT DEPOSITS.

Sec. 16. That all moneys now held in the general fund of the Treasury, except the 5 per cent fund for the redemption of outstanding national-bank notes and the funds provided in this act for the redemption of Federal reserve notes, shall, upon the direction of the Secretary of the Treasury, be deposited in Federal reserve banks, which banks shall act as fiscal agents of the United States; and thereafter the revenues of the Government shall be regularly deposited in such banks and disbursements shall be made by checks drawn against such deposits.

The Secretary of the Treasury shall, subject to the approval of the Federal reserve board, from time to time apportion the Government deposits among the said Federal reserve banks, in proportion to their capital stock as far as practicable: Provided, That for the purposes of collection and transfer only the Secretary of the Treasury may designate national banks as Government depositories.

NOTE ISSUES.

Federal reserve beard, from time to time apportion the Government deposits among the said referrir reserve banks, in proportion to their deposits among the said referrir reserve banks, and proportion to their deposits among the said referrir reserve banks.

Sec. 17. That Federal rever to fost, to be send under authority of the Federal reserve banks as hereinafter set forth and for no other purpose, are hereby authorized. The said notes shall be obligations of the Federal reserve banks as hereinafter set forth and for no other purpose, are hereby authorized. The said notes shall be obligations of the Pederal reserve banks as hereinafter set forth and for no other purpose, are hereby authorized. The said notes shall be obligations of the Pederal reserve bank may, upon yote of its directors, make applied the said of the United States, in the city of Washington, Any Federal reserve bank may, upon yote of its directors, make application to the local Federal reserve agent for such amount of the application shall be accompanied with a fender to the local Federal reserve agent of collateral security in amount equal to the sum of the Federal reserve notes thus applied for and issued question to such a proposed to the said for the fore and the said for the

national-bank notes or notes provided for by the act of May 30, 1908, and any distinctive paper that may be on hand at the time of the passage of this act may be used, in the discretion of the Secretary, for the purposes of this act; and should the appropriations heretofore made be insufficient to meet the requirements of this act, in addition to circulating notes provided for by existing law, the Secretary is hereby authorized to use so much as may be necessary of any funds in the Treasury not otherwise appropriated for the purpose of furnishing the notes aforesaid: Provided, however, That nothing in this section contained shall be construed as exempting national banks or Federal reserve banks from their liability to reliabilities the United States for any expenses incurred in printing and issuing circulating notes.

Every Federal reserve bank shall receive on deposit from member banks or from reserve banks checks and drafts drawn upon any of its depositors and, when remitted by a reserve bank or member bank upon funds to the credit of said depositor in said reserve bank or member bank. Nothing herein contained shall be construed as prohibiting a member bank from making reasonable charges for checks and drafts so debited to its account, or for collecting and remitting funds, or for exchange sold to its patrons. The Federal reserve banks from patrons whose checks are cleared through the reserve bank and the charge which may be imposed for the service of clearing or collection rendered by the Federal reserve bank. The Federal reserve board shall make and promulgate from time to time regulations governing the transfer of funds among Federal reserve banks and their branches.

SEC. 18. That so much of the provisions of section 5159 of the Revised Statutes of the United States and section 4 of the act of June 20, 1874, and section 8 of the act of July 12, 1882, and of any other provisions of existing statutes, as require that before any national banking association shall be authorized to commence banking business it

SEC, 19. That as soon after the organization of the reserve banks as practicable and under authority from the Federal reserve board each Federal reserve bank shall purchase at par and accrued interest 2 per cent bonds of the United States. The amount purchased by each reserve bank shall not be more than 50 per cent of its capital in any one year. The bonds so purchased may be held by such reserve bank and used for deposit with its reserve agent as security for the Federal reserve notes issued, or they may be exchanged at the Treasury for one-year Treasury gold notes bearing 3 per cent interest. In case of such exchange the reserve banks shall be bound at the option of the United States to renew year by year for 20 years the 3 per cent gold notes so issued. Said one-year 3 per cent United States gold notes may be used to deposit with the reserve agent as security for the United States reserve notes, or be freely purchased by reserve banks from time to time to employ idle funds, or sold to protect the gold supply.

from time to time to employ idle funds, or sold to protect the gold supply.

National banks which sell 2 per cent bonds to a reserve bank under this provision shall retire such portion of their outstanding national-bank notes as are secured by the bonds so sold. The Secretary of the Treasury is hereby directed to issue 3 per cent one-year gold Treasury notes year by year to exchange for 2 per cent bonds as above provided or to take the place of 3 per cent one-year gold notes that have been redeemed. During the period between the first and last purchases of bonds any national bank may continue to apply for and receive circulating notes based upon the deposit of 2 per cent bonds as now provided for by law. The one-year 3 per cent gold Treasury notes above provided for shall be exempt from Federal, State, and municipal taxation, both as to income and principal.

BANK RESERVES.

SEC. 20. That when a Federal reserve bank has been duly organized and established as provided in this act in any Federal reserve district every member bank of that district shall establish and maintain reserves as follows:

and established as provided in this act in any Federal reserve district every member bank of that district shall establish and maintain reserves as follows:

(a) A bank not in a reserve or central reserve city as now or hereafter defined shall hold and maintain reserves equal to 12 per cent of the aggregate amount of its net deposits, as follows:

In its vaults, four-twelfths thereof.

In the Federal reserve bank of its district, for a period of six months after said date, one-twelfth, and for each succeeding six months an additional one-twelfth, until four-twelfths have been so deposited, which shall be the amount permanently required.

After said period said reserves, other than those hereinbefore required to be held in the reserve bank, may be held in the vaults of the member bank or in the Federal reserve bank, or in both, at the option of the member bank.

(b) A bank in a reserve or a central reserve city, as now or hereafter defined, shall hold and maintain reserves equal to 15 per cent of the aggregate amount of its net deposits, as follows:

In its vaults, five-fifteenths thereof.

In the Federal reserve bank of its district, for a period of six months after the date aforesald, at least one-fifteenth, and for each succeeding six months an additional one-fifteenth, until six-fifteenths have been so deposited, which shall be the amount permanently required.

After said period all of said reserves, except those hereinbefore required to be held permanently in the Federal reserve bank, may be held in its own vaults or in the Federal reserve bank, or in both, at the option of the member bank.

If a State bank or trust company is required by the laws of its State to keep its reserves either in its own vaults or with another State bank or trust company, such reserve deposits so kept in such State bank or trust company is situate.

SEC 21. That so much of sections 2 and 3 of the act of June 20, 1874, entitled "An act fixing the amount of United Staes notes, providing for a redistribution of the national-bank cur

no case be counted by any national banking association as a part of its lawful reserve.

SEC 22. That every Federal reserve bank shall at all times have on hand in its own vaults, in gold, gold certificates, or lawful money, a sum equal to not less than 35 per cent of its net deposits, in addition to the reserve required against the Federal reserve notes emitted by such bank. The term "net deposits" wherever used in this act shall mean net deposits as from time to time defined by the Comptroller of the Currency, subject to the approval of the Federal reserve board. The Federal reserve board may notify any Federal reserve bank whose lawful reserve shall be below the amount required to be kept on hand to make good such reserve; and in the meantime may prohibit such Federal reserve bank from making additional loans or discounts: Provided, however, That the Federal reserve board may in case of emergency permit the reserve bank shall in such case pay a tax at the rate of 1 per cent per annum for every 2½ per cent or fraction thereof that the reserve falls below said 35 per cent, but in no case shall it be allowed to fall below 25 per cent of its net deposits: Provided further, That the amount of such tax paid by the bank during a fiscal year shall be charged to the member banks in the district in proportion to their average discounts during that year.

BANK EXAMINATIONS.

purther, That the amount of such tax paid by the bank during a fiscal year shall be charged to the member banks in the district in proportion to their average discounts during that year.

SEC. 23. That he examination of the affairs of every member bank shall take place at least twice in each calendar year and as much of turnish a full and complete knowledge of its condition. The Federal reserve board may authorize examinations by the State authorities to be accepted in the case of State banks and trust companies and may at any time direct the holding of a special examination. The person assigned to the making of such examination of the affairs of any member bank shall have power to call together a window of the character and circumstances of such of its loans or discounts as he may designate; and from and after the passage of this act all bank examiners and interest of the character and circumstances of such of its loans or discounts as he may designate; and from and after the passage of this act all bank examiners ball receive fixed salaries, the amount whereof shall be not less than \$2,000 nor more than \$7,000 per annum and be determined by the Federal reserve bard and annually reported to Congress. But the expense of the examinations herein provided for shall be assessed by authority of the Federal reserve board, arrange for special or periodical examination of the general reserve board, arrange for special or periodical examination of the member banks within its district. Such examination shale be conducted by the Comptroller of the Currency, every Federal reserve bank may, with the approval of the Federal reserve agent or of the Federal reserve board shall arrange for special or periodical examination of the member banks within its district. Such examination shale be conducted as to for the condition of its member banks and of the fines of credit which are being extended by them. Every Federal reserve bank shall at all times furnish to the Federal reserve board shall order a special examination and reserve

Sec. 26. That deposits in national banks, payable more than 30 days after they are made, shall be known as time deposits, and such banks may continue hereafter as heretofore to receive time deposits and to pay interest on the same. All national banks not located in central reserve cities may make loans, secured by improved, occupied, and unencumbered farm land situated within the Federal reserve district where the loaning bank is located to the extent of one-half of its value, but no such loan shall be made for a longer period than five years, nor shall the aggregate of such loans by any bank exceed one-third of its time deposits.

After becoming member banks of any reserve bank, national banks are hereby authorized to act as administrators, executors, or trustees.

FOREIGN BRANCHES.

SEC. 28. That any Federal reserve bank or national banking association possessing a capital of \$5,000,000 or more may file application with the Federal reserve board, upon such conditions and under such circumstances as may be prescribed by the said board, for the purpose

of securing authority to establish branches in foreign countries or dependencies of the United States, and to act, if required to do so, as fiscal agents of the United States, and to act, if required to do so, as fiscal agents of the United States. Such applications shall specify, in addition to the name and capital of the banking association filing it, the place or places where the banking operations proposed are to be carried on and the amount of capital set aside by the said banking association filings such application for the conduct of its foreign countries. The Federal reserve board shall have power to approve or to reject such application if in its judgment the amount of capital proposed to be set aside for the conduct of foreign business is lnadequate or if for other reasons the granting of such application is deemed inexpedient.

Every national banking association which shall receive authority to establish branches in foreign countries shall be required at all times to furnish information concerning the condition of such branches to the Comptroller of the Currency upon demand, and the Federal reserve board may order special examinations of the said foreign branches at such time or times as it may deem best. Every Federal reserve bank and every such national banking association shall conduct the accounts of each foreign branch independently of the accounts of other foreign branches established by it and of its home office, and shall at the end of each fiscal period transfer to its general ledger the profit or loss accruing at each such branch as a separate item.

SEC. 29. All provisions of this act are to that extent and to that extent only hereby repealed: Provided, That nothing in this act contained shall be construed to repeal the parity provision or provisions contained in an act approved March 14, 1900, entitled "An act to define and fix the standard of value, to maintain the parity of all forms of money issued or coined by the United States, to refund the public debt, and for other purposes."

or coined by the United States, to retund the public debt, and for other purposes."

SEC. 29a. That the provisions of the act of May 30, 1908, authorizing national currency associations, the issue of additional national-bank circulation, and creating a National Monetary Commission, which expires by limitation under the terms of such act on the 30th day of June, 1914, are hereby extended to June 30, 1915.

SEC. 30. That the right to amend, alter, or repeal this act is hereby expressly reserved.

Mr. SMITH of Georgia. Mr. President, I desire to make the point of order that as the Owen bill has been offered as an amendment in the nature of a substitute for the House bill. I do not think the bill now submitted by the Senator from Nebraska as a substitute for that is in order.

The VICE PRESIDENT. Perhaps the Senator from Ne-

braska has not stated his request in exactly parliamentary language, but his motion is to insert his bill in lieu of the matter proposed to be inserted by the Senator from Oklahoma, and the Chair thinks it is in order.

Mr. HITCHCOCK. There can be no doubt of that, Mr. President, I have moved to substitute for the Owen bill as it has been amended the bill as reported by the section of the committee to which I belong, in order that the struggle of more than three months may be drawn to an orderly close by a final

When the record of that vote shall have been made we will have reached the point where I shall be compelled to part company with some Senators with whom for months I have been closely cooperating. Some of them will vote against the bill upon its final passage. I shall vote for it. I have never for a moment had any other purpose. My whole fight has been to strengthen and improve the bill and to prevent hasty action and blundering legislation. To attain any measure of success I found it necessary to go to extreme lengths and to make some

sacrifices. I feel fully justified by the result.

The bill as passed by the House and as introduced in the Senate by Senator Owen has been changed over 60 per cent in letter and nearly as much in spirit. Let me recite some of the more important changes that have been made.

The character and make-up of the Federal reserve board have been greatly improved, and it has been in part rescued from political subservience.

A gradual transfer of reserves from banks now holding them instead of a sudden transfer has been provided for, thus greatly reducing the shock to the business world.

An insurance of bank deposits has been secured for banks

joining the new system.

The equal treatment of member banks has been stipulated for. Six-month paper held by banks in agricultural regions has been removed from the blacklist and admitted to discount privileges in limited amounts.

Member banks have been authorized to make farm-mortgage loans for five years in limited amounts.

It has been provided that Federal reserve notes shall be redeemed at the Treasury in gold or gold certificates only.

The gold reserve of Federal reserve banks has been increased

from 33½ per cent to 40 per cent.

A tax on the deficiency in reserves held against deposits and against notes in Federal reserve banks has been provided for.

A reduction in the number of Federal reserve banks from

12 to 8 has been made possible. Mr. President, all these improvements have been contended for by the section of the Banking and Currency Committee of which I am a member. We have not in all cases been able to make these changes as complete as they should be. The Federal

reserve board should be larger and the term of its members longer. The transfer of reserves should be made even more gradual. The insurance of deposits in member banks should be made more certain. The equal treatment of banks should be guaranteed in more specific terms. Federal reserve notes should be made redeemable only in gold at the reserve banks as well as at the Treasury. The gold reserve against notes should be at least 45 per cent instead of 40 per cent. The number of Federal reserve banks should be yet further reduced. Some automatic restrictions against the inflation of bank credits and currency should be provided. I regret that we could not secure public ownership of the stock, Government control of the banks, and other improvements we struggled for, but we have cause to congratulate the country on what has been

I am glad the struggle is over. It has been long and it has resulted in a greatly improved bill. I have my misgivings, of course, as others have. The prospect in the United States is not altogether bright. There are clouds in the sky. There may be dangers ahead. I join others, however, in hoping that the clouds may be dissipated and the dangers passed, and that this legislation may contribute to this result.

I should like to have the yeas and nays on my amendment to the amendment, Mr. President.

The yeas and nays were ordered, and the Secretary proceeded

Mr. DU PONT (when his name was called). I have a general pair with the senior Senator from Texas [Mr. Culberson]. I transfer that pair to the junior Senator from Maine [Mr. Burleigh] and vote. I vote "yea."

Mr. SMITH of Georgia (when his name was called). On account of my pair with the senior Senator from Massachusetts

[Mr. LODGE], I refrain from voting.

Mr. STERLING (when his name was called). I again transfer my pair with the senior Senator from Louisiana [Mr. THORNTON] to the Senator from New Mexico [Mr. FALL] and vote "yea.

The roll call was concluded.

Mr. WILLIAMS (after having voted in the negative). wish to ask whether the senior Senator from Pennsylvania [Mr.

The VICE PRESIDENT. The Chair is informed he has not. Mr. WILLIAMS. Then I must withdraw my vote, as I am paired with that Senator.

The result was announced-yeas 41, nays 44, as follows: YEAS-41.

Borah Bradley Brady Brandegee Bristow Burton Catron Clapp Colt Crawford Cummins	Dillingham du Pont Gallinger Goff Gronna Hitchcock Jackson Jones Kenyon La Follette Lippitt	McCumber McLean Nelson Norris Oliver Page Perkins Poindexter Root Sherman Smith, Mich.	Smoot Stephenson Sterling Sutherland Townsend Warren Weeks Works
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Ashurst Bacon Bankhead Bryan Chamberlain Chilton Clarke, Ark. Fletcher Gore Hollis Hughes	James Johnson Kern Lane Lea Lewis Martin, Va. Martine, N. J. Myers Newlands O'Gorman	Overman Owen Pittman Pomerene Ransdell Reed Robinson Satisbury Shafroth Sheppard Shields	Shively Simmons Smith, Ariz Smith, Md. Smith, S. C. Swanson Thomas Thomas Thompson Tillman Vardaman Walsh
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Burleigh Clark, Wyo.	Fall Lodge Penrose	Smith, Ga. Stone	Williams

So Mr. HITCHCOCK's amendment to the amendment was rejected.

The VICE PRESIDENT. Are there further amendments?

Mr. OWEN. I ask for the adoption of the amendment offered by myself.

The VICE PRESIDENT. The question is, Will the Senate concur in the amendment made as in Committee of the Whole as amended?

Mr. OWEN. I ask for the yeas and nays.

Mr. BRISTOW. Mr. President—
The VICE PRESIDENT. Are there further amendments to be proposed?

Mr. BRISTOW.

Mr. BRISTOW. I desire to address myself to the bill. Mr. GALLINGER. The question is, I suppose, on concurring

in the bill as amended.

The VICE PRESIDENT. The Chair is going to rule—and will explain the reasons for it if necessary—that the question

is, Will the Senate concur in the amendment made as in Committee of the Whole as amended?

Mr. BRISTOW. I desire to speak on the bill; not on that question.

Mr. WEEKS. Mr. President-

Mr. OWEN. I yield to the Senator from Massachusetts. Mr. WEEKS. What is the motion of the Senator from Oklahoma?

Mr. OWEN. The question is on concurring in the amendment offered by the Senator from Okahoma.

Mr. WEEKS. Mr. President, that being the case, I think I may well follow the example set by the Senator from Nebraska [Mr. HITCHCOCK] in briefly stating my position on this legislation.

Like him, I find it necessary to part company with some of those with whom I have been laboring on this question during the past three months and with many of my associates on this side of the aisle. I have contended from the time this question was taken up that it should be treated as a business measure, distinct and devoid of any political flavor, and I do not think that I ought to be diverted or thwarted from that course because of the pressure of the administration or the partisan course taken by the majority in the House and in the Senate.

I am not satisfied that this is the best bill that could have been prepared; but if all Democratic Senators had taken the independent and nonpartisan course which has been followed by the Senator from Nebraska, we would have had a bill which would have removed from the minds of those on this side of the Chamber any doubt as to what course they should take. If the bill is not as good as it should be, it is entirely because the administration and majority have attempted to hasten action unreasonably and have forced action at a caucus which has only represented a small majority of the majority, so that the bad features have been forced by a minority of the Senate.

There are a half a dozen provisions in this bill which make me hesitate about supporting it. I am fearful that they may bring results which all Senators and the country will greatly regret; and yet there is so much more good in the legislation than there is bad-if I might deal in percentages, I should say 75 per cent good and 25 per cent bad—there is so much more good in it than there is bad, that I feel it my duty to vote for the bill. I do this because I know perfectly well how difficult it is to bring about fundamental banking and currency legislation.

It is not a popular topic. Most men have not studied it and considered it carefully. We have made a distinct advance by the agitation that has been going on during recent years and during recent months. Having made that advance, I do not wish by my vote to take any step which will seem to lessen its results. I believe the good in this bill will show itself as soon as the law is put into operation, and I hope the bad in the bill may be minimized by the operation of the law and the good administration which may be given it.

Mr. BRISTOW. Mr. President, I regret that the Senator from Nebraska and the Senator from Massachusetts should be compelled to part company at this time. I do not intend to vote for this bill, because I believe it is fundamentally wrong. It creates a great, top-heavy organization apparently for the ac-complishment of one thing, and that is to provide an additional flexible currency. It does not retire the bond-secured circulation. It does not change the character of the currency which now exists.

If the purpose were to provide an emergency currency, a few simple amendments to the Aldrich-Vreeland bill would have accomplished that purpose; but the House started out to provide a substitute for the rigid and inflexible bond-secured currency which we now have, and the bill that came to us made such provisions, such as they were. Those provisions have been stricken out, and flexibility has been given by increasing the currency, but giving it no flexibility, so far as decreasing the rigidity was concerned.

I can not understand why so much pretense was necessary in order to accomplish such a small thing. The Committee on Banking and Currency of the Senate of the United States could have reported, after a week's deliberation, amendments to the Aldrich-Vreeland bill that would have met every requirement, so far as elasticity of the currency is concerned, without the tremendous effort that has been made.

What has been born of this effort? A number of regional banks to serve as reserve banks, that are owned by the banks, that are controlled by directors elected by the banks, and that are run for the profit of the banks.

There have been created from 8 to 12 central banks that are to operate in certain regions, and those central banks practically have been given a monopoly-in fact, they have been given a monopoly-of the reserves of the banks within those regions. The banks no longer have an opportunity of picking their own reserve agents. They must put their reserves in these regional banks, and the regional banks are given the power to determine whether or not there shall be rediscount

privileges extended to the member banks.

The member banks are given no legal rights. Their rights are subject to the decision of the board. If unfriendly influences should get control of the board, it has greater powers than any banking organization under present conditions possibly could have under any organization that could be now formed. So the alleged purpose of breaking what is known as the credit trust of the United States has not only failed, but no effort has been made to carry it out. So far as breaking up what is commonly called the Money Trust, this bill makes no effort to do it, although its authors at the time claimed that that was its purpose.

I shall not cast my vote for any bill that organizes, under the forms of law, banking trusts that can control credit and that will be more powerful than any control of credit that has been heretofore organized. As I said upon another occasion, this bill may become a benevolent monopoly, but there are seeds of evil sown in it which I think are dangerous. I believe

it will lead to inflation.

It has been said—and the statement has been criticized—that it will not only inflate, but that it will also contract. The first influence will be a contraction; the second influence, to follow the contraction, will be, in my opinion, inflation. I predict—and it is dangerous to predict, I know—that this bill will be amended time and again before it has been in operation a year, in order to save the country from calamity and misfortune.

Personally, I am in favor of a central bank of the United States, the stock of which shall be owned by the people of the United States in small subscriptions, and the management of which shall be by a board of directors who are Government officials. The business of such a bank would be to receive the reserves and rediscount the notes of every independent banking institution in the United States; and every bank, great or small, whether its capital be \$25,000 or \$25,000,000, would have an equal proportionate right to discounts and favors.

I believe there are more possibilities for evil in the bill than for good and that the small good that has been undertaken to be accomplished is very greatly overbalanced by the evils that are made possible. Believing that, I shall cast my vote against

the bill.

Mr. KERN. Mr. President, I move that the order heretofore made by resolution as to taking a recess at 6 o'clock be vacated, and that we do not take a recess at 6 o'clock. I should like unanimous consent to that arrangement, but I understand it can not be had.

Mr. LA FOLLETTE. Mr. President, a unanimous-consent

agreement can not be changed by a motion.

Mr. KERN. This is not a unanimous-consent agreement. The hour of 6 o'clock was fixed by motion as the time for taking a recess.

Mr. LA FOLLETTE. I suggest, Mr. President, that a unanimous-consent agreement can not be changed by a motion.

The VICE PRESIDENT. That is true; but there is not any unanimous-consent agreement on the subject of a recess to-day.

Mr. SHIVELY. It was fixed by a vote.

The VICE PRESIDENT. The question is on the motion of the Senator from Indiana that the order heretofore entered, that the Senate take a recess from 6 to 8 p. m., be vacated.

Mr. LA FOLLETTE. Is that a request for unanimous onsent?

Mr. ROOT. No; it is not.

The VICE PRESIDENT. It is a motion.

The motion was agreed to.

Mr. GALLINGER. Mr. President, I fear that the iridescent dream of the Senator from Oklahoma as to the results of the "New Freedom" legislative program is destined to a rude awakening. Time will tell.

Having taken practically no part in the discussion thus far, I beg the indulgence of the Senate for a few minutes before

the final vote is taken.

I am not one of those who, in season and out of season, have denounced our currency system as the worst in the world. On the contrary, I have believed and still believe that the national bank act was a piece of wise legislation which, as a general rule, has well served the people of the country. At the same time, I have believed that the existing currency system is susceptible of improvement, and I have been ready to cooperate with others in accomplishing that result.

In that view I had hoped that the proposed legislation would be simple, easily understood, and directly calculated to correct

any defects that now exist in our banking and currency laws. For the purpose of enlightenment, I have carefully followed the discussion, which discussion has developed a wide and irreconcilable difference of opinion among Senators as to the workability of the plan, the only point on which there seems to be complete unanimity being found in the frequent admission that the legislation is "experimental."

That the bill contains a provision that will inflate the currency, possibly to the extent of real danger, has not been denied, but on the other hand has been frankly admitted. For one, I am against currency inflation, and do not propose to cast a vote that will put me in opposition to the well-established monetary policy of the Republican Party. That party, aided by sound-money Democrats, carried to a successful issue the battle for sound money and the gold standard, and I am against weakening in any way our legislation on that subject.

There are other objectionable features in the bill which the limited time at my disposal will not admit of my discussing. I agree with the Senator from Kansas that, had an amendment similar to the one that was inserted in the bill last evening, which liberalizes the provisions of the so-called Aldrich-Vreeland law, been made to that statute, as the junior Senator from Minnesota and I advocated some time ago, this elaborate, complicated, and experimental piece of legislation would have been unnecessary. What the country has long been demanding is greater elasticity of our currency, and that could have been accomplished by a simple amendment to the Aldrich-Vreeland law.

I am also clearly of opinion that if legislation, such as is contemplated in the bill now under consideration, should at any time be deemed essential, one great central bank with branches should be provided for instead of a multiplicity of banks with complicated machinery and widely distributed powers. I am also fully persuaded that the Federal reserve banks provided for in this bill should be under the jurisdiction of the General Government, and that subscription to the stock should be first

offered to the public.

Mr. President, the recent tariff legislation of the Democratic Party was loudly heralded as a panacea for all the ills of the body politic present and prospective. It would, so we were told, give added employment to American artisans and workingmen, reduce the high cost of living, and make everybody happy. While I know it grates harshly on Democratic ears, I can not refrain from suggesting that instead of producing the promised result tens of thousands of workingmen are out of employment to-day, the cost of living has increased, bread lines are being formed in some of the great cities of the country, and in lieu of prosperity and happiness discontent, unhappiness, and despair are rapidly taking possession of the public mind.

It is now contended that the pending legislation will relieve the existing industrial disturbance and restore to work the men who have recently lost employment in consequence of a lack of orders on the part of manufacturers. I sincerely wish that that result might follow, but my judgment is that this prediction, like those so confidently made during the discussion of the tariff bill, will fail of fulfillment, and that permanent relief will only come through another revision of the tariff along the lines of adequate protection to the industries and labor of the

United States.

This bill will doubtless pass, for good or for bad. I would gladly vote for it if I believed it was, in its present form, wise and salutary legislation; but believing otherwise, I feel constrained to vote against it.

Mr. NEWLANDS. Mr. President, I regard this bill as a great improvement upon the existing system. In some respects I regard it as inferior to the bill that passed the House. In other

respects I believe that it is superior to that bill.

I hope this bill will be still further perfected in conference. The opportunity is afforded for such improvement, for our legislative action has resulted practically in disagreement between the two Houses upon the entire bill, so that all the different provisions of these bills will be before the conferees.

I hope before this bill emerges from conference it will be amended in the following particulars: I trust that all limitation as to the enlargement of the number of reserve banks will be stricken out, so that by a gradual process of evolution we shall finally bring about a system that will enable the establishment of a reserve bank in every State, of which the State and National banks of that State shall be members.

I also hope that it will be amended in such a way as to establish at Washington a Federal reservoir, supplementing the regional reservoirs provided for by this act, so that the reserve board in control of that reservoir can act directly in aid of any regional reserve bank without calling upon one reserve bank to aid another.

Mr. SMOOT. Mr. President-

Mr. NEWLANDS. I prefer not to be interrupted. I wish to

conclude my remarks.

I also hope that the bill will be amended in such a way as to provide that the national-bank notes will be gradually retired, somewhat as provided in the House bill. An extraordinary inflation of basic money has taken place within the last 20 years. Every civilized government ought to avail itself of the opportunity to retire its uncovered paper money, which has been issued in the past simply because of a deficiency of basic money. The national-bank notes belong to the past system of contraction and of false monetary methods, and should be retired as rapidly as they can be without producing contraction.

The enormous increase in the basic money of the world of which this country supplies so large a part can be availed of in gradually covering these bank notes by basic money, or in

gradually retiring the notes themselves.

I also hope that the conferees will so amend this section as to provide that the reserve notes shall not be held as reserves of the bank. It is opposed to all the correct principles of banking that a mere promise to pay money shall constitute a part of the cash reserves of a bank. Hitherto bank notes have not constituted a part of the reserves of national banks. The State banks, however, have been in the habit of using national-bank notes as a part of their reserves. I would be glad to see that vicious system gradually abandoned, and I trust that it will not be enlarged by this bill by permitting the national banks themselves to hold mere promises to pay basic money as a part of their cash reserves.

I admit that time will be necessary in order to accomplish the retirement of the national-bank notes. I admit that time will be required in order to bring the State banks up to the requirements of this legislation regarding their reserves. I believe that time should be given in this bill, and the reserve board should be authorized to extend that permission from time to time so that the efforts of the State banks to secure the reserves required by his law will not necessitate a contraction of their bank

I hope to see a return to correct principles accomplished without any contraction whatever, either of the money of the country or of the bank credits, and to have this accomplished in such a moderate and gradual way as to result in no contraction either of money or of credit, but on the other hand to result in a moderate expansion of the money of the country proportioned

to its increase in population and wealth.

I also hope that the requirements of this bill regarding the reserves to be held against these reserve notes will be made of such a character that the notes will be out simply as emergency notes. The country and the world to-day is suffering from an inflation of basic money, the most extraordinary infla-tion that has taken place in the history of the world, and that basic money has been made the base of an enormous increase of banking credits throughout the world. The result has been a great increase in prices, of which we all complain, which has been a disturbing element in our industrial and economic life. We can never stop that increase in prices unless we conclude in some way to limit this vast inflation of money; and the way to do it now is not to create new units, new promises to pay, in order to meet emergencies, without also putting in the bill provisions for the retirement of those units of money when the emergency is over.

I do not believe that this bill is securely guarded in that While I favor the issue of these reserve notes in particular. order to meet the emergency of a bank panic or a monetary stringency, local or nation-wide, I object to the lax provisions of this bill, which will not force the immediate retirement of those notes after the emergency is over, such lax provisions as permit this emergency money to remain in circulation for the purposes of inflation and for further expansion in prices.

Mr. President, the conferees have the opportunity of making this bill perfect in every particular. I trust that they will avail

themselves of the opportunity.

Mr. SMOOT. Mr. President, I am amazed at the last statement of the Senator from Nevada [Mr. NEWLANDS]. I have heard a similar statement made upon the floor of the Senate once or twice before during this discussion. Does the Senator from Nevada mean to convey the idea that after the bill has passed the Senate, the conferees can make a complete new bill, insert provisions that have never been offered in the House and have never been considered in the Senate, and make a bill in conformity with their ideas of legislation? Mr. President, if such a thing can be done, it seems to me that we have wasted months of time in considering the bill in this body.

Mr. NEWLANDS. Will the Senator allow me to interrupt

him there?

Mr. SMOOT. The Senator refused to allow me to interrupt him, but I graciously allow the Senator to interrupt me.

Mr. NEWLANDS. I am greatly indebted to the Senator. The Senator made a statement which is not justified by the facts, and I desire to correct him. The Senate and the House are in disagreement as to these bills. First, they are in disagreement as to the number of regional banks. I wish them to come to an agreement with reference to the number of those banks in harmony with my contention, and I have a right to ask that. Second-

Mr. SMOOT. Right in answer to that question—
Mr. NEWLANDS. Second, if the Senator will allow me-Mr. SMOOT. The House provided for 12 regional banks and the Senate for not less than 8 nor more than 12. The conferees have no power or right to change the number of regional banks to a number different from those of the House bill or the Senate bill.

Mr. NEWLANDS. The House bill provided for not less than 12, which may mean 48, and which, I hope, will be 48—one in each State. The House bill also provides for the retirement of the national-bank notes. Certainly the conferees can agree

Mr. SMOOT. Mr. President, I yielded for a question. I do not want the Senator to take me off the floor now by another 15-minute speech.

Mr. NEWLANDS. If the Senator will permit me, I will show him that all the matters I have referred to are in disagreement and the conferees will be called upon to act in regard to them.

Mr. SMOOT. I do not want to be shown by the Senator. Mr. NEWLANDS. It will take me only three seconds to state the subject to which I have referred or that will be in disagree-

ment between the two Houses.

Mr. SMOOT. The very last words the Senator spoke before taking his seat were that the conferees had the chance now to make this a perfect bill, and he suggested a number of changes that do not appear in either the House bill or the Senate amendments, and only——
Mr. NEWLANDS. Does the Senator object to making it a

perfect bill?

Mr. SMOOT. I object to the conferees amending the bill outside of what has been considered in the House and Senate. That is what I object to. I do not want to refuse the Senator further time, but he has spoken to-day four times-in all, one

It seems to me that all the burden of his remarks has been a criticism of this bill. Every time he has offered an amendment all of his remarks have been such as would convince any Senator that he does not believe in the provisions of the bill. A Senator with such an elastic political conscience as the Senator from Nevada should not have such a profound knowledge of the evils of party measures.

Mr. President, I rose to emphasize this one thought, that the

conferees of the House and the Senate can not deal with any question that is not found in the House bill or the bill as it

passes the Senate.

I am beginning to believe there is something in the following, and changes are to be made in the bill in conference: A banker friend of mine called on me about three weeks ago and asked me if I would offer an amendment to the bill, and suggested the amendment. I gladly consented to offer the amendment, but about four or five days ago the same gentleman came to me and said, "I do not want you to offer the amendment now; I have made arrangements to have it put in the bill in conference."

I want Senators, when the conference report is made-is submitted to the Senate-to keep this in mind and examine it carefully, and I ask Senators not to approve of a conference report if changes are made in the bill the substance of which is not in the House bill or in the Senate amendment, or, as the Senator from Mississippi [Mr. WILLIAMS] suggests to me, about which there has not been a difference between the Senate and the House.

Mr. President, this bill does not express the judgment of a majority of the Senators. I believe that the majority of this body believe in a central bank, and I wish that the Republican members of the committee had reported to the Senate a bill creating a central bank, "the bank of America," controlled by the Government, the stock of which should be subscribed by the people of this country, with a capital of \$100,000,000, and with authority to rediscount paper in any part of this country at any time for any amount on all classes of notes and obliga-tions that are ordinarily used in the course of business.

If that had been the case, Mr. President, the currency question would have been solved for the next hundred years in this country. This bill, I believe, is but temporary. There are provi-

sions in the bill that I can not approve of. There are other provisions in the bill that I would like to support, but, Mr. President, I can not vote for the bill in its present form. I would not be doing justice to my conscience or to my judgment if I did. I hope the result of the passage of the bill will be all that its friends anticipate for it. I think, Mr. President, that the result will be an inflation of our currency. That may afford the result will be an inflation of our currency. That may afford temporary relief, and tide over our present business depression, but it can only be temporary. I am afraid that it will fail to accomplish in the end what it is contemplated to accomplish.

Mr. President, I agree with a number of the other Senators, who have already stated that all that was necessary to create an elastic currency was to amend the Vreeland-Aldrich bill, reduce the penalties of that measure, and put it into a shape so that the business interests of the country could avail themselves of it in time of stress. Then, we would have had a banking system in this country that would have been far better than this bill will provide. I am quite sure that it would accomplish all that this bill can accomplish, and would have avoided all of the errors that we find in this bill.

I wish that I could vote for the bill, but I can not. I shall

cast my vote against the bill.

Mr. BRANDEGEE. Mr. President, I should feel better than I do if I was as satisfied as the Senator from Utah [Mr. SMOOT] appears to be that this bill when it shall have been

passed would be but temporary.

Mr. President, this country is entitled to the best system of banking and currency that can be made for it. What is now being imposed upon the country is an experiment. The great commercial nations of the world have demonstrated that a central bank with branches is a success as a banking system. I believe in that kind of a system. I know it has succeeded elsewhere under the greatest strain. The present bill proposes, as the Senator from Kansas [Mr. Bristow] has said, a complicated, top-heavy, widespread, loosely joined structure, framed entirely without any previous experience as a guide, and it is proposed to impose it upon the country, which, as other Senators have said, could easily have gotten along for a few years with a very few simple amendments to the existing sys-

tem under which we have prospered so long.

The chief objection I have to the bill is that, instead of providing the best banking and currency system for the country, it gives us what I consider to be about the third best, and a complicated system, inaugurated with a large number of officials, who, after the trouble it will take to get this system established in the country and then get business accustomed to

it, will not be easily disposed of.

Mr. President, believing that this is the wrong system for this country, knowing it to be an experimental one, believing that its adoption will make it more difficult to get the best, which is what this country is entitled to, I shall, without the slightest hesitation, cast my vote against this measure.

The VICE PRESIDENT. The question is, Will the Senate

concur in the amendment made as in Committee of the Whole

as amended?

Mr. LA FOLLETTE. I suppose, Mr. President, amendments

are in order?
The VICE PRESIDENT. Amendments are in order. Under the peculiar condition of this bill the Chair has been compelled to rule that, when once in the Senate and the amendment is concurred in, no further amendments will be in order. amendments are now in order.

Mr. LA FOLLETTE. Mr. President, on page 13, after line 3, I propose to insert as an amendment a separate paragraph. I will say that I am using the print of December 18, which I suppose is the print which the Secretary has at the desk. propose to insert the following:

No United States Senator and no Member of Congress shall be a member of the Federal reserve board, a director of a Federal reserve bank, or an officer, director, or stockholder of any member bank.

The VICE PRESIDENT. The amendment proposed by the Senator from Wisconsin will be stated.

The Secretary. On page 13, at the end of line 3, it is proposed to insert as a separate paragraph:

No United States Senator and no Member of Congress shall be a member of the Federal reserve board, a director of a Federal reserve bank, or an officer, director, or stockholder of any member bank.

[Mr. LA FOLLETTE addressed the Senate. See Appendix.]

Mr. CLARKE of Arkansas. Mr. President, I do not feel myself at liberty at this time to support that amendment, but if the Senator would strike out the words "or stockholder" I would most unhesitatingly advise the chairman of the Committee on Banking and Currency to accept it. I think it states a sound principle and one that ought to be recognized, but I do

not believe we ought to preclude persons from the right to in-

vest in any legitimate enterprise.

Mr. GALLINGER. Mr. President, I rose for the purpose of asking the Senator from Wisconsin if he feels clear in his mind that the words "or stockholder" should be in his amendment? The principle the Senator enunciates, in a general way, is undoubtedly sound, but it occurs to me that that perhaps is going a little too far.

Mr. LA FOLLETTE. Mr. President, I appreciate that that portion of the amendment may strike Members of the Senate as pressing the matter to the limit, and yet on principle it should be a part of the amendment. I appreciate, however, the fact that there might be many stockholders who, on small holdings, might serve in such an official capacity without detriment to the public interest.

I am inclined to accept the suggestion of the Senator from New Hampshire and the Senator from Arkansas, and withdraw the words "or stockholder" from the amendment as I have

offered it.

The VICE PRESIDENT. Now let the amendment be stated. The Secretary. On page 13, after line 3, it is proposed to

No United States Senator and no Member of Congress shall be a member of the Federal reserve board, a director of a Federal reserve bank, or an officer or director of any member bank.

Mr. GALLINGER. I suggest to the Senator from Wisconsin that we are all Members of Congress, and that the term "United States Senator or Member of Congress" should be "or Representative in Congress.

Mr. LA FOLLETTE. I think that is right, too.
Mr. PENROSE. "No Senator or Representative in Congress."
Mr. LA FOLLETTE. I accept that suggestion.
Mr. TOWNSEND. May I ask the Senator from Wisconsin if, under that provision, a Senator or Representative who might wish to go on this board, or whom it was desired to put on the board, could not resign and then go on it? As I understand the Constitution, it would not be possible now to appoint a Member of the Senate or of the House to a place on this board, and the only way he could go on the board would be to resign. One part of the amendment says that no Member of Congress shall be a member of this board. Of course, he could not be, under present conditions.

Mr. LA FOLLETTE. I never knew any Member of the Sen-

ate or House to resign.

Mr. TOWNSEND. Does the Senator from Wisconsin maintain that without his amendment a Member of Congress could be appointed to this Federal board and still retain his seat in Congress?

Mr. LA FOLLETTE. I think he might.
Mr. BURTON. The constitutional provision seems to be

clear in regard to that.

Mr. BRYAN. Mr. President, I suggest that clause 2 of section 6 of Article I of the Constitution makes it impossible for any Member of Congress to be appointed upon the Federal reserve board during the term for which he was elected to office. I will read it:

No Senator or Representative shall, during the time for which he was elected, be appointed to any civil office under the authority of the United States, which shall have been created or the emoluments whereof shall have been increased during such time; and no person holding any office under the United States shall be a Member of either House during his continuance in office.

Mr. THOMAS. I should like to inquire whether he might not be elected a director of one of the Federal reserve banks by the stockholders of the member bank?

Mr. LA FOLLETTE. Yes.

Mr. BRYAN. Oh, he could hold stock, but he could not hold

Mr. THOMAS. That would not be a civil office under the United States.

Mr. LA FOLLETTE. I think that is true; and in order to provide against every possible contingency I think we might very safely adopt this provision.

Mr. WALSH. Mr. President-

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Montana?

Mr. LA FOLLETTE. I do.

Mr. WALSH. It is quite obvious, as a matter of course, that no Member of the present Congress would be eligible to any of these offices. The amendment offered by the Senator from Wisconsin goes further than that, however.

Mr. LA FOLLETTE. Yes. Mr. WALSH. It excludes from appointment to any of these

places any Member of any subsequent Congress.

Mr. BRYAN. Mr. President—

The VICE PRESIDENT. Does the Senator from Wisconsin further yield to the Senator from Florida?

Mr. LA FOLLETTE. I do. Mr. BRYAN. I wish to ask the Senator from Wisconsin whether he has examined the statute that is on the books now, against Members of Congress being employed upon any board, and prohibiting them from practicing before it? Is not the statute we now have broad enough to cover that?

Mr. LA FOLLETTE. I do not believe it is. Mr. BRYAN. Has the Senator examined it?

Mr. LA FOLLETTE. I have looked at it, and I do not think it covers the proposition I have aimed to cover in this amendment. I submit that no harm can possibly come from

the adoption of this amendment.

Mr. WILLIAMS. The word "Senator" ought to be stricken out, because a Senator is a Member of Congress

Mr. LA FOLLETTE. I have made that amendment.

Mr. CLARKE of Arkansas. Mr. President, I am entirely in accord with the principle stated in this amendment, and I should be very glad to see it made part of the bill. In frankness, however, I must say that I am not at liberty to vote for everything I favor. [Laughter.] I am proceeding at this time under a certain self-imposed limitation, which will make it necessary for me to postpone to a more opportune time the accomplishment of all the purposes I have in view. Senator from Oklahoma, as chairman of the Committee on Banking and Currency, chooses to accept what, it seems to me, would be an obvious improvement in the bill, I shall have to keep faith with the brethren by voting against it at this time.

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment adopted as in Committee of the

I ask that the amendment be reported. The VICE PRESIDENT. The Secretary will state it.

Mr. PENROSE. Let us have the amendment read. The VICE PRESIDENT. The Secretary will read the amendment as it is now proposed.

The SECRETARY. On page 13, after line 3, it is proposed to

No Senator or Representative in Congress shall be a member of the Federal reserve board, a director of a Federal reserve bank, or an officer or director of any member bank.

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. LA FOLLETTE. I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The SECRETARY. It is proposed to add, after the amendment just agreed to, the following:

No member of the Federal reserve board, and no director of a Federal reserve bank, and no officer or director of any member bank shall be an officer, director, or stockholder of any other bank, trust company, or insurance company.

[Mr. LA FOLLETTE addressed the Senate. See Appendix.]

The VICE PRESIDENT. The 15 minutes have expired. The question is on the amendment proposed by the Senator from Wisconsin to the amendment.

Mr. GALLINGER. Let it be read, Mr. President.
The Secretary. After the amendment lately agreed to, insert the following words:

No member of the Federal reserve board, and no director of a Federal reserve bank, and no officer or director of any member bank shall be an officer, director, or stockholder of any other bank, trust company, or insurance company.

Mr. OWEN. Mr. President, this bill was drafted on the theory that there was to be an association of the banks of the country, a concentration of all their reserves, under the safeguard and supervision of the power of the United States. In the framing of the bill the Federal reserve board was made to consist exclusively of members appointed by the President of the United States, to be confirmed by the Senate of the United States.

We have a just right to assume that the President will make these selections with great care, with the most careful scrutiny, and that the Senate of the United States will not confirm men who can not be relied upon faithfully and honestly to administer the great trust reposed in them. They have very large powersthe power of summary removal of any officer, of any director, of any employee, of any of these reserve banks. They have the power to name three of the directors of each of these Federal reserve banks. The have the power to name the chairman of the board and the deputy chairman of the board. The chairman of the board will be the Federal reserve agent in charge of the Federal reserve notes, and those notes can not be emitted except through his hands and with his approval.

I have great sympathy with the effort to control those who now exercise the right as private individuals or of their power | ment of the Senator from Wisconsin [Mr. LA FOLLETTE].

as private individuals over the credits of the country. I believe that the report of the Pujo committee was one of the most valuable contributions that we have ever had in the history of this country looking toward a restoration of the rights of the great mass of our people. I am in favor of controlling these interlocking directorates.

This particular provision, offered at this late hour, in this way, contains something that is of value. It contains also provisions that are not of value in this bill. If the provision as the Senator has drawn it should be adopted, it would prevent the member banks from electing members who are officers of their own banks or directors of their own banks as directors of these banks.

Mr. WILLIAMS. Or stockholders. Mr. OWEN. Or stockholders, perhaps.

Now, there are a good many very small banks where a man will be a director in two or three of these little banks. It is a negligible matter. He would be of no more importance than one having stock in a number of grocery stores. They are little banks of \$10,000 here and there and yonder.

The thing which we really want to reach in controlling the interlocking directorates are the big concerns, involving many millions of dollars, where the power is so gigantic that, as the Senator has pointed out, it reaches from one city to another all over the Union, and it is anticipated that that will be done in controlling the question of trusts in this country.

I think the amendment which the Senator has proposed could be modified so as to reach the evil that might be in this bill and be germane to it, but I think it has been drawn too drastically. I should like to have it read again.

The VICE PRESIDENT. The amendment will be again read. The Secretary. It is proposed to insert the following:

No member of the Federal reserve board and no director of a Federal reserve bank and no officer or director of any member bank shall be an officer, director, or stockholder of any other bank, trust company, or insurance company.

Mr. OWEN. I think in drawing the amendment it has been made so drastic as to do some injustice that is not really necessary to be done in order to meet the evil which the Senator has in mind. I should like very much if the Senator would try to amend it so that it would not be objectionable in these minor particulars; but as it is I think it would interfere with the bill as it stands drawn, which contemplates permitting the member banks to choose their representatives.

Mr. BORAH. Mr. President, I am going to move to strike out from the amendment as it stands at this time the words "or insurance company" and then insert, between "bank" and "trust," in the last line, the word "or."

The VICE PRESIDENT. The Senator from Idaho moves to

amend the amendment proposed by the Senator from Wisconsin. The amendment to the amendment will be stated.

The Secretary. Strike out, at the end of the proposed amendment, the words "or insurance company," and before the words "trust company" insert the word "or," so as to read:

No member of the Federal reserve board and no director of a Federal reserve board and no officer or director or any member banks shall be an officer, director, or stockholder of any other bank or trust company.

Mr. LA FOLLETTE. Mr. President, upon that amendment I should like to be heard.

The VICE PRESIDENT. It is a new amendment.

[Mr. LA FOLLETTE addressed the Senate. See Appendix.]

Mr. OWEN. Mr. President, I want the attention of the Senator from Wisconsin to these words in the bill:

No member of the Federal reserve board shall be an officer or director of any bank, banking institution, trust company, or Federal reserve bank nor hold stock in any bank, banking institution, or trust company.

So far the Senator has included that also in his proposition. Mr. LA FOLLETTE. I have. Mr. OWEN. On page 13, in lines 4 and 5, we have provided,

as to six of these directors of Federal banks, that-

No director of class D or of class C shall be an officer, director, employee, or stockholder of any bank.

"A bank," under the interpretation, means a bank or trust company. The Senator has embraced a number of other things in his proposal, which I think would be injurious to the bill in so far as the banks are concerned which we are inviting to come in. We have made this bill about as drastic as we can make it and get their adherence. If we go too far, we may be put in an attitude where they will not come into the organization proposed. In that event we will be left exactly where we started. For that reason I am not able to accept the amend-

ment proposed by the Senator from Wisconsin.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Idaho [Mr. Borah] to the amend-

Mr. GALLINGER. I ask for the yeas and nays on the amend-

ment to the amendment.

Mr. LA FOLLETTE. I ask the Senator from Idaho to withdraw his amendment, and let me have a vote directly on the amendment as I offered it, if he will, after he has submitted whatever observations he has to submit.

Mr. BORAH. I withdraw the amendment to the amendment. Mr. LA FOLLETTE. I ask for the yeas and nays on the

amendment as I presented it.

Mr. CHILTON. I ask that the amendment be stated.

The VICE PRESIDENT. The Secretary will state the amend-

The Secretary. It is proposed to add, after the amendment last agreed to, the following words:

No member of the Federal reserve board and no director of a Federal reserve bank and no officer or director of any member bank shall be an officer, or stockholder of any other bank, trust company, or insurance company.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Wisconsin [Mr. La Follette], which has just been stated, on which he asks for the yeas and

The yeas and nays were ordered, and the Secretary proceeded

to call the roll.

Mr. COLT (when his name was called). I have a pair with the junior Senator from Delaware [Mr. SAULSBURY] and there-

fore withhold my vote,
Mr. SMITH of Georgia (when his name was called). On account of my pair with the senior Senator from Massachusetts [Mr. Lodge] I am not at liberty to vote. If I were at liberty to

vote, I should vote "nay."

Mr. STERLING (when his name was called). I transfer my pair with the senior Senator from Louisiana [Mr. THORNTON] to the Senator from New Mexico [Mr. FALL] and vote. I vote

"yea."
The roll call was concluded.

Mr. FLETCHER. I have a pair with the Senator from Wyo-

ming [Mr. Warren], and in his absence I withhold my vote.

Mr. DU PONT. I have a general pair with the senior Senator from Texas [Mr. Culberson]. I transfer that pair to the junior Senator from Maine [Mr. Burleigh] and vote. I vote

Mr. SMITH of Georgia. I transfer my pair with the Senator from Massachusetts [Mr. Lodge] to the senior Senator from Colorado [Mr. Thomas] and vote. I vote "nay."

The result was announced-yeas 30, nays 51, as follows:

	YE	AS-30.	
Borah Bradley Brady Brandegee Bristow Clapp Crawford Cummins	du Pont Gallinger Gronna Hitchcock Jones Kenyon La Follette Lane	McCumber McLean Nelson Norris Penrose Perkins Poindexter Root	Sherman Smith, Mich. Sterling Sutherland Townsend Works
	NA	YS-51.	
Ashurst Bacon Bankhead Bryan Catron Chamberlain Chilton Clarke, Ark, Dillingham Goff Gore Hollis Hughes	Jackson James Johnson Kern Lea Lewis Lippitt Martin, Va. Martine, N. J. Myers Newlands O'Gorman Oliver	Overman Owen Page Pittman Pomerene Ransdell Reed Robinson Shafroth Sheppard Shields Shively Simmons	Smith, Ariz, Smith, Ga. Smith, Md. Smith, S. C. Smoot Swanson Thompson Tillman Vardaman Walsh Weeks
Hugard		OTING-14.	
Burleigh Burton Clark, Wyo. Colt	Culberson Fall Fletcher Lodge	Saulsbury Stephenson Stone Thomas	Thornton Warren

So Mr. LA FOLLETTE's amendment to the amendment was re-

lected.

The VICE PRESIDENT. The question is, Will the Senate concur in the amendment made as in Committee of the Whole as amended in the Senate?

The amendment made as in Committee of the Whole as

amended in the Senate was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The VICE PRESIDENT. The question is, Shall the bill

Mr. OWEN. I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CLARK of Wyoming (when his name was called). have a general pair with the senior Senator from Missouri [Mr. Stone], who is ill and unable to attend the sessions of the

Senate. I therefore withhold my vote. If I were at-liberty to vote, I should vote "nay."

Mr. SHEPPARD (when Mr. Culberson's name was called). The senior Senator from Texas [Mr. Culberson] is necessarily absent. He has a general pair with the Senator from Delaware [Mr. DU PONT]. If present, the senior Senator from Texas would vote "yea."

Mr. DU PONT (when his name was called). I have a general

pair with the senior Senator from Texas [Mr. Culberson]. transfer that pair to the junior Senator from Maine [Mr. Bur-LEIGH]. I am authorized to state that, if the Senator from Maine were present, he would vote against the bill. I vote "nay."

Mr. SMITH of Georgia (when his name was called). general pair with the senior Senator from Massachusetts If I were at liberty to vote, I should vote "yea."

Mr. STERLING (when his name was called). The senior Senator from Louisiana [Mr. THORNTON], with whom I have a pair, I know would, if present, vote "yea," and therefore I feel at liberty to vote. I vote "yea."

Mr. REED (when Mr. STONE's name was called). My col-

league [Mr. STONE] is compelled to remain away from the Senate on account of illness. He is paired with the Senator from Wyoming [Mr. Clark]. If he were present, my colleague would vote "yea.

Mr. RANSDELL (when Mr. Thornton's name was called). The senior Senator from Louisiana [Mr. Thornton] is unavoidably absent. If present, he would vote "yea."

The roll call was concluded.

Mr. SMITH of Georgia. I transfer my pair with the senior Senator from Massachusetts [Mr. Lodge] to the senior Senator from Louisiana [Mr. THORNTON] and vote "yea."

Mr. WEEKS. As the junior Senator from Georgia [Mr. SMITH] has announced, my colleague [Mr. Lodge] has a general pair with him. If my colleague were present, he would vote "nay."

Mr. GALLINGER. I desire to announce that the absence of the junior Senator from Maine [Mr. Burleigh] is on account of illness. He is paired, and wished to have it announced that he would vote against the bill if he were present and privileged

The result was announced-yeas 54, nays 34, as follows:

	3.10	IAN UT.	
Ashurst Bacon Bankhead Bryan Chilton Clarke, Ark. Crawford Fletcher Gore Hitchcock Hollis Hughes James	Johnson Jones Kern Lane Lea Lewis Martin, Va, Martine, N. J. Myers Newlands Norris O'Gorman Overman	Perkins Pittman Poindexter Pomerene Ransdell Reed Robinson Saulsbury Shafroth Sheppard Shields Shively Simmons Smith, Ariz,	Smith, Ga. Smith, Md. Smith, S. C. Sterling Swanson Thomas Thompson Tillman Vardaman Walsh Weeks Williams
Borah Bradley Brady Brandegee Bristow Burton Catron Clapp Colt	Cummins Dillingham du Pont Gallinger Goff Gronna Jackson Kenyon La Follette	Lippitt McCumber McLean Nelson Oliver Page Penrose Root Root VOTING—7.	Smith, Mich. Smoot Stephenson I. Sutherland Townsend Warren Works
Burleigh Clark, Wyo.	Culberson Fall	Lodge Stone	Thornton

So the bill was passed.

Mr. OWEN. Mr. President, I move that the Senate request a conference with the other House upon the bill and amendment. On account of the great importance of the bill, I am authorized by the committee to move that nine conferees be appointed on behalf of the Senate.

The motion was agreed to.
The VICE PRESIDENT. Is the Chair to appoint the conferees on the part of the Senate?

Mr. OWEN. I should be glad to have the Chair do so. The VICE PRESIDENT. The Chair appoints Messrs. Owen, O'GORMAN, REED, POMERENE, SHAFROTH, HOLLIS, NELSON, BRIS-TOW, and CRAWFORD.

Mr. GALLINGER. Mr. President, I should like to have the

names of the conferees stated from the desk.

The VICE PRESIDENT. Messrs. Owen, O'GORMAN, REED, Pomerene, Shafroth, Hollis, Nelson, Bristow, and Crawford, Mr. KERN. Mr. President, I move that the Senate adjourn until 12 o'clock noon to-morrow.

The motion was agreed to; and (at 7 o'clock and 45 minutes p. m.) the Senate adjourned until to-morrow, Saturday, December 20, 1913, at 12 o'clock m.

HOUSE OF REPRESENTATIVES.

FRIDAY, December 19, 1913.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the fol-

lowing prayer:

"In the world ye shall have tribulation, but be of good cheer; I have overcome the world." We thank Thee, our Father in heaven, for those blessed and altogether reassuring words which fell from the lips of the Master. He had met life, its trials, temptations; drank deep of its sorrows and disappointments, yet rose supremely above them all by a complete surrender of selfish ambitions to the burning needs of the hour and had heard "This is my beloved Son in whom I am well pleased." What has been done may be done again, but not without struggles, trials, and temptations; but at last if we shall rise to the sublime heights of that nobility of soul which loses itself in a labor of love, we shall have overcome the world in the reflection of God's eternal love. Thus may we attain under the superb leadership of the world's great Exemplar.

The Journal of the proceedings of yesterday was read and approved.

EXPENSES OF REPRESENTATIVES OF THE UNITED STATES AT THE INTERNATIONAL MARITIME CONFERENCE FOR SAFETY OF LIFE AT

Mr. FITZGERALD. Mr. Speaker, by direction of the Committee on Appropriations I report the following bill and ask for its immediate consideration. (H. Rept. 155.)

The SPEAKER. The gentleman from New York reports a bill which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 11003) to provide for expenses of representatives of the United States at the International Maritime Conference for Safety of Life at Sea.

Mr. FITZGERALD. Mr. Speaker, I ask unanimous consent for its present consideration in the House as in Committee of

the Whole House on the state of the Union.

The SPEAKER. The gentleman from New York [Mr. Fitz-GERALD] asks unanimous consent for the present consideration of the bill-

Mr. MANN.

Mr. MANN. Let it be read first. The SPEAKER. The Clerk will read the bill.

The Clerk read as follows:

Be it enactel, etc., That for the expenses of the representatives of the United States at the International Maritime Conference for Safety of Life at Sea, now in session at London, there is appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000 in addition to the appropriation of \$10,000 made in the joint resolution approved June 28, 1912, entitled "Joint resolution proposing an international maritime conference."

The SPEAKER. The gentleman from New York asks unanimous consent for the present consideration of the bill just reported in the House as in Committee of the Whole House on the state of the Union. Is there objection to either one of these requests-for present consideration or to consider it in the House? [After a pause.] The Chair hears none.

Mr. MANN. Mr. Speaker, will the gentleman yield?

Mr. FITZGERALD. Yes. Mr. MANN. This International Maritime Conference, I be-

lieve, was projected by the United States?

Mr. FITZGERALD. It was called practically upon the initiative of the United States and is the result of a resolution passed by the Congress

Mr. MANN. This is the conference which Judge Alexander, of Missouri, is now attending?

Mr. FITZGERALD. The same one.
Mr. MANN. What is the occasion for the increase in the Mr. MANN.

appropriation?

Mr. FITZGERALD. In pursuance of the joint resolution which was adopted by Congress, Great Britain called this International Maritime Conference, and, under the authority given in the joint resolution, 12 representatives were appointed on behalf of the United States to represent the United States in that conference, which is being held in London. Ten of the persons appointed went abroad and are participating in the conference. It commenced on the 12th day of November. Under date of December 12, Judge Alexander sent a cablegram to the President of the United States that Lord Mersey, who is chairman of the conference, states that it will be impossible for the conference to conclude its work before the 15th of January, and that unless \$5,000 additional is appropriated to defray the expenses of the American representatives it will be necessary for them to withdraw; that it would be considered very unfortunate if, from a conference called on the initiative of the United States, its representatives were compelled to withdraw before the completion of the conference because of a lack of a few thousand dollars. By the investigation had by the Committee on Appropriations information was obtained that the funds hitherto appropriated are sufficient to defray the expenses of the commission until about the 27th day of this month; so that if the representatives of the United States are to continue to participate in the conference it is important that legislation which would practically give them that authority becomes a law before the holiday recess

Mr. MANN. Is the gentleman able to say what expenses are paid? Are they merely traveling expenses and expenses of

persons while over there in London?

Mr. FITZGERALD. The representative of the State Department stated that \$2,000 was reserved out of the \$10,000 to

cover traveling expenses. The balance was placed to the credit of the members of the commission, if they might be termed a commission, and Capt. Cooper, of the Navy, who was one of those appointed to represent the United States, has been designated as the special dis-

bursing officer.

The State Department representative said that, in addition to the living expenses while abroad, he believed that the American representatives would have to do some slight entertaining in return for the courtesies extended to them.

Mr. MANN. There is no pay to any of the representatives?

Mr. FITZGERALD. No pay.

They are all officers of the Government?

Mr. FITZGERALD. Not all officers. Those designated to represent the United States were Judge Alexander, the chairman of the Committee on the Merchant Marine and Fisheries; Senator Fletcher, Senator Burton; the Commissioner of Navi gation, Mr. Chamberlain; Capt. Bertholf, of the Revenue-Cutter Service; Rear Admiral Capps, formerly Chief Constructor of the Navy; Mr. Ferguson, president of the Newport News Shipbuilding Co.; Mr. Smith, president of the New York & Cuba Mail Steamship Co.; Mr. Andrew Furuseth, president of the International Seamen's Association; Capt. Ballard, of the Navy, who is in charge of the wireless station at Arlington; Gen. Uhler, the Supervising General of the Steamboat-Inspection Service. With the exception of Senators Burton and Fletcher, they are abroad attending the conference.

Mr. MANN. As I understand, then, unless this additional appropriation is made, our delegates to that conference that we started will not be able to continue until the conference con-

cludes its labor?

Mr. FITZGERALD. That is the information.

Mr. MANN. Will the gentleman let me ask him one other question? Agreeing with him on the propriety of this bill at this time, is it the policy of the Committee on Appropriations to authorize and report a general deficiency bill or report these little bills in driblets, one at a time, carrying \$5,000, so that it may string them out at the request of the departments for a long time?

Mr. FITZGERALD. Mr. Speaker, that is not the policy of the Committee on Appropriations. In the last regular session of Congress there was no urgent deficiency bill at all. The committee reported the general deficiency bill and no urgent deficiency bill or special resolutions to take care of emergency cases. It has been the practice on the part of some persons in the executive departments of the Government to imagine that Congress sits merely to obey the requests or demands or suggestions that are made that money be appropriated out of hand whenever it is believed in the departments to be desirable that money be appropriated.

In order that the House may conduct its business in a systematic, orderly, and proper manner, as long as anybody can recall, it has been the custom to make provision in the deficiency bills at each regular session of Congress for moneys urgently required in addition to the appropriations carried in the general appropriation bills for the fiscal year. And it is the policy, and it will be the practice, of the Committee on Appropriations not to appropriate these additional moneys in driblets, or spasmodically, but to compel the departments to submit in an orderly manner estimates for deficiency appropriations and have them included in the general deficiency bill, and such as may be of imperative necessity at the outset of the session in an urgent deficiency bill, and then to permit the departments to accommodate themselves to the law and the funds provided in that manner.

Mr. MANN. Does the gentleman think it is possible to get the departments to understand that very necessary thing?

Mr. FITZGERALD. I do not know whether they will get to understand it, but they will not get money in any manner other than indicated if it were not for the fact that the information before the committee is to the effect that this appropriation will be exhausted by the 27th of December, and that

the representatives of the United States would not feel justified in continuing to participate in the conference beyond the time the money would meet their expenses, the committee would not have acted in this instance. I may say further, that it was anticipated when the conference commenced that it would be completed within six weeks, and, if that expectation had been realized, there would have been no necessity for additional funds.

Mr. Speaker, I ask for a vote. The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time,

was read the third time, and passed. On motion of Mr. FITZGERALD, a motion to reconsider the vote by which the bill was passed was laid on the table.

CHANGE OF REFERENCE.

By unanimous consent, the Committee on the Post Office and Post Roads was discharged from further consideration of the bill (H. R. 10849) to provide for the construction and maintenance of post roads, etc., and the same was referred to the Committee on Roads.

EXTENSION OF REMARKS.

Mr. EDWARDS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by inserting some data con-coning a bill (H. R. 11009) that I introduced this morning for an additional United States district judge in the State of Georgia

The SPEAKER. The gentleman from Georgia [Mr. EDWARDS] asks unanimous consent to print in the Record some data which he has applying to a bill which he introduced to-day concerning a United States judge in Georgia. Is there objection? Mr. MANN. How long is it?

Mr. EDWARDS. It is just a brief statement, The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. PAGE of North Carolina. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10523, the District appropriation bill.

The SPEAKER. The gentleman from North Carolina [Mr. moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10523, the District of Columbia appropriation bill. The question is on agreeing to that motion.

The motion was agreed to. Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. HULL in the

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10523. When the committee rose yesterday the gentleman from Kentucky [Mr. Johnson] was in the act of offering an amendment. The Clerk will report the amendment which the gentleman offered from the floor. The gentle-

man from Kentucky will send the amendment to the desk.

Mr. JOHNSON of Kentucky. The amendment, Mr. Chairman,

is printed in the RECORD. I have not a copy of it.
The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Amend the paragraph, beginning line 10, page 9, by adding at the end of the paragraph, on line 18, the following: "Provided, That none of the officers, clerks, or other employees provided for in this paragraph shall receive or accept compensation of any kind from, or perform any work or render any services of a character required of them officially by the District of Columbia."

Mr. PAGE of North Carolina. Mr. Chairman, I reserve a

point of order against the amendment.
The CHAIRMAN. The gentleman from North Carolina re-

serves a point of order against the amendment,
Mr. JOHNSON of Kentucky. Mr. Chairman, I concede the point of order.

The CHAIRMAN. Does the gentleman from North Carolina

make the point of order?

Mr. PAGE of North Carolina. I make the point of order.

The CHAIRMAN. The point of order is sustained. Clerk will read.

Mr. PAGE of North Carolina. Mr. Chairman, before proceeding with the reading of the bill, if agreeable I would like to refer back to an item passed over yesterday in connection with point of order made by the gentleman from Illinois [Mr.

The CHAIRMAN. Without objection, that will be done. There was no objection.

Mr. PAGE of North Carolina. It refers to the salary of the attorney for the District, the corporation counsel, on page 6 of the bill.

The CHAIRMAN. The Clerk will read the paragraph.

The Clerk read as follows:

Page 6, lines 3, 4, 5, 6, and 7:
"Office of corporation counsel: Corporation counsel, \$4,500; first assistant, \$2,500; second assistant, \$1,800; third assistant, \$1,600; fourth assistant, \$1,500; fifth assistant, \$1,500; stenographers—one, \$1,200, one \$840; clerk, \$720; in all, \$16,160."

Mr. PAGE of North Carolina. Mr. Chairman, on yesterday, when this item was passed over, it was on a question of whether or not the salary of this particular official was fixed by statute; and the gentleman from Illinois [Mr. Fowler] having made the point of order, I was disposed to put the burden upon him of showing that there was a statutory law fixing the salary of this office.

I am prepared this morning to make the statement that the salary of this official is not fixed by statutory law, and that the point of order is not well taken. The office is created by statute, but the salary is not fixed by that statute or fixed by law other than in an appropriation bill.

The CHALDMAN Is it the contlement's contention that the

The CHAIRMAN. Is it the gentleman's contention that the point of order is not well taken?

Mr. PAGE of North Carolina. My contention is that the point of order is not well taken.

point of order is not well taken.

Mr. FOWLER. Mr. Chairman—
Mr. PAGE of North Carolina. Mr. Chairman, before the gentleman from Illinois proceeds I would like to say that the statute can be found in the Code of Laws of the District of Columbia, on page 244, section 932. It provides for an attorney for the District of Columbia, hereafter to be known as the corporation counsel, or city solicitor, as the law was then, since changed to corporation counsel, without any reference whatever changed to corporation counsel, without any reference whatever to the salary that he shall receive. I make the point of order that his salary is not fixed by law and that the gentleman's point of order will not lie.

The CHAIRMAN. The Chair would inquire has that statute

been repealed?

Mr. PAGE of North Carolina. That statute has not been re-

pealed and is in force to-day.

Mr. FOWLER. Mr. Chairman, I desire to say that the salary of the corporation counsel is fixed by statute, notwithstanding the statement of the distinguished gentleman from North Carolina.

In 1871, in the Acts of the First Legislative Assembly of the District of Columbia, on page 150, section 18, there was an enactment passed fixing the salary. That section reads as fol-

The CHAIRMAN. May the Chair inquire whether that act is subsequent to the date of the act read by the gentleman from North Carolina?

Mr. FOWIER. There is so much noise around me, Mr. Chairman, that I could not understand the question propounded by the Chair.

The CHAIRMAN. The gentleman will proceed, then. Mr. FOWLER. Section 18 of that act reads as follows:

That the attorney for the District of Columbia shall be under the direction of the governor—

Mr. PAGE of North Carolina. I should like to ask what act the gentleman is reading?

Mr. FOWLER. I have just stated.

Mr. PAGE of North Carolina. In the confusion I did not hear the gentleman, and I was paying attention.

Mr. FOWLER. It is section 18 of an act passed by the First Legislative Assembly of the District of Columbia, August 23, 1871, and it reads as follows:

SEC. 18. That the attorney for the District of Columbia shall be under the direction of the governor and have charge and conduct of all law business of the said District and all suits instituted by and against the government thereof. He shall furnish opinions in writing to the governor, either branch of the legislative assembly, or any committee thereof, whenever requested to do so. All requests for opinions shall be transmitted through the governor and a record thereof kept, with the opinions, in the office of the secretary of the District. He shall perform such other professional duties as may be required of him by the governor. He shall receive an annual compensation of \$3,000.

Now, Mr. Chairman, that act has never been changed since

its enactment, so far as fixing the salary at \$3,000.

It is true that this is an act of the Legislative Assembly of the District of Columbia, but that very same act which fixed the salary then has been carried in subsequent appropriations and in subsequent acts dealing therewith, and has never been changed, with the exception of once, and that was to give the Commissioners of the District of Columbia the power to reduce it 20 per cent.

Mr. FITZGERALD. What was the title of that office, if the gentleman will state?

Mr. FOWLER. Attorney for the District.

Mr. Chairman, by an act of Congress entitled "An act to establish a Code of Law for the District of Columbia," approved March 3, 1901, Thirty-first Statutes at Large, pages 1189 to 1439, it was declared in section 932, page 1340:

The attorney for the District of Columbia shall hereafter be known as the city solicitor.

The act approved June 30, 1902, Thirty-second Statutes at Large, part 1, pages 520 to 546, inclusive, entitled "An act to amend an act entitled 'An act to establish a Code of Law for the District of Columbia,'" amended section 932, the same section referred to, so as to substitute the words "corporation counsel" for the words "city solicitor," page 537; but the code did not either create the office or fix the compensation, nor does the code set forth or prescribe the duties of the office, except that in section 932 it says:

Prosecutions for violations of all police or municipal ordinances or regulations and for violations of all penal statutes in the nature of police or municipal regulations, where the maximum punishment is a fine only or imprisonment not exceeding one year, shall be conducted in the name of the District of Columbia and by the city solicitor or his assistants.

In that act he was referred to as the "city solicitor," notwithstanding in the act of 1901 his official name had been changed to "corporation counsel."

Mr. Chairman, as long as the legislative assembly existed the salary of the attorney was \$3,000 a year, and it has so remained until by legislation on appropriation bills it has been increased without authority.

In the act of June 26, 1873, it was provided as follows:

For salary of attorney, \$3,000.

That is found in the printed session acts of the third legis-

lative assembly, pages 86 to 88.

The governor and legislative assembly were displaced in 1874 by the act of Congress entitled "An act for the government of the District of Columbia, and for other purposes," June 20 of that year. (18 Stat. L., pp. 116-121.) That act, which puts the District government provisionally into the hands of three commissioners, provided, among other things, as follows (18 Stat. L., pp. 116-117):

And said commissioners are hereby authorized to abolish any office, to consolidate two or more offices, reduce the number of employees, remove from office, and make appointments to any office authorized by law; and the compensation of all officers and employees, except teachers in the public schools and officers and employees in the fire department, shall be reduced 20 per cent per annum.

The CHAIRMAN. Will the gentleman allow an inquiry right there?

Mr. FOWLER. Certainly.

The CHAIRMAN. Is it the contention of the gentleman that an act of the Territorial legislature which fixed the salary governs Congress, under the rule which he now invokes, or do only the laws of Congress apply under the rule which the gentleman

invokes to sustain his point of order?

Mr. FOWLER. This statute to which I have just referred was passed in 1873, and the salary of the attorney was \$3,000. I am trying to carry on in a systematic way the different statutes which have dealt with this salary and with the changes in the name given to the office by public acts. I think, Mr. Chairman, that the legislative acts which have taken place since the abolition of the Territorial form of government which the District once had have been of such a character as to carry out the salary of the district attorney as it was at the time when such government existed in the District.

When the Postmaster General's department was created he received before that time \$1,000, and the provision of the statute creating it provided that he should receive the same salary paid to this office under our confederation. That is my recollection. So the salary that was received for that character of work before the passage of the Constitution was fixed as the salary of the Postmaster General in a similar way as is the case of this corporation counsel. In 1875 (18 Stat. L., pp. 501 to 505, inclusive), and also by the statutes of 1876 (19 Stat. L., p. 87), the following language was carried in that act:

That the Commissioners of the District, or their successors in office, are hereby authorized to reduce, adjust, and equalize the pay or salaries of all officers or employees payable from the funds of the District government, in whole or in part: Provided, however, That the aggregate sum of pay and salaries shall not be increased.

That statute undertook to confer the power on the Commissioners of the District of Columbia to regulate certain salaries of officers in the District, but there was a limitation imposed to the extent that the salaries of the officers should not be changed in the aggregate. And every statute which has been passed since the salary was fixed in 1871 at \$3,000, it has always referred to the existing salary and placed a limitation upon the increase

In the sundry civil appropriation act approved March 3, 1875 (18 Stat. L., pp. 371 to 402, inclusive), was the following provision:

To be expended by the Commissioners of the District.

But it inserted the following provision:

No salaries to be changed from the standard fixed under the act of June 20, 1874.

Now, that was the act of March 3, 1875, in the sundry civil appropriation bill, for the benefit of the District of Columbia. The provisional government of the District by three commissioners obtained until 1878. By an act of Congress of that year, Statutes at Large, volume 20, pages 120 to 189, the form of government was changed, and we have been under that change ever since, as I understand.

Congress provided in the act of 1801 that the United States should have an attorney for the District of Columbia, and it was not until 1871 that Congress created the District of Columbia, as it has continued to be ever since, a body corporate for municipal purposes, making the District a municipality, the successor of these parties.

As will be seen, Mr. Chairman, from the foregoing, the official name of the attorney of the municipality of the District has been changed by Congress from attorney to city solicitor, and then to corporation counsel, which name the officer bears at the present time. Congress never did create the office, Congress never did define his duties, never has fixed any compensation different from what has been set forth in the statutes which I have read; that is, that they referred to the salary which had been fixed at \$3,000, saying repeatedly that the salary should not be increased in the aggregate; and in no place has Congress ever provided for a change, except what was provided in 1871, when it was fixed at \$3,000.

Mr. Chairman, I challenge the gentlemen on the other side to show an act of Congress since the adoption of the plan of government for the District of Columbia as it exists to-day wherein the salary of the district attorney or the counsel for the city or the corporation counsel has ever been changed from that fixed

by the act of 1871 above read, fixing it at \$3,000.

Mr. Chairman, in all of these acts which I have read-and I have read all of them-none have escaped my attention, because last year, when I made a point of order against this increase of salary in the face of existing law I was overruled, and I have gone into the matter, even yesterday, running down every act that has been passed since 1871. For 35 years this officer has been drawing a salary from the District and the Government of the United States in the face of the existing law, and we have paid out more than \$35,000 unlawfully. It ought to be returned to the treasury of the District of Columbia and the United States. I say, Mr. Chairman, that it is as wrong to violate a civil statute as it is to violate a criminal one, except that it is a little more dangerous to violate a criminal statute. The moral turpitude which involves the violation of the one is as great as that involved in the violation of the other. Mr. Chairman, before the Chair passes on this question, if he desires, I will be very glad to submit my brief—
Mr. FITZGERALD. I hope we will have time to file one in

Mr. FOWLER. Oh, certainly. I never have been so deaf or dumb but what I have invited every living good man on earth, when he competed with me in any matter, to get no lower than the plane on which I occupied.

Mr. FITZGERALD. I would not want to get so high up in

the air as the gentleman is.

Mr. FOWLER. Mr. Chairman, I heard a story told of Tom Merritt, once a member of the Illinois Legislature on one occasion, which illustrates this situation. He was very much disturbed when a gentleman visited his room. He was asked what was the matter, and he said he was looking around for a valise. The gentleman asked him what it was. Tom stuttered out, say-S-s-s-some d-d-d-darned fool come up and v-v-y-y-velled f-f-f-fire last night and r-r-r-run into my r-r-r-room and threw my gr-gr-grip out of the window." The man said: "Why don't you make him go down and get it?" Tom replied: "The d-d-darned thing went up." [Laughter.]

Mr. Chairman, I hope that no one in this House will ever be light enough to go up until he dies, and then I hope all will go

up. I insist on my point of order.

Mr. PAGE of North Carolina. Mr. Chairman, the gentleman from Illinois, in referring to my statement that this salary was not fixed by law, said that it was, notwithstanding that statement. I-desire to say that I was not ignorant of the statute which he cited of the one legislature that had existed in the District of Columbia, a body that Congress has never taken the slightest notice of, and one that everybody else has tried to

I was basing my argument against the point of order upon what Congress has done in connection with the salary of this particular official. The history of that salary and of that legislation is this: The salary of the attorney for the District was first specifically appropriated for by Congress at \$4,000 per annum in the sundry civil act for the fiscal year 1880, and was annually provided therefor in that sum until the fiscal year 1903

Mr. FOWLER. Will the gentleman yield?

Mr. PAGE of North Carolina. One moment-when the title was changed to that of city solicitor and the salary was provided for at the rate of \$4,500 per annum. At that sum it has continued until this time. As I cited to the Chairman a little while ago, section 932 of the District Code in terms changed the title to that of corporation counsel.

Will the gentleman yield before he leaves Mr. FOWLER.

Mr. PAGE of North Carolina. Certainly. Mr. FOWLER. Mr. Chairman, I think the gentleman is mistaken in his date as to the time when the corporation counsel

began to draw \$4,000.

Mr. PAGE of North Carolina. I will say to the gentleman that the records of the appropriations of the Congress of the United States, in the sundry civil bill for the fiscal year 1880, show that the salary was carried at \$4,000 per annum, the gentleman's statement to the contrary notwithstanding.

Mr. FOWLER. I am not stating to the contrary, but I state

that it does, but that it went back further than that.

Mr. PAGE of North Carolina. I did not go back any further than that.

Mr. FOWLER. It went back to 1878.
Mr. PAGE of North Carolina. That is since the enactment of the legislation under which appropriations are now made for the maintenance of the government of the District of Co-

Mr. MANN. Mr. Chairman, will the gentleman yield?

Mr. PAGE of North Carolina. Certainly.

Mr. MANN. Is it the same office?

Mr. PAGE of North Carolina. No; it is not the same office as to title. I presume that the duties of the office are the same. I can not say specifically about that. It has been enlarged, no doubt, as the years have gone by and the amount and variety of work have become greater.

Mr. MANN. After the abolition of the District government, did Congress make an appropriation for this office because it had been provided by the District government, or did Congress make an appropriation because it was providing for the District

needs?

Mr. PAGE of North Carolina. I presume it was made by Congress because of the needs of the District. No reference is made to the fixing of the salary in any of the acts making appropriation for it, nor is there any other reference to the legislature of the District of Columbia, which has been cited by the gentleman from Illinois.

Mr. MANN. Is there anything to show that this office now is an office that Congress continued, because it was created by

the District legislature?

Mr. PAGE of North Carolina. Nothing that I have been able to find. Now, Mr. Chairman, I want to say further in reference to the point of order made by the gentleman from Illinois, that year ago, in the District of Columbia appropriation bill for 1914 reported to this House from the Committee on Appropriations, the salary of this officer was fixed at \$5,000, and against that \$5,000, not \$4,500, the gentleman made his point of order, and it was sustained as to the \$500 increase which went out, but the total of \$4,500 in this bill was sustained by the ruling of the Chair at the time. I do not care to prolong this discus-The salient facts have been given to the Chair, and your committee, as far as I am concerned, is ready to drop the case

Mr. FOWLER. Mr. Chairman, may I be permitted to answer the inquiry of the gentleman from Illinois-

The CHAIRMAN. The gentleman from Illinois is recognized. Mr. FOWLER (continuing). As to whether Congress had made appropriations for this office because of its having been created by the District government or for some other purposes? I will state, Mr. Chairman, that in examining these acts I find the Government not only carried an appropriation for the attorney for the District, but it carried an appropriation for other offices which had been created during the District government, and that the duties of the District attorney or city counsel or corporation counsel has always been one and the same and confined to the same line of duties, and that all appropriations that have been made subsequent to 1878, from the time that the territorial form of government was abolished,

have carried the appropriation for this office for the same duties

without any changes except in name.

The CHAIRMAN. The Chair was unable to follow the gentleman in the citations he read and would like to inquire of him as to which particular act of Congress he cites which undertakes to fix the salary of the corporation counsel, either as an original proposition or by ratifying the salary as fixed by the act of the Territorial government.

Mr. FOWLER. The act of 1871 of the Territorial government, Mr. Chairman, fixes the salary at \$3,000. The act of 1875 and the same act of 1876 provided that there should be no increase in the salary, and subsequent to the act of 1878, as I recall, no provision has been enacted for the increase in the salary or any change in salary whatever, except by current law.

Mr. SISSON. Will the gentleman permit one interruption?

Mr. FOWLER. I will.

Mr. SISSON. As a matter of fact, there is nothing at all in any of those acts that prevents the Congress changing the salaries. They simply provided that in the readjustment of offices and in the reclassification of the duties of the offices under the old legislative act that the Commissioners of the District should not change the aggregate of the salaries, but you do not find in any of those acts that Congress could not change the salary of this officer. The contention of the committee is that this office was created and is an office and after the old Territorial government was abolished that Congress then provided that this officer, holding the office under the legislative provisions of the old Territorial legislature, should continue in office until the new commissioners could readjust the offices and readjust their duties, but it was a limitation placed upon their power in readjusting them that the commissioners could not increase salaries. That limitation was against the commissioners and not against the Congress.

Mr. FOWLER. In reply, Mr. Chairman, I desire to say there is no contention on my part that Congress has not the full and ample power at any time to change the salaries of the officers. It has repeatedly done that, though criticized by the public, and it might change the salary of this attorney for the District of Columbia at any time it deems proper to pass an act of that character. It could do that by the current law or it could do it by a permanent law, but when it is attempted by current law it is subject to a point of order, which ought to be sustained as a check to unlawful appropriations in the face of existing law.

Mr. FITZGERALD. Mr. Chairman, for 23 years the corporation counsel of the District of Columbia was paid at the rate of \$4,000 a year, and for 12 years subsequently at the rate of \$4,500 a year, so that for 35 years a compensation in excess of \$3,000 a year has been paid to the man charged under the law with the important duties of conducting the law business for the District of Columbia. Evidently some person with very little to do, but harboring a grievance of some kind, has laboriously picked out of the statutes all the antique provisions regarding the government of the District of Columbia more than 42 years ago in order to enable the gentleman from Illinois to base an argument in favor of the proposition that the compensation of this official is only \$3,000 a year.

I would not mention this fact, Mr. Chairman, were it not that many who read the Congressional Record are not quite so familiar with public affairs as men in the House, and some might take seriously the statement of the gentleman from Illinois [Mr. Fowler] that over \$35,000 has been illegally paid to some one occupying this office; that it was paid in violation of the law, and that it ought to be recovered and paid back into the Treasury. There ought to be some rule of the House that would prevent the wasting of valuable time and the wasting of valuable money in printing such ridiculous statements as the ones to which I have referred.

I have some knowledge of the duties of the official now known as the corporation counsel in the District government, and I am somewhat surprised that even for the glory and the distinction and the honor of holding public office a lawyer of the capacity, rank, and ability that is necessary to fit a man to discharge the duties of this office could be obtained in the Dis-

trict of Columbia at a compensation of \$4,500.

I do not know that I have ever been charged here with being extravagant or with favoring unfair or undue compensation for public officials. But anyone who knows anything about the extent of the law business of this community and the great responsibilities devolving upon this official can not help but be surprised at the fact that lawyers of high type and of great capacity have been found to take the place at the compensation offered, for the distinction which goes with the fact that he is the chief law officer of the community in which he resides. How ridiculous it is, Mr. Chairman, that for 35 years appropriations have been made by Congress—of \$4,000 for 23 years for the chief law officer of the District, and then for the next 12 years for \$4,500, and not to one particular individual but to the many men who from time to time have held this office-how ridiculous it is to go back to that old discredited legislature of the District of Columbia and attempt to set its action up here as the law controlling the Congress of the United States in appropriating money for the compensation of the officials of the government.

We have taken already, Mr. Chairman, so much time of the House on this question that, if computed in money, would pay the compensation of the corporation counsel of the District of Columbia for the remainder of the present administration. hope that the Chair will rule on this question and settle it, and I hope that nobody who reads the RECORD will get the impression, or will retain it long, that money has been filegally, improperly, unjustly, and improvidently paid to various occupants of this office. I know from my examinations as a member of the Committee on Appropriations during nine years the services rendered have more than justified the payment not only of the sums already appropriated but the payment of much larger compensation

Mr. FOWLER. Mr. Chairman, I feel much surprised at the position of the distinguished chairman of the Committee on Appropriations in his opposition to an effort here on the floor of this House to keep legislation well within the bounds of decency and existing law.

Mr. Chairman, all the salaries of the various departments of this Government ought to be regulated; they ought to be fixed by statutory law, so as to prevent favoritism and what is some-times termed graft. The effort which I have made for the purpose of enforcing the law of the land and protecting the people of this country is in the very best of faith. When I was in my swaddling clothes here as a Member of Congress, I was confronted with appropriation bills coming from the hand of this distinguished chairman, every one of which had an increase of salary of big men in violation of existing law. When I made points of order against them the gentleman threatened to bring in a rule to pass a bill without giving me an opportunity to pick the pin feathers off his bills so that the meat of his injustice could be revealed and exposed. Now he comes with the same tactics in this case. Let men come on the floor of this House with clean hands and decent legislation before they undertake to impugn the motives of other Members who seek to keep legis-

lation in harmony with the law and for good government.

Mr. FITZGERALD. I hope the gentleman will keep that statement in mind when he helps to make up the Post Office appropriation bill.

Mr. FOWLER. I have kept it in mind.

Mr. FITZGERALD. He has not lived up to it.
Mr. FOWLER. I have interposed, if I may be excused, amendments to that bill saving more than a half million of

Mr. FITZGERALD. My information is that the gentleman has favored amendments which added several millions to it contrary to existing law.

The CHAIRMAN. The Chair is ready to rule.

Mr. FOWLER. Mr. Chairman, I beg the pardon of the House for having had to refer to this matter, but I will be glad to furnish the Chairman with the brief that I have here if he is not ready to pass upon this question. I think it is so serious, Mr. Chairman, it not only deserves the careful scrutiny of the Chair but every Member of the 435 who sit here and are responsible to the people of this country for legislation.

The CHAIRMAN. The gentleman from Illinois [Mr. Fowler] makes a point of order against that portion of the paragraph read relating to the office of the corporation counsel, whose salary is fixed in the pending bill at \$4,500. The point of order is based upon the ground that the original act of the territorial government of the District authorized this position and fixed the salary, and that subsequent acts of Congress em-

braced both authorizations in the laws of Congress.

Of course, if the contention of the gentleman is correct, that Congress subsequently carried this provision, both as to the creation of this office and the fixing of the salary in its act, so as to give each a fixed status by law, the point of order would be well taken. Upon the best examination possible to make under the circumstances the Chair is of opinion that Congress by subsequent laws authorized and in that way ratified the act of the Territorial legislature in the establishment of the office of corporation counsel. But while it did prescribe certain limitations upon the salary on two or three occasions those do not appear to have been permanent limitations fixed by law, but seem afterwards to have been abandoned by acts repealing, impliedly or expressly, those limitations.

Summing up the entire matter, the Chair is of the opinion that this office is one established by law, but that the salary was not fixed in such a manner as to prevent the House, under the rules, from embracing in the present bill the figures fixed by former appropriation bills as the salary, which is \$4,500. For that reason the point of order is overruled. The Clerk will read.

The Clerk read as follows:

Public Utilities Commission: For salaries (including 1 inspector of gas and meters, \$2,000; assistant inspectors of gas and meters—1 at \$1,000 and 2 at \$900 each; messenger, at \$600, transferred from engineer commissioner's office); in all, \$25,479.96.

For incidental and all other general necessary expenses authorized by law, \$2,799.

Mr. MONDELL. Mr. Chairman, I offer the following amend-

The CHAIRMAN. The gentleman from Wyoming offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 9, after line 25, insert the following: "For making valuations of the following utilities: Washington Gaslight Co., Georgetown Gaslight Co., Washington Electric & Railway Co. (including the Potomac Electric Power Co.), Capital Traction Co., and Chesapeake & Potomac Telephone Co., to be immediately available, \$65,000.

Mr. FITZGERALD. Mr. Chairman, I reserve a point of order

The CHAIRMAN. The gentleman from New York [Mr. Fitz-gerald] reserves a point of order against the amendment.

Mr. MONDELL. Mr. Chairman, the item is not subject to a point of order, as the gentleman from New York [Mr. Fitz-GERALD] should know.

The public-utilities law contained in the current District appropriation act, paragraph 7, page 45, of the printed act, makes it the duty of the Public Utilities Commission to value the property of every public utility within the District of Columbia, and this amendment is intended to supply the funds for the purpose of carrying out the duties thus made incumbent upon the Public Utilities Commission.

Mr. FITZGERALD. Mr. Chairman, I understand this amend-

ment is in the language of the act?

Mr. MONDELL. It is.

Mr. FITZGERALD. Then I withdraw the point of order; it does not lie.

Mr. MONDELL. I understand it so. The commissioners estimated that \$110,000 would be necessary to carry on this work

for the coming fiscal year.

Subsequent to the submission of the estimate of \$110,000-and think in accordance with a suggestion made by the chairman of the subcommittee, Mr. Page—the commissioners substituted a lower estimate, amounting to \$65,000, and that is the amount

carried in my amendment.

In a letter written by Commissioner Chester Harding to the that letter written by commissioner chester harding to the chairman of the Committee on Appropriations the commissioner suggested that this sum of \$65,000, which was the revised estimate as to what was necessary for this work, should be placed in the deficiency bill, which it is suggested will be passed some

time in the future.

Now, I have no desire to press this amendment at this time on this bill if it is clearly understood that the item is to go on the deficiency bill, and that it will thus become available at an earlier date than it could become available if placed on the District of Columbia bill.

Mr. FITZGERALD. Mr. Chairman, I could not give the gentleman any assurance that the deficiency bill will carry the item.

This is the situation: The bill providing for the valuation of these utilities appropriated \$40,000 to carry out the work. I understand that when the estimate was reached by the subcommittee in charge of the District bill it was ascertained that part of the money was desired for this fiscal year, and it was then stated that the matter would be taken up by the subcommittee in charge of the bill. And that will be done. That is, the estimate will be taken up and investigated, and if the circumstances disclose that additional money is required for the current fiscal year, I have no doubt the committee will recommend it; but as I am not familiar with the circumstances, I did not wish to be put in the position of pledging myself to favor any particular sum in a deficiency bill. The intention was to have it considered, and whatever was proper, if anything was needed, to carry it in the deficiency bill rather than in this bill for this

Mr. MANN. Will the gentleman from Wyoming permit me to ask the gentleman from New York a question?

Mr. MONDELL. Yes. Mr. MANN. Is there to be an urgent deficiency bill?

Mr. FITZGERALD. Mr. Chairman, I have been informed that the Treasury Department has a number of estimates which are considered to be of an urgent character, and I had expected they would be transmitted to the House some time during the present week. There is one item which is urgent. It is already before the Committee on Appropriations. It is an item for about half a million dollars for the Post Office Department. I expect, too, that there may be some other matters that will require the passage of an urgent deficiency bill after the holiday recess, as the general deficiency bill in the long session is usually with-held until close to the end of the session.

In addition to the post office item there is also a deficiency item of which I have knowledge in connection with the Panama

Canal, that will necessitate prompt action after the holidays.

Mr. MANN. Of course, this bill will become a law before the

general deficiency bill becomes a law.

Mr. PAGE of North Carolina. On what does the gentleman base that statement?

Mr. MANN. Upon the history of the Government. Mr. PAGE of North Carolina. The history of this bill has been that it is usually enacted into law on the last day of the session of Congress.

Mr. MANN. No. That is very often so, but the deficiency bill is always passed on the last day of the session of Congress, while the District bill sometimes becomes a law before that time.

Mr. FITZGERALD. The Panama Canal item of which I have knowledge, resulting from slides and the consequent work, has made a situation there in one department particularly that requires several hundred thousand dollars,

Mr. MANN. I was under the impression that in view of the mileage situation there would probably be no urgent deficiency bill.

Mr. FITZGERALD. My opinion is

Mr. MONDELL. Do I understand that the mileage should be provided for?

Mr. FITZGERALD. My opinion is that it will be necessary immediately after the holidays to pass an urgent deficiency bill. Mr. SISSON. Mr. Chairman, I will say-

The CHAIRMAN. To whom does the gentleman from Wyoming yield?

Mr. MONDELL. I yield to the gentleman from Mississippi. The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. FITZGERALD. I ask unanimous consent that the time be extended five minutes.

The CHAIRMAN. The gentleman from New York asks unanimous consent that the time of the gentleman from Wyoming [Mr. Mondell] be extended five minutes. Is there objection?

There was no objection.

Mr. SISSON. Mr. Chairman, for the benefit of the gentleman from Wyoming [Mr. Mondell], I will say that after these hearings were had on this item Col. Harding came back to the committee in company with the gentleman from Illinois [Mr. Madden], who has had some experience with the valuation of utilities in the city of Chicago. After that conference by the subcommittee having charge of this bill, in view of the fact that the commissioner was not satisfied that the estimate was of the right size, and that the work might be done for less than that amount, after a very long conference of the members of the subcommittee, all of them being present except one, we decided that the proper place to take care of this would be in the deficiency bill, so that Col. Harding and the commissioners might have an opportunity to revise that estimate that they had given us and do all of this work for a very much less

Mr. JOHNSON of Kentucky. A less sum than what? Mr. SISSON. A less sum than the \$140,000, including the sum which they now had. That being so, it was understood that this matter would be taken up in the deficiency bill. And there are matter would be taken up in the denciency bill. And there are numbers of items that are being asked for, and, so far as we know, it is absolutely certain that there will be a deficiency bill. That being true, your subcommittee thought it was proper that this matter should go into the deficiency bill and not into this bill at this time. Every member of the subcommittee is just as anxious for physical valuation of the property in the District of Columbia as is my friend from Wyoming.

I have thought this statement necessary, so that the committee

might understand why the item was left out of this bill.
Mr. DAVIS. Will the gentleman permit a question?
Mr. SISSON. The gentleman from Wyoming has the floor.
Mr. MONDELL. I yield to the gentleman.

Mr. DAVIS. Was it not the unanimous opinion of the sub-committee that this appropriation was absolutely necessary, and that it was their desire that an appropriation should be had as quickly as possible.

Mr. SISSON. I stated that in my remarks.

Mr. DAVIS. And also that it was the opinion of the committee-at least it was my opinion-that if there was not to be an urgent deficiency bill we would put it in here?

Mr. SISSON. That was the understanding upon the part of

the subcommittee.

Mr. DAVIS. That something ought to be done at this time in regard to this matter? Mr. SISSON. Yes.

Mr. MONDELL. Mr. Chairman, as I understand the situation, it is this: I think the gentleman from Mississippi [Mr. Sisson], who just took his seat, is not entirely accurate when he says that there is an available fund of \$40,000, or something of that port.

Mr. SISSON. You are mistaken about that.

Mr. PAGE of North Carolina. The gentleman is mistaken. Mr. MONDELL. The bill of last year carried \$40,000 for the organization of the public-utilities commission, in the payment of salaries, and so forth; that sum will be largely used before the end of the fiscal year.

Mr. SISSON. They have used practically none of the \$40,000. They have made some preliminary investigations and paid a few employees. My recollection is that they have not used more than \$500 of it.

Mr. DAVIS. My understanding is that there will be about \$12,000 left of the \$40,000.

Mr. SISSON. At the end of the fiscal year? Mr. DAVIS. Yes.

Mr. MONDELL. There can not be more than that amount left.

Mr. SISSON. I am not positive about the amount they have expended, but at the end of the fiscal year they will have \$12,000 unexpended, and that would leave \$122,000, which your committee thought might be more than necessary to do the work, and for that reason did not make an appropriation at this

Mr. MONDELL. Well, Mr. Chairman, admitting that there will be \$12,000 available, I have in my amendment the revised estimate of the District Commissioners based on that fact. Their original estimate was \$110,000 for this work, in addition to the \$25,000 for salaries which is provided for in the bill. I have taken the reduction of \$65,000 from \$110,000. Now, we all realize that this work is highly important. The law makes it mandatory on the commission to carry out this work.

The CHAIRMAN. The time of the gentleman from Wyoming

has expired.

Mr. MONDELL. Mr. Chairman, I have not had more than half of my time.

Mr. DAVIS. Mr. Chairman, I ask unanimous consent that the time of the gentleman be extended five minutes.

The CHAIRMAN. The gentleman from Minnesota asks that the time of the gentleman from Wyoming be extended five minutes. Is there objection?

There was no objection.

Mr. MONDELL. We all realize that this work must be performed. The law makes it mandatory, and the commissioners have called attention to the fact that it is impossible for the public utilities commission to properly discharge the duties of their office without this valuation. They can not de-termine the facilities which may be properly required or what charges may be properly allowed without this information. The commissioners have suggested that they could get along with \$65,000. I have offered an amendment for that amount. It is possible that there may be an urgent deficiency bill and there may not. And it is possible that an urgent deficiency bill might become a law before the District bill and it may not. But here and now we are in position to provide for this work. This is the bill it belongs upon.

Mr. FITZGERALD. The gentleman is mistaken.

Mr. MONDELL. If the gentleman will allow me to conclude my statement, there is no harm in placing it on this bill even though you anticipate placing it in another bill at a later date.

Mr. PAGE of North Carolina. I want to say that in my judgment this is not the place for this appropriation. It is

not orderly legislation to place on a regular annual appropriation bill carrying amounts for annual expenditures an appropriation for an emergency of this sort for a special, specific pur-

Mr. MONDELL. I do not think the gentleman from North Carolina is serious in that contention. I do not think he can be. Here is a continuing work of the District of Columbia, made mandatory by the law, and this is the District bill providing for all expenditures for the District except some special expenditures that may be provided for in connection with new projects. There is not any other bill upon which this could be properly

placed, unless it might be a special bill reported by the Committee on Appropriations. Whether it might be put on the deficiency bill or not, let us carry out the good intentions that all the gentlemen say reside in their hearts and place the appropriation on this bill now.

Mr. PAGE of North Carolina. Mr. Chairman, the subcom-

mittee preparing this bill in connection with this item, as stated by the gentleman from Minnesota, was in full harmony as to carrying out the purpose for which the appropriation was asked. There was not a fixed conviction in the mind of the commissioners who made the recommendations for this amount as to the sum that would be required to properly discharge the duties that devolved upon them in the work for which the appropriation was asked. It developed in the course of the hearing that while they had originally asked for the whole amount to be appropriated for the fiscal year 1915, the commissioners came before us and asked that they be permitted to revise their esti-mates and to withdraw \$65,000 of the amount for the reason that it would not be needed during the current fiscal year. They asked, in the first place, to change the language making this amount immediately available. The chairman of the subcommittee called their attention to the fact that in all human probability this bill would not become a law until very near the end of the present session of Congress, which might be and probably would be very nearly the beginning of the next fiscal year, if not later than that. Then seeing these facts the subcommittee, having called their attention to the fact that this was a continuing appropriation for carrying out the purpose for which \$40,000 was appropriated in the present law, after full consulta-tion, believed that the place for this appropriation was not in this bill, but that it should be carried in the urgent deficiency bill in order that the money might be available at an earlier flate, and that the special work which these gentlemen had placed upon them might be expedited and completed earlier.

We still think so, and I think if the gentleman from Wyoming

[Mr. Mondell], in the submission of this amendment, wants really to expedite the work of the physical valuation of the utilities of the District, he will withdraw his amendment upon the assurance and the statements made here by members of the Appropriation Committee that it is the purpose of this committee to carry in an urgent deficiency bill the amount necessary to do the work that is to be done. In this connection I want to renew a statement that I made awhile ago, about which the gentleman from Wyoming seemed to think I was joking, and that was that I did not believe it was in the interest of orderly legislation or good legislation to carry an appropriation in this annual appropriation bill for a purpose that was specific and definite, and once made would be finished, and that its proper place was in another bill. I still think so, and I make that

statement seriously.

Mr. JOHNSON of Kentucky. Mr. Chairman, in the report which the auditor for the District of Columbia has recently made to Congress, and in many previous reports, he has urged Congress to make all of its appropriations for the District of Columbia in one bill. It is my opinion that as many of the appropriations for the District of Columbia as can be made in one bill should be made in one bill. The auditor says that at the end of Congress it takes nearly 60 days to go through the great number of acts that have been passed, in order to dig out the sums which are appropriated for the District of Columbia, in the payment of which the District of Columbia must participate. We find its affairs in the Navy bill sometimes, and we find them in the appropriations for the Army. We find them in every appropriation bill which comes before Congress. It is my belief It is my belief that the better policy should be commenced right here and that this item should be included in this appropriation bill. As a matter of fact, I can see no reason why this bill shall not become a law sooner than any appropriation bill which is to follow it.

As a matter of justice, I believe that the entire amount should be paid out of the funds of the District of Columbia, but I am not going to raise any quibble about that, because this is such an important matter. The purpose of the items that are conan important matter. The purpose of the items that are contained herein, under the utilities measure, are for no other purpose than to prevent one Washingtonian from practicing extortion upon another Washingtonian; and therefore, in my judgment, sooner or later the Washingtonians should bear this expense themselves. To repeat, I agree with the auditor of the District in that all of the items pertaining to the District of Columbia should come under one head, and I would therefore be glad to see adopted the amendment offered by the gentleman

Mr. FITZGERALD. Mr. Chairman, I hope the amendment will not be adopted. Regardless of the opinion of the auditor for the District of Columbia, it is a very vicious practice to incorporate in annual appropriation bills, which carry the appro-

priations for the next ensuing fiscal year, appropriations to conduct the service in any department for the current year or to make up deficiencies in past fiscal years. It is much more important that our fiscal system be maintained in the proper shape than it is to accommodate the auditor for the District of Columbia.

Mr. Chairman, I know of some very good reasons why this bill is not likely to become a law before an urgent deficiency The most important perhaps is that the gentleman from Kentucky [Mr. Johnson] and many Members, like myself, believe that the District appropriation bill should not be a vehicle for enacting general legislation pertaining to the District. This bill, reported from the Committee on Appropriations, is comparatively free from general legislation, and, with the exception of two or three small administrative provisions designed to correct abuses, there is no general legislation on the bill. If I were sure that when the bill comes back from the Senate it would be as free from legislation as it is now, I would share with the gentle-man from Kentucky his belief that the bill would speedily be enacted into law; but, judging from the experience in the past, I can not indulge any such hope. I rather anticipate a somewhat protracted struggle before the legislation will be eliminated

Mr. Chairman, there is one practical question that should be considered, investigated, and determined, and which can be if this matter goes over until the deficiency bill comes up. The estimate upon which this work is to be done, unless I am mistaken, is an estimate made by a firm of accountants in the city of New York, as to what it would cost to do the work. opinion was expressed by the District commissioners that perhaps it would cost less to do this work by contract than to organize their own force and do it by a force employed by the commissioners themselves. The reason given was that these men brought here by private concerns to do this work would be able to do other work for which compensation would be received, and in that way the cost would not be so great. In my opinion, Mr. Chairman, all of these valuations should be made as speedily as possible. A force should be organized sufficient to dispose of the work quickly. The more quickly it is done, the more thoroughly it is done, the better the results and the more valuable the information acquired; and if some private concern is to be brought here from New York or Chicago or some other city they will be paid for the work done upon the basis of full time being given to the Government, and then if

their employees are diverted to some other work it will be just so much delay in the work of the Government.

The Interstate Commerce Commission, when before the Committee on Appropriations at the last session of Congress in connection with the physical valuation of railroads and public utilities, had outlined a plan of organization for conducting that work that was believed would be satisfactory, but even that commission, with its facilities, with the great capacity and experience of the men at its head, stated that by the first of the coming year they would be much better able to determine the character of the organization desired and the manner in which the work should be conducted. It seems to me it will be much wiser for the House to defer this appropriation until the urgent deficiency bill will be reported, and one must be reported, so that the House may have the benefit of the information that can be obtained, not only by the commissioners in further inquiry of this subject, but some information may be obtained from the Interstate Commerce Commission from their larger experience and information, and then to determine the manner in which the work shall be done, and make appropriations to enable it to be done at the earliest possible moment. I hope the amendment will not be agreed to.

The CHAIRMAN. The time of the gentleman has expired. Mr. MADDEN. Mr. Chairman, the question of the physical valuation of the public utilities of the District is an important one, but the estimate of cost for this valuation made by the District Commissioners was based on a calculation that it would take 18 months to do it, and, of course, the longer the period of time consumed in the work the more excessive would be the cost. At the suggestion of the subcommittee on appropriations on the District, I consulted with Col. Harding, the Engineer Commissioner of the District, and during the consultation I suggested that the work ought to be done in 6 months instead of 18 months, and that if the work of making this physical valuation was confined to 6 months that a very material reduction could be made in the estimate of cost of doing the work by taking off the overhead charges of high-priced men who would be engaged over the period of 18 months. The result of that suggestion was that Col. Harding made some figures, based upon a calculation to complete the work within a year, and the deduction which he was able to make by reducing the time from a

year and a half to 12 months enabled him to reduce the figures as estimated to the committee from \$110,000 to \$92,000. If he made the calculation based on 6 months instead of 12 months, he could have reduced the cost of making this valuation \$30,000 more. There is not a bit of reason on earth why this valuation ought not to be made within six months, and it occurs to me that if the House is interested in having the valuation made at an early date that the way to do it is to appropriate the money in a bill which will make it immediately available. understand that the appropriation made in this bill will not be immediately available.

Mr. MONDELL. Will the gentleman yield?

Mr. MADDEN. Surely.
Mr. MONDELL. The item which I have offered makes this

appropriation immediately available.

Mr. MADDEN. Notwithstanding, I think the estimate made by the engineers in its modified form, namely, \$65,000, if you add what they will have unexpended at the end of this year, will be greatly in excess of what they need, and if they are allowed to make further investigations and take bids from expert men in the line of work which they are called upon to do I feel quite sure that they will be able to do this work in much less time than one year, and the \$40,000 which they have already had-

Mr. MONDELL. Will the gentleman yield again? Mr. MADDEN. Surely.

Mr. MONDELL. The gentleman knows there is no \$40,000 available.

Mr. MADDEN. There was.

Mr. MONDELL. There was, but \$25,000 has been used. Mr. MADDEN. There will be \$12,000 available at the end of this year if the statement of the engineer commissioner is correct, so that \$65,000 and \$12,000 would make \$77,000, and my own judgment is that whatever is done ought to be done on the theory that the work should be completed, not in a year, not in a year and a half, but at the earliest possible date not to exceed The more you save in time the more you will six months save in cost.

Mr. PAGE of North Carolina. Will the gentleman yield for a question?

Mr. MADDEN. Surely.
Mr. PAGE of North Carolina. Having that in view, does not the gentleman think this work will be expedited by making that appropriation in the urgent deficiency bill that will in all probability immediately become a law, whereas this bill in all probability will not become a law until very much later in the session?

Mr. MADDEN. Most undoubtedly; I just stated that. Of course whatever money is placed at the disposal of the commission should be placed at their disposal so that they can begin to use it at once.

And so the failure to appropriate in this bill not only does not retard the progress of the physical valuation work, but really, as a matter of fact, expedites it.

The CHAIRMAN. The time of the gentleman from Illinois

has expired.

Mr. MONDELL. Mr. Chairman—
The CHAIRMAN. The Chair would state to the gentleman that debate has been exhausted on this amendment.

Mr. MONDELL. I ask unanimous consent to proceed for three minutes

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MONDELL. Mr. Chairman, I do not see how it is possible that the inclusion of this item in the bill is going to retard the passage of the item for this work. The gentleman from Illinois [Mr. Madden] must know that that is not true. item goes into this bill, and later there is an urgent deficiency bill, the item can also be placed in that bill.

Mr. FITZGERALD. But it will not be placed in the bill, I

will say to the gentleman.

Mr. MONDELL. The gentleman says it would not be; but the gentleman has done it himself repeatedly.

Mr. FITZGERALD. I have not done anything of the kind. Mr. MONDELL. There have been items frequently placed in the deficiency bills of this Congress that were in bills pending,

for the purpose of expediting the appropriation.

Mr. FITZGERALD. Mr. Chairman, if the gentleman will yield, I will say that when he has had a little more experience on the Committee on Appropriations he will not make that statement

Mr. MONDELL. I have had some experience. There is no reason why, if it will expedite this matter by putting it in the says it must be done. The commissioners have asked \$60,000, and later \$65,000. Now, are we or are we not in favor of having the work done? If we are, now is the place to make it possible. This is the bill to which it belongs, if the item is be made immediately available. If there is a doubt about this bill becoming a law as quickly as an urgent deficiency bill, it can be taken from this bill and placed on the other, and I think everyone in favor of having this work done should vote for this amendment.

The CHAIRMAN. The question is on the amendment offered

by the gentleman from Wyoming [Mr. Mondell].

The question was taken; and the Chairman announced that the ayes seemed to have it.

Mr. PAGE of North Carolina. Division, Mr. Chairman. The committee divided; and there were-ayes 17, noes 28. So the amendment was rejected.

The Clerk read as follows:

Street-cleaning division: Superintendent, \$2,500; assistant superintendent and clerk, \$1,600; chief clerk, \$1,400; stenographer and clerk, \$1,000; clerks—one \$1,200, one \$1,100, one \$1,000, two at \$720 each; chief inspector, \$1,300; inspectors—four at \$1,200 each, one \$1,100; foreman of repairs, \$1,200; foremen—one \$1,300, four at \$1,200 each, eight at \$1,100 each, one \$1,000, one \$900; assistant foremen—three at \$900 each, two at \$720 each; messenger and driver, \$600; in all, \$41,180 \$41.180.

Mr. CARY. Mr. Chairman, reserving a point of order, I

would like to ask in regard to an item in this paragraph.

The CHAIRMAN. The gentleman from Wisconsin reserves

The CHAIRMAN. The gentleman from wisconsin reserves a point of order on the paragraph.

Mr. CARY. In line 5, "assistant superintendent and clerk, \$1,600," I would like to ask if that is not a new position?

Mr. PAGE of North Carolina. No, sir. It is the same, and exactly in the same language, as carried in the present appropriation

Mr. CARY. There is no assistant superintendent of the streetcleaning department now by law and never has been. Congress has stricken that out before.

Mr. PAGE of North Carolina. Well, I will say to the gentleman there is no statute creating any of these positions. If there is, it has not been called to the attention of the chairman of the subcommittee.

Mr. CARY. Well, in the last bill this same proposition came up, and it was stricken out, and this man was put on at \$4.50 per diem, regardless of that.

Mr. PAGE of North Carolina. I will say to the gentleman that there were several requests made in the estimates submitted to this committee from the commissioners to transfer men from the per diem roll to the statutory roll, not only in this item, but in various other items, but the subcommittee refused in every instance to transfer any man now on the per diem roll to the statutory roll from the beginning to the end of this bill.

Mr. CARY. This gentleman is now on the per diem roll?

Mr. PAGE of North Carolina. I will say to the gentleman the position was carried in the last bill exactly as it is carried in this bill. There has been no change in language and no change in appropriation. Under the street-cleaning division for the current fiscal year of 1914 is carried exactly the same language as appears in the item which has just been read.

Mr. CARY. Was it not stricken out here in the House? Mr. PAGE of North Carolina. No, sir; it was not stricken out. It was exactly the same.

Mr. CARY. Is he now under the title of "assistant superintendent" by law?

Mr. PAGE of North Carolina. Yes, sir. He is now under that title by law.

Mr. CARY. Why is it, then, that he is on the per diem roll? Mr. PAGE of North Carolina. That man is not on the per diem roll at all. No man in this paragraph here, with a salary attached, is carried on the per diem roll.

Mr. CARY. The assistant superintendent of the street-clean-

ing department to-day in the city of Washington is carried on the per diem roll at \$4.50 a day. Mr. PAGE of North Carolina. The gentleman may have some knowledge from the outside that I have not, but I am perfectly satisfied that my statement is correct, that the man who draws

this salary is not on the per diem roll. Mr. JOHNSON of Kentucky. Mr. Chairman, will the gentleman yield? Perhaps I can give him some information on the subject.

The CHAIRMAN. Does the gentleman yield?

Mr. CARY. Certainly.
Mr. JOHNSON of Kentucky. I will say, Mr. Chairman, that I received a communication from a Member of this body, stating in substance what the gentleman from Wisconsin [Mr. Cary] now says, that notwithstanding no appropriation was made for it, one of the gentlemen who recently went off of the Board of

Commissioners of the District of Columbia placed a man at work under a per diem of \$4.50. The additional statement was made in this communication to the effect that the wages and time of laborers had been reduced in order to get the money

with which to pay this man.

Upon receipt of that communication I addressed one to the present board of commissioners, asking them to advise me whether or not these statements were correct, and stating, if they were correct, that I would be glad to have the opinion of the corporation counsel as to whether they were authorized by law to do that. That was only a few days ago, and I have not had time to hear from them in that respect, but I have no doubt that if the law is being violated it will cease to be as soon as the present commissioners have their attention called to it.

Mr. CARY. I will say, Mr. Chairman, that I called on the commissioners in regard to this position, and told them that this man was not only drawing \$4.50 per workday for labor, but also for Sunday. He was not working on Sunday at all, and still he drew this \$4.50. After I had been down there they told me they had stopped that Sunday pay, so that the man is

certainly on the per diem roll.

Mr. PAGE of North Carolina. That may be, but it is not this

Mr. CARY. He is acting superintendent of streets, and his name is Behman.

Mr. PAGE of North Carolina. This man is acting as assistant superintendent and he is designated as a clerk.

Mr. CARY. The man I refer to is acting superintendent of streets, and his name is Behman.

Mr. PAGE of North Carolina. Then it must be another man, paid out of another appropriation, to whom they pay \$4.50 a day. But I have no knowledge on the subject, and the chairman of the Committee on the District of Columbia has stated that he asked for that information, and I can assure the gentleman that my confidence in the present board of commissioners is sufficient to make me think that they are not going to allow what the gentleman refers to and pay this man \$4.50 per day out of this sum.

The CHAIRMAN. The time of the gentleman from Wiscon-

sin has expired.

Mr. CARY. Mr. Chairman, I would like one minute more. The CHAIRMAN. Without objection, the gentleman is recognized for one minute more.

Mr. CARY. Mr. Chairman, let me repeat what I said before. went to the commissioners about this gentleman, and told them that he was not only drawing salary on week days, but also on Sunday, and Commissioner Siddons told me he would stop it on Sunday, and he did stop it on Sunday. I was also told that in order to get the money to pay this fellow they lay off the so-called "white angels" and pay him out of that appropriation. I do not think there is any authority for placing a man on the permanent roll now in that way.

Mr. PAGE of North Carolina. In my judgment, it is not the

same man at all.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Board of examiners, steam engineers: Three members, at \$300 each, \$900.

Mr. JOHNSON of Kentucky. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Kentucky [Mr. John-

son] moves to strike out the last word.

Mr. JOHNSON of Kentucky. I do so for the purpose of asking the chairman of the committee if he has any information as to what the annual compensation of these men amounts to under the fee system, it having been charged that one of them,

at least, makes seven or eight thousand dollars a year.

Mr. PAGE of North Carolina. I can supply the gentleman with that information. The gentleman will remember that I made an investigation, upon an inquiry forwarded to me, as to the compensation of one of these persons serving on this board, a statement having been made in line with the statement which a statement having been made in line with the statement which has just been made by the gentleman from Kentucky, that his compensation from the fees was large. The report from the Engineer Commissioner of the District of Columbia is that during the last fiscal year his salary from fees was nineteen hundred and odd dollars. Of course, this compensation is in addition to that paid for another service.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. Byrns of Tennessee having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Tulley, one of its clerks, announced that the

Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 3588. An act releasing the owners of all lode and placer mining claims in the basin of Dan Creek in the Chitina mining district in the Territory of Alaska for the year 1913.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

The committee resumed its session. The Clerk read as follows:

Surveyor's office: Surveyor, \$3,000; assistant surveyor, \$2,000; clerks—one \$1,225, one \$975, one \$675; three assistant engineers, at \$1,500 each; computer, \$1,200; record clerk, \$1,050; inspector, \$1,200; draftsmen—one \$1,225, one \$900; assistant computer, \$900; \$1,200; men, at \$825 each; chainmen—three at \$700 each, two at \$650 each; computer and transitman, \$1,200; in all, \$25,925.

Mr. ADAIR. Mr. Chairman, I move to strike out the last word, for the purpose of correcting a statement made on the floor yesterday by the gentleman from Illinois [Mr. MADDEN]. When the Speaker of the House [Mr. CLARK of Missouri] was addressing the House he was interrupted by the gentleman from Illinois [Mr. MADDEN], who made the statement that none of the responsibility for existing conditions in this country should be traced to any action on the part of the banks in withholding loans. I was not familiar with the facts at that time, but since that statement was made I have called up the Comptroller of the Currency and obtained this statement from him in relation to the reserves of the country:

On August 9, 1913, the legal reserves held by the national banks of the country amounted to \$1,470,487,279. That was the date when a call was made for a report by national banks.

On October 21, a little more than two months later, the reserves of the national banks of the country amounted to \$1,473,-487,722. In other words, there was an increase of reserves held by the national banks of over \$3,000,000 during that period. And I dare say that if the national banks of the country were called upon for a report at this time, it would show that their reserves have increased more than that amount from October 21 up until the present time.

But assuming that this \$3,000,000 represents the increase in reserves of national banks up to this time, and taking into consideration the fact that we have 27,000 banks in this country and that only a little over one-fourth of them are national banks, it is fair to assume that the reserves of all banks throughout the country have increased at least \$12,000,000 dur-

ing that period. I am inclined to the opinion-Mr. MADDEN. Will the gentleman yield? Will the gentleman yield?

Mr. ADAIR. In just a moment. Let me finish this statement. When I have done so, I will yield to the gentleman. I am inclined to the opinion that the next report will show that the reserves of the banks of the country, National and State, and trust companies, have increased more than \$20,000,000 since the report was made, on August 9; and I dare say that it would not be possible to pile up even \$10,000,000 or \$20,000,000 in the vaults of the banks of the country without disturbing business conditions. Now I will yield to the gentleman from

Mr. MADDEN. Is the gentleman able to state how much the

loans have been increased

Mr. ADAIR. I am not able to give the exact figures with reference to the amount of loans. The gentleman stated yesterday upon the floor of the House that the loans had been increased from an average of 8 to 1 to 12 to 1 of the cash held in the banks.

Mr. MADDEN. That is what I stated. Mr. ADAIR. Yes; but the gentleman must understand, if he has ever been engaged in the banking business, that a bank usually carries about the same amount of cash, or nearly the same amount of cash, in its vaults regardless of its deposits. For instance, I am engaged in the banking business, and our deposits will vary sometimes quite a good many thousand dollars; yet we carry in our vaults all of the time about so much cash—a sufficient amount to take care of the daily business transac-tions—and if our deposits increase in excess of the amount of currency necessary to transact the daily business we carry the excess with our correspondents. So it is not fair to say that loans have increased because the banks have loaned 12 to 1 or 8 to 1 of the amount of money carried in their vaults. But I do say, Mr. Chairman, that the records will show that the banks of the country, national, State, and private, have hoarded up in their vaults from \$10,000,000 to \$20,000,000 in the last 90 days, and I predict the report which will be made within the next few

weeks will show even a greater amount than that.

Mr. MANN. Mr. Chairman, I move to strike out the last word. I do not know whether it is the intention of the gentleman in charge of the bill to permit discussion out of order or

Mr. SISSON. I will state, for the benefit of the gentleman from Illinois, that after the gentleman from Indiana [Mr. ADAIR] had started it was understood by the subcommittee that any gentleman on that side of the House might have five minutes, and that we would be fair about it; but that after that no speeches on the currency question should be injected into the bowels of this bill.

Mr. MANN. I do not desire to consume even the five minutes, but I suggest to the gentleman that if he is going to conduct the bill on that basis, when some gentleman on that side of the House happens to desire recognition to discuss a matter out of order he ought not to invoke the rules when some gentleman on this side of the House desires to do the same thing.

Mr. SISSON. I will say that that will not be done, gentleman wants five minutes, we will be fair about it. If any

Mr. MANN. But your proposition to be fair is to let it commence on that side. I want to know whether you are going to do it or not.

Mr. SISSON. The subcommittee did not know exactly what the gentleman from Indiana [Mr. ADAIR] was going to say until he got started.

Mr. MANN. I am very sure that the subcommittee did not know what the gentleman from Indiana was going to say, or they would not have let him say it. The gentleman from Indiana [Mr. Adair] pleads guilty to the charges which I made yesterday. He admits the condition of the country, and says it is because the banks are holding money. The banks are holding money because they are frightened. People are selling their stocks because they are frightened. There is no market to buy them. Industries are closed up because they are frightened. And the gentleman from Indiana, in the banking business himself, probably read something about it because he is frightened.

Mr. ADAIR. Not at all; not at all.
Mr. MANN. Oh, no, no; the gentleman is different from all the other bankers.

Mr. ADAIR. Not exactly.
Mr. MANN. It may be that the gentleman does not appreciate the situation enough to be frightened. The gentleman admits that the bankers are frightened. I will except the gentleman from Indiana, but he will learn better later.

Mr. GOULDEN. Mr. Chairman, I move to strike out the paragraph for the purpose of saying a few words on the subject under consideration.

The special committee are to be congratulated on bringing in a bill free from the usual objections of legislative riders. have always opposed this method of attempting to put something through that will not, as a rule, stand alone on its merits. The House yesterday was treated to good party speeches by two of the political giants. Personally, I do not wish to add a word, but simply to have read in my time an editorial from the Saturday Evening Post, a widely circulated journal published in that rock-ribbed Republican city of Philadelphia, under date of December 20, 1913, entitled "The business situation," which commends itself to the patriotic people of the country.

Mr. SISSON. Mr. Chairman, I object. We can not have this

bill sidetracked for political speeches.

Mr. GOULDEN. It will not take more than three minutes.

Mr. SISSON. I object.

The Clerk read as follows:

The Clerk read as follows:

Free Public Library, including Takoma Park branch: Librarian, \$4,000; assistant librarian, \$1,500; chief circulating department, \$1,200; children's librarian, \$1,000; assistant in charge of school work, \$900; librarian's secretary, \$900; reference librarian, \$1,000; assistants—one \$1,000, one in charge of periodicals \$1,000, one \$900, six (including one in charge of Takoma Park branch) at \$720 each, six (including one for the Takoma Park branch) at \$720 each, six (including one for the Takoma Park branch) at \$480 each; copyist, \$480; classifier, \$900; cataloguers—one \$720, one \$600, two at \$540 each; six enographer and typewriter, \$720; attendants—six at \$540 each, five at \$480 each; collator, \$480; three messengers, at \$480 each; ten pages, at \$360 each; two janifors at \$480 each one of whom shall act as night watchman; janitor of Takoma Park branch, \$360; engineer, \$1,080; freman, \$720; workman, \$600; library guard, \$720; two cloak-room attendants, at \$360 each; six charwomen, at \$240 each; in all, \$46,640.

Mr. FOWLER. Mr. Chairman, I reserve a point of order against the paragraph. I desire to ask the gentleman in charge of the bill if there is not an increase of salary for the librarian from \$3,500 to \$4,000?

Mr. PAGE of North Carolina. Yes; and it is specifically stated in the report.

Mr. FOWLER. And the assistant in charge of the school work, in line 11?

Mr. PAGE of North Carolina. That is an entirely new position.

Mr. FOWLER. On line 14, page 11, is one for \$900.

Mr. PAGE of North Carolina. That is also a new employment and is stated in the report.

Mr. FOWLER. There is an increase in the next item from \$500 to \$600 each.

Mr. PAGE of North Carolina. Charwomen?

Mr. FOWLER. Page 11, line 15.

Mr. PAGE of North Carolina. That increase is for one messenger over current law, and is set forth in the report. Mr. FOWLER. Now, going back to these increases, what rea-

sons have you for such increases?

Mr. PAGE of North Carolina. The reason for the increase is that in the estimates made by the District Commissioners they ask for an increase of more than \$18,000 in new positions and increases of salary

Mr. FOWLER. And the committe made an increase of how

much?

Mr. PAGE of North Carolina. Between \$3,000 and \$3;500. Mr. FOWLER. Oh, the committee has made an increase of more than \$4,000.

Mr. PAGE of North Carolina. I think not. I have not recently computed it, but I think the gentleman will find that it is about \$3,500.

Mr. FOWLER. It amounts to \$4,460. Mr. PAGE of North Carolina. I have not the time to go into the arithmetic of the matter, but every item is set out in the

Mr. FOWLER. It is not a large increase. Mr. PAGE of North Carolina. It is a small increase in view of the demand made by the commissioners and in the light of what the subcommittee deems reasonable.

Mr. FOWLER. You have made an increase for the charwomen from \$180 to \$240 a year—that is annual.

Mr. PAGE of North Carolina. Yes; that is annual, and I hope the gentleman from Illinois will not make a point of order against that,

Mr. FOWLER. Never on earth; but I would like to make it

not less than \$600.

Mr. PAGE of North Carolina. We put them on a par with the charwomen in other departments of the Government, believing that it was right not to discriminate.

Mr. FOWLER. What was the reason for the increase of the

salary of the librarian?

Mr. PAGE of North Carolina. In the judgment of the committee, the responsibilities of and the ability required to fill the position demanded a salary of \$4,000. In the estimates it was asked to be put at \$5,000.

Mr. FOWLER. He gets more than double the salary of the

assistant librarian.

Mr. PAGE of North Carolina. Yes; the assistant gets less than half; but of course he does not have that responsibility which the librarian has and does not have the work.

Mr. FOWLER. Mr. Chairman, I make a point of order

against the increase of the librarian's salary.

Mr. PAGE of North Carolina. Mr. Chairman, I presume the gentleman makes the point of order based on the increase above that provided by law. Is that the gentleman's point of order?

Mr. FOWLER. Mr. Chairman, there is no authority for it,

either in current or permanent law.

Mr. PAGE of North Carolina. Mr. Chairman, I desire to say in connection with the fixing of the salary of librarian of the city that in the act creating the personnel of this library there is no statutory sum mentioned for the service of any employee, but the law says:

The said board of trustees shall appoint a librarian to have the care and superintendence of said library, who shall be responsible to the board of trustees for the impartial enforcement of all rules and regulations lawfully established in relation to said library. The said librarian shall appoint such assistants as the board shall deem necessary to the proper conduct of the library. The said board of library trustees shall make an annual report to the Commissioners of the District of Columbia relative to the management of the said library.

This is the language used in the creation of the force for this city library.

Mr. FOWLER. Will the gentleman yield? Mr. PAGE of North Carolina. Certainly.

Mr. FOWLER. Is it not the rule that where a salary is not fixed by permanent law, but is fixed by current law, the cur-

rent law prevails until changed by law?

Mr. PAGE of North Carolina. In that connection, Mr. Chairman, I desire to say that since the establishment of this library under the law, which I have just cited, the services of a librarian have been constant there at varying salaries. One thousand six hundred dollars, I believe, was the first provision made, and in the appropriation bills from time to time that salary has been increased until in the current law it is carried at \$3,500, and in the bill now presented and now under consideration it is recommended at \$4,000. In other words, the salary of this librarian has been fixed in this appropriation bill reported to this House and has not been in any other way. It has not been permanently established.

The CHAIRMAN (Mr. GARRETT of Tennessee). Chair understand the gentleman's contention to be that there

has never been any statute fixing the salary?

Mr. PAGE of North Carolina. There has not been any statute fixing the salary. It has been fixed in the appropriation bill from time to time at varying amounts. In the current law it is fixed at \$3,500, and in the proposed law we put it at

Mr. FOWLER. It has never been \$4,000 heretofore?

Mr. PAGE of North Carolina. No; it has not been \$4,000. It has been \$3,500 and we propose to make it \$4,000.

Mr. FOWLER. That is an increase of \$500?

Mr. PAGE of North Carolina. An increase over the current

Mr. FOWLER. Over the highest salary that he has ever

Mr. PAGE of North Carolina. That is correct.

The CHAIRMAN. Will the gentleman from Illinois permit an inquiry from the Chair?

Mr. FOWLER. Yes.

The CHAIRMAN. Suppose the salary were fixed at \$1,000 or \$1,500 or any amount, would it not be subject to the same objection, if subject to objection at all, that the gentleman now

Mr. FOWLER. Yes; if the salary had ever been fixed by current law and then a proposition were offered to increase it above what had been heretofore carried, it would be subject to a point of order just the same as though it had been fixed by permanent law

The CHAIRMAN. Has the gentleman any authority for the

statement that the current law controls?

Mr. FOWLER. Yes. This matter was up last year during the consideration of a like bill. We had some decisions bearing directly upon that point, as I recollect, but I have not the rules

with me to-day. It is so hard to get places to keep things here.

Mr. MANN: Mr. Chairman, the question of points of order
on these salaries arises every Congress before every new chairman who presides over the Committee of the Whole in the consideration of an appropriation bill. I had supposed that the rule was perfectly familiar to the present occupant of the chair, though I am not sure that that is the case, in view of

the question that he has submitted to my colleague.

The CHAIRMAN. The present occupant of the chair had the honor of presiding over one of these District bills, but he does not remember now whether this particular question was

raised at that time.

Mr. MANN. These rules and rulings are well grounded in my system through a series of years of watching appropriation bills. The rule is consistently maintained, as it has been for many years as an arbitrary ruling, that where current law carries a provision for an office not authorized by law the provision for the office itself is subject to the point of order, but where the current law carries a salary for an office, where the office is authorized by law, the salary in the current law is a basis for the bill before the committee, unless the salary be fixed by permanent law. That is a purely arbitrary ruling made many years ago, because without it there was no basis for a salary at all. The Chair will see where the law creates an office and provides a fixed salary for it; that is the guide, because that is the law, but where there is no salary provided by permanent law for the offices there is no guide at all and no authorization for any salary, and the Chair many years ago took the position which has been followed ever sincesalary fixed in the current law where there is no permanent authorization for the salary is to be taken for the guide in making up the new appropriation bills. While I hope very much that my colleague from Illinois [Mr. Fowler] will not insist upon the point of order, yet under all of the rulings of all of the chairman for many years, the salary of the librarian being fixed in the current law at \$3,500, it is not in order over a point of order to increase it in the pending bill to \$4,000.

Now, there are a number of these arbitrary rulings that have been followed for years, and unless they are followed there is no end to the confusion which results. The Chair asked some time ago whether the salary could not be reduced. Of course it is quite within the power of the committee at any time, or the House, to reduce a salary to the extent of not making the appropriation. That can be done where the salary is fixed by law. If the salary here is fixed at \$5,000 by permanent law, we [Mr. TOWNER].

are not required to appropriate the full salary. That is not subject to the point of order, because we have authority to appropriate anything less than the full salary if we wish to do The rulings have been consistent; they are set out in the manual, if the Chair desires to hear them.

Mr. TOWNER. Mr. Chairman, I want to call attention to what I think is a misapprehension regarding the legal proposition involved. Members here have spoken of permanent law and If there was any law enacted which stated that a salary should be fixed, it would be neither permanent nor temporary; it would be a law. Certainly we could not increase; or, if there was an increase reported, it would be subject to a point of order. But there is no current law nor any law of any kind when merely after the creation of an office an appropriation is made for it. That does not fix the salary at all. The salary is not fixed now if this should become a law at \$4,000. The provision of the bill is merely that \$4,000 shall be paid to the librarian for his services this year. There is a very different state of facts in existence between passing an appropriation for services that would be rendered and fixing the salary of an officer, either permanently or temporarily. There has never been, as I understand it, any law anywhere that ever stated, either permanent or current, that the salary of the librarian should be so much. There have been from time to time, after the passage of the law created, or rather giving the board of directors the power to create, this position, various appropriation bills passed each year and they have been increased from time to time; but it certainly can not be said now that there is any current law, or any other kind of a law, fixing the salary of the librarian.

Mr. MANN. Mr. Chairman, the rule is very well established as I stated it before. I had supposed it unnecessary to argue to Members of the House, but if the Chair will permit me to read from the manual, I read from Rule XXI, paragraph 818:

The mere appropriation for a salary does not create an office so as to justify appropriations in succeeding years, it being a general rule that propositions to appropriate for salaries not established by law, or to increase salaries fixed by law, are out of order. But an exception to these general principles is found in the established practice that, in the absence of a general law fixing a salary, the amount appropriated in the last appropriation bill has been held to be the legal salary.

The CHAIRMAN. It refers to Hinds' Precedents?

Mr. MANN. It refers to Hinds' Precedents. There has been no variation from that rule since I have been a Member of the

The CHAIRMAN. The Chair has before him now the reference made in the manual to section 3687, volume 4, of Hinds' Precedents. There is no doubt, and the Chair sustains the point

Mr. TOWNER. I understood, Mr. Chairman, the point of

order was reserved, or was it made?

The CHAIRMAN. The Chair will say it was reserved at first. but the gentleman from Illinois subsequently made the point of

Mr. TOWNER. I desire to submit some amendments.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 11, line 10, strike out "\$1,500" and insert in lieu thereof the following: "\$1,800."

Mr. SISSON. Mr. Chairman, I make a point of order.

The CHAIRMAN. Fifteen hundred is the amount of the current law?

Mr. SISSON. Yes, sir.
The CHAIRMAN. The Chair sustains the point of order.
Mr. TOWNER. Will the gentleman reserve the point of

Mr. SISSON. I will reserve the point of order if the gentleman wants to argue this point of order.

Mr. TOWNER. I simply desire to make an inquiry. Was that item carried last year at \$1,500?

Mr. SISSON. Yes. Mr. TOWNER. And it is now carried at the same? It is

not any new office created?

Mr. SISSON. No, sir.

The CHAIRMAN. The gentleman from Iowa offers a further amendment, which the Clerk will report. The Chair sustains the point of order.

Mr. TOWNER. I do not care, Mr. Chairman, to offer these amendments separately if they are all subject to points of order,

but I will ask the Clerk to read them seriatim.

Mr. SISSON. I have no objection to their being there, but I reserve the point of order.

The CHAIRMAN. Without objection, the Clerk will read

the several amendments proposed by the gentleman from Iowa

The Clerk read as follows:

Page 11, line 19, strike out "\$720" and insert "\$1,200."

Mr. SISSON. Mr. Chairman, I make a point of order against that.

Mr. TOWNER. Is that carried at \$720 now? Mr. SISSON. Seven hundred and twenty dollars; yes.

The CHAIRMAN. The Chair sustains the point of order. The Clerk will read the next amendment.

The Clerk read as follows:

Page 11, line 19, strike out "\$600" and insert "\$900."

Mr. SISSON. Mr. Chairman, I make a point of order against that.

The CHAIRMAN. The Chair sustains the point of order. Mr. TOWNER. Is that also carried in the present bill?

Mr. PAGE of North Carolina. It is carried in the present bill at \$600.

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Page 11, line 20, strike out the word "two" and insert in lieu thereof the word "three."

Mr. PAGE of North Carolina. To what does that refer?

Mr. TOWNER. That refers to a new cataloguer.

That is not subject to a point of order.

Mr. TOWNER. I think that can hardly be subject to a point of order, Mr. Chairman.

The CHAIRMAN. Is that in line 19?

Mr. FOWLER. In line 20.
The CHAIRMAN. It is the word "two"?
Mr. MANN. The word "two." It is not subject to a point of

Mr. SISSON. It is not authorized by law.

Mr. MANN. If the Committee on Appropriations should ever get a ruling from a chairman about a new employee, subject to a point of order, they would be lost. The Chair just overruled a point of order made by the gentleman from Wisconsin on that identical point.

Mr. SISSON. I withdraw the point of order.

The CHAIRMAN. The point of order is withdrawn. The question is on the amendment offered by the gentleman from Iowa [Mr. Towner]. Mr. TOWNER. I want to be heard.

The CHAIRMAN. The gentleman from Iowa is recognized. Mr. TOWNER. Under the circumstances I can only call attention to the conditions existing in the public service in the library. I am quite sure if the gentleman from Illinois and the Members of the House realize the real conditions that exist in regard to the public library in Washington they would thank the committee for doing what it has toward increasing a very little the appropriation and the number of employees, and would ask them to go much further in their increases. The truth is, Mr. Chairman, that this public library in the city of Washington has been for some reason sadly neglected. I want to call attention to what is said by the chairman of the Board of Commissioners of the District of Columbia, on page 60 of the hearings, as follows:

Mr. PAGE. Now, in connection with that item on page 36, is there any additional statement that you, as commissioners, care to make about this library matter, or shall we take it up in detail with the

about this library matter, or shall we take it up in detail with the librarian?

Mr. Newman. The only additional statement I would care to make would be to emphasize my very strong feeling that this institution has never gotten a fair start. It was launched on a very small basis. It was launched with what you might call a capital investment insufficient to enable it ever to make a decent start, and since then there have been some slight increases from time to time, but such slight normal increases as you would expect in a growing concern have not by any means met the demands of the institution, because it received such an ineffectual start. I have personal knowledge of the very excellent work that the library is doing under the direction of its librarian, and I have a very strong feeling that he ought to have more and better facilities with which to do the service to the people of the District that he is trying to do.

The hearings before the subcommittee show that in cities of this class in other parts of the country librarians and other employees are receiving much more salary than the librarian and employees here. The salaries that are paid to all of the employees here in the library are very much smaller than paid to the same class of employees in other departments of the District of Columbia, and the same class of employees in the departments of the Government itself. For instance, the chief of the circulating department, the chief executive officer of the library, is to receive a salary of only \$1,200 a year, when the chief clerk in the auditor's office here in the District of Columbia receives a salary of \$2,250. Assistants, who serve the people, advise them regarding the books and bring the books to them, attend them in the library-a high class of efficient work-receive but \$900, when the bookkeepers in the auditor's office feceive \$1,800. The reference librarian, who must be a

skilled expert in that department, receives \$1,000, when the accountants in the auditor's office receive \$1,500 and \$1,600.

The cataloguer receives only \$720, when the clerks in the auditor's office receive from \$1,400 to \$1,600. The stenographers and typewriters receive only \$720 in the library department and receive from \$720 to \$1,200 in the other departments of the District government. The attendants receive \$540, when in other places they receive \$600. Messengers here receive \$480, but in other departments of the District they receive \$600.

Not only are the salaries not up to the standard of other departments in the District government, but the help is very insufficient. The library is doing a fine work under the superintendency of the splendid librarian, Dr. Bowerman, who, I am almost certain, will be compelled to resign his position if he is paid only the salary that is now given him. The public library is an efficient instrument in the elevation and education of the people of the District of Columbia. The librarian, other officers, and employees are doing good work and rendering effective service of a high class for the people.

It is a great mistake for Congress to treat this particular department of the work in the District of Columbia as it is doing. It makes Congress liable to some of the charges that are leveled against it. The library reaches a class of people who should be helped and influenced in the best way by the best and most competent labor that can be secured. We are unjust to them and to the people whom they serve if we overwork and underpay them. At least we ought to bring this great department up to the standard of the best libraries in cities of this

class throughout the United States. [Applause.]
Mr. PAGE of North Carolina. Mr. Chairman, I can only say that in the consideration of the increases asked for in connection with this item your subcommittee allowed those that in their judgment were most urgent and most needed and those as to which we could reach a reasonable agreement; and I, therefore, hope that the amendment offered by the gentleman from Iowa [Mr. Towner] will be voted down. I ask for a vote.

The CHAIRMAN. The question is on agreeing to the amend-

ment offered by the gentleman from Iowa [Mr. Towner].

Mr. GREEN of Iowa. Mr. Chairman, although I know that no word that I can say will have any effect upon this matter,

I wish to speak very briefly upon this subject.

The situation with reference to the public library in this city is little short of a disgrace, and it is a prominent example of the incompetency and inefficiency of this Congress to deal with matters that relate solely to the people of this city. Congress for some reason or other has discriminated against the employees of the public library—one of the most important subjects that can come before this body. The salaries are insuffi-cient and lower than they are in the other departments, and the discriminations against the institution itself are of such a nature that Congress ought to take immediate cognizance of How long this situation is to obtain, I know not; but I hope that if my voice and the voices of others are raised here long enough and continuously enough, eventually it will be remedied.

Mr. PAGE of North Carolina. Mr. Chairman, will the gen-

tleman allow me to interrupt him?

Mr. GREEN of Iowa. Certainly. Mr. PAGE of North Carolina. I desire to say that the increase for the library carried in this bill, amounting to \$4,060, is a greater increase than has been given to this institution during the last six years on the annual appropriation bills.

Mr. GREEN of Iowa. So much the worse for Congress in the past, and so much the better for the committee that has at last concluded that there ought to be some increase, however

slight it may be.

That is the situation exactly. Here is an educational institution, the most important that can exist in the city, and Congress is deaf, stone deaf, to its necessities, to its complaints, and to the complaints of the people of this city in regard to it. How long, O Lord, how long!

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Iowa [Mr. Towner].

The question was taken, and the amendment was rejected. Mr. JOHNSON of South Carolina. Mr. Chairman, I move to strike out the last word.

gentleman from South Carolina The CHAIRMAN. The

moves to strike out the last word.

Mr. JOHNSON of South Carolina. Mr. Chairman, there is an item on page 6 of this bill which provides for the coroner's office. It is to it that I desire to address my remarks. I remember last fall that one person was killed each day for three successive days by automobiles. There have been a dozen persons killed in the city of Washington during the present year by automobiles.

Mr. ROBERTS of Massachusetts. Thirteen.

Mr. JOHNSON of South Carolina. In every instance the coroner has called a jury and they have rendered a verdict

that it was an unavoidable accident.

I do not know the coroner of this District, but I presume he is a man of some force, and that he must dominate and influence his juries. He certainly does not understand the commonlaw duties of a coroner's jury. It is not the business of a coroner's jury, when there has been a sudden death, to inquire into the merits of the killing. It is the duty of the coroner's jury to present the fact that a human being has been suddenly killed. It is for a grand jury and a petit jury in a court of competent jurisdiction to pass upon the degree of guilt or innocence involved in the killing. It is no part of the province of a coroner's jury to prejudge the defendant in the criminal courts or to prejudge damage suits in civil courts where a person may be killed by a street car or other vehicle. I do not believe that these people have been killed as the result of unavoidable accidents. I believe that they have met their deaths as the result of reckless driving by people who were not mindful of the rights of other men. If any man were to go into a crowded street and discharge firearms and kill some person whom he did not know and against whom he had no personal ill will, the law says that it is a malicious killing. The law declares that it was done with malice, because it was done without regard to the rights of other people and that the conduct was reckless. I do not believe that any man who has a proper regard for human life and the rights of other people will drive these powerful cars through crowded streets at such speed as to kill men at the crossings. The pedestrian ought to have the right of way at street crossings, and the man who comes with a powerful engine at such a rate of speed that he can not control his car is guilty of violating the criminal law, and he ought to be carried before a grand jury, and if a prima facie case is made out, he ought to be tried by a petit jury. And I will tell you, gentlemen, if somebody in this town is convicted of murder or manslaughter, you will find that these accidents are avoidable.

Mr. GREEN of Iowa. Will the gentleman yield? The CHAIRMAN. The time of the gentleman has expired.

Mr. FOWLER. I ask unanimous consent that the gentleman's time may be extended five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. JOHNSON of South Carolina. I will yield to the gentle-

Mr. GREEN of Iowa. I quite agree with what the gentleman has said as to the rights of pedestrians, but does he know of any street where the pedestrians get their rights, as matters stand now?

Mr. JOHNSON of South Carolina. I do not.

Mr. GREEN of Iowa. And is it not strange, considering the way that automobiles are driven in this town, that more than 13 persons have not been killed in the last year?

Mr. JOHNSON of South Carolina. It is, Mr. FOWLER. Will the gentleman yield? Mr. JOHNSON of South Carolina. I will yield to the gentle-

man from Illinois.

Mr. FOWLER. I call the attention of the gentleman from South Carolina to the fact that the coroner's verdict in a trial for a personal injury may be introduced as evidence for the purpose of proving the death, and that the onus of such a verdict of a coroner's jury comes in against the poor plaintiff who

seeks to recover for the redress of a wrong.

Mr. JOHNSON of South Carolina. Mr. Chairman, during the time I have been here I have noticed that when people were killed either by automobiles or street cars the verdict was almost invariably that the person came to his death by his own negligence and that the accident was unavoidable. believe that the coroner and his jury have any right to pre-judge the merits of a damage suit on the civil side of the court or to judge of the merits of a criminal case in a court having the jurisdiction to inquire into it. I myself believe that all of these accidents could have been avoided. I do not believe that any man who has the proper regard for the rights of other people will drive one of these powerful cars at such a rate of speed that he can not stop it if some woman or child suddenly darts in front of him. [Applause.]
Mr. J. I. NOLAN. Mr. Chairman, I ask unanimous consent

to insert in the RECORD the statement made by the President of the United States upon signing the Hetch Hetchy bill.

The CHAIRMAN. The gentleman from California [Mr. J. I. NOLAN] asks unanimous consent to insert in the RECORD at this time the statement indicated. Is there objection?

Mr. FOSTER. I do not believe these matters ought to be

injected into the debate on the District appropriation bill.

Mr. MANN. This statement is very short.

Mr. FOSTER. I have no objection to printing it in the Record if it is printed in the back part of the Record.

Mr. MANN. The trouble is, it is very short.

Mr. J. I. NOLAN. Members of the House have been called

to account for their votes on this bill.

Mr. FOSTER. I suggest that the gentleman read it, if he wishes to have it appear in the RECORD.

Mr. J. I. NOLAN. I will ask the Clerk to read it. Mr. SISSON. I should like to have it read.

The CHAIRMAN. If there be no objection, the Clerk will read.

The Clerk read as follows:

STATEMENT MADE BY THE PRESIDENT WHEN SIGNING THE HETCH HETCHY BILL,

I have signed this bill because it seemed to serve the pressing public needs of the region concerned better than they could be served in any other way and yet did not impair the usefulness or materially detract from the beauty of the public domain. The bill was opposed by so many public-spirited men, thoughtful of the interests of the people and of fine conscience in every matter of public concern, that I have naturally sought to scrutinize it very closely. I take the liberty of thinking that their fears and objections were not well founded. I believe the bill to be, on the whole, in the public interest, and I am the less uncertain in that judgment because I find it concurred in by men whose best energies have been devoted to conservation and the safeguarding of the people's interests, and many of whom have, besides, had a long experience in the public service, which has made them circumspect in forming an opinion upon such matters.

The CHAIRMAN. If there be no objection, the pro forma amendment proposed by the gentleman from South Carolina [Mr. Johnson] will be withdrawn, and the Clerk will read.

The Clerk read as follows:

Miscellaneous, including Takoma Park Branch: For books, periodicals, and newspapers, including payment in advance for subscriptions to periodicals, newspapers, subscription books, and society publications, \$8,500;

\$8,500;
For binding, by contract or otherwise, including necessary personal services, \$4,500;
For maintenance, repairs, fuel, lighting, fitting up buildings, lunchroom equipment, purchase, exchange, and maintenance of bicycles and motor delivery vehicles, and other contingent expenses, \$8,000.

In all, \$21,000.

Mr. FOWLER. Mr. Chairman, I move to strike out the last word. I desire to ask the gentleman in charge of the bill why the provision for the blind in relation to the library was omitted from this section? At the last session we carried an appropriation of \$5,000 for this purpose.

Mr. PAGE of North Carolina. I call the gentleman's attention to the fact that the item was placed in the bill last year in the Senate. It was not in the bill when it passed the House. This year it was not estimated for or brought to the attention of the committee of the House in making up this appropriation bill. In the absence of an estimate, in the absence of any testimony, in the absence of any knowledge, this committee did not include it.

Mr. FOWLER. And there has been no demand for it? Mr. PAGE of North Carolina. Absolutely none to this subcommittee. It was never included in the estimates by the District Commissioners.

Mr. FOWLER. Does the gentleman know how many blind

people there are in the city?

Mr. PAGE of North Carolina. The \$5,000 was appropriated for a private institution last year, and while I have no definite information I have had people talk to me about the institution; I have some knowledge, but not definite enough to state numbers or details of that sort.

Mr. FOWLER. My only anxiety is that these unfortunate people shall be looked after as carefully as any other class of

Mr. PAGE of North Carolina. I share the anxiety of the gentleman, but there are other appropriations in this bill for the care of the blind.

Mr. FOWLER. I see that there is an increase in the amount for binding above that of the current law.

Mr. PAGE of North Carolina. For the library? That was done because representation was made to the committee that as years go by the number of books to be rebound are increasing, and it is necessary in order to preserve them to have this appropriation increased.

Mr. FOWLER. Mr. Chairman, I withdraw the pro forma amendment.

Mr. MANN. May I ask the gentleman from North Carolina question?

Mr. PAGE of North Carolina. Certainly.

Mr. MANN. Was there any inquiry made in the committee about this item for the blind?

Mr. PAGE of North Carolina. There was no investigation.

Mr. MANN. The committee made no investigation about it?

Mr. PAGE of North Carolina. No; there was no estimate forwarded to us. It was put in the bill last year in the Senate, and it has no standing whatever in the Appropriations Committee room of the House.

Mr. MANN. Why does the gentleman say that it has no standing in the House when the House agreed to it in the last

Mr. PAGE of North Carolina. The gentleman from Illinois understands that in making up the bill, under the rules of the House, the Appropriations Committee is supposed to act upon the estimates coming to it through the Treasury Department. There are rules of the House that prevent their considering

Mr. MANN. There are no laws or rules of the House that

prohibit it.

items not estimated for.

Mr. PAGE of North Carolina. Well, a rule of the committee. Mr. MANN. But it is frequently violated. A considerable number of appropriations in the bill are for private enterprises, which originated in the Senate and are constantly carried by the House.

Mr. PAGE of North Carolina. I want to say to the gentleman that when the item was reached, having the current law before us, the chairman of the commissioners made this observation: "There is an estimate that comes out on page 42, according to your suggestion." I said, "The item of library for the blind." Mr. Newman said, "Yes, this has no connection with the public library; that is a private institution." I then said to Commissioner Newman, "Your recommendation is that it be stricken out?" and Mr. Newman replied, "Yes," and we did it.

Mr. MANN. So far as its being a private institution, I want to say that a majority of the appropriations in this bill for

charitable purposes go to private institutions.

Mr. PAGE of North Carolina. I understand that.

Mr. MANN. I can not criticize the committee for following the recommendation of the commissioners. It is on the recommendation of the new commissioners that the appropriation for the blind was left out.

Mr. PAGE of North Carolina. It would have been left out just the same if it had not been recommended by the commis-

sioners.

Mr. MANN. The gentleman and the committee having made

no investigation, how can he make that statement?

Mr. PAGE of North Carolina. Nobody asked for it; there was nothing in the estimates calling our attention to it and asking us to appropriate for it. I call attention to the fact that no appropriation for private purpose is carried in the bill, except those made upon contracts for the performance of specific service, and there is no such contract here.

Mr. MANN. The gentleman is mistaken about that.

Mr. PAGE of North Carolina. I may be in some one instance, but as a general proposition it is true.

Mr. MANN. In some cases the appropriation is for all the

salaries and expenses.

Mr. PAGE of North Carolina. Mr. Chairman, I would like to have the gentleman call the attention of the chairman of the subcommittee to an item of that sort.

Mr. MANN. It may be that you have corrected it in this

bill. I hope so

The CHAIRMAN. The time of the gentleman has expired.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. Adamson having taken the chair as Speaker pro tempore, a message in writing from the President of the United States was communicated to the House of Representatives by Mr. Latta, one of his secretaries, who also informed the House of Representatives that the President had approved and signed joint resolution and bills of the following titles:

On December 15, 1913: H. J. Res. 164. Joint resolution authorizing the Secretary of the Senate and the Clerk of the House to pay the officers and employees of the Senate and House, including the Capitol police, their respective salaries for the month of December, 1913, on the 20th day of said month.

On December 19, 1913:

H, R. 10081. An act to make the tenure of the office of the major general commandant of the Marine Corps for a term of

four years: and

H. R. 7207. An act granting to the city and county of San Francisco certain rights of way in, over, and through certain public lands, the Yosemite National Park, and Stanislaus National Forest, and certain lands in the Yosemite National Park, the Stanislaus National Forest, and the public lands in the State of California, and for other purposes.

DISTRICT OF COLUMBIA APPROPRIATION BILL,

The committee resumed its session. The Clerk read as follows:

CONTINGENT AND MISCELLANEOUS EXPENSES.

For printing, checks, books, law books, books of reference, and periodicals, stationery; detection of frauds on the revenue; surveying instruments and implements; drawing materials; binding, rebinding, repairing, and preservation of records; maintaining and keeping in good order the laboratory and apparatus in the office of the inspector of asphalt and cement; damages; livery, purchase, and care of horses and carriages or buggies and bicycles not otherwise provided for; horse-shoeing; ice; repairs to pound and vehicles; use of bicycles by inspectors in the engineer department not to exceed \$800; and other general necessary expenses of District offices, including the sinking-fund office, Board of Charities, including an allowance to the purchasing officer and to the secretary of the Board of Charities of not exceeding \$360 each per annum for maintenance of vehicle for use in the discharge of their official duties, excise board, personal-tax board, harbor master, health department, surveyor's office, superintendent of weights, measures, and markets office, and department of insurance, and purchase of new apparatus and laboratory equipment in office of inspector of asphalt and cement, \$36,925; and the commissioners shall so apportion this sum as to prevent a deficiency therein.

Mr. COX. Mr. Chairman, I move to strike out the last word.

Mr. COX. Mr. Chairman, I move to strike out the last word. Beginning in line 11, you say, "including an allowance to the purchasing officer and to the secretary of the Board of Charities of not exceeding \$360 each per annum for maintenance of vehicle for use in the discharge of their official duties.' query is this: Is that a lump sum of \$360 turned over to them, or can they only use so much as may be necessary?

Mr. PAGE of North Carolina. The lump sum is turned over to them for the maintenance of the vehicle. That amount is furnished him for the maintenance of his horse and vehicle.

Mr. COX. Does the gentleman know, or did his committee make any inquiries whether or not it requires that amount of money !

Mr. PAGE of North Carolina, The committee did make inquiry touching allowances of this kind running through the bill, and in every instance they were asking for a greater allowance and saying they could not maintain their horse and vehicle on the allowance made in the bill; but the committee did not increase in any instance.

Mr. COX. The gentleman feels from his answer, I take it,

that it requires this amount of money?

Mr. PAGE of North Carolina. I think, undoubtedly, under present conditions it is not a very liberal allowance

Mr. COX. I am not sure, but at least I would like to see a

limitation put upon that appropriation.

Mr. PAGE of North Carolina. It is the minimum amount, The minimum amount allowed by the Government in other departments is \$400. The committee felt that it was not exorbitant and possibly not an adequate sum.

The CHAIRMAN. Without objection, the pro forma amend-

ment will be withdrawn? There was no objection.

The Clerk read as follows:

For maintenance, care, and repair of automobiles, motor cycles, and motor trucks, acquired for the government of the District of Columbia, that are not otherwise herein provided for, including such personal services in connection therewith not otherwise herein authorized, as the commissioners shall in writing specially order, and for the purchase of one additional motor vehicle herein specified; namely.

Mr. MANN. Mr. Chairman, I move to strike out in lines 3 and 4 the words "and for the purchase of one additional motor vehicle herein specified."

The CHAIRMAN. The gentleman from Illinois offers an amendment which the Clerk will report.

The Clerk read as follows:

Amend, page 14, in lines 3 and 4, by striking out after the word "order" the words "and for the purchase of one additional motor vehicle herein specified."

Mr. MANN. Mr. Chairman, this motor vehicle referred to is therein specified as follows:

Including one to be purchased hereunder for the service of the civilian commissioners.

Mr. Chairman, I have no objection, so far as I am concerned, to purchasing one automobile, or two automobiles, for the two commissioners. I do not believe that Congress ought to provide automobiles for the District Commissioners before they provide one for the Vice President, one for the Speaker, and one each for the Cabinet officers. The Vice President now uses an old automobile, fortunately purchased many years ago, and maintains it and repairs it out of the Senate contingent fund, and it does very well when it runs, though it frequently stops when in service. The House refuses to give the Speaker an automobile, although he now lives where he ought to have one, and we give to the Cabinet officers little dinky carriages and refuse to give them automobiles. The only people for whom we now provide automobiles are the President and his secretary, both of whom ought to have them. Here is a proposition to give to the District Commissioners automobiles that you will not give to the Speaker or to the Cabinet officers. I am willing to give them all automobiles, but I am very much opposed to placing the District Commissioners above the Cabinet officers or the Speaker of the House of Representatives and the Vice

President of the United States.

Mr. PAGE of North Carolina. Mr. Chairman, in reply to what the gentleman from Illinois [Mr. Mann] has said, I will say that yesterday, in my remarks before the House, I made some reference to this item, and possibly gentlemen who are present to-day were not present then. In my judgment, comparison can be instituted as to the necessity for furnishing a means of transportation to either the Vice President of the United States or the honorable Speaker of this body, with the necessity for furnishing one to the gentlemen who occupy the position of District Commissioners, to be used in the discharge of their official duties. I want to say to this House, as I said yesterday, that the automobiles that the gentleman would furnish to the Vice President of the United States, the Speaker of this body, or the Cabinet officers-and I do not know that I would vote differently from him in that respect-would be entirely for social purposes. Their duties do not require that they should cover any distance in this city except from the Capitol to their homes. If they do make other trips, it is done for the pleasure of the gentlemen who occupy the offices. want to appeal to the membership of this House in behalf of the item carried in this bill for the purchase of an automobile for the civilian Commissioners of the District of Columbia. is the necessity from the point of view of your subcommittee. Here are gentlemen who are charged with the duty of familiarizing themselves with the conditions of the streets, the conditions of the police department, the conditions of the fire departmentevery physical condition connected with the city of Washington.

Mr. COX. Have they had any automobiles heretofore? Mr. PAGE of North Carolina. There has been and is now one automobile, provided a few years ago for the engineer com-missioner and his assistant, and it has been in use for some time. Mr. COX. Then, as I understand the gentleman, there never

has been one provided for the civilian commissioners?

Mr. PAGE of North Carolina. There has not been, and I do not hesitate to say to the gentleman that I think in the discharge of their duties those gentlemen who have held these offices have not done their work as efficiently and as fully and as carefully as they ought to have or would have done had they been provided with these modern, quick means of transportation. Mr. CARY. Mr. Chairman, will the gentleman yield?

Mr. PAGE of North Carolina. I yield.

Mr. CARY. I do not know that the gentleman is aware of the fact that the automobile referred to as belonging to the engineer commissioner was never authorized for the engineer commissioner, but for the superintendent of street sweeping-

Mr. PAGE of North Carolina. I think the gentleman is entirely mistaken. This automobile was purchased by provision of law for the Engineer Commissioner of the District of Columbia and his assistants in the discharge of their duties, in specific terms.

Mr. CARY. And the amount was \$2,000.

Mr. PAGE of North Carolina. And the amount, as my recollection is, was more than that—\$3,000.

Mr. CARY. Well, the amount, as I remember it, is \$2,000, but they paid \$2,800 for it.

Mr. PAGE of North Carolina. I have no idea what they paid for it. I want to call attention to the fact that in the purchase of these automobiles and all other automobiles in the future needed by the officials of the District of Columbia this committee has provided a limitation of \$2,000.

Mr. CARY. May I ask the gentleman another question? Mr. PAGE of North Carolina. Certainly.

Mr. CARY. How many automobiles have they in the street

sweeping department now?

Mr. PAGE of North Carolina. The investigation by this committee resulted in the information that now there were 11 passenger automobiles in the service of the District in the street cleaning department and various other supervisors of streets and various other subofficials of the District of Columbia, including the one for the engineer commissioner.

Mr. CARY. Five automobiles and the one for the engineer

commissioner makes six and four motor cycles.

Mr. PAGE of North Carolina. Mr. Chairman, I believe, and I want to say in connection with the amendment offered by the gentleman from Illinois [Mr. Mann], that it goes without saying that as chairman of this subcommittee I believe this automobile ought to have been provided or I would not have stood for

its being written into this provision; it takes the place of two carriages and horses now provided for these commissioners. I am not going to maintain that it will not cost more to maintain this motor vehicle than possibly for the carriages and horses. It is not a matter I care to discuss at this instant, but it is not a charge upon the funds of the District for the amount that would show on its face here because that reduction comes.

Mr. WILLIAMS. Will the gentleman yield?

Mr. PAGE of North Carolina. Certainly. Mr. WILLIAMS. Is it true persons for whom these automobiles are furnished have Maryland and Virginia licenses?

Mr. PAGE of North Carolina. That inquiry was directed at me yesterday, and at that time I was not prepared to answer, but since then I am informed that the officials of the District operating these machines in the discharge of their official duties have at times to go both into Virginia and into Maryland in the inspection of various materials and other things that are used in the District and have to have those tags.

Mr. MANN. And they are needed for joy rides.

Mr. PAGE of North Carolina. They could use them for joy rides; but this committee has made a provision making it rather dangerous to joy ride.

Mr. WILLIAMS. Is it true that they are used for pleasure

Mr. PAGE of North Carolina. I have no information and I can not answer the gentleman's question, but the law provides they shall not. If they do it they do it in violation of the law.

Mr. GARNER. Will the gentleman yield for a question?

Mr. PAGE of North Carolina. I will.

Mr. GARNER. Does the gentleman know of any other city of the size of Washington that has the number of passenger automobiles in service they have here?

Mr. PAGE of North Carolina. To be frank with the gentleman, I have not investigated that, and I do not know, but I imagine that other cities do have them.

Mr. GARNER. The gentleman has suggested that a full investigation into the matter justified him in reporting in favor of the automobile for the civilian commissioners. Did the committee look into the question of the necessity of owning the

11 now in use?

Mr. PAGE of North Carolina. Well, to some degree, yes; we did in the hearings, and, as a result, I will say to the gentleman from Texas, of that investigation on the part of the committee we found that these automobiles now were assigned to a certain officer-for illustration we will say, the assessor of the District, the superintendent of street cleaning—and under this provision the Commissioners of the District had not assumed they had authority or control over these automobiles to the extent of assigning them to some other officials, and as a result of that investigation your committee has written into this bill a clause which provides the commissioners shall have direct control of all these passenger automobiles.

They can assign them and interchange them among the various officials of the District and limit their use to absolutely

official business.

Mr. COX. Mr. Chairman, I move to strike out the last word.

Mr. MANN. Mr Chairman— Mr. COX. Mr. Chairman, I want to ask the gentleman from Illinois [Mr. Mann] a question. I did not quite get his amendment. Will he please state it again?

Mr. MANN. There is an item in two paragraphs on page 14.

The first occurs in lines 3 and 4 of the first paragraph, as

follows:

And for the purchase of one additional motor vehicle herein specified. I move to strike that out. And then there is the next one,

to which there will be another amendment offered.

Mr. COX. I want to support the amendment offered by the gentleman from Illinois. I do not base my support of it, however, on the ground upon which he places it, namely, that because Congress refuses to give the Vice President and the Speaker of the House an automobile there is no reason why we should give these commissioners automobiles. I put my support of his amendment on entirely different grounds, and whether it be called the ground of economy or not, I do not care. But I have observed, gentlemen, for the last number of years the constant attempt and determination, as it were, on the part of the departments to get Congress to buy automo-The Post Office Department for the last number of years has been doing its best to get the Government to buy automo-Last year, I think it was, a provision was inserted in the Post Office bill which gave to the Postmaster General the power to spend a part of the money that went to the screen-wagon service in the purchase of automobiles. Under that power

given to them they purchased something like 40 automobiles in the last year or so. The proof shows, as anyone will find who will read the hearings before the Committee on the Post Office and Post Roads, that because of the fact that they have abandoned the collection and distribution of mail under the mail and screen-wagon service, heretofore done by horses and now done by automobiles, it has actually increased the cost all the way from 30 to 100 per cent. And yet when they were before the committee trying to get the right to buy automobiles the ground on which it was put was that of economy, of efficiency, and good administration. Yet after they got the automobiles, although it increased the cost all the way from 30 to 100 per cent, the Post Office Department before the committee the other day was forced to admit it did not increase the facilities of the mail to exceed 15 minutes. I am now quoting in a brief and summary way the testimony before the Post Office Committee.

Now, with all due deference to my friend from North Carolina [Mr. Page], who, I think, has held this bill down clearly within proper reserve, we are told again that on the ground of efficiency these men ought to have automobiles. Will they do any more work? Does anyone believe for a moment that if we give them \$2,000 with which to buy automobiles they will be any

more diligent in pursuit of their daily avocations?

Mr. PAGE of North Carolina. Will the gentleman permit an

interruption?

Mr. COX.

Mr. PAGE of North Carolina. I want to say to the gentleman that if these added facilities did not make it so I would not be for the appropriation.

Mr. COX. I think the gentleman is conscientious in that statement.

Mr. PAGE of North Carolina. And I will repeat to the gentleman the statement I made on the floor of the House yester-I do not believe that any man, however diligent he may be, however industrious he may be as a Commissioner of the District of Columbia, can get information that he needs and ought to have for the proper discharge of the duties of his office without these facilities.

Mr. COX. And I will go further than that and say that I do not believe for a moment that the gentleman would stand for a dollar in this bill, no matter who is getting it, unless he conscientiously believed that that dollar would be 100 cents in the way of service to the people. But in my way of looking at it I do not believe the public would get one penny more good out of these automobiles. And instead of it being a matter of economy, in my candid judgment it is going to be a matter of expense without any increased profit whatever.

Mr. PAGE of North Carolina. Let me inquire of the gentle-

man. In the last few years, not only in Washington but elsewhere, there has been a gradual change from horse-drawn firefighting apparatus to motor apparatus. Does the gentleman ap-

prove of that?

Mr. COX. I might approve of it.

Mr. PAGE of North Carolina. On what ground?

Mr. COX. When you are approaching a conflagration you want to get there as quickly as possible.

Mr. PAGE of North Carolina. And when there is a condition that requires quick action.

Mr. COX. But when you work under emergency— Mr. PAGE of North Carolina. If they work under emergen-cies, they should have the facilities to do it.

Mr. COX. They would not do it if they had facilities for

Mr. SISSON. Mr. Chairman, I move to strike out the last word. I want to correct a statement of the gentleman from Wisconsin [Mr. CARY].

If the gentleman from Wisconsin [Mr. CARY] will look in the appropriation bill of 1911, he will find the specific authorization for the purchase and maintenance of an automobile for the official use only of the engineer commissioner and the assistant engineer commissioner in inspection work, \$2,400, or so much thereof as may be necessary; so that there is no doubt about the specific authorization.

Mr. CARY. I will say to the gentleman that I think he is perhaps correct.

Mr. SISSON. That is the language of the bill. There are a few items in this bill, Mr. Chairman, upon which the members of the subcommittee differed. I differed with the subcommittee with respect to this item. My information was that with the 11 passenger automobiles that they already have we could put in this bill a provision requiring that they could assign those automobiles. They could do all the official work that would be required of them by a proper assignment of the automobiles for the maintenance of the machines provided at the they now have, because it is not conceivable that all these 11 time. It is not for the purchase of any new machines.

passenger automobiles would be engaged in that sort of service at the same time.

If the Committee of the Whole desires to furnish them with an additional machine to be used for social or quasi-social purposes, it can give them this machine. Your subcommittee, how-ever, has endeavored to safeguard that by providing that it shall be used for official purposes only.

Mr. CARY. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Mississippi vield? Mr. SISSON. In a moment, My reason for opposing this item is that I do not believe the proviso will do what our chairman says it will do, because if you want to go to a place quickly, as happens frequently, those commissioners can go together in one machine, and that would leave 10 machines remaining unused around the District Building. My judgment is that at least a third or a half of these machines will be standing constantly idle about the District Building. I admit that my statement is not susceptible of proof; but if these commissioners do any work at all, they can certainly so arrange matters that it will not be necessary for each commissioner to be especially provided with a separate machine.

The item that I read to the gentleman from Wisconsin [Mr. Carr] a moment ago, authorizing the purchase of a vehicle for the engineer commissioner, provides specifically that it shall be used for inspection work, under the theory that the three commissioners could use the one automobile for that purpose. I agree fully with the chairman of the subcommittee [Mr. Page of North Carolina] in the opinion that they could do perhaps as much inspection work in a day if they were equipped with an automobile as they could do in a week if equipped with a horse and carriage or if they had to travel on street cars, and I think they could not get to many of these places on the cars. I think it is essential that they should have modern means of transportation in order that they may discharge their official duties properly, but I do not believe that the three commissioners should each keep three automobiles at that office. For that reason I reserved the right not only in the subcommittee but also on the floor of the House to vote for an amendment, and for that reason I am constrained to support the amendment offered by the gentleman from Illinois [Mr. MANN]

Mr. CARY. Mr. Chairman, will the gentleman yield? Mr. SISSON. Yes.

Yes.

The gentleman has there the law authorizing Mr. CARY. that automobile. Has the gentleman found any authority of law there authorizing the purchase of five automobiles for the street-cleaning department?

I have not looked that up, but I am informed by the clerk of the committee that there is a general law and a general authorization for that purpose. I do not know that of my own knowledge, as I have not looked it up.

Mr. CARY. I understand the way they got those machines was by laying off these so-called "white angels" and accumu-

lating a fund out of which to make the purchase.

Mr. SISSON. I have heard that statement made repeatedly, but the record shows that the contrary is true. The statement was made that those machines were bought out of a lump sum for street-cleaning purposes. But when this machine was authorized it was specifically authorized for the engineer commissioner for inspection work, and so on.

Mr. CARY. I wish to say, Mr. Chairman, that I do not

think

Mr. SISSON. One moment. I was just yielding for a ques-Nor do I think, Mr. Chairman, that any of the officials tion. of the District government should be given means of transportation by automobiles for social purposes. I understand that many gentlemen disagree with me about this, but I do feel that that is not a function of the Government to furnish men and their families with the means of transportation to social functions.

Mr. CARY. I move to strike out the last two words. Mr. PAGE of North Carolina. Before the gentleman from Wisconsin proceeds will be allow me to call his attention to the fact, in connection with the automobiles purchased for the street-cleaning department, that the law provides for the purchase, maintenance, and repair of motor-propelled vehicles necessary in operation and supervision, and necessary incidental expenses, out of a lump sum of \$260,000 carried in the bill, and they were purchased under that provision. In the present bill we have stricken that out and have carried this to another item.

Mr. CARY. This sum of \$9,150 for motor vehicles, is that for new machines or is it a return to the street-cleaning department

of money paid out for these five machines?

Mr. PAGE of North Carolina. It says on its face that it is for the maintenance of the machines provided at the present Mr. CARY. Mr. Chairman, about three years ago the local street-cleaning department was transferred to the engineer department. Theretofore it had always been in charge of one of the civil commissioners. At the time of the transfer, and while under the civil commissioner, the office force consisted of four clerks and one stenographer, their salaries amounting to \$5,700 per annum, as shown by the law. One-half of that sum, \$2,850, was paid by the local taxpayers and a like sum by the United

There are now employed in that office 12 men, and the cost of operating it is substantially as follows:

Per	annum.
1 stenographer, at a salary of 1 assistant superintendent (not authorized by law) 10 clerks, whose salaries amount to	\$1,000 1,600 9,640
Total	12, 240

So that the present annual cost is \$840 more than double what it was when the office was under a civil commissioner.

They have also purchased some automobiles and motor cycles-six of the former at a cost of \$7,550 and four of the latter at a cost of \$1,040. The annual cost of operating these machines, according to the published hearings before the comwas \$2,100 per annum, the cost and operating expense amounting to \$10,690, making the total present cost \$22,930 per annum, or considerably more than four times what it was

three years ago under the civil commissioner.

In the District of Columbia estimates for the fiscal year 1913 the superintendent of street cleaning, through the commissioners, asked for one automobile at an estimated cost not to exceed \$2,000, which was urged by Engineer Commissioner Judson and allowed by Congress. Col. Judson then bought an automobile at a cost of \$2,350 out of the street-cleaning fund and appropriated it to his own use. It has never been used by the

superintendent of street cleaning.

A recapitulation shows that the present cost of the office force is \$12,240 per annum; former cost, \$5,700; excess in present cost over former cost, \$6,540 per annum. One-half of the former cost paid by the United States is \$2,850; District of Columbia taxpayers paid a like sum. One-half of present cost—\$12,240—paid by the United States is \$6,120; District of Columbia taxpayers pay a like sum.

The present total cost, including autos, is \$22,930; the former cost was \$5,700; excess in present cost over former cost, \$17,230. One-half of present total cost paid by the United States is \$11,465; former cost, \$2,850; the excess paid by the United States is \$8,615, or more than three times as much, and the same excess is paid by District of Columbia taxpayers. The present operating expense is \$17,230 per annum greater than it was during the previous administration. This excess cost is more than three times the entire cost when a civil commissioner had charge of the office. The whole cost is now more than four times what it formerly was. This is one of several of Col. Judson's so-called "economies."

Mr. PAGE of North Carolina. At this point I wish to state, so that it may go into the RECORD, that the amount carried in this bill is for the maintenance of all the passenger vehicles under the charge of the District Commissioners, not only automobiles, but motor cycles and the trucks owned by the District; everything not exempted in the provision, namely, the fire, police, and health departments and the board of charities; that \$9,000 is the total for the maintenance of all those vehicles.

Mr. Chairman, a few years ago, when the proposition was made here to buy automobiles for the President of the United States, I opposed it, and I have opposed such purchases ever since. I predicted then what it would lead to. When we bought an automobile for the President, who receives a salary of \$75,000 a year, and receives a house to live in free, a house that we would all be very glad to exchange for the ones we have, it seems to me we made a bad precedent, and we are now reaping the fruits of having taken the first wrong step.

I can not, for the life of me, see why the engineer commissioner should have an automobile and the civil commissioners should not, unless it is upon the theory that when a man gets into the Army or Navy and lives on taxes from the day he first begins to be educated at West Point until he is buried it must be at public expense. I can not see why a seven-passenger car should be furnished the engineer commissioner, while a civil commissioner must look after what the engineer commissioner has done, traveling behind a mule or a Texas pony or some other kind of an animal. I do not see why the major of police in this city should go hiking about over the city in a little one-horse shay that can not get anywhere, while mere subordinates of some departments are riding around in fine automobiles.

Now, I do not know what an official use is. I suppose that in going from your hotel or your home to your office, if you are an official, is official business; but is it official business to ride back to the same place? Anyone who will go around over this city may see a big Government automobile standing in front of an apartment house or private dwelling waiting for one of these assistants to come out and be driven down in royal state to an office, where he will stay for a certain number of hours and then That is said to be official use. Why should such a man as that need an automobile at all with street cars and broad streets and avenues to walk upon?

Having been on the District Committee for 10 years, I know that the commissioners have occasion to go about the city to view proposed street openings and extensions and other pro-

posed improvements.

We commenced with the President, and the Lord only knows where it will end. I want to say to my friend from Indiana [Mr. Cox], who spoke of the automobiles being used in the Post Office Department, that I have received one benefit out of those automobiles. They are so much larger and so much more dangerous that dodging is more necessary, and I have lost several pounds dodging them since they came into use that I had not lost in dodging the lighter vehicles. [Laughter.] Another thing, they are painted red, and you can see them farther and have more time in which to dodge them than you can in dodging others. In this city it is necessary to dodge automobiles in order to preserve life, and I think the gentleman ought to see that there is some indirect benefit derived out of these red devils used in the postal service. They make more noise, and it gives you more time to dodge, and then, gentlemen, who had not rather have a postal card delivered by an automobile than one delivered by a mere wagon drawn by an Indiana horse or a mule? The gentleman from Indiana is not progressive. Who wants to read a paper not delivered by the most modern facilities that you can get?

Mr. Cox. I think Indiana will stand by the horse and the

[Laughter.] mule.

Mr. SIMS. I want to say that this committee is acting consistently. Why should you make fish of one and fowl of another when one needs it as much as the other? Of course we are never going to vote these things for ourselves; we do not belong to the executive departments, nor to the Army or the Navy, and never will, as far as I am concerned. But if you are going to carry this thing out, in a little while the policemen will have to have aviation facilities furnished them so that they may be able to ride around in the air, as they can see offenders better with a flying machine than they can in one of these red devils, and then, again, they never can catch a criminal with one of these red devils because they make so much noise; he can hear them and run away.

So in this modern day, when they want these red devils to be paid for by your constituents at home, why not let them

have them? [Laughter.]

Mr. MANN. Mr. Chairman, I feel almost ready to depart from public life. I feel perfectly satisfied that I have remained long enough when I have lived to hear the gentleman from Tennessee advocate the purchase of automobiles for anybody or anything. He has fought the idea for so many years, so consistently and so persistently and with such vigor, that I feel that we have accomplished a great step forward when he deliberately advocates and urges that the people of his district pay for automobiles for one of the commissioners in the District of Columbia.

Mr. SIMS. I would be glad to vote to sell all we have al-

ready instead of getting more.

Mr. MANN. I thought I could get a rise out of the gentle-I listened to his entire speech to learn his position, and I could not discover it. I do not know now that he is in favor No; he will not answer. Now, I wonder if he would vote. He will vote, but he will not let it get into the RECORD

that he is in favor of it. [Laughter.]

I do not care whether the District Commissioners have automobiles or not. The civilian commissioners have no great need of an automobile except to go from their homes to their offices and on other occasions when they have members of their

families with them.

Mr. SIMS. Will the ge Mr. MANN. Certainly. Will the gentleman yield?

I have seen an engineer commissioner running Mr. SIMS. around this Capitol in a Government automobile lobbying, and so has the gentleman.

Mr. MANN. The engineer commissioner does need an automobile. His business is not in the office but out in the District. I have no doubt that one of the new commissioners recently appointed is so unfamiliar with the District of Columbia and its boundary lines, because he never lived here, that he has to spend a little time to run around and locate the plants in the District. But I have never seen a man yet who rode in an automobile, unless he drove it, who could tell the points of the compass when he turned around. You do not learn that The best way to learn this town is the way the gentleman from Tennessee and I have learned it, by riding in the street cars and walking.

Mr. SIMS. Will the gentleman yield? Mr. MANN. Yes.

Mr. SIMS. Does the gentleman approve of a lot of assistants to the heads of departments riding back and forward in fine

Government automobiles-

Mr. MANN. There are no assistants to the heads of departments who ride in fine automobiles unless they own them. The Government does not provide automobiles for the heads of departments, much less for their assistants. It provides an automobile for the Secretary of the President, which is entirely

Mr. SIMS. What does the gentleman say about the Quartermaster's Department-perhaps that comes under the War De-

partment?

Mr. CARY. Will the gentleman yield?

Mr. MANN. Yes. Mr. CARY. I do not know what you consider the superintendent of streets, or whether he is the head of a department.

Mr. MANN. I supposed the gentleman was referring to the Government. The officials of the District of Columbia, in the work they perform, where they have to travel around, are furnished with some kind of a vehicle, sometimes a motor vehicle and sometimes an automobile. I see them on the streets every once in a while, but that is not the kind that the civilian com-missioners will have. If the automobile is needed, very well. If the gentleman from Tennessee [Mr. Sims] desires to place the civilian commissioners of the District above the heads of the Government, then vote for this proposition. It is a matter largely of social precedence, and you know just now the whole Government has ceased working, nearly, in order to find out who shall walk first into the dining room or who shall go ahead of the fellow behind him.

Mr. SIMS. Has the gentleman not seen where some subordinates of the State Department have already settled that

Mr. MANN. No; I have not. I saw at one time a statement which came from the State Department, and I have read since that time in the RECORD a statement, put into the RECORD in the distinguished body at the other end of the Capitol, and I have discovered that there is more agitation just now on the part of many of my friends who belong to the party of simplicity to find out who leads into the dining room than there is to find out who leads in legislation.

The CHAIRMAN. The time of the gentleman from Illinois has expired. The pro forma amendment will be withdrawn.

Mr. FITZGERALD. Mr. Chairman, I move to strike out the last word. In the last administration there was so much consideration given to the wealthy and the idle rich that it was not necessary to determine the question of official precedence, because no official ever got much chance to participate in the functions conducted under that administration.

Mr. MADDEN. I suppose the gentleman from New York is leading now in the social affairs of the District and of the

administration.

Mr. FITZGERALD. No; I am attending strictly to business. Mr. MANN. Did I understand the gentleman to say that during the last administration we were busy taking care of the

Mr. FITZGERALD. Yes.

Mr. MANN. I desire to state to the gentleman that it will keep the gentleman and his party exceedingly busy to take care

of the idle poor during this administration. [Laughter.]
Mr. FITZGERALD. The only idle poor I have come across so far have been the incompetent Republicans who have been turned out of office by this administration and who are so lacking in capacity that they have not been able to obtain employ-

ment in civil life. [Laughter.]

But it was not to discuss these matters that I rose. It was to discuss the question of whether there should be provided, at an expenditure of \$2,000, an automobile for the use of the two civilian commissioners of the District. I am in favor of placing such a vehicle at their disposal, because if there is any one thing that characterizes the officials of the District of Columbia more perhaps than anything else it is their utter lack of familiarity with the affairs of the District government. The District commissioners are placed at the head of the various departments of the District government, and if anything will induce

them to spend a considerable portion of their time in familiarizing themselves with the actual conditions in the District away from the District Bullding, of obtaining information about the character of the buildings and the service rendered in them, and the necessity for improvements in the various parts of the District, nothing will be more conducive to the improvement of the administration in the District of Columbia. All Members of Congress know that very considerable time must necessarily be taken by men at the heads of these various services, and if some speedy method of going from their office in the District Building to the various portions of the District in their performance of their duties is provided it will be a very desirable

If some such means of transportation were furnished when complaints would reach the District Building about conditions in different parts of the District, it would be an easy and simple matter for the commissioner charged with the responsibility for the particular service about which complaint is made to visit at once the place where the conditions are complained of, ascertain the exact situation, and then return to his office. It is a mistake to believe that they do their most effective work by confining themselves entirely to their offices. If they could give a reasonable amount of their time to ascertaining and to informing themselves of the exact conditions of the public service throughout the District, it would be of great value not only to the service itself, but it would enable them to be sufficiently well informed to give intelligent information to the various committees of Congress when information is requested. I do not believe that it is extravagant or that it is unwise or improvident to provide a motor vehicle at an expenditure of not exceeding \$2,000 to enable these men to have some ready, quick means of transportation about the District in the discharge of their official duties, but I am convinced that it is imperative if they are to be given a reasonable opportunity to acquire such information about the District and its affairs.

Mr. JOHNSON of Kentucky. Mr. Chairman, I move to strike

out the last word.

The CHAIRMAN. The Chair would suggest to the gentleman from Kentucky that debate is exhausted under the rule.

Mr. PAGE of North Carolina. Mr. Chairman, I ask unanimous consent that the gentleman from Kentucky may proceed for five minutes

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that the gentleman from Kentucky may proceed for five minutes. Is there objection? [After a pause.]

The Chair hears none.

Mr. JOHNSON of Kentucky. Mr. Chairman, with one exception I have opposed the purchase of every automobile that is owned by the District of Columbia. I not only did not oppose but I was ready, if it needed my voice or my vote, to help pass the measure by which the automobile for the engineer commissioner was purchased a few years ago. I believed then, and I believe now, that the other Commissioners of the District should have automobiles. The work of the Commissioners of the District of Columbia begins very early in the morning. It is a very seldom thing indeed that I am at my office in the House Office Building later than 8.30 or 9 o'clock in the morning. When I get to my office at 8.30 o'clock in the morning I frequently see the civilian commissioners on their way to the District Building. I think I can see how, when they get there in the morning, they go into their correspondence. We all know that at 10 o'clock they have hearings, and there are very few days when they do not have hearings, and the greater part of the day is taken up in that kind of work until in the afternoon, when they go about the District, and I think I have seen several instances where their becoming familiar with conditions as to streets, knowing that applications are going to be made for money with which to build streets, that upon these trips they find them unnecessary, and in that way they fail to make recommendations they are asked to make and the price of an automobile is more than paid. In addition to that, I happen to know that the present commissioners are at work at night. But recently the commissioner who has charge of the police force and the police stations made a trip of inspection, in so far as he could with a horse and buggy, to the police stations at night. At one of those police stations he found a man imprisoned. The man beckoned the commissioner to the door of his cell and asked him if it were possible for him to be released. The commissioner asked him with what offense he was charged. The man said he did not know. of the station house was then asked by the commissioner what the charge was against that man. The keeper of the station house said he did not know. Then the chief of police was asked what charge there was against the man. He not only said he did not know, but he said, in so far as he could ascertain,

there was none. This man had been locked up in prison for more than two weeks, according to my recollection of the time, and except for the visit of the commissioner upon this occasion he might have rotted there when absolutely there was no charge against him. The commissioner finally ascertained that the man had been detained as a witness for some case which the police authorities thought might arise and which never arose, and so this man stayed in jail, as he could not reach anybody who would have him turned out. He did not have money with which to employ a lawyer, so he might have stayed except for this visit of the commissioner. Trips like that are being made by the commissioners, and I think that they should be encouraged instead of discouraged; and I believe that the purchase price and cost of maintenance of an automobile by the civilian Commissioners of the District of Columbia will save three or four times its value every year.

In addition to that, I believe that these automobiles will improve the service not only of the police force and fire department, but all the rest of the administrative and executive offices and stations about the town. I believe this is the first time I have ever found myself during the last six or seven years disagreeing with the gentleman from Indiana [Mr. Cox] with

reference to the purchase of an automobile.

The CHAIRMAN. The time of the gentleman has expired. The question is on agreeing to the amendment offered by the gentleman from Illinois.

The question was taken, and the Chair announced the noes

seemed to have it.

Mr. MANN. Mr. Chairman, I ask for a division.

The committee divided; and there were-ayes 24, noes 34.

So the amendment was rejected.

The Clerk read as follows:

For advertising notice of taxes in arrears July 1, 1914, as required to be given by act of March 19, 1890, \$2,500, to be reimbursed by a charge of 50 cents for each lot or piece of property advertised.

Mr. CARY. Mr. Chairman, I would like to offer an amendment at this point.

The CHAIRMAN. The Clerk will report the amendment. The Clerk read as follows:

On page 17, line 7, after the figures \$4,700, insert the words: "Protided, That hereafter all general advertising, including tax and school notices and notices of changes in regulations, shall be published in one daily newspaper of wide circulation published in the District of Columbia and be let to the lowest bidder: Provided further, That the Commissioners of the District of Columbia are hereby authorized and directed to invite proposals to carry out the provisions of this amendment: And provided further, That all laws and parts of laws inconsistent with the provisions of this act are hereby repealed."

Mr. SISSON. I make a point of order against that, Mr. Chairman. In the first place, it was new legislation, and, in the second place, we have passed the clause to which the amendment is offered

The CHAIRMAN. The Chair is inclined to sustain the point of order.

Mr. CARY. I acknowledge the point of order is well taken.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For carrying out the provisions of the act approved March 1, 1899, entitled "An act to authorize the Commissioners of the District of Columbia to remove dangerous or unsafe buildings and parts thereof, and for other purposes," to pay members of the board of survey provided for therein, other than the inspector of buildings, at a compensation of not to exceed \$10 for each survey, and to pay the cost of making safe or removing such buildings upon the refusal or neglect of the owners so to do, the unexpended balance of the appropriation made for this purpose for the fiscal year 1913 is reappropriated for the fiscal year 1915.

Mr. MANN. Mr. Chairman, on page 18 I move to strike out the word "thirteen," in line 2, and insert in lieu thereof the word "fourteen," if that is satisfactory to the gentleman in charge of the bill. It should be the unexpended balance for the year 1914.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 18, line 1, strike out the word "thirteen" and insert in lieu thereof the word "fourteen."

Mr. MANN. Last year's bill carried the reappropriation for the fiscal year 1913.

Mr. PAGE of North Carolina. If that is true, of course the gentleman's amendment will be accepted.
Mr. MANN. It is no "if that is true."

The CHAIRMAN. Without objection, the amendment will be

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For purchase of enamel metal or other metal identification number tags for horse-drawn vehicles used for business purposes and motor ve-hicles in the District of Columbia, \$1,350.

Mr. PAGE of North Carolina. Mr. Chairman, for the purpose of calling attention to the matter to which the gentleman from Illinois made a correction a few moments ago, by reference to the current law I find there was no appropriation carried in the current law for this item at all.

Mr. MANN. Why, the balance of the appropriation for 1913

was reappropriated.

Mr. PAGE of North Carolina. It is still a 1913 appropriation. Mr. MANN. No; it is reappropriated for the fiscal year I do not care how the gentleman fixes it.

Mr. PAGE of North Carolina. Mr. Chairman, I still think the "thirteen" should remain in the bill, because that was the year for which the appropriation was made, and reference was made in this item to that appropriation and not to the reappropriation.

Mr. SISSON. If the gentleman from North Carolina [Mr. Page] will permit-

The CHAIRMAN. Does the gentleman from North Carolina ask unanimous consent to return to the item?

Mr. PAGE of North Carolina. I ask unanimous consent to

return to it. Mr. SISSON. This is carried on the books of the Treasury Department as a 1913 appropriation. So, when these matters are reappropriated, that account is still kept on the books of the Treasury Department as a 1913 appropriation, and for that

reason they go back to 1913.

Mr. MANN. I do not care how the gentleman fixes it. This sort of thing comes up constantly. This balance of appropriation for 1913 was reappropriated and now is an appropriation for 1914. If the other is sufficient identification, it is absolutely immaterial to me.

Mr. PAGE of North Carolina. If the gentleman will permit me, I think it is sufficient identification and is in accordance with the accounts as kept in the Treasury Department, and for that reason is a matter of some little importance. They would

have to transfer it and open another account.

Mr. MANN. They would not; but I do not care how it is. Mr. PAGE of North Carolina. Mr. Chairman, I ask unanimous consent that the action of the House in adopting the

amendment be rescinded.

The CHAIRMAN. The gentleman asks unanimous consent that the amendment of the gentleman from Illinois, adopted by the committee, be rescinded. Is there objection? [After a pause.] The Chair hears none. Mr. PAGE of North Carolina.

Now, Mr. Chairman, I move

that the original language be restored to the bill.

The CHAIRMAN. The gentleman moves that the language of the original bill be restored. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

For maintenance and repair of fish wharf and market, \$500.

Mr. MONDELL. Mr. Chairman, I desire to offer the following amendment.

The CHAIRMAN. The gentleman from Wyoming offers an amendment, which the Clerk will report. The Clerk read as follows:

On page 19, line 5, strike out "\$500" and insert in lieu thereof "\$50,000."

Mr. JOHNSON of Kentucky. Mr. Chairman, I make a point of order against that.

The gentleman from Kentucky [Mr. John-The CHAIRMAN. son] makes a point of order against the amendment.

Mr. MONDELL. Mr. Chairman, it is clearly not subject to the point of order. If the Chair desires to hear that point discussed

The CHAIRMAN. The Chair is of the impression it is not subject to a point of order, and the point of order is overruled.

Mr. MONDELL. Mr. Chairman, the amendment which I

offered yesterday, a part of which was intended to be used for the purpose of improving the fish wharf, went out on the point of order, but the amerdment which I now offer for the same purpose is in order.

Now, there is no question as to the necessity for the improve ment of the fish market. All of us are proud of the city of Washington; we take pride in comparing it with the other beautiful cities in the world. Who can imagine, for instance, in Paris, in London, in Berlin, or, in our own country, in New York, Chicago, or Boston, a fish market like the one that we have

here in the city of Washington?

It is a disgrace. It has been constituted by law the only place for landing fish in the District. It is the market at which all the fish for Washington coming up the river and the bay are landed. It is the point where a large portion of the produce coming up the river and the bay is landed. It is in an absolute state of dilapidation. The buildings are tumble-down and insanitary to the last degree. If you had a friend visiting you who was conversant with the reputation of Washington as a fish and oyster market, and he asked you to take him to the place where those products are landed, you would certainly try to find some excuse for not doing so, because you would be ashamed to take him down there on the river to this disreputable institution which the District now maintains.

This bill has been trimmed to the limit. Not a dollar of the \$175,000 that the commissioners asked for this purpose has been allowed, and I am simply asking \$50,000 for the purpose of putting the wharf in some sort of presentable and usable condition.

The CHAIRMAN. The question is on agreeing to the amend-

ment offered by the gentleman from Wyoming.

Mr. JOHNSON of Kentucky. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Kentucky [Mr. Johnson | moves to strike out the last word.

Mr. JOHNSON of Kentucky. Mr. Chairman, this same proposition in another form and in a larger amount was before the House yesterday. I stated then-and for the information of those Members who are present now who were not present then I repeat—that this wharf is the property of the United States. Under an amendment put on the appropriation bill last year by the Senate, which passed without any consideration at all, this property of the United States was turned over to the District of Columbia last year. Accompanying that gift was a provision that one-half of the receipts derived from it should go to the United States and one-half to the District of Columbia. Those receipts this year have been treated by the District of Columbia as revenue against which the United States Government has been required to put, and has put up, an equal amount, so that the United States has been penalized for this piece of generosity to the District of Columbia.

Now they ask an expenditure of \$50,000 more there, with a view to increasing the receipts of that place, in order that the United States may be further penalized along the same line.

Yesterday the gentleman from Wyoming [Mr. Mondell] spoke of its being a great melon market. I said then, and repeat now, that an officer of the District of Columbia went down there and required the people who brought in their melons there to sell them in quantities of not less than 25 in one sale. When directed by the Commissioners of the District of Columbia to revoke that order, he, with some hesitation about revoking it, said that to revoke that order might not suit the people down at the Center Market.

Now, I have no objection to all the markets that they can get. In fact, I am anxious for an open competitive market in the District of Columbia. But I do not think that public property ought to be confiscated in this way and the United States penalized for every little extension that is given for a market pur-

The United States holds a valuable piece of property down here on Pennsylvania Avenue which it has unwisely leased for 99 years at a nominal rent. There is a bill pending to repeal that and take back that property that belongs to the United States and have there a competitive market opened up instead of the Cold-Storage Trust that exists at that place now. I believe that this proposed amendment ought to be beaten by this House, and when it comes to taking property that should be used for market purposes it should be opened up to the public.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Wyoming.

The question was taken, and the amendment was rejected. The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For repairing retaining walls and copings and for work incidental thereto at the K Street Market, \$1,000.

Mr. MONDELL. Mr. Chairman, I move to strike out the last

The CHAIRMAN. The gentleman from Wyoming moves to strike out the last word.

Mr. MONDELL. Mr. Chairman, the gentleman from Kentucky [Mr. Johnson], speaking to my amendment in regard to the fish market to-day, made the same speech that he made yesterday. He has nothing to say as to the necessity of this market, as to the wisdom or advisability of there being a market there; but he does not want the appropriation made, because he says the Government owns the land and the District is getting a few measly dollars out of it. Therefore we must do nothing. That is his argument. Unfortunately, this attitude of faultfinding and inaction has been that of a certain number of gentlemen toward this District for a good long time. If this land belongs to the Government, and it ought to belong to the District, why does not the committee having charge of these matters bring in a bill under which it will be sold to the District and under which the District shall pay for it? If, with all the conditions in the District that they could not give

on the other hand, it should remain the property of the Government and the District is securing and may secure revenues that it ought not to secure from this source, why does not the committee having charge of those matters remedy it? Must we forever hear that the District shall continue to be disgraced by this miserable, tumble-down, insanitary fish market because there is some question about who owns the land, some question about a few measly dollars of revenue to be derived from it? It seems to me that instead of a constant and never-ending reiteration of excuses for not doing things, it is about time that we have some constructive legislation under which things can be done. I, for one, have taken great pride in Washington, but it is jarring to that pride to have the city disgraced in the character of the landing place of some of its most famous products-a landing place and distributing point of the character of that tumble-down, insanitary proposition down there on the river front. If there is any question about the ownership of it, let us settle it. If there is any question about where the revenue shall go, let us have that question settled; but in the name of humanity, in the name of our pride in this great Capital, let us do something constructive, and not constantly complain and find fault and criticize and give excuses for not doing things.

Mr. LLOYD. How does it happen that during the 16 years last past your party, which you claim is a party of constructive legislation, did not fix the fish market?

Mr. MONDELL. Your party has had quite a bit to do with destructive legislation up to this time. We want to give you an opportunity to do a little constructive legislation.

Mr. LLOYD. But your party is responsible for this condition you are talking about, which has existed during these 16 years that you were in power.

Mr. MONDELL. Here is your opportunity to remedy it. Mr. LLOYD. Why did you not remedy it? You are now talking to a party that you say has no constructive ability, and asking that party to do that which you would not do.

Mr. MONDELL. If we wanted any illustration of the lack of constructive ability on that side, it is to be found in the fact that you refuse to do anything to remedy the situation to which I have called your attention. The District only took over the property recently, a year ago, in fact. Up to that time it did not have complete jurisdiction, and therefore could not well make the improvements now proposed.

Mr. SISSON. Mr. Chairman, I move to strike out the last two words. I want to say to the gentleman from Wyoming that the commissioners themselves, according to the testimony in the hearings, have not fully decided this question as to what ought to be done. I do not believe you would be able to find, unless in that immediate neighborhood, 12 intelligent men who would want to put the principal fish market of this city down on these wharves. What ought to be done is to have a distributing depot there and have fish markets scattered over the city where they will be convenient to the people.

When these propositions were presented to the commissioners, Commissioner Siddons, in answer to a question asked by the gentleman from North Carolina [Mr. Page], made this state-

ment:

Of course, if the committee should come to the conclusion that they will recommend an appropriation for beginning the building of a municipal market, what you say would be perfectly sound. We had to present to this committee, however, a proposal to deal with the space we have down there and which for many years has been used as a fish market, and which was conducted by a single lessee. The District government undertook to lease the space itself to the individual dealers in fish, and that was done with astonishingly satisfactory results. Now, if you will give us a municipal market in the course of time and make a start now, it may be that this further appropriation can be laid aside for the time being. But even then, in the consideration of the question of the establishment of a municipal market, I think we want to seriously consider what we are going to do with that property on the river front, which for many years the dealers in fish have utilized for the purpose of getting their fish distributed. for many years the dealers ting their fish distributed.

Mr. MONDELL. Now will the gentleman yield?

Mr. SISSON. In one moment. The commissioners themselves say that a better arrangement could be made, and not put the market down there. My friend the gentleman from Minnesofa [Mr. Davis] and the gentleman from Illinois [Mr. Hine-BAUGH] and all of us were interested in knowing whether or not it was the proper place to put the fish market, and make it the only fish market.

Now, another thing: These wharves there are not in a good condition; they are not in such a horrible condition as he pictures. On the contrary, the committee felt that small repairs could keep them in condition and in statu que until the matter could be thoroughly investigated. These commissioners themselves admit that since they have been inducted into office they have been so very busy endeavoring to familiarize themselves

us information about many things we asked them about, and they did not have the time and opportunity to consider any other scheme than that of putting the fish market at this place, and Commissioner Siddons was not willing to say that was what ought to be done.

The gentleman from Wyoming [Mr. Mondell] is a Member of this House, and he knows that if we undertook a new proposition, it would be subject to a point of order and would require legislation. For that reason your committee did not feel that they were justified in going into this new departure.

Mr. MONDELL. Now will the gentleman yield? Mr. SISSON. I will yield to the gentleman.

Mr. MONDELL. The gentleman knows that my amendment provides simply for the improvement of the wharves. The gentleman admits that they must be improved without regard to whether you make it a retail market or a wholesale market.

Mr. SISSON. The improvement ought to be made as a whole and not by piecemeal. The commissioners know it. You ought

not to spend \$50,000 on an immature project.

Mr. JOHNSON of Kentucky. Mr. Chairman, the description given by the gentleman from Wyoming of these wharves is very "fishy," indeed. [Laughter.] He charges, indirectly, that the House District Committee is destructive. proudly plead guilty. I plead guilty to being willing and anxious to destroy the system that has prevailed here for 16 long years of giving away real estate that the United States owned in and around the District of Columbia.

Year after year some of the property of the United States has been taken without compensation for District purposes. You have now the plans for the construction of the Q Street bridge appropriated for at the last session. There United States property is taken without compensation. At the last session Lovers Lane was widened and lengthened. There, again, a great portion of United States real property was taken and given

to the District of Columbia without compensation.

I wish to destroy that practice. During the last few sessions of Congress there have been attempts to confiscate some of the most valuable pieces of water front in the District of Columbia belonging to the United States and give them as a present to the District of Columbia upon which to build an asphalt plant. At the last session of Congress you turned over this wharf or water front to the District of Columbia, and the United States not only received no compensation for it, but, as I said a few moments ago, is being in this very bill penalized

because it made that present.

I say again that I proudly plead guilty to the charge of destroying these things. A few years ago when the Republican Party was in charge of this House they passed bills conveying lands lying along the Eastern Branch of the river to various and divers persons, one being Sidney Bieber, who got it for a song. Now the Government needs that very land, and the Department of Justice undertook a few weeks ago to acquire it by purchase. He asked more than they were willing to give. Then they He asked more than they were willing to give. Then they sought to condemn it. Then was brought in one of these obnoxious condemnation juries, and they would not award to the United States a piece of property at the price which the owner had fixed upon it; but, instead, this condemnation jury went beyond, to the extent of thousands of dollars, the price made by the owner for it.
"Destroy?" Yes; that is my mission—to "destroy" this

kind of thing, and as long as I have a voice upon this floor that shall be my theme. The man who wants to "construct" more of that stuff is a man who ought not to be upon the floor of this House. The United States is every day being robbed by schemes just like this, and I say that nobody here ought to countenance such a thing, and party lines should not be drawn

in their consideration. [Applause.]
Mr. TRIBBLE. Mr. Chairman, I rise to protest against this unjust legislation. Since 1878 one-half of the taxes of the city of Washington have been paid out of the National Treasury. This is one of the largest and richest cities in the United States. It has a population of 350,000. There is no more reason for the Government to pay the taxes of Washington than there is to pay the taxes of Baltimore or Atlanta. The Government bears the expense of the Government buildings and property here as it should

Mr. Chairman, this bill carries an appropriation of the people's money in the sum of about six millions to defray the expenses of a rich city of rich people. The enormous sum exceeds the annual expenses of the State of Georgia, including our pension fund, public-school fund, college fund, agricultural fund, and all purposes for which taxes are raised. Gentlemen complain that we are not doing enough for Washington. While we are considering street and suburban roads, let me illustrate. Go with me to many sections of the country and let me show

you a man with the discomforts of a bad road. He leaves home in the early morning for market 10 miles away. He is gone all day. His wagon carries a small load, but often he walks by the side of his faithful horse to lighten the load when the wheels go down in the mud and threaten injury to his wagon and horse. Come, go with me again to the suburban roads outside of Washington, for the improvement and construction of which this bill carries \$230.500, and let me show you another picture. There upon the beautiful, wide, paved roads and magnificent oilpolished boulevards you will see all kinds of automobiles and carriages. In the touring cars you will see the millionaires and rich of Washington City. The display of wealth staggers you. Now, Mr. Chairman, look upon the two scenes. The man with the wagon pays for his own road, and, although his income is small and his work is hard, he must also furnish the road for the man who lives in luxury untaxed.

Mr. MONDELL. We do not have any of that kind of roads. Mr. TRIBBLE. Oh, the gentleman is mistaken; every State in this Union has just such roads. I desire to call attention to the school appropriation in this bill. While there is much improvement in all the States in schoolhouses, still one must notice the lack of school facilities in many sections. The buildings are inadequate and very uncomfortable for school purposes, especially during the winter months. The people of the communities are struggling to improve their schoolhouses. I have seen buildings very inadequate, and sometimes schools are suspended for lack of funds. Many children of good parents are deprived of sufficient school advantages because the school funds are far below the needs of the people. What do you see here in the city of Washington? You see these magnificent buildings that have been built by our constituents many of whom have not schoolroom facilities at home. What else will he see? You see provided in this bill an item of \$123,390 for janitors to take charge of these magnificent buildings -223 of them. Who is paying for these janitors? The people of my district are paying part of it. Many men in my district who are deprived of proper school facilities are paying their part to support these 223 janitors.

Mr. PAGE of North Carolina. Mr. Chairman, will the gentle-

man yield?

Mr. TRIBBLE. Yes. Mr. PAGE of North Carolina. Mr. Chairman, I was utterly amazed that the gentleman from Georgia [Mr. TRIBBLE] should make the statement he has upon this floor regarding the condition of the district which he represents here, admitting that such a condition exists in Georgia. I want to assure him that no such condition exists in Georgia. I want to assure him that no such condition exists in the school districts in the district that I represent, or in the State that I come from.

Mr. TRIBBLE. Mr. Chairman, I have seen some bad roads and poor schoolhouses in the gentleman's State.

Mr. PAGE of North Carolina. Will the gentleman name the town?

Mr. TRIBBLE. Yes. Near Furman University-no; Wake Forest?

Mr. PAGE of North Carolina. There is no Furman University that I know of.

Mr. TRIBBLE. Wake Forest is in the gentleman's district,

is it not?

Mr. PAGE of North Carolina. No.

Mr. TRIBBLE. It is in North Carolina, and it is in the gentleman's State.
Mr. PAGE of North Carolina. Mr. Chairman, I ask unani-

mous consent to proceed for three minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. PAGE of North Carolina. Mr. Chairman, I have no purpose to consume one moment of time of this committee in the discussion of a matter that does not relate directly to the bill itself, nor have I had any purpose to depart from the resolution that I made in the beginning, as I am anxious that the bill should be hastened to a conclusion; but in view of the statements just made by the gentleman from Georgia [Mr. TRIBBLE] I feel that I must make a statement to this committee.

As I said to him a moment ago, I am amazed that any gentleman representing a State or a district on this floor should place in the Record, to go back to his own people, a state-ment in criticism of conditions that exist in his State, such as he has pictured. He makes reference to my own State. I do not know, of course, what he saw. He admits that he was passing through on a train, and says that at some point near a college in my State he saw some indefinitely bad conditions touching a school building. I am not here to deny that, nor to say any-thing about it, but rather to reply to the assault that he has made on the appropriation carried in this bill for janitor service for school buildings in the city of Washington. There are in the city of Washington somewhere in the neighborhood of 200

school buildings erected at considerable cost out of the money of the taxpayers of the District of Columbia and the taxpayers of the United States as a whole. I would like to inquire of the gentleman from Georgia if he, after expending this money for the construction of these schoolhouses for the teaching of these children in the District of Columbia, would let them stand without the proper care from janitor service; if he would let them stay without the fires being built in the furnaces for the comfort of the children; if he would allow filth to accumulate in the rooms and around the desks, with the floors unswept, and a general condition of dilapidation to exist, such as he has described exists in the district that he has the honor to represent? For one, I have no apology to make for these appropriations, and I want to call his attention to the fact that the price fixed in this bill for services of these men who do this necessary and important work for the care of the public buildings and the schools of the District of Columbia are, in some instances, in my judgment, very inadequate.

The amount paid is only \$40 a month, and I know that the

gentleman upon reconsideration, when he takes into account the magnitude of the schools in the District of Columbia, will withdraw the criticism of the appropriations made by this committee for the care and maintenance of these buildings in order that they may be comfortable and that the children may attend the schools under the most favorable circumstances.

The CHAIRMAN. The time of the gentleman from North

Carolina has expired.

Mr. MONDELL. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

On page 19, after line 7, insert the following: "For the erection of a municipal warehouse, \$50,000."

Mr. SISSON. On that I make the point of order. Mr. MONDELL. Will the gentleman withhold the point of order for just a moment and allow me to offer another amendment, to be pending, so that I might discuss both of them together?

The amendment just offered is subject to a point of order, undoubtedly

Mr. SISSON. Mr. Chairman, I reserve the point of order. Mr. MONDELL. Mr. Chairman, I desire to offer the two Mr. SISSON. amendments together so as to have them pending at the same

The CHAIRMAN. The Clerk will read the second amendment for information.

The Clerk read as follows:

On page 19, after line 7, insert: "For the purchase of supplies and material to continue available and to be reimbursed from appropriations using supplies and material purchased thereunder, \$100,000."

Mr. SISSON. Mr. Chairman, I reserve the point of order. Mr. MONDELL. In regard to the items I have just offered; first, for the municipal warehouse, subject to the point of order; second, for a lump sum for the purchase of supplies, I think not subject to the point of order. The two items were asked for by the commissioners, and in the hearings there is quite an extended statement with regard to the necessity for these betterments. The commissioners believe they ought to have a central warehouse and that they should buy supplies in considerable quantities, so that they may be bought more cheaply. It is their opinion there should be an organization in the city chargeable with the care of all the city property, which will keep a check on all city property, will distribute supplies as they are needed, will receive and care for supplies temporarily not needed for use in the different departments. In my opinion these expenditures would be useful and beneficial. I do not claim that they are items as urgent as some of those asked for, but I do believe that it would be well for Washington to have a central warehouse and to have a fund with which lump-sum purchases can be made. The city has such a fund now in the sum of \$50,000, and this work is being carried on. That is why my second amendment is not subject to a point of order. I believe it is in the interest of economy and of good government to have a central warehouse and to have a system of lump-sum purchase of city supplies.

Mr. PAGE of North Carolina. Mr. Chairman, I make the

point of order against the amendments submitted by the gentle-man from Wyoming. The first one, of course, is clearly out of

Mr. MONDELL. I do not desire to take up the time of the committee, but I think after consideration the gentleman will admit the second item is not subject to the point of order.

Mr. PAGE of North Carolina. Mr. Chairman, I believe I had the floor. I merely want to say in regard to the second item that without the warehouse the gentleman's amendment is

clearly, as he admits, subject to the point of order and without these facilities certainly it is new legislation.

The CHAIRMAN. The Chair is ready to rule. Mr. STAFFORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STAFFORD. Is there more than one amendment pending before the committee at the present time?

The CHAIRMAN. By unanimous consent, the second amendment-

Mr. STAFFORD. I beg the pardon of the Chair; there was no unanimous consent. The Chair only allowed the amendment to be read for information, not to be considered, because it would be clearly out of order to have two amendments diamet-

rically opposed pending at the same time.

The CHAIRMAN. The gentleman is right as to the second amendment. The point of order is sustained as to the first

amendment.

Mr. MONDELL. Now, Mr. Chairman, I offer the second amendment.

The CHAIRMAN. The Clerk will report the amendment. Mr. SISSON. Mr. Chairman, the amendment has already een reported. I make a point of order on it.

been reported. Mr. JOHNSON of Kentucky. Let it be reported again.

The amendment was again reported.

Mr. SISSON. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman from Mississippi [Mr. Sisson] makes a point of order against the amendment.

Mr. MONDELL. Mr. Chairman, that amendment is in identical language with the provisions of the law of 1912, with the exception that the amount carried is \$100,000, while the amount carried by the bill of 1912 was \$50,000. It is clearly in order to move an amendment on the floor providing for the purchase of such material as the city may need in the continuation of its work in progress. That is all this is.

Mr. SISSON. Mr. Chairman, it is a great deal more than

It goes on and makes provision as to how this money

shall be reimbursed. It is new legislation entirely.

The CHAIRMAN. The Chair thinks this is new legislation, and therefore sustains the point of order. The Clerk will read. The Clerk read as follows:

IMPROVEMENTS AND REPAIRS.

Assessment and permit work: For assessment and permit work, \$220,000.

Mr. TRIBBLE. Mr. Chairman, I did not describe the condition that exists in my district; my remarks apply to all sections of the country alike. I simply illustrated by saying that there were certain roads in all congressional districts such as I described. And I am here to reaffirm it. The point I make is this: That we have been standing here for years and years, knocking at the Treasury of this Government, asking for improvement of roads, and we have appointed a Committee on Roads, and we are turned aside when we ask for improvement of roads with the response that there is no money in the Treasury for that purpose.

Now, Mr. Chairman, the point I call your attention to is this, that there is \$1,444,950 appropriated by this committee out of the Treasury for the streets and suburban roads of Washington, whereas we who are fighting for roads for the rural districts are told that there is no money in the Treasury of the United States with which to improve roads. Are they not just as able to pay for roads as we are, and more able than we are? This city is rich and able to build roads. I do not object to this city having roads; the point I make is that they should pay for them. We pay for our roads, and they should pay for

Something was said about educational conditions in my State. Now, Mr. Chairman, I want to say to you that the educational conditions in my State are just as good as they are in any other State in the Union, but I do want to call your attention to this fact, by comparison, that this bill carries more appropriation for the District of Columbia to educate the people out of the pockets of my people-the pockets of my constituents-than the whole State of Georgia appropriates for education. The bill gives Washington \$3,201,740 for educational

Mr. PAGE of North Carolina. Mr. Chairman-

The CHAIRMAN. Does the gentleman from Georgia [Mr. Tribble] yield to the gentleman from North Carolina [Mr. PAGE]?

Mr. TRIBBLE. No, sir; I decline to yield unless my time can be extended. The State of Georgia appropriates some two and one-half millions of dollars for educational purposes all told, and we have as good public schools, normal schools, agricultural schools, and various colleges as there are in any

other State of the Union. I will say, further, we have janitors in those colleges and we have janitors in some of our country schools and in our village schools, but, sir, we pay for them, and the city of Washington should do the same thing.

and the city of Washington should do the same thing.

Mr. Chairman, permit me to mention some of the items contained in this bill: Engineer Commissioner's office, \$175,010; salaries of architects, \$26,250; surveyors' salaries, \$25,925; purchase new automobiles for officers, \$9,150; textbooks and supplies, \$66,000; school buildings, \$753,300; school salaries, \$915,201.53; police force, \$986,781.53; health department salaries, \$64,540; municipal courts, \$198,280. I point out these items that the attention of the people who pay the taxes may know how this appropriation is to be applied.

Now Mr. Chairman, if Georgia could receive its propor-

Now, Mr. Chairman, if Georgia could receive its proportionate part of the money that is appropriated out of their pockets by this bill we would have \$175,000.

Ah, yes; we could then pay for our textbooks and our schoolbooks for the children in Georgia and make them free, instead of paying for the textbooks and the schoolbooks of the children of the District of Columbia out of the pockets of my constituents, thus giving them free books with our money while our children must buy them. I will not vote for it, and I know that every man in my district will applaud my vote. not have to answer for it. I want to put you on notice of that fact.

Ah, Mr. Chairman, there is no limit to what the people of the District of Columbia want. Why, they are even asking for lunches for the schools. They not only get their textbooks free; they not only get their buildings free, out of the pockets of the people of my district and the pockets of every other district represented in this House; they not only get their janitors free and their colleges free and everything free, but now they are asking for lunches for the children. I suppose after a while you will vote to feed the people of the District. I will never do it.

The CHAIRMAN. The time of the gentleman from Georgia

has expired.

Mr. MANN. You will have to feed everybody pretty soon at public expense if this keeps on. [Laughter on the Republican

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Southeast section schedule (except I Street from Eleventh Street to Thirteenth Street, and Thirteenth Street from Pennsylvania Avenue to Potomac Avenue): \$45,500.

Mr. TRIBBLE. Mr. Chairman, I ask unanimous consent to extend my remarks.

The CHAIRMAN. The gentleman from Georgia [Mr. TRIB-BLE] asks unanimous consent to extend his remarks. Is there objection?

Mr. MANN. On this bill?
Mr. TRIBBLE. Yes; on this bill.
The CHAIRMAN. Is there objection.

There was no objection.
The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Northeast section schedule (except K Street from Seventh Street to Tenth Street): \$30,000.

Mr. BORLAND. Mr. Chairman, I offer an amendment. The CHAIRMAN. The gentleman from Missouri [Mr. Borland] offers an amendment, which the Clerk will report.

Mr. PAGE of North Carolina. Mr. Chairman, will the gentle-man from Missouri yield for a moment? Mr. BORLAND. Yes.

Mr. PAGE of North Carolina. I will say to the gentleman, Mr. Chairman, that his amendment ought to come in at line 11. In other words, you make a paragraph there.

Mr. BORLAND. Mr. Chairman, I want to say to the chairman of the subcommittee that all of that item, from line 11, on page 19, to the bottom of page 20, is practically one paragraph, relating to paving the streets.

Mr. PAGE of North Carolina. Yes.

Mr. BORLAND. If that may be treated as one paragraph, so that I will not lose any right of amendment, I would be perfectly willing to adopt the gentleman's suggestion.

Mr. PAGE of North Carolina. It is a matter for the Chair to

decide.

Mr. Chairman, I will ask that it be considered as one paragraph from line 11 of page 19 to the bottom of page 20, for the purpose of permitting the gentleman from Missouri [Mr. Bor-

LAND] to offer his amendment.

The CHAIRMAN. Without objection, that will be done.

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

The Clerk read as follows:

Provided, That streets and avenues named in said schedules already paved with Belgian block or granite, except P Street NW. from Rock Creek to Twenty-eighth Street, shall not be paved or otherwise improved under this appropriation, and the remaining streets and avenues, except as herein specified, shall be contracted for in the order in which they appear in said schedules, and be completed in such order as nearly as practicable, and shall be paved, in the discretion of the commissioners, instead of being graded and regulated.

Mr. BORLAND. Now, Mr. Chairman, at that point, at the end of line 11, I offer the amendment which I send to the Clerk's desk

Mr. MANN. Mr. Chairman, I reserve a point of order upon the proviso to the paragraph read.

The CHAIRMAN. The gentleman from Illinois [Mr. MANN] reserves the point of order upon the proviso to the paragraph. The Clerk will read.

The Clerk read as follows:

Page 20, line 11-

Mr. PAGE of North Carolina. Mr. Chairman, I suggest that we dispose of the point of order raised by the gentleman from Illinois [Mr. Mann] before we take up the amendment to the

Mr. MANN. I will say frankly to the gentleman that I do not know what the amendment is, but if it is proposed to hang an amendment to this paragraph on the ground that the proviso is subject to a point of order, I will make the point of order. If the amendment is a separate proposition, that is another

Mr. BORLAND. The object now is to dispose of the gentle-

man's point of order.

Mr. MANN. Very well. I will make the point of order on

That is clearly legislation. the proviso.

Mr. JOHNSON of Kentucky. Mr. Chairman, I make the point of order that the point of order raised by the gentleman from Illinois is not made in time. He made it after the gentle-

man from Missouri [Mr. Borland] offered his amendment.

The CHAIRMAN. The Chair recalls that the gentleman from Illinois [Mr. Mann] reserved the point of order on this proviso

immediately after the Clerk had read the paragraph. Mr. JOHNSON of Kentucky. Then I withdraw my point of

Mr. SISSON. Mr. Chairman, I do not think that is subject to a point of order. It is simply a limitation upon the expenditure of a sum of money. Another thing: The effect of the proviso is to retrench expenditures, to prevent the tearing up of Belgian block or granite, except on certain streets which have been looked at by the committee and have been found to need repairs, because they are very old and in very bad condition.

There is a lump-sum appropriation with which the gentleman from Illinois [Mr. MANN] is familiar, carried in this bill for street improvement, and unless there is some limitation upon that, it might be used in tearing up these Belgian block or granite pavements, which the committee were unanimous in be-

lieving ought not to be torn up.

Mr. MANN. If the gentleman will permit, I have not the slightest opposition to the proviso in the bill, but I am inclined to think it is subject to the point of order, although I am perfectly willing that the Chair should rule otherwise. The gentleman from Missouri [Mr. Borland], having arranged with the chairman of the committee to pass over various items, proposed to offer an amendment. I did not know what the

Mr. BORLAND. The amendment has not been offered yet.

Mr. MANN. I did not know whether it was intended to hang the amendment onto a provision of the bill that was subject to a point of order and thereby escape the point of order. I did not know, and could not learn the fact about that, and therefore I made the point of order as a precautionary measure until I could ascertain the facts.

Mr. SISSON. I have not seen the amendment offered by the gentleman from Missouri.

Mr. MANN. Neither have I. Mr. SISSON. I do not know what it contains.

Mr. JOHNSON of Kentucky. As to the point of order made by the gentleman from Illinois [Mr. Mann], a reading of the proviso shows that it is a limitation placed upon the appropria-tion made in this bill. If it had said, "Provided, That no money herein appropriated shall be expended upon these streets," would have been equivalent in meaning to the language which is herein used. This proviso places a negative limitation upon the money herein appropriated, and therefore under the Holman rule it is not subject to a point of order.

Mr. MANN. If I may call the attention of the Chair to the paragraph, in lines 10 and 11-

And shall be paved, in the discretion of the commissioners, instead of being graded and regulated—

I do not quite see how a thing can be a mere limitation which leaves it to the discretion of the commissioners. That is pure legislation.

Mr. PAGE of North Carolina. Mr. Chairman, it seems to me perfectly clear that this proviso is a mere limitation upon the expenditure of this money, and for that reason alone is not subject to the point of order, in addition to the reason advanced by the gentleman from Kentucky [Mr. Johnson], that it comes within what is known as the Holman rule reducing or restricting the expenditure under the appropriation. I call the attention of the Chairman to a ruling—I can not give the Chairman the citation to the section, because I do not have it before memade by the gentleman from Virginia [Mr. SAUNDERS] that I think is on all fours with the contention now being made by the committee as to this matter. If the parliamentary clerk will look it up, I think he will find that there has been a ruling that is on all fours with the contention of the committee.

Mr. MANN. Clearly this does not come within the Holman rule. It is a matter of imagination to put it there, and it takes a very vivid imagination to conceive the idea that this is within the Holman rule.

Mr. SISSON. Mr. Chairman, does the Chair want to hear anything further?

The CHAIRMAN. The Chair will hear the gentleman if he

desires to be heard.

Mr. SISSON. If the Chair should hold that the proviso does not come within the Holman rule, this proposition is sound: If we have the right to appropriate the money, we certainly have the right to direct the manner in which it shall be expended. Now, that is all this clause is intended to do. It is the purpose of the clause.

In order that the Chair may understand perfectly the intent of the language, there are certain business streets now paved with Belgian block, which is conceded by the commissioners and engineers to be a very lasting pavement, but out in the residential section they have laid down a different kind of pave-

The expenditure of this lump sum for street improvement is left largely in the discretion of those expending the money, and if this limitation is not placed upon it, they might use practically all of the lump sum to tear up the Belgian block pave-ment, rather than expend it on streets which need the improve-

ment more than those streets so paved appear to need it.

The sole purpose of this proviso is to put a limitation upon the appropriation of the money which the Congress unquestionably has the right to appropriate; and having the right to ap-

propriate, it has the right to control the expenditure.

I call the attention of the Chair to another thing—

The CHAIRMAN. The Chair is of the opinion that under the rules relating to limitations on appropriation bills, this proviso is permissible, and the Chair overrules the point of order. Mr. BORLAND. Mr. Chairman, I offer the amendment which

I send to the Clerk's desk.

The CHAIRMAN. The gentleman from Missouri offers an amendment, which the Clerk will report.

The Clerk read as follows:

The Clerk read as follows:

Page 20, line 11, insert, after the word "regulate," the following:

"Provided, That no portion of this appropriation shall be expended except in accordance with the following limitation: That whenever, under appropriations made by Congress, the roadway of any street, avenue, or road in the District of Columbia is improved by laying a new pavement thereon or by resurfacing an existing pavement from curb to curb or from gutter to gutter, where no curb exists, where the material used is sheet asphalt, asphalt block, asphaltic or bituminous macadam, concrete, or other fixed roadway pavement, such proportion of the total cost of the work, including all the expenses of the assessment, to be made as hereinafter prescribed, shall be charged against and become a lien upon the abutting property, and assessments therefor shall be levied pro rata according to the linear frontage of said property on the street, avenue, or road, or portion thereof upon the roadway of which said new pavement is laid or the existing roadway of which is resurfaced: Provided, however, That there shall be excepted from such assessment the cost of paving or resurfacing the roadway space included within the intersections of streets, avenues, and roads, as said intersections are included within building lines projected, and also the cost of paving the space within such roadways for which street rallway companies are responsible under their charters or under law on streets, avenues, or roads where such railways have been or shall be constructed.

"The assessments herein provided for shall be levied and paid for in the following manner, namely: Where the width of the roadway setually to be paved is 40 feet or less between the curbs, or between the gutters, where no curbs exist, after deducting the amount required to be paved by the street railway companies, shall be assessed against the abutting property owners, one-half to each side; where the width of the street thus to be paved, after deducting the amount required to be

lows: The cost of constructing 20 feet on each side of said street shall be assessed against the abutting property owner, and the cost of paving the remaining portion of said street, including the cost of intersections, shall be paid for by the government of the District of Columbia out of funds available for that purpose.

"Assessments levied under the provisions hereof shall be payable and collectible in the same manner and under the same penalty for non-payment as is provided for assessments for improving sidewalks and alleys in the District of Columbia, as now provided by law: Provided, That the cost of publication of the notice of such assessment upon the failure to obtain personal service upon the owner of the property to be assessed therein provided for and of the services of such notices shall be paid out of the appropriation for the work, and such assessments, when collected, shall be deposited in the Treasury of the United States to the credit of the fund available for similar public work."

Mr. MANN. Mr. Chairman, I make a point of order against the amendment.

Mr. BORLAND. Mr. Chairman, I would like to have the

gentleman state his grounds for his point of order.

Mr. MANN. The amendment purports to be a limitation on the appropriation, but it is not. It is substantive legislation, not the appropriation, but it is not. It is substantive legislation, not in order on an appropriation bill. It has been frequently ruled that, although you commence a paragraph with "No part of this appropriation shall be expended unless," and then you provide substantive legislation in that something, that renders it not a limitation on an appropriation, but renders it subject to a point of order, because it is substantive legislation. In other words, you can provide money in an appropriation or refuse to provide it, and hence between these two you can provide how it shall be expended on condition, but you can not in the condition insert a lot of substantive legislation which violates the change of existing law. That is exactly what this amendment proposes to do. That is what the rule provided against, that propositions of this sort should not be presented to the House without the report of a committee and without some chance to have knowledge of it. No one in the House, probably, unless by some connivance, knows what is in the amendment except as they have just heard it read. It is a long amendment, undertaking to change the law and providing a new law in regard to the construction of streets by special assessment. Hence I think it is subject to a point of order, and I make the point of

Mr. BORLAND. Mr. Chairman, the length of the proviso is no controlling feature as to whether or not it contains new legislation. The controlling feature after all is the purpose, whether it be a limitation in fact upon expenditure upon the appropriation to which it is attached.

What the gentleman from Illinois is discussing would be a proposition where, under the guise of a limitation in an appropriation bill, you attach some legislation utterly nongermane to the purpose for which the money was to be used. He will find the books full of precedents of that kind, where men have undertaken to take concrete propositions to legislate which were not germane to the purpose of the expenditure of money by the Government and attached it in the shape of a rider or a limitation by some appropriate words turning it into a limitation. That is the proposition to which he has made his criticism.

But where the purpose of the amendment or proviso is germane to the expenditure of the money which is being appropriated, then the gentleman's criticism fails of its basis. this money is being appropriated for the purpose of improving the streets of the District of Columbia with the relaying of asphalt pavement, among other things. It embraces the repaving of the streets, and a part of the repaving would be with sheet asphalt and a part by block asphalt.

Mr. COX. Will the gentleman yield?

Mr. BORLAND. Certainly.

Mr. COX. Does this amendment reduce the appropriation, the expenditure of money?

Mr. BORLAND. I am coming to that. I am discussing the sole objection raised by the gentleman from Illinois. This says any expenditure of money for this purpose-laying sheet asphalt and block asphalt-shall be expended in certain specified manner. So it is a limitation on the power of the commissioners to expend money, and not a general piece of legislation applying to their action in other directions. It is not a piece of legislation that is not germane to this appropriation, but relates to the expenditure of this particular appropriation.

Mr. MANN. Will the gentleman yield?

Mr. BORLAND. Certainly.

Mr. MANN. Does the gentleman's amendment give to the commissioners power in regard to the assessment, or anything of that sort, which they do not now have?

Mr. BORLAND. No; and that is the point I want to make.

Mr. MANN. I only heard the gentleman's amendment read,

and it seemed to me that it did.

Mr. BORLAND. It does not enlarge the powers of the commissioners; it simply says that the existing law now applying

to the expenditure of money for sidewalk work shall be a limitation on the expenditure of the street work.

Mr. MANN. They have not that power now over street work?

Mr. BORLAND. No.

Mr. MANN. Then it proposes to give that power over street work which they do not now have.

Mr. BORLAND. That is the purpose of the limitation.

Mr. MANN. That is conferring a power upon them which

they do not now have.

Mr. BORLAND. A limitation is something that takes away from them the power, and their power is taken away to use Government money in a certain way.

Mr. MANN. A limitation is to take away power. This is

giving power to them.

Mr. BORLAND. No; it is not; it is a limitation.

Mr. MANN. I understood it to be to give the commissioners power to levy an assessment for this street improvement which they do not now have. Is not that the purpose of the amend-

Mr. BORLAND. Mr. Chairman, that power does not arise in the District Commissioners; it arises under the law. It says that the assessments shall be levied and collected as now collected, but that they shall be collected as to this work. They are now collected, and the commissioners do not have any power or discretion in the matter. This simply says that that method of reclaiming to the United States and the District a part of the fund unexpended shall apply to this limitation, shall apply to this particular fund. That is exactly the point that I want to make next in regard to the gentleman's criticism. His criticism is that if the limitation carries that appropriate reference to the statute or other machinery by which that limitation can be made effective, then he has the objection that it is in that way additional legislation. But the fact that the limitation is workable, that the limitation actually articulates with existing law, is not an objection to the limitation.

Another point that I desire to make about the validity of the amendment is that in any aspect of it, it can not be denied that it comes within the Holman rule. Its whole purpose, its whole

spirit and operation will be to retrench expenditures.

The CHAIRMAN. In what particular, will the gentleman

Mr. BORLAND. Because it provides this fund shall be reimbursed to the Treasury of the United States and the District of Columbia in the way specified. Therefore the fund is used primarily for the construction work.

Mr. JOHNSON of Kentucky. Mr. Chairman, if the gentle-man will permit me to interrupt, it also on its face shows that it is a reduction of the amount the District of Columbia pays, and also a reduction of the amount that the United States will

Mr. BORLAND. Yes. There is one way where it is a clear reduction, and that is where it charges up against the property owner the cost of the assessment and the machinery for doing the work—not only the cost of the actual laying of the asphalt, but the assessment and advertisement, and so on. That is a clear reduction, because that takes out of the expense of the District of Columbia and the United States an expense which now, under that appropriation, would rest upon the District; but to the extent also of the actual laying of the work if is a reduction, because it provides that the cost of doing that shall come back into the District treasury or into the Treasury of the United States, but the provision specifically is into the District treasury

The CHAIRMAN. The fact that it comes back into the Treasury would not necessarily mean a reduction in the ex-

penses, would it?

Mr. BORLAND. It seems so to me. If the appropriation instead of being paid out at a loss to the Government was paid out only on the condition that it be returned by the persons for whose benefit it was paid out, then it is a reduction in expenditures. If I give a man \$10, it is an outgo. If I lend him \$10 and get it back and have the machinery provided for getting it back, that is a retrenchment of my expenditures, because I get the \$10 back, or if I get back any portion of it. If I am under the expense of paying for the machinery for doing this work, and that charge is taken off the District, as it is by this amendment, that, of course, is a clear reduction, but the whole purpose and spirit, which is the thing in which the Chair is interested, is toward a retrenchment of expenditures. It is toward putting these special assessments which are now included in the general expenses of the District in the category where they ought to be put, as special expenses of the property owners, and in pretty nearly every city in the United States and in pretty nearly every court in the Union these special

assessments have been held not a part of the general expenses of the city, and not included within its general taxes, but special assessments for the benefit of particular property owners, and that condition has prevailed in this city as a unique condition—that they were considered as part of the general taxes of the District and paid out of the general funds. That change brought about is a retrenchment, and a very marked retrenchment.

Mr. JOHNSON of Kentucky. Mr. Chairman, I feel satisfied that under the Holman rule a point of order does not lie against this amendment. In the first place, the committee having legislative jurisdiction of the subject has reported to this House a bill of which this is an exact copy, and the subject of that bill is germane to the appropriation which is now under consideration.

Mr. MANN. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Certainly. Mr. MANN. When was that bill reported?

Mr. JOHNSON of Kentucky. It was reported December 11.
Mr. MANN. I have just got a copy of the bill. That is correct.

Mr. JOHNSON of Kentucky. In addition to that, the bill clearly shows on its face that it is a reduction of expenses in It reduces the proportionate part of these improvetwo ways. ments which the District must pay as well as that which the Federal Government must pay. Therefore it is clearly a reduction of expenses. And, in the next place, it requires a return of this money under certain circumstances which it is now proposed to advance. Money "advanced" can not be more than a loan; and the same money, when returned, repays. the account balances. That is the effect of this amendment. Under present law there is no future payment. I say, in my opinion at least, it is no difficult matter to see that in three different aspects under the Holman rule this amendment is not subject to the point of order.

Mr. BORLAND. Mr. Chairman, I want to suggest in that connection what has just been suggested to me by my colleague [Mr. Sims], that this point or a very similar point was passed upon by Judge Saunders when he was Chairman of the Committee of the Whole House on the state of the Union on the military appropriation bill a year ago in which he held that an amendment reducing the number of regiments from 15 to 10 showed on its face it was a retrenchment, although no reduction in the amount was there specified, but that the necessary effect of the amendment was the controlling feature in the judg-

ment of the Chair.

Mr. PROUTY. Mr. Chairman, I wish especially to call the attention of the Chair to the last paragraph of Rule XXI; that is, to the last part of division No. 2. After providing under what circumstances appropriation bills may be amended or may not be amended it provides:

Provided, That it shall be in order further to amend such bill upon the report of the committee or any joint commission authorized by law or the House Members of any such commission having jurisdiction of the subject matter of such amendment, which amendment, being germane to the subject matter of the bill, shall retrench expenditures.

On the 11th of this month the Committee on the District of Columbia reported this bill favorably, in identical words with the amendment that has been offered, which is the bill H. R. 10234, and I had the honor to report the matter to this House, which you will find in the report made on the 11th day of December, 1913. I have examined quite carefully the authorities upon this subject, and it seems to me that it leaves no question, unless it can be said it is not germane, which no one, I presume, will insist upon, or that it does not retrench. Now, it will be noticed that the last provision is not the same as the one contained in the earlier part. If it simply re-trenches—although it may not retrench the exact amount of appropriations contained in the bill-if it retrenches, then it comes within the provisions of this proviso. Now, under this appropriation bill to which it is offered as an amendment there are several hundred thousand dollars appropriated for improvements, which will come out of either the treasury of the District of Columbia or the Federal Treasury if passed as it is reported here. If it is passed as amended by the gentleman from Missouri, it will save whatever the amount is from being paid out of the District of Columbia treasury or the Federal Treasury

The CHAIRMAN. The Chair would request the gentleman to point out specifically the clauses in the amendment which he

claims will result in retrenchment.

Mr. MANN. Mr. Chairman, while the gentleman is looking to it, let us see if we can not get down to a basis of some sort, if the gentleman will permit.

Mr. PROUTY. Certainly.

Mr. MANN. When the amendment was read I did not recognize it as the bill that had been reported, although I am familiar with that bill. This would be the fact under the bill: The money is appropriated and expended out of the fund, and after being expended for street pavements it is assessed upon the property owners and collected from the property owners. That is a fair statement.

Mr. SIMS. Covered back into the Treasury?

Mr. MANN. So the question would be as to the subject of retrenchment of expenditure, whether expending money and then collecting it from some other source is a retrenchment of

Mr. PROUTY. I do not believe, Mr. Chairman, the gentleman means to imply it means a saving of expenses to anybody except from out of the Public Treasury in using the word "retrench-Retrenchment of expenditure means a retrenchment of public expenditure.

Mr. MANN. I wish to be heard in argument a little later, but I wished to get the facts while the gentleman was looking

at the bill.

Mr. PROUTY. First, answering the question that has just now been raised, and then applying it to the question asked by the Chair, I wish specifically again to call attention to the difference between the language contained in No. 2 of Rule XXI and the proviso. In the body of the provision it says:

By the reduction of the compensation of any person paid out of the Treasury of the United States, or by the reduction of the amounts of money covered by the bill.

That is in the first one. In the second it says:

Provided, That it shall be in order further to amend such bill upon the report of the committee or any joint commission authorized by law or the House members of any such commission having jurisdiction of the subject matter of such amendment, which amendment, being germane to the subject matter of the bill, shall retrench expenditures.

Now, with that clear distinction kept in mind, I shall be glad to answer the interrogation of the Chair. This bill to which the amendment is offered by the gentleman from Missouri, appearing first upon page 19, provides for \$220,000 for assessment work, and then goes on and provides for the improvement of certain streets, and provides for the amounts that may be expended, all of which under that provision would not only come out of the Public Treasury, but would forever remain out of the Public Treasury, and would be an expenditure that would in no manner diminish by subsequent years. But the amendment offered by the gentleman from Missouri [Mr. Borland] takes that amount out of the expenditure of the Public Treasury and makes it a charge upon the property abutting upon these streets or improvements. I do not know that there is anything I can say that would make it any clearer. I have gone through the decisions, so far as I have been able to do so, and it seems to me that that second proviso means nothing if it does not create a different situation from what it does if the committee had not reported.

Mr. CAMPBELL. Mr. Chairman, may I ask the gentleman

from Iowa [Mr. Prouty] a question?

The CHAIRMAN. Does the gentleman yield? Mr. PROUTY. With pleasure.

Mr. CAMPBELL. Is not the bill that has been read here as an amendment substantive legislation that does not diminish the amount of the expenditure, but changes the amount of that expenditure from the Treasury to somebody else? Is not that the real substantive legislation that will be effected if the amendment is agreed to?

Mr. PROUTY. The gentleman's analysis is substantially

correct

Mr. CAMPBELL. Then, is it either a retrenchment or a limi-

tation upon expenditure?

Mr. PROUTY. Answering that question, I would say yes. If you take a bill that has got to be paid by somebody and provide that the Federal Government and the District of Columbia shall not pay it in the one case and that they shall pay it in the other, it seems to me the former is a retrenchment of the expenditures of the Federal Government. In other words, to make it perfectly plain, here will be \$220,000 that will be paid for—\$110,000 by the District of Columbia, \$110,000 by the Federal Government—as the bill is now reported.

Mr. COX. Mr. Chairman, as I understand the gentleman, it is simply this: It will retrench expenditures to that extent, whatever it may be, that might be assessed upon or against

abutting property owners? Mr. PROUTY. Yes, sir.

Mr. COX. And that is the whole meat in the coconut?

Mr. PROUTY. In this proposition, when you can find some-body else to pay it besides the Treasury, out of which you have a right to appropriate, and save it that much, it certainly reduces that much expenditure.

Mr. CAMPBELL. I do not understand from the answer of the gentleman from Iowa [Mr. PROUTY] that the amendment offered is in the nature of a retrenchment. It proposes to change the method and the person by which the expenditure is to be paid. That is all I can see that the legislation accomplishes. It does not reduce expenses, does it? Does the amendment purport to reduce the expense that shall be made in the contemplated improvement? If not, then it can not be a retrenchment.

Mr. PROUTY. The gentleman seems to indulge in a strange-I was going to say hallucination, but I will say a strange legal interpretation. He seems to think that when we get money to do a certain work out of something other than the Federal or District Treasury we are not retrenching, because we get the money from somebody else. Now, by retrenchment, everybody must concede, it was the intent of this rule to provide retrenchment of the amount that was to come out of the Public Treasury. It was not intended as a protection to somebody that might have to put something into the Public Treasury. 'It meant that it would reduce the amount. That was the whole purpose of the Holman rule, namely, that anyone upon the floor of the House might offer amendments to appropriation bills that would reduce the amount of expenditure by the Federal Government and not, as the gentleman seems to indicate by his question, reduce the amount that somebody might have to pay into the Federal Treasury

Mr. MANN, Mr. Chairman— Mr. SISSON, Mr. Chairman—

The CHAIRMAN. The gentleman from Illinois [Mr. MANN]

recognized.

Mr. MANN. Mr. Chairman, I doubt very much, in the first place, whether this amendment is germane. Here is a provision in the bill in reference to the improvement of certain streets or a certain amount to be expended for streets, with an amendment offered covering the improvement of all streets for all time hereafter. I do not believe that that is germane.

Mr. BORLAND. Mr. Chairman, the gentleman is wrong

about that.

Possibly. Mr. MANN.

The CHAIRMAN. Does the gentleman yield?

Mr. MANN. Certainly. Mr. BORLAND. I call the gentleman's attention to the amendment. It does not say "hereafter."

Mr. MANN. It relates to the streets improved under this appropriation.

Mr. BORLAND. Yes.

Mr. MANN. That is one trouble about this way of offering amendments. First I tried to listen to it, and then the gentleman from Missouri [Mr. BORLAND] gave me a copy of it, and neither is correct. They have abandoned, as far as I can learn and judge, the idea that this is a limitation, and they now propose to sustain it under the Holman rule; and the gentleman from Iowa [Mr. Prouty], my distinguished friend, who believes that everybody who does not agree with him about District matters has hallucinations, endeavors to defend it under clause 2 of the Holman rule.

Does it reduce expenditures? Let us see. Suppose that instead of raising this money by special assessments they would propose to raise it by an increase of the tax on the sale of liquor. Would that be in order?

Mr. BORLAND. That would not be germane.

Mr. MANN. Why not? You are raising the money.

Mr. BORLAND. That is the very criticism the gentleman has been raising all along. That would not be germane.

Oh, the proposition is to raise the money, to

Mr. MANN. raise it some other way.

Now, the gentleman from Iowa [Mr. Prouty] in his speech seemed to assume that the Government just printed the money and that that was all there is to it. There is no money paid out of the Treasury, Mr. Chairman, that is not first paid iato the Treasury, and when it comes to the saving of expenditures it means saving the amount just expended, and not providing a method of reimbursement, because all the money which we pay out this year will have to be reimbursed to take care of the appropriations next year by some form of taxation. This is only a special form of taxation. It is not saving expenditures; it is not retrenching expenditures; it is only providing a method of reimbursement in the form of taxes levied upon specific property instead of levied at large.

Mr. COOPER. After the expenditure is made? Mr. MANN. Yes; after the expenditure is made. Will anyone hold that if a gentleman here desires to offer a new revenue measure of any kind he can propose that the money to be raised shall not be expended unless the Secretary of the Treasury or the proper officials raise the money by another form of taxation or add to the taxes which are now being collected under the law? The phrase "retrenchment of expenditures' means what it purports to mean on its face. It means to reduce expenditures, not to introduce a new method of collecting

the money over again.

Mr. BORLAND. Mr. Chairman, the same criticism lies to the present line of argument of the gentleman from Illinois [Mr. MANN] that lay originally to his line of argument. His illus--the last one that he gave-discloses the weakness of his position. If we were to undertake to attach to an appropriation bill a substantive piece of legislation which was not germane to the expenditure of that money, but was a foreign or nongermane proposition to raise revenue, the gentleman's position would be right. That is the case he has used as the illustration of his doctrine that we attach to an appropriation a proviso that the money shall not be spent unless the Secretary of the Treasury goes out and raises it by taxation in a certain way, by a tax on liquors, or in some way of that kind. Unquestionably that is a good illustration of the reason for the rule that limits legislation on appropriation bills. That is the scope of that limitation. But the gentleman's illustration fails alto-

Mr. CAMPBELL. Mr. Chairman, will the gentleman yield?
The CHAIRMAN. Does the gentleman yield?
Mr. BORLAND. Yes.

Mr. CAMPBELL. In what respect of principle does the proposition of the gentleman from Illinois [Mr. Mann] to raise this money from a tax on liquor differ from the proposition that the gentleman from Missouri [Mr. Borland] has made to raise it

from a tax on certain real estate?

Mr. BORLAND. Mr. Chairman, I am glad the gentlemen have gotten together on that position. That is their position, and I am glad they have stated it so particularly. If this amendment provided that this money should be expended for the improvement of streets, but should not be expended unless the commissioners went out and increased the saloon licenses of the District of Columbia, it would be a clear illustration of the cases of the gentleman from Kansas and the gentleman from Illinois.

Why? Because saloon licenses in the District of Columbia are not germane to the improvement of the streets; but if it says that the improvement of the streets in the District of Columbia shall be carried on as certain other improvements in the District of Columbia are carried on-for instance, the improvement of sidewalks-then it is a limitation upon the expenditure of the money for the improvement of the streets, and provides that the money appropriated for the improvement of the streets shall be expended solely under the limitation.

Mr. CAMPBELL. Will the gentleman yield further. Mr. BORLAND. Yes.

Mr. CAMPBELL. Applying the Holman rule, in what way does this differ from the raising of the revenue as a tax on cigarettes or liquors'

Mr. BORLAND. Ah, the gentleman is right back to his same

proposition.

Mr. PROUTY This is not a revenue measure.

Mr. BORLAND. The gentleman wants to assume that the Holman rule may be construed to allow us to go out and raise taxes on liquor and cigarettes and get the money into the Treasury first before it can be expended. Now, that is not the Holman rule and never was.

Mr. CAMPBELL. That is what you are trying to make it

do in this case.

Mr. COOPER. Will the gentleman yield for a question?

Mr. BORLAND. Yes.

Mr. COOPER. The only expenditure referred to in the Holman amendment to the rules, as I understand it, is the expenditure by the Government. I do not know what is the amount of the expenditure proposed by the pending bill and amendment. Let us assume that it is \$100,000. Now, is not expenditure one thing and reimbursement an absolutely different thing? The original expenditure out of the Government Treasury is a separate, isolated fact, and it will not be lessened at all. The whole amount of \$100,000 will have to be paid out of the Treasury. Subsequently, perhaps a year or two or three years afterwards because you can make it any time you please-there is to be a reimbursement, a contingent reimbursement, of a part or of the whole amount.

But the original expenditure, which is a separate fact, is not lessened at all. The whole amount will go out of the Treasury in any event. Therefore there is not on the face of the pending amendment any such proposed reduction in the amount of the original expenditure as there was in the case mentioned by the gentleman from Kentucky when he referred to the ruling made

amendment proposing a reduction in the number of regiments of soldiers. Of course that showed on its face that it proposed to lessen the initial expenditure out of the Treasury.

But by the pending amendment there is to be no reduction in the amount of the original expenditure out of the Treasury, but at some subsequent time there is to be a contingent paying back into the Treasury; and the two things are, in my judg-ment, absolutely separate transactions.

Mr. BORLAND. I will ask the gentleman does he see no difference between providing that the expenditure shall not be made unless provision is made for its reimbursement and a provision such as the gentleman from Kansas [Mr. Campbell] has spoken of, that before the expenditure is made you shall go out and levy a tax on saloons and cigarettes? Does not the gentleman, as a parliamentary lawyer, see any distinction between the

Mr. COOPER. I see a distinction that possibly could be drawn, but the word "expenditure" has a definite meaning, and the expenditure out of the Public Treasury is not to be lessened at all, because the whole amount is to go out in any event. Subsequently, at a time to be fixed, there is to be a contingent reim-

Mr. BORLAND. Now the gentleman sees that there is a dis-

tinction, and the gentleman agrees with me, no doubt.

Mr. COOPER. Not at all.

Mr. BORLAND. The gentleman agrees with me that a provision for the raising of money and then its expenditure is not this case at all.

Mr. COOPER. But that is not the point. Is the amount of the expenditure to be made in the first instance by the Government of the United States out of its Treasury to be lessened? Not; not at all. It must all be paid. Subsequently, at some indefinite time, there is to be contingent reimbursement.

Mr. BORLAND. Now the gentleman gets down to the proposition that a provision for the reimbursement of expenditures is not a retrenchment, and on that I am going to take issue with him directly. If he were to take the position of the gentleman from Kansas, I would take issue with him on that. He has not

taken that position-

Mr. CAMPBELL. The gentleman from Missouri has taken the position for me. But take the position as an illustration that a levy should first be made upon liquors or on cigarettes. I simply used the illustration of liquors and cigarettes instead of the property upon which the gentleman proposes to make the levy-make it afterwards, if you please

Mr. BORLAND. Now, get down to the proposition-

Mr. CAMPBELL. The whole question, I contend, is that this is not a retrenchment, but changing a tax from one person to another

Mr. BORLAND. From the Federal Government to the pri-

vate property owner, and that is exactly the purpose of it.

Mr. CAMPBELL. Then do you—

Mr. BORLAND. There is a great distinction between providing how the money shall be raised for the purpose of making a particular expenditure and providing that money which has been expended shall be reimbursed in a particular way-a very broad distinction.

Mr. CAMPBELL. It is a substantive limitation and not a

retrenchment.

Mr. BORLAND. It is a limitation which provides that money expended under that particular appropriation shall be reimbursed, shall not be parted with by the Treasury, but that the Treasury shall have a lien for its reimbursement, which is a matter of retrenchment.

Mr. COX. There is nothing in the Holman rule that requires the retrenchment to take place at the time the amend-

ment was adopted; it may follow later on.

Mr. BORLAND. Of course not, the Holman rule is not a technical proposition, but is to be construed in accordance with the spirit of it. If the effect of the amendment is retrenchment, if it shows on its face that the result will be a saving or reimbursement of money advanced or expended of the funds of the Government, it is purely within the spirit of the rule.

Mr. COX. If it shows on its face when the proposed legislation is enacted into law that at some time further on it will

have a tendency to retrench, that is within the rule.

Mr. BORLAND. Yes; the method in which the money is retained or kept in the Treasury is not important, but the reduction of the appropriation is important.

Mr. COOPER. Will the gentleman yield?

Mr. BORLAND. Yes.

Mr. COOPER. Suppose it were proposed to make an expenditure in respect to personal property, and that if necessary such property should be sold to reimburse the Government. The iniby the gentleman from Virginia [Mr. Saunders] on a bill and I tial expenditure by the Government would be a specific amount, and there would be a contingent reimbursement dependent upon the continued existence of the personal property. true that the reimbursement would be more uncertain, but in principle the case would be the same as the one now under discussion.

Mr. BORLAND. Oh, the gentleman is getting more technical than ever

Mr. COOPER. The point that I make is that the expenditure of money is one thing and the reimbursement is another, and the reimbursement is contingent in either case.

Mr. BORLAND. If the reimbursement follows from the method followed, that is one proposition clear-cut. If the reimbursement depends upon the levy of a tax on somebody else or some other class of property, of course that would be a non-germane piece of legislation. How we get the money that we expend is a different thing. That is one proposition; that is a legislative process. How we recover or redeem or save the money we are expending is the main thing that is embraced in the original proposition, and is not a separate proposition.

Mr. JOHNSON of Kentucky. Mr. Chairman, the main sub ject seems to have been somewhat clouded by whisky and cigarettes. [Laughter.] The question is whether or not this is a retrenchment of expenditure. The Chair will take judicial notice of what the law is, and the Chair therefore knows that the present law requires these payments to be made out of public funds. The amendment which is now offered relieves the public fund from the payment of the expense, and says in plain words that it shall be paid by the abutting property.

The CHAIRMAN. Does the gentleman contend that the amendment would reduce the expenditures generally, or does he confine it to the provisions of the bill?

Mr. JOHNSON of Kentucky. I submit that if the Chair was at the head of a banking institution, and the proposition was put up to him to furnish money for the construction of streets, and that money was not to be returned to the bank, he would call that an expense; but if the money was to be gotten from his bank for any purpose, say for building streets, with a solvent promise for its return, then it ceases to be an expense, and, instead, becomes a loan. If this amendment were not a retrenchment of expenses, there would be no voice lifted against it on this occasion. That is as certain as we stand here. But because it is a retrenchment of the public expense it brings this fight upon it.

The CHAIRMAN. The Chair would like to ask the gentleman's views with respect to the provision or rule, whether he predicates his position on the ground that it would reduce the amount of money covered by the bill or whether it is on the proviso which relates to this particular fund?

Mr. JOHNSON of Kentucky. I think it does both. As I have said, I believe it is so relieved of being subject to a point of order that the Chair could overrule the point of order from three different provisions in the Holman rule—those that I have just stated

Mr. SISSON. Mr. Chairman, this discussion seems to hinge around the last two words in the proviso-whether or not this amendment retrenches expenditures. I am sure the Chair is familiar with the ruling made by Judge Saunders, and I am going to read a short extract from that ruling:

going to read a short extract from that ruling:

The Chair will further say that it is not enough for the Chair to think that an amendment may reduce expenses, or that it is likely to reduce expenditures.

The precedents say in this connection that the amendment, being in itself a complete piece of legislation, must operate ex proprio vigore, to effect a reduction of expenditures. The reduction must appear as a necessary result; that is, it must be apparent to the Chair that the amendment will operate of its own force to effect a reduction. (Manual and Digest, p. 409; Hinds, vol. 4, p. 595.) But it is not necessary for this conclusion of reduction to be established with the rigor and severity of a mathematical demonstration. It is enough if the amendment, in the opinion of the Chair, will fairly operate by its own force to retrench expenditures in one of the three ways indicated. This result must be a necessary result, not a conjectural result or a problematical result. It is true that, having reference to the difference of minds, one Chairman might hold that retrenchment would be the necessary result of an amendment, while another Chairman or the committee on appeal might be of a different opinion. But this is inevitable. The law is clear, for instance, that at times a court upon the facts can hold as a matter of law that there was no negligence. Still upon the same facts on a court will derive this conclusion, while another court on appeal will reach a different conclusion. The ruling of the Chair on these points is subject to appeal to the committee.

In other words, the decision of Judge Saunders is this, that

In other words, the decision of Judge Saunders is this, that if the effect of the amendment is to reduce expenditures, retrench expenditures, then the amendment is in order. The reduction of expenditures means necessarily the reduction of money covered into the Treasury under existing law, under the methods of present collection by the Federal Government of a tax. It is nowhere contended, nor will it ever be, that the Holman rule was ever intended to do otherwise than to protect the money in the Treasury of the United States Government.

The CHAIRMAN. Is it the contention of the gentleman that the effect of the amendment is to reduce the amount covered by

Mr. SISSON. It does not reduce the amount covered by this bill on the face of it.

Mr. JOHNSON of Kentucky. Mr. Chairman, if the gentleman will permit, there is no money expended by this amendment. It is simply an advancement; it is not an expenditure.

Mr. SISSON. The amount carried in the bill will be identical with the amount that is here when the amendment is added: but if Judge SAUNDERS's ruling means anything, it is that the effect and the certain mathematical effect is that it will retrench expenditures. It will retrench expenditures where? Out of the Federal Treasury.

Mr. JOHNSON of Kentucky. Mr. Chairman, I wish the gentleman would pardon me for a moment, in order that I may correct a slip of the tongue. I think I said that the bill did not expend. What I meant to say was that the amendment did not expend money, but that it simply advanced it and provided for its return, which the original bill does not do, and therefore this is a saving.

Mr. SISSON. Mr. Chairman, as I understand the amendment, the effect of it will be that the final charge on the Treasury, of both the District of Columbia and also under the system of taxation by the Federal Government, means that expenses will be retrenched. Why? Because you must take into consideration the effect and result. And what is that? That this amendment makes these improvements private improvements, a benefit to the private citizen, makes the improvements a benefit to the property, and this is a method of assessing each individual's private property with that which he ought to pay.

The Chair, under all the rulings, will take into consideration existing law. If you do not take into consideration existing law, it is utterly impossible for the Chair to tell whether it will ever apply or not; but the proviso means that the effect of the amendment will retrench expenditures, and the retrenchment of expenditures will find lodgment in the fact that the private citizen pays for the improvement, and if the Chair takes the amendment as it is intended it means that the Federal Government simply advances this money for the improvement of the streets, and then the retrenchment comes when the private property owner pays it back into the Treasury for the improvement of his property. In some cities they reach the result from an opposite direction. They will not permit the improvement to be made until a petition has been filed, and after the petition is filed with the proper authorities the tax is levied and the improvement made at once, but the tax is levied then upon the property specifically. But here in this case the improvement is one which originates with the District Commissioners. Of course it may be upon the request of citizens who want their property improved, but the improvement of private property is not a proper cause for taxation, nor is the method of recovering it a method of taxation; it is simply a method of getting from that property benefits which necessarily follow and accrue to the property by virtue of the improvement.

Mr. COOPER. Mr. Chairman, will the gentleman yield? Mr. SISSON. Yes.

Mr. COOPER. Suppose that the Government has paid for an improvement in front of a piece of property and that the owner refuses to pay the assessment because, on account of a nuisance or for some other reason, the property has become unsalable, perhaps valueless; how would the Government be reimbursed?

Mr. SISSON. If all the property that is to be improved in the District of Columbia should be worthless

Mr. COOPER. That does not answer the question. The gentleman can not presume that every piece of property will always be salable.

Mr. SISSON. I would presume that a lot of gentlemen were miserable idiots who would improve a piece of property

Mr. BORLAND. If we get back \$1, that is retrenchment. Mr. COOPER. The whole matter turns on this: The gentleman from Mississippi proposes to construe the expression "retrenchment of expenditures" as being equivalent to the expression, "The net result of a transaction, which transaction is, first, the expenditure out of the Public Treasury, and, second, a contingent reimbursement." But the two are not equivalent at all. The expenditure from the Treasury is an act complete in itself and absolutely separate and distinct from a reimbursement.

Mr. SISSON. I decline to yield further. I do not accord with the gentleman at all, because the Chair must take into consideration the method of taxation and the manner in which taxes are collected now and paid into the Treasury. Now, if

the manifest and certain result is to retrench expenditures of that money that is now collected under the present method of taxation, both in the District and in the United States Treasury, the result is that it does retrench expenditures out of the Treasury as a result, and if Judge Saunders's ruling means anything it means that that certain effect follows that the Chair held was in order, and that is what Judge Saunders's opinion meant, a very carefully written opinion and one in which he goes at length into a number of precedents that have been

decided in the past.

Mr. PAGE of North Carolina. Mr. Chairman, thinking it will possibly expedite this matter, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HULL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 10523, the District appropriation bill, and had directed him to report that they had come to no resolution thereon.

INTERNATIONAL COMMISSION OF PHYTOPATHOLOGY (H. DOC. NO. 504).

The SPEAKER laid before the House the following message from the President, which was read, and, with the accompanying documents, referred to the Committee on Foreign Affairs and ordered to be printed.

The Clerk read as follows:

To the Senate and House of Representatives:

In view of the provision contained in the deficiency act ap-

proved March 4, 1913, that—
Hereafter the Executive shall not extend or accept any invitation to participate in any international congress, conference, without first having specific authority of law to do soor like event

I transmit herewith, for the consideration of Congress and for its determination whether it will authorize the acceptance of the invitation, a report from the Secretary of State, with accompanying papers, being an invitation from the Government of the French Republic to that of the United States to send delegates to an international commission of phytopathology to meet at Rome on February 24, 1914, and a letter from the Secretary of Agriculture showing the favor with which the Department of Agriculture views the proposed gathering.

It will be observed that the acceptance of the invitation will involve no special appropriation of money by the Government.

Woodbow Wilson.

THE WHITE HOUSE, December 19, 1913.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 3588. An act releasing the owners of all lode and placer mining claims in the basin of Dan Creek, in the Chitina mining district, in the Territory of Alaska, for the year 1913; to the Committee on the Public Lands.

HOUR OF MEETING.

Mr. PAGE of North Carolina. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet

at 10 o'clock to-morrow morning.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that when the House adjourns to-day it adjourn to meet at 10 o'clock to-morrow morning. Is there objection?

Mr. MANN. Mr. Speaker, reserving the right to object, I do not know how far Members may know, but I understand the currency bill has passed the Senate and probably will be asked to go to conference immediately upon the meeting of the House.

Mr. PAGE of North Carolina. I had that in mind when I made the motion, in order that the currency bill might go to

conference as early as possible.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

ADDRESS OF HON. M. CLYDE KELLY.

Mr. RUPLEY. Mr. Speaker, I ask unanimous consent to have inserted in the RECORD an address by a Member of Congress delivered before the Rivers and Harbors Congress a few days

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to have printed in the Congressional Rec-ORD a speech made by a Member of the House recently on the subject of rivers and harbors. Is there objection?

Mr. BORLAND. Mr. Speaker, reserving the right to object, I want to ask the gentleman what speech it is?

Mr. RUPLEY. It is an address delivered by M. CLYDE KELLY

of Pennsylvania on inland waterways.

Mr. BORLAND. Well, I want to call the attention of the gentleman to this, I do not believe I would object to Mr. Kelly's speech, but a large number of fine addresses have been delivered before that convention and they are going to be published. The convention publishes its proceedings, and those speeches will be all printed and circulated.

Will the gentleman yield? Mr. MANN.

Mr. BORLAND. Yes.

Mr. MANN. We have already ordered printed in the Record speeches delivered by Democratic Members of the House.

Mr. BORLAND. And one by Mr. Moore.

Mr. MANN. And Republican Members, and we ought not to discriminate against the Progressive Members.

Mr. BORLAND. I do not want to discriminate, but I think we ought not to print in the Congressional Record things that are printed elsewhere.

Mr. RUPLEY. I desire to say to the gentleman, we have a Commonwealth national in size, and seven and a half million people are very much interested in this subject.

Mr. BORLAND. I am going to withdraw my objection in this

case. I do not want to object to this. The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

ADJOURNMENT.

Mr. PAGE of North Carolina. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 10 minutes p. m.) the House, under its previous order, adjourned until 10 o'clock a. m., Saturday, December 20, 1913.

EXECUTIVE COMMUNICATIONS.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of Commerce, transmitting part 2 of the Annual Report of the Commissioner of Lighthouses, containing a list of purchases made by private contract or in the open market, with the reasons for such method of purchase, during the fiscal year 1913 (H. Doc. No. 485); to the Committee on Expenditures in the Department of Commerce and ordered

2. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Acting Secretary of Commerce, reporting the following claim for damages, which has been considered, adjusted, and determined to be due the Dennis-Simmons Lumber Co., of Williamston, N. C., for damage to the barge Thomas P. Stran by collision with the lighthouse tender Juniper, September 1, 1913 (H. Doc. No. 486); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of War, transmitting a report of the annual inspection of the several branches of the National Home for Disabled Volunteer Soldiers (H. Doc. No. 502); to the Committee on Military Affairs and ordered to be printed.

4. A letter from the Secretary of the Treasury, transmitting copy of communication from the Postmaster General submitting a revised estimate of appropriation for the postal service for transportation of foreign mails for the fiscal year ending June 30, 1915 (H. Doc. No. 487); to the Committee on the Post Office and Post Roads and ordered to be printed.

5. A letter from the Secretary of the Treasury, transmitting a copy of a communication from the Postmaster General submitting a revised estimate of appropriation for the postal service, for inland transportation by star routes in Alaska, for the fiscal year ending June 30, 1915 (H. Doc. No. 489); to the Committee on the Post Office and Post Roads and ordered to be

6. A letter from the Secretary of the Treasury, transmitting a copy of a communication from the Postmaster General submitting a revised estimate of appropriation for the postal service for railway post-office car service, for the fiscal year ending June 30, 1915 (H. Doc. No. 488); to the Committee on the Post Office and Post Roads and ordered to be printed.

7. A letter from the Secretary of the Treasury, transmitting a copy of a communication from the Postmaster General submitting a revised estimate of appropriation for the postal service, for inland transportation of mail by electric and cable cars, for the fiscal year ending June 30, 1915 (H. Doc. No. 490); to the Committee on the Post Office and Post Roads and ordered to be printed.

8. A letter from the Secretary of the Treasury, transmitting a copy of a communication from the Postmaster General submitting a revised estimate of appropriation for the postal service, for inland transportation by steamboat or other powerboat routes, for the fiscal year ending June 30, 1915 (H. Doc. No. 491); to the Committee on the Post Office and Post Roads and ordered to be printed.

9. A letter from the Secretary of the Treasury, transmitting a copy of a communication from the Postmaster General submitting a revised estimate of appropriation for the postal service, for the manufacture of postal cards, for the fiscal year ending June 30, 1915 (H. Doc. No. 492); to the Committee on the Post Office and Post Roads and ordered to be printed.

10. A letter from the Secretary of the Treasury, transmitting a copy of a communication from the Postmaster General submitting a revised estimate of appropriation for the postal service, for regulation screen or other wagon service, for the fiscal year ending June 30, 1915 (H. Doc. No. 493); to the Committee on the Post Office and Post Roads and ordered to be printed.

11. A letter from the Secretary of the Treasury, transmitting a copy of a communication from the Postmaster General submitting a revised estimate of appropriation for the postal service, for inland transportation by railroad routes, for the fiscal year ending June 30, 1915 (H. Doc. No. 494); to the Committee on the Post Office and Post Roads and ordered to be printed.

12. A letter from the Secretary of the Treasury, transmitting a copy of a communication from the Postmaster General sub-mitting a revised estimate of appropriation for the postal service, for mail messenger service, for the fiscal year ending June 30, 1915 (H. Doc. No. 495); to the Committee on the Post Office and Post Roads and ordered to be printed.

13. A letter from the Secretary of the Treasury, transmitting a copy of a communication from the Postmaster General requesting that of the appropriation for mail bags, etc., for the fiscal year ending June 30, 1915, the sum of \$100,000 be made immediately available to meet the special demand for equipment due to the holiday rush in handling parcel-post packages (H. Doc. No. 496); to the Committee on Appropriations and ordered to be printed.

14. A letter from the Secretary of the Treasury, transmitting a copy of a communication from the Postmaster General submitting urgent estimates of deficiencies in appropriations for the postal service, payable from the postal revenues, for the fiscal year ending June 30, 1914 (H. Doc. No. 497); to the Committee on Appropriations and ordered to be printed.

15. A letter from the Secretary of the Treasury, transmitting a communication from the Secretary of Commerce submitting urgent deficiencies in appropriations required for the service for the fiscal year ending June 30, 1914 (H. Doc. No. 498); to the Committee on Appropriations and ordered to be printed.

16. A letter from the Secretary of War, transmitting the draft of a bill to prevent the wearing of the uniforms of the Army, Navy, and Marine Corps by persons not entitled to wear such uniforms and to prevent discrimination by common carriers and by managers of hotels, theaters, and other like places affected with the public interest against officers or enlisted men of the Army, Navy, and Marine Corps (H. Doc. No. 499); to the Committee on the Judiciary and ordered to be printed.

17. A letter from the Secretary of War, transmitting report of expenditures on account of appropriation for contingencies of the Army for the fiscal year ended June 30, 1913 (H. Doc. No. 500); to the Committee on Expenditures in the War Department and ordered to be printed.

18. A letter from the Secretary of War, transmitting report of expenditures on account of appropriation for contingent expenses of the War Department for the fiscal year ended June 30, 1913 (H. Doc. No. 501); to the Committee on Expenditures in the War Department and ordered to be printed.

19. A letter from the chairman of the Interstate Commerce Commission, transmitting its Twenty-seventh Annual Report (H. Doc. No. 503); to the Committee on Interstate and Foreign Commerce and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. DECKER, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. S142) to authorize the construction, maintenance, and operation of a bridge across the Bayou Bartholomew at or near Wilmot, Ark., reported the same without amendment, accompanied by a report (No. 156), which said bill and report were referred to the House

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 849) granting an increase of pension to William H. Watson; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 9967) granting a pension to Mary K. Munoz; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 10324) for the relief of Spencer D. Gleason; Committee on Invalid Pensions discharged, and referred to the

Committee on Military Affairs.

A bill (H. R. 10376) granting an increase of pension to Jay B. Foote; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. KETTNER: A bill (H. R. 11004) to provide for the

survey of San Diego Harbor, Cal.; to the Committee on Rivers and Harbors.

By Mr. HARDY: A bill (H. R. 11005) to provide for the erection of a public building at Mexia, Tex.; to the Committee on

Public Buildings and Grounds,
By Mr. RAKER: A bill (H. R. 11006) authorizing the disposal of a portion of the Fort Bidwell Indian School, Cal.; to the Committee on the Public Lands.

By Mr. EDWARDS: A bill (H. R. 11007) providing for site and public building at Sylvania, Ga.; to the Committee on Publie Buildings and Grounds.

Also, a bill (H. R. 11008) providing for purchase of site and for public building at Millen, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11009) providing for an additional United States district judge for the State of Georgia; to the Committee on the Judiciary.

By Mr. WEBB: A bill (H. R. 11010) to amend paragraph 347 of the act approved October 3, 1913, entitled "An act to reduce

tariff duties and to provide revenue for the Government, and for other purposes"; to the Committee on Ways and Means.

By Mr. COPLEY: A bill (H. R. 11011) authorizing the National Motor Transportation Co., of Washington, D. C., to operate motor omnibuses under the provisions of section 8 of the act (Public, No. 435) making appropriations for the expenses of the government of the District of Columbia, etc., approved March 4, 1913; to the Committee on the District of Columbia.

By Mr. AUSTIN: A bill (H. R. 11012) authorizing the Secretary of the Navy to acquire possession of a piece of land in Hudson River, State of New York, County of Rockland, known as Round Island; to the Committee on Naval Affairs.

By Mr. RUPLEY: A bill (H. R. 11013) to provide for the acquisition of additional land adjoining the present post-office site at Hanover, Pa.; to the Committee on Public Buildings and Grounds.

By Mr. HART: A bill (H. R. 11014) to provide for the purchase of a site and the erection of a public building thereon at Phillipsburg, in the State of New Jersey; to the Committee on Public Buildings and Grounds.

By Mr. LINDQUIST: A bill (H. R. 11015) to provide for the purchase of a site and the erection of a public building thereon at Greenville, in the State of Michigan; to the Committee on Public Buildings and Grounds.

By Mr. KREIDER: A bill (H. R. 11016) prohibiting fraud upon the public by making or disseminating false statements or assertions concerning any merchandise, commodities, securities, or service, and providing penalties for the violation thereof; to the Committee on the Judiciary.

By Mr. CHURCH: A bill (H. R. 11017) to make it an offense against the Government of the United States for any person or persons to make or circulate false statements in regard to the financial condition of the business interests of this country for the purpose of producing a money panic; to the Committee on the Judiciary

By Mr. STOUT: A bill (H. R. 11018) to establish the Big Snowy Mountain game refuge in the State of Montana; to the Committee on Agriculture.

By Mr. CARLIN: A bill (H. R. 11019) to relieve Congress from the adjudication of private claims against the Government; to the Committee on the Judiciary.

By Mr. DOOLITTLE: A bill (H. R. 11020) to increase the compensation of rural letter carriers; to the Committee on the Post Office and Post Roads.

By Mr. HAYES: A bill (H. R. 11021) granting certain lands to the State of California to form a part of California Redwood Park in said State; to the Committee on the Public Lands. By Mr. BUCHANAN of Texas: A bill (H. R. 11022) to appro-

priate \$100,000 for the purchase and distribution of seeds for and to the flood sufferers in Texas; to the Committee on Appro-

By Mr. KENNEDY of Rhode Island: A bill (H. R. 11023) to amend the act of March 4, 1913, entitled "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," relating to the improvement of Providence River and Harbor, R. I.; to the Committee on Rivers and Harbors.

By Mr. LAFFERTY: A bill (H. R. 11024) for preventing the sale or transportation in interstate or foreign commerce of misbranded commodities; to the Committee on Interstate and Foreign Commerce.

By Mr. CHURCH: A bill (H. R. 11025) to amend an act entitled "An act to reduce tariff duties and provide revenue for the Government, and for other purposes," approved October 3, 1913: to the Committee on Ways and Means.

By Mr. KENT: Joint resolution (H. J. Res. 177) proposing an amendment to the Constitution of the United States; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. BYRNS of Tennessee: Joint resolution (H. J. Res. 178) to continue in effect the provisions of the act of March 9, 1906 (Stat. L., vol. 34, p. 56); to the Committee on Military

By Mr. RAINEY: Resolution (H. Res. 353) providing for an investigation of the Keokuk & Hamilton Water Power Co. and companies operating with said company; to the Committee on

By Mr. LLOYD: Resolution (H. Res. 354) authorizing the appointment of a messenger to the Journal clerk; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions

were introduced and severally referred as follows: By Mr. ADAIR: A bill (H. R. 11026) granting an increase of pension to David Nihart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11027) granting an increase of pension to Charles C. Studiey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11028) granting an increase of pension to George Brock; to the Committee on Invalid Pensions.

By Mr. ADAIR; ADAIR; ADAIR; to the Committee on Invalid Pensions.

By C. ADAIR; ADAIR;

Invalid Pensions.

By Mr. BALTZ: A bill (H. R. 11030) granting a pension to James F. Sims; to the Committee on Pensions.

Also, a bill (H. R. 11031) granting a pension to Gertrude Samstag; to the Committee on Pensions.

Also, a bill (H. R. 11032) granting a pension to Julius A. Schneider; to the Committee on Pensions.

By Mr. BARTHOLDT: A bill (H. R. 11033) granting a pension to James H. Ross; to the Committee on Invalid Pensions. By Mr. BELL of California: A bill (H. R. 11034) to change the military record of Henry Clay Anderson from corporal to captain of staff, without pay; to the Committee on Military Affairs.

By Mr. BOOHER: A bill (H. R. 11035) granting an increase of pension to Horace Dean; to the Committee on Invalid Pensions.

By Mr. BROWNE of Wisconsin: A bill (H. R. 11036) granting an increase of pension to Mary Hanson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11037) to correct the military record of John P. Chesley; to the Committee on Military Affairs.

By Mr. BURNETT: A bill (H. R. 11038) granting a pension to Wilburn Doyle; to the Committee on Pensions.

Also, a bill (H. R. 11039) for the relief of the heirs of Eli A.

Campbell; to the Committee on War Claims.

By Mr. CANTRILL: A bill (H. R. 11040) to carry out the findings of the Court of Claims in the case of James Harvey Dennis; to the Committee on Claims.

By Mr. CARLIN: A bill (H. R. 11041) for the relief of L. C. Reid and Fannie B. Betts, heirs at law of George G. Barton; to the Committee on War Claims.

Also, a bill (H. R. 11042) granting an increase of pension to Charles P. Galpin; to the Committee on Pensions.

By Mr. DILLON: A bill (H. R. 11043) granting an increase of pension to James Mecham; to the Committee on Invalid

By Mr. EAGAN: A bill (H. R. 11044) granting a pension to Jennie L. Parker; to the Committee on Invalid Pensions.

By Mr. EDWARDS: A bill (H. R. 11045) for the relief of Bridget Zeigler, sole heir of John C. Zeigler, deceased; to the Committee on War Claims,

By Mr. FERRIS: A bill (H. R. 11046) granting an increase of pension to William Sanner; to the Committee on Invalid

By Mr. FIELDS: A bill (H. R. 11047) granting an increase of pension to James K. Jackson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11048) for the relief of Robert Craig; to the Committee on Military Affairs.

Also, a bill (H. R. 11049) granting an increase of pension to William Thompson; to the Committee on Invalid Pensions.

By Mr. GARDNER: A bill (H. R. 11050) reimbursing Francis Norwood, of Beverly, Mass., for money turned into the United

States Treasury by mistake; to the Committee on Claims.

By Mr. GITTINS: A bill (H. R. 11051) to promote Robert Andrew Abernathy, lieutenant commander, United States Navy; to the Committee on Naval Affairs.

By Mr. GUDGER: A bill (H. R. 11052) granting a pension to Thomas L. Holland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11053) granting a pension to David S. Anderson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11054) granting a pension to Rebecca Rice; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11055) granting a pension to Daniel A. Kanipe; to the Committee on Pensions.

Also, a bill (H. R. 11055) for the relief of Stanley Mitchell; to the Committee on Naval Affairs.

By Mr. HART: A bill (H. R. 11057) granting a pension to Addison B. Burroughs; to the Committee on Invalid Pensions.

By Mr. HAYES: A bill H. R. 11058) granting a pension to Mary C. Chapin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11059) granting an increase of pension to Sallie E. Van Vrankin; to the Committee on Pensions.

Also, a bill (H. R. 11060) granting an increase of pension to Thaddues W. Bradley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11061) granting an increase of pension to William Cassidy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11062) for the relief of William E. Campbell; to the Committee on Claims.

Also, a bill (H. R. 11063) to place the name of Capt. Marshall

Also, a bill (H. R. 11063) to place the name of Capt. Marshall P. Thatcher upon the unlimited retired list of the Army; to the Committee on Military Affairs, By Mr. KENNEDY of Rhode Island: A bill (H. R. 11064)

granting an increase of pension to Caroline M. Aldrich; to the Committee on Invalid Pensions.

By Mr. KETTNER: A bill (H. R. 11065) granting an increase of pension to Rosa B. Ord; to the Committee on Pensions.

By Mr. KEY of Ohio: A bill (H. R. 11066) granting an increase of pension to William H. Chaney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11067) granting an increase of pension to Thomas A. Cupps; to the Committee on Pensions.

Also, a bill (H. R. 11068) granting an increase of pension to

Amelia C. Doty; to the Committee on Invalid Pensions.

By Mr. J. R. KNOWLAND: A bill (H. R. 11069) granting a

pension to Augusta Ascher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11070) granting an increase of pension to Evalyn N. Conant; to the Committee on Pensions.

Also, a bill (H. R. 11071) granting an increase of pension to

Mary H. Trimble; to the Committee on Invalid Pensions.

By Mr. LESHER: A bill (H. R. 11072) granting an increase of pension to William Spotts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11073) granting a pension to Luther L. Kauffman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11074) granting a pension to Edward Aldrich; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11075) granting a pension to Benjamin E. Kneibler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11076) granting a pension to Luther L.

Kauffman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11077) granting a pension to Charles C. Diehl; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11078) granting a pension to Mary A. Adams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11079) for the relief of Samuel J. Pealer;

to the Committee on Military Affairs.

By Mr. MOON: A bill (H. R. 11080) to remove the charge of desertion against W. E. Cross; to the Committee on Military Affairs.

Also, a bill (H. R. 11081) to remove the charge of desertion against S. J. Garren; to the Committee on Military Affairs.

By Mr. PADGETT: A bill (H. R. 11082) for relief of estate

of T. W. Powers; to the Committee on War Claims.

Also, a bill (H. R. 11083) granting an increase of pension to

Frank Fuqua; to the Committee on Invalid Pensions.

By Mr. RAYBURN: A bill (H. R. 11084) for the relief of

Nancy M. Cockerham, heir of Cirley Fairchilds, deceased; to the Committee on War Claims.

By Mr. RUPLEY: A bill (H. R. 11085) granting an increase of pension to Mina A. Pilcher; to the Committee on Invalid

Pensions.

By Mr. RUSSELL: A bill (H. R. 11086) granting a pension to Elizabeth Adams; to the Committee on Pensions.
By Mr. SPARKMAN: A bill (H. R. 11087) granting an in-

crease of pension to Michael Eck; to the Committee on Invalid Pensions.

By Mr. STONE: A bill (H. R. 11088) granting an increase of pension to James T. Jones; to the Committee on Invalid Pensions.

By Mr. SWITZER: A bill (H. R. 11089) granting a pension to Nancy Bachor; to the Committee on Invalid Pensions.

By Mr. THOMAS: A bill (H. R. 11090) granting an increase of pension to Sarah J. Wootton; to the Committee on Invalid Pensions.

By Mr. WEBB: A bill (H. R. 11091) granting a pension to Mary N. Nichols; to the Committee on Invalid Pensions.

By Mr. WHALEY: A bill (H. R. 11092) for the relief of the legal representatives of Henry D. Geddings; to the Committee on Claims.

By Mr. EDWARDS: Resolution (H. Res. 352) authorizing the Clerk of the House to pay to the legal representatives of the late John A. Barnes six months' salary and funeral expenses: to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Memorial of the American Manufacturers' Export Association, favoring the plan of reorganization of the Bureau of Foreign and Domestic Commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. AUSTIN: Petition of merchants of Jefferson City, La Follette, and seven other towns in Tennessee, favoring the passage of House bill 5308, to compel concerns selling goods direct to the consumer by mail to contribute their portion of the funds for the development of the local community, county, and State; to the Committee on Ways and Means.

By Mr. BARTHOLDT: Petition of Phineas Towne, of St. Louis, Mo., favoring the passage of House bill 1672, providing pensions for Indian war veterans; to the Committee on Pen-

Also, petition of the Implement, Vehicle & Hardware Association, St. Louis, Mo., favoring the passage of the Ransdell-Humphreys bill providing for flood prevention on the Mississippi

River; to the Committee on Rivers and Harbors.

By Mr. DANFORTH: Petition of the Chamber of Commerce of Rochester, N. Y., protesting against the passage of the sea-men's bill; to the Committee on the Merchant Marine and Fisheries.

Also, petitions of John Kelley (Inc.), E. R. Rud & Co., and Rochester Retail Shoe Dealers, of Rochester, N. Y., protesting against the passage of House bill 2973, relative to manufacturers placing their name on goods; to the Committee on Interstate and Foreign Commerce.

By Mr. DILLON: Petition of citizens of Chamberlain, S. Dak., favoring the passage of bill compelling mail-order houses to pay their share of taxes; to the Committee on Ways and Means

Also, petition of citizens of the Black Hills district of the State of South Dakota, favoring the passage of the Lindquist pure fabric and leather bill; to the Committee on Interstate and Foreign Commerce.

By Mr. DYER: Petition of the Boot and Shoe Workers' Union, Local No. 338, St. Louis, Mo., favoring the passage of House bill 1873, to improve the conditions between employees and laborers and persons engaged in agriculture or horticulture; to the Committee on the Judiciary.

Also, petition of Phineas Towne, of St. Louis, Mo., favoring the passage of House bill 1672, granting pensions to Indian

war veterans; to the Committee on Pensions.

By Mr. EAGAN: Petition of members of the New Jersey State Legislature, protesting against the passage of the seamen's bill in its present form; to the Committee on the Merchant Marine and Fisheries

By Mr. FITZGERALD: Petition of United States Military Telegraph Corps of New York, favoring remedial legislation by Congress in the form of pensions for their relief; to the Committee on Invalid Pensions.

Also, memorial of the Maritime Association of the Port of New York, protesting against the passage of the seamen's bill in its present form; to the Committee on the Merchant Marine and Fisheries.

By Mr. FRANCIS: Petition of Local Union No. 2735, United Mine Workers of America, of Rhodesdale, Ohio, favoring the passage of House bill 1873 and Senate bill 927, for labor's antitrust and injunction measure; to the Committee on the Judi-

By Mr. HINEBAUGH: Memorial of Seth C. Earle Post, No. 156, Grand Army of the Republic, relative to House bill 6636, to change the boundaries on Crest Road Mining Ridge; to the Committee on Military Affairs.

By Mr. KAHN: Memorial of the Wholesale and Retail Shoe Dealers of San Francisco, Cal., protesting against the passage of the so-called Lindquist "frauds act" bill; to the Committee on Interstate and Foreign Commerce.

By Mr. LANGHAM: Petition of the Employees' Association, Philadelphia Navy Yard, favoring the Philadelphia Navy Yard for the new dry dock; to the Committee on Naval Affairs.

By Mr. LEE of Pennsylvania: Petition of the Employees' Association, Philadelphia Navy Yard, favoring the Philadelphia Navy Yard for location of the new dry dock; to the Committee on Naval Affairs.

By Mr. LEVY: Memorial of the council of the city of Benton Harbor, Mich., and the Benton Harbor Development Co., protesting against the passage of the seamen's bill in its present form; to the Committee on the Merchant Marine and Fisheries.

Also, memorial of the Federation of Jewish Farmers of America, favoring the passage of a bill for adequate rural-credit

facilities; to the Committee on Banking and Currency.

Also, petition of the American-Roumanian Jewish Emancipation Committee, relative to intercession by the United States with the Roumanian Government for curtailment of oppression of the Jews; to the Committee on Fereign Affairs.

By Mr. LIEB: Petition of business men of Booneville, Rockport, Newberg, Tennyson, and Chrisney, Ind., favoring the passage of legislation compelling concerns selling goods direct to the consumer by mail to contribute their portion of the funds for the local community, county, and State; to the Committee on Ways and Means.

By Mr. LONERGAN: Petition of the National German-American Alliance of New York, protesting against the passage of Burnett bill relative to immigration; to the Committee on Immigration and Naturalization.

By Mr. MOON: Papers to accompany bills for the relief of . J. Garren and W. E. Cross; to the Committee on Military

By Mr. MOTT: Petition of the National German Alliance of the State of New York, protesting against the passage of the Burnett immigration bill; to the Committee on Immigration and Naturalization.

By Mr. PADGETT: Papers to accompany bill for the relief of the estate of T. W. Powers; to the Committee on War Claims.

Also, papers to accompany bill granting an increase of pension to Frank Ferguson; to the Committee on Invalid Pensions.

By Mr. PLUMLEY: Petition of Louise Stone and 15 others of the State of Vermont and sundry citizens of the State of Illinois, asking that complete separation of church and state be assured and protesting against the passage of Senate bill 752; to the Committee on the District of Columbia.

By Mr. RAKER: Petition of miners' unions at Jackson, French Gulch, and Kennett, Cal., favoring the resolution calling for an investigation of the recent strikes in Colorado and Mich-

igan; to the Committee on Labor.

By Mr. SCULLY: Petitions of citizens of South Amboy, Point Pleasant, Freehold, Jersey City, Somerville, Bayonne, Manasquan, Newark, Elizabeth, Orange, and Allentown, of the State of New Jersey, protesting against the passage of the seamen's bill in its present form; to the Committee on the Merchant Marine and Fisheries.

Also, petition of the Maritime Association of the Port of New York, protesting against the passage of the seamen's bill in its

present form; to the Committee on the Merchant Marine and Fisheries.

Also, petition of the Employees' Association, Philadelphia Navy Yard, favoring the Philadelphia Navy Yard for the location of the new dry dock; to the Committee on Naval Affairs.

By Mr. SELLS: Petition of citizens of the first congressional

district of the State of Tennessee, favoring the passage of the Lindquist pure-fabric law; to the Committee on Interstate and Foreign Commerce.

Also, petition of citizens of Greenville, Elizabethtown, Johnson City, Erwin, Bristol, and Jonesboro, of the State of Tennessee, favoring the passage of House bill 5308, relative to mail-

order houses; to the Committee on Ways and Means.

By Mr. J. M. C. SMITH: Petition of White Pine Lumber Co., of Detroit; Detroit Passenger Club; Grand Rapids Association, of Grand Rapids; Transportation Club of Detroit; J. R. Russell, of Detroit; council of the city of Benton Harbor; Benton Harbor Development Co., all in the State of Michigan; and the Maritime Association of the Port of New York, protesting against the La Follette seamen's bill (S. 136); to the Committee on the Merchant Marine and Fisheries.

Also, petition of citizens of the third district of Michigan, favoring the passing of the pure fabric and leather bill introduced by Mr. Francis O. Lindquist; to the Committee on In-

terstate and Foreign Commerce.

Also, petition of National German-American Alliance of the State of New York, protesting against the passage of the Burnett immigration bill; to the Committee on Immigration.

By Mr. STEPHENS of California: Memorial of the San Francisco Labor Council, favoring the passage of House bill 1873 and Senate bill 927, relative to antitrust and injunction measure: to the Committee on the Judiciary.

Also, memorial of the council of the city of Richmond, Cal., favoring legislation by Congress of flood control; to the Com-

mittee on Rivers and Harbors.

By Mr. STEVENS of Minnesota: Petition of the South St. Paul (Minn.) Branch of National Association of Employees, Bureau of Animal Industry, favoring the passage of House bill 9292 to classify the salaries of veterinary inspectors, meat inspectors, etc.; to the Committee on Agriculture.

Also, petition of the Minneapolis Civic and Commerce Association of Minneapolis, Minn., favoring the passage of legisla-tion to employ consulting architects by the Treasury Department by waiving civil-service rules and regulations; to the

Committee on Public Buildings and Grounds.

SENATE.

SATURDAY, December 20, 1913.

The Senate met at 12 o'clock m.

Prayer by the Chaplain, Rev. Forrest J. Prettyman, D. D. The Journal of yesterday's proceedings was read and approved.

ANNUAL REPORT OF INTERSTATE COMMERCE COMMISSION (H. DOC. NO. 503).

The VICE PRESIDENT laid before the Senate the twentyseventh annual report of the Interstate Commerce Commission for the fiscal year ended December 15, 1913, which was referred to the Committee on Interstate Commerce.

INDIAN TUBERCULOSIS SANITARIUM AND YAKIMA INDIAN RESERVATION.

Mr. ROBINSON. Mr. President, on behalf of the joint commission created pursuant to a provision of the act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1914, approved June 30, 1913, "for the purpose of investigating the necessity and feasibility of establishing, equipping, and maintaining a tuberculosis sanitarium in New Mexico for the treatment of tuberculous Indians, and to also investigate the necessity and feasibility of procuring impounded waters for the Yakima Indian Reservation or the construction of an irrigation system upon said reservation, to impound the waters of the Yakima River, Wash., for the reclamation of the lands on said reservation, and for the use and benefit of the Indians of said reservation," I submit a report.

The Indian appropriation act approved June 30, 1913, created two joint commissions to investigate Indian affairs. One of these commissions, composed of three Members of the Senate and three Members of the House of Representatives, was charged with the very important and arduous duty of probing into the condition of the Indian service with a view to reforming existing abuses in its administrative methods and policies. The other joint commission was directed to investigate and submit

before the 1st of January, 1914, its findings and recommenda-tions touching two radically different but highly important details connected with the Indian service. Undoubtedly the entire work of both commissions could have been intrusted to one, and the creation of two commissions instead of one is probably the result of a legislative entanglement which arose during the consideration by the respective Houses of Congress of the Indian appropriation act referred to.

The Indian Affairs Committee of the Senate, to whom were presented many complaints of fraud and maladministration in the Indian service, finding itself unable, for lack of time and funds, to thoroughly look into all of these complaints, inserted an amendment in the bill providing for the creation of a joint commission of Congress, composed of three Members of each House, to investigate the Indian service generally, and provided an appropriation of \$50,000 for that purpose. In conference this amendment was modified and the appropriation re-

duced to \$25,000.

While the said Indian appropriation bill was under consideration in the Senate an amendment contemplating the establishment of a tuberculosis sanitarium in New Mexico for the benefit of Indians generally throughout the United States, and carrying \$100,000 for that purpose, was inserted. A controversy, extending over many years, having arisen in the State of Washington concerning disputed water rights of water users in the Yakima Basin, Wash., claiming adversely to water users on the Yakima Indian Reservation within said basin, an amendment was inserted by the Senate appropriating \$1,800,000, asserted to be the proportionate share of costs properly assessable against the Government to provide storage waters sufficient to meet the requirements of said reservation.

In lieu of these two amendments the conference inserted a paragraph providing for a joint commission of Congress, to be composed of four Members, two from each House, to investigate and report upon these two important subjects. Considering the far-reaching importance of the two subjects and the extension and modification of policies prevailing in the Indian service implied by the adoption of these two amendments, it was deemed wise to first obtain full information concerning them before committing Congress to the expenditures which their adoption

would make necessary.

The Senator from Arkansas [Mr. Robinson], the Senator from Michigan [Mr. Townsend], and Representatives Stephens of Texas and Burke of South Dakota were appointed to constitute the joint commission to determine the two subjects mentioned. Probably for convenience and purposes of economy these four were also made members of the commission of six to investigate Indian affairs generally, Senator Lane, of Oregon, and Representative CARTER, of Texas, being the other two members.

Both commissions have been actively engaged in performing their duties. So far as consistent with the nature and the character of the same, the work of the two commissions has proceeded concurrently. The task assigned the commission to investigate Indian affairs generally is comprehensive; its powers and authority to inquire into the Indian service and recommend reforms is limited only by the funds available for its uses is not contemplated that this work shall be completed within a short time. It will be carried forward just as rapidly and zealously as circumstances may permit. The smaller commission, however, whose jurisdiction is limited to the two subjects already referred to, has completed its labors and submitted its findings and recommendations. These, together with the testi-mony taken by the commission, will be available for the use of Congress when it assumes to determine the respective matters comprehended in the report of this commission.

Let me now submit to the Senate, in conjunction with the report, a brief statement and explanation of the work and findings of this commission, pursuing the subject inversely to the order observed in the report.

THE YAKIMA IRRIGATION CONTROVERSY.

The commission believe that grave injustice has been done the Yakima and associated Indians by the Government of the United States in depriving them of waters and water privileges necessary in the cultivation of the irrigable lands on the Yakima Indian Reservation and to which the Indians equitably and in good faith are entitled. We also believe that it is the duty of Congress to set a precedent for justice and fair dealing by promptly and completely righting this wrong. We have worked out with some care the means and methods by which, in our

judgment, this may be accomplished.

The subject is not without difficulty. The inquiry has involved many disputed facts, some of doubtful materiality, complicated principles of law, and policies of far-reaching public

THE TREATY OF 1855.

The treaty of 1855, ratified in 1859, under which the Government acquired a vast area of land in the State of Washington from these Indians, and under which the Indians reserved an area nearly 200,000 acres in extent, known as the Yakima Indian Reservation, contains no express reference to irrigation or to water rights. When this treaty was entered into little progress had been made in any part of the United States in the irrigation of arid lands. Probably neither the representatives of the Government nor the Indians making the treaty then regarded water privileges as of controlling importance. This probably accounts for the fact that the treaty contains no express stipulation concerning water rights and privileges

Certain exclusive rights were, however, reserved in the treaty

to the Indians:

The exclusive right of taking fish in all the streams running through or bordering said reservation is further secured to said confederated tribes and bands of Indians, as also the right of taking fish at all usual and accustomed places, in common with citizens of the territory, and of erecting temporary buildings for curing them, together with the privilege of hunting, gathering roots and berries, and pasturing their horses and cattle upon open and unclaimed land.

Fishing and hunting were the principal occupations of these Indians when the treaty was made. But it was the desire and policy of the Government to convert them from a nomadic into an agricultural people. This seems to be generally admitted to be the paramount purpose of the Government in entering into the treaty with the Indians. This is the opinion of ex-Secretary of the Interior Fisher, under date of January 23, 1913, expressed in the following language:

The Indian treaty negotiated in 1855 and ratified in 1859 was to make possible the permanent settlement of the Yakima Indians and their transformation into an agricultural people; to reserve an abundance of land and of water rights out of which the real needs of the Indians for farms and for irrigation water for such farms could be satisfied as such needs might be determined by Congress or its duly authorized executive seems. authorized executive agents.

None of the lands-that is, no considerable area thereofwere then or are now, susceptible of farming without irrigation. If this interpretation of the treaty be indorsed, namely, that its primary design was to convert the Indians into an agricultural people, it is difficult to escape the conclusion that it was the duty of the Government to reserve sufficient water for the use of the Indians on the reservation to carry out this purpose; and, failing to reserve such water flowing in the streams, to provide an adequate supply by storage and without cost to the Indians. This construction is somewhat strengthened by the fact that the Indians began to irrigate lands on the reservation about the time the treaty was made. The area of irrigated lands on the reservation were gradually extended until by 1897 the reservation system, according to the report made by William Redman, June 30, 1897, a Government engineer, the system was capable of irrigating about 50,000 acres by the construction of more lateral ditches.

CONTROVERSY CONCERNING WATER RIGHTS IN THE TAKIMA BASIN.

While the Indians began the construction of crude irrigation works on the reservation about the time of the ratification of the treaty, 1859, in the course of time white settlers began to locate upon and cultivate land on the opposite side of the Yakima River and to take water from the river for irrigation purposes. These appropriations were made for lands, some of which were located above the reservation, while the greater portion of the same were on what is now known as the Sunnyside irrigation project, which has an irrigable area of 102,000 acres, and on which approximately 75,000 acres are now irrigated. With the development of these irrigation works controversies began to arise as to the priority of rights. The reservation irrigation projects proceeded slowly, embarrassed by the fact that the Indians were not disposed to engage in agriculture, and on the whole were inclined to adhere to their traditional characteristics and occupations. The superintendent of the Yakima Indian Reservation, February 19, 1903, filed on 1,000 cubic feet of water per second of time for the use and benefit of water users on the reservation. In 1896 work was begun by the Irrigation Division of the United States Indian Service on the reservation. A main canal with the capacity of 210 cubic feet of water per second and about 121 miles in length, with five laterals aggregating approximately 12 miles, was reported by Engineer Redman in 1897; also the Toppenish Canal, with the capacity of 104 cubic feet of water per second, 3.2 miles long, with four laterals, in all about 2 miles in length, making a total carrying capacity of about 315 cubic feet of water per second, with laterals about 14 miles in all for the distribution of water. This does not include the provision made near the head of the main canal for diverting from the Yakima River about 200 cubic feet of water per second into a natural

slough which runs in a southeasterly direction about 12 miles and empties into the Toppenish Creek.

It appears to have been generally believed in that locality that priority of water rights from the Yakima River depended entirely on priority of appropriations to actual use. Accordingly when the superintendent of the reservation filed on the 1,000 cubic feet per second of water for the reservation, the white settlers, having appropriated to actual use almost the entire low-water flow of the river, instituted injunction suits in the State courts contesting the rights and claims of water users on the reservation. These suits occasioned great disturbance and anxiety among the water users, both on and off the reservation, stopped development, and gave promise of a prolonged controversy. The Secretary of the Interior, Mr. Hitchcock, undertook to effect a compromise of all the disputed water rights in the Yakima Basin. He arbitrarily allowed the Yakima Indian Reservation 147 second-feet, which was less than the amount required to irrigate the land then in cultivation on the reservation from the system actually in operation. The injunctions against the reservation water users were in force, and the lands actually in cultivation were limited and reduced thereby. While the Indians and water users on the reservation do not appear to have been agreed as to the amount of water to which the reservation was entitled, or even to have been unanimous in their contention as to the proper basis upon which such rights could be determined, this adjustment by former Secretary Hitchcock was so manifestly insufficient to afford the reservation lands then in cultivation a sufficient water supply, to say nothing of the very large irrigable area on the reservation still unreclaimed, that universal discontent and dissatisfaction arose. The subject was agitated. Complaints increased and gathered volume during succeeding years, until August 24, 1912, when the Indian appropriation act for that year was approved and the following provision of law adopted:

That the Secretary of the Interior be, and he is hereby, authorized and directed to investigate the conditions on the Yakima Indian Reservation in the State of Washington with a view to determine the best, most practicable, and most feasible plan for providing water for such lands of said reservation as may be irrigated and to cause surveys, plans, and reports to be made thereon, together with an estimated limit of cost of such irrigation project, and to submit his report thereon to Congress on the first Monday in December, 1912, together with such facts and reasons in support of the same as may be necessary to advise Congress fully in regard thereto.

Under the above authorization and requirement extended investigations were made and a report submited as House Document No. 1299, being a communication from the Secretary of the Interior, transmitting a joint report of the supervising engineer of the Reclamation Service, superintendent, and supervising irrigation engineer of the Indian service, on the condition of the Yakima Indian Reservation with reference to irrigation. This report is valuable, exhaustive, and in many respects comprehensive of the entire subject. It is available for the use of Members of Congress, and we have not seen fit to embody the same in the report of the commission.

Secretary Fisher, in submitting this report, made the following statement:

Secretary Fisher, in submitting this report, made the following statement:

Secretary Hitchcock had lawful authority to limit the rights of the Indians in the low-water flow of the Yakima River and the limitation thereof to 147 cubic feet per second, which was a part of the general settlement of water rights in the valley, is valid and binding. Any other conclusion would involve the acceptance of the doctrine that the Indians, by virtue of the treaty of 1855, ratified in 1859, then acquired a vested right in the water flowing in the Yakima River, which is undetermined, and must forever remain undeterminable as to quantity; for it is contended that it is to be measured at any given time by what then appears to be the duty of water for that area, of which, from the economic and engineering standpoint, it is then feasible to irrigate; that it must be measured 50 years hence by what then appears the duty of water for the area which it then appears feasible to irrigate, and so for any point of time in the future. This would make it impossible to measure the future water rights of the Indians at any future time; would prevent all irrigation development outside of the Indian reservation; and would amount to a reservation of the total flow of the river, without any obligation on the part of the Indians to utilize the water, which might thus flow forever unused to the sea. The Indian treaty negotiated in 1855 and ratified in 1859 was to make possible the permanent settlement of the Yakima Indians and their transformation into an agricultural people; to reserve an abundance of land and of water rights out of which the real need of the Indians for farms and for irrigation water for such farms could be satisfied as such needs might be determined by Congress or its duly authorized executive agents. It was not intended to reserve either lands or water rights above that measure, or to restrict the authority of Congress, to determine the measure of the water rights needed by the Indians.

Nevertheless it now appears that such

The joint commission of Congress does not acquiesce in, but repudiates, the compromise made by Secretary Hitchcock, awarding 147 second-feet of water from the low-water flow of the Yakima River to the reservation as inadequate, unjust, and unfair to the Indians. The attempt by former Secretary Fisher to justify it, while at the same time declaring the necessity for a more liberal allowance of water, is difficult to comprehend. Analyzed and condensed, it can not mean anything more than that Secretary Hitchcock had legal authority to determine the question, but in the exercise of this authority abused his discretion and rendered a decision grossly unfair.

The case of Winters v. The United States (207 U. S., 564) had not then been decided. That case is in some respects analogous to the one under consideration. It supports the theory that there was an implied reservation in the treaty of 1855 of sufficient water from the Yakima River for the purpose of irrigating the lands reserved, and in connection with Winans v. United States (198 U. S., 381) supports strongly the proposition that inasmuch as the treaty of 1855 was a grant of rights by the Indians and not a grant of rights to them, all rights not expressly or impliedly granted are reserved.

In Winters v. United States the court says:

In Winters v. United States the court says:

The Indians had command of the lands and the waters—command of all their beneficial use, whether kept for hunting, "and grazing roving herds of stock," or turn to agriculture and the arts of civilization. Did they give up all this? Did they reduce the area of their occupation and give up the waters which made it valuable or adequate? And, even regarding the allegation of the answer as true, that there are springs and streams on the reservation flowing about 2,900 inches of water, the inquiries are pertinent. If it were possible to believe affirmative answers, we might also believe that the Indians were awed by the power of the Government or deceived by its negotiators. Neither view is possible. The Government is asserting the rights of the Indians. * * * On account of their relations to the Government, it can not be supposed that the Indians were able to exclude by formal words every inference which might militate against or defeat the declared purpose of themselves and the Government, * * *.

The commission undertook to find the basis upon which former Secretary Hitchcock's decision was grounded. It was asserted by some professing familiarity with the subject that the award of 147 second-feet of water for the reservation and 650 secondfeet for nonreservation water users was based on the actual amount of water then appropriated. According to the best information obtainable, Secretary Hitchcock, in fact, allowed for the reservation less water than was then required to irrigate the lands actually in cultivation, while the allowance of 650 second-feet was sufficient to irrigate probably 20,000 acres more than the total area of nonreservation lands then under cultivation and irrigated from the Yakima River.

Mr. SMITH of Arizona. In reference to the statement of the Senator from Arkansas relative to the cubic feet per second allowed under Secretary Hitchcock's order, I wish to ask whether he allowed a less amount than was in actual use by

the Indians at the time?

Mr. ROBINSON. Yes; the commission so finds.

Mr. SMITH of Arizona. That the order allowed less than

the Indians were actually using?

Mr. ROBINSON. Yes; and in addition to that, as I have already said, at the time of this finding injunction suits were in force which had reduced the amount of the water that was bring used on the reservation. I shall conclude my discussion of this feature of the subject in just a few moments.

The half-hearted efforts of former Secretary Fisher to justify

this unfair decision is shocking to an unprejudiced and fair

mind.

Whatever complicated issues of law may be involved in this controversy, our Government should carry out in good faith its treaty with the Indians, and if the United States refuses to abrogate it this may not be done through mere executive agents but only by express legislation.

At another time when legislation affecting this subject is under consideration, it may become necessary to present the

matter more in detail.

The findings of the commission and their recommendations are self-explanatory and are as follows:

self-explanatory and are as follows:

1. That the allowance by the former Secretary of the Interior, Mr. Hitchcock, of 147 second-feet of water of the low-water flow of the Yakima River for the use and benefit of the Irrigable lands on the Yakima Indian Reservation was when made, and now is, inadequate, inequitable, and unfair to said Indian reservation.

2. From a consideration of the whole subject, we believe that vested rights have accrued to water users other than those on said reservation, and that the low-water flow of the Yakima River is insufficient to supply their needs and the requirements of said reservation. We therefore believe that the United States should provide for the use and benefit of the irrigable portion of said reservation, free from storage cost and storage maintenance cost, sufficient water to equal the amount to which said reservation was equitably entitled when the finding of Secretary Hitchcock was made.

While it is difficult to determine what this amount should be, we are convinced that it should not be less than one-half of the natural flow of the Yakima River, and should be sufficient to irrigate one-half of

each allotment of irrigable land on said reservation. That this will cost approximately \$500,000, and we recommend that an appropriation of said amount for this purpose be authorized, payable in five annual installments, as the needs of irrigation on said reservation may demand, and on estimates to be submitted; said \$500,000 being the amount we believe necessary to purchase such free water in addition to the amount now available for the irrigable land on said reservation, from the Reclamation Service, as will be required for this purpose.

3. As to the portion of the irrigable allotments in excess of the area to be furnished water free, the allottees may be permitted, but should not be required, to sell the same or any portion thereof under such terms and conditions as the Secretary of the Interior may prescribe. The cost of furnishing water for such area not to be furnished water free shall be apportioned equitably according to benefits.

4. As to all allottees on the said Yakima Indian Reservation the equitable proportionate cost, both as to storage water, in addition to such amount as shall be furnished free, and as to the cost of maintenance and distribution of all water furnished for said irrigable lands on said reservation, shall be charged to the allottees respectively, and payable from their proportionate individual shares of tribal funds when distributed.

distributed.

5. In the event any allottee shall receive a patent in fee to an allotment of Irrigable land before the amount so charged against him has been repaid to the United States, then such amount remaining unpaid shall become a first lien on his allotment, and the fact of such lien and the amount thereof shall be recited on the face of each patent in fee issued.

As to all grantees of allottees to whom patents have been issued the cost, which would be charged against the proportionate individual shares of allottees if the lands were not patented, shall be fixed as a lien upon the lands patented.

Nothing can be cleaved them that tribel funds should not be

Nothing can be clearer than that tribal funds should not be used to reclaim individual allotments. On this reservation many of the allotments can not be irrigated, and it is grossly unjust to use the funds belonging to all for the benefit of some members of the tribe. Whatever of precedent for such action may be cited, we think the correct principle is recognized by this commission in requiring that such expenses as are not to be paid by the Government in the reclamation of the irrigable lands on the Yakima Indian Reservation shall be charged to the individual allottees benefited and paid out of their proportionate shares of the tribal funds. In the event any allottee tionate shares of the tribal funds. receives a patent in fee, the balance remaining due the Government should of course become a lien upon his allotment.

It is believed that if the recommendations herein made are pursued by the Congress this much-disputed question will be

satisfactorily settled.

Mr. WARREN. Mr. President, may I ask the Senator a question at that point?

Mr. ROBINSON. Yes; I yield to the Senator.

Mr. WARREN. Is it the recommendation of the report that

the United States shall buy from itself through the Reclama-

tion Service the right to some reservoir?

Mr. ROBINSON. No; no right in a reservoir. I will say to the Senator that the amendment inserted in the act by the Senate contemplated an appropriation of \$1,800,000 as the proportionate share chargeable against the reservation for the reservoirs necessary to be constructed. Now, we do not think that the Indian service ought to go into the construction of reservoirs or ought to have anything to do with such matters. think that whatever reservoirs are constructed should be constructed under the Reclamation Service, and the Indian service furnished water as in the nature of a private water user.

Mr. WARREN. What is in my mind is this: Whether the money shall be appropriated directly for the purpose of erecting those reservoirs, and perhaps be expended under the supervision of the Reclamation Service, or whether the Reclamation Service money shall be taken to build the reservoirs, and then the

money may be reimbursed to that fund?

Mr. ROBINSON. Nothing is taken from the Reclamation Service fund under this proposed legislation. The appropriation is in the nature of a restitution by Congress for a mistake that was made in permitting the appropriation of waters which rightfully belong to the Indians. That is the theory upon which we have proceeded.

Mr. JONES. Mr. President-

Mr. ROBINSON. I yield to the Senator.
Mr. JONES. I simply want to suggest that the manner in which it would be worked out would be that the purchase would be made of stored water under what is known as the Warren Act. That was really what was contemplated by the amendment that was inserted in the Indian bill—that the Government would purchase of the water that was actually stored by the Reclamation Service such water as would be necessary to water all the irrigable lands.

Mr. ROBINSON. The amendment to the Indian appropriation act contemplated the appropriation of \$1,800,000 at the reservation's proportionate share of the cost of constructing reser-

voirs.

Mr. JONES. It contemplated the purchase of water sufficient to irrigate all of the lands of the reservation that would be capable of irrigation?

Mr. ROBINSON.

Mr. JONES. Now, your proposition here is to appropriate enough money to furnish to the lands of the Indians alone the quantity of water which you think ought to be furnished to them free, without taking into account-

Mr. ROBINSON. No; it is not limited to the Indians. The water is to be furnished to such portions of each allotment as should have water free. We think that is not less than one-half.

Mr. JONES. You contemplate that, but you do not contemplate the appropriation of any money for securing water for the additional half of the allotment?

Mr. ROBINSON. Oh, no; we contemplate that that shall be furnished by the Reclamation Service just as to a private user. Mr. JONES. But in the other bill the \$1,800,000 contemplated furnishing water for all the lands, reimbursement to be made to the Treasury under the Warren Act for water for lands not getting free water.

Mr. WARREN. In any case the Reclamation Service will spend no money that is not returned to it, but the money actually expended will be a direct appropriation in whatever manner it may come from the United States to put the Indians on the basis on which they ought to be put—that is, as to a certain number of them, will they be furnished water free of charge?

Mr. ROBINSON. Yes; there is no suggestion of taking anything out of the reclamation fund. The appropriation is a direct appropriation, so far as the suggestions contained in this report are concerned.

TUBERCULOSIS AND TRACHOMA AMONG THE INDIANS.

Mr. President, the second branch of duty assigned the commission, namely, to investigate and report upon the feasibility of establishing and maintaining a sanitarium in New Mexico for the treatment of tuberculous Indians, involves one of the large problems confronting the Indian service.

Investigations into the health of the Indians, on a somewhat comprehensive plan, were commenced about the year 1909. The funds and the force then available for this work were inadequate. Nevertheless, much valuable but in some respects in-accurate information was collected.

August 10, 1912, the President of the United States laid before Congress, in a special message, the substance of this information. That message is as follows:
To the Senate and House of Representatives:

Congress, in a special message, the substance of this information. That message is as follows:

To the Senate and House of Representatives:

The present conditions of health on Indian reservations and in Indian schools are, broadly speaking, very unsatisfactory. In many parts of the Indian country infant mortality, tuberculosis, and disastrous diseases generally prevail to an extent exceeded only in some of the most insanitary of our white rural districts and in the worst slums of our large cities.

The death rate in the Indian country is 35 per thousand, as compared with 15 per thousand—the average death rate for the United States as a whole. The average death rate in some of the healthliest of our cities is as low as 12 per thousand. No exact figures are yet available for Infant mortality among Indians, but field studies now being made show that while proportionately more Indian bables and while proportionately more Indian bables have not always and the proportionately more Indian bables are born, very many more Indian bables die.

Last year, of over 42,000 Indians examined for disease, over 16 per cent of them had trachoma, a contagious disease of the eye, frequently resulting in bilundness, and so easily spread that it threatens both the Indian communities and all their white neighbors. It is a disease so serious that at no port of entry in this country is the immigrant with trachoma allowed to land. On the Klowa, Comanche, and Apache Reservations 71 per cent of the school children have trachoma. The curing of this disease frequently requires years of constant care. Of the 40,000 Indians examined, 6,800 had tuberculosis. On the White Earth Reservation, in Minnesota, a house-to-house canvass in 1910 and 1911 revealed that of 3,300 Indians 600 had tuberculosis. An examination of half the Indians on the Blackfeet Reservation, Mont., shows that one-third of that number have tuberculosis. Of the total population of the school of the Mescalero Reservation, in New Mexico, where climate conditions are ideal, 5 per

The Indian service has under its general supervision 206,000 Indians, and of these it is a conservative estimate to say that 160,000 are still entirely dependent on the Federal medical service. This service has 160 physicians, over a third of whom, under their terms of employment, devote only a part of their time to Indians. When it is remembered that Indians are so scattered that a physician frequently has to drive a day or more out and a day or more back to reach one family, the inadequacy of such service is plain. While there are many efficient and self-sacrificing physicians in the service, the smallness of the salaries, which average only \$1,186 a year, necessarily affects the qualification and ability of the physicians engaged. In spite of adverse conditions, thousands of cases of tuberculosis and trachoma are being systematically treated, and serious epidemics of diphtheria, measles, cerebrospinal meningitis, and other infectious diseases have been checked. Hundreds of lives have been saved, and a distinct start has been made in getting fresh air and generally better sanitary conditions into the homes.

The Indian medical service should therefore be substantially increased in size and should be lifted into efficiency through the better men whom, as a rule, only better salaries can command. Of course this change should take place along carefully planned business lines and without extrawagance and after a comparative study of other medical services—National, State, and local.

Through the proper channels is now submitted to Congress an estimate for the Indian medical service for \$253,350, accompanied by a detailed statement of the expenditures required. This sum, together with an addition to the amounts which will probably be available in the Indian appropriation bill for the current year, and which were asked for in that bill before all the data now available were at hand, will enable the Indian service to make a complete medical and sanitary survey of the whole field, with a view to curing existing troub

THE WHITE HOUSE, August 10, 1912.

The estimates submitted were as follows:
For the construction of a tuberculesis hospital for the treatment of adult tuberculesis cases, and cases past the incipient stage of the disease, for the use of Indian patients from all sections of the country, \$100,000; for the employment of two additional medical inspectors, including salary and expenses, \$8,400; for the employment and expenses of an assistant supervisor for the developing to greater efficiency the teaching of home sanitation by field matrons and teachers of house-keeping, \$4,200; for increasing the number of and salaries of physicians, \$85,000; for increasing the salaries of nurses, \$2,750; for increasing the salaries of nurses, \$2,750; for increasing the salaries of certain field matrons, \$4,000; Provided, That the amounts paid to physicians, nurses, and matrons out of the funds hereby appropriated shall not be included within the limitation on salaries and compensation of employees contained in the act of June 7, 1897.

To establish a central pathological laboratory, \$1,000; for the remainder of the salaries of the salaries of the salaries of the salaries and compensation of employees contained in the act of June 7, 1897.

hereby appropriated shall not be included within the limitation on salaries and compensation of employees contained in the act of June 7, 1897.

To establish a central pathological laboratory, \$1,000; for the purchase of transportation equipment for physicians, field marrons, and field nurses, \$10,000; for the correction of sanitary defects in Indian homes, \$10,000; for the building of screened sleeping porches on schools and hospitals, \$10,000; for equipping schools with playground apparatus, \$15,000; for the purchase of standard medical literature for physicians, \$2,000; for the purchase or publication of pamphlets, postcards, placards, and other literature on health subjects for distribution among Indians, \$1,000; in all (submitted), \$253,550.

Note: To defray the expenses of a special health campaign planned for the fiscal year 1912 Congress was asked for an appropriation of \$250,000. At the present date the Senate has allowed \$150,000 only, and if the work is to be carried out as planned additional funds must be apropriated.

If the bill for \$150,000, mentioned above, is enacted, the money will be used to defray expenses of the field campaign against the two diseases, trachoma and tuberculosis, and would not be available for use in increasing the efficiency of the work on the reservations where it is proposed to inaugurate separate campaigns for the betterment of the local sanitary conditions.

Of 42,645 Indians examined for disease 16.11 per cent, or 6,870, were found to be suffering from tuberculosis. There is no sanatorium in the United States for the treatment of adult tubercular Indians, and there is provision for only 175 incipient tubercular indians, and there is provision for only 175 incipient tubercular indians, and there is provision for only 175 incipient tubercular will an expertion as may be made by the medical supervisor and a physician expert who is engaged in special tuberculosis work. Systematic inspection is absolutely necessary, and can not be carried out unless additional inspectors ar

are constantly requiring such help as is afforded by a laboratory of this kind.

There is at present only one supervisor of schools employed in the work of developing to greater efficiency the teaching of home sanitation by field matrons and teachers of housekeeping, and the field has not yet been covered by her, although constantly engaged in it for the past three years. This subject is one of the most important of all those to be taught in the Indian schools, and has not yet received the attention which it deserves.

The medical force as it now stands is inadequate to cope with the present health situation, and material improvement must come through substantial increase in number and salaries of the medical corps. Indian service physicians are the poorest paid in the Government service,

and yet their work is fully as difficult and, in many instances, involves greater hardship than any other service except during times of war. There are at present 52 contract physicians and 86 regular physicians. The contract physicians receive an average of \$5.75 per year and the regular physicians an average of \$1.186 per year. The contract physicians do not have the time, nor do they receive sufficient compensation, to enable them to render the amount of medical work required, and it is impossible, also, to obtain efficient and satisfactory regular physicians at the salaries now paid as is desired. There is very little chance for promotion of physicians, and no annual leave is allowed them unless a substitute is furnished and paid for. Instead of the present low salaries and practical impossibility of receiving promotion, physicians should be graded and allowed increased compensation commensurate with their services. Comparing the salaries received by physicians in the Indian service with those of any other branch of the Government, it is at once apparent that the class of men attracted by the Navy, Army, and Marine-Hospital Service is of much higher grade than that entering the Indian service. The following is a comparative table of pay and list of medical officers of the United States Navy, United States Army, the Public Health and Marine-Hospital Service, and the Indian service:

United States Navy.	United States Army.	United States Pub- lie Health and Marine-Hospital Service.	United States Indian service.
Surgeon General, \$6,000. Medical director, \$5,000. Medical inspector, \$4,500. Surgeon, \$4,000.	Surgeon Genoral, \$6,090. Colonel, \$5,000. Lieutenant colonel, \$4,500. Major, \$4,000.	Surgeon General, \$5,000. Assistant Surgeon General, \$4,060. Senior surgeon, \$3,500. Surgeon, \$3,500.	Medical supervisor, \$3,000. Assistant medical supervisor, \$2,200. Ophthalmologist, \$1,800. Physicians, from \$900 to \$1,400, average, \$1,168.
Passed assistant surgeon, \$2,640. Assistant surgeon, \$2,200.	Captain, \$2,400. First lieutenant, \$2,000.	Passed assistant surgeon, \$2,000. Assistant surgeon, \$1,600.	Entrance salary,

It is proposed to increase the compensation and number of Indian service physicians in accordance with the following scheme, which shows the medical positions authorized at present and the new positions

Positions au- thorized.	No.	Unit salary.	Total salary.	Positions recom- mended.	No.	Unit salary.	Total salary.
tird: ized.		Satury.	Status J.				
Medical supervisor. Physician expert		\$3,000 2,200	\$3,000	Medical supervisor. Medical inspector.	1 1 2	\$3,000 2,200 2,000	\$3,000 2,200 4,000
Assistant physi- cians (ophthal- mologists).	2	1,800	3,600	Medical inspectors. Medical inspectors (ophthalmologists).	2	2,000	4,000
Assistant physician	1	1,600	1,600	do	2 2 4	1,800 1,600 1,500	3,600 3,200 6,000
Total	5		10,400	Total	14		26,000
Chief health section	1		1,600	Medical inspector (acting chief health).	1		2,200
				Medical clerk (health section).	1		1,60
Disbursing clerk	1		700	Disbursing clerk Senior physician (pathologist).	1		700 1,600
Total	2		2,300	Total	4		6, 100
Superintendent,	1		2,500	Superint endent,	1		2,500
Canton. Superintendent,	1		1,000	Superintendent, Fort Lapwai.	1		2,000
Fort Lapwai.				Superinte n de n t, (Phoenix San. La- guna San. N. E. San. S. E. San. Gen. T. B. San.).	1		2,000
Total	2		4, 100	Total	3		6,500
Agency physicians. Do. Do. Do. Do. Do. Do. Do.	4 4 30 9 12	1,500 1,400 1,300 1,200 1,200 1,100	3,000 5,600 5,200 36,000 10,800 13,200 27,000	Senior physicians	40	1,800	72,000
Do	27	1,000	27,000	Junior physicians	49	1,600	78, 400
Total	89		101,700	Total	89		150, 400
Contract physicians Do Do	1 4	720 700 660	10,800 700 2,640	Junior physicians	10	1,600	16,000
Do	6	500 500	8,400	Contract physicians	20	720	14,400
Do Do Do	2	489 400 360 300 200	1,440 1,600 720 900 200	do	8 15	500	4,800 7,500
Total	53		30,400	Total	53		42,700
2002 120 7.40	100			Junior physicians Traveling expenses		1,600	24, 600 10, 800

The entrance salary for nurses in the Indian service is below that for any other branch of the Government service, and the average compensation and allowances given them is also smaller. The civil-service register for nurses is constantly depleted and vacancies remain unfilled. There is great demend for more and more competent nurses, and it is proposed to increase their average salary \$60 per year.

Many of the field matrons have rendered faithful service for years at a fixed salary, have earned promotion, and should receive it. The above sum will permit the slight increase desired. It is proposed also to raise the standard of requirements for eligibility and to secure applicants better trained to teach sanitation. Unless the entrance salary is raised it will be impossible to secure the employees desired. The apportionment of the present appropriation for industrial work and care of timber, from which field matrons are paid, does not permit any increase in the salaries this year.

Better transportation facilities are needed in many places and should be supplied. Other funds are not available for this purpose.

It is proposed to increase the efficiency of the Medical Corps by sending them a few carefully selected journals and books on the diseases most common among Indians.

There are on certain reservations hundreds of Indian homes without either openable windows, floors, or provision for ventilation; and it is on these very reservations that tuberculosis is rife. This is a house disease and thrives best under the conditions found in such homes. It is proposed to use this fund to relieve such situations by rendering these homes sanitary, giving special attention to those where tuberculosis is, present, making them not only comfortable to the patient or patients but also preventing them from becoming foct of infection.

In every Indian school there are pupils predisposed to tuberculosis, many of whom develop the disease and are sent home. Most of these children could be saved if at these schools facilities were

a marked decrease in the morbidity from this disease among Indian pupils.

Play in the open air is now universally recognized as essential to the development of normal, healthy children. Indian schools should be thoroughly equipped this year with simple apparatus to stimulate pupils to spend their leisure in outdoor exercise. This measure alone will prevent the development of many cases of tubercular and other infectious diseases among Indian pupils. This fund will only be used in such schools where other funds are not available.

A wide dissemination among Indians of educational literature containing the essential facts of sanitation and the prevention of the spread of disease is absolutely necessary if the Indians are to be educated to live more sanitary lives.

The above estimates include only those items which are not provided for in the appropriation for the "Relief of distress and prevention of disease, 1913," it being assumed that \$150,000 will be allowed.

The Indian appropriation act approved August 24, 1912, making appropriations for the fiscal year ending June 30, 1913, contained the following provision for an examination as to the prevalence of tuberculosis and other contagious and infectious diseases among the Indians:

Provided, That the sum of \$10,000, or so much thereof as may be necessary, is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to enable the Public Health and Marine-Hospital Service to make a thorough examination as to the prevalence of tuberculosis, trachoma, smallpox, and other contagious and infectious diseases among the Indians of the United States, full report to be made to Congress not later than February 1, 1913, with such recommendations as may be deemed advisable.

Pursuant to the foregoing provision, in order that the very large area to be investigated might be covered within the limited time allowed, the Indian country was divided into districts and representatives of the Public Health and Marine-Hospital Service, assigned as follows:

Passed Asst. Surg. B. J. Lloyd, Washington, Idaho.
Passed Asst. Surg. W. C. Billings, northern California, Oregon, Novada.
Passed Asst. Surg. L. D. Fricks, Arizona, North Carolina.
Passed Asst. Surg. F. C. Smith, Colorado, New Mexico.
Passed Asst. Surg. R. C. Guthrie, Oklahoma.
Passed Asst. Surg. R. A. Herring, Kansas, Nebraska, Wyoming, Utah, sonthern California.
Surg. M. J. White, Iowa, Montana.
Passed Asst. Surg. J. W. Schereschewsky, North Dakota, part of South Dakota.

Passed Asst. Surg. J. W. Schereschewsky, North Dakota, part 61 South Dakota.
Passed Asst. Surg. Paul Preble, South Dakota.
Surg. Tailaferro Clark, Mianesota, Michigan, Wisconsin, Pennsylvania.
Asst. Surg. J. P. Leake, New York.
Surg. H. S. Cummings, Virginia.
Asst. Surg. Gen. W. C. Rucker, Florida.

These investigations embraced all contagious and infectious diseases common among the Indians, and especially trachoma. tuberculosis, and smallpox.

While this commission has no express jurisdiction to make investigations of trachoma, that disease is unquestionably among the important subjects to be dealt with by the "commission to investigate Indian affairs" generally.

Liberty is therefore here taken to present and review briefly

important information concerning the prevalence of this disease among the Indians, and a summary of the results of the investi-gations made pursuant to the aforesaid provision in the Indian appropriation act of 1912.

It is quite probable from all the evidence obtainable that approximately one-half of the entire Indian population has trachoma. The percentage varies in the different States where Indians reside, the highest found being approximately 40 per cent in Utah, 41 per cent in Nebraska, 51 per cent in Wyoming, and 70 per cent in Oklahoma,

Trachoma is a disease of the membrane of the eyelids, chronic in character, characterized by inflammation and followed by a thickening of the eyelids. The disease is contagious, is generally believed to be the result of a bacillus, and is transmitted through the medium of the secretion by direct contact. It is promoted by personal uncleanliness and insanitary habits of living, such as overcrowding in poorly lighted houses, and the use of common washbasins and towels. The disease occasions a contraction of the eyelids and a clouding of the transparent corneal surface, frequently resulting in blindness. Undoubtedly trachoma is spreading, and unless vigorous precautions are enforced and adequate remedies applied, there will be added to the miseries of the Indian race blindness.

A simple statement of the nature of trachoma, its cause, and the usual method of its transmission suggests the only practical method of relief, which is summed up in the words "sanitation" and "precaution." The disease is easily preventable. It is almost incurable. The Indian boarding schools and day schools have afforded opportunity for the spread of this loathsome disease which is preseded as a loading to the spread of this loathsome disease which is preseded to the spread of this loathsome disease. ease, which is exceedingly prevalent among Indian pupils. Washes and minor surgical operations, consisting of the removal of the affected membrane, afford only temporary relief. Permanent results can only be accomplished by improving the sanitary habits of the Indians, giving them instructions in percentage and in affecting precenting against a percentage of the indians. sonal and domestic hygiene, and in enforcing precautions against contagion and infection.

There is presented herewith an instructive and interesting discussion of the subject contained in Senate Document No. 1038, Sixty-second Congress, third session, compiled under the authorization of the Indian appropriation act of August 24, 1912. This is published in the RECORD for the convenience of Senators who may desire to pursue the subject in detail.

THE NATURE OF TRACHOMA AND ITS EFFECTS ON THE INDIVIDUAL.

Before presenting the data collected bearing upon the prevalence of trachoma it is pertinent to describe briefly the disease and the degree to which it may impair the physical and economic efficiency of any race suffering from its ravages.

DEFINITION OF TRACHOMA.

Trachoma, or granular lids, is a disease of the conjunctiva or lining membrane of the eyelids, chronic in character and prone to remissions and exacerbations. The disease is characterized by an inflammatory onset, which is followed by an inflammatory deposit or thickening of the structures of the eyelid. The inflammation cause of extruction more or less complete of the conjunctival tissues, so that scar tissue is formed, which has a marked tendency to contraction.

HISTORICAL NOTE REGARDING TRACHOMA.

which has a marked tendency to contraction.

HISTORICAL NOTE REGARDING TRACHOMA.

Trachoma is regarded as a disease of oriental origin. Our knowledge of its existence extends far into the past, references to it having been found in the writings of the ancient Greeks and Egyptians. Originally endemic in the Far East, the disease extended to the Mediterranean littoral and later spread over Europe. It is particularly prevalent in Russia, parts of Austro-Hungary, eastern Germany, and along the shores of the Baltic and North Seas, especially in Finland and Holland. In southern Europe, Italy, Greece, and Spain are most affected in the order named.

It has been observed that, generally speaking, trachoma is most prevalent in those countries having an extensive seaboard, and it spreads usually from the littoral to the interior along travel routes. It has been regarded in the United States as an exotic disease, and, alithough cases were undoubtedly imported from time to time prior to its rigid exclusion under the immigration laws, the disease has not as yet become general in its distribution. While it has been known to exist in some of the large urban centers in the Eastern States, there is evidence that here a decrease has followed local preventive measures, and the systematic exclusion of arriving allens so afflicted.

Trachoma has been endemic for years in certain restricted areas of southern Illinois and in the mountainous regions of West Virginia and Kentucky. In the latter State an investigation recently conducted by Surg. John McMullen of the United States Public-Health Service showed a prevalence of the disease of 121 per cent among 3,974 people examined in seven counties. Since these mountain people are among the purest types of Anglo-Saxons in the United States and little associated in recent years with arriving immigrants, and since evidences were found of many long-standing cases, it would appear that the period of endemicity of the disease in the section referred to extends over generations.

over generations.

As will be shown later, the Indians are severely afflicted with the disorder, and among them also it has long prevailed, but the time and manner of its introduction is problematical.

AGE INCIDENCE OF TRACHOMA.

Trachoma is a disease which may be contracted at any age, with the exception that infants are less prone to contract the infection. It has previously been supposed that very young children escape owing to the lack of certain tissue elements in the eyelids which subsequently develop. During the investigations here reported upon, however, a few cases were observed among infants under 1 year of age, which indicates that the infection can occur very early in life, and it is known that it can persist in an active form among the very aged.

THE CAUSE OF TRACHOMA.

The discharges from the trachomatous eye have long been the object of patient bacteriological research, as well as the trachomatous tissue itself. As a result, claims have frequently been made of the finding of a specific organism of infection, but one after another of these claims

of patient bacteriological research, as well as the trachomatous tissue itself. As a result, claims have frequently been made of the finding of a specific organism of infection, but one after another of these claims were refuted.

In 1907, however, Greef and Von Prowachek independently discovered certain small bodies in tissue cells from trachomatous eyes which they supposed bore a casual relation to the disease, and lately Dr. Anna Williams, of the research laboratories of the city of New York, has exhaustively studied an extremely small, hemoglobinophilic

bacillus which she isolated from cases of papillary trachoma in which these trachoma bodies or inclusions were present. She concludes that bacillus and inclusion are probably identical in papillary trachoma, and hence that the bacillus is probably the cause of the disease. This announcement, if confirmed, will be of the greatest value in subsequent studies of trachoma and in devising measures for its prevention.

FACTORS CONTRIBUTING TO THE DISSEMINATION OF TRACHOMA.

FACTORS CONTRIBUTING TO THE DISSEMINATION OF TRACHOMA.

The medium of contagion is the secretion of the trachomatous eye. The transmission of the contagion may be by direct contact or the infection may adhere to articles of common use, such as clothing, bed clothing, handkerchiefs, towels, etc. The walls and floors of dwellings occupied by trachomatous patients and the furniture used by them may presumably become contaminated, assuming such places to be in filthy condition and the persons themselves uncleanly in their habits. The factors which facilitate the dissemination of trachoma are, therefore, the conditions which prevail wherever human beings are closely crowded together, as in tenement houses, hovels, schools, and insanitary institutions. The careless personal habits and unhygienic conditions characteristic of ignorance and poverty, the use of the common towel and washbasin, and the agency of the fly create conditions which could obviously favor the spread of trachoma as they would that of any infectious disease.

SYMPTOMS AND COURSE OF TRACHOMA.

SYMPTOMS AND COURSE OF TRACHOMA.

The changes in the tissues of the eyelids and eyeball, which take place as the result of trachoma, give rise to many and long-continued symptoms. It is not pertinent here to describe them in detail, but it is necessary to state that they are oftentimes painful, interfere with the patient's bodily comfort, and reduce his working efficiency.

The amount of discomfort depends on the stage of the disease, During the acute onset and at times of exacerbations, there is the usual sensation of a foreign body in the eye. When the cornea becomes involved, and especially when corneal ulcers develop, the pain is intense, the eyes are extremely sensitive to light, and there is spasm of the muscles of the eyelids (photophobia), with profuse discharge of water and, oftentimes, pus.

The disease may continue for years, the membrane of the cyclid gradually becoming destroyed and its place taken by scar tissue. As previously stated, also, the cornea of the cycleid eventually becomes involved. Its normal transparent appearance is lost, and a cloudy condition develops which seriously interferes with vision.

THE DANGERS OF TRACHOMA.

THE DANGERS OF TRACHOMA.

Trachoma may be so severe from the outset as to destroy the vision in a few months, or even weeks. As a result of such acute infection, early and deep ulceration of the cornea may ensue, followed by perforation, infection of the interior of the eyeball, and evacuation of its

foration, infection of the interior of the eyebail, and evacuation of its contents.

In untreated trachoma, damage to the cornea at some stage of the disease is the rule. This corneal involvement takes the form of ulceration, keratitis (inflammation of the cornea), and the formation of a condition known as pannus. Pannus consists in the clouding or fogging of the transparent corneal surface, so that it presents a ground-glass appearance. In one form of pannus there is an overgrowth of thick salmon-colored tissue so dense as often completely to obstruct vision. vision.

thick salmon-colored tissue so dense as often completely to obstruct vision.

As scar tissue formation advances in the lids, it contracts, thus destroying the lids and causing them to curve in (entropion), with the result that the eyelashes are constantly in contact with the eyeball. The irritation caused thereby brings about inflammation of the cornea, which may be followed by ulceration or thickening so that the cornea may become opaque or may perforate and the eye be lost.

Without dwelling upon the truly desperate conditions that may result from trachoma, it is remarkable to what degree even apparently insignificant alteration in the transparency of the cornea may affect vision. Even sight haziness of the cornea, hardly apparent to the naked eye, often sadly obscures the sight.

It is safe to say that 75 per cent of untreated trachoma cases suffer some visual damage, including errors of refraction, by reason of changes caused during some stage of the disease. These ill results may be greatly lessened by treatment, especially in mild cases, but the results are frequently disappointing when the disease is severe. A fundamental fact to bear in mind is that trachom is more easily preventable than curable, and that the best results are obtained when preventive and curative measures are instituted early.

The effects of trachoma are felt not only by the individual but also by the community in which he lives. The invalidism caused by the disease is liable to impose financial burdens on that community, and the resulting bilindness may render its victims public charges.

Finally, school children affected by the disease have their studies interfered with, their education will be more expensive, their power to theirs they may become permanent charges on the State.

THE PREVALENCE OF TRACHOMA AMONG THE INDIANS,

The Prevalence of Trachoma Among the Indians.

The occurrence of trachoma among western Indians has occasionally been noted in the medical literature for many years. It seems doubtful whether it has been generally recognized as such, however, by physicians on reservations until recently. In most of the older reservation records examined during this investigation, many eases of eye affections were recorded as "sore eyes," "conjunctivitis," "keratitis," "bad eyes," "scrofulous eyes," or "granulated eyes."

In the records of very recent years increasingly frequent note is made of cases of trachoma as such, and the medical supervisor of the Office of Indian Affairs states that within the past three years concerted action has been taken to provide special curative measures, and their necessity has been emphasized to combat the disease.

All of the officers engaged in these investigations endeavored by examination of records and consultations to secure evidence of the past prevalence of trachoma among the tribes visited, but the results were for the most part unsatisfactory, and reliance was placed on examinations of as large a number of Indians as possible to determine the present prevalence of the disease.

Number of Indians inspected.

NUMBER OF INDIANS INSPECTED.

seen that approximately one-eighth of this number were examined. If this rate of infection prevails among the Indians generally, it may be conservatively estimated that there are at the present time a total of 71,907 cases of trachoma among this class of the population.

The persons examined represented both sexes and all ages. Some of them were students in boarding schools, others in day schools and mission schools, and the remainder were reservation Indians. All taken together are considered as representative of the general Indian population on the reservations and in the localities mentioned, with the exception of Oklahoma, to which explanatory reference is made on page 27.

TRACHOMA AMONG ALL INDIANS EXAMINED.

This table, it will be remembered, contains records of all Indians inspected.

[The table above referred to appears as Exhibit A on page 1277 of to-day's RECORD.]

[The table above referred to appears as Exhibit A on page 1277 of to-day's Record.]

From an examination of the foregoing table it is evident that the incidence of trachoma varies much among indians in different sections of the country, and even in different parts of the same reservation. For instance, in Oklahoma, among 3,252 Indians examined, 2,237, or 68.7 per cent, had trachoma. In New York, on the other land, out of 943 Indians examined, only 2, or 0.2 per cent, had the disease, and these two probably contracted the infection at a nonreservation boarding school. On the Navajo Reservation likewise, Fricks reported the finding of trachoma in 30 per cent of those examined around Fort Defiance and along the Santa Fe Raliroad, while 150 miles in the interior of the reservation it ran below 10 per cent.

The accompanying Chart I shows in graphic form the percentages of trachoma found among those examined in the several States and the comparative incidence of infection. Broadly speaking, it would be possible to place these States in groups representing geographic areas, as the Atlantic slope, the Missouri River watershed, the Southwestern Plateau, the Pacific slope, etc. It must be remembered, however, that the habits of the Indians, their degree of sanitation, their exposure to poverty, and not climate, soil, or attitude, are the important factors in determining the prevalence of trachoma.

Arlzona: Fricks reports that of 5,873 Indians examined 24.9 per cent were found to have trachoma. The more isolated tribes, however, like the While River Apaches, two days travel from the outside world, and the Havasupais, at the bottom of the Cataract Canyon, showed very slight infection—2 and 2.5 per cent, respectively. Eight cases of trachoma were seen by him among the white employees and their children at different schools, presumably contracted from Indians.

During the past year the public schools of white children. In one school of 30 puplis no trachoma wish found, in one of 27 puplis no trachoma, and in one of 30 thre

no cases were tound, but this may be due to the small number examined, the habits of the Seminoles in that State rendering them very inaccessible, since they spend practically all of their time deep in the Everglades.

Idaho: In Idaho the percentage of prevalence among those Indians examined was 15.96 per cent, which is about that for California. In fact, the Pacific Coast States might be placed in one group from the standpoint of trachoma prevalence, but this must be considered high when it is remembered that Boldt, an authority on the disease, regards 16 cases per 1,000 population as a heavy infection in a community.

In Iowa, Kansas, and Nebraska the Indian population is small, and while the percentages of trachoma among those examined are high, being 32.04, 21.1, and 41 per cent, respectively, these percentages in the last two States are increased because they are based largely upon examinations of nonreservation schools, the students of which come from a number of other States, and because in such schools the chances of transmission of infection are greater than in isolated families.

While engaged in examining Indian children in Kansas it was found by Hierring that a number were in attendance at public schools attended by white children. He inspected two such schools near the Sac and Fox Reservation. In one where 17 white children were examined 3 cases of very active trachoma were found, and in another where 4 children were examined 2 active cases were found.

In Michigan also the Indian population is small and the largest amount of trachoma seen by Clark was in the Mount Pleasant non-reservation boarding school.

Minnesota: Among the 3,542 Indians examined in Minnesota 533 cases of trachoma were found—a percentage of 15.05. The percentage of trachoma is represented by Dr. Clark to be higher in some sections of the State than in others, and to vary in different parts of the same reservation. In respect to this varying distribution he states as follows:

"The whole of the northeastern section of Minnesota,

reservation. In respect to this varying distribution he states as follows:

"The whole of the northeastern section of Minnesota, embracing the Lake Superior watershed, is free from trachoma. This area includes Grand Portage, Grand Marais, Vermilion Lake, and Nett Lake. One case of trachoma was found in the Vermilion Lake Boarding School, a recent recruit from Lake Winnibigoshish region. These Indians have but little communication with the Indians of other parts of the State, and their freedom from trachoma can only be explained on the ground of lack of exposure.

"The highest percentage of trachoma was found on the White Earth Reservation. In the examination of 1,323 Indians on this reservation 272 cases of trachoma were found, a percentage of 20.56.

"A peculiarly heavy trachomatous infection exists at Pine Point, White Earth Reservation. In a house-to-house canvass 147 people were examined, finding 53 cases of trachoma, 36.05 per cent.

"Only 2 cases of trachoma were found among the Indians of Fond du Lac Reservation, a percentage of 1.24 examined. These Indians are in close contact with civilization. They are better housed than are the Indians of other sections of Minnesota and with whom they have little

in close contact with civilization. They are better housed than are the Indians of other sections of Minnesota and with whom they have little association.

"A striking parallel can therefore be drawn from these figures regarding the influences favoring the spread of trachoma among the Indians of Minnesota. Wherever the primitive Indian is found in contact with civilization, childlike in his conception of responsibility, accepting the vices of the white man but eschewing the good things, there the heaviest trachoma infection has been found. On the other hand, the more nearly he approaches the surrounding white population in manner of living, as in the case of the Indians of the Fond du Lac Reservation, there little trachoma is found."

In a previous investigation of the prevalence of trachoma among Indians at the White Earth and Leech Lake Reservations made in May, 1912. Clark found that out of a total of 545 Indians examined, 253, or 46.1 per cent, had the disease. This large percentage, however, was due to the fact that 115 Indians who were assembled from the surrounding country for treatment were included in the enumeration with children of boarding schools at which the examinations were made. Montana: Out of a total of 2,042 Indians examined in Montana, White found 537 cases, or 26.3 per cent, of trachoma. He concludes that the disease is astonishingly prevalent; that it affects the young, the middle aged, and the old, and that its worst effects are seen among the latter.

Nevada: Notwithstanding the Indian reservations visited in Nevada are remote and the Indians brought in little contact with white men, they showed a high degree of prevalence. This may be due, however, to their association with highly infected tribes farther south in the recent or remote past and to their primitive habits and insanitary surroundings once the infection was introduced among them.

New Mexico: Out of 2,207 Indians examined in New Mexico, 494,

insanitary surroundings once the infection was introduced among them.

New Mexico: Out of 2,207 Indians examined in New Mexico, 494, or 22.38 per cent, were found to be suffering with trachoma. At the Jicarilla Agency the percentage of those examined (201) having trachoma was 8.45; but Dr. Smith expresses the belief that the disease is more prevalent than this figure would indicate, since here the incidence among the school children examined is considered more nearly representative of the population as a whole.

Among 462 Indians examined on the Navajo Reservation in New Mexico, 130, or 30 per cent, were found to have trachoma. This is the same per cent of trachoma found among the Navajos examined by Fricks in Arizona. In reporting on this condition Dr. Smith states as follows:

Fricks in Arizona. In reporting on this condition Dr. Smith states as follows:

"The most remarkable thing in this investigation was the high percentage of trachoma found. It would appear from this that the agency physician's estimate of 2,000 cases among his 8,000 Indians is not too high. The rate was high in all school children examined, but was also high among those of the same age not in school. The tendency of trachoma to run in families seemed more marked here (than elsewhere), but this could not be determined accurately, because not many children of the same family were present in school."

Among the Zuni Indians only 5.88 per cent of 170 examined had trachoma. Dr. Smith expresses the belief, therefore, that trachoma is comparatively rare among these Indians. On the other hand, he states that the disease is very frequent among the Puchlo Indians and that the results are unusually serious.

North Carolina: At the Cherokee Reservation Fricks found 7 per cent

that the results are unusually serious.

North Carolina: At the Cherokee Reservation Fricks found 7 per cent of the 317 Indians examined to be infected with trachoma. They are citizens of North Carolina, and he states that they live just as do the poorer white mountaineers of that section, but attend Indian schools.

North and South Dakota: Trachoma was found to be very prevalent among the Indians of North and South Dakota. The most heavily infected area was found in the north and northwestern part of North Dakota. Dr. Schereschewsky reported the highest percentage of the disease in these States at the Fort Berthold Reservation, N. Dak., where 30.1 per cent of the Indians examined were found infected. The lowest percentage in these States was found by him on the Rosebud Reservation, where 10 per cent of those examined were afflicted with the disorder.

the disorder.

In South Dakota, out of 6,121 Indians examined, 1,059, or 17.24 per cent, were found afflicted with trachoma. These cases ranged from mild involvement to the severest possible types of the disease and total

mild involvement to the severest possible types of the disease and total blindness.

Oklahoma: In Oklahoma Dr. Guthrie examined 3,252 Indians and found 2,235, or 68.72 per cent, suffering from trachoma. It is needless to state, however, that practically all of these were students at schools. On account of their being widely scattered on land allotments and because of opposition on the part of many, he found it impracticable to examine as relatively a large number of adults as children.

In other States the prevalence of trachoma in schools has been found generally to be somewhat greater than among reservation Indians not in schools. It is believed, therefore, that the percentage of the disease among the Indian population of Oklahoma as a whole is not as high as the figures presented would indicate.

Guthrie collected data regarding the degree of blood in 2,857 of the Indians examined by him and compiled the following table:

Table II.—Percentage of trachoma, according to degree of Indian blood, among 2,857 Indians examined in Oklahoma.

Degree of blood.	Number examined.	With trachoms.	Percentage of tra- choma.
Full blood. Between half and full. Less than half.	1,834	1, 460	79. 60
	630	389	61. 74
	393	203	52. 41

From these results Guthrie concludes that Indians of full blood in Oklahoma sustain a much heavier infection than do mixed bloods, and, since much the larger proportion of school children examined by him were full bloods, he considers this also an important factor in explaining the high percentage of trachoma found by him.

During his investigations Dr. Guthrie reported the finding of trachoma among negro school children as follows:

"An examination was made of 79 negro pupils at the Tullahassee Boarding School. These children are the descendants of the Creek freedmen. I was informed that very few of them are of Indian blood and I gained the impression that their association with the Indian population

was not more intimate than that among the whites and Indians. It is interesting to know that over 60 per cent of these negro pupils were suffering from trachoma."

This observation is of importance on account of the mixed population in Oklahoma and because of the current belief that the negro is immune to trachoma.

Oregon: In Oregon, out of 904 Indians examined, 94, or 10.4 per cent, had trachoma. This State thus had the smallest percentage of trachoma cases of any of the Pacific Coast States.

Pennsylvania: All of the Indians examined in Pennsylvania were students of the Carlisle School. They numbered 552, and there was found among them 76 cases of trachoma, or 13.76 per cent. Many cence in the traching among the students of this institution. Its influence in the traching of the students of this institution. Its influences in the traching of the students of this institution. Its influences in the trachoma cases are in Virginia were inmates of the Hampton Normal School. There were 43 in all, 13 of whom had trachoma. This institution, like the Carlisle School, has representation from a large number of tribes and localities. Cumming states that all of the trachoma had been treated, surgically or otherwise, none was in an acute active stage, and 2 cases were, after the examination, sent to an ophthalmologist and operated upon.

Wisconsin: Out of a total of 2,999 Indians examined in Wisconsin, 207, or 6.80 per cent, were found to have trachoma. Clark refers to prevalence in the State as follows:

"The Indians of Wisconsin have long been in contact with civilization and are increasingly inclined to partake of its benefits. The houses of the Indians in Wisconsin are well built for the most part and furnished, comparing favorably with the houses of white people in like circumstances.

An excepton to the rule is the Lac du Flambeau, with a trachoma per the most primitie and provential provential provential provential provential provential provential provention live parts of two different tribes, the Shoshones and the

PREVALENCE OF TRACHOMA IN INDIAN BOARDING SCHOOLS.

PREVALENCE OF TRACHOMA IN INDIAN BOARDING SCHOOLS.

The general prevalence of trachoma among all Indians examined having been dealt with, it becomes necessary to consider its prevalence in boarding schools, since these are very generally regarded as one of the most important factors for the advancement of the Indian in the general scheme of supervision devised for his benefit by the Federal Government.

There is well-grounded basis for this belief, for, at no time in his life is the Indian more amenable to civilizing influences than during his stay at a boarding school, nor, by reason of the very complete control which may be exercised in such institutions over his habits, environment, and daily life, is any better opportunity afforded for educating him in the principles of hygiene and home sanitation, and in ingraining these principles into his character so as to insure their practical application upon his return to his reservation and tribe.

The impairment of vision frequently resulting from trachoma constitutes such a menace to his physical and mental efficiency, and the opportunities for its propagation in schools are so numerous and favorable, that it became necessary to examine very carefully into the incidence of this disease in Indian boarding schools.

During the investigations 133 boarding schools were visited by the several officers engaged in the work and 16,470 pupils examined. Although this number has been included in the total number contained in Table I.I it is pertinent to consider them separately, and the following Table III shows by States the names of schools visited, the number inspected, the number of cases of trachoma, and the percentage of the disease in each.

[The table above referred to appears as Exhibit B on page

[The table above referred to appears as Exhibit B on page 1279 of to-day's RECORD.]

On inspection of the above table it will be seen that 16,470 pupils in Indian boarding schools were examined for trachoma and 4,916 cases of this disease found, or a general percentage of 29.86. The highest percentage found was reported by Guthrie at the Rainey Mountain School in Oklahoma, where out of 114 pupils examined no less than 105, or 92.10 per cent, were found to be suffering from this affection. Only 3 schools contained in the list were found free from trachoma—the Holy Family Mission School, in Wisconsin, and the Friend's Indian and the Thomas Indian schools, in New York. The absence of trachoma infection in these schools is accounted for by the fact that no trachoma was found in the Indian population from which the inmates of these schools are drawn.

Classifying these schools according to the percentages of trachoma found among the pupils, it will be seen, in the case of the 133 schools abulated, that in 2 schools over 90 per cent of the pupils were found to be trachomatous, in 8 from 80 to 90 per cent. in 10 from 70 to 80 per cent, in 9 from 60 to 70 per cent, in 8 from 50 to 60 per cent, in 8 from 40 to 50 per cent, in 7 from 35 to 40 per cent, in 12 from 20 to 35 per cent, in 14 from 25 to 30 per cent, in 10 from 20 to 25 per cent, in 17 from 15 to 20 per cent, in 11 from 10 to 15 per cent, in 10 from 5 to 10 per cent, in 4 from 0.5 to 5 per cent, and in 3 schools only was not trachoma found. In 88 schools, or approximately 66 per cent

of the total number examined, 20 per cent or more of the pupils examined were found to be suffering from trachoma:

Arlzona: Fricks reports the examination of 15 Indian boarding schools in this State, with a total of 2.224 pupils. He found 515 cases of trachoma, or a percentage of 25.55. The greatest amount of infection found was at the Chinn Lee Boarding School, where 50 per cent of the pupils were stated to be trachomatous, as contrasting with the rate of 30 per cent found to prevail for the surrounding reservation Indians. He reports that the pupils at this school have had no medical supervision for the past year. The next highest rate was found at the St. Johns Mission School, which he states to be poorly lighted, without medical attention, and the common towel in use in the wash rooms. While the general trachoma rate in the Arizona boarding schools was found to be 28.85 per cent, Fricks found a rate of only 19 per cent in the reservation Indians examined, exclusive of school children.

California: Three boarding schools, with a total of 729 pupils, were camined therring in this State. One hundred and seventy-eight cases of trachoma were found, a percentage of 24.41. This is considerably in excess may were found, a percentage of 24.41. This is considerably in excess may be supplied to the fact that in the large Sherman Institute 133 pupils were ment of the mission tribes in southern California, where trachoma is infrequently met with.

Nevertheless, 25 cases of trachoma were found in this group of pupils. Herring believes this to be a connent provided the agency of schools, as it was evident that many of these children dile agency of schools, as it was evident that many of these children dile agency of schools, as it was evident that many of these children dile agency of schools, as it was evident that many of these children dile agency of schools, as it was evident that many of these children dile agency of schools, as it was evident that many of these children dile agency of schools, as it was evident tha

Minnesota: Ten boarding schools were inspected in this State, 9 by Clark and 1 by Preble. Eight hundred and thirty-three pupils were examined and 193 cases of trachoma found, or a percentage of 23.16. This is again far in excess of the general percentage of 15.05 found for the State. The percentages ran from 42 per cent at the White Earth School down to 1.2 per cent at the Vermilion Lake School. The low percentage prevalent at this school is explained by Clark as due to the very low percentage found among the Indians from which this school is recruited.

to the very low percentage found among the Indians from which this school is recruited.

Wisconsin: Ten schools were examined by Clark in this State with 1.296 pupils and 137 cases of trachoma, or a percentage of 10.57. This is again nearly double the general trachoma percentage found prevalent in the State. In one school (Holy Family Mission) rocase of trachoma was found, while in the St. Mary's Mission School but 1 case out of 194 pupils was detected. These low percentages are again due to the absence of trachoma among the Indians in those parts of the State from which the pupils at these schools are recruited. Discussing the prevalence of trachoma in the schools of these three States, Clark writes as follows:

"The highest percentage of trachoma among school children is found in the boarding schools of heavily infected reservations. It is found that the percentage of trachoma in boarding schools is invariably in excess of that in the reservations in which they are situated.

"A still more significant fact, from an epidemological standpoint, is the higher percentage of trachoma in the nonreservation boarding schools than the percentage of trachoma in the nonreservation boarding schools than the percentage of trachoma in the nonreservation boarding schools than the percentage of trachoma in the nonreservation boarding schools than the percentage for the State in which they are situated. Only one explanation is possible for this condition, the intimate personal contact and daily association of the healthy with the diseased in schools must, of necessity, result in an increased number of cases of trachoma in such schools. The ominous portent of such a condition is the possible spread, through children thus infected, of trachoma in Indian populations not infected or only slightly so."

Montana: Eleven Indian boarding schools in this State were examined by White. One hundred and elghty-elght cases of trachoma were found infected, while at the St. Ignatius Mission School on the Flathead Reservation only 17, or 9.88

infected.

Infected.

Nevada: At the Carson School, Billings found a trachoma infection of 12 per cent. This is considerably below the percentage of trachoma found on the reservations of the State, which ranged between 21 and 47 per cent, and forms an exception to the generally greater prevalence of trachoma in boarding schools than on reservations.

New Mexico: Four boarding schools in this State, with a total of 728 pupils and 177 cases of trachoma, were inspected by Smith. The extraordinarily high percentage of 83.87 was encountered in one school, the Presbyterian Mission School. The general prevalence of trachoma for all the boarding schools is 24.31 per cent, slightly in excess of the percentage of 22.38 per cent computed for the State.

New York: Two boarding schools, with a total of 126 pupils, were examined within this State by Leake. No case of trachoma was found, a circumstance well explained by the fact that only in two instances was trachoma present in 943 New York Indians examined. As has already been pointed out, these Indians contracted the infection at a nonreservation boarding school in another State.

North Carolina: At the Cherokee Boarding School examined by Fricks, 11 cases of trachoma, or 8 per cent, were found among the 141 pupils examined.

North and South Dakota: These States are considered deather out.

North Carolina: At the Cherokee Boarding School examined by Fricks, 11 cases of trachoma, or 8 per cent, were found among the 141 pupils examined.

North and South Dakota: These States are considered together owing to contiguity and general similarity in climate and character of Indian population. Twenty-three boarding schools in the two States were visited by Schereschewsky, Herring, and Preble. A total of 800 and 2.240 pupils were examined in North and South Dakota, respectively, with the result of finding 207 cases of trachoma in the former State and 466 cases in the latter, giving percentages of 25.87 and 20.8 per cent. These percentages, as usual, are in excess of the general percentages computed for these States as a whole, the latter being 22.94 and 17.24 per cent, respectively. The highest percentage found was by Freble at the St. Elizabeth's Mission School at Wakpala, S. Dak., while the lowest was reported by Schereschewsky at the St. Francis Mission School on the Rosebud Reservation, where only 21 pupils out of 270, or 7.9 per cent, were found suffering from this disorder. Schereschewsky points out that trachoma had been vigorously treated at this institution the previous year, which accounts, in part at least, for the low incidence of the disease at this school.

Oklahoma: The prevalence of trachoma in the boarding schools of Oklahoma is so great that it merits special attention. Guthrie reports that he visited 30 schools, inspected 3,069 pupils and found 2,122 cases of trachoma, or 69.14 per cent. In some schools nearly all the pupils were infected with the disease. As the Oklahoma Indians are in rapid process of assimilation with the general population, the prevalence of trachoma among them to such considerable extent constitutes a serious menace to the future general population of that State.

Pennsylvania: Five hundred and fifty-two pupils at the well-known Indian school at Carlisle were examined by Clark and 76 cases of trachoma found, a percentage of 13.76. As has already been pointed out, the

PREVALENCE OF TRACHOMA IN INDIAN DAY SCHOOLS

The data collected as to the prevalence of trachoma in Indian day schools were not so complete as those for the boarding schools for the following reasons: Many of the camps were visited on days when the day schools were not in session and the pupils were seen in their homes, or some day schools were located at such distances from agencies (90 to 100 miles) that it would obviously have been wasteful of valuable time to spend several days in travel to see 10 or 20 children when much larger numbers of Indians were at hand for examination. Nevertheless, from the observations made, it would seem that trachoma is, in many instances, as common in the day schools as in the boarding schools.

many instances, as common in the day schools as in the bounds schools.

Thus Fricks in Arizona, as the result of the examination of 990 children in the day schools, found 409 cases of trachoma, a percentage of 41.31. This is greatly in excess of the general rate (24.9) found for the State. In California 11 day schools were examined, with 131 scholars, and a trachoma percentage of 14, in Colorado 1 with a percentage of 25.6, in lowa 1 with a percentage of 36.66, and in Kansas 2 with a percentage of 41.93.

On the other hand, in Montana the result of the examination, by White, of 473 day-school scholars showed 94, or 19.87 per cent, to be trachomatous, a rate distinctly lower than that found in the boarding schools of the State, and lower than the general rate computed for Montana.

Montana.

In Michigan, Minnesota, and Wisconsin, Clark examined 334 day scholars, with the result of finding 13 cases of trachoma, a percentage of 3.98. This percentage is relatively low, and corresponds to the low general trachoma rate in the sections where these day schools were

of 3.98. This percentage is relatively low, and corresponds to the low general trachoma rate in the sections where these day schools were situated.

In New York State 335 day-school scholars were examined by Leake, but, as previously stated, no cases of trachoma were found.

In North Carolina 66 day pupils were examined and 6 cases of trachoma found, or 9 per cent. This is 2 per cent in excess of the general rate determined for the Cherokee Indians.

In North Dakota 179 day pupils were inspected by Schereschewsky and 20 cases of trachoma found, or a percentage of 11.8, which is far below the average found either for the boarding schools or the whole number of Indians examined in the State. In South Dakota a similar condition is manifest. Out of 473 day scholars examined by the same investigator in this State, but 23 cases of trachoma were found, or 4.9 per cent. This percentage is seen to be relatively very low when compared to the percentages found in the boarding schools of the State. Schereschewsky states that it can partly be accounted for by the disinclination manifested by the Indians of North and South Dakota to send their children to school when they are suffering from "sore eyes," and partly to curative measures which have been instituted by the Indian Office, particularly at Rosebud, among the Indian day scholars of these States.

In Oklahoma, among 34 scholars in 2 day schools, 23 cases of trachome were found or a percentage of 67.2

or these States.

In Oklahoma, among 34 scholars in 2 day schools, 23 cases of trachoma were found, or a percentage of 67.2.

In Utah 1 day school was examined, and 7 out of 10 pupils were found to be trachomatous. In Wyoming 8 out of 14 day pupils were found infected with the disease.

The result of the examination of 274 day scholars in Washington by Lloyd gave 66 cases of trachoma present, or 24.48 per cent, a rate in excess of that prevalent in the Indian boarding schools and among the total Indian population examined in that State.

To summarize, out of 3,488 day scholars inspected and considered here, 752 cases of trachoma were found, or 21.55 per cent. If we exclude from the above figures the relatively large proportion of New York day-school scholars, in which no trachoma was found, we find a prevalence, exclusive of the day pupils of this State, of 24 per cent. This is in excess of the general average found for the total examinations, but it is considerably below the percentage found for the boarding schools.

schools.

It seems likely that the prevalence of trachoma in the day schools corresponds, in most instances, with the prevalence of the disease on reservations in general, and further strengthens the inference that the higher trachoma rate prevailing in boarding schools is due to the fact that the disease is being spread among the immates of these latter institutions. Here it is necessary to state, however, that in certain of these institutions little trachoma was found, and the several officers reported in some of them excellent sanitary conditions.

THE PREVALENCE OF TRACHOMA AMONG RESERVATION INDIANS.

On examination of the reports of the several officers engaged in this investigation it appears that 17,822 reservation Indians were examined. This number consists of individuals above and below the school age and does not include the inmates of several boarding schools which were not listed in Table III, because of some defect in the data, nor day-school pupils who were visited in their homes.

Of this number 3,064, or 17.2 per cent, were found to be afflicted with trachoma. The prevalence among this group is seen to be distinctly below the rate found for the total number examined, the boarding-school rate, and the day-school rate. On the other hand, owing to the greater average age of the individuals and the consequent longer duration of the disease, the majority of the instances of visual damage was found among their number. The percentage noted for the several States varied from 60.4 per cent in Oklahoma to 0 per cent in New York and Florida. Other States showing a high rate of prevalence were Utah, with 39.2 per cent; Wyoming, with 37.26 per cent; Nevada, with 36.5 per cent; and Montana, with 30.76 per cent. It is worthy of note in this State that the rate of prevalence among reservation Indians was found to exceed that among the boarding schools and day schools. States with a low rate of prevalence were Michigan, with 1.21 per cent; Wisconsin, with 4.39 per cent; and North Carolina, with 5.45 per cent.

The following table gives the number of Indians examined in each State, the number of cases of trachoma found, and the percentage:

Table IV .- Prevalence of trachoma among reservation Indians.

[Exclusive of school children.]

State.	Number of Indians examined.	Number of cases of tra- choma.	Per cent of tra- choma.
Arizona	2,759	531	19
California Colorado Florida	528 191 22	45 17	8, 52 8, 81
Idaho	307	46	15
Iowa	23		26
Michigan	246	3 327	1. 21 12. 64
Montana	829	255	30. 76
Nevada	348	127	36. 5
New Mexico. New York. North Carolina.	962 482 110	214	22. 24
North Dakota.	2,478	565	22, 8
Oklahoma	149		60, 40
OregonSouth Dakota	266	31	11.65
	3,289	544	16.54
Utah.	125	49	39. 2
Washington.	359	78	21. 7
Wisconsin	1,592	70	4, 39
	161	60	37, 26
Total	17,811	3,064	17. 2

The almost uniformly lower rate observed than in the schools and boarding schools is striking, and serves further to strengthen the evidence already adduced as to the part played by the schools in the disseminating of the disease.

On the whole, it is evident, as the result of these examinations, that there is an exceedingly high prevalence of trachoma among the Indians in nearly all sections of the country.

INCIDENCE OF TRACHOMA ACCORDING TO AGE, SEX, AND DEGREE OF INDIAN BLOOD,

As a result of data compiled from the reports of inspections of the several officers and expressed opinions by them, some reference may be made regarding the incidence of trachoma according to age, sex, and degree of Indian blood among those affected.

Age: Of over 2,000 cases of trachoma among 10,425 Indians examined, in which records were kept and compiled regarding age, it was found that approximately 4.5 per cent were under 6 years of age, over 50 per cent were between 6 and 20 years of age, and the remainder above 20 years. It is thus evident that the disease falls heaviest on those of school age. The disease is rare among infants under 1 year of age, but a very few cases were found. The complications of the disease, when permanent, exert their ill effects in after life, frequently affecting ability to engage in useful occupation.

Sex: Out of a group of 10,425 Indians examined in all sections, with 2,061 cases of trachoma among them, it was found that the incidence of the disease was slightly higher among females than among males. Of this total number examined. 5,303 were males with 984 cases of trachoma and 5,122 females with 1,983 cases.

Degree of Indian blood: From the observations made it was evident that the incidence of trachoma was greater among the full bloods than

among the mixed bloods examined. This appeared to be attributable, however, to the more prosperous circumstances and better living conditions among the latter.

DAMAGE TO VISION DUE TO TRACHOMA

A complete census would have been necessary to determine the total percentage of blindness due to trachoma on the several reservations visited. This was obviously impracticable within the time allotted for the inspection, but observations on this point were made among those

risited. This was obviously impracticable within the time allotted for the inspection, but observations on this point were made among those examined.

These data have been compiled in the case of 23,560 Indians examined. Of this total number 5,505 had trachoma, of which 527 showed marked damage to vision. These injuries were of the usual type and consisted variously of corneal uleers, corneal opacites, pannus, entropion with keratitis, perforation of the cornea and resulting evacuation of the contents of the eye, etc. In 141 individuals the damage consisted in bilindness of one or both eyes.

This by no means represents the extent of visual damage among Indians due to trachoma. It should be borne in mind that in but relatively few cases among the school children had the disease progressed sufficiently far to produce corneal complications, and it was this class of persons that constituted the largest number examined. Moreover, Indians suffering from marked visual disturbance and blindness were least accessible for examination, and some of these unifortunates evaded the examiners because of their sensitiveness in regard to deformities, particularly blindness.

At the San Carlos Reservation, Ariz., out of 2,000 Indians with 11 per cent trachoma, 148 were examined when they came in to draw rations. Fricks states that these latter were the lame, the halt, and the blind of the reservation, and among them were found 15 blind from trachoma. Figured on this basis, a conservative estimate would give between 300 and 400 blind Indians in New Mexico Smith found trachoma not only very frequent, but the results unusually serious, 10 totally blind and 19 with vision seriously impaired as a result of trachoma. Clark states that the greatest number of cases of trachoms with serious damage to vision in his territory was found on reservations most heavily infected and on which the infection had long existed.

The greater percentage of visual disturbance reported upon and due to trachoma appeared among the older Indians, since the

SOURCE AND DURATION OF TRACHOMA INFECTION AMONG THE INDIANS.

According to Fricks, there is some basis for the belief that the infection of trachoma has been recently acquired by the Havasupals outside their reservation, and this is believed to be the case with the Navajos and their first cousins, the Apaches. How long the disease has existed among the purely desert Indians who are in no wise related is mere speculation, but that it is rapidly increasing is the opinion of those who have long known the Indians.

In referring to the possible original source of the infection of trachoma among the Indians of Kansas, Nebraska, Utah, Wyoming, and California. Dr. Herring states that it can not even be guessed at. In conversation with long-time white residents on and near badly infected reservations he was told that there appeared to have been as much blindness and defects of vision and "sore eyes" among the Indians 20 or 30 years ago as to-day. The question arises whether trachoma was really introduced among the Indians in recent times by the whites. Regarding this, Herring observes that the present extent of prevalence among Indians in the States mentioned does not depend on the amount of their contact with the white population; and in Kansas and Nebraska, where the prevalence was not so great, such contact had certainly been longer and closer than in Utah and Wyoming. In California also, where the prevalence was least of any of the State just mentioned, white contact has had its longest duration, dating back to the entrance of the Spanish padres in the latter half of the eighteenth century.

Among the Navajos of New Mexico Smith states that trachoma is

to the entrance of the Spanish padres in the latter half of the eighteenth century.

Among the Navajos of New Mexico Smith states that trachoma is
apparently scattered throughout the tribe. He was unable to determine where or from what source the infection appeared, but expressed
the belief that it was not of recent introduction.

In Idaho and Washington, Lloyd reports chronic cases which gave
histories of having had the disease for from 15 to 25 years, but no
facts were presented to show the origin of the infection.

According to Clark, trachoma is doubtless of more recent origin
than tuberculosis, but has existed for many years. This was evidenced by the finding of many cases of long standing, played-out
trachoma of years' duration, and cases that were contracted through
contact with subjects long since dead.

No reliable data were available to indicate the origin or duration
of the disease in Okiahoma. From statements of some of the older
Indians themselves it appeared that the infection had prevailed among
their tribes prior to removal from other sections of the country to
Okiahoma.

Oklahoma.

Okishoma.

There was evidence to show that trachoma has existed among the Indians of North Dakota for at least the last generation. No information bearing on the origin of trachoma in South Dakota was obtainable. That it has prevailed for a long period of time is evident. A considerable number of cases of long duration were seen. Upon questioning older Indians who were found affected it was learned frequently that they had had the same "sore eyes" for years, usually stating that they had contracted the disease when young, often while attending school.

On the whole, it appears that trachoma has been prevalent among Indians in widely scattered sections for many years, but the source of the infection among them as a race must, in all probability, remain a mystery.

Mr. SMITH of Arizona. Mr. President, can the Senator give the Senate any information as to the prevalence of the disease of the eye of which he has spoken among the Arizona Indians?

Mr. ROBINSON. No investigations have been made by this commission into that subject especially, because the commission which is now reporting is not charged with that duty. These commission into that subject especially, because the commission which is now reporting is not charged with that duty. These suggestions as to trachoma are made because in the course of tuberculosis, because tuberculous children are excluded from these

our investigations into tuberculosis these facts became known, and they were thought of sufficient importance to communicate to Congress.

Mr. SMITH of Arizona. If the Senator will pardon me further, this disease, as I understand from communications to me, prevails very largely in Arizona and has been communicated to the Mexican children, and they in the public schools are communicating it to others.

Mr. ROBINSON. In the data which I have in the remarks I am making is contained all the information that is available as to trachoma in Arizona, and it confirms the suggestion made by the Senator from Arizona that it is alarmingly prevalent.

Attention is now directed to the condition of the Indians with reference to tuberculosis. This disease is disclosed to be quite general among the Indians and is not limited to any section or climate. Even in Arizona and New Mexico, where climatic con-ditions are exceedingly favorable for the treatment and cure of tuberculosis, the percentage of afflicted Indians is shown to be

15 per cent of the whole population of some of the tribes.

For the fiscal year ended June 30, 1912, of 190,791 Indians reported on approximately 26,500 were believed to have tuberculosis.

Thirty-two per cent of the whole number of deaths reported from the various reservations were alleged to be due to tuberculosis. A comparison of the death rate between Indians and whites due to tuberculosis shows that while 32 per cent of the whole number of deaths reported from the various reservations were due to tuberculosis only 11.2 per cent of the deaths occurring in the registration area of the United States were attributable to that cause. The death rate from all causes among the Indians is approximately 33 per thousand for the year 1912, while the Census Bureau places 16 per thousand as the death rate from all causes in the registration area.

In some of the States the death rate for any given period among the Indians appears to exceed the birth rate.

In California, in 1912, 169 births occurred and 250 deaths. In Idaho 110 births and 127 deaths. In Nevada 78 births to 95 deaths. In New York 101 births to 120 deaths. In Oregon 117 births to 130 deaths. In Washington, Wyoming, Wisconsin, South Dakota, Oklahoma, North Carolina, New Mexico, Montana, and Minnesota and several other States the birth rate exceeded the death rate among Indians during the year 1912, but in few instances were the births greatly in excess of the number of deaths.

THE PREVALENCE OF TUBERCULOSIS AMONG THE INDIANS.

The existence of tuberculosis among the Indians has been recognized for a long time. Available records of the past no doubt contain many errors due to the wide distribution and inaccessibility of the Indian population, failure to recognize and report cases of tuberculosis, and to the use of inaccurate nomenclature, so that neither the site nor nature of the lesion could be determined. The older records are filled with general terms such as "tubercle," "consumption," and "scrofula."

"scrofula."

The records of recent years are more carefully kept, and taken in connection with a better understanding of tuberculosis and a more accurate recognition of tuberculosis cases, furnish fairly reliable data for the estimation of the relative prevalence of tuberculosis among representatives of the three main races of the United States. The death rate from tuberculosis in these three races has been stated to be as follows: White, 1.73 per 1,000; negro, 4.85 per 1,000; Indians, 5.03 per 1,000. Based on this estimate and allowing one death among every seven persons affected, the case incidence of tuberculosis would therefore be 12.1, 33.9, and 35.4 per 1,000, respectively.

Although no accurate data could be obtained relative to the length of time tuberculosis has existed among the Indians visited by the officers engaged in this investigation, an increasing prevalence of this disease among them is shown by the records of the Indian Office and the fact emphasized in various reports submitted by that office from time to time.

By reason of the immense territory to be covered, the restrictions

By reason of the immense territory to be covered, the restrictions of time allotted to this survey, and the broad field of investigation, officers engaged in this duty found it impracticable to employ methods other than inspection and physical examinations of suspects. Limitations of time also precluded more than one examination of a tuberculous suspect. Two officers engaged in this survey, however, employed the tuberculin (Von Pirquet) test in a certain number of cases for the purpose of estimating the prevalence of tuberculosis among the tribes visited by them. The results of this test are given in another part of this report.

In consideration of the above-mentioned limitations of the examination, it is believed the amount of tuberculosis reported is lower than the number of cases actually existing at present among the Indians visited by these officers.

The significant importance of trachoma, one of the diseases spe-

visited by these officers.

The significant importance of trachoma, one of the diseases specifically mentioned in the law providing for this investigation, among the school population necessitated the examination of a large number of indian schools for this disease. These children were also inspected for the presence of tuberculosis among them. The very generally observed regulation of the Indian Office excluding tuberculous children from schools naturally resulted in the finding of a comparatively small number of cases of active tuberculosis in a large percentage of the population inspected.

Arizona: Frieks reports an inspection of 5.772 tests in the indian contraction in the contraction of the population in the contraction of the case of active tuberculosis.

schools by regulation. There were found 114 cases of tuberculosis, namely: Pulmonary, 52; glandular, 54; osseous, 6; other forms, 2.

In discussing tuberculosis incidence in Arizona, Fricks states that the percentage of infection varies from 1.5 per cent among the White River Apaches to 14.6 per cent among the White River Apaches on the grounds that many of them live in isolated tepees built of arrow weed, and the custom of burning the tepee, with everything in it, in which one of them dies.

The highest general prevalence of tuberculosis in Arizona was found among the northwestern tribes, with a percentage of 8.3 among the Navajoes to 14.6 among the Walapais. All of these tribes are decreasing in number. The Walapais, therefore, are considered a menace to the public health by reason of this high disease incidence and the fact that they dwell in insanitary hovels at various points along the Santa Fe Railroad.

California; In his report on the prevalence of tuberculosis among the Indians of California examined by him, Ellilings refers to the insanitary conditions of the homes of the Indians visited, the lack of personal cleniliness of the Indian himself, and his indifference and ignorance regarding the indiance of such conditions on health.

The highest percentage of tuberculosis in California was found on the Round Valley Reservation—15 per cent—and among the Indians in the San Quentil Penitentiary. He also gathered from morbidity statistics of this agency a record of 244 cases of measles and 552 of influenza, diseases which are frequently followed by tuberculosis.

Colorado: Smith found a comparatively low percentage of tuberculosis among the Southern Utes of Colorado, though the result of the Von Pirquet test made on 65 school children at Ignacio, Colo, gave 81.5 per cent of positive reactions. It may therefore be assumed that the amount of infection at this point is high, and a more detailed examination of this population than was possible under existing conditions would probably reveal a greater number of c

Considering the difficulties required to be met, this institution is a very creditable one."

Iowa: White found a percentage of 15 per cent among the Sac and Fox Indians of Iowa. This high percentage of tuberculosis is attributed to the general insanitary condition of the dwelling places of these Indians and to their habits. These Indians are also reported to be addicted to the use of the "mescal button," which seems to exert a very pernicious influence over them.

Minnesota: Clark inspected 546 and Preble 187 Indian boarding-school children in Minnesota, and found a total of 27 cases of tuberculosis—10 pulmonary, 16 glandular, and 1 osseous—a percentage of 3.24. The high percentage of tuberculosis, 14.28 in the Vermilion Lake School, at Tower, Minn., is caused by glandular cases entirely.

At the Cass Lake Indian Boarding School the percentage of tuberculosis was found to be 4.25. This school is located 7 miles by water from the agency physician, and is therefore subject to infrequent medical inspection. In St. Benedict's Industrial Indian Mission School, White Earth Reservation, a percentage of 3.19 was found.

He also inspected 2.709 reservation Indians, exclusive of children in Indian boarding schools, and found 145 cases of tuberculosis, 5.35 per cent. Of these 145 cases, 90 were pulmonary, 34 glandular, 19 osseous, and 2 cutaneous forms of this disease. These cases were found in a house-to-house canvass of the various reservations, and are a conservative representation of the prevalence of tuberculosis among the Indian of the State.

tive representation of the prevalence of tuberculosis among the Indians of the State.

The highest percentage of tuberculosis, 23.07, was encountered in a smail nonreservation settlement at Pelican Point, near Orr, Minn. Pelican Point is an old Indian settlement, the India homes are disgustingly filthy, and the Indians themselves very poor and much addicted to the use of intoxicants.

On the Leech Lake Reservation the tuberculosis rate was found to be 49.2 per 1,000. Nett Lake Reservation 48.2 per 1,000, Red Lake 55.4 per 1,000, and White Earth 46.8 per 1,000 among Indians inspected for this disease, exclusive of Indian boarding-school children, as compared to the estimated 5 per 1,000 among the white population. Clark reports:

"At Pine Point, White Earth Reservation, the percentage of tuberculosis is 9.52, while that for the whole reservation, including Pine Point, is but 4.63. This percentage of tuberculosis is associated with a like high trachoma percentage, 36.05, and presents a situation demanding specific recommendations."

Michigan: Clark inspected 333 children in Indian boarding schools in Michigan and found 8 cases of tuberculosis, 6 pulmonary and 2 glandular, a percentage of 2.40. The pulmonary cases were in the early stages of the disease held under close observation and therefore only a potential danger to the rest of the school population.

In addition, he examined 310 reservation Indians, exclusive of school children, and found 7 cases of tuberculosis, 6 pulmonary and 1 osseous, or 2.25 per cent.

At Pay Wills, a nonreservation settlement, the highest percentage.

children, and found 7 cases of tuperculosis, 6 pulmonary and 1 osseous, or 2.25 per cent.

At Bay Mills, a nonreservation settlement, the highest percentage, 3.54, was found. These Indians have for years been in contact with the white population engaged in the lumber industries of that region. The sanitary condition of their homes is only fair.

Among Indians of the Mackinac Agency, Baraga, Mich., he found very little tuberculosis, only 1.18 per cent. The disease is rare among the while population of this section. The homes of the majority of these Indians compare favorably with those of white people in like

circumstances. Still. their comparative freedom from tuberculosis is largely due to lack of exposure on account of rarity of the disease in the surrounding white population.

Kansas, Nebraska, and Oklahoma: By reason of the location of large nonreservation boarding schools and the consequent examination of a relatively larger proportion of school children than reservation Indians in these States, the reported percentage of tuberculosis found is low. This is due to a regulation of the Indian Service excluding tuberculous children from the Indian schools, and the artificial reduction of the tuberculosis rate in the school population caused thereby. Guthrie, however, in an examination of 305 Cheyennes and Arapahoes in Oklahoma, found 22 cases of tuberculosis, or 7.21 per cent. His next highest percentages were among the Poncas and Seminoles, these percentages being 5.30 and 4.31, respectively.

Montana: Among 2.042 Indians inspected in Montana for tuberculosis White found 247 cases, namely: Pulmonary, 58; glandular, 183; osseous, 6; a percentage of 12.14. The highest percentage of tuberculosis among the Indians of this State, 19 per cent, was found among the Flathead Tribe and the lowest, 5.30 per cent, among the Northern Cheyennes. Other percentages were, Piegans, Blackfeet Reservation, 10.34 per cent; Sioux, Fort Peck, 13.57 per cent; Gros Ventre, Assinboin, Arapaho, and Sioux, Fort Belknap, 14.10 per cent; Crow, 15.38 per cent. He attributes this great prevalence of tuberculosis among the Indians of Montana to filithy habits, insanitary homes, and the use of intoxicants by these Indians.

Nevada: Billings inspected 522 reservation Indians in Nevada and found 62 cases of tuberculosis, 21.43 per cent. These cases are classified as 38 pulmonary, 21 glandular, 3 osseous, and 1 cutaneous. A percentage of 32.67 of tuberculosis was found among the Palutes of Pyramid Lake Reservation. Among 101 Indians examined on this reservation he found 33 cases of tuberculosis classified as pulmonary, 29; glandular, 3; osseous, a t

Among 100 Paintes examined at Fort McDermitt were found 16 pulmonary and 2 glandular tuberculosis cases, a total of 18, or 180

Among 100 Paintes examined at Fort McDermitt were found 16 pulmonary and 2 glandular tuberculosis cases, a total of 18, or 180 per 1,000.

Among 329 children examined in four Indian schools he found 62 cases of tuberculosis, or 18.54 per cent. These school children are drawn from an Indian population in which tuberculosis is found to prevail to an alarming extent. This accounts for the large number of cases in the schools inspected. He explains this heavy prevalence on the ground that Indian customs and insanitary dwellings favor the spread of tuberculosis.

New York: Leake reports a tuberculosis percentage of 1.27 among 865 Indians examined by him for this disease in New York. The average duration of illness, four years in the pulmonary cases, he properly infers does not indicate an extreme susceptibility on the part of these Indians when once infected.

From rather indefinite data Leake is inclined to think tuberculosis is on the decrease among the Iroquois Indians, or else many affections believed to be tuberculosis in the past were not tuberculosis at all. The sanitary condition of their homes is comparable to that. The sanitary condition of their homes is comparable to that. The sanitary condition of their homes is comparable to that. White people in like circumstances. Furthermore, the nutrition of these Indians is good, their food supply being largely of home production, and eggs, meat, vegetables, and fruits are used daily in most families.

New Mexico: The highest percentage of tuberculosis among the

The sanitary condition of their homes is comparable to that of white people in like circumstances. Furthermore, the nutrition of these Indians is good, their food supply being largely of home production, and eggs, meat, vegefables, and fruits are used daily in most families.

New Mexico: The highest percentage of tuberculosis among the Indians of New Mexico is found by Smith among the Apaches of the Jicarilla and Mescalero Reservations, being 9.45 and 7.21 per cent, respectively.

The Jicarilla Reservation Indians, who dwell in tepees, present a higher percentage of tuberculosis than is found on the Mescalero Reservation where the majority of the Indians are domiciled in houses, showing that careless habits, poverty, lack of proper food, lack of cleanliness, and bad social customs after all are the great determining factors in the spread of this disease.

On the other hand, he reports that the lowest percentage of tuberculosis prevails among the Navajo and Zoni Tribes. The Navajos are prosperous and well fed, it being a poor family that does not possess from 100 to 1,000 head of sheep and goats. The construction of their dwelling, the "Hogan." permits ventilation. It is a custom of these people to spend much of their time sitting outdoors in the sunshine in front of their "Hogan."

The Zunis are thrifty and industrious. The Interiors of their dwellings are often whitewashed, and their construction facilitates ventilatings are often whitewashed, and their construction facilitates ventilatings are often whitewashed, and their construction facilitates ventilatings are often of moist material which subsequently hardens. Thrift, good food supply, and improved sanitary condition of the home are the main cause of the low comparative percentage of tuberculosis among these people.

Smith employed the Von Pirquet test for the determination of tribal infection to tuberculosis, This test consists in the inoculation of the skin with tuberculin, a subsequent reddening at the site of the incurion and the provide of the constr

The tabulation by Smith of his results is presented in the following table:

TABLE V .- Comparative death rate from tuberculosis-Tuberculin reac-

tions.							
Tribe.	Num- ber of years' statis- ties.	Total number of deaths.	Deaths from tuber-culosis.	Percentage of deaths from tuberculosis.	Per- cent- age of posi- tive tuber- culin re- actions, chil- dren under 11 years.		
Mescalero Apache	10 2	220 100	89 41	40 41	463. 6 68. 7	1 82.3 95.5	
Springs)	2 2 2	24 10	10	41.66	72.4 75	88. 8 62. 5	
Navajo	24	3 77	141	2 53	46	78	
Zuni	10	4371	18	4.85	26.8	55.38	
Taos Laguna. San Juan, Santa Clara, San Ilde-	15 5	(⁵) 140	31	22	3.5 44.6	1.42 63.15	
fonso, Nambe, and Tusuque	2 9	59 125	7	11.9 8.8	70 650	81 7 44	

- Incomplete.
 Not representative in a population of 8,000.
- Known causes only

6 Unknown. 6 Only 2 subjects. Only 9 subjects.

Table V shows the percentage of positive reactions to the tuberculin (Von Pirquet) test as compared with the death rate from tuberculosis compiled from the agency records among the Indians of New Mexico. It will be seen that a high percentage of reactions to the tuberculin test is found associated with a like high death rate from tuberculosis. Therefore the result of this test in a given population under known conditions not only enables us to calculate the probable death rate from tuberculosis, but also serves as an index of the actual prevalence of this disease.

North Carolina: Fricks examined 317 Cherokees in North Carolina and found 6 cases of tuberculosis, 4 pulmonary and 2 glandular, a percentage of 1.89. He says: "The Cherokees, numbering 2,115, with 41 per cent full bloods and 59 per cent mixed, are citizens of North Carolina. They live just as the poorer white mountaineers of that section."

North and South Dakota: North and South Dakota are treated as a unit in the consideration of the prevalence of tuberculosis among the Indian population because of their contiguity, and also because two officers—Schereschewsky and Prebie—collected data independently in these two States.

Indian population because of their contiguity, and also because two officers—Schereschewsky and Preble—collected data independently in these two States.

In all, 9.568 Indians were examined in these two States and 361 cases of tuberculosis found.

Tuberculosis incidence was considered by each of the two officers from the standpoint of—

(1) Tuberculosis in reservation Indians, exclusive of schools. Of these, 5.813 were examined and 296 cases of tuberculosis found, a percentage of 5.09. Of these there were 162 pulmonary, 108 glandular, 19 osscous, and 7 cases of all other forms of tuberculosis.

(2) Tuberculosis in Indian boarding schools. There were examined 3.103 Indian boarding-school children in these two States and 52 cases of tuberculosis found among them, namely, 18 pulmonary, 32 glandular, 5 cases on, and 1 of other forms, a percentage of 1.67.

(3) Tuberculosis in Indian day schools. Schereschewsky examined 652 children in Indian day schools of the two Dakotas and found 9 cases of tuberculosis, 4 pulmonary and 5 glandular, a percentage of 1.38. Schereschewsky properly observes:

"Cases of tuberculosis found among the reservation Indians examined, exclusive of those in attendance at schools, give us a much better idea of the incidence of tuberculosis among the Indians of the Northwest than the tables relating to its prevalence in schools. In school children we are dealing with a class in which the incidence of tuberculosis is artificially diminished by the exclusion from their number of those suffering from the disease. Among reservation Indians such is not the case."

He found the highest percentage, 5.89, of tuberculosis among the

those suffering from the disease. Among reservation Indians such is not the case."

He found the highest percentage, 5.89, of tuberculosis among the Indians of North Dakota, on the Fort Berthold Reservation, and the lowest at the Turtle Mountain Reservation, where only 0.92 per cent of the Indians examined were found to be tuberculous. A compilation of agency mortality records by Schereschewsky shows that tuberculosis causes approximately 22.32 per cent of all the deaths in the reservations visited by him. This, he says, is twice the percentage, 11, found in the registration area of the United States. "The tubercular death rate is 6.99 per thousand, or 4.37 times the white death rate (1.63) per thousand." (Mortality Statistics, Bureau of Census Bul. 109.)

Oregon: Billings inspected 316 Indian children in the Salem non-reservation boarding school and found 11 cases of pulmonary tuberculosis, 29 glandular, and 3 osseous, a total of 23, or 13.6 per cent.

Among 788 reservation Indians examined were found 61 pulmonary, 59 glandular, 8 osseous, and 3 of other forms of tuberculosis, a total of 131, or 16.62 per cent.

The highest percentage, 24.56, of this disease was found in the various tribes of the Siletz Reservation. Percentages for other reservations are: Klamath Lake, 20.27; Umatilia, 20.66; and Warm Spring, 23.75.

Pennsylvania: Among the 552 students of the Carlisle Indian Boarding School, Carlisle, Pa., who were inspected for tuberculosis, 26 cases of this disease were discovered, or 4.7 per cent. Of these cases of the disease 8 were pulmonary, 17 glandular, and 1 osseous. The Carlisle shool receives pupils from nearly every tribe in the United States. In view of the great prevalence of tuberculosis among some of these tribes, a certain number of cases of tuberculosis among some of these tribes, a certain number of cases of tuberculosis among some of these tribes, a certain number of cases of tuberculosis among some of these tribes, a certain number of cases of tuberculosis may be expected to develop in th

year.

At Carlisle are found facilities for caring for a small number of tuberculous students, who are in the early stages of this disease.

Attached to the school hospital are sleeping porches wherein students infected with tuberculosis sleep in the open air.

An agreement has also been entered into by the school authorities with the State of Pennsylvania whereby certain of these Indian students in the more advanced stages of tuberculosis are taken into the State Tuberculosis Sanatorium at Mount Alto, Pa.

Utah: Among the Uintah and Ouray Indians of Utah, 182 were inspected and 8 cases of tuberculosis found, 4 pulmonary, 3 glandular, and 1 osseous, a percentage of 4.39.

Virginia: Cumming inspected 43 Indian students at the Hampton Normal Institute, Hampton, Va., and found 3 cases of tuberculosis, 2 pulmonary and 1 osseous, a percentage of 6.97.

Washington: Lloyd inspected 1.347 Indians, including school children, in Washington, and found 73 cases of tuberculosis, namely, 48 pulmonary, 21 glandular, and 4 osseous, a percentage of 5.41 for the State.

pulmonary, 21 glandular, and 4 osseous, a percentage of 5.41 for the State.

The large number of school children inspected and included in the total number used for the calculation of the percentage of prevalence of tuberculosis in this State, reduces the tuberculosis rate by reason of the exclusion of known tuberculous pupils from Indian schools. It is therefore believed that the prevalence of tuberculosis among these Indians is much greater than shown by the figures presented herewith. Among the Dwamish and allied tribes, exclusive of the Cushman and Tulalip Schools, Lloyd found the following percentages of tuberculosis according to reservations: Lummi, 11.95; Suquamish, 13.51; Swinomish, 10.20 On the Colville and Spokane Reservations the percentage of tuberculosis was found by him to be 8.26. Washington may therefore be classed with California, Oregon, and Nevada as one of the States in which the greatest prevalence of tuberculosis was found in the course of this investigation.

Lloyd considers tuberculosis a serious problem among the Indians of Washington. Specific mention is also made of overcrowding in poorly ventilated houses as the principal factor in producing this heavy tuberculosis infection.

Wisconsin: An inspection for tuberculosis was made of the Indians in all boarding schools and reservations in Wisconsin. A total of 1,703 reservation Indians, exclusive of school children, was inspected and 52 cases of tuberculosis were found, a percentage of 3.05 for the State. The greatest relative number of tuberculosis cases was found among the Indians of the Lac Du Flambeau Reservation, with a percentage of 6.48. The majority of these Indians dwell in very insanitary homes and their customs and habits favor the spread of this disease among them.

The following percentages of tuberculosis were found among the

tary homes and their customs and habits favor the spread of this disease among them.

The following percentages of tuberculosis were found among the Chippewas of Wisconsin: Lac Courte Oreille, 3.72 per cent; La Pointe, 4.73 per cent; Red Cliff, 2.89 per cent.

Among the Monominees and Oneidas the percentage of tuberculosis among those examined was found to be 1.35 and 2.76, respectively. The sanitary condition of the majority of the homes visited among these Indians was good. The Oneidas cultivated a considerable part of their lands and are self-supporting.

Among the 1.296 children examined in the Indian boarding schools of Wisconsin were found 37 cases of tuberculosis, of which number 24 were pulmonary, 9 glandular, 3 osseous, and 1 cutaneous, or 2.98 per cent.

At the Lutheran mission, Stockbridge Reservation, 8.88 per cent of

At the Lutheran mission, Stockbridge Reservation, 8.88 per cent of tuberculosis was found. In the Government school at Keshena, Menominee Reservation, the percentage was 7.69. This percentage includes the children of this school transferred to the agency hospital at that place.

The presence of tuberculosis in these boarding schools, however, is adventitious and due to reluctance on the part of the school authorities to return children in the early stage of this disease to insanitary homes and to a poor food supply.

The tuberculosis case incidence among the Indians of Wisconsin, inclusive of school children, according to data collected in this investigation, is 29.6 per 1,000.

Wyoming: Among the Arapahos and Shoshones of the Shoshone Reservation in Wyoming 392 Indians were examined, and 13 cases, or 3.31 per cent, of tuberculosis was found.

CONSIDERATION OF RECORDED DEATHS FROM TUBERCULOSIS,

CONSIDERATION OF RECORDED DEATHS FROM TUBERCULOSIS.

During the inspection complete data were not found at all the agencies by officers engaged in the work. On request, therefore, the Office of Indian Affairs furnished a compilation from their records of the birth rate, death rate, and number of deaths reported as due to tuberculosis among the Indian population of the United States during the fiscal year 1912. From these data was compiled the following table. It is proper to add that, in view of the known difficulties on many of the reservations in obtaining accurate information as to the causes of deaths among Indians, some of these figures must be in the nature of estimates. It is likely that many deaths among Indians are considered by them to be due to tuberculosis, and so reported to the agency, when no physician has been called, that were not caused by this disease at all.

TABLE VI.—Indian birth rate, death rate, and death rate due to tuberculosis, 1912.

[From a compilation by the Office of Indian Affairs.]

State.	Popula-	Births during year,				Deaths due to tuberculosis.	
	tion.	Total.	Per 1,000.	Total.	Per 1,000.	Total.	Per 1,000.
Arizona . California . Colorado . Idaho . Iowa . Kansas . Michigan . Minnesota .	38, 383 8, 637 860 3, 823 364 1, 317 255 10, 843	2,187 169 35 110 13 47 4 439	57 20 41 29 36 36 16 40	2,187 250 16 127 18 40 6 290	57 29 19 33 41 30 24 27	873 63 2 47 12 11 3 96	22.7 7.5 2.3 12.2 32.8 8.3 11.7 8.6
Montana Nebraska Nevada New Mexico New York North Carolina North Dakota	11,242 3,832 2,573 10,689 4,058 2,078 8,389	433 141 78 580 101 121 342	38 37 30 54 24 58 41	311 119 95 319 120 58 210	27 31 37 29 29 28 25	112 10 38 39 16 61	9.9 2.6 14.8 3.6

TABLE VI.—Indian birth rate, death rate, and death rate due to

State.	Popula-	Births during year.		Deaths during year.		Deaths due to tuberculosis.	
	tion.	Total.	Per 1,000.	Total.	Per 1,000.	Total.	Per 1,000.
Oklahoma Oregon South Dakota Utah Washington Wisconsin Wyoming	15,896 3,401 20,333 1,309 11,740 9,816 1,697	613 117 774 38 294 344 68	38 34 38 28 25 35 40	422 130 627 35 262 247 60	27 38 38 27 22 25 35	85 29 241 11 99 46 7	5.3 8.5 11.8 3.2 8.4 4.6 4.1
Total	171,535	7,048	41.08	5,949	34	1,901	11

It will be observed on comparing this table with the case incidence of tuberculosis found, by the officers engaged in this investigation, among these Indians examined, such incidence is correspondingly high on one or more reservations in the majority of the States in which the tuberculosis death rate is high.

Mention has been made in another part of this report of the inability of the medical officers engaged in this investigation to make repeated examinations of tuberculous suspects by reason of the short time allowed for the completion of the survey. The detection of tuberculosis may not be easy in its earliest stages even with the aid of all modern appliances in use for that purpose, and then only after repeated examinations of the suspected subject. The medical officers were restricted to the making of a physical examination of each suspect, and to but one examination. For these reasons it is believed the percentages of tuberculosis incidence found during this investigation are lower than a more detailed and prolonged inspection would reveal, and may be considered in the nature of a preliminary sanitary survey. However, this survey as conducted has revealed so great a prevalence of tubercular infection among the Indians inspected as to warrant the immediate adoption of measures for the relief of this situation in the Indian population of our country.

CAUSES OF PREVALENCE OF TUBERCULOSIS AMONG THE INDIANS.

CAUSES OF PREVALENCE OF TUBERCULOSIS AMONG THE INDIANS.

The prevalence of tuberculosis among Indians is generally attributed by those familiar with the subject to marked changes in their habits of living occasioned by contact with our civilization. Formerly the Indians lived in tepees, engaged in out-door sports, and were nomadic, earning their living by hunting. fishing, and trading. Contact with the white man has worked radical changes in the habits and occupations of the Indians. They have been collected on reservations, and their former hunting grounds converted into farms and pastures. Hunting and fishing are no longer profitable. Every energy is being exhausted by the Government to convert the hunter into a farmer, and thus to transform the Indian race into an agricultural people. This transition encounters the inherent difficulty of determined resistance on the part of the Indian, who is slow to re-nounce the customs and habits which have characterized his race through many centuries. The substitution of houses for tepees has resulted in the adoption of habits of living conducive to the spread of tuberculosis. In many Indian homes sanitary conditions are frightful. Whole families live in single rooms with no ventilation, ignorant of the precautions necessary to promote health, and without the means of avoiding infection and contagion. Bad air, scant and unwholesome food, over-crowding in poorly constructed houses, and other insanitary habits have made the white plague a menace to the Indian race.

WHAT IS NOW BEING DONE TO REMEDY THESE CONDITIONS.

For the fiscal year ending June 30, 1912, there were 53 small hospitals and sanatoria in the Indian service, the total capacity of the same being limited to 1,256 patients. Since that time a few others have been constructed. For the most part these are mere school hospitals with only sufficient capacity to accommodate sick pupils. Little is being done to prevent the sprend of the disease, because no provision has been made therefor by Congress. The discovery of the prevalence of tuberculosis among the Indians is of comparatively recent date. The Indian Bureau and its head, Commissioner Sells, realize the necessity for a feasible and comprehensive remedy. Owing to the vast territorial area of many of the reservations and the inadequate means now supplied, the present system is inefficient and not capable of properly dealing with this important problem.

When the Indian appropriation act, approved June 30, 1913, was under consideration in the Senate, an amendment was inserted in the bill carrying \$100,000 for the establishment and maintenance of a general tuberculosis sanitarium for the treatment of Indians generally. It was suggested that this sant-tarium should be established at a point in New Mexico on the Mescalero Reservation, about 10 miles from the nearest railway station and nearly 50 miles from the agency. In lieu of this provision the conference on the bill authorized this commission and directed it, as a part of the duties prescribed, to inquire into the feasibility and necessity for such a sanitarium. The proposed site is one of rare beauty, having an altitude of

more than 5,000 feet. It is, however, inaccessible on account of its remoteness from any railroad and from the Mescalero Agency, near which the greater number of Indians in that locality reside.

The commission does not recommend the establishment at any point of a central tuberculosis hospital for Indians as feasible or advisable. In reaching this conclusion we have been governed in part by the judgment and experience of many Indians whose opinions have been expressed before the commission, as well as that of officers and employees in the Indian Service who have devoted especial attention to the question.

No considerable number of Indians afflicted with tuberculosis could conveniently or would willingly avail themselves of treatment in such an institution. The characteristic affection of Indian parents for their children prompts them to oppose any system of relief which would require the removal of their afflicted offspring to a hospital so remote that they would be deprived of visiting and administering to their wants. Such a hospital would be available only for those residing on near-by reserva-To accomplish any substantial benefit through a central sanitarium it would be necessary to require by law the forcible transportation to the hospital and the confinement there of the This would meet with universal resistance, and the consequent dejection and despondency resulting to patients compelled to attend the hospital would make recovery or improvement in any case improbable. Moreover, comparatively few of the total number of Indians afflicted with tuberculosis could be treated in a single hospital.

We are therefore unable to recommend the establishment of a tuberculosis sanitarium in New Mexico for the treatment of Indians generally, and in view of the urgency and importance of the subject, recommend the adoption of a much more practicable plan looking both toward the relief of those now afflicted, and the removal of the causes and conditions which have occa-

sioned the spread of the disease.

The commission recommends-

First. That provision be speedily made for the establishment of temporary hospitals on the several reservations where tuberculosis is known to be common, to which afflicted Indians may go or be removed for treatment. These hospitals may be inexpensive, but should be provided with necessary apparatus, nurse help, and medical service. It will probably not be necessary to provide for the forcible removal of patients to these hospitals. On the contrary, it is believed that the Indians will facilitate the work to be done at these hospitals and gladly avail themselves of the opportunities for treatment there to be afforded. In this way within 5 or 10 years treatment can be given to practically all tuberculosis Indians in the United States and many of them can be restored. As an illustration of the possibilities of this plan, at the sanitarium maintained by the Phoenix Indian School in Arizona, about 90 per cent of the patients treated there during the last year are claimed to have Even if it be true that this high percentage of cures is attributable in part to the favorable climatic conditions at Phoenix, it is believed that the system is capable of producing gratifying results on all the reservations which may be supplied with camp hospitals.

Second. No system looking solely to the relief of those now afflicted can be complete or satisfactory. Science has demonstrated that tuberculosis is preventable, and can therefore be eradicated. In order to accomplish this broader purpose, systematic instruction in sanitary habits of living must be given

the Indian and sanitary requirements enforced.

It is suggested that a force of field matrons be provided to visit Indian homes and give instruction in housekeeping and house cleaning, reporting from time to time to the superintendent of the reservation or the physician in charge of the camp hospital. Accurate information as to the condition and number of afflicted Indians may be thus obtained. No attempt, however, is here made to outline the details or define the various methods which experience may prove necessary on the different reservations.

Undoubtedly the plan here proposed will increase the number of employees in the Indian service and the expense of its may be paid in some cases from the tribal funds. Where no tribal fund exists the burden must be borne by the Government.

THE WORK SHOULD BE DONE BY THE INDIAN SERVICE.

The question may arise whether this work should be done through the direct agency of the Indian service, or by the Public Health and Marine-Hospital Service. On the one hand it would seem to logically fall under the bureau in charge of the Public Health and Marine Service. On the other, it is doubtful whether it would be wise to place the health department of the Indian service under a bureau in a different de-

partment of the Government. If this were done conflicts in authority, rivalries, and jealousies might impair and retard the progress of the important work here recommended to be undertaken. While the matter is open to controversy, sound policies of administration seem to me to require that the work be carried forward under the supervision of the Bureau of Indian Affairs. Certainly a force should be created with sufficient resources to adequately and intelligently deal with this far-reaching problem, indirectly chargeable to the inefficient manner in which the Government has dealt with its wards, the Indians.

The history of the American Indian is both romantic and We may contemplate with amazement and admiration the tenacity with which the Jewish people have clung to their racial characteristics through centuries of persecutions and

How different is the story of the Indian. He has but feebly withstood the shock of contact with other races. His instincts and virtues seem inseparably connected with freedom from restraint and personal liberty unlimited by law or custom. His origin is enveloped in mystery. Here and there still remain scattered and rapidly disappearing evidences of ancient Indian civilizations.

Recoiling before the advance of progress, the Indian has relinquished the possession of this continent and abandoned his primitive pursuits and ideals. Hesitating and mistrustful he has rebelled against the fate which is scourging him into helplessness and dependency. Loyal to savage institutions, the Indian has not responded promptly to the influences of civilized

Whatever defects exist in the normal Indian character, his ferocity as an enemy is excelled by his fidelity as a friend. Few instances of Indian ingratitude are recorded. He has been faithful to the hand that has protected him. The loyalty of our Indian allies during the Revolution is a familiar and pleasing

chapter in American history.

Mr. President, there is a stain of shame upon our flag. have not kept faith with the Indian. Perhaps it was the law of progress that we should conquer him; unavoidable that his hunting grounds should be transformed into fields; inevitable that by war and treaty, by sword and promise, he should be impoverished and despoiled. It is not to our shame, nor to his, that we have beaten him in battle, for the Indian fights with all the energy of despair. It is not regrettable that we have reclaimed a continent from savagery and compelled the Indian to yield to the processes of civilization. Our disgrace arises from unfulfilled promises, violated treaties. Herein the record is shamefully consistent. It is relieved by few instances of pledges honestly fulfilled.

Driven back upon the desert and herded in half-starved bands on semiarid reservations, the American Indian faces threatened extinction. Our Indian policy has heretofore been unsatisfactory and has resulted in gross injustice. Must it henceforth be marked by offensive restraint and charity, which in the end

may reduce the race to abject dependency?

The total of our dealings with the Indians is not to our We have taught him vice and immorality and communicated to him diseases which threaten his extinction. The time for revision of our Indian policy is at hand. The first principle to be recognized is simple justice, common honesty, honest restitution. To accomplish this a reorganization of the Indian Service seems necessary. The present Commissioner of Indian Affairs is alert and capable and willing to lead this

On the title-page of a current publication appears a striking picture; it represents an aged emaciated Indian chief, clad in the habilaments of a vain and vanished glory, dismounted, standing beside his wasted, half-starved steed on the brow of a barren hill; no other sign of life. About him the desert stretches in solitude and sublimity. Behind him the winds gather the drifting sands in gray and yellow clouds. At his feet the bones of a buffalo lie bleaching, while from the desert's rim the dying

day signals farewell.

Mr. President, "When the last grim joke is entered in the big black book of jobs," when the accounts of history are finally balanced and our civilization credited with every achievement to which it is entitled—the reclamation of a continent from savagery, the spread of knowledge, the progress of science, the promotion of universal peace and liberty, the establishment of the reign of moral force—whatever of restitution remorse may in the meantime prompt or justice compel, our Government will still be debtor to the Indian race. Must the balance be recorded in the blood of a doomed people?

Mr. President, I ask that the findings and recommendations of the commission be printed in the Congressional Record and

printed as a document and referred to the Committee on Indian Affairs. The testimony is now being printed as part of the report.

There being no objection, the report was referred to the Committee on Indian Affairs and ordered to be printed as a document and to be printed in the RECORD, as follows:

REPORT OF THE FINDINGS OF THE JOINT COMMISSION ON INDIAN TUBER-CULOSIS SANITARIUM AND YAKIMA INDIAN RESERVATION PROJECT (H. DOC. NO. 505).

the Senate and House of Representatives of the United States of America, in Congress assembled:

America, in Congress assembled:

The joint commission of Congress to investigate the necessity and feasibility of establishing, equipping, and maintaining a tuberculosis sanitarium in New Mexico for the treatment of tuberculous Indians, and to also investigate the necessity and feasibility of procuring impounded waters for the Yakima Indian Reservation or the construction of an irrigation system upon said reservation, to impound the waters of the Yakima River, Wash., for the benefit of the Indians of said reservation, respectfully submits the following report:

AUTHORITY AND DUTIES OF THE COMMISSION.

This commission was created by the act of Congress approved lines.

of the Yakima River, Wash., for the benefit of the Indians of said reservation, respectfully submits the following report:

AUTHORITY AND DUTIES OF THE COMMISSION.

This commission was created by the act of Congress approved June 30, 1913, the Indian appropriation act, section 23, under the following provisions:

A commission consisting of two members of the Senate Committee on Indian Affairs, to be appointed by the chairman of said committee, and two Members of the House of Representatives, to be appointed by the Speaker, is hereby created for the purpose of investigating the necessity and feasibility of establishing, equipping, and maintaining a tuberculosis sanitarium in New Mexico for the treatment of tuberculous Indians, and to also investigate the necessity and feasibility of procuring impounded waters for the Yakima River, Wash., for the reciamation of the lands on said reservation, and for the use and benefit of the Indians of said reservation. That said commission shall have full power to make the investigations herein provided for, and shall have authority to subppena and compel the attendance of witnesses, administer oaths, take testimony, incur expenses, employ clerical help, and do and perform all acts necessary to make a thorough and complete investigation of the subjects herein mentioned, and that said commission shall report to Congress on or before January 1, 1914: Provided, That one-half of all necessary expenses incident to and in connection with the making of the investigation herein provided for, including traveling expenses of the members of the commission, shall be paid from the contingent fund of the House of Representatives and one-half from the contingent fund of the Senate on vouchers therefor signed by the chairman of the said commission.

Under the foregoing provisions of law, Senators Robinson, of Arkansas, and Townsend, of Michigan, and Representatives Strephens, of Texas, and Burake, of South Dakota were appointed members of said commission, and organized on the 25th day of Augus

PROPOSED TUBERCULOSIS SANITARIUM IN NEW MEXICO FOR INDIANS.

of said reservation and for the use and benefit of the Indians of said reservation.

PROPOSED TUBERCULOSIS SANITARIUM IN NEW MEXICO FOR INDIANS. The joint commission visited a number of Indian reservations and schools in several States, held hearings and investigated conditions with reference to tuberculosis among the Indians, the prevalence of the disease, and the most practical means of combating it.

Senate Document No. 1038, Sixty-second Congress, third session, relating to contagious and infectious diseases among the Indians, was available for the use of the commission. This document is a report by the Public Health Service of investigations made in accordance with the act of Congress approved August 24, 1912, into the prevalence of contagious and infectious diseases among the Indians of the United States.

The information contained in Senate Document No. 1038, above referred to, while incomplete and not claimed to be entirely accurate, is, for the purposes of this investigation, reliable, and, in connection with the testimony taken by the commission, sufficient to compel the conviction that both trachoma and tuberculosis are quite general among the Indians and that tuberculosis in some localities is rapidly increasing. For the fiscal year ending June 30, 1912, out of 190,791 Indians reported on approximately 26,500 were estimated to have tuberculosis. Thirty-two per cent of the whole number of deaths reported from the various reservations was alleged to be due to tuberculosis. Out of the total Indian population of 322,765 it is believed that there are approximately 26,500 cases of tuberculosis. We believe that on some of the reservations the percentage of the afflicted is one-fourth of the entire population. A comparison of the death rate between Indians and whites from tuberculosis discloses that 32 per cent of the whole number of deaths reported from the various reservations was due to tuberculosis, as against 11.2 per cent of the death secouring from the same cause in the registration area. While in a

gress has provided the necessary means. When the Indian appropriation act approved June 30, 1913, under which this commission was created, was under consideration in the Senate, an amendment carrying \$100,000 for the establishment of a central tuberculosis sanitarium for the treatment of Indians generally was inserted in the bill. It was suggested that this sanitarium should be established at a point in New Mexico on the Mescalero Reservation approximately 50 miles from the Mescalero Agency, for the treatment of tuberculous Indians from the various reservations throughout the United States.

The following letter from the chairman to the Commissioner of Indian Affairs, September 8, 1913, and his reply thereto, with accompanying data, disclose not only the alarming prevalence of said diseases among the Indians, but also the totally inadequate facilities available for the use of the department in checking the ravages of trachoma and tuberculosis:

September 8, 1913.

SEPTEMBER 8, 1913.

Hon. Cato Sells,

Commissioner of Indian Affairs, Washington, D. C.

My Dear Mn. Sells: Will you please furnish for the use of the commission appointed to investigate the management and conduct of the Bureau of Indian Affairs a statement showing:

1. The number and percentage of Indians afflicted with trachoma at Indian schools and on the Indian reservations.

2. The number and percentage of Indians afflicted with tuberculosis and the deaths from these diseases among Indians on reservations and in the schools; also a comparison of the death rate as between the Indians and the whites from tuberculosis in the registration area of the United States.

3. The number and capacity of each hospital available for Indians.

4. Whether, in your judgment, it would be desirable to have a large hospital on the Mescalero Reservation or smaller hospitals at the various reservations where conditions are most acute.

I should appreciate early information regarding these subjects.

Sincerely, yours,

Joe T. Robinson, Chairman.

JOE T. ROBINSON, Chairman.

SEPTEMBER 9, 1913.

MY DEAR SENATOR: In response to the questions submitted in your letter of September S. I have the honor to reply as follows:

1. The number and percentage of Indians afflicted with trachoma at Indian schools and on Indian reservations.

(a) At Indian schools (boarding).

State.	Exam- ined.	Cases.	Per cent.
Arizona Idaho California Kansas Michigan. Minnesota Montana Nebraska Nevada New Mexico New York North Carolina North Dakota Oklahoma Oregon Pennsylvania South Dakota Utah Virginia Washington. Wisconsin. Wyoming	2, 242 218 729 766 298 833 740 289 200 728 126 141 800 3,089 316 52 2,240 47 43 598 1,296 2,240 2,400	515 34 178 148 45 193 188 118 24 117 207 2,122 29 76 466 19 13 85 137 131	22. 91 15. 6 24. 41 19. 52 15. 1 23. 16 25. 27 40. 83 12 24. 31
Total—133 schools	16,470	4,916	29.86

This table is given in detail in accompanying Exhibit B. (b) On Indian reservations-adults and children.

. State.	Exam- ined.	Cases.	Per cent.
Arizona	5, 873 1, 555	1, 459 238	24.9 15.3
Colorado	268 22	41	15.64
Idaho	526 53	84 17	15.96 32.04
Kansas	834	48	7.46
Minnesota	3,542 2,042	533 537	15.05 26.3
Nevada	322 851	130 229	26.9
New York.	2, 207 943	494	22.38
North Carolina	317	23 791	7 22.94
Oklahoma	3, 252 904	2, 235 94	68.72 10.4
Pennsylvania South Dakota	558 6, 121	76 1,059	13.76 17.24
Utah	182	75 13	39
Washington	1,347	180	13.35
Wisconsin	2,999 392	207 199	56.86 51
Total	39, 231	8,940	22.7

This table is given in further detail in accompanying Exhibit A. Using this rate, 22.70 per cent, with a population of 322,765 Indians is estimated that there are 71,997 cases of trachoma among the

2. The number and percentage of Indians afflicted with tuberculosis and the death rate from this disease among Indians on reservations and in schools; also a comparison of the death rate as between the Indians and the whites from tuberculosis in the registration area of the United States.

For the fiscal year ended June 30, 1912, the following information is

and the whites from tuberculosis in the registration area of the United States.

For the fiscal year ended June 30, 1912, the following information is available regarding tuberculosis:

Of 190,791 Indians reported upon by superintendents, 13.89 per cent, or 26,500, are estimated to have tuberculosis. During that year 1,906 deaths due to tuberculosis were reported from the various agencies.

Thirty-two per cent of the whole number of deaths reported from the various reservations were due to pulmonary tuberculosis, as against 11.2 per cent of deaths due to the same disease occurring in the registration area of the United States. The death rate among Indians is 32.24 per thousand, while the Census Bureau gives 16 per thousand in the above registration area.

3. The number and capacity of each hospital available for Indians. Ending June 30, 1912, there were 53 hospitals and sanatoria in the service, with a capacity of 1,255 patients. Since this report was compiled several others have been constructed and the capacity of others increased. The accompanying table will give the location and capacity of each. It will be noted that they are mostly school hospitals of capacity sufficient only to accommodate sick pupils. (Exhibit C.)

In answer to your question 4, I am quoting the following paragraph from my letter of September 8:

"The solution of the problem of caring for this vast number of cases would be the establishmeat of tuberculosis camps on the reservations. This has been done in a few instances and will be done on others as funds become available and where local conditions are conducive to their proper maintenance of camps or hospitals would be excessive, and there are also hundreds of Indians where cases are few and where the cost of maintenance of camps or hospitals would be excessive, and there are also hundreds of Indians receiving absolutely no treatment whatever and as many more within reach of physicians who are not equipped to care for them. Again, there are very many incipient cases in whom the disease

5

238

14 14

19

1,555

20.53

15.3

Hon. Joe T. Robinson, United States Senate.

Sherman Institute. State penitentiary (Folsom). State penitentiary (St. Quen-

Ukiah day school.....

Total for State.....

EXHIBIT A.

TRACHOMA AMONG ALL INDIANS EXAMINED.

This table, it will be remembered, contains records of all Indians

Table I.—Trachoma among all Indians examined in the United States.

ARIZON	A (COLLECTED BY F	RICKS).		
School or reservation.	Tribe.	Number of In- dians ex- amined.	of cases	Per cent of tra- choma.
Camp McDowell	Apache	110	13	12
Camp Verde	do	91	34	37
Colorado River	Mojaves and Mo- jave-Apache.	147	51	35
Fort Mojave	Mojaves and Cheme- huevi.	355	38	11
Gila River	Pimas and Marico-	943	326	34
Havasupai	Havasupai	109	5	* 3
Moqui	Hopi		411	38
Navajo	Navajos		213	30
Panago		500	102	20
Papago	Mixed tribes	410	59	14
Salt River	Pimas and Marico-		43	39
San Carlos	Apache	376	49	13
Walanai	Walanaje	117	32	27
Western Navajo	Navajos	359	44	12
White River	Apache	395	39	10
Total for State		5,873	1,459	24.9
CALIFORNIA (COL	LECTED BY BILLING	S AND H	ERRING).	
California Missions	Many tribes	559	32	14
Digger Reservation				
Fort Yuma Reservation	Yuma	222	51	7
Round Valley Reservation	Little Lake, Pomo, Kypome, Yuki, Wallaki, etc.	180	13	7.22
Sherman Institute	Many tribes	536	137	25
State penitentiary (Folsom)		14		Secretary Secretary
State penitentiary (St. Quen-		14		

...do.....

TABLE I.—Trachoma among all Indians examined in the United States—Continued.

COLORADO (COLLECTED BY SMITH).

COLOI	RADO (COLLECTED BY S	MITH).		501
School or reservation.	Tribe.	Number of In- dians ex- amined.	Number of cases of tra- choma.	Per cent of tra- choma.
Navajo Springs Southern Ute	Southern Ute	113 149	12 29	10, 61 19, 50
Total for State		262	41	15, 64
FLORID	A (COLLECTED BY R	UCKER).	ALC: SALV	
Miami.	Seminole	22		
IDAHO	(COLLECTED BY L	(avn)		
		Edward St		1
Coeur d'Alene Reservation Fort Hall Reservation	Shoshone and Ban-	250	14 48	10.77 19.2
Fort Lapwai	Nez Percé		22	15.06
Total for State		526	84	15.96
IOWA	(COLLECTED BY WE	HTE).		
Sac and Fox	Pottawatomie and Sac and Fox.	53	17	32.04
KANSAS	(COLLECTED BY HE	RRING).		
Haskell Institute Kickapoo	Many tribes	700	111	15
	Second For	91	44	48.35
Pottawatomie Total for State		834	176	21.1
		Require R	210	
	AN (COLLECTED BY			
Bay Mills	Chippewa, Pottawa- tomie.	141 204 298	3 45	1.47 15.1
Total for State		643	48	7.46
MINNESOTA (C	COLLECTED BY CLARK	AND PRE	BLE).	
Fond du Lac	Chippewa	182	2	1.09
Fond du Lac	do	143		
Marais. Leech Lake Mille Lac Nett Lake and Pelican Point. Pipestone School. Red Lake White Earth Verrillips Lake	do	598 178 171	95 4	15.88 2.24
Pipestone School	do	187 640	42 117	22, 46 18, 28
White EarthVermillion Lake	do	1,323 120	272	20.56
Total for State		3,542	533	15.05
MONTA	NA (COLLECTED BY V	VHITE).		TE E
Blackfeet	Piegan	435	88	20.23
Crow	Flathead	299 290	87 36	29.1 12.4
Fort Belknap	Gros Ventres, As- siniboine, Arapa- ho, Sioux.	234	57	24, 36
Fort Peck	Sioux Northern Cheyenne.	501 283	158 111	31.53 39.22
Total for State		2,042	537	26.3
NEBRASK	A (COLLECTED BY H	ERRING).		
Genoa School		227	98	43
Santee Mission	Sioux Winnebago, Omaha.	19 76	9 23	47 33
Total for State		322	130	41
NEVADA (COLLI	ECTED BY BILLINGS	AND HERE	ung)	
Carson Boarding School	Digger, Paiute, Sho- shone, Washoe. Paiute, Shoshone	200	24 17	12 38, 62
Fort McDermitt School Lovelocks School	rantedo	100 44	47 16	36.02 47 36.3
Moapa School Pyramid Lake Reservation	do	136	17 46	41 33.82
Walker River Reservation Western Shoshone Reserva- tion.	Paiute, Shoshone	101 185	23 39	22. 77 21. 08
Total for State		851	229	26, 9
Total for State		801	223	26. 9

TABLE I.—Trachoma among all Indians examined in the United States—Continued.

NEW ME	Continued.	SMITH)	·	States	
Echool or reservation.	Tribe.	Number of In- dians ex- amined.	Number of cases of tra- choma.	Per cent of tra- choma.	
Albuquerque School	Many tribes Apache do Navajo Pueblo	339 201 190 462 845	75 17 18 139 240	22. 12 8. 45 9. 5 30 28. 4	
Total for State	Zunt	2,207	494	5. 88 22. 38	
	RK (COLLECTED BY		404	22.00	
Allegheny	do	188 469 73 91	i	0.2	
Tuscarora		. 122	1	1	
Total for State		943	2	.2	
	OLINA (COLLECTED 1	BY FRICK:	s).		
Cherokee	Cherokee and mixed bloods.	317	23	7	
NORTH DAKOTA (COLLI	CTED BY SCHERESC	HEWSKY	AND PRE	BLE).	
Bismarek Indian School	Arikaras, Gros Ven-	71	19	26.7	
Fort Berthold	tres, Mandans, Si- oux. Arikaras, Gros Ven-	495	148	30.1	
Fort Totten	tres, Mandans. Chippewas, Sioux	369	106	28.7	
Standing Rock	Chippewa mixed bloods.	1,660 744	405 95	24.51 13.04	
	Arikaras, Chip pe- was, Gros Ventres, Sioux.	108	18	16.6	
Total for State		3,447	791	22.54	
OKLAHO	MA (COLLECTED BY C	UTHRIE)			
Five Civilized Tribes	Creek	367	243	66.21	
Do	Cherokee	87 509	64 364	73.56 71.31	
Do	Chickasaw	122 92 454	90 79 393	73. 76 85. 86 86. 78	
Cheyenne and Arapaho Shawnee	Apache. Cheyenne, Arapaho. Pottawatomie, Shaw- nee, Kickapoo, etc. Sac and Fox.	305 194	227 69	74. 42 35. 56	
Sac and Fox	Pawnee	151	51 103	70 68. 21	
Ponca. Otoe and Missouri. Chilocco Nonreservation School.	Ponca Otoe and Iowa	132 54 509	84 39 334	63, 63 72, 22 65, 61	
Osage Seneca	Osage	93 110	47 48	50, 53 (3, 63	
Total for State		3, 252	2, 235	68.72	
OREGON	(COLLECTED BY BII	LINGS).		V.	
Klamath Lake Reservation Salem SchoolSiletz Reservation	Mixed tribes	143 316 114	13 29 19	9.09 9.1 16.6	
Umatilla Reservation	Cayuse, Nez Percé, Umatilla, Walla Walla.	150	13	8,66	
Warm Springs Reservation	Paiute, Warm Spring, Wasco.	181	20	11.05	
Total for State		904	94	10.4	
	ANIA (COLLECTED B			2017/25	
Carlisle Indian School	Mixed tribes	552	76	13.76	
SOUTH DAKOTA (COLLI	ECTED BY SCHERESC	HEWSKY	AND PREE	LE).	
Canton Insane Asylum Cheyenne River Reservation.	Many	54 520	8 117	14.81 22.5	
Crow Creek Reservation	do	510	143	28.04	
Flandreau School Lower Brulé Reservation	Mixed	350 233	68 58	19.43 24.89	
Lower Brulé Reservation Pierre School. Pine Ridge Reservation Rapid City School.	Mixed	164 2,006	57 263	34.76 13.11	
Rapid City School	do	236	40	17	
Sisseton School	do	1,404	141	10 24. 29	
Springfield SchoolYankton Reservation	do	64 403	18 103	28 25.56	
Total for State	School Street Land Street	The state of the s			
Total for State		6,121	1,059	17. 24	

TABLE I Trachoma amon	g all Indians exami Continued.	ned in th	e United	States-	TABLE III.—Trachom	a in Indian boardin	ng school	s—Contin	ued.
UTAH	(COLLECTED BY HE	RRING).					Number	Number	Per cent
School or reservation.	Tribe.	Number of In- dians ex-	Number of cases of tra-	Per cent of tra- choma.	State.	Boarding school.	of pupils exam- ined.	of cases of tra- choma.	of tra- choma.
Uintah and Ouray School and	Ute	amined.	choma.	39	Minnesota (collected by Clark and Preble).	Cass Lake	46 64	18 12 12	38. 28 26. 08 18. 78
Reservation.						Red Lake	187 63 94	42 19 12	22. 46 30. 13 12. 57
The second second	(COLLECTED BY C		Part Contract	20.0		trial Mission. St. Mary's Mission Vermilion Lake	84	20	12.7.
Hampton Normal Institute			13	30.2		White Earth Wild Rice River	130 54	42 15	32.3 27.7
Section 19 10 10 10 10 10 10 10 10 10 10 10 10 10	TON (COLLECTED B				Total for State		833	193	23.1
Colville and Spokane Reservation.	Spokane	8-266	71	20. 22	Montana (collected by White)	Busby	74 49	27 15	36.4 28.5
Cushman Boarding School	Chehalis, Nisqually, Puyallup, Quinai- elt, Snohomish, Squaxon.	307	11	3.65		Crow. Cut Bank. Hariem. Holy Family Mission	20	11 3 17	14.8 15 22.6
Lummi Reservation	Dwamish and Al- lied Tribes.	92	10	10.16		Poplar River. St. Ignatius Mission. St. Labres Mission.	94 172 22	22 17 13	23. 4 9. 8 59
Suquamish Reservation	do	74 49	6 11	8.1 21.28		St. Paul Mission	74	18 21	24.3 55.2
Swinomish Reservation	Yakima	168 306	6 65	3, 57 21, 24		St. Xavier Mission Wolf Point		24	50
Total for State		1,347	180	13.35	Total for State			188	25.2
WISCONS	SIN (COLLECTED BY	CLARK).			Nebraska (collected by Herring).	St. Augustine Mission.	227 43	98 11	43 25
Lac Courte, Oreille, and Hay-	Chippewa	470	23	4.89		Santee Mission		9	47
wood School. Lac du Flambeau	do	249	51	20.48	Total for State			118	40.8
Lac du Flambeau La Pointe Oneida	Oneida	466 366	16	.85 4.28	Nevada (collected by Billings)		100	24	12
Menominee	Chippewa	730 238 120	65 1 3	9.02 .42 2.50	Total for State New Mexico (collected by			24	12
Tomah School	Manydo	123	16 28	6.74 22.76	Smith).	Presbyterian Mission. San Juan	339 31 148	75 26 32	22. 1 83. 8 21. 6
Total for State		2,999	207	6. 86		St. Catherine's Mission.	210	44	20.5
	G (COLLECTED BY H	ERRING).			Total for State		728	177	24.3
Shoshone Agency	ahoe.	392	199	51	New York (collected by Leake).	Friend'sThomas	78		
Grand total		39,231	8,940	22.7	Total for State				
TABLE III.—Tr	EXHIBIT B.	boarding	schools.		North Carolina (collected by Fricks).	Cherokee	141	11	8
		Number	Number	1	Total for State		141	11	8
State.	Boarding school.	of pupils exam- ined.	of cases of tra- choma.	Per cent of tra- choma.	North Dakota (collected by Schereschewsky and Preble).	Bismarck	168 83	19 27 33 26	26.7 47.3 19.6 31.3
Arizona (collected by Fricks).	Colorado River	49	38 20	50 41		Home Mission Martin Kenel Agri- cultural. Standing Rock	12 98 164	33 23	33.3 33.6
	Fort Apache Fort Defiance Fort Mojave	200 155 244	28 18 69 29 15 59 55 11 92 21	14 12		St. Elizabeth's Mis'n. Wahpeton	39	23 24 18	61. 5 16. 6
	Kearns Canon Leupp	100	29	12 28 29 24 14 27 11	Total for State		800	207	25.8
	Phoenix	410 200	59 55	14 27	Oklahoma (collected by Guthrie).	Anadarko (Mission). Armstrong Academy	112 109	97 86	86.60 78.80
	San Carlos St. Johns Mission	100 203	11 92	11 45 17		Bloomfield	75 74	57 64	76 86. 4
	St. Michaels Mission . Truxton Canon Tuba	121 72 87	21 26 9	17 36 10		Cheyenne and Arap- ahoe. Collins Institute	140	98	70 70.2
	Tucson	140	25	18		Chilocco	509	334 51	65. 6 78. 4
Total for State		2, 242	515	25. 85		Euchee	122	100	81.9 32.1
California (collected by Her- ring).	Sherman Institute St. Boniface Mission.	93 536 - 100	17 137 24	18 25 24		Fort Sill	152 101 92	122 61 79	80.26 60.35 85.86
Total for State		729	178	24.41		Nuyaka. Old Goodland (Mission).	79 77	66 65	83.5 84.4
Idaho (collected by Lloyd)	Fort Hall Mission Fort Lapwai Sanita-	107 18 65	22 4 5	20. 65 22. 22 7. 69		Osage Otoe and Missouria Pawnee	95	37 39 72	50.6 72.2 75.7
	rium, Cœur d'Alene Mis- sion.	28	3	10.7		Ponca	76	63 105 69	92.10 90.76
Total for State		218	34	15.6		Sac and Fox. Sacred Heart (Mis'n) Seger	73 36 68	51 13	70 36.1
Kansas (collected by Herring)	Kickapoo	66	111 37	15.7 56		Seneca	110	47 48 32 23 53	69. 1 43. 6 38. 0 31. 5
Total for State		766	148	19.32		Tullahassee	85. 79	49	62.33 62.03
Michigan (collected by Clark). Total for State		298	45	15.10	Total or Stara	Tuskahoma	2 060	80	72.7
101 Dtate		208	40	10.10	Total for State		3,069	2, 122	69.14

Total for State.....

Utah (collected by Herring).

Total for State

TABLE III .- Trachoma in Indian boarding schools-Continued. Number of pupils exam-ined. Number of cases of tra-choma. Per cent of tra-choma. State. Boarding school. 9.1 Oregon (collected by Billings) Salem ... 316 29 316 29 9.1 Total for State..... Pennsylvania (collected by Clark).
Total for State..... Carlisle .. 552 76 13.76 552 76 13.76 South Dakota (collected by Schereschewsky and Pre-ble). Cheyenne River.... Crow Croek. Fiandreau. Holy Rosary Mission Immaculate Conception Mission. Lower Brulé. Pierre... Pine Ridge. Rapid City. 25 30.88 19.43 18 58.33 156 39 25 68 37 28 81 350 205 48 71 163 213 236 142 270 73 160 72 42.25 34.97 9.39 16.9 12.67 7.9 16.44 26.87 38.89 30 57 20 40 18 21 12 43 28 Rapid City
Rosebud
St. Franci's Mission
St. Mary's Mission
Sisseton
Yankton

Uintah and Ouray ...

2,240

2,240

47

466

19

466

20.8

20.8

40

State.	Boarding school.	Number of pupils exam- ined.	Number of cases of tra- choma.	Per cent of tra- choma.
Virginia (collected by Cumming).	Hampton	43	13	30.2
Total for State		43	13	30.2
Washington (collected by Lloyd).	Colville Mission Cushman Fort Lapwai	31 307 65	21 11 5	67. 7- 3. 50 7. 7
	St. Mary's Mission Yakima	74 121	24 24	32. 4 19. 8
Total for State		598	85	14.2
Wisconsin (collected byClark)	Hayward. Holy Family Mission Keshena.	175 65 65	13 0 18	7.47 27.6
	Lee du Flambeau Lutheran Mission Oneida	95 45	35 1	36. 8 2. 2
	St. Joseph's Indus- trial.	149 148	10 15	6. 7 10. 1
	St. Mary's Mission Tomah Wittenberg	194 237 123	1 16 28	6.77 22.70
Total for State		1,296	137	10.5
Wyoming (collected by Her- ring).	Episcopal Mission Shoshone St. Stephen's Mission	13 108 96	10 57 64	76 53 65
Total for State		217	131	60, 30
Grand total	133 schools	16,470	4,916	29, 68

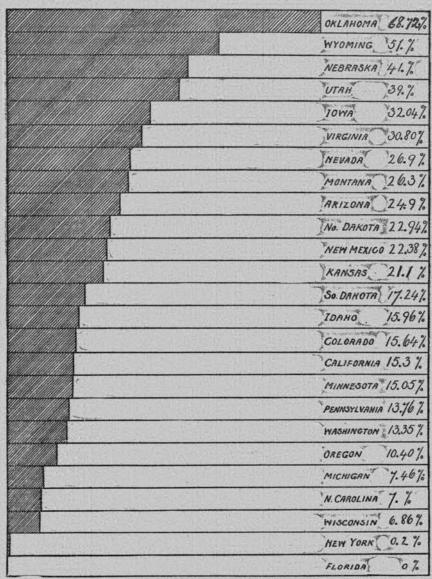


Chart showing the percentage of Indians suffering from trachoma among those examined in the different States.

EXHIBIT C.

TABLE 21.—Hospitals and sanatoria in Indian service, fiscal year ended June 30, 1912.

States and superintendencies.	Agency or school, hospital, N or sanatoria.	, Number.	Character of construction.	Capacity.	Remaining in hospital June 30, 1911.	During fiscal year 1912.					Remain-
						Admitted.	Total treated.	Dis- charged.	Died.	Total dis- charged and died.	ing in hospital June 30, 1912.
Arizona:			Comm	10	10	02	20	00		00	
Fort Apache	School	1	Campdo	10	10	23 13	33 13	22	1	23	10
Do	Sanatoria	1	do	12	10	13	23	10	1	11	1
Do. Fort Mojave Leupp. Navajo.	School	1 1	Brick	8		280 125	280 125	278 125	2	280 125	
Navajo	School	1	Frame	40	3	86	89	77	7	84	
l'hoenix-			Contraction of the Contraction o	-0	NO F		***		15		
General	do	1	Brickdo	50 25	} 13	514	527	515	6	521	
EyePhoenix	Sanatoria	î	Frame	70	41	47	88	47	2	49	39
Pima	School	1	Adobe	8		139	139	139		139	
Rice Station	do	1	Stone Brick	15 6		142	142	142		142	
Western Navajo	do	1	Stone	8		3	3	3		3	
		10		050	400	1 00=	1 460	1 050	00		0.4
Total		13		272	77	1,385	1,462	1,358	20	1,378	84
California: Fort Bidwell	School	1	Frame	10		35	35	34	1	35	
Greenville	do	î	do	12	3	15	18	14	1	15	
Sherman Institute	do	1	Brick	100	3 8	228	236	216	5	221	13
Total		3	The state of the s	122	11	278	289	264	7	271	18
				122	11	210	200	104		2/1	10
Idaho:			CI.		THE STATE OF	STATE OF THE STATE	1000			N. St. Comp.	
Fort Hall	Agency	1	Stonedo	8		52	52	49	3	52	
Fort Lapwai	Sanatoria	î	Frame	100	40	94	134	92	2	94	40
Total		3		112	40	146	186	141	5	146	40
Kansas: Haskell Institute		1	Brick	70		663	663	657	2	659	4
Michigan: Mount Pleasant	do	1	do	24	6	94	100	93	4	97	3
Minnesota:	Ar and the same	Will wife				IS IN SUCH	TO EXTENSE				
Pipestone	do	1	Stone	12		58	58	56	1	57	9
Vermillion Lake	do	11	Frame	6 10	1	16 219	17 229	. 15 213	1	16 215	1
white Earth	Agency	1	do	10	10	219	220	213	2	215	14
Total		3		28	11	293	304	284	4	288	16
Montana:			143 MIDIC 221	THE REAL PROPERTY.	RILLING		81 01		PERSON		no series
Crow	Agency	1	Frame	6	1	110	111	106		106	5
Fort Peck	School	11	do		*********	44	44	43		43	1
Total		2		6	1	154	155	149		149	6
Nebraska: Genoa	School	1	Frame	20	3	327	330	328	1	329	1
Nevada:					- 13/1-17				S TO STORY		
Carson	do	1	do	14	3	410	413	410		410	- 3
Western Shoshone	do	1	do	(3)	(8)	(8)	(5)	(3)	(3)	(8)	(3)
Total		- 2		14	3	410	413	410		410	3
New Mexico:											
Albuquerque	School	1	Frame	35		212	212	212	13550	212	
Albuquerque Pueblos	Sanatoria	1	Adobe	25	4	6	10	7	1	8	2
Jicarilla Santa Fe	School	1	Frame	8		23	33 186	32	1	33	
		1	Brick	40	**********	186	180	_ 186		186	
Total		4		108	4	437	441	437	2	439	2
North Dakota:				1731122			185	7			
Fort Totten	School	1	Brick	10		222	222	222		222	
Standing Reck	Agency	1	Frame	16		80	80	72	2	74	6
Total		2		28		302	302	294	2	296	6
Oklahoma:		Total S									
Cheyenne and Arapaho	School	1	Frame	10		24	24	24		24	
Chiloceo	do	1	Stone	30	10	617	C27	612		612	15
Osage Eeger	do	1 1	Frame Brick	8 8		(4)	(4)	(1) 42	2	(1)	
	100 100 100 100 100 100 100 100 100 100		DIA		A STATE OF THE STA			74		- 49	
Total		4		56	10	685	695	678	2	680	15
Oregon, Salem	School	1	Brick	38	10	128	138	115	1	116	
Oregon, Salem	do	1	do	60	14	804	818	802	1	803	22 15
South Dakota:		18 11					The state of the s		7		
Canton Asylum 5	Agency	1	do	48	57	3	60	3	5	8	52
Cheyenne River	do	1	Frame	16		285	285	284		284	1
Flandreau		1	Brick	40 12	1	160 70	161 70	159 70		159 70	2
									200000000000000000000000000000000000000		
Total	************	4		116	58	518	576	516	5	521	55
Washington:	Pohnal	TIME	Thomas	0.7			15 /19		1000		1000
Cushman	School	1	Framedo	35 12		552 315	552 315	551	1 2	552 315	
Yakima.	do	1	do	12	1	102	103	313 103	2	103	
		100		722					2000	1000	
Total		3	************	59	1	969	970	967	3	970	
	the second second second		and the same of th						-		

A large room is used when needed.
 Burned Dec. 17, 1911. Most of records lost; part of another building used remainder of fiscal year.
 Used as employees' quarters.
 Unknown.
 Asylum for insane Indians.

Table 21.—Hospitals and sanatoria in Indian service, fiscal year ended June 30, 1912—Continued.

States and superintendencies.	Agency or school, hospital, or sanatoria.	Number.	Character of construction.	Capacity.	Remaining in hospital June 30, 1911.	During fiscal year 1912.					Remain-
						Admitted.	Total treated.	Dis- charged.	Died.	Total dis- charged and died.	ing in hospitul June 30, 1912.
Wisconsin: Hayward Keshena Lac du Flambeau Oneida	School	1 1 1 1 1	BrickFramedodo	9 24 24 24 8	9	1, 157 54 40 387	1, 157 63 40 387	1,156 39 40 387	9	1, 156 48 40 387	18
Total	Agency	4 1	Stone	65 60	9	1,638 26	1,647 26	1,622 26	9	1,631 26	16
Grand total		53		1,256	258	9,257	9, 515	9, 141	68	9, 209	300

CAUSES OF TUBERCULOSIS AMONG THE INDIANS,

The astonishing prevalence of tuberculosis among Indians is thought to be occasioned by the habits and manner of living prevailing among them. Formerly the Indians lived in tepees, engaged in outdoor sports, and earned their living by hunting, fishing, and trading. Contact with the white man has worked a radical change in the habits and occupations of the Indians. They have been collected on reservations, their hunting grounds converted into farms and pastures, and every energy exhausted to change a naturally nomadic race into an agricultural people. This transformation has been attended with great difficulties. The substitution of insanitary houses for tepees has resulted in the adoption of habits of living peculiarly conducive to the spread of tuberculosis. In many Indian homes sanitary conditions are frightful Large families live in single rooms, poorly ventilated, and without the ordinary comforts of life.

The commission respectfully submits the following specific findings and recommendations:

It is not feasible to establish and maintain a central tuberculosis sanitarium in New Mexico for the treatment of Indians generally, for the following reasons:

It is not feasible to establish and maintain a central tuberculosis sanitarium in New Mexico for the treatment of Indians generally, for the following reasons:

First. It would be an inefficient and inadequate method of combating the disease. The commission does not regard the establishment of a central tuberculosis hospital at any point as feasible or advisable. In reaching this conclusion we have been governed by the experience and judgment of many representative Indians themselves, and of the officers and employees in the Indian service and health service, who have devoted special attention to the question.

No considerable number of Indians afflicted with tuberculosis would avail themselves willingly of treatment in such a hospital. The Indians almost unanimously regard the establishment of a central hospital as impracticable. It would only be availed of by Indians living on near-by reservations. Indian parents would not consent to the removal of afflicted children for treatment to a hospital so remote that they would be deprived of seeing them in person and administering to their wants. It is certain that in order to accomplish any substantial benefits by a central sanitarium it would be necessary to enact a statute authorizing the forcible removal of patients from their homes to the hospital and their confinement there.

Moreover, such a system could only provide for comparatively few of the total number of Indians who need treatment.

Second. A much more comprehensive remedy can be afforded by the establishment of camp hospitals, in the nature of temporary sanitariums, for the treatment of tuberculous Indians on the reserval reservations where the disease is known to be common. These hospitals should be temporary and inexpensive, provided with necessary apparatus, experienced nurses, and physicians. It will probably not be necessary to provide for the forcible removal of tuberculous Indians to these camp hospitals. Nearly all of the Indians would consent to the removal of whom can be restored to health.

high percentage could not be maintained in an hospitals to be classifished.

Third. While the proposed site in New Mexico is in some respects admirably adapted to the purpose, for the reason already stated we do not believe it advisable to establish and maintain a central sanitarium. If it be thought necessary to provide a hospital for the benefit of the Indians on the Mescalero Reservation and other reservations in New Mexico, we believe the remoteness of the proposed site from any railway station and its inaccessibility to the greater number of the Indians on the Mescalero Reservation render it undesirable as a site for even a camp hospital, which should be located near the agency.

The treatment to be afforded at these camp hospitals should be supplemented by a vigorous campaign throughout the Indian country giving systematic instruction in sanitary habits and methods of living, looking toward the making and enforcement of reasonable sanitary regulations. The details should be worked out and developed by the public service. The importance of the problem calls for vigorous and prompt action.

II.

THE NECESSITY AND FEASIBILITY OF PROCURING IMPOUNDED WATERS FOR THE YAKIMA INDIAN RESERVATION OR THE CONSTRUCTION OF AN IRRIGATION SYSTEM UPON SAID RESERVATION TO IMPOUND THE WATERS OF THE YAKIMA RIVER, WASH., FOR THE BENEFIT OF THE INDIANS OF SAID RESERVATION.

The second part of the task assigned this joint commission of Congress relates to a subject quite distinct and disconnected from any question of health or sanitation. It involves many disputed facts, complicated questions of law, and policies of far-reaching importance. In addition to investigating the feasibility of a general tuberculosis sanitarium in New Mexico for Indians, the commission is charged with

investigating the necessity of procuring impounded waters from the Yakima River, in the State of Washington, for the use and benefit of the Yakima Indian Reservation.

A brief historical statement of the subject will be of value and im-

portance.

TREATY OF 1855 WITH VAKIMA AND ASSOCIATED INDIAN TRIBES

TREATY OF 1855 WITH YAKIMA AND ASSOCIATED INDIAN TRIBES,
In 1855 the United States made a treaty, ratified in 1859, with the
Yakima and associated Indian tribes in the State of Washington by the
terms whereof said Indians ceded a large area of lands to the United
States, reserving to themselves what is known as the Yakima Indian
Reservation, the same being definitely described.
Said reservation comprises about 1.092,819 acres, of which approximately 120,000 acres in the basin of the Yakima River are irrigable.
The exclusive right of taking fish in all the streams running through
or bordering the reservation was expressly reserved by the treaty to the
Indians.

At the time of this freaty irrigation was little known, and it does

mately 120,000 acres in the bash of the Yakima River are irrigable.

The exclusive right of taking fish in all the streams running through or bordering the reservation was expressly reserved by the treaty to the Indians.

At the time of this treaty irrigation was little known, and it does not the treaty. It is certain to the irreaty, and the intervent of the irreaty. It is certain to the irreaty, it is certain to the irreaty. It is certain to the irreaty, it is certain to the irreaty. The controlling purpose of the treaty, however, was to make possible the permanent settlement of the Yakima Indians and their transformation into an agricultural people.

"The treaty was not a grant of rights to the Indians, but a grant of rights from them—a reservation of rights not granted." (U. S. v. Winna, 180 and 181 and 181

resenting the various interests involved appeared before the commission and submitted their views in detail.

A part of this testimony has already been printed, and the remainder is herewith submitted.

After a careful consideration of the whole subject and the entire record, the following findings of fact and recommendations are submitted for such consideration and action as the Congress may deem necessary and advisable.

1. That the allowance by the former Secretary of the Interior, Mr. Hitchcock, of 147 cubic feet per second of water of the low-water flow of the Yakima Rilver for the use and benefit of the irrigable lands on the Yakima Indian Reservation was when made, and now is, inadequate, inequitable, and unfair to said Indian reservation.

2. From a consideration of users other than those on said reservation, and that the low-water flow of the Yakima Rilver is insufficient to supply their needs and the requirements of said reservation. We therefore believe that the United States should provide for the use and benefit of the irrigable portion of said reservation, free from storage cost and storage-maintenance cost, sufficient water to equal the amount to which said reservation was equitably entitled when the finding of Secretary Hitchcock was made.

While its difficult to determine what this amount should be, we are convinced that it should not be less than one-half of the natural flow of the Yakima River and should be sufficient to irrigate one-half of each allotment of irrigable land on said reservation; that this will cost approximately \$500.000, and we recommend that an appropriate one-half of each allotment of irrigable land on said reservation may demand and on estimates to be submitted, and \$500.000 being the amount we believe necessary to purchase such free water, in addition to the amount now available for the Irrigable allotments in excess of the area to be furnished water free, the allottees may be permitted, but should not be required, to sell the same, or any portion thereof, under such term

part of the bills for and audited.

Respectfully submitted.
Senator Joe T. Robinson, of Arkansas (chairman),
Senator Chas. E. Townsend, of Michigan,
Representative Jno. H. Stephens of Texas,
Representative Chas. H. Burke of South Dakota,

Joint Commission of Congress.

Ross Williams, of Arkansas, Special Clerk and Stenographer for the Commission.

Mr. SHEPPARD. Mr. President, I ask unanimous consent that the very admirable speech delivered by the Senator from Arkansas [Mr. Robinson], in presenting his report on Indian affairs, be made a part of the report and published with it. Mr. SMOOT. Mr. President, I shall have to object to that

request. I do it with some hesitation, I will say to the Senator from Texas, but the Senate and the House have repeatedly gone on record as opposed to printing as a public document any address that may have been delivered in the Senate or the House. It is not proper, Mr. President, and it should not be allowed. It is for that reason that I object.

Mr. SHEPPARD. I regard the speech as a part of the report;

really as being a summary of the report.

Mr. SMOOT. Everyone who is interested in this question will know by the report itself that the speech was delivered. The speech is in the RECORD, and anyone who desires can have it sent through the mails just the same as if it were a public document. I hope the Senator from Texas will not press the request further. I will say if he does, I shall have to object.

Mr. SHEPPARD. In view of the statement made by the Sen-

ator from Utah, I will withdraw the request.

PETITIONS.

Mr. WEEKS presented a petition of sundry citizens of Huntington, Mass., praying for the passage of the so-called antipolygamy bill, which was referred to the Committee on the Judiciary.

He also presented petitions of the Board of Aldermen of Medford; of the Board of Trade of Stoneham; and of Local Lodge No. 281, Brotherhood of Boiler Makers and Iron Ship Builders of America, of Roslindale, all in the State of Massachusetts, praying for the construction of the proposed supply

ship for the Navy at the Boston Navy Yard, which were referred to the Committee on Naval Affairs.

Mr. BRISTOW presented a petition of Sunflower Court, No. 7, Guardians of Liberty, of Emporia, Kans., praying for the enactment of legislation authorizing a literacy test for immigrants to this country, which was referred to the Committee on Immi-

He also presented a petition of the Good Roads Club of Wilsey, Kans., praying for the enactment of legislation providing for the construction and maintenance of national highways by the Government, which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of sundry citizens of Haven, Kans., praying for the enactment of legislation to prevent lobbying by religious societies, which was referred to the Committee on the Judiciary.

ADDRESS BY ROME G. BROWN (S. DOC. NO. 332).

Mr. FLETCHER. From the Committee on Printing I report favorably on the application of the Senator from Alabama [Mr. Bankhead] to print as a Senate document an address delivered by Mr. Rome G. Brown before the National Rivers and Harbors Congress, December 5 last, on the subject of the obstacles to the improvement of navigable rivers. I ask that the report be considered now and the document ordered printed.

The VICE PRESIDENT. Is there objection to printing the address as a document? The Chair hears none, and it is so ordered.

TREATIES AND CONVENTIONS.

Mr. FLETCHER. I should like to have unanimous consent to consider and dispose of the concurrent resolution which was reported yesterday from the Committee on Printing as a substitute for Senate resolution 210, in reference to the printing of treaties and conventions, found on page 1187 of the RECORD. is Senate concurrent resolution No. 11.

There being no objection, the Senate proceeded to consider the concurrent resolution, which was read as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate 1,000 additional copies of Senate Document No. 357, volumes 1 and 2, Sixty-first Congress, and Senate Document No. 1063, Sixty-second Congress, being a compilation of the treaties, conventions, international acts, protocols, and agreements between the United States of America and other powers from 1776 to 1913; and that the superintendent of documents is hereby authorized to order reprinted such copies of the foregoing documents as may be required for sale by his office in accordance with law.

The VICE PRESIDENT. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

INTERNATIONAL MARITIME CONFERENCE.

Mr. MARTIN of Virginia. Mr. President, I report back favorably from the Committee on Appropriations, without amendment, the bill (H. R. 11003) to provide for expenses of representatives of the United States at the International Maritime Conference for Safety of Life at Sea, and I ask unanimous

consent for its present consideration.

The VICE PRESIDENT. The bill will be read for the infor-

mation of the Senate. The Secretary read the bill, as follows:

Be it enacted, etc., That for the expenses of the representatives of the United States at the International Maritime Conference for Safety of Life at Sea, now in session at London, there is appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000 in addition to the appropriation of \$10,000 made in the joint resolution approved June 28, 1912, entitled "Joint resolution proposing an international maritime conference."

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered as in Com-

mittee of the Whole.

Mr. MARTIN of Virginia. Mr. President, perhaps I ought to explain the bill, which I can do in a very few words. In June last a joint resolution of Congress invited this conference, and authorized the President, in case the Governments of foreign nations agreed to send representatives to it, to appoint representatives for the United States. An appropriation of \$10,000 was made to defray the expenses of the representatives of the United States, to be appointed by the President under the joint

That conference is now in session in London. Its sessions have been prolonged beyond the time originally contemplated, and the appropriation of \$10,000 has been exhausted. The American representatives will have to withdraw from the conference and return home unless a further appropriation is made, although the conference was held at the initiative of the United

Those facts were communicated to the President by the chairman of the American delegation, and the Secretary of State has made a recommendation that this additional appropriation of \$5,000 shall be made, stating that it is absolutely necessary and

immediately urgent.

The communication of the Secretary of State went, as is usual in such matters, to the Secretary of the Treasury, who in turn recommends that the appropriation be made. The Secretary of State in his communication states that he recommends the appropriation with the approval of the President of the United States. So the appropriation is recommended by the Secretary of State and by the Secretary of the Treasury, and in addition to that I have a letter from the Secretary of Commerce also urgently recommending that the appropriation be made.

I will not take the time of the Senate to read these commu-

nications, feeling sure that the Senate will concur with the House in the passage of the bill.

Mr. SMOOT. Mr. President, I will state my reason for not objecting to the consideration of the bill. This conference was held upon the invitation of the Government of the United States. If it had not been so held, I would certainly object. I would object to the passage of a measure giving an additional amount to pay the expenses of delegates to any foreign conference that would otherwise be held. But I believe that the United States having issued the invitation it would be very unfortunate, indeed, for our delegates to withdraw from the convention at this time.

Mr. NELSON. Mr. President, I desire to say that I have taken a great deal of interest in this matter. An appropriation was originally made of \$10,000. It became evident at the last session of Congress that an additional appropriation was needed, and it was recommended by the department. I made an effort at that time with the Appropriations Committee, and introduced. I think, an amendment to that effect, to secure just this appropriation, but at that time I was met with no favor. am glad to see that what ought to have been done then will

finally be done on this occasion.

Mr. OLIVER. Mr. President, I happened to meet with the American delegates at this congress when I was in London a few weeks ago. They are doing a very good work there. think the congress will be productive of great good. time our delegates informed me that the appropriation was about exhausted and that they would be compelled to return home before their labors were finished unless an increase was granted.

I am very glad, indeed, that the administration and the committees of Congress have seen proper to recommend this appropriation, and I trust that the bill will pass without any oppo-

Mr. NELSON. Mr. President, I wish to correct a misapprehension. I do not think it was through the fault of the chairman of the Committee on Appropriations of the Senate that we failed to make the appropriation at the last session. The objection came from other sources and other quarters. I do not jection came from other sources and other quarters. want the chairman of the committee to understand that I am

criticizing him at all with respect to the matter.

Mr. WARREN. Mr. President, I agree in a general way with the remark the Senator from Utah [Mr. SMOOT] made about a second appropriation for such commissions. They ought to keep within the amount that was originally appropriated. say, however, that in this case more money was asked for, and the reason why only \$10,000 was embraced in the joint resolution at the last session was because we could not get those on the House side to agree to the amount that those on the Senate side sought to give. As a result, only \$10,000 was appropriated, which was evidently too small an appropriation.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CONDITIONS IN MEXICO.

Mr. LEWIS. Mr. President, I ask the unanimous consent of the Senate to allow to be printed as a public document the following matter. The Chicago Tribune has had a special representative in Mexico, who has written a series of articles upon the actual conditions in that country, some favorable to the contention which we on this side represent in supporting the President and some unfavorable.

I respectfully ask unanimous consent to have those articles printed as a public document, that they may serve as information to Senators. The articles are illuminating and from an influential paper, eminent in America. They are reports of a

date some within the last 30 days.

Mr. SMOOT. Mr. President, I do not know of anyone who is not supporting the President in his Mexican policy. know what is contained in the articles submitted by the Sena-It seems to me that they ought to be referred to the Committee on Printing, and if, in their judgment, after examination, they think they ought to be published as a document, of course

they will report back the matter and ask the Senate to print

Mr. LEWIS. I thank the Senator, and-

Mr. BACON. I suggest-

Mr. LEWIS. I yield to the Senator from Georgia.

Mr. BACON. I was going to suggest that it is a matter of considerable delicacy and that it should not only be passed upon by the Committee on Printing, but before going out as matter ordered to be printed by the Senate of the United States, it ought to have examination by the Committee on Foreign Rela-

The VICE PRESIDENT. May the Chair inquire of the Senator from Illinois as to whether the articles come from Mexico? Mr. LEWIS. I answer yes; by a person traveling in Mexico for the purpose of making observations under directions of a great agency of America-a leading Chicago newspaper-

The VICE PRESIDENT. Then the Chair will be compelled to rule that unless presented to the Senate through the Department of State or the President of the United States they are not before the Senate, because foreign communications come in

Mr. LEWIS. Mr. President, permit me to accept the suggestion of the Senator from Utah and the Senator from Georgia that the articles be referred to the Committee on Printing, that a report may be then made as to whether the contents would entitle them to be printed or whether they are within the ban suggested by the Vice President according to their contents. They do not relate to political features, I might add, but merely to the geographical features and the conditions as they are—mere physical conditions.

The VICE PRESIDENT. The matter will be referred without reading and without introduction into the RECORD to the Committee on Printing. The Chair desires to call the attention of the Committee on Printing, however, to the rule with refer-

ence to communications coming from foreign countries.

Mr. LEWIS. May I correct a false impression I seem to have left? They are communications not from a foreign country, nor touching the country as a country, but the conditions there of farmers and laborers—the general business conditions and the general physical conditions-written by an American citizen who has gone there to make an examination, not touching the political phase nor the martial phase, save as incidentally touched upon in its effect on farms and factories and the general industries of the country. If it can go to the Committee on Printing, I think the committee will solve whatever question there may be.

The VICE PRESIDENT. The matter will be referred to the

Committee on Printing.

Mr. BACON. I hope when the report comes back, before action on it by the Senate, it may have the examination of the Committee on Foreign Relations.

Mr. LEWIS. The suggestion meets my approval, sir. I have

no objection whatever.

The VICE PRESIDENT. The Senate has it in its power to do what it pleases with the matter when it comes back.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows

By Mr. OLIVER:

A bill (S. 3797) granting a pension to Charles Rossman (with accompanying papers); to the Committee on Pensions.

By Mr. BRISTOW:

A bill (S. 3798) granting a pension to James Young (with accompanying papers); and

A bill (S. 3799) granting a pension to Nancy E. Elmore (with accompanying papers); to the Committee on Pensions.

By Mr. JONES:

A bill (S. 3800) making an appropriation for aids to navigation in Alaska; to the Committee on Commerce.

bill (S. 3801) donating a site upon which to construct a building as a monument to commemorate the women of the Civil War; to the Committee on the Library.

A bill (S. 3802) for the relief of the heirs of Joshua Curtis. deceased; to the Committee on Claims.

A bill (S. 3803) granting a pension to Helen A. Burrill; to the Committee on Pensions.

By Mr. CHILTON:

A bill (S. 3804) for the relief of Templin Morris Potts, captain on the retired list of the United States Navy (with accompanying papers); to the Committee on Naval Affairs.

By Mr. KENYON: A bill (S. 3805) for the relief of the successors in interest of homestead entrymen and settlers upon the public domain; to the Committee on Public Lands.

By Mr. NORRIS: A bill (S. 3806) granting an increase of pension to Robert R. Polk; to the Committee on Pensions.

By Mr. WARREN:
A bill (S. 3807) granting a pension to Florence M. Craigie; to the Committee on Pensions.

By Mr. BRADLEY:
A bill (S. 3808) to carry out the findings of the Court of Claims in the case of James Harvey Dennis; to the Committee on Claims.

By Mr. KERN: A bill (S. 3809) granting an increase of pension to Zach J. Burns (with accompanying papers); and

A bill (S. 3810) granting a pension to Ella Hawkins (with accompanying papers); to the Committee on Pensions. By Mr. STEPHENSON:

A bill (S. 3811) granting an increase of pension to Susan Thompson (with accompanying papers);

A bill (S. 3812) granting an increase of pension to Frank

La Plante (with accompanying papers);

A bill (S. 3813) granting an increase of pension to Amelia Peabody (with accompanying papers);

A bill (S. 3814) granting a pension to Frederick Mertens

(with accompanying papers);

A bill (S. 3815) granting an increase of pension to Lou E. Hecox (with accompanying papers); and

A bill (S. 3816) granting an increase of pension to Alexander Ledessimer (with accompanying papers); to the Committee on

Pensions. By Mr. MYERS:

A bill (S. 3817) authorizing the issuance of a patent to James Gunning for lot 2, section 32, township 29 north, range 39 east, Montana; to the Committee on Public Lands.

By Mr. JOHNSON:

A bill (S. 3818) to correct the naval record of Thomas Taylor: and

A bill (S. 3819) for the relief of Charles P. Ryan; to the Committee on Naval Affairs.

A bill (S. 3820) granting an increase of pension to George N. Townsend:

A bill (S. 3821) granting an increase of pension to Willard R. Merrill:

A bill (S. 3822) granting a pension to Mary O'Neil;

A bill (S. 3823) granting an increase of pension to John W. Nash:

A bill (S. 3824) granting a pension to Ernest H. Robbins;

A bill (8, 3825) granting a pension to Delia D. Watson;

A bill (S. 3826) granting a pension to John H. Rollins: A bill (S. 3827) granting a pension to Eva M. Roberts:

A bill (S. 3828) granting a pension to Arthur H. King; bill (S. 3829) granting an increase of pension to Mary

J. White; A bill (S. 3830) granting an increase of pension to Francis

Cyr

A bill (S. 3831) granting a pension to Susan B. Merrill;

A bill (S. 3832) granting an increase of pension to Frank H. Oliver:

A bill (S. 3833) granting a pension to Eliza F. Withee (with accompanying papers);

A bill (S. 3834) granting an increase of pension to Caleb Emery (with accompanying paper);

A bill (S. 3835) granting an increase of pension to Daniel Libbey

A bill (S. 3836) granting a pension to Priscilla T. Brewster;

A bill (S. 3837) granting a pension to Henry M. Libby; to the Committee on Pensions.

By Mr. HUGHES:

A bill (S. 3838) granting a pension to Addison B. Burroughs; to the Committee on Pensions.

By Mr. McCUMBER: A bill (S. 3840) granting an increase of pension to Lilla A. Holliday (with accompanying papers);
A bill (S. 3841) granting an increase of pension to Allen H.

De Groff; and

A bill (S. 3842) granting an increase of pension to William H. Marsden (with accompanying papers); to the Committee on Pensions.

A bill (S. 3843) for the relief of Bellevadorah Steele; to the Committee on Claims,

By Mr. MARTIN of Virginia; A joint resolution (S. J. Res. 92) authorizing the governor of any State to loan to military colleges and schools within his

State by the United States under the provisions of existing laws; to the Committee on Military Affairs.

PROHIBITION OF POLYGAMY.

Mr. WEEKS. I introduce a joint resolution, which I ask to have read.

The joint resolution (S. J. Res. 91), proposing an amendment to the Constitution of the United States, was read the first time by its title and the second time at length, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which, when ratified by the legislatures of three-fourths of the several States, shall be valid to all intents and purposes as a part of the Constitution of the United States, namely: States, namely:

"ARTICLE XVIII.

"Section 1. Polygamy shall not exist within the United States or any place subject to its jurisdiction.

"Sec. 2. Congress shall have power to enforce this article by appropriate legislation."

Mr. WEEKS. Mr. President, I wish to say that I introduce the joint resolution at the request of many citizens of Massachusetts, who think there is reason that it be given consideration. I have not made sufficient investigation myself to justify me in indorsing it otherwise than to desire that those citizens shall have an opportunity to be heard. Therefore I ask that the joint resolution be referred to the Committee on the Judiciary.

The VICE PRESIDENT. It will be so referred.

BILL TO REPEAL HETCH HETCHY GRANT.

Mr. WORKS. I introduce a bill and I ask that it may be After it is read I wish to make a brief statement as to

its object and the reason for its introduction.

The bill (S. 3839) to repeal an act entitled "An act granting to the city and county of San Francisco certain rights of way in, over, and through certain public lands, the Yosemite National Park, and Stanislaus National Forest, and certain lands in the Yosemite National Park, the Stanislaus National Forest, and the public lands in the State of California, and for other purposes," approved December 19, 1913, and to revoke the grant made thereby, was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That an act entitled "An act granting to the city and county of San Francisco certain rights of way in, over, and through certain public lands, the Yosemite National Park, and Stanislaus National Forest, and certain lands in the Yosemite National Park, the Stanislaus National Forest, and the public lands in the State of California, and for other purposes," approved December 19, 1918, be, and the same is hereby, repealed, and the grant thereby made to the city and county of San Francisco for the benefit of said city and county and other cities be, and the same is hereby, revoked and declared of no effect.

Mr. WORKS. Mr. President, the introduction of this bill at so early a day to revoke the grant made by Congress to San Francisco needs some explanation. It is done for the following reasons, besides others that might be mentioned:

1. The bill granting the right of way was passed without any adequate investigation and under a complete misunderstanding

and misapprehension of the facts.

2. The claims made, and which undoubtedly influenced Members of Congress in both Houses to support the bill, that San Francisco was immediately in need of more water and that she could not obtain an adequate supply of water from any other source than Hetch Hetchy, were not supported by any evidence, were untrue, and clearly disproved by the evidence of every engineer who investigated these questions on both sides of the

3. The claims made that the bill made ample provision for the landowners and that there was sufficient water in the Tuolumne River to supply both San Francisco and the San Joaquin Valley lands vere equally unfounded.

4. That the exercise of the privileges of the grant by San Francisco will leave at least 200,000 acres of land wonderfully. fertile with irrigation barren and practically worthless

5. The passage of the bill making this important grant was procured by questionable means that should of themselves induce Congress to revoke the grant:

(a) It was supported by one of the most powerful and insidious lobbies ever assembled in support of any bill in Congress.

(b) That lobby deceived and misled Members of Congress by misrepresentations and false statements, upon which they relied and without which the bill never could have passed.

(c) The San Francisco Examiner, out of selfish and interested motives, was filled with misstatements of facts and misleading matter. A special edition of the paper printed in Washington on the eve of the passage of the bill, for the purpose of influencing the votes of Senators, contained signed statements of three members of the Cabinet and the Vice President, under flaring State such tents and camp equipage as have been issued to the headlines and accompanied by their pictures, favoring the passage of the bill, thus making it appear that the bill was an administration measure. How these signed statements, intended to influence the action of Members of this body on a bill of grave importance, were obtained, or by whom; why they were put out in this form, or how much the signers of them knew about the facts or the merits of the bill, have not been disclosed, but I take it for granted that their use in that way was unauthorized by the signers of them. The owner and publisher of this same newspaper brought his attorneys and emissaries here from New York and Chicago, and perhaps other places, to labor with Senators over whom they were supposed to have influence to secure their support of the bill.

6. Ex-Federal officers were supporting the bill, not on its merits but because its passage would be a precedent for Federal encroachment on the rights of the States in the matter of controlling the distribution, sale, and use of water and electric power. This purpose was openly avowed. These men were willing to sacrifice the rights of the people of my State and destroy their property and homes to establish a pernicious precedent that might lead to further violations of the rights of the

7. On the other hand, Members of this body who had theretofore stood for the rights of the States in this respect and who had in other instances voted and spoken against bills of the kind, but not so obnoxious in that particular as this one, both spoke and voted for this bill, containing the very same objectionable provisions that they had so vehemently combated on previous occasions.

8. The conditions demand a full and unbiased investigation of the needs of both San Francisco and the landowners of the

San Joaquin Valley, that justice may be done.

9. The National Government holds the Yosemite National Park, of which Hetch Hetchy is a part, in trust for the use of the whole people as a public park and can not in right or justice commit it or any part of it to other uses, and particularly to commercial purposes. Much less can the Government justly or reasonably make its control of this or any other park the means of making money by selling rights in it to impound water or generate power.

10. The grant was made to 26 cities, none of which except San Francisco have any rights in the waters of the stream and none of which are willing to accept or share in the benefits of

the grant.

11. The grant is for privileges that will enable San Francisco to store ten times as much water as she needs or will need for a hundred years, and to generate many times the amount of electric power she will need for use within that time.

12. The fact having been clearly shown and not disputed by anyone having knowledge of the facts that San Francisco could secure all the water she needed or would need for a century from other sources at reasonable cost, as compared with Hetch hetchy, it was a palpable and unjustifiable breach of trust for the National Government to permit Yosemite Park to be used for a reservoir site.

13. The bill was reported out of the Committee on Public Lands in the absence of a number of its members known to be opposed to it and without any adequate hearing, and was made a special order by unanimous consent when but a few Senators were present, thus shutting off all further hearing or investigations that were being demanded by people deeply and vitally interested in the subject.

14. The impounding of the water as provided for in the act will exclude all people from the Hetch Hetchy Valley and water-

shed.

Mr. President, knowing, as I do, that this act was passed under a total misapprehension of the facts and that its passage was procured under false pretenses, knowing that San Francisco does not need the use of the water of the Tuolumne River and that to allow her to take it will mean an unnecessary and perpetual loss of millions of dollars every year to the farmers of California and to the farm products of the country, and firmly believing that to allow San Francisco to store the water that she does not need in the Hetch Hetchy Valley will permanently destroy one of the most magnificent and entrancing natural beauties of this country and of the world in violation of the trust of the National Government to preserve it, my sense of duty to my State and to the country impels me to make one more effort to prevent the final consummation of this great wrong.

This question has not yet been fully or fairly investigated. No such hearing by any committee of Congress as would disclose the truth respecting this important matter has been had. I shall feel it my duty to insist upon a full, fair, and impartial investigation, so that every Member of Congress may be informed and vote intelligently on a question so vital to the best interests of my State.

Mr. President, I ask that the bill may be appropriately referred.

Mr. WILLIAMS. Mr. President, if we have arrived at that stage-I do not know whether we have or not-that we have

reached the calendar—
The VICE PRESIDENT. The Chair is merely considering to what committee to refer the bill introduced by the Senator from California [Mr. Works] in view of the statement which he has just made.

Mr. PERKINS. I suggest that the bill be referred to the

Committee on Public Lands.
Mr. BACON. Mr. President, if morning business has closed, I wish to submit a motion.

The VICE PRESIDENT. The morning business is not yet closed. The bill introduced by the Senator from California [Mr. WORKS] will be referred to the Committee on Public Lands.

Mr. NELSON. I wish the Senator from Mississippi would withhold his motion for a moment. I have a little local bill which I should like to have considered.

Mr. WILLIAMS. For what purpose does the Senator from Minnesota desire me to yield?

Mr. NELSON. I desire to ask unanimous consent for the consideration of a local bill relating to Minnesota.

Mr. WILLIAMS. I rose for a similar purpose. If the Senator from Minnesota will wait a minute, I will try to get my bill through.

OMNIBUS CLAIMS BILL.

Mr. PAGE submitted an amendment intended to be proposed by him to the omnibus claims bill, which was ordered to be printed and, with the accompanying paper, referred to the Committee on Claims.

THE MILITARY ACADEMY.

Mr. CHAMBERLAIN submitted the following resolution (S. Res. 236), which was referred to the Committee on Military Affairs .

Thereas it has been stated that a condition very detrimental to the discipline and welfare of the United States Military Academy exists: Therefore be it

discipline and welfare of the United States Military Academy exists: Therefore be it

Resolved by the Senate of the United States, That the Committee on Military Affairs be, and the same is hereby, authorized and directed to investigate the conditions now existing at the United States Military Academy at West Point, N. Y., both as to discipline of cadets and the conduct of the officers and professors of said academy in their relations to the cadets and to the affairs of the academy generally.

Said Committee on Military Affairs, or any subcommittee thereof, is hereby empowered to sit and act during the session of Congress or of either House thereof at such time and place as it may deem necessary; to require by subpœna or otherwise the attendance of witnesses and the production of papers, books, and documents; to employ stenographers at a cost not exceeding \$1 per printed page; to take and make a record of all evidence taken and received by the committee and keep a record of its proceedings; to have such evidence, record, and other matter required by the committee printed; and to employ such other clerical assistance as may be necessary. The chairman of the committee or any member thereof may administer oaths to witnesses. Subpœnas for witnesses shall be issued under the signature of the chairman of the committee or subcommittee thereof. Every person who having been summoned as a witness by authority of said committee or any subcommittee thereof willfully makes default or who having appeared refuses to answer any questions pertinent to the investigation herein authorized shall be held to the penalties provided by section 102 of the Revised Statutes of the United States.

The expenses thereof shall be paid from the contingent fund of the Senate on vouchers ordered by said committee, signed by the chairman thereof, and approved by the Committee on Contingent Expenses.

JOHN S. M'KINNEY.

Mr. WILLIAMS. I ask unanimous consent for the present consideration of the bill (S. 3192) waiving the age limit for appointment as cadet engineer in the Revenue-Cutter Service of the United States in the case of John S. McKinney. The bill has been unanimously reported favorably from the Committee on Commerce.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. SMOOT. Let the bill be read. I did not hear what the request was

The VICE PRESIDENT. The Secretary will read the bill.

The Secretary read the bill (S. 3192) waiving the age limit for appointment as cadet engineer in the Revenue-Cutter Service of the United States in the case of John S. McKinney, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized to waive the age limit for the appointment of cadet engineers in the Revenue-Cutter Service, as required by the act of June 23, 1906, in the case of John S. McKinney, and that the Secretary of the Treasury is authorized to permit the said John S. McKinney to participate in the next competitive examination to be held for the position of cadet engineer in the Revenue-Cutter Service.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. SMOOT. I desire to ask the Senator from Mississippi what are the reasons why the age limits should be waived in this case?

Mr. WILLIAMS. I will briefly state them. Mr. McKinney took the examination on May 5, 1912, with only 10 days' notice after a sea service of five months. His mark was below the passing point. Then, under the impression that the age limit was 27 years, he came back and took the examination again and passed. Then he found that he was disqualified because he was over 26, which is the real age limit. He was at that time a little less than a year over the age.

This man has served in the Naval Militia, engineering division, three years; has been apprentice machinist in the Washington Navy Yard two years and five months; apprentice draftsman, Washington Navy Yard, a year and a month; third-class copyist draftsman, Washington Navy Yard, a year and two months; second-class copyist draftsman, Bureau of Steam Engineering, seven months; third-class assistant draftsman there a year and three months; and is assistant draftsman there at present. In addition to that, he has served upon 3 battleshipsthe Arkansas, the Wyoming, and the Texas-upon 12 destroyers and 5 colliers. So he has had abundant training in the service.

In addition to that, I will state to the Senator that there is a letter here from Capt. W. Strother Smith, of the United States Navy, telling what good service Mr. McKinney has rendered, and recommending him in case he passed the examination as peculiarly fitted for the position which he seeks. There are also letters from Mr. Woodward, of the George Washington University, where Mr. McKinney studied, and from Lieut. Commander U. T. Holmes, United States Navy, telling of his peculiar qualifications as a draftsman. The other naval officer told about his service aboard the battleships.

Mr. SMOOT. Does the Senator know whether the question of

Mr. SMOOT. Does the Senator know whether the question of his age was considered at the time he took the second examina-

tion? Mr. WILLIAMS. He was rejected on that account.

Mr. SMOOT. But he did pass a successful examination? Mr. WILLIAMS. That is my understanding. After the first examination he returned from five months' sea service and took the examination at once. He failed by 13 points on that first examination. From that time until May 19 his time was spent in preparation for the last examination, which was held on June 23. It was his impression that he was eligible for appointment until his twenty-seventh birthday, but he was notified that he could not be appointed because after June 7, 1913, he would be 26 years of age and thus ineligible. He did not pass the second examination, having been forbidden to stand it because he had passed the age limit. He wants now merely the permission granted by the bill to take the examination. That is all that he

desires—merely to waive the ineligibility on account of age.

Mr. SMOOT. I will not object, Mr. President.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. WILLIAMS. I ask that the report of the committee be

printed in the RECORD.

There being no objection, the report submitted by Mr. Cham-BERLAIN on October 30, 1913, was ordered to be printed in the RECORD, as follows:

Report to accompany S. 3192.

The Committee on Commerce, to whom was referred the bill (S. 3192) waiving the age limit for appointment as cadet engineer in the Revenue-Cutter Service of the United States in the case of John S. McKinney, having considered the same, report thereon with a recommendation that it pass without amendment.

RESTORATION TO PUBLIC DOMAIN OF LANDS IN MINNESOTA.

Mr. NELSON. I ask unanimous consent for the present consideration of the bill (S. 1784) restoring to the public domain certain lands heretofore reserved for reservoir purposes at the headwaters of the Mississippi River and tributaries.

The VICE PRESIDENT. The Secretary will read the bill

for the information of the Senate.

The Secretary read the bill, as follows:

The Secretary read the bill, as follows:

Be it enacted, etc., That there is hereby restored to the public domain, subject to the easement provided for in section 2 hereof, any and all lands hitherto reserved by Executive order in connection with the construction, maintenance, and operation of reservoirs at the headwaters of the Mississippi River and its tributaries the restoration of which the Secretary of War has recommended or may hereafter recommend to the Secretary of the Interior.

Sec. 2. That the lands hereby restored shall forever be and remain subject to the right of the United States to overflow the same or any part thereof by such reservoirs as now exist or may hereafter be constructed upon the headwaters of the Mississippi River, and all patents issued for the lands hereby restored shall expressly reserve to the United States such right of overflow.

Sec. 3. That the time when such restoration shall take effect as to any of such lands shall be prescribed by the Secretary of the Interior; and in all cases where actual settlement has been made on any of said

lands prior to January 1, 1912, and improvements made the said settlers shall have a preferred and prior right to enter and file on said lands under the homestead law for the period of 90 days following the time fixed hereunder for the restoration of the lands.

SEC. 4. That no rights of any kind, except as specified in the foregoing section, shall attach by reason of settlement or squatting upon any of the lands hereby restored to entry before the hour on which such lands shall be subject to homestead entry at the several land offices, and until said lands are opened for settlement no person shall enter upon and occupy the same except in the cases mentioned in the foregoing section, and any person violating this provision shall never be permitted to enter any of said lands or acquire any title thereto.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. KENYON. Mr. President, I will ask the Senator to ex-

plain the bill.

Mr. NELSON. The explanation is simple. Some 20 or more years ago provision was made by the Government for building five or six reservoirs at the headwaters of the Mississippi River. For the purpose of these reservoirs a large quantity of public land was withdrawn. The reservoirs have been long since built, and the lands the Government needs for those purposes have been used, leaving a lot of surplus lands. It is the purpose to restore the surplus lands that are not needed to homestead entry under the public-land laws of the United States. In order that the Government may be amply protected in case it should need them in the future, the lands are restored subject to the condition that if at any time the United States needs more of these lands to flood them for reservoir purposes it shall have the right to do so.

Mr. GALLINGER. The proposed legislation, I assume, does

not at all interfere with the existing reservoirs?

Mr. NELSON. Not at all. It is recommended both by the War Department and by the Interior Department.

Mr. KENYON. The right of overflow is reserved to the Government?

Mr. NELSON. Yes; the Government retains the right of

overflow The VICE PRESIDENT. If there be no amendments to be

proposed, the bill will be reported to the Senate.

The bill was reported to the Senate without amendment.

Mr. WALSH. Mr. President, I observe from the statement of the Senator from Minnesota that it is his view that the lands are made subject only to homestead entry. I observe, however, that they are unrestrictedly restored to the public domain, making them subject to entry of any character.

Mr. NELSON. They are the kind of lands which under our public-land laws can not well be entered under any other law. The preemption law has been repealed; the cash-entry law does not apply; and they will not come under the stone-and-timber I can not conceive of any law under which the lands could be entered except the homestead law.

Mr. WALSH. Could they not be entered under the soldiers'

additional homestead law?

Mr. NELSON. I think not; not these lands. Mr. WALSH. Why does not the Senator think so?

Mr. NELSON. I do not think the soldiers' additional homestead law would apply to those lands. They have been in a state of reservation, and by this bill they are restored. There are a number of settlers who have lived on the lands for many years; they have been in a state of reservation, and the object is to open the lands to those homestead settlers. They are given a preferential right in the bill, and whoever takes the lands takes them subject to the Government's right to overflow them at any time.

Mr. WALSH. Let me inquire further of the Senator whether

they would not be subject to any ordinary scrip entry.
Mr. NELSON. I hardly think so. I do not think so.

Mr. WALSH. I am quite sure that was not the intention of the Senator.

of the Senator.

Mr. NELSON. The only thing to which they might be subject would be, possibly, new selections in reference to the grant of the Northern Pacific Railroad. I can not think of anything else, because the lands, or a part of them, are within the limits of the indemnity grant of the Northern Pacific Railroad.

Mr. WALSH. They would be open, would they not, to selection under whatever rights still remain to select under the

forest-reserve act?

Mr. NELSON. I think not. They are mainly lands, I may say, of a swampy and marshy character. Part of them are covered with tamarack. They are what we call tamarack and cedar swamps.
Mr. WALSH.

It simply occurred to me that it might be advisable on general grounds, at least, to restrict entries to those under the homestead law. I prefer, however, to defer

to the judgment of the Senator from Minnesota with respect to

Mr. NELSON. This bill was prepared by the department, and it has their recommendation. It has the recommendation of the War Department and also of the Interior Department. not think there is any likelihood of anybody entering that kind of land with scrip.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

REGULATION OF OPIUM TRAFFIC.

Mr. SIMMONS. I ask unanimous consent for the present consideration of House bill 1966 and House bill 1967. First, I will ask the Senate to consider the bill (H. R. 1966) to amend an act entitled "An act to prohibit the importation and use of opium for other than medicinal purposes," approved February

Mr. President, I have no objection to the passage of these bills, but I suggest that we conclude the morning business and then let them be taken up.

Mr. SIMMONS. I supposed we had concluded morning busi-We have passed two or three local bills here by unanimous consent. These are bills that will lead to no debate.

Mr. JONES, I am not going to object.

Mr. SIMMONS. They are very short bills. They are unanimously reported by the committee, and the department is very anxious that they shall be passed.

Mr. JONES. I am not going to object; but I have some mat-

ters to present during the transaction of morning business, and I thought I might not be able to wait here until the whole matter was finished.

Mr. SIMMONS. I should not have asked for the consideration of the bills at this time but for the fact that I discovered we were passing some other bills by unanimous consent, and I supposed morning business had been concluded.

Mr. JONES. I thought that was the general understanding, and I wanted to call attention to the fact that it has not been

Mr. SIMMONS. I hope the Senaor will permit me to have these two bills passed. If they lead to any debate, I will not press them.

Mr. SMOOT. I am not going to object to the consideration of this bill, but I shall object to a unanimous-consent agreement for the consideration of any other bills during this morning

Mr. THOMAS. I hope the Senator will except the next bill, because the two are companions.

Mr. SIMMONS. They are two bills which are allied to each other.

Mr. SMOOT. I am fully aware of the nature of the bills, and I am heartily in favor of the passage of both of them. I did not know the Senator had requested the consideration of both.

Mr. SIMMONS. I have.

Mr. SMOOT. Then I shall not object to their consideration. Mr. SIMMONS. I have taken up House bill 1966, and now I am going to ask the Senate to take up House bill 1967. They are allied, and they ought to go together. One is to prohibit the manufacture of smoking opium, and the other is to prohibit the importation and exportation of it.

The VICE PRESIDENT. Is there any objection?

The Senate, by unanimous consent, proceeded to consider the bill, which had been reported from the Committee on Finance with amendments.

Mr. BURTON. Mr. President, as I understand, the proposed statute pertains exclusively to the exportation and importation of opium, and is brought here in pursuance of a convention into which the United States has entered with other powers. There is also another bill pending here providing an internal-revenue

Mr. SIMMONS. The last bill to which the Senator refers has not yet been reported out of the committee.

Mr. BURTON. Complaint has been made to me that there was a regulation in one of these bills to the effect that no opium should be used in any drug or other substance unless on the prescription of a physician. I am not sure but that the regulation was more severe

Mr. SIMMONS. That bill has not been reported out of the

Mr. BURTON.

Mr. BURTON. It is not here? Mr. SIMMONS. No. Mr. BURTON. I am entirely unfamiliar with the merits of the question; but a constituent of mine said that that requirement was unduly severe and would prevent the use of certain preparations which are useful rather than hurtful. That bill has not yet been reported?

Mr. SIMMONS. No. I will say to the Senator that hearings have been requested upon the bill, and it is still in committee. The two bills that have been reported are the one just read and another with reference to the manufacture of opium in this country.

The VICE PRESIDENT. The amendments of the Committee on Finance will be stated.

The SECRETARY. On page 4, line 21, before the word "regulations," it is proposed to insert the word "such"; after the word "regulations," to strike out "to be" and insert "as are"; and in lines 22 and 23, to strike out the words "the Secretary of State, the Secretary of the Treasury, and the Secretary of Com-merce," and insert "such country for the importation thereof into such country, such regulations to be promulgated from time to time by the Secretary of State of the United States," so as to make the proviso read:

Make the proviso read:

Provided, That oplum or cocaine, and salts, derivatives, or preparations thereof, except smoking oplum or oplum prepared for smoking, the exportation of which is hereby absolutely prohibited, may be exported to countries regulating their entry under such regulations as are prescribed by such country for the importation thereof into such country, such regulations to be promulgated from time to time by the Secretary of State of the United States.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. SIMMONS. I now ask unanimous consent for the present consideration of House bill 1967, regulating the manufacture of smoking opium within the United States, and for other pur-

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The bill had been reported from the Committee on Finance with an amendment, in section 1, page 1, line 8, to insert the words "Every person who prepares opium suitable for smoking purposes from crude gum opium, or from any preparation thereof, or from the residue of smoked or partially smoked oplum, commonly known as yen shee, or from any mixture of the above, or any of them, shall be regarded as a manufacturer of smoking oplum within the meaning of this act," so as to make the section read:

That an internal-revenue tax of \$200 per pound shall be levied and collected upon all opium manufactured in the United States for smoking purposes; and no person shall engage in such manufacture who is not a citizen of the United States and who has not given the bond required by the Commissioner of Internal Revenue. Every person who prepares opium suitable for smoking purposes from crude gum opium, or from any preparation thereof, or from the residue of smoked or partially smoked opium, commonly known as yen shee, or from any mixture of the above, or any of them, shall be regarded as a manufacturer of smoking opium within the meaning of this act.

The amendment was agreed to.

Mr. SMOOT. I desire to offer an amendment, in section 1, page 1, line 3, to strike out "\$200" and insert "\$300."

Mr. SIMMONS. On behalf of the committee I will accept that amendment.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and-the bill to be read a third time.

The bill was read the third time and passed.

PROSECUTIONS UNDER WHITE-SLAVE ACT.

Mr. JONES. Mr. President, a few days ago I introduced a resolution (S. Res. 235) calling upon the Department of Justice for certain information with reference to the enforcement of the "white-slave" act. At the suggestion of some of the Senators that resolution was withdrawn.

I think in justice to the Senate, and also to the department, I ought to state that after conferring with the department I am convinced that there was no real foundation for the suggestions that have been made to me, although they came from most reliable sources. I am assured by the department in the most positive way that no instructions have been given that will result in relaxing the efforts to enforce this law.

In the statement that was submitted by the Senator from Indiana the other day the first clause in the first sentence reads as follows:

No order to stop white-slave prosecutions in cases not involving com-mercialism has been issued.

I think that is subject to the construction that lawyers understand to be implied in a negative pregnant, in that it might be construed as meaning that instructions had been issued cases involving commercialism; but the department assure me that no such instructions have been issued. I am satisfied that the Department of Justice have not issued any instructions with reference to cases involving commercialism or with reference to cases not involving commercialism that will result

in a lax enforcement of that law.

Statements were also made in the newspapers, not only of Seattle but of San Francisco, that the United States attorney for the western district of Washington had stated in an inter-view that he had received instructions not to prosecute cases except those of an international character. As I say, the department inform me that no such instructions have been sent. They sent a telegram to the United States attorney, and I think it is but fair that that telegram and the answer should be presented to the Senate. I have a letter from the department setting out the telegram to Attorney Allen and his answer, so far as the department and myself deem proper. I had intended to ask that this letter be read to the Senate; but I know the Senator from Oklahoma has a bill that he wants to pass before the morning hour closes, so I shall ask that it be inserted in the RECORD.

The VICE PRESIDENT. Without objection, that will be

done.

The matter referred to is as follows:

DEPARTMENT OF JUSTICE, Washington, D. C., December 18, 1913.

Hon. Wesley L. Jones, United States Senate.

My Dear Senator: Referring again to the matter of the enforcement of the Mann White-Slave Act and the agitation in Seattle:
On the 16th instant I wired District Attorney Clay Allen as follows:
"Congressional inquiry arose because Seattle and San Francisco papers last week quoted you as expressing opinion that there would be no further prosecutions under Mann White-Slave Act save of international cases. Please wire me statement covering."
In response to which on the same date he submitted the following by wire:

In response to which on the same date he submitted the following by wire:

"The interview referred to was false and was known to be false by the local men who inspired it. The story was published here by the Post-Intelligencer and was indignantly denied by both Commissioner White and myself on the following day. The afternoon papers, Sun and Star, on day following both carry interview denying the Post-Intelligencer article, and while Commissioner White was present in my office I called Editor Bone, of Post-Intelligencer, and protested for both White and myself because of this infamous story. The only change ever made in this office with reference to charges of this kind from that pursued by my predecessor was in reference to the amount of bond to be required. There was an unwritten rule established, as I am informed, at the request of local representative of Immigration Department, requiring bond in all cases offenders of this class \$5,000. I suggested that an arbitrary rule of this kird was unwarrantable, that the size of bond should be determined by the fact of each case. This, however, was never a matter of comment beyond the office."

And on the 17th he supplemented above with the following:

"Referring my telegram yesterday regarding congressional inquiry through stenographic error the following was omitted: 'Am to-day presenting to grand jury sitting in Tacoma three white-slave cases, two of which are interstate."

Examination of the files here discloses that there was no correspondence about the bond matter referred to by Mr. Allen, it being handled entirely within his effice.

Respectfully (for the Attorney General),

W. M. Wallace, Jr.,

Assistant Attorney General.

BANKING AND CURRENCY.

Mr. OWEN. Mr. President, I send to the desk a concurrent resolution providing for the printing of the same number of copies of the banking and currency bill as was ordered in the case of the tariff act.

The VICE PRESIDENT. The concurrent resolution will be

The concurrent resolution (S. Con. Res. 12) was read and considered, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of Congress 80,000 copies of the Federal reserve act in pamphlet form, to be apportioned as follows: Thirty five thousand copies for the use of the House of Representatives, 20,000 copies for the use of the Senate, 5,000 copies for the use of the Committee on Banking and Currency of the Senate, 5,000 copies for the use of the Committee on Banking and Currency of the House, 5,000 copies for the use of the document room of the Senate, and 10,000 copies for the use of the document room of the House.

Mr. SMOOT. This is a concurrent resolution?

Mr. OWEN. It is a concurrent resolution. The language and the number are identical with the resolution providing for extra copies of the tariff act. The Public Printer estimates that 80,000 copies will cost \$677

Mr. GALLINGER. I will ask the Senator from Oklahoma if he has given attention to the question as to how large a proportion of the copies of the tariff act have actually been dis-I know that we are loading down the document room tributed? and the folding room with publications of all kinds that are never called for, and they have been trying to unload recently.

This is a trifling matter, as far as the expense is concerned; yet I have no doubt that a very much less number of copies would answer the purpose. Of course, I will not object if the Senator has looked into it.

Mr. OWEN. There are 25,000 banks, every one of which, of course, will want at least one copy, and probably several copies. I think there will be an actual demand for the number pro-

Mr. WARREN. May I ask a question of the Senator?

Mr. OWEN. Certainly.

Mr. WARREN. As I heard the concurrent resolution read, it did not provide any copies for the Treasury Department. Is it the Senator's expectation that the department will reprint copies for their own use?

Mr. OWEN. They have the right to do so, I suppose, if they find any extra demand.

Mr. WARREN. With as many as it is proposed we shall print, I think we might well furnish the department with copies, because, naturally, they will have a demand for them.

Mr. OWEN. We might cover that by providing 5,000 copies

additional for the Treasury Department.

Mr. SMOOT. I would have to object to that. If the department want copies, they can print them out of their own appropriation.

Mr. WARREN. That is true; but if the printing of this number is expected to cover all the calls upon Members of Congress, and then the department is left with none, they would have to print some additional copies, unless some are to be placed at their disposal under this resolution. If that is not to be done, may we not cut down the number somewhat-say, to 60,000 or 65,000 copies?

Mr. OWEN. I think nearly every Senator and Member will want to furnish the bankers in his own State with copies, because every one of them will be actively interested in the docu-

ment and ought to have it.

Mr. WARREN. There is no doubt of that.

The VICE PRESIDENT. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

RAILROADS IN ALASKA.

The VICE PRESIDENT. The morning hour having expired, the Chair lays before the Senate the special order, which is Senate bill 48. It will be stated.

The Secretary. A bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads

in the Territory of Alaska, and for other purposes.

Mr. CHAMBERLAIN. Mr. President, in reference to this measure, I do not think there is very much disposition upon the part of the Senate generally to take it up for discussion until after the holiday recess, an adjournment for which I assume will shortly follow. To the end that the bill may be taken up after the holidays, I should probably propose a unanimous-consent agreement for that purpose. Before doing so, however, I desire to state that if the Senate refuses to give its unanimous consent to the consideration of the bill after the holidays, we can attain the same end in only one other way, and that is to take up the bill for discussion now and have the adjournment take place while the discussion is in progress.

Mr. GALLINGER. I notice that on the calendar the bill is set down as a special order. My recollection of the rule is

that a special order continues but one day.

Mr. CHAMBERLAIN. The rule provides further that if the consideration of a special order is not completed at the time of adjournment on that day, then it becomes the unfinished business

Mr. GALLINGER. It becomes the unfinished business?

Mr. CHAMBERLAIN. Yes, sir.

Mr. GALLINGER. I think the Senator is mistaken about that, but let us look at the rule.

The VICE PRESIDENT. Let the Chair state that he thinks there is a fair understanding, in view of the complication that arose between the unfinished business and this bill, that this bill was to be a special order for the first day after the unfinished business was disposed of, and that then it was to become the unfinished business. I think there was a fair understanding on that subject.

Mr. GALLINGER. That would be agreeable to me. I quite agree to that, as this bill was laid aside for the currency bill. I think if the Senator from Oregon would move to proceed to its consideration now and make it the unfinished busineess— Mr. CHAMBERLAIN. We can proceed to its consideration

Mr. WILLIAMS. With the understanding that we will stop proceeding with it right away.

Mr. GALLINGER. I think the Senator from Oregon had better make that motion.

Mr. CHAMBERLAIN. I am going to keep the bill in its proper place on the calendar.

Mr. GALLINGER. If the Senator moves to proceed to the consideration of the bill, it will then become the unfinished

Mr. CHAMBERLAIN. I move that the Senate proceed to the consideration of the bill.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. BURTON. What order was made about the bill?

The VICE PRESIDENT. Senate bill 48 is now before the

Mr. CHAMBERLAIN. I want to have it understood that it will be the unfinished business, because there was some question raised heretofore as to whether it could become the unfinished business or not in its present status on the calendar.

Mr. GALLINGER. It has become that by the Senator's

Mr. WILLIAMS. I ask unanimous consent that the bill be temporarily laid aside to come up as the unfinished business of the Senate.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

PENOBSCOT RIVER BRIDGE.

Mr. JOHNSON. I ask unanimous consent for the present consideration of the bill (S. 1346) to authorize the Eastern Maine Railroad to construct, maintain, and operate a bridge without a draw across the Penobscot River between the cities of Bangor and Brewer, in the State of Maine.

This is a very small matter, favorably reported by the Committee on Commerce. It grants the right to build a railroad bridge across the Penobscot without a draw, the same right having been granted to build a highway bridge only a few rods below this proposed bridge.

The PRESIDING OFFICER (Mr. GALLINGER in the chair). Is there objection to the present consideration of the bill?

There being no objection, the bill was considered as in Committee of the Whole.

The bill was reported from the Committee on Commerce with an amendment, to add as an additional section the following:

SEC. 2. That the right to alter, amend, or repeal this act is hereby

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FENCE ON INTERNATIONAL BOUNDARY LINE.

Mr. ASHURST. Mr. President, yesterday I introduced a bill (S. 3791) to provide for the construction of a fence on the international boundary line from the Rio Grande River to the Pacific Ocean on the southern boundary of the United States, and appropriating \$350,000 therefor.

I notice, to my surprise, that one or two newspapers characterize this bill or this attempted appropriation on my part as an improper one. The high character of those papers would seem to make it incumbent upon me to offer at least a short explanation as to the intent, purposes, and scope of the bill.

The act of Congress approved May 26, 1910, volume 36, part of Public Laws, Sixty-first Congress, 1909-1911, page 440, reads as follows:

Hereafter the Secretary of Agriculture may permit the erection of fences along international boundary lines, but entirely within the territory of the United States, for the purpose of keeping out diseased

The Bureau of Animal Industry very properly has been active in the matter of trying to secure the building of such fence along the international line between the Republic of Mexico and our own Republic for the purpose of preventing the bringing in or the straying in from that Republic into this country of cattle infested with tick and various deleterious and harmful diseases.

I might add that the lack of a fence along the national boundary line has been the cause of the loss of millions of dollars to our cattlemen, and that the raising of cattle in the State of Arizona is a prime and important industry. Mr. President, I had not intended to encumber the RECORD upon this matter, but in order now that the necessity and the propriety of this legislation may be made apparent, I ask that I may have read at the desk, first, a letter from the Live Stock Sanitary Board of Arizona, and then that certain correspondence relating thereto be incorporated in the RECORD without reading.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

Mr. SMOOT. I should like to ask the Senator if there is any real necessity to print the correspondence in the Record. I

do not want the Senator to fee! that I am objecting to any request that he may make within reason, but-

Mr. ASHURST. My dear Senator, there is necessity for its going into the RECORD, in my opinion, or I should not have asked it. I would not do even a thing uselessly. I have introduced a bill, and I have a number of letters from the Bureau of Animal Industry and other bureaus regarding this legislation, and I do feel that inasmuch as aspersions have been made, I at least ought to put into the RECORD public documents that are issued from the departments of the Government urging this legislation.

Mr. SMOOT. I will say to the Senator I do not really think there was even a necessity to call attention to those newspaper articles; but it was his judgment that he should do so, and I am not going to object at this particular time to the matter going into the RECORD. But I want to give notice, Mr. President, that I shall try in the future to keep correspondence out of the RECORD.

The other morning in looking at the RECORD I found not one Senator asking that a certain document be put in the RECORD, but two pages over I found exactly the same document printed in the RECORD. It was printed twice the same day, word for word alike. It seems to me that we are running mad on printing in the RECORD.

Mr. ASHURST. Mr. President— Mr. SMOOT. I will say to the Senator I am not going to object at this time, but I simply give notice now that I shall try to keep such matter out in future.

The PRESIDING OFFICER. Does the Senator from Ari-

zona ask for the reading of one of the letters?

Mr. ASHURST. May I not, first, without consuming too much time, say I appreciate that there is some force in the suggestion of the distinguished Senator from Utah, but also say that there are documents, papers, and letters that do more justice to the RECORD than do some of our speeches at times. I do not know that that applies to the Senator from Utah. I feel on this subject, however, that I ought to include in the RECORD papers that seem to me to be pertinent. I will ask that the petition from the Live Stock Sanitary Board of Arizona be read, and then I may not ask for any more.

Mr. SMOOT. I want to say just one word on the subject. The Congressional Record is supposed to record what Senators say. It is not supposed to be, nor was it ever created or established, for putting in correspondence from anyone who sees fit to address a letter to a Senator of the United States. It is for that reason, and that only, that I say that in the future I shall

object to such requests.

Mr. VARDAMAN. I ask the Senator if the RECORD has not been used for that purpose from time immemorial?

Mr. SMOOT. Years ago it was very seldom that correspond-

ence was put into the Record.

Mr. VARDAMAN. But in recent years?

Mr. SMOOT. Of late it seems that half the Record, almost, is taken up in recording correspondence from citizens all over the United States sent to different Members of Congress.

Mr. ASHURST. To bring the matter to a close, the Senator

from Utah must not feel that he has driven me from my position; but, I repeat, there is some force in his suggestion. shall ask only that the petition and letter from the Live Stock Sanitary Board of Arizona be included. That is all I ask, but

should like to have it read.

The PRESIDING OFFICER. Without objection, the matter indicated by the Senator will be read.

The Secretary read as follows:

LIVE STOCK SANITARY BOARD OF ARIZONA, Phoenix, December 9, 1913.

Hon. Henry F. Ashurst,

United States Senator from Arizona, Washington, D. C.:

Dear Senator: I am inclosing herewith a resolution passed by the
Live Stock Sanitary Board at a meeting held in Phoenix, December 2,
1913.

1913.
This matter has been agitated by the stockmen of Arizona for a number of years, and while I was in Washington last summer I visited the Bureau of Animal Industry and was assured by Dr. Melvin, the chief of the bureau, that he realized the benefit of such a fence, and that if an appropriation could be secured for this purpose they would be only too glad to proceed with the work at once.

Yours, sincerely,

Secretary Live Stack Sentence Beauty

SAM B. BRADNER, Secretary Live Stock Sanitary Board. Resolution.

Resolution.

Whereas the Live Stock Sanitary Board has information showing that the present condition of the international boundary line between the State of Sonora, Mexico, and the State of Arizona is open, unfenced, and unprotected, thereby enabling cattle to drift across said line from the State of Sonora into the State of Arizona without inspection or in any manner conforming to the requirements of the State of Arizona or the regulations of the Bureau of Animal Industry; and Whereas for the proper enforcement of the regulations of the United States Bureau of Animal Industry and for the protection of the live-stock industry of the United States, and especially the State of Ari-

zona, it is advisable that the international boundary line between said State of Sonora, Mexico, and the State of Arizona be fenced in a manner to prevent the drifting of live stock across said line: Therefore be it

Resolved by the Live Stock Sanitary Board of the State of Arizona, That the United States Bureau of Animal Industry be, and is hereby, requested to fence the said international boundary line between the State of Sonora, Mexico, and the State of Arizona, and that the United States Senators and Congressman from the State of Arizona be requested to take the necessary action to secure the relief asked in this resolution.

JAMES A. JOHNSON, Chairman of the Board. SAM B. BRADNER, Secretary.

FLECTION OF SENATORS.

Mr. WALSH. Mr. President, I desire to give notice that at the conclusion of the routine business on Monday next I shall ask the Senate to proceed to the consideration of the bill (S. 2860) providing a temporary method of conducting the nomination and election of United States Senators.

THE COMMITTEE ON COMMERCE.

Mr. WILLIAMS. I ask unanimous consent for the present consideration of Senate resolution No. 97, authorizing the Committee on Commerce or any subcommittee thereof to hold hearings, and so forth.

The PRESIDING OFFICER. The Senator from Mississippi asks for the present consideration of a resolution, which will be

read for the information of the Senate.

There being no objection, the Senate proceeded to consider Senate resolution No. 97, which had been reported from the Committee to Audit and Control the Contingent Expenses of the Senate, with amendments, in line 4, after the word "employ," to insert "if necessary"; and in line 5, after the word "page," to strike out "and to employ such assistants as may be required," so as to make the resolution read:

so as to make the resolution read:

Resolved, That the Committee on Commerce or any subcommittee thereof be, and the same are hereby, authorized during the Sixty-third Congress to send for books and papers, to administer oaths, and to employ, if necessary, a stenographer at a price not to exceed \$1 per printed page, to report such hearings as may be had in connection with any subject which may be pending before the said committee or under investigation or examination thereby; that the committee or any subcommittee thereof may sit during the sessions or recesses of the Senate; the expenses thereof to be paid out of the contingent fund of the Senate; and that such committee or subcommittee thereof may sit during the sessions of the Senate or during the vacation of the Senate at any place in the United States.

The amendments were agreed to.

The resolution as amended was agreed to.

EXECUTIVE SESSION.

Mr. BACON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 15 minutes spent in executive session the doors were reopened and (at 2 o'clock and 35 minutes p. m.) the Senate adjourned until Monday, December 22, 1913, at 12 o'clock m.

NOMINATIONS.

Executive nominations received by the Senate December 20, 1913.

CONSULS.

Clarence Carrigan, of California, to be consul of the United States of America at Grenoble, France, vice Charles P. H. Nason, resigned.

Ezra M. Lawton, of Ohio, to be consul of the United States of America at Tegucigalpa, Honduras, vice Arminius T. Haeberle, appointed consul at St. Michaels, Azores.

APPRAISER OF MERCHANDISE.

George W. Wolf, of New York, to be assistant appraiser of merchandise in the district of New York, in place of Bernard Herstein, resigned.

UNITED STATES ASSAYER.

Charles Gammon, of Utah, to be assayer in charge of the United States assay office at Salt Lake City, Utah, in place of Joseph U. Eldredge, jr., resigned.

COLLECTORS OF INTERNAL REVENUE,

Paul A. Hemmy, of Wisconsin, to be collector of internal revenue for the first district of Wisconsin, in place of Henry Fink, superseded.

John D. McNeel, of Alabama, to be collector of internal revenue for the district of Alabama in place of Sim T. Wright,

UNITED STATES ATTORNEYS.

Francis D. Winston, of North Carolina, to be United States attorney for the eastern district of North Carolina, vice Herbert F. Seawell, removed.

John W. Preston, of California, to be United States attorney for the northern district of California, vice Benjamin L. Mc-Kinley, appointed by the court.

Frank C. Dailey, of Indiana, to be United States attorney for the district of Indiana, vice Charles W. Miller, resigned.

Rogers L. Burnett, of Pennsylvania, to be United States attorney, middle district of Pennsylvania, vice Andrew B. Dunsmore, resigned.

UNITED STATES MARSHALS.

W. T. Dortch, of North Carolina, to be United States marshal for the eastern district of North Carolina, vice Claudius Dock-

ery, removed.
Charles A. Webb, of North Carolina, to be United States marshal for the western district of North Carolina, vice William E. Logan, removed.

PROMOTIONS IN THE ARMY.

INFANTRY ARM.

Capt. Ralph H. Van Deman, Twenty-first Infantry, to be major from December 11, 1913, vice Maj. Albert C. Dalton, Twenty-seventh Infantry, detailed in the Quartermaster Corps

First Lieut. Roscoe H. Hearn, Ninth Infantry, to be captain from December 11, 1913, vice Capt. Ralph H. Van Deman,

Twenty-first Infantry, promoted.

Second Lieut. James H. Laubach, Nineteenth Infantry, to be first lieutenant from December 11, 1913, vice First Lieut. Roscoe H. Hearn, Ninth Infantry, promoted.

PROMOTIONS AND APPOINTMENT IN THE NAVY.

Medical Inspector George B. Wilson to be a medical director in the Navy from the 14th day of November, 1913.

Medical Inspector Charles F. Stokes to be a medical director

in the Navy from the 20th day of November, 1913.
Surgeon Sheldon G. Evans to be a medical inspector in the

Navy from the 14th day of November, 1913.

Naval Constructor Horatio G. Gillmor, with rank of lieutenant commander, to be a naval constructor in the Navy, with rank of commander, from the 4th day of December, 1913.

Jerome M. Lynch, a citizen of New York, to be an assistant surgeon in the Medical Reserve Corps of the Navy from the 5th

day of December, 1913.

REGISTERS OF THE LAND OFFICE.

Joseph Binnard, of Butte, Mont., to be register of the land office at Helena, Mont., vice Stephen Carpenter, whose term will expire December 20, 1913.

John E. Robins, of Ely, Nev., to be register of the land office at Elko, Nev., a new office under act of Congress approved October 3, 1913.

Mrs. Mary Wolfe Dargin, of Denver, Colo., to be register of the land office at Denver, Colo., vice Charles D. Ford, removed.

RECEIVER OF PUBLIC MONEYS.

Ashley G. Dawley, of Elko, Nev., to be receiver of public moneys at Elko, Nev., a new office under act of Congress approved October 3, 1913.

POSTMASTERS.

ALASKA.

Albert Wile to be postmaster at Iditarod, Alaska. Office became presidential July 1, 1912.

ARKANSAS.

A. Harris to be postmaster at Junction City, Ark., in place of Charles L. Jones, removed.

CALIFORNIA.

J. W. Heard to be postmaster at Oilcenter, Cal., in place of J. S. Rees, removed.

CONNECTICUT.

Dennis C. Murphy to be postmaster at Taftville, Conn., in place of James Graham, removed.

ILLINOIS.

Margaret Keegan to be postmaster at Loda, Ill., in place of Charles E. Healey, removed.

IOWA.

John J. Dunlevy to be postmaster at Lansing, Iowa, in place of George W. Metcalf, resigned.

Wallace M. Higbee to be postmaster at Fairbank, Iowa, in place of M. J. Collins, removed.

Jay Sullivan to be postmaster at Fontanelle, Iowa, in place of W. H. McClure, removed.

KANSAS.

J. R. Lovitt to be postmaster at McCracken, Kans., in place of Clarence P. Dutton. Incumbent's commission expired January 14, 1913.

Joseph Pelishek to be postmaster at Wilson, Kans., in place of James M. Brown. Incumbent's commission expired February 9,

W. A. Waddell to be postmaster at Cottonwood Falls, Kans., in place of June B. Smith. Incumbent's commission expired March 31, 1912.

MARYLAND.

Washington F. Collins to be postmaster at Millington, Md., in place of Rose E. Walls. Incumbent's commission expired January 11, 1913.

Harry O. De Vries to be postmaster at Ellicott City, Md., in place of C. H. Oldfield, removed.

MASSACHUSETTS.

John Adams to be postmaster at Provincetown, Mass., in place of Joseph A. West, deceased.

Thomas H. Hackett to be postmaster at Westboro, Mass, in place of John W. Fairbanks, removed.

Charles E. Adair to be postmaster at Utica, Mich., in place of Stuart Beatty. Incumbent's commission expired December 14, 1912.

N. C. Sutherland to be postmaster at Romeo, Mich., in place of William T. Hosner. Incumbent's commission expired January 5, 1913.

G. Martin Harrington to be postmaster at Bancroft, Mich., in place of Hugh W. Parker. Incumbent's commission expired

February 9, 1913. Levi A. Harris to be postmaster at Gaylord, Mich., in place of W. S. Carpenter, removed.

Edwin S. Noble to be postmaster at Elk Rapids, Mich., in place of A. K. Dougherty, resigned.

Johnson A. Saur to be postmaster at Kent City, Mich. Office

became presidential October 1, 1912. William R. Teifer to be postmaster at Trenton, Mich. Office became presidential October 1, 1912.

MINNESOTA.

Bernard P. Eagan to be postmaster at Spooner, Minn. Office became presidential October 1, 1913. Joseph Huelskamp to be postmaster at Gaylord, Minn., in place of Jacob Geib. Incumbent's commission expired February

T. F. Oneill to be postmaster at Gilbert, Minn. Office became presidential July 1, 1910.

Axel Ringborg to be postmaster at Bagley, Minn., in place of Aaron R. Butler. Incumbent's commission expired January 22, 1913.

William F. Roche to be postmaster at Lakeville, Minn. Office became presidential October 1, 1913.

James J. McCarthy to be postmaster at Greeley, Nebr., in place of William E. Morgan, resigned.

NEW JERSEY.

Edward F. Higgins to be postmaster at Bloomfield, N. J., in place of H. C. Farrand. Incumbent's commission expired June 9, 1913.

NORTH DAKOTA.

A. I. Koehmstedt to be postmaster at Langdon, N. Dak., in place of John McGauvran. Incumbent's commission expired July 20, 1913.

Myrtie Nelson to be postmaster at Bowman, N. Dak., in place of W. H. Workman, removed.

Frank Renning to be postmaster at Velva, N. Dak., in place of George W. Downing, removed.

W. W. Smith to be postmaster at Valley City, N. Dak., in place of William H. Pray, removed.

J. W. Stambaugh to be postmaster at Carrington, N. Dak.,

in place of E. T. Halaas, removed.

George H. Gee to be postmaster at Salem, Ohio, in place of William S. Atchison. Incumbent's commission expired January

OKLAHOMA,

M. W. Ligon to be postmaster at Ada, Okla., in place of U. G. Winn, removed.

SOUTH DAKOTA.

J. W. Applegate to be postmaster at Edgement, S. Dak., in place of J. R. Johnston. Incumbent's commission expired August 5, 1913.

F. B. Boyle to be postmaster at Corsica, S. Dak. Office became presidential January 1, 1913.

Matthew F. Ryan to be postmaster at Mobridge, S. Dak., in place of John G. Vawter, resigned.

Elizabeth Kirby-Smith to be postmaster at Sewanee, Tenn., in place of Elizabeth Kirby-Smith. Incumbent's commission expired January 30, 1910.

Thomas E. Glass to be postmaster at Jackson, Tenn., in place of William E. Arnold, removed.

C. W. Metcalf, jr., to be postmaster at Memphis, Tenn., in place of J. C. French, deceased.

Mamie Erwin Perkins to be postmaster at Selmer, Tenn. Office became presidential October 1, 1912.

J. V. Walker to be postmaster at Tracy City, Tenn., in place of William E. Byers. Incumbent's commission expired March 3, 1913.

WEST VIRGINIA.

J. Carl Vance to be postmaster at Clarksburg, W. Va., in place of S. C. Denham, removed.

WISCONSIN.

Simon Skroch to be postmaster at Independence, Wis., in place of Joseph M. Garlick. Incumbent's commission expired January 26, 1913.

. CONFIRMATIONS.

Executive nominations confirmed by the Senate December 20, 1913.

APPRAISER OF MERCHANDISE.

Thomas Butterworth to be appraiser of merchandise, Cincinnati, Ohio.

COLLECTORS OF INTERNAL REVENUE.

Frank B. Niles to be collector of internal revenue for the tenth district of Ohio.

Harry H. Weiss to be collector of internal revenue for the eighteenth district of Ohio.

John D. McNeel to be collector of internal revenue for the district of Alabama.

UNITED STATES ATTORNEYS.

Robert N. Bell to be United States attorney, northern district

Thomas D. Samford to be United States attorney, middle district of Alabama.

Alexander D. Pitts to be United States attorney, southern district of Alabama.

Frank C. Dailey to be United States attorney for the district of Indiana.

Rogers L. Burnett to be United States attorney, middle district of Pennsylvania.

REGISTER OF THE LAND OFFICE.

Joseph Binnard to be register of the land office at Helena, Mont.

WITHDRAWAL.

Executive nomination withdrawn December 20, 1913. UNITED STATES ATTORNEY.

Rogers H. Burnett to be United States attorney, middle district of Pennsylvania.

HOUSE OF REPRESENTATIVES.

Saturday, December 20, 1913.

The House met at 12 o'clock noon. The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Thou, who are infinitely wise and good, ever ready to hear the prayers of those who diligently seek Thee, teach us, we beseech Thee, how to be faithful, how to be noble, how to be great in the common duties of everyday life, that we may develop symmetrically all the powers of mind and soul with which Thou hast endowed us unto the perfect man as we know

it in Christ Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

BRIDGE ACROSS THE BAYOU BARTHOLOMEW, ARK.

Mr. GOODWIN of Arkansas. Mr. Speaker, I desire to call up the bill (H. R. 8142) to authorize the construction, maintenance, and operation of a bridge across the Bayou Bartholomew at or near Wilmot, Ark., and ask unanimous consent for its immediate consideration.

The SPEAKER. The Clerk will report the bill by title. The Clerk read as follows:

A bill (H. R. 8142) to authorize the construction, maintenance, and operation of a bridge across the Bayou Bartholomew at or near Wilmot, Ark.

Mr. PAGE of North Carolina. Mr. Speaker, reserving the right to object, there is no opposition to that, is there?

Mr. GOODWIN of Arkansas. No, sir. The SPEAKER. Is there objection? Mr. MANN. Let the bill be reported.

The SPEAKER. The bill will be reported in full.

The Clerk read as follows:

The Clerk read as follows:

Be it enacted, etc., That the county of Ashley, a corporation organized and existing under the laws of the State of Arkansas, its successors and assigns, be, and they are hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Bayou Bartholomew at or near Wilmot, Ark., at a point suitable to the interests of navigation, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

expressly reserved.

The SPEAKER. Is there objection?

Mr. MANN. Reserving the right to object, Mr. Speaker, of course this proceeding is unusual. Is there any emergency about the matter?

Mr. Speaker, I desire to say, in answer to Mr. ADAMSON. that question, if the gentleman from Arkansas will yield, that this bill was overlooked in our committee. The chief clerk was absent, and the bill was misplaced in some way, and when we reported the other bridge bills this was overlooked. When we discovered it we thought the gentleman from Arkansas had been treated unjustly through inadvertence, and I called a meeting of the committee, and we reported the bill.

Mr. MANN. It does not strike me that that constitutes an emergency. I would like to ask the gentleman from Arkansas

whether or not there is need of great haste?

Mr. GOODWIN of Arkansas. I will state to the gentleman that in a sense it may be considered an emergency matter. Bayou Bartholomew has not been actively navigated for some years, but it is a barrier between rich districts of my district, and it should be bridged. There are three or four good towns on each side of the bayou, and there is a great necessity for constructing the bridge.

The SPEAKER. Is there objection? [After a pause.] The

Chair hears none. The question is on the engrossment and

third reading of the bill.

The bill was ordered to be engrossed and read a third time,

was read the third time, and passed.

On motion of Mr. Goodwin of Arkansas, a motion to reconsider the vote whereby the bill was passed was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. PAGE of North Carolina. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10523, the District appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. HULL in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10523, the District appropriation bill, which the Clerk will report by title,

The Clerk read as follows:

A bill (H. R. 10523) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1915, and for other purposes.

The CHAIRMAN. On yesterday, when the committee rose, a point of order made by the gentleman from Illinois [Mr. MANN] against the amendment offered by the gentleman from Missouri [Mr. Borland] was pending. The Chair is ready to

rule on the point of order. The point of order is based upon the ground that the amendment proposes to change existing law, and that to be in order it must meet the requirements of the essential provisions of what is known as the Holman rule. The amendment in its practical effects provides that when under the proposed law a new street, avenue, or road in the District of Columbia shall be improved by any of the methods designated, such proportions of the cost shall be charged against the abutting property and assessments shall be levied against the owners of such abutting property, and when collected shall be deposited in the United States Treasury to the credit of the funds available for that purpose. In other words, this amendment purports to be a complete, permanent, and substantive provision of law, providing that hereafter in the administration of that portion of the for.

affairs of the District of Columbia relating to the improvement of streets or avenues and roads real estate owners shall be required to pay a certain proportion of the cost of such improve-

ments adjacent to their own property.

This proposed law, of course, is not unlike similar laws in operation generally in the municipalities of the country which impose taxes against local benefits such as sidewalks or pavements. At the present time improvements of the kind mentioned in the proposed amendment are paid for out of the general fund of the District of Columbia, which is raised one-half from taxation in the District and one-half contributed from the Federal Government.

Of course the amendment does not undertake to comply with the first provision of clause 2 of Rule XXI relating to the reduction of salaries. Neither does it undertake to comply with the second provision relating to the reduction of the number of employees

The third provision would make it necessary that the amendment should reduce the appropriation carried in the bill within the meaning and spirit of the rule as construed heretofore.

At this point another question arises relating to the germaneness of the amendment under a ruling which seems to be well established, and that is that without regard to the question of whether the amounts of the appropriations carried in the bill are reduced within the meaning of the third provision of clause 2 of Rule XXI, if the amendment constitutes separate, independent, permanent, substantive legislation, then, even though it should meet the requirement as to a reduction of expenditures, it would not be in order unless it came officially from the committee having jurisdiction of the subject matter of the amendment under the terms of the proviso of clause 2, Rule XXI. This has been held in two or three well established and generally accepted rulings.

As stated in the beginning, this amendment does contain such substantive provision of permanent law, designed for the first time to establish a system of assessments against the abutting property holders, which would require them in the future to pay a substantial portion of the expenses of street improvements. Now, this amendment does not come officially from the committee having jurisdiction of its subject matterthe Committee on the District of Columbia—but it is offered by the gentleman from Missouri [Mr. Borland] in his individual capacity; and without being called upon to pass upon the question of whether a reduction of expenditures would occur within the meaning of the third provision of clause 2 or within the meaning of the proviso, the Chair feels constrained to hold that under the previous ruling requiring an amendment of this character to come from the appropriate committee as aforesaid, or to be offered under the authority of the appropriate committee, that would preclude its consideration in this connection, and the point of order is sustained.

Mr. JOHNSON of Kentucky. Mr. Chairman, a bill not only

The CHAIRMAN. The committee will rise informally, in order that the House may receive a message from the Senate. Mr. MANN. Had not the committee better rise formally?

Mr. PAGE of North Carolina. Mr. Chairman, I move that the committee rise.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. Hull, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 10523) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1915, and for other purposes, and had come to no resolution

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Baker, its Secretary, announced that the Senate had passed, with an amendment, the bill (H. R. 7837) to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes, and had requested a conference with the House of Representatives on the bill and amendment, and had appointed as conferees on the part of the Senate Mr. OWEN, Mr. O'GORMAN, Mr. REED, Mr. POMERENE, Mr. SHAFROTH, Mr. HOLLIS, Mr. NEL-SON, Mr. BRISTOW, and Mr. CRAWFORD.

THE CURRENCY.

Mr. GLASS. Mr. Speaker, I ask unanimous consent that the House disagree to the amendment of the Senate to the bill H. R. 7837, the currency bill, and agree to the conference asked

The SPEAKER. The gentleman from Virginia [Mr. Glass] asks unanimous consent that the House disagree to the Senate amendment to the currency bill and send the bill to conference. Is there objection?

Mr. MANN. Reserving the right to object, would the gentle-man from Virginia be able, officially or unofficially, to let the House know later in the day what the prospects are of an im-

mediate agreement in conference?

Mr. GLASS. I can let the House know now what the prospects are for an immediate agreement. There is no prospect at all of an immediate agreement.

Mr. MANN. It is not likely to be back to the House to-day,

in any event?

Mr. GLASS. No; I think not. Mr. MURDOCK. Mr. Speaker, reserving the right to object, does the gentleman mean by his reply to the gentleman from Illinois that there will be no conference report back in the House to-day, to be printed in to-morrow morning's RECORD?

Mr. GLASS. I undoubtedly do mean that.

Mr. GLASS. I undoubtedly do mean that. Mr. MURDOCK. Does that mean that probably the matter will go over for printing until Tuesday?

Mr. GLASS. I can not say as to Tuesday. Perhaps we can

come to an agreement by Monday.

Mr. MURDOCK. If there should be an agreement on Sunday, can the conference report be printed on Monday morning?

Mr. GLASS. I do not know. I am not prepared to say as to

Mr. MANN. Would it not be practicable, whenever the conference report is ready, in the existing situation to waive the laying over for one day for printing of the conference report and print it and take immediate action upon it?

Mr. GLASS. I will ask unanimous consent to do that.

Mr. MANN. Of course, the Senate

Mr. GLASS. I will ask unanimous consent that that be done. I will say frankly to the House that the newspaper reports that the conference report has already been agreed upon and written are utterly without foundation in fact. There has been

Mr. MADDEN. There are differences which-

Mr. GLASS. I say the report that has been given some degree of dignity in another branch of Congress, that the conference report has been agreed upon and practically written, is utterly without foundation in fact. I have not discussed the matter 15 minutes with any Member of the other House within

Mr. MADDEN. Then the gentleman wishes the House to understand that there are serious differences of opinion between

the two Houses?

Mr. GLASS. Undoubtedly there are some wide differences. Mr. MURRAY of Oklahoma. Mr. Speaker, reserving the right to object, I had hoped that the gentleman from Virginia would think better of the amendments offered in the Senate, and if it is intended to convey the idea that this House unanimously opposes the Senate amendments I should feel like objecting. not think there is a single provision put into the bill by the Senate, except one, but that is much better than the House pro-I would feel like concurring in the Senate amendments if I thought that the gentleman from Virginia and his associates would undertake to hold up and delay the bill and undertake to defeat the amendments that have been put on the bill in

Mr. GLASS. Mr. Speaker, "the gentleman from Virginia" is not indicating in a general way what he thinks of the Senate amendments. He does not propose to do that now, but will do that in conference,

Mr. MURRAY of Oklahoma. But the gentleman stated that there were very "serious differences," and I thought I could understand the meaning of that expression of the English lan-

guage as a desire on his part to defeat the Senate amendments. Mr. HARDWICK. Mr. Speaker, I want to suggest to the gentleman from Virginia that because of the fact that the Senate has selected an unusually large number of conferees the number of conferees that we chould have on the part of the House is one that deserves some consideration at his hands. Will we have an equal number of conferees with the Senate?

Mr. GLASS. Not if I can prevent it. [Laughter and ap-

plause.]

Mr. HARDWICK. I do not feel inclined myself to give consent to the appointment of the lesser number of conferees. Why Why should not we have the same number as has the Senate?

Mr. MANN. The gentleman from Georgia will understand

that the conferees act as a separate body.

Mr. HARDWICK. Certainly; but why should not we have the same number as the Senate?

Mr. MANN. For the very good reason that it would ordinarily take three Senators to equal one Representative. [Laughter.]

Mr. HARDWICK. Mr. Speaker, while that view of the situation may be very agreeable to ourselves, I doubt whether it quite comports with the fact, but really I am serious, and I would like to know why we ought not to have the same number of conferees as has the Senate?

Mr. GLASS. Mr. Speaker, I have given the matter very

serious consideration-

Mr. HARDWICK. I want to know how you get at it.

Mr. GLASS. If the gentleman will allow me to proceed. have given the matter serious consideration, and I shall object to the appointment of a like number of conferees, because the House conferees want to deal with the matter as effectively as they may from the House point of view.

Mr. HARDWICK. Does not the Senate want to deal with the matter as effectively from the Senate's point of view?

Mr. GLASS. We differ in judgment as to how that may best be done.

Mr. HARDWICK. I want to ask, Mr. Speaker, how that question can be raised. I find myself utterly disagreeing with the gentleman from Virginia, and I believe that the House on this important bill, perhaps the most important that has passed this body in 100 years, certainly 50 years, ought to have a larger number of conferees.

The practice has been to appoint three con-The SPEAKER.

ferees. On the tariff bill there were five appointed.

Mr. HARDWICK. Because the Senate appointed five. The SPEAKER. Not necessarily because the Senate ap-

pointed five, but because the gentleman from Alabama asked the Chair to appoint five.

Mr. HARDWICK. Perhaps the reason the gentleman from Alabama asked the Speaker to appoint five was because the

Senate appointed five.

The SPEAKER. To tell the gentleman the truth, the Chair does not understand exactly the modus operandi of proceeding for a larger number of conferees. It is in the discretion of the Speaker. It is usual to appoint three. On that occasion the Chair appointed five, and the Chair states frankly to the gentleman from Georgia that it was because the gentleman from Alabama [Mr. Underwood] asked him to appoint five.

Mr. HARDWICK. And the gentleman naturally asked for

five because the Senate appointed five.

The SPEAKER. It might have been for that reason, and it might have been because he wanted to get some particular Member on the conferees.

Mr. MANN. Mr. Speaker, I may be mistaken, but my recollection is that when the Payne bill passed the House the House appointed the conferees first.

Mr. HARDWICK. And appointed five.
Mr. GARRETT of Tennessee. The gentleman from Illinois is mistaken about the House appointing the conferees first. The Senate appointed first, and there were seven conferees on the part of the House.

Mr. HARDWICK. Mr. Speaker, it is well known by the entire House, the membership on both sides of this aisle, and the country that there are a good many divergent ideas about the bill and what it ought finally to contain, and for one I shall not give unanimous consent that is based on a proposition that we are to have only three conferees when the Senate has

Mr. GLASS. Mr. Speaker, I desire to say that the members of the Banking and Currency Committee of the House have no differences to adjust. We have asked the Speaker to appoint our conferees with a view of getting through with this business and letting the Members of Congress go home for a recess. [Applause.]

Mr. HARDWICK. While that may be true, we can get through with it just as well with five or seven or nine conferees as with three, and the gentleman need not try to get that sentiment enlisted upon that side of the controversy. I want to get home just as badly as does the gentleman, and I have been here longer than he has.

Mr. GLASS. Mr. Speaker, I am not disposed to permit the gentleman from Georgia to say what is the proper thing to do.

Mr. HARDWICK. I am going to tell the gentleman what I think is the proper thing to do and what he can not proceed to do with my consent.

Mr. GLASS. The gentleman's consent is not absolutely neces-

sary to proceed with this business, Mr. HARDWICK. Suppose the gentleman try to proceed without it. Mr. Speaker, I object to the gentleman's request.

Mr. PAYNE. Mr. Speaker, permit me to make a suggestion that I think may restore harmony upon that side of the House, and that is that the gentleman from Virginia ask for unanimous consent to disagree to the Senate amendments and ask for a conference, and then allow the House to vote on the number of the conferees

Mr. HARDWICK. That is agreeable to me.

Mr. AUSTIN. Mr. Speaker, a parliamentary inquiry. The SPEAKER. The gentleman will state it.

Mr. AUSTIN. When will a motion to concur in the Senate amendments be in order?

Mr. HARDWICK. It is in order now, if the Speaker will pardon me for answering the gentleman's question.

Mr. AUSTIN. Then I make that motion.

The SPEAKER. The motion of the gentleman from Tennessee is that the House concur in the Senate amendments.

Mr. MANN. Mr. Speaker, that motion is not in order yet, because the matter can not come before the House until unanimous consent is given.

The SPEAKER. The Chair thinks that the motion is out of order until we dispose of the request for unanimous consent.

Mr. UNDERWOOD. Mr. Speaker, I desire to suggest to the gentleman from Georgia [Mr. Hardwick] that the request which has been submitted by the gentleman from Virginia is for unanimous consent to send the bill to conference. If that is granted, that does not carry with it the question of appointing

Mr. HARDWICK. Mr. Speaker, the gentleman from Alabama knows very well that if the gentleman from Virginia [Mr. Glass] has requested that only three conferees be appointed, and the question is not raised, and the gentleman's request is granted, the Speaker will undoubtedly appoint only three conferees on the part of the House. If the gentleman will pardon me just a moment, so that the Members of the House may understand my point of view, it seems to me that any bill of this importance, affecting every section of this country and interest in it, the House is entitled to more than three conferees. If three men are wise, that does not necessarily mean that all wisdom resides in any three Members of the House, even if the gentleman from Virginia be one of the three.

Mr. UNDERWOOD. Mr. Speaker, I desire to call the gentleman's attention to this fact: I suppose the gentleman from Virginia [Mr. GLASS] does not desire to foreclose the rights of anyone, but it has been generally understood up to this time that there would be three conferees appointed on the part of the

Mr. HARDWICK. I did not so understand it. Mr. UNDERWOOD. I mean that that is the usual process in a bill of this nature.

Mr. HARDWICK. After the Senate appointed nire, did we still understand that?

Mr. UNDERWOOD. I said up until this time-up until yesterday.

Mr. HARDWICK. Oh, yes. Mr. UNDERWOOD. And I know that the gentleman from Virginia and his colleagues, constituting the three senior members on the committee, following the custom in this House, have been keeping up with the Senate amendments. They have informed themselves as to what the Senate has been doing, been keeping up with the Senate amendments. and have tried to work out their views in reference to the matter. If you inject a number of other conferees into the situation, of necessity it would delay action on the bill. I take it that the points of difference between the two Houses are not going to be very serious, except possibly on one or two matters.

Mr. HARDWICK. They are very important. UNDERWOOD. And when they come back here the House itself will have a full and ample opportunity to act on

the conference report.

Mr. HARDWICK. It will not have if this request be granted

Mr. UNDERWOOD. The suggestion I wish to make to the gentleman from Georgia is that if he grants unanimous consent to send the bill to conference, that does not foreclose his right to make a motion to appoint nine conferees, if he desires to, because the Speaker under the rules has the right to appoint the conferees only when the House does not otherwise determine. Of course, after the unanimous consent is given, the gentleman from Georgia would have the right to move the appointment of the same number of conferees that the Senate has named. If that motion is agreed to, that would end it. If the motion is voted down, the Speaker could appoint the conferees as asked for by the gentleman from Virginia. I am sure the gentleman from Georgia understands the rules as well as I do.

Mr. HARDWICK. Well, there is no need for the gentleman and myself to spar about this matter. Of course the gentleman

knows just as well as I do that with the chairman of the committee moving to appoint three it is not at all probable that any Member, outside of the committee, on either side of the House, could prevail on the House, on a hastily brought-up fight, to act otherwise, without the opportunity for some argument of the question

Mr. UNDERWOOD. Does not the gentleman from Georgia think that if he has an opportunity to submit his views to the House and ask for a vote on them that is as far as he ought

to go in reference to the matter?

Mr. HARDWICK. Possibly; but there is this further question involved: Some of these Senate amendments are of immense importance, and, in my judgment, some of them vastly improve this bill. What I would like to do, and if I can get any assurance on that point I am willing to waive any other right I have in the premises, is to be assured we are to be given an opportunity to vote on some of the Senate amendments if the conferees of the House will not agree to them in conference. Of course that depends upon the conduct of our conferees, and the gentleman knows as well as I do that the conferees can come in and move the adoption of the conference report as a whole and we can not get a vote on any one of the Senate amendments, no matter how greatly we desire, if we let this

amendments, no matter assume the stage of the proceedings pass.

In UNDERWOOD. Well, I think it would be a difficult professor on a bill of proposition for any gentleman going to conference on a bill of this kind to agree in advance that he will bring particular

amendments back for a vote.

Mr. HARDWICK. Yet that is frequently done.
Mr. UNDERWOOD. I think the papers go first to the Senate, and if the Senate should immediately agree to the report it would not be in the power of the gentleman from Virginia—Mr. HARDWICK. It has come to the House first in this case; the report comes back to the House first.

Mr. UNDERWOOD. I have not looked-

Mr. MANN. The House agrees to it first.

Mr. HARDWICK. So we have the first shot at it, so that argument does not apply. The gentleman knows I have not liked this bill at all-

Mr. MANN. There is only one Senate amendment. Mr. HARDWICK. Well, that is true, but there are many details-different propositions.

You could not act on part of the Senate report. Mr. MANN. Mr. BARNHART. Mr. Speaker, a parliamentary inquiry.
The SPEAKER. The gentleman will state it.
Mr. BARNHART. Would a motion be in order to refuse to

concur in the Senate amendment and send it to conference?

The SPEAKER. That is exactly what is up now, except it is

not a motion, but a request for unanimous consent.

Mr. BARNHART. I know, but we do not seem to be getting anywhere in the discussion.

The SPEAKER. Well, we will get there after awhile.

Mr. MANN. Mr. Speaker, a parliamentary inquiry. The SPEAKER. The gentleman will state it.

The bill as it passed the House, having been considered in the Committee of the Whole covering the entire subject, and there being no new subject involved in the Senate amendment as distinct from the various issues involved in the bill as it passed the House, is it not now in order for the gentleman from Virginia to move to disagree to the Senate amendment and agree to the conference asked for without sending it to the committee or having it acted upon in the Committee of the Whole House on the state of the Union?

Mr. HARDWICK. Mr. Speaker, I would like to be heard on

that question if the gentleman raises it seriously.

Mr. MADDEN. Mr. Speaker, a parliamentary inquiry.

Mr. UNDERWOOD. Will the gentleman let me again put this motion?

Mr. MADDEN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MADDEN. If objection is made to the request for unanimous consent made by the gentleman from Virginia, would that not send the bill to the Committee on Banking and Currency automatically?

The SPEAKER. Under the practice of the House, that is

exactly what would happen.

Mr. MADDEN. Unless we have some sort of an agreement that we are to have an opportunity to vote for some of the Senate amendments and if the conferees of the House justst upon the House bill as it went to the Senate, I shall refuse to give unanimous consent.

Mr. HARDWICK. That is what will happen. The SPEAKER. The Chair will state for the information of those who have not already learned it, that there is only one Senate amendment, which strikes out everything after the enacting clause in the House bill and brings in one amendment.

Mr. MANN. Now, Mr. Speaker, I do not understand that there is any new issue presented in the Senate amendment entirely apart from the consideration of the propositions involved in the bill as it passed the House and was considered in the Committee of the Whole House on the state of the Union in the The change which might have been made in the House in the consideration of the bill here, if made in the Senate, does not send it to the Committee of the Whole House on the state of the Union when it comes back. There must be a new proposition entirely to require it to be considered in the Committee of the Whole in the House, and, unless required to be so considered, does not go to the Committee on Banking and Currency,

but it is in order to take it up now.

The SPEAKER. The Chair will ask the gentleman from Illinois [Mr. Mann] if he ever saw such a performance in the

House?

Mr. GLASS. Never in the world.

Well, Mr. Speaker, I have never seen a banking Mr. MANN. and currency bill of this kind presented, but I have seen such performances in the House.

The SPEAKER. Has the gentleman ever seen that motion

Mr. MANN. Of course, it is frequently made. Now, on an appropriation bill that comes back to the House, where the Senate inserts a new amendment, an amendment covering a new item, it is never considered in the House, but has to go to the Committee of the Whole House on the state of the Union.

The SPEAKER. The Chair understands the gentleman now. He is talking about taking it from the Speaker's table because

it is the House bill with Senate amendments.

Mr. MANN. But a House bill with Senate amendments does not have to be referred to the committee unless it is to be considered in the Committee of the Whole House on the state of the Union.

The SPEAKER. Now, the only thing that ever took this bill originally from the Committee of the Whole House was one section in it that appropriated \$100,000 for something or

Mr. MANN. That created a lot of offices. Now, the Senate has changed some items in the form of a new amendment, but the subject matter was all under consideration in the House in the Committee of the Whole before. So far as I have observed the Senate amendment, there is nothing in it which would require it to go again to the Committee of the Whole.

The SPEAKER. It would take a Senate proposition involving an appropriation of money to send this for consideration to the Committee of the Whole House on the state of the The Chair has not had time to read this amendment. But the first thing to do is to get rid of this unanimous consent.

Mr. UNDERWOOD. Mr. Speaker, I renew the request.

Mr. MADDEN. Mr. Speaker-

Mr. UNDERWOOD. Allow me The SPEAKER. What is the request?

Mr. UNDERWOOD. I ask unanimous consent that this Senate amendment be disagreed to and the request of the Senate for a conference be agreed to. Now, that does not involve the question of who shall be the conferees. After the motion is agreed to, that question can be settled by the House.

Mr. HARDWICK. Mr. Speaker, reserving the right to object, I ask the gentleman to modify his request so as to give us five

conferees on the part of the House.

Mr. UNDERWOOD. That is not satisfactory to the chairman of the committee, and I do not think it should be taken away from him unless the House wants to do it.

Mr. HARDWICK. The gentleman is now proceeding by unan-

imous consent.

Mr. UNDERWOOD. I understand that. I think if the gentleman from Georgia [Mr. HARDWICK] has an opportunity, as he will, to move for five conferees, this unanimous-consent request does not take away any of his rights. I think if we do not do this, it will be necessary to ask for a rule to send the bill to conference, if we want to get away before the holidays

Mr. MADDEN. Will the gentleman yield?

Mr. UNDERWOOD. I will.

Mr. MADDEN. Is there any reason why there ought not to be an understanding, before unanimous consent is granted, that the House will have an opportunity to vote on the amendment, or amendments, as the case may be, that are added to this bill by the Senate. The reason I ask it is that I consider the bill a very much better one now than when it passed the House. In fact, I considered the bill as it passed the House very dangerons to the fiscal interests of the country, and I, for one, am not willing to send this bill to conference without knowing in advance that I am going to have an opportunity to vote for the

bill as passed by the Senate. I would not vote for the bill as it passed the House, and I do want to help to pass a law that I think is advantageous to the business interests of the country, and this is much more so than the bill which passed the House.

Mr. UNDERWOOD. I will state to the gentleman from Illinois [Mr. Madden] that, of course, the House might by unanimous consent take up the bill now and consider the amendment. But if we did that, it would take up the time of the House to-day and Monday.

Mr. LENROOT. There is just one amendment.

Mr. UNDERWOOD. We might spend a large portion of the time in the House to-day and yet might not thrash out these amendments that the committee will ultimately agree to. I think it expedites the matter, and if we want to get away before Christmas the matter should be expedited.

Mr. HARDWICK. I will ask the gentleman from Alabama how could we spend the time in a more useful and profitable way? This is an important matter. We shall be serving the best interests of the country if we take our time.

Mr. MURRAY of Oklahoma. Mr. Speaker, I object, and move that the House concur in the Senate amendment.

The SPEAKER. The gentleman can not do both things at

once. Mr. MURRAY of Oklahoma. Then I make a preferential motion.

The SPEAKER. The gentleman can not make a preferential motion until you get rid of the other.

Mr. MURRAY of Oklahoma. Then I object. The SPEAKER. The gentleman has a perfect right to object. Mr. MANN. Mr. Speaker, will the gentleman from Alabama permit me to make a suggestion to him?

Mr. UNDERWOOD. Certainly.

Mr. MANN. When this bill goes to conference, and the conferees report back to the House, it is within the power of the House to receive the conference report, and the motion of the gentleman would then be in order.

Mr. HARDWICK. Yes; but, if the gentleman will pardon me, we should have to vote on it as a whole. We can not vote on the different substantive propositions involved. Some of them we might favor and some of them we might perhaps oppose. This is the stage in the parliamentary proceedings in which rights of that kind must be preserved if they are to be preserved at all.

Mr. MURRAY of Oklahoma. Mr. Speaker, I move now to concur in the Senate amendment.

The SPEAKER. The Chair finds by examination of this bill

that the salaries were raised in it.

Mr. MANN. Mr. Speaker, the raising of salaries would not send it to the Committee of the Whole House on the state of the Union. The changing of a salary would not, but it has been suggested that the guaranteeing of bank deposits would.

Mr. HARDWICK. But the creation of new offices would not?

Mr. MANN. I do not think so.

Mr. UNDERWOOD. Mr. Speaker, I suggest to the gentleman from Oklahoma [Mr. Murray], in order to avoid all question, that he ask unanimous consent to concur in the Senate amendment. I undertsand that if that is disagreed to it is equivalent to a motion to disagree, and then it will be in order to The bill would then be before the agree to the conference. House, would it not?

Mr. MURRAY of Oklahoma. Oh, yes; but one vote might

change the result. We might get a majority.

The gentleman might ask unanimous Mr. UNDERWOOD. consent that the bill be laid before the House for consideration and then move to concur in the Senate amendment. Speaker is in doubt whether it can be done.

Mr. MURRAY of Oklahoma. Then, Mr. Speaker, I will withdraw the motion for that purpose and ask unanimous consent.

Mr. UNDERWOOD. I will ask unanimous consent, Mr. Speaker, that the bill be laid before the House for consideration. The SPEAKER. The gentleman from Alabama [Mr. Underwood] asks unanimous consent that the bill be taken from the Speaker's table and laid before the House for consideration.

Is there objection? [After a pause.] The Chair hears none.

Mr. MURRAY of Oklahoma. Mr. Speaker, I move that the

House concur in the Senate amendment.

The SPEAKER. The Clerk will report the bill by title.

The Clerk read as follows:

An act (H. R. 7837) to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes.

Mr. UNDERWOOD. Mr. Speaker, I want to inquire of the gentleman from Oklahoma whether or not he desires to discuss the question?

Mr. MURRAY of Oklahoma. I am not particular about it.

would be willing to take a vote on it.

Mr. MANN. There is a motion pending to concur in the Senate amendment. That amendment must be read. I am not willing to vote on a proposition of that sort without its

being reported.

Mr. UNDERWOOD. My purpose is to set a time for debate. Mr. MANN. I have no objection to an agreement as to the

time for debate.

Mr. UNDERWOOD. If it is agreeable to the gentleman from Oklahoma [Mr. Murray], I will ask unanimous consent that there may be 30 minutes' debate on the motion, 15 minutes to be controlled by the gentleman from Oklahoma and 15 minutes

by the gentleman from Virginia [Mr. Glass].

Mr. MADDEN. Mr. Speaker, I reserve the right to object.

Mr. MURRAY of Oklahoma. Mr. Speaker, I think if we are going to discuss it at all, we had better have a little more time

Mr. MADDEN. I think, Mr. Speaker, it is only fair that we should have sufficient time to discuss the bill intelligently, and we ought to have at least two hours on a side. Personally, I favor the Senate amendments, and would vote for them if an opportunity were given to me, and I want to see everybody else in the House have an opportunity to hear just what the merits of the Senate amendments are.

Mr. UNDERWOOD. Mr. Speaker, I think this bill ought to go to conference at once. Of course, after the bill is reported it will be in order to move the previous question which will limit debate to 20 minutes on a side. I think if we want to get away before the Christmas holidays that ought to be done.

Mr. MURRAY of Oklahoma. Suppose we agree to 30 min-

utes on a side.

Mr. MANN. I shall object to any unanimous-consent agree-

ment with such a short time allowed for debate.

The SPEAKER. The gentleman from Illinois [Mr. Mann] objects to any unanimous-consent agreement. The Clerk will read the Senate amendment.

The Clerk read as follows:

The Clerk read as follows:

Strike out all after the enacting clause and insert the following:

"That the short title of this act shall be the 'Federal reserve act.'

"Wherever the word 'bank' is used in this act, the word shall be held to include State bank, banking association, and trust company, except where national banks or Federal reserve banks are specifically referred to.

"The terms 'national bank' and 'national banking association' used in this act shall be held to be synonymous and interchangeable. The term 'member bank' shall be held to mean any national bank, State bank, or bank or trust company which has become a member of one of the reserve banks created by this act. The term 'board' shall be held to mean Federal reserve board; the term 'district' shall be held to mean Federal reserve district; the term 'reserve bank' shall be held to mean Federal reserve bank.

"FEDERAL RESERVE DISTRICTS.

"FEDERAL RESERVE DISTRICTS.

mean Federal reserve bank.

"FEDERAL RESERVE DISTRICTS.

"SEC. 2. As soon as practicable, the Secretary of the Treasury and not less than two other members of the Federal reserve board hereinafter provided for, to be assigned by the President, acting as 'The reserve bank organization committee,' shall designate not less than 8 nor more than 12 cities to be known as Federal reserve cities, and shall divide the continental United States, including Alaska, into districts, each district to contain one, and only one, of such Federal reserve cities. The determination of said organization committee shall not be subject to review except by the Federal reserve board when organized: Provided, That the districts shall be apportioned with due regard to the convenience and customary course of business and shall not necessarily be coterminous with any State or States. The districts thus created may be readjusted and new districts may from time to time be created by the Federal reserve board, not to exceed 12 in all. Such districts shall be known as Federal reserve districts and may be designated by number. A majority of the organization committee shall constitute a quorum with authority to act.

"Said organization committee shall be authorized to employ counsel and expert aid, to take testimony, to send for persons and papers, to administer oaths, and to make such investigation as may be deemed necessary by the said committee in determining the reserve districts and in determining the cities within such districts where such Federal reserve banks shall be severally located. The said committee, shall supervise the organization, in each of the cities designated, of a Federal reserve bank which shall include in its title the name of the city in which it is situated, as 'Federal Reserve Bank of Chicago.'

"Under regulations to be prescribed by the organization committee, every national banking association in the United States and every trust company within the District of Columbia incorporated under an act of Congress approved Oc

cates.

"The shareholders of every Federal reserve bank shall be held individually responsible, equally and ratably, and not one for another, for all contracts, debts, and engagements of such bank to the extent of the amount of their subscriptions to such stock at the par value thereof in

addition to the amount subscribed, whether such subscriptions have been paid up in whole or in part, under the provisions of this act.

"Any national bank failing to signify its acceptance of the terms of this act within the 60 days aforesaid shall cease to act as a reserve agent, upon 30 days' notice, to be given within the discretion of the said organization committee or of the Federal reserve board.

"Any national banking association in the United State now or the provisions of the Federal reserve board."

"Any national banking association in the United State now or the provisions of this act applicable thereto, all of the rights, privileges, and franchises of such association granted to it under the national-bank act, or under the provisions of this act, shall be thereby forfeited. Any noncompliance with or violation of this act states of competent jurisdiction in a used by any court of the United States of competent jurisdiction in a used by any court of the United States of competent jurisdiction in a used by any court of the United States of competent jurisdiction in a used by any court of the United States of the Pederal reserve board, by the Comptroller of the Currency in his own name before the association shall be declared dissolved. In cases of such noncompliance or violation, other than the failure to become a member beank under the provisions of this act, every director, who was a such as a such as

"Sec. 3. Each Federal reserve bank shall establish branch offices within the Federal reserve district in which it is located and also in the district of any Federal reserve bank which may have been suspended, such branches to be established and conducted at places and under regulations approved by the Federal reserve board.

"FEDERAL RESERVE BANKS.

"FEDERAL RESERVE BANKS.

"Sec. 4. When the organization committee shall have established Federal reserve districts as provided in section 2 of this act, a certificate shall be filed with the Comptroller of the Currency showing the geographical limits of such districts and the Federal reserve city designated in each of such districts. The Comptroller of the Currency shall thereupon cause to be forwarded to each national bank located in each district, and to such other banks declared to be eligible by the organization committee which may apply therefor, an application blank in form to be approved by the organization committee, which blank shall contain a resolution to be adopted by the board of directors of each bank executing such application, authorizing a subscription to the capital stock of the Federal reserve bank organizing in that district in accordance with the provisions of this act.

"When the minimum amount of capital stock prescribed by this act for the organization of any Federal reserve bank shall have been subscribed and allotted the organization committee shall designate any five banks of those whose applications have been received to execute a certificate of organization, and thereupon the banks so designated shall, under their seals, make an organization crificate which shall specifically state the name of such Federal reserve bank, the territorial extent of the district over which the operations of such Federal reserve bank are to be carried on, the city and State in which said bank is to be located, the amount of capital stock and the number of shares into which the same is divided, the name and place of doing business of each bank executing such certificate, and of all banks which have subscribed to the capital stock of such Federal reserve bank and the number of shares subscribed by each, and the fact that the certificate is made

to enable those banks executing same, and all banks which have subscribed or may thereafter subscribe to the capital stock of such Federal reserve bank to avail themselves of the advantages of this act.

"The said organization certificate shall be acknowledged before a fudge of some court of record or notary public; and shall be, together with the acknowledgment thereof, authenticated by the seal of such court of notary thanks and the court of notary who court of notary thanks and the court of notary who court of notary thanks and the court of notary who court of notary thanks and the court of notary who court of notary thanks and the court of notary who court of notary thanks and the court of the currency as aforesaid, the said Federal reserve bank shall become a body corporate, and as such, and in the name designated in such organization unless it is sooner dissolved by an act of Cougress, or unless its franchise becomes forfeited by some violation of law.

"Third. To make contracts."

"Fourth wife of such certified by some violation of law.

"Third. To make contracts."

"Fifth. To appoint by its board of directors, elected as hereinafter provided, such officers as are not otherwise provided for in this act, to define their duties, require bonds of them and fix the penalty thereof, to dismiss such officers or any of them as may be appointed by them at pleasure, and to appoint of them as may be appointed by them at pleasure, and to appoint of them as may be appointed by the many be conducted, and the privileges granted to it by law may be exercised and enjoyed.

"Seventh. To exercise by its board of directors, or dity arthorized to dismiss and such incidental powers as shall be necessary to carry on the business of banking within the limitations prescribed by this act.

"Eighth. Upon deposit with the Treasurer of the United States of any bonds of the United States in the manner provided by a submission of the wind and

"The chairman of the board of directors of the Federal reserve bank of the district in which the bank is situated or, pending the appointment of such chairman, the organization committee shall classify the member banks of the district into three general groups or divisions. Each group shall contain, as nearly as may be, one-third of the aggregate number of the member banks of the district, and shall consist, as nearly as may be, of banks of similar capitalization. The groups shall be designated by number by the chairman.

"At a regularly called meeting of the board of directors of each member bank in the district it shall elect by ballot a district reserve elector and shall certify his name to the chairman of the board of directors of the Federal reserve bank of the district. The chairman shall establish lists of the district reserve electors thus named by banks in each of the aforesaid three groups and shall transmit one list to each elector in each group.

the aforesaid three groups and shall transmit one list to each elector in each group.

"Every elector shall, within 15 days after the receipt of the said list, certify to the chairman his first, second, and other choices of a director of class A and class B, respectively, upon a preferential ballot, on a form furnished by the chairman of the board of directors of the Federal reserve bank of the district. Each elector shall make a cross opposite the name of the first, second, and other choices for a director of class A and for a director of class B, but shall not vote more than one choice for any one candidate.

"Any candidate having a majority of all votes cast in the column of first choice shall be declared elected. If no candidate have a majority of all the votes in the first column, then there shall be added together the votes cast by the electors for such candidates in the first column. If any candidate then have a majority of the electors voting, by adding together the first and second choices, he shall be declared elected. If no candidate have a majority of electors voting when the

first and second choices shall have been added, then the votes cast in the third column for other choices shall be added together in like manner, and the candidate then having the highest number of votes shall be declared elected. An immediate report of election shall be

manner, and the candidate then having the highest number of votes shall be declared elected. An immediate report of election shall be declared.

"Three directors belonging to class C shall be appointed directly by the Federal reserve board, and shall have been for at least two years residents of the district for which they are appointed, one of whom shall be designated by said board as chairman of the board of directors of the Federal reserve bank of the district to which he is appointed and shall be designated by said board as 'Federal reserve agent.' He shall be a person of tested banking experience; and in addition to his duties as chairman of the board of directors of the Federal reserve bank of the district to which he is appointed and shall be regulations to be established by the Federal reserve board at local office of said board, which shall be situated on the premises of the Federal reserve bank of the district. He shall make requirer reserve bank of the Federal reserve board, and shall act as its official representative for the performance of the functions conferred upon it by this act. He shall receive an annual compensation to be fixed by the Federal reserve board and paid monthly by the Federal reserve bank to which he is designated. One of the directors of class C, who shall be a person of tested banking experience, shall be appointed by the Federal reserve board as deputy chairman and deputy Federal reserve agent to exercise the powers of the chairman of the board and Federal reserve agent to exercise the powers of the chairman of the board and Federal reserve agent to exercise the powers of the chairman of the board and Federal reserve bank hall be paid by the respective Federal reserve banks. Any compensation that may be provided, a reasonable allowance for necessary expenses in attending meetings of their respective boards, which amount shall be paid by the respective Federal reserve banks. Any compensation the chairman of the board of directors of Federal reserve banks for the first time, cal

" STOCK ISSUES-INCREASE AND DECREASE OF CAPITAL.

such directors, such appointees to hold office for the unexpired terms of their predecessors.

"STOCK ISSUES—INCREASE AND DECREASE OF CAPITAL.

"SEC, 5. The capital stock of each Federal reserve bank shall be divided into shares of \$100 each. The outstanding capital stock shall be increased from time to time as member banks increase their capital stock and surplus or as additional banks become members, and may be decreased as member banks reduce their capital stock or surplus or cease to be members. Shares of the capital stock of Federal reserve banks owned by member banks shall not be transferable nor be hypothecable. In case a member bank increase its capital stock or surplus, it shall thereupon subscribe for an additional amount of capital stock of the Federal reserve bank of its district equal to 6 per cent of the said increase, one-half of said subscription to be paid in the manner hereinbefore provided for original subscription and one-half subject to call of the Federal reserve boand. A bank applying for stock in a Federal reserve bank at any time after the organization thereof must subscribe for an amount of the capital stock of the Federal reserve bank equal to 6 per cent of the paid-up capital stock and surplus of said applicant bank, paying therefor its par value plus one-half of 1 per cent a month from the period of the last dividend. When the capital stock of any Federal reserve bank shall have been increased, either on account of the increase of capital stock of member banks or on account of the increase of capital stock of member banks or on account of the increase of capital stock of member banks of the capital stock in a spinal reserve bank, and in case a member bank goes into voluntary liquidation it shall surrender all of its holdings of the capital stock of said Federal reserve bank and he redeased from its stock subscription not previously called. In either case the shares surrendered shall be canceled and such member bank shall be declared insolvent and a receiver appointed therefor, the s

"DIVISION OF EARNINGS.

"BUCISION OF EARNINGS.

"Spc. 7. After all necessary expenses of a Federal reserve bank have been paid or provided for, the stockholders shall be entitled to receive an annual dividend of 6 per cent on the paid-in capital stock, which dividend shall be cumulative. One-half of the net earnings, after the aforesaid dividend claims have been fully met, shall be paid into a surplus fund until such fund shall amount to 40 per cent of the paid-in capital stock of such bank, and of the remaining one-half, 50 per cent shall be paid to the United States as a franchise tax, and 50 per cent shall be paid to the United States as a frustee for the benefit of depositors in all failed member banks in the United States and failed

member trust companies in the District of Columbia, the money to be kept in and losses from failures to be paid from it as a depositors' insurance fund under a division of the Treasury to be constituted and managed under such regulations as may be prescribed by the Secretary of the Treasury. Whenever the Secretary of the Treasury, out of said find, shall pay any amounts due to depositors of failed member banks, the Secretary of the Treasury shall be subrogated to all the rights of said depositors, and in the settlement of the affairs of any such bank all dividends that would have been due to such depositors shall be paid to the Secretary of the Treasury, and the same shall be by him paid into and become a part of said depositors' Insurance fund. All net earnings derived by the United States from Federal reserve banks shall, in the discretion of the Secretary, be used to supplement the gold reserve held against outstanding United States notes, or shall be applied to the reduction of the outstanding bonded indebtedness of the United States, under regulations to be prescribed by the Secretary of the Treasury, Should a Federal reserve bank be dissolved or go into liquidation, any surplus remaining, after the payment of all debts, dividend requirements as hereinbefore provided, and the par value of the stock, shall be paid to and become the property of the United States and shall be similarly applied.

"Every Federal reserve bank incorporated under the terms of this act, the capital stock and surplus therein and the income derived therefrom shall be exempt from Federal, State, and local taxation, except in respect to taxes upon real estate.

"Sec. 8. That section 5154, United States Revised Statutes, be amended to read as follows:

"Any bank incorporated by special law of any State or of the United States or organized under the general laws of any State or of the United States or organized under the general laws of any State or of the United States or organized under the general laws of any State or of the United St

" STATE BANKS AS MEMBERS,

by the Federal reserve act and by the national banking act for associations originally organized as national banking associations."

"SEC. 9. Any bank incorporated by special law of any State, or organized under the general laws of any State or of the United States, may make application to the reserve bank organization committee, pending organization, and thereafter to the Federal reserve board or the right to subscribe to the stock of the Federal reserve board or the right to subscribe to the stock of the Federal reserve bank organized or to be organized within the Federal reserve bank organized or to be organized. The organization committee or the Federal reserve board, under such rules and regulations as it may prescribe, subject to the provisions of this section, may permit the applying bank to become a stockholder in the Federal reserve bank of the district, stock shall be issued and paid for under the rules and regulations in this act provided for national banks which become stockholders in Federal reserve banks of the district, stock shall be issued and paid for under the rules and regulations in this act provided for national banks which become stockholders in Federal reserve banks.

"The organization committee or the Federal reserve board shall establish by-laws for the general government of its conduct in acting upon applications made by the State banks and banking associations and trust companies for stock ownership in Federal reserve banks. Such by-laws shall require applying banks not organized under Federal law to comply with the reserve and capital requirements and to submit to the examination and regulations prescribed by the organization committee or by the Federal reserve board. No applying bank shall be admitted to membership in a Federal reserve bank under the provisions of the national banking associations and restrictions hereinbefore provided, be required to conform to the provisions of the membership in a federal reserve bank under the provisions of the membership in a federal reserve ba

to exceed the book value thereof, less any liability to said Federal reserve bank, except the subscription liability not previously called, which shall be canceled, and said Federal reserve bank shall, upon notice from the Federal reserve board, be required to suspend said banking association or trust company from further privileges of membership, and shall within 30 days of such notice cancel and retire its stock and make payment therefor in the manner herein provided. The Federal reserve board may restore membership upon due proof of compliance with the conditions imposed by this section.

"FEDERAL RESERVE BOARD.

"Sec. 10. A Federal reserve board is hereby created, which shall consist of seven members, including the Secretary of the Treasury, who shall be a member ex officio, and six members appointed by the President of the United States, by and with the advice and consent of the Senate. In selecting the six appointive members of the Federal reserve board, not more than one of whom shall be selected from any one Federal reserve district, the President shall have due regard to a fair representation of the different geographical divisions of the country. The six members of the Federal reserve board appointed by the President and confirmed as aforesaid shall devote their entire time to the business of the Federal reserve board and shall encresive an annual salary of \$12,000, together with actual necessary traveling expenses. The members of said board, the Secretary of the Treasury, the Assistant Secretary of the Treasury, and the Comptroller of the Currency shall be ineligible during the time they are in office and for two years thereafter to hold any office, position, or employment conferred by any member bank. Of the six members thus appointed by the President at least two shall be persons experienced in banking or finance. One shall be designated by the President to serve for one, one for two, one for three, one for four, one for five, and one for six years, and thereafter each member so appointed shall serve for a term of six years unless sooner removed for cause by the President. Of the six persons thus appointed, one shall be designated by the President, of the six persons thus appointed, one shall be designated by the President, of the six persons thus appointed, one shall be designated by the President, of the six persons thus appointed, one shall be designated by the President, of the six persons thus appointed, one shall be designated by the President, of the six persons thus appointed, one shall be designated by the President as governor of the Federal reserve board. The governor of the Federal reserve board an

of the Federal reserve board, subject to its supervision, shall be the active executive officer. The Secretary of the Treasury may assignoffices in the Department of the Treasury for the use of the Federal reserve board shall within Todice.

"The Federal reserve board shall have power to levy semiannually upon the Federal reserve boards, in proportion to their capital stock and surplus, an assessment sufficient to pay its estimated expenses and salaries of its members and employees for the half year succeeding the levying of such assessment, together with any deficit carried forward from the preceding half year.

Washington, D. C., as soon as may be after the passage of this act, at a date to be fixed by the reserve bank organization committee. The Secretary of the Treasury shall be act officio chairman of the Federal reserve board. No member of the Federal reserve board shall be nofficer of any bank, banking institution, trust company, or Federal reserve bank nor hold stock in any bank, banking institution, or trust company; and before entering upon his duties as a member of crust or company; and before entering upon his duties as a member of a vacancy shall occur, other than by expiration of term, among the six members of the Federal reserve board appointed by the President, with the advice and consent of the Senate, to fill such vacancy, and when appointed he shall hold office for the unexpired term of the member whose place he is selected to fill.

"Nothing in this act contained shall be construed as taking away any powers heretofore vested by law in the Secretary of the Treasury which shall expire at the end of the next session of the Senate.

"Nothing in this act contained shall be exercised subject to the supervision, and control of the Seretary of the Treasury, such powers shall be exercised subject to the supervision and control of the Secretary of the Treasury abundancy and the exercised subject to the supervision of the Senate.

"Other process here to be printed for the information of the Currency an

fraction thereof that such reserve falls below 32½ per cent. The tax shall be paid by the reserve bank, but the reserve bank shall add an amount equal to said tax to the rates of interest and discount fixed by the Federal reserve board.

"(d) To supervise and regulate through the bureau under the charge of the Comptroller of the Currency the issue and retirement of Federal reserve notes, and to prescribe rules and regulations under which such notes may be delivered by the comptroller to the Federal reserve agents applying therefor.

"(e) To add to the number of cities classified as reserve and central reserve cities under existing law in which national banking associations are subject to the reserve requirements set forth in section 20 of this act; or to reclassify existing reserve and central reserve cities or to terminate their designation as such.

"(f) To suspend or remove any officer or director of any Federal reserve bank, the cause of such removal to be forthwith communicated in writing by the Federal reserve board to the removed officer or director and to said bank.

"(g) To require the writing off of doubtful or worthless assets upon the books and balance sheets of Federal reserve banks.

"(h) To suspend, for cause relating to violation of any of the provisions of this act, the operations of any Federal reserve bank and take possession thereof and administer the same during the period of suspension.

"(i) To require bonds of Federal reserve agents, perform the duties, functions, or services specified or implied in this act, and to make all rules and regulations necessary to enable said board effectively to perform the same.

"(i) To reverse general supervision over said Federal reserve banks.

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rules and regulations necessary to enable said board effectively to perform the same.

"(j) To exercise general supervision over said Federal reserve banks.

"(k) To authorize member banks to use, as reserves, Federal reserve notes, or bank notes based on United States bonds, to the extent that said board may find necessary.

"(1) To grant by special permit to national banks applying therefor, when not in contravention of State or local law, the right to act as trustee, executor, administrator, or registrar of stocks and bonds undersuch rules and regulations as the said board may prescribe.

"(m) To employ such attorneys, experts, assistants, clerks, or other employees as may be deemed necessary to properly conduct the business of such board and to accomplish the purposes of this act. All salaries, allowances, and expenses of those employed to be fixed in advance by said board and to be paid in the same manner as the salaries of the members of said board. All such attorneys, experts, assistants, clerks, and other employees to be appointed without regard to the provisions of the act of January 6, 1883 (22 R. S., 403), and amendments thereto, or any rule or regulation made in pursuance thereof: Provided, That nothing herein shall prevent the President from placing said employees in the classified service.

"FEDERAL ADVISORY COUNCIL.

"FEDERAL ADVISORY COUNCIL.

"Sec. 12. There is hereby created a Federal advisory council, which shall consist of as many members as there are Federal reserve districts. Each Federal reserve bank by its board of directors shall annually select from its own Federal reserve district one member of said council, who shall receive such compensation and allowances as may be fixed by his board of directors subject to the approval of the Federal reserve board. The meetings of said advisory council shall be held at Washington, D. C., at least four times each year, and oftener if called by the Federal reserve board. The council may, in addition to the meetings above provided for, hold such other meetings in Washington, D. C., or elsewhere, as it may deem necessary, may select its own officers and adopt its own methods of procedure; and a majority of its members shall constitute a quorum for the transaction of business. Vacancies in the council shall be filled by the respective reserve banks, and members selected to fill vacancies shall serve for the unexpired term.

term.

"The Federal advisory council shall have power, by itself or through its officers, (1) to confer directly with the Federal reserve board on general business conditions; (2) to make oral or written representations concerning matters within the jurisdiction of said board; (3) to call for information and to make recommendations in regard to discount rates, rediscount business, note issues, reserve conditions in the various districts, the purchase and sale of gold or securities by reserve banks, open-market operations by said banks, and the general affairs of the reserve banking system.

"POWERS OF FEDERAL RESERVE BANKS,

"POWERS OF FEDERAL RESERVE BANKS.

"Sec. 13. Any Federal reserve bank may receive from any of its member banks, and from the United States, deposits of current funds in lawful money, national-bank notes, Federal reserve notes, or checks and drafts upon solvent banks of the Federal reserve system, payable upon presentation; or, solely for exchange purposes, may receive from other Federal reserve banks deposits of current funds in lawful money, national-bank notes, or checks and drafts upon solvent member or other Federal reserve banks, payable upon presentation.

"Upon the indorsement of any of its member banks, with a waiver of demand notice and protest by such bank, any Federal reserve bank may discount notes, drafts, and bills of exchange arising out of actual commercial transactions; that is, notes, drafts, and bills of exchange issued or drawn for agricultural, industrial, or commercial purposes, or the proceeds of which have been used, or are to be used, for such purposes, the Federal reserve board to have the right to determine or define the character of the paper thus eligible for discount, within the meaning of this act. Nothing in this act contained shall be construed to prohibit such notes, drafts, and bills of exchange, secured by staple agricultural products, or other goods, wares, or merchandise from being eligible for such discount; but such definition shall not include notes, drafts, or bills covering merely investments or issued or drawn for the purpose of carrying or trading in stocks, bonds, or other investment securities, except bonds and notes of the Government of the United States. Notes, drafts, and bills admitted to discount under the terms of this paragraph must have a maturity at the time of discount of not more than 90 days: Provided, That notes, drafts, and bills drawn or issued for agricultural purposes or based on live stock and having a maturity not exceeding six months may be discounted in an amount to be limited to a percentage of the capital of the Federal reserve bank, to be as

"The aggregate of such notes and bills bearing the signature or indorsement of any one person, company, firm, or corporation rediscounted for any one bank shall at no time exceed 10 per cent of the unimpaired capital and surplus of said bank; but this restriction shall not apply to the discount of bills of exchange drawn in good faith against actually existing values.

"Any national bank may accept drafts or bills of exchange drawn upon it and growing out of transactions involving the importation, exportation, or domestic shipment of goods having not more than six months' sight to run; but no bank shall accept such bills to an amount equal at any time in the aggregate to more than one-half its paid-up capital stock and surplus.

"Section 5202 of the Revised Statutes of the United States is hereby amended so as to read as follows: No association shall at any time be indebted, or in any way liable, to an amount exceeding the amount of its capital stock at such time actually paid in and remaining undiminished by losses or otherwise, except on account of demands of the nature following:

indepted, or in any way make, to an amount endemaining undiminished by losses or otherwise, except on account of demands of the nature following:

"First. Notes of circulation.

"Second. Moneys deposited with or collected by the association.

"Third. Bills of exchange or drafts drawn against money actually on deposit to the credit of the association, or due thereto.

"Fourth. Liabilities to the stockholders of the association for dividends and reserve profits.

"Fifth. Liabilities incurred under the provisions of this act.

"The Federal reserve board may authorize the reserve bank of the district to discount the direct obligations of member banks, secured by the pledge and deposit of satisfactory securities; but in no case shall the amount so loaned by a Federal reserve bank exceed three-fourths of the actual value of the securities so pledged.

"The rediscount by any Federal reserve bank of any bills receivable and of domestic and foreign bills of exchange and acceptances shall be subject to such restrictions, limitations, and regulations as may be imposed by the Federal reserve board.

"Open-Market operations.

" OPEN-MARKET OPERATIONS.

"Sec. 14. Any Federal reserve bank may, under rules and regulations prescribed by the Federal reserve board, purchase and sell in the open market, at home or abroad, either from or to domestic or foreign banks, firms, corporations, or individuals, cable transfers and bankers' acceptances and bills of exchange of the kinds and maturities by this act made eligible for rediscount with or without the indorsement of a member bank.

"Every Federal reserve bank abell here

acc made eligible for rediscount with or without the indorsement of a member bank.

"Every Federal reserve bank shall have power:

"(a) To deal in gold coin and bullion at home or abroad, to make loans thereon, exchange Federal reserve notes for gold, gold coin, or gold certificates, and to contract for loans of gold coin or bullion, giving therefor, when necessary, acceptable security, including the hypothecation of United States bonds or other securities which Federal reserve banks are authorized to hold;

"(b) To buy and sell, at home or abroad, bonds and notes of the United States, and bills, notes, revenue bonds, and warrants with a maturity from date of purchase of not exceeding six months, issued in anticipation of the collection of taxes or in anticipation of the receipt of assured revenues by any State, county, district, political subdivision, or municipality in the continental United States, such purchases to be made in accordance with rules and regulations prescribed by the Federal reserve board;

"(c) To purchase from member banks and to sell, with or without its indorsement, bills of exchange arising out of commercial transactions, as hereimbefore defined;

"(d) To establish from time to time, subject to review and determination of the Federal reserve board, rates of discount to be charged by the Federal reserve bank for each class of paper, which shall be fixed with a view of accommodating commerce and business;

"(e) To establish accounts with other Federal reserve banks for exchange purposes and, with the consent of the Federal reserve bank for exchange purposes and, with the consent of the Federal reserve board, to open and maintain banking accounts in foreign countries, appoint correspondents, and establish agencies in such countries wheresoever it may deem best for the purpose of purchasing, selling, and collecting bills of exchange, and to buy and sell, with or without its indorsement, through such correspondents or agencies, bills of exchange arising out of actual commercial transactions wh

"GOVERNMENT DEPOSITS.

"Sec. 15. The moneys held in the general fund of the Treasury, except the 5 per cent fund for the redemption of outstanding national-bank notes and the funds provided in this act for the redemption of Federal reserve notes may, upon the direction of the Secretary of the Treasury, be deposited in Federal reserve banks, which banks, when required by the Secretary of the Treasury, shall act as fiscal agents of the United States; and the revenues of the Government or any part thereof may be deposited in such banks, and disbursements may be made by checks drawn against such deposits.

"No public funds of the Philippine Islands, or of the postal savings, or any Government funds, shall be deposited in the continental United States in any bank not belonging to the system established by this act: Provided, however, That nothing in this act shall be construed to deny the right of the Secretary of the Treasury to use member banks as depositories.

"NOTE ISSUES.

" NOTE ISSUES.

"NOTE ISSUES.

"Sec. 16. Federal reserve notes, to be issued at the discretion of the Federal reserve board for the purpose of making advances to Federal reserve banks through the Federal reserve agents as hereinafter set forth and for no other purpose, are hereby authorized. The said notes shall be obligations of the United States and shall be receivable by all national and member banks and Federal reserve banks and for all taxes, customs, and other public dues. They shall be redeemed in gold on demand at the Treasury Department of the United States, in the city of Washington, D. C., or in gold or lawful money at any Federal reserve bank.

of Washington, D. C., or in gold or lawful money at any Federal reserve bank.

"Any Federal reserve bank may make application to the local Federal reserve agent for such amount of the Federal reserve notes hereinbefore provided for as it may require. Such application shall be accompanied with a tender to the local Federal reserve agent of collateral in amount equal to the sum of the Federal reserve notes thus applied for and issued pursuant to such application. The collateral security thus offered shall be notes and bills accepted for rediscount under the provisions of section 13 of this act, and the Federal reserve agent shall each day notify the Federal reserve board of all issues and withdrawals of Federal reserve notes to and by the Federal reserve bank to which he is accredited. The said Federal reserve board shall be authorized at any

time to call upon a Federal reserve bank for additional security to protect the Federal reserve notes issued to intend reserves in gold or law-discovery of the protect of the Federal reserve notes in actual circulation, but the amount of gold in the unit money of not less than 35 per cent against its deposits and its Federal reserve notes issued to said bank and in actual circulation and not offset the treasury, shall be at least equal to 40 per cent of the Federal reserve notes issued to said bank and in actual circulation and not offset for the protect of the federal reserve notes issued to said bank and in actual circulation and not offset for a said out shall be assigned by the Federal reserve board to each Federal reserve bank through which they were originally issued, and the federal reserve bank through which they were originally issued, and the protect of the federal reserve bank through which they were originally issued, and the protect of the federal reserve bank through which they were originally issued, and the protect of the federal reserve bank which they were originally issued, and the protect of the federal reserve bank which they were originally issued, and the protect of the federal reserve bank shall upon demand of the Secretary of the Treasury, reimbures and receptor of the Treasury in gold or of the federal reserve bank shall, upon demand of the Secretary of the Treasury, reimbures and receptor of the Treasury in gold or of the federal reserve bank shall, upon demand of the Secretary of the Treasury in gold or deficience, then such funds shall be reimbured to the extent desired necessary by the Secretary of the Treasury in gold or search of the federal reserve the protect of the Secretary of the Treasury in gold or search of the federal reserve the protect of the Secretary of the Treasury in gold or search of the secretary of the Treasury in gold or search of the secretary of the Treasury of the

Bility to reimburse the United States for any expenses incurred in printing and issuing circulating notes.

"Every Federal reserve bank shall receive on deposit from member banks or from Federal reserve banks checks and drafts drawn upon any of its depositors, and when remitted by a Federal reserve bank, checks and drafts drawn upon funds to the credit of said depositor in said restrued as prohibiting a member bank from making reasonable charges for checks and drafts so debited to its account, or for collecting and remitting funds, or for exchange sold to its patrons. The Federal reserve banks and the charge which may be imposed for the service of clearing or collection rendered by the Federal reserve bank and the charge which may be imposed for the service of clearing or collection rendered by the Federal reserve bank and the charge which may be imposed for the service of clearing or collection rendered by the Federal reserve bank.

"The Federal reserve board shall make and promulgate storefor among Federal reserve bank and their branches, and may at its discretion exercise the functions of a clearing house for such Federal reserve banks, or may designate a Federal reserve bank to exercise such functions, and may also require each such bank to exercise such functions, and may also require each such bank to exercise such functions, and may also require each such bank to exercise such functions of clearing house for its member banks.

"Sec. 17. That so much of the provisions of section 5159 of the Revisions of existing statutes, as require that before any national bank in association shall be authorized to commence banking business it shall transfer and deliver to the Treasurer of the United States at stated amount of United States registered bonds be, and the same is hereby, repealed.

"Sec. 18. Any member bank desiring to retire the whole or any part of its circulating notes may file with the Treasurer of the United States sounds securing circulation to be retired.

"Sec. 18. Any member bank desiring to retire

"Sec. 19. Demand liabilities within the meaning of this act shall comprise all liabilities maturing or payable within 30 days, and time deposits shall comprise all deposits payable after 30 days, and all savings accounts and certificates of deposit which are subject to not less than 30 days' notice before payment.

"When the Secretary of the Treasury shall have officially announced, in such manner as he may elect, the establishment of a Federal reserve bank in any district, every subscribing member bank shall establish and maintain reserves as follows:

"(a) A bank not in a reserve or central reserve city as now or hereafter defined shall hold and maintain reserves equal to 12 per cent of the aggregate amount of its demand liabilities and 5 per cent of its time deposits, as follows:

"In its vaults for a period of 24 months after said date, four-twelfths thereof.

"In its vaults for a period of 24 months after said date, four-twelfths thereof.
"In the Federal reserve bank of its district, for a period of six months after said date, two-twelfths, and for each succeeding six months an additional one-twelfth, until five-twelfths have been so deposited, which shall be the amount permanently required.
"For a period of 24 months after said date the balance of the reserves may be held in its own vaults, or in the Federal reserve bank, or in banks in reserve or central reserve cities as now defined by law.
"After said 24 months' period said reserves, other than those hereinbefore required to be held in the reserve bank, shall be held in the vaults of the member bank or in the Federal reserve bank, or in both, at its option.

before required to be held in the Federal reserve bank, or in both, at its option.

"(b) A bank in a reserve city as now or hereafter defined shall hold and maintain reserves equal to 15 per cent of the aggregate amount of its demand liabilities and 5 per cent of its time deposits, as follows:

"In its vaults six-fifteenths thereof.

"In the Federal reserve bank of its district for a period of six months after the date aforesaid at least three-fifteenths, and for each succeeding six months an additional one-fifteenth, until six-fifteenths have been so deposited, which shall be the amount permanently required.

"After said 24 months' period all of said reserves, except those hereinbefore required to be held permanently in the Federal reserve bank, shall be held in its vaults or in the Federal reserve bank, or in both, at its option.

"(c) A bank in a central reserve city, as now or hereafter defined, shall hold and maintain a reserve equal to 18 per cent of the aggregate amount of its demand liabilities and 5 per cent of its time deposits, as follows:

"In its vaults six-eighteenths thereof.

"In the Federal reserve bank for a period of six months after the date aforesaid at least three-eighteenths, and permanently thereafter six-eighteenths.

"The balance of said reserves shall be held in its own vaults or in the Federal reserve bank, at its option.

"Any Federal reserve bank may receive from the member banks as reserves, not exceeding one-half of each installment, eligible paper, as described in section 14, properly indorsed and acceptable to the said reserve bank.

"If a State bank or trust company is required by the law of its State to keep its reserves either in its own vaults or with another State bank or trust company, such reserve deposits so kept in such State bank or trust company shall be construed, within the meaning of this section, as if they were reserve deposits in a national bank in a reserve or central reserve city for a period of three years after the Secretary of the Treasury shall have officially announced the establishment of a Federal reserve bank in the district in which such State bank or trust company is situate. Except as thus provided no member bank shall keep on deposit with any nonmember bank a sum in excess of 10 per cent of its own paid-up capital and surplus. No member bank shall act as the medium or agent of a nonmember bank in applying for or receiving discounts from a Federal reserve bank with a Federal reserve bank in the carried by a member bank with a Federal reserve bank in "The reserve carried by a member bank with a Federal reserve bank in the carried bank in the carried bank in the carried by a member bank with a Federal reserve bank in the carried bank in the carried bank in the carried by a member bank with a Federal reserve bank in the carried bank in the carried by a member bank with a Federal reserve bank in the carried bank in the carr

ceiving discounts from a Federal reserve bank under the provisions of this act.

"The reserve carried by a member bank with a Federal reserve bank may, under the regulations and subject to such penalties as may be prescribed by the Federal reserve board, be checked against and withdrawn by such member bank for the purpose of meeting existing liabilities: Provided, however, That no bank shall at any time make new loans or shall pay any dividends unless and until the total reserve required by law is fully restored.

"United States banks located in Alaska or outside the continental United States may remain nonmember banks, and shall in that event maintain reserves and comply with all the conditions now provided by law regulating them; or said banks, except in the Philippine Islands, may, with the consent of the reserve board, become member banks of any one of the reserve districts, and shall, in that event, take stock, maintain reserves, and be subject to all the other provisions of this act.

"Sec 20. So much of sections 2 and 3 of the act of June 20, 1874, entitled 'An act fixing the amount of United States notes, providing for a redistribution of the national-bank currency, and for other purposes,' as provides that the fund deposited by any national banking association with the Treasurer of the United States for the redemption of its notes shall be counted as a part of its lawful reserve as provided in the act aforesaid, be, and the same is hereby, repealed. And from and after the passage of this act such fund of 5 per cent shall in no case be counted by any national banking association as a part of its lawful reserve.

"BANK EXAMINATIONS.

"BANK EXAMINATIONS.

the passage of this act such fund of 5 per cent shall in no case be counted by any national banking association as a part of its lawful reserve.

"BANK EXAMINATIONS.

"SEC. 21. Every member bank shall be examined by the Comptroller of the Currency at least twice in each calendar year and as much oftener as the Federal reserve board shall consider pecessary. The Federal reserve board may authorize examinations by the State authorities to be accepted in the case of State banks and trust companies and may at any time direct the holding of a special examination. The person making the examination of any member bank shall have power to call together a quorum of the directors of such bank, who shall, under oath, state to such examiner the character and circumstances of such of its loans of discounties of all bank examiners and make report thereof to Congress. The expense of the examinations herein provided for shall be assessed by authority of the Federal reserve board upon the banks examined in proportion to assets or resources held by such banks upon the dates when the various banks are examined.

"In addition to the examinations made and conducted by the Comptroller of the Currency, every Federal reserve banks within its district. Such examination shall be so conducted as to inform the Federal reserve board, provide for special examination of member banks within its district. Such examination shall be so conducted as to inform the Federal reserve board sunder whose auspices it is carried on of the condition of its member banks and of the lines of credit which are being extended by them. Every Federal reserve bank shall at all times furnish to the Federal reserve board shall often the said Pederal reserve bank shall at all times furnish to the Federal reserve bank as are authorized by law, or vested in the courts of justice, or such as shall be or shall have been exercised or directed by Congress, or either House thereof, or any committee thereof.

"No bank shall be subject to any visitorial powers other than such s

"Except so far as already provided in existing laws this provision shall not take effect until 60 days after the passage of this act.

"Sec. 23. The stockholders of every national banking association shall be held individually responsible for all contracts, debts, and engagements of such association, each to the amount of his stock therein, at the par value thereof, in addition to the amount invested in such stock. The stockholders in any national banking association who shall have transferred their shares or registered the transfer thereof within 60 days next before the date of the failure of such association to meet its obligations, or with knowledge of such impending failure, shall be liable to the same extent as if they had made no such transfer, to the extent that the subsequent transferee fails to meet such liability; but this provision shall not be construed to affect in any way any recourse which such shareholders might otherwise have against those in whose names such shares are registered at the time of such failure.

"Loans on Farm Lands."

"LOANS ON FARM LANDS.

"Loans on farm lands."

"Sec. 24. Any national banking association not situated in a central reserve city may make loans secured by improved and unencumbered farm land, situated within its Federal reserve district, but no such loan shall be made for a longer time than five years, nor for an amount exceeding 50 per cent of the actual value of the property offered as security. Any such bank may make such loans in an aggregate sum equal to 25 per cent of its capital and surplus, or to one-third of its time deposits, and such banks may continue hereafter as heretofore to receive time deposits and to pay interest on the same.

"The Federal reserve board shall have power from time to time to add to the list of cities in which national banks shall not be permitted to make loans secured upon real estate in the manner described in this section.

" FOREIGN BRANCHES.

to the let of cities in which national banks shall not be permitted to make loans secured upon real state in the manner described in this section.

"FOREIGN BRANCHES."

"SEC. 25. Any national banking association possessing a capital and surplus of \$1,000,000 or more may file application with the Federal reserve board, upon such conditions and under such regulations as may be prescribed by the said board, for the purpose of securing authority to establish branches in foreign countries or dependencies of the United States for the furtherance of the foreign commerce of the United States for the furtherance of the foreign commerce of the United States. Such application shall specify, in addition to the name and capital of the banking operations proposed are to be carried on and the amount of capital of the banking sosociation filing fit, the place or places where the banking operations proposed are to be carried on and the amount of capital or this foreign business. The Federal reserve board shall have power to approve or to reject such application if, in its judgment, the amount of capital proposed to be set aside for the conduct of foreign business is inadequate or if for other reasons the granting of such application is deemed inexpedient.

"Every mational banking association which shall receive authority the proposed of the conduct of foreign business is inadequate or if for other reasons the granting of such application is deemed inexpedient.

"Every mational banking association which shall receive authority the proposed pro

Mr. UNDERWOOD. Mr. Speaker, I move the previous question on the motion of the gentleman from Oklahoma [Mr. Murray], which will allow 20 minutes debate on each side.

The SPEAKER. The gentleman from Alabama moves the previous question on the motion of the gentleman from Oklahoma to concur in the Senate amendment.

Mr. WINGO. Mr. Speaker, is it not now preferential to move to concur with an amendment?

The SPEAKER. Not while the previous question is pending. Mr. MANN. Mr. Speaker, the gentleman would have authority to make a preferential motion if he was entitled to the Of course he would not-

The SPEAKER. As a matter of fact, as a technical ruling,

he is not entitled to the floor.

Mr. MANN. I do not say anything about that.
The SPEAKER. The gentleman from Alabama was recognized to make his motion, and made it, and the Chair was starting to put it. Those in favor of ordering the previous question will say "aye"; those opposed, "no."

The question was taken, and the previous question was

ordered.

Mr. WINGO. Mr. Speaker, I desire to make a preferential motion. I move to concur in the Senate amendment with an

Mr. UNDERWOOD. Mr. Speaker, the previous question hav-

ing been ordered-

The SPEAKER. The previous question having been ordered, it cuts out the gentleman's motion.

Mr. WINGO. Does it cut out a preferential motion?

The SPEAKER. The previous question cuts out everything except 40 minutes' debate.

Mr. WINGO. If the Chair will permit, that was my object in asking before you put the question. I understood that the

previous question would bar—

The SPEAKER. The gentleman from Arkansas waited, of course unintentionally, but nevertheless it is a fact that he waited, until the gentleman from Alabama [Mr. Underwood] had been recognized to move the previous question, and the Chair was starting to put it. The previous question can not be dislocated

A parliamentary inquiry, Mr. Speaker. Mr. WINGO.

The SPEAKER. The gentleman will state it.
Mr. WINGO. Is it in order to make a preferential motion at any time until the House has ordered the previous question? The SPEAKER. But the previous question has been ordered.

Mr. WINGO. I know; but that was the question. the proper time, and I simply want to be straight on the record, I do not think I should have been cut out of making my motion.

The SPEAKER. The situation is this: The gentleman from Alabama rose and addressed the Chair, and the Chair recognized him. A number of gentlemen were standing up, including the gentleman from Arkansas. The Chair recognized the gentleman from Alabama because he addressed the Chair, and the Chair had started to put the motion for the previous question when the gentleman from Arkansas [Mr. Wingo] made the parliamentary inquiry.

Mr. WINGO. Another parliamentary inquiry, Mr. Speaker.

I could not interrupt the gentleman from Alabama while he was making the motion. I was endeavoring to get the floor, and as soon as the gentleman had concluded his motion I was given recognition, made a parliamentary inquiry, and the Speaker ruled then, as he now admits, incorrectly. He ruled then that I

could not make the motion then,

The SPEAKER. Well, the Chair rules that now, because the previous question is a summary proceeding that is intended to get the bill along to another stage. Now, if the House should vote down this motion to concur, the gentleman might get what he wants by moving to instruct the conferees.

Mr. WINGO. The gentleman from Arkansas was aware that a motion to concur with an amendment was in order pending the previous question being ordered, and that was the reason

he rose in the first instance. Mr. UNDERWOOD. Mr. Speaker-

The SPEAKER. The gentleman from Alabama or the gentleman from Virginia [Mr. GLASS] is entitled to 20 minutes

Mr. MANN. How does the gentleman from Alabama get 20

Mr. UNDERWOOD. I think the gentleman from Virginia is entitled to 20 minutes.

The SPEAKER. The Chair thinks so, too.

Mr. MURRAY of Oklahoma. I desire to claim the floor under

this motion.

Mr. HARDWICK. The gentleman is the mover of the proposition.

The SPEAKER. The gentleman from Virginia [Mr. GLASS] is entitled to 20 minutes and the gentleman from Oklahoma [Mr. MURRAY] is entitled to 20 minutes, and they may arrange as they please how the time shall be occupied.

Mr. HARDWICK. I think the mover of the proposition has

the opening.

The SPEAKER. He has it if he wants it.

Mr. HARDWICK. Does the gentleman claim it? The SPEAKER. The Chair did not understand that he was claiming the floor for debate. The Chair understood that he was claiming to control the 20 minutes. The Chair will recog-

mize the gentleman from Oklahoma. It is his motion.

Mr. MURRAY of Oklahoma. Mr. Speaker, I do not intend to occupy all of the 20 minutes, but to give some other gentle-

men an opportunity to speak.

I want to say in the beginning that it is easy to be courteous. It is sometimes difficult to do our duty. Courtesy would have dictated permitting the gentleman from Virginia to make his motion, and to make up the committee of conference; but when the gentleman from Virginia [Mr. Glass] said, after being questioned by three or four gentlemen, that he could not tell when an agreement would be reached, because there were "serious differences," in view of that statement and of the action of the gentleman in the House and in the caucus, when it seemed he was afraid of an amendment being made in the caucus by a Democrat, I am unwilling to be so courteous as to overlook my obligation and duty.

There is no doubt in my mind but what every amendment placed in this bill by the Senate makes the bill better than it was when it left the House. There is one that is wholesome from one standpoint, but under a principle of commercial banking might have been left out, and that is in the matter of loaning money on real estate for so long as five years. But it will be wholesome if it be made a basis of currency, and I do not

see why it should not, along with other securities.

There is a proviso wherein the Treasurer may deposit funds in member banks. Outside of this it is clear to my mind that every provision is in the interest of the people, particularly the one, so far as it goes, in making up the board, and the other as to the loans upon farms and cattle, the only prime paper of the South and West. The board eliminates all officers except the treasurer, and, in my opinion, that is a very wise provision. There are limitations on the board going toward an effort to hedge any political movement in the board, and that is of vital importance.

On the question of credit to agriculture, it has extended the time to six months in lieu of three months, with specific language, plainer and clearer than the bill contained when it left

the House.

I want to say to the gentlemen from the South and West who represent a constituency whose prime paper is made up of this class of security that now is your only opportunity to secure it. I can not understand how you, voting for "courtesy," afford to jeopardize that interest of your constituents, if the conferees were to come back limiting that period and cut off that security, being met with the argument—and that is a sound argument—that the people expect the passage of this bill immediately. When it comes back we will be confronted with the necessity of a holiday recess, with the argument that the people expect this bill to pass.

I may say, Mr. Speaker, that the bankers of the country for months have not known where they will be placed. They naturally hoard their funds, naturally hedge against evil tendencies and contingencies that might arise, and, in some instances, from purely selfish motives. When this bill comes back they will know where they will be, and it will make it easier for money in the country. We might continue indefinitely the consideration of this bill, and I think it would make it a better bill, but in the meantime we might create one or two more of the panics created the other day by the gentleman from Illinois, and, then, those panics might become real. I want to say that that argument ought to apply now that the people expect the passage of this bill.

The Members of the South and West, and Members of those districts that are agricultural districts, have an opportunity to get what they fought for, what their people expect they should get; but if this goes back you have not that assurance, because the gentleman from Virginia [Mr. Glass], as you are well aware, fought that provision in the caucus and on the floor of this House. I do not claim or intimate that the gentleman from Virginia is less earnest or less honest about this question than I. The fact that he is honest makes it more necessary for honest men differing with him to stand by our position. If the gentle-man from Virginia had some other motive, he would likely yield

to the Senate conferees, especially if he was trying to please some one. But having a different view, I say to these gentlemen representing that class of constituency, in the interest not only of the farmer but in the interest of the bankers of that section, that now is your opportunity, and I warn you if you lose that opportunity you have yourself to blame. I repeat again, courtesy is easy but duty is hard to perform, and between duty and courtesy, between obligation and organization, and between committee report on one side and the interest of the people of this country on the other there ought not to be any hesitation as to where your vote will be cast. [Applause.]

I might enumerate many provisions in these amendments where the wording is made plainer and where every section is more in the interest of the people. Now, I apprehend that some will say that the number of regional reserve banks have been reduced. It is true the Senate amendment says that there shall be not less than 8 nor more than 12, leaving it with the board, which I think is wise. It might prove in the end that we were unable to organize more than 8, and so it is wiser than to fix the number at 12. And even from that standpoint it is better. Now, other gentlemen may desire to discuss this question, and I will reserve the balance of my time.

The SPEAKER. The gentleman reserves 11 minutes. Mr. RUBEY. Will the gentleman yield for a question? Mr. MURRAY of Oklahoma. For a question.

Mr. RUBEY. What provision, if any, is there in this bill for the retirement of national-bank notes?

Mr. MURRAY of Oklahoma. There is a provision for that, but I can not tell the gentleman just where to find it.

Mr. RUBEY. Is the gentleman willing to vote for an amendment that he does not know what it contains?

Mr. MURRAY of Oklahoma. I understand what it is and what it contains, but I do not know just the section and page now.

Mr. GLASS. Mr. Speaker, the chairman of the Banking and Currency Committee of the House does not ask nor desire that any Member shall vote on this question through considerations of courtesy to him. I do ask, however, that the House shall send this bill to conference. I ask it for the reason that it would be a grave error to concur in the Senate amendment, involving many changes in the bill as passed by the House, and expressing its deliberate judgment.

In the first place, I do not believe that the bill as returned from the Senate would be a workable law. It contains some crudities and contradictions which should be corrected. I shall not take the time of the House to point out these inconsistencies, but will simply mention one or two. In the first place, the amendment of the Senate, as I last read it, provides that the directors of class B of the regional reserve banks shall not be officials, directors, employees, or stockholders of member banks; and yet further provides that the directors of class B shall be selected from the same list of electors as directors of class Aa list composed exclusively, as was intended, of bank directors. How could that be made to operate? Directors of class B of the regional reserve banks are required to represent peculiarly the banking interests.

Mr. MURRAY of Oklahoma. Mr. Speaker, will the gentleman

Mr. GLASS. I have only a few moments, and do not desire to

Mr. MURRAY of Oklahoma. Will the gentleman yield to a

Mr. GLASS. No; I do not care to yield. I am sure that I am right and have made no misstatement of the facts. Then, again, this House, and the Democratic caucus also, vehemently insisted on a definite policy of constituting these regional reserve banks the fiscal agents of the Government, and requiring that the Government funds should be deposited in these banks under restrictions requiring that there should be a fair distribution of them in the various sections of the country. Under the Senate amendment all of that is altered and the Secretary of the Treasury is made the sole custodian, in his discretion, of these funds, and may continue to deposit these funds or not, as

The House, after full discussion, decided that we would not embark on that uncertain and reckless proposition of permitting 7,500 national banks and, it may be, 18,000 State banks, scattered all over the country, to engage in the acceptance business—that is to say, in business involving contingent liabilities without one dollar of reserve behind them as a safeguard. Th is one of the provisions of the Senate amendment. Banker after banker who came before our committee warned us against that sort of thing, and Sir Edmund Walker, head of the Canadian banking system, who was at one time a banker in this country, familiar with banking operations here and abroad,

deliberately testified before our committee that such a thing might involve frightful consequences to the banking institutions of this country. That involves nobody knows how great an expansion of credit.

Then the reserve section of the bill has been radically altered, so that under the Senate amendment the cash reserve in member banks required under existing law amounts to more than both the cash reserve and the credit reserve balances of the country. The required cash reserve in member banks has been so reduced as to practically amount to no reserve at all. Is the House willing to approve that? Within six months after the passage of this bill there would be a veritable saturnalia of inflation in the country.

Under the Senate amendment you can never have more than 12 regional reserve banks without amending the law, no matter what the necessity might develop. Under the Senate amendment the reserve board can readjust the districts as it may please, without any sort of restriction, whereas the House bill provides that this could not be done except under certain restrictions. The House bill also provides that no Federal reserve bank shall be abolished without the assent of a certain

number of banks in the district. That safeguard is swept aside.

Under the Senate amendment the distribution of earnings is entirely changed so as to provide, not a guaranty of bank deposits as some Members of this House have been misled to believe, but to provide a mere pretense of an insurance of deposits, for which purpose the Senate amendment appropriates the profits of the Government instead of taxing the banks themselves, if such a scheme is to be embarked upon at all. A colleague awhile ago propounded a question to the Member from Oklahoma asking the latter to point to the provision of the Senate amendment providing for the retirement of the bond-secured national-bank currency. There is no such provision. secured national-bank currency. There is no such provision. The Senate amendment provides for an interminable perpetuation of the bond-secured currency. We have complained for 50 years of the inflexibility of this currency. Bankers, business men, textbook writers, currency experts, uniformly and concurrently agree that we ought ultimately to retire, without disturbance or shock, this bond-secured currency; and yet the Senate amendment extends its existence interminably. Not only that, but it requires the regional reserve banks to purchase a given amount of United States 2 per cent bonds annually, against which, whether currency be needed for business purposes or not, notes shall be issued. No banking discretion remains. We may have a redundancy of currency; there may not be one particle of business necessity for the issuance of more, but rather a need of retirement. Yet under this Senate amendment banks are required to issue.

I see my time is rapidly expiring, and as other gentlemen want to talk I am able to indicate only a few of the many objections to this Senate amendment. The fact is that the gentleman who moved to concur does not know what this Senate amendment contains. The print was handed to me only one hour before the motion was made on this floor to concur, and although I have undertaken as best I could to keep up with the amendments of the Senate, frankly I do not know what they are. I know there are some things in that ought not to be in.

Mr. MURDOCK. Will the gentleman yield for a question?

Mr. GLASS. For a question. Mr. MURDOCK. In view of what the gentleman has just said, does not the gentleman think it would have been fair to the House not to have moved the previous question, but to have had this question discussed and let other Members of the House know what is in the bill and not

Mr. GLASS. I can not yield for a discussion of procedure. I am talking of substantive things and not about parliamentary procedure.

Mr. MURDOCK. But parliamentary procedure is vital. The SPEAKER. The gentleman from Virginia declines to

Mr. GLASS. Something has been said about the number of conferees. Of this I want to say that the chairman of the Banking and Currency Committee up to half past 6 o'clock on yesterday evening was led to believe that there would be but three conferees on the part of the Senate. In view of that fact I took the three ranking members of the Banking and Currency Committee of the House, assuming that they would be named as conferees, and with them went over this bill as far as we could, fixing tentatively in our own minds, with the information at hand, for what things we think the House would stand and to what it would object, so we might go into the conference and dispatch the business of the conference with facility, in order

that Members of the House may go home.

Mr. GARRETT of Texas. Mr. Speaker, will the gentleman

yield?

The SPEAKER. Does the gentleman from Virginia yield? Mr. GLASS. I have only a few minutes, but I do not care to

be discourteous to my friend. I will yield.

Mr. GARRETT of Texas. We who come from the agricultural part of the United States and the stock-raising part are vitally interested in the proviso on page 85 of the bill, between lines 13 and 19-

Mr. GLASS. May I anticipate the gentleman's question, in order to save time, and say to him frankly I think the gentlemen who I assume will be the conferees on the part of the House have not reached that section, have not discussed that particular amendment to the bill; but, I assure my friend, if we conclude that it is the judgment of the House that the provisions to which he refers should remain the House conferees will yield. But, Mr. Speaker, I do not think it is fair to ask the chairman of the Banking and Currency Committee now as to these details concerning the things he will assent to or stand against.

Mr. GARRETT of Texas. Mr. Speaker, I want to ask the

gentleman also in regard to the 12-months section. If we can not inquire what is going to happen if these conferees are to be appointed and have some information from them on this question, which is very vital to our part of the country, we will be compelled to vote to concur in the Senate amendment.

Mr. GLASS. Well, Mr. Speaker, I can not undertake to indicate to this House now what the conferees will do. I do not think it would be proper, because I do not know myself.

Mr. GARRETT of Texas. Mr. Speaker, I will ask the gentleman if he would recede upon those two sections of the bill?

Mr. GLASS. I will not agree in advance as to any line of action. I want to represent the judgment of the House and not any particular faction or interest in the House.

Mr. Speaker, I reserve the balance of my time. The SPEAKER. The gentleman from Virginia has six min-

Mr. MURRAY of Oklahoma. I desire to recognize the gen-

tleman from Illinois [Mr. WILLIAMS] for half a minute.
Mr. WILLIAMS. Mr. Speaker, I do not care to occupy the time of the House. I will say I want to put a quietus on the howl of the calamity howlers in the shortest possible way.

I ask unanimous consent to extend my remarks in the Rec-

Mr. MANN. Mr. Speaker, unless some general arrangement is made I shall object to gentlemen taking a minute and then ex-

tending remarks in the Record. I object.

Mr. MURRAY of Oklahoma. Mr. Speaker, I yield three minutes to the gentleman from Kansas [Mr. Neeley].

Mr. NEELEY of Kansas. Mr. Speaker, there are three propositions in this bill that Members of this House representing agricultural constituencies particularly are very much concerned about, and these same Members are exceedingly interested to know what the conferees propose to do if they get a chance to

When we were in the committee we discussed the insurance of bank deposits, the discount of agricultural paper, and the authorization of farm loans by national banks. I found that when the gentleman from Arkansas [Mr. Wingo] offered his bank-deposit guaranty scheme it was received with cold indifference and voted down upon the final vote, without any discussion or consideration whatever, and later the caucus sustained that action. The bill now comes from the Senate with the groundwork laid for this most commendable and feasible plan. I want to know what the conferees propose to do with this. The original bill provided a miserable makeshift of a 45day discount for agricultural paper, and that was the thing that provoked a caucus of the majority side of this House, lasting one day less than three weeks, with the result that those of us who believe in a square deal for the farming interests of the country were finally able to force an amendment to the bill extending the period to 90 days. I want to know what this proposed conference committee, who fought us both in committee and in the caucus, proposes to do with this most commendable six months' extension placed in this bill in the Senate, with relation to agricultural paper? [Applause.] When we were in committee an amendment was offered by the gentleman from South Carolina [Mr. RAGSDALE] designed to accomplish the very purpose accomplished by this Senate amendment, and the expression upon the faces of some of the members of that committee were as uncomplimentary to him when he offered the amendment as was the vote when it was taken. I offered an amendment in that committee also, to extend the time for farm paper from nine months to five years. It was voted down, as was every variation thereof; and upon the floor of the Democratic caucus, joined with the agricultural credit fight, we were finally able to extend the time from nine months to one year. these three things, responsive to a just demand upon the part

of the country and opposed by a majority of the House Banking and Currency Committee, have all been placed in the bill by the Senate; and I, representing an agricultural constituency, desire to be advised what this conference committee proposes to do with these propositions before I vote to give them a chance to put them out forever. There is another proposition involved I suspect that the chairman of the committee is as susceptible to mistakes as are other gentlemen. On page 62, in discussing class A membership, you will find it says:

Class A shall consist of three members, who shall be chosen by and be representative of the stock-holding banks.

They are not to be members of the stock-holding banks, as he says, but representative of them. So that when he made the statement that class B stock was absolutely inconsistent he was mistaken.

Mr. GLASS. Will the gentleman permit an interruption?

Mr. NEELEY of Kansas. I will.

Mr. GLASS. If he will read the bill further, he will see that the directors of class A must be selected from a list of bank directors

Mr. NEELEY of Kansas. Very well. We will take that mat-

ter up when we get to it.

The SPEAKER. The time of the gentleman from Kansas [Mr. Neeley] has expired. The gentleman from Virginia [Mr. GLASS] has six minutes and the gentleman from Oklahoma [Mr. Murray] six and one-half minutes remaining. [Cries of "Vote!"

The SPEAKER. If nobody else wishes to speak, the Chair will put the motion. [Cries of "Vote!" "Vote!"] The House will be in order.

Mr. MURRAY of Oklahoma. Mr. Speaker, being in the affirmative, we would like to close, and I would like the gentleman from Virginia to consume the balance of his time.

Mr. GLASS. Mr. Speaker, I am ready to vote.

Mr. FITZGERALD. The gentleman from Virginia is in

charge of the bill and is entitled to close.

Mr. MURRAY of Oklahoma. Mr. Speaker, I yield the remainder of my time to the gentleman from Georgia [Mr. HARD-I understand the gentleman from Virginia [Mr. Glass] has yielded the balance of his time.

Mr. GLASS. I do not yield my time. I simply mean to make the suggestion, Mr. Speaker, that if it is agreeable to the gentleman from Oklahoma [Mr. MURRAY], I am willing the vote should be taken. Of course, if he wishes to consume more time to speak, I am willing.

Mr. UNDERWOOD rose.

The SPEAKER. The gentleman from Alabama.

The SPEAKER. The gentleman from Alabama.

Mr. UNDERWOOD. Mr. Speaker, I desire to suggest to the gentleman from Oklahoma [Mr. Murrax] that the gentleman from Virginia, being in charge of the bill, according to the practice and customs of the House for a long time, is entitled to close

Mr. MURRAY of Oklahoma. No; that is not the practice and custom of the House. The gentleman from Virginia is not in charge of this motion.

Mr. UNDERWOOD. But he is in charge of the bill, and the custom of the House is that the gentleman in charge of the bill

shall have the privilege of closing.

Mr. MURRAY of Oklahoma. No. He is not the mover of this motion, and the practice the gentleman refers to is not applicable in this case.

Mr. MANN. Oh, yes, it is. It is always true.

Mr. HARDWICK rose.

The SPEAKER. The gentleman from Georgia.

Mr. HARDWICK. Mr. Speaker and gentlemen of the House, it seems to me we ought not to have any great difficulty in voting on this question. Certainly I have none, so far as I am concerned.

If it be true that the country awaits this bill; if it be true that business stagnates because of the delay in its passage; if it be true that the President of the United States is awaiting with eagerness its arrival at the White House, why should we not pass it by the quickest and most direct route?

Why wait, why hesitate, why pause, if we believe, as a majority of the Members on this side believe, and as no man has yet disputed, that the Senate amendments are a vast improvement on the bill as it was passed by the House? Why should we not now and here enact this legislation, upon which

business awaits? [Applause.]

Now, the gentleman from Kansas [Mr. NEELEY] called attention to the several substantive propositions-and they are the only real fundamental substantive things that are involved in this issue—in which the Senate bill is a vast improvement over the bill that passed this House. In the first place, we fought with might and main—those of us who come from the agricultural and rural sections of this country, both from the South and from the West-for more liberal treatment of our agricultural paper. And what was the most we could force from the unwilling management in our own party in a Democratic caucus and in a Democratic House? Ninety days. The Senate has given us six months—twice as much as we gave ourselves. Why do we hesitate? [Applause.] We fought on long-time paper for one year, and we finally got it after much labor and travail. The Senate gives us five years on our long-time loans. [Applause.]

Why do we wait? How will a Representative from one of the Southern or one of the Western States be able to defend his vote before his people at home when he votes to oppose the adoption of this bill with the Senate amendments? My friends, if you vote against adopting the Senate amendments, it will not be a sufficient answer for you when you are attacked at home to say that the practice of the House was that we should go into conference because the gentleman from Virginia or the gentleman from Alabama or the gentleman from somewhere else wanted it done otherwise as a matter of courtesy. Gentlemen, we are dealing with a vast question; we are dealing with a great question that affects every business interest of this country to the remotest confines of the Republic, which affects the very industrial and financial life of our people. I say courtesy will be no answer to our people at home when the voice of duty here demands that we should do this.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield for a

The SPEAKER. Does the gentleman from Georgia yield to

the gentleman from Kansas?

Mr. HARDWICK. Certainly.

Mr. MURDOCK. I wish the gentleman would tell the House that this is our only chance on these three things.

Mr. HARDWICK. Undoubtedly. I want to warn you now, gentlemen. The gentleman from Viginia [Mr. Glass] refused to the propositions of the second of th to say how he would be as regards these two propositions to which I refer, and yet we know how he was in the Democratic caucus. [Applause.]

I do not want any promise, but I know what we may expect from the House conferees, and I have had enough experience in the parliamentary work of this body to know that if we do not vote now we shall probably tie our hands and gag ourselves and give up this great fight for the agricultural interests of the South and the West.

Mr. BARKLEY. Mr. Speaker, will the gentleman yield? The SPEAKER. Does the gentleman yield?

Mr. HARDWICK. Certainly. Mr. BARKLEY. Does the gentleman mean to say that if the conferees should eliminate the provision increasing the term of long-time paper from one year to five years and the term of short-time paper from three months to six months we could not vote against that report when it comes into the

Mr. HARDWICK. But we will have to do it as a whole.

Mr. BARKLEY. Can we not do it as a whole?

Mr. HARDWICK. I understand the gentleman's question, and I do not yield any further. . We would have to vote the report up or down as a whole, and you would be met then, as you are met now, with the insistent cry that the country awaits this bill; that a great panic hovers over us because we do not pass it or because we delay its passage. The President, the administration, the Senate, the country-everything would center here on you, to urge you to vote for the conference report and to enact this legislation.

Mr. MANN. Does the gentleman yield for a question?

Mr. RAKER. Will the gentleman yield for a question? Mr. HARDWICK. I yield to the gentleman from Illinois.

Mr. MANN. Does the gentleman think if the conference report comes in the administration will urge the Senate to pass it on account of the panic hovering over us?

Mr. HARDWICK. I think the President would urge its passage, because we know that business has halted while this bill was in process of being enacted, and we know he has said that it was extremely important for Members on this side to enact this legislation at the earliest possible moment.

Mr. MANN. I hope the gentleman will transmit that information to our beloved Speaker. He has not learned it yet.

[Laughter.]

Mr. HARDWICK. Now, Mr. Speaker, I want to say that I urge upon the membership of this House to concur in the Senate

amendment. There is not a single important trouble—

Mr. GRAHAM of Illinois. I want to point out an inconsistency in the bill and ask you if you want to change it.

Mr. HARDWICK. I can not yield to the gentleman.

Mr. GRAHAM of Illinois. In one place it provides for 35 per cent and in another for 33 per cent of the reserve.

Mr. HARDWICK. I want to say that if the gentlemen in charge of this bill had been liberal with the House about time for this debate and had given us time to go into these details, I would answer with pleasure every single objection of a technical nature that they urge about this Senate amendment; but they have said "no," the previous question is ordered, and we have but 20 minutes' discussion of this great question, in which is wrapped up the very industrial life and financial life of the

American people. [Applause.] And then they say—
The SPEAKER. The time of the gentleman has expired.
Mr. HARDWICK. I hope the House will vote to concur and

pass this bill at once. [Applause.]

Mr. GLASS. Mr. Speaker, how much time have I remaining? The SPEAKER. Six minutes.

Mr. GLASS. How much time has the gentleman from Oklahoma [Mr. MURRAY]?
The SPEAKER. None at all.

Mr. GLASS. I yield two minutes to my colleague from New York [Mr. FITZGERALD].

Mr. FITZGERALD. Mr. Speaker, I hope this bill will be sent to conference. It would make the Democratic Party absolutely ridiculous in the eyes of the country [applause on the Republican side] if, after spending all the time that has been taken to perfect a banking and currency bill, it rushed pell-mell to adopt the Senate amendment because there were one or two things that appealed particularly to large numbers of the House, without anyone really knowing what the result of the amend-ment would be. I do not know whom the House conferees will be, but I have sufficient confidence in them to believe that they will try to meet the sentiments of a majority of the Democrats in this House and not the sentiments of the Progressives and Republicans.

Mr. RAGSDALE. Will the gentleman yield? Mr. FITZGERALD. No; I will not yield. I I have only two minutes. In adjusting the bill they will eliminate the imperfections that have been pointed out by the gentleman from Virginia [Mr. Glass] as calamities, and will so perfect the bill as not only to meet the sentiment of the Members on this side of the House, but will meet the demands of the country for a bill that will bring relief to the financial and commercial interests of the country, and will reflect credit upon the administration and upon the Democratic Party.

Suppose this amendment were to be adopted out of hand, and

after it were adopted it was discovered that through haste or oversight some vital portion of the bill was of such a character that it would bring disaster to the commercial world. cuse could be offered, what defense could be made? Would that not be doing just what our opponents hope we will do, put ourselves where the wrath of the country would sweep us out of

power and out of the confidence of the people?

I hope the House will do the wise and sensible thing, and give a chance to have the bill examined and perfected in an orderly and in the usual way.

The SPEAKER. The time of the gentleman has expired. Mr. GLASS. I yield one minute to my colleague from Cali-

fornia [Mr. HAYES]

Mr. HAYES. Mr. Speaker, the chairman of the committee has stated very succinctly and clearly many things that ought to come out of this bill as it is sent to us from the Senate. I only desire to add one more thing. The Senate amendment permits the use of the notes issued by the Federal reserve banks as reserves in all the member banks, which anybody who knows anything about banking knows would mean the possibility of violent and dangerous and destructive inflation, and it should never pass with that provision in it. [Applause.]

Mr. GLASS. I yield three minutes to the gentleman from

Alabama [Mr. UNDERWOOD]. [Applause.]
Mr. UNDERWOOD. Mr. Speaker, I regard this bill as the greatest economic measure that has confronted the country in many years. I believe if a few inequalities that now exist are smoothed out, we are to have a bill that will be of great service to the people. [Applause.] This bill is so good that many of the opponents of the party in power have voted for it in the Senate and in the House. [Applause.] The gentleman from Georgia [Mr. HARDWICK] opposes the bill going to conference because he says that we must vote the conference report up or down, without amendment, and yet the gentleman from Georgia asked this House to vote up the Senate amendment without consideration or amendment when many inequalities are pointed

out to him that must be perfected.

Mr. RAGSDALE. Will the gentleman yield?

Mr. UNDERWOOD. Yes; for a question.

Mr. RAGSDALE. It has been stated here to-day that the conferees on the part of the House would try to carry out the will of the Democrats of this body. The Democrats of this body in caucus went on record in favor of 90 days for agricultural credits. Will the gentleman state how he stands on that provision as to 6 months or 90 days?

Mr. UNDERWOOD. I will say to the gentleman from South Carolina that in the caucus I favored a liberal provision as to agricultural credits. I favor it now, and I hope the conferees will bring back a report that will enable the Senate provision to stand, so far as the length of time for agricultural paper is concerned. [Applause.] That is my individual view; that is my personal wish, but we can not destroy a great bill by reason of our individual desires.

Now I want to point to just one thing in this bill that makes it impossible for you to accept the Senate amendment as it stands. On page 91 of this bill it provides that the reserve for the redemption of these notes shall be 35 per cent. On page 93 it provides that the same reserve shall be 33 per cent.

Mr. MURRAY of Oklahoma. That is a typographical error. Mr. UNDERWOOD. Of course it was a typographical error, a mistake, but do you want to write typographical error and mistake into the law so that you can not enforce it?

The SPEAKER. The time of the gentleman from Alabama has expired; all time has expired.

Mr. MURRAY of Oklahoma. Mr. Speaker, on this motion I

demand the yeas and nays. Mr. MANN. Mr. Speaker, is anybody on this side entitled to recognition in debate?

Mr. UNDERWOOD. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois may have five minutes.

Mr. WILLIAMS. Mr. Speaker, I object.
Mr. UNDERWOOD. Mr. Speaker, I ask unanimous consent that gentlemen who have been recognized, including the gentleman from Illinois, may have leave to extend remarks in the

Mr. MURRAY of Oklahoma. Make it apply to all Members. Mr. UNDERWOOD. Very well, I will ask to have it apply to all Members.

Mr. MANN. Mr. Speaker, under the reformed liberal rules of the House, nobody can be heard except Members on the majority side of the House, and I object.

The SPEAKER. The Chair wishes to state that the gentleman from Oklahoma was recognized to make his motion, and when the previous question was ordered, nobody participating in that proceeding except Members on the Democratic side, who, of course, were entitled to recognition, the Chair was not trying to prevent Republicans

Mr. MANN. Oh, Mr. Speaker, if the Chair will pardon me, I was not criticizing the Chair. [Cries of "Regular order!"]

Mr. UNDERWOOD. Mr. Speaker, I again renew my request that the gentleman from Illinois may have five minutes by unanimous consent.

Mr. WILLIAMS. Reserving the right to object, Mr. Speaker

Mr. GARDNER. I object, Mr. Speaker.

The SPEAKER. The gentleman from Massachusetts objects.

The gentleman from Oklahoma demands the yeas and nays on the motion to concur in the Senate amendment.

Mr. LEVER. Mr. Speaker, a parliamentary inquiry. The SPEAKER. The gentleman will state it. Mr. LEVER. If the motion of the gentleman from Oklahoma is voted down, will it be in order for the House to instruct the

conferees on certain of these provisions?

The SPEAKER. It would be in order if they get the conferees

Mr. MURDOCK. And recognition. Mr. GRIFFIN. And the votes. [Laughter.]

The SPEAKER. The Chair will state the parliamentary situation. If this motion is voted down, that is equivalent to a disagreement, and then a motion for the conferees will be in order. After the conferees are appointed the motion to instruct them would be in order.

Mr. CULLOP. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.
Mr. CULLOP. When the conferees are appointed, then it is too late to make the motion to instruct. It must be made between the motion for the conferees and the appointment of

The SPEAKER. It will be in order when the conference is agreed to. The question is on the demand of the gentleman from Oklahoma for the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. The question is on the motion of the gentleman from Oklahoma to concur in the Senate amendments.

The question was taken; and there were—yeas 59, nays 295, answered "present" 2, not voting 78, as follows:

Barton Bell, Cal. Bryan Buchanan,Tex. Buchanan, Tex.
Burgess
Candler, Miss.
Copley
Curry
Davenport
Dershem
Dies
Doughton
Fowler
Garner Garrett, Tex. Gregg Hardwick Hinebaugh Howard Hughes, Ga. Hulings Kelly, Pa. Kinkaid, Nebr. Lafferty Langley Lobeck McKenzie MacDonald Murdock

YEAS-59. Murray, Okla. Neeley, Kans. Nolan, J. I. O'Hair Page, N. C. Park Quin Ragsdale Rayburn Rupley Sharp Sisson Slayden Sloan Smith, Idaho NAYS-295.

Stephens, Cal. Stephens, Miss. Stephens, Tex. Stout Sumners Tavenner Tavenner
Thompson, Okla.
Tribble
Walters
Whitacre
Williams Witherspoon Woodruff Young, Tex.

Abercrombie
Adamson
Aiken
Anderson
Ansberry
Asbbrook
Aswell
Avis
Baker
Baltz
Barkley
Barnhart
Bartholdt
Bathrick
Benkes Beakes Beall, Tex. Bell, Ga. Blackmon Booher Borland Brockson Brockson
Brodbeck
Brown, N. Y.
Browne, Wis.
Brumbaugh
Burke, S. Dak.
Burnett
Byrnes, S. C.
Byrns, Tenn.
Callaway
Campbell
Canfor
Caraway Caraway Carew Carlin Carr Carter Cary Casey Chandler, N. Y. Chandler, N. Y.
Church
Clark, Fla.
Claypool
Clayton
Cline
Coady
Collier
Connelly, Kans.
Connolly, Iowa
Conry
Cooper
Covington
Cox Covington Cox Cramton Crisp Crosser Cullop Danforth Davis Decker Deitrick Dent Dickinson Difenderfer Dillon Dixon Donovan Dooling Doolittle Doremus Driscoll Dupré

Adair Ainey Alexander Allen Anthony Bailey Barchfeld Bartlett Borchers Bremner Britten Broussard

Broussard

Keating Keister Kelley, Mich, Kennedy, Conn. Kennedy, Iowa Kennedy, R. I. Eagan Edwards Esch Estopinal Evans Faison Falconer Farr Fergusson Kennedy, R. I. Kent Kettner Key, Ohio Kindel Kinkead, N. J. Kirkpatrick Kitchin Fergusson Ferris Fields Finley Fitzgerald FitzHenry Flood, Va. Floyd, Ark. Foster Francis Konop Korbly Kreider Langham Lazaro Lee, Ga, Lenroot Lesher Lever Frear French Gard Gardner Lever
Levy
Lewis, Md.
Lewis, Pa.
Lieb
Lindbergh
Lindquist
Linthicum
Lloyd
Logue Gardner George Gilmore Gittins Glass Godwin, N.C. Goeke Goldfogle Good Goodwin, Ark. Lloyde
Logue
Lourgan
McAndrews
McClellan
McCoy
McBermott
McGillicuddy
McGuire, Okla.
McKellar
McLaughlin
Maguire, Nebr. Gordon Goulden Graham, Ill. Gray Greene, Iowa Greene, Mass. Greene, Vt. Griest Griffin Cudger Gordon Griffin
Gudger
Guernsey
Hamilton, Mich.
Hamilton, N. Y.
Hamilin
Hammond
Hardy
Harrison
Hart
Hauley
Hayden
Hayden
Hayes
Heflin
Helgesen
Helvering
Hensley
Hill
Hinds
Holland
Houston
Howell McLaughin Maguire, Nebr. Manahan Mann Mapes Mitchell Mondell Montague Moore Moore Morgan, La. Morgan, Okla. Morrison Moss, W. Va. Mott Mott Murray, Mass. Neely, W. Va. Nelson Norton O'Brien Oglesby Oldfield O'Shaunessy Padgett Howell Hull Palmer Parker Humphrey, Wash. Humphreys, Miss. Payne Peters, Mass. Igoe Jacoway Johnson, Ky. Johnson, S. C. Johnson, Utah Johnson, Wash. Kahn Peterson Phelan Platt Plumley Post Pou Rainey

Raker Rauch Recd Reilly, Conn. Reilly, Wis. Riordan Roberts, Mass. Rogers Rothermel Bonsa Rouse Rubey Rucker Russell Saunders Scott Seldomridge Sells Shackleford Sherley Sherwood Shreve Sims Sinnott Sinnott
Slemp
Small
Smith, J. M. C.
Smith, Md.
Smith, Minn.
Smith, Saml. W.
Smith, Tex.
Soarkman Sparkman Sinfford Stafford Stanley Stedman Steenerson Stephens, Nebr. Stevens, Minn. Stevens, N. H. Stone Sutherland Switzer Switzer Switzer
Taggart
Talcott, N. Y.
Taylor, Ala.
Taylor, Ark.
Taylor, Colo.
Taylor, N. Y.
Temple
Ten Eyck
Thacher
Thomas Thomas Thomson, Ill. Towner Townsend Treadway Tuttle Underhill Underwood Volstead Walker Walsh Watkins Watson Weaver Webb Whaley White Willis Wilson, Fla. Wingo Winslow Woods Young, N. Dak,

ANSWERED PRESENT "-2. Browning Garrett. Tenn. NOT VOTING-78. Brown, W. Va. Bruckner Buchanan, III. Dunn Eagle Edmonds Elder

Bulkley Burke, Pa. Butler Fairchild Fess Fordney Gallagher Calder Cantrill Clancy Curley Dale Donohoe Gerry Gillett Gorman Graham, Pa.

Hamill Helm Henry Hobson Hoxworth Hughes, W. Va. Jones Kiess, Pa. Knowland, J. R. La Follette Lee, Pa. L'Engle Stringer Talbott, Md.

Vare Vaughan Wallin Wilson, N. Y.

Morin Moss, Ind. O'Leary Paige, Mass, Patten, N. Y. Patton, Pa. Pepper Peters, Me. Loft Madden Mahan Maher Martin Merritt Prouty Richardson Roberts, Nev. Sabath Scully Smith, N. Y. Metz Miller So the motion to concur was rejected.

The Clerk announced the following pairs:

For the session:

Mr. Scully with Mr. Browning. Mr. METZ with Mr. WALLIN. Mr. Hobson with Mr. FAIRCHILD. Mr. Bartlett with Mr. Butler.

Until further notice:

Mr. Garrett of Tennessee with Mr. Fordney.

Mr. CANTRILL with Mr. EDMONDS. Mr. GORMAN with Mr. MERRITT. Mr. STRINGER with Mr. MORIN. Mr. DALE with Mr. MARTIN.

Mr. ALEXANDER with Mr. DUNN. Mr. ALLEN with Mr. Fess.

Porter

Powers

Mr. Bailey with Mr. Ainey.
Mr. Brown of West Virginia with Mr. Britten.
Mr. Buchanan of Illinois with Mr. Graham of Pennsylvania.
Mr. Bulkley with Mr. Hughes of West Virginia.
Mr. Donohoe with Mr. Burke of Pennsylvania. Mr. Gallagher with Mr. Kiess of Pennsylvania.
Mr. Helm with Mr. La Follette.
Mr. Henry with Mr. J. R. Knowland.
Mr. Jones with Mr. Miller.
Mr. Kinkelp of New Jenses with Mr.

Mr. Kinkead of New Jersey with Mr. Paige of Massachusetts. Mr. Lee of Pennsylvania with Mr. Patton of Pennsylvania.

Mr. Moss of Indiana with Mr. Peters of Maine. Mr. Patten of New York with Mr. Porter. Mr. SMITH of New York with Mr. Powers.

Mr. Wilson of New York with Mr. PROUTY, Mr. Elder with Mr. Roberts of Nevada.

Mr. MAHER with Mr. VARE.

On the vote:

Mr. VAUGHAN with Mr. CALDER. Mr. Adair with Mr. Anthony

Mr. L'ENGLE (in favor of) with Mr. BARCHFELD (against concurrence in Senate amendment).

Mr. SABATH with Mr. GILLETT (ending after holidays).

Mr. Talbort of Maryland (against) with Mr. Madden (for concurrence in Senate amendment; ending Monday).

Mr. BROWNING. Mr. Speaker, did Mr. Scully vote?
The SPEAKER. He did not,
Mr. BROWNING. Mr. Speaker, I voted "no." I wish to withdraw my vote and be recorded "present."

The name of Mr. Browning was called, and he answered

Mr. GARRETT of Tennessee. Mr. Speaker, I voted "no." I am paired with the gentleman from Michigan, Mr. Fordney, and I am informed he has not voted. I therefore desire to withdraw my vote and answer "present."

The name of Mr. Garrett of Tennessee was called, and he answered "Present."

The result of the vote was announced as above recorded.

Mr. GLASS. Mr. Speaker—
Mr. MANN. Mr. Speaker, a parliamentary inquiry.
The SPEAKER. The gentleman will state it.
Mr. MANN. Would it be in order at this time to offer a motion to instruct the conferees before the conference asked for by the Senate has been agreed to, or would that motion have to come afterwards? At the proper time I desire to make that motion

The SPEAKER. It would come after the agreement for the conferees and before the conferees are announced.

Mr. GLASS. Mr. Speaker, I desire to move that the House agree to the request for the conference asked for by the Senate.

The SPEAKER. The gentleman from Virginia moves that the House agree to the conference on this bill asked for by the

Senate. Without objection, the conference is agreed to. [After a pause.] The Chair hears none. a pause.]

Mr. MANN. Mr. Speaker, I offer the following privileged motion.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Resolved, That the managers on the part of the House be instructed in conference to agree to the Senate amendment with an amendment as follows: Strike out all of the Senate amendment and insert in lieu thereof the following:

"That the short title of this act shall be the 'Federal reserve act.'

"The terms 'national bank' and 'national banking association' used in this act shall be held to be synonymous and interchangeable. The term 'member bank' shall be held to mean any national bank, State

bank, or trust company which has become a member of one of the reserve banks created by this act. The term 'board' shall be held to mean Federal reserve board; the term 'district' shall be held to mean Federal reserve district; the term 'reserve bank' shall be held to mean Federal reserve bank.

"FEDERAL RESERVE DISTRICTS.

Federal reserve district; the term 'reserve bank' shall be held to mean Federal reserve bank.

"FEDERAL RESERVE DISTRICTS.

"SEC. 2. That the Federal reserve board, hereinafter provided for, shall, as soon as practicable after their appointment and confirmation, designate from among the reserve and central reserve cities now established a number of such cities to be termed Federal reserve cities, and shall divide the continental United States into districts, each district to embrace one of such Federal reserve iters: Provided, That the districts shall be formed with due regard to the convenience and customary course of financial and commercial business in each district, and need not necessarily coincide with State or county boundaries. The districts thus established shall be known as Federal reserve districts, and each of them shall be designated by the name of the Federal reserve city located therein. The Federal reserve board shall, as soon as practicable after the said districts have been established, proceed to organize, conformable to the provisions of this act, in each Federal reserve city estimated as aforesaid, a Federal reserve bank, which shall be known by the name of the city in which it is established, as, for example, 'Federal reserve bank of Chicago.' Four Federal reserve cities, and appurtenant to them four Federal reserve districts, and no more, shall in the first instance be designated and established as such by the Federal reserve board. *Provided,* That after Federal reserve barks have been organized and in operation for a period of two years in said four Federal reserve cities, with the requisite Federal reserve bistricts appurtenant thereto, and for that purpose may after and change the limits and areas of existing Federal reserve barks. There shall be allotted to every national bank within a Federal reserve district, of the capital stock of the Federal reserve bank of such district, a sun equal to 6 per cent of the Federal reserve bank of such district, as an equal to 6 per cent of the Fed

" STOCK ISSUES.

"SEC. 3. The capital stock of each Federal reserve bank shall be divided into shares of \$100 each, and shall be without voting power. The Federal reserve board shall have power to prescribe regulations for the transfer of said stock. With the consent and approval of the board, reserve banks may establish such branch offices, within their respective districts, as they deem necessary to conform to the convenience and established course of business.

" PEDERAL RESERVE BANKS.

districts, as they deem necessary to conform to the convenience and established course of business.

"FEDERAL RESERVE BANKS.

"Sec. 4. When the Federal reserve board has established Federal reserve districts as prescribed in section 2 of this act, the governor or vice governor of such board shall, under his hand and seal, execute a certificate designating the territorial limits of such districts and the Federal reserve city in each district, and shall file such certificate with the Secretary of the Treasury. When such certificate has been executed and filed as aforesaid, the board shall allot to each and every national-bank stock in the reserve banks as prescribed in section 2 of this act, and when, conformable to section 2 of this act, an amount of such stock has been subscribed for in any Federal reserve district equal to \$6,000,000, and one-third of such subscription has been paid in, the board shall, by its governor or vice governor, under his hand and seal, issue a certificate in writing specifying the name and location of the reserve bank in such district, the territorial limits of the district, the amount of the capital stock subscribed, and the amount paid in on such subscription, and the name and amount of stock taken by each subscriber. Such certificate shall be acknowledged before the cierk of a court of record, or a notary public, and shall be filed with the Secretary of the Treasury.

"Upon the filing of such certificate with the Secretary of the Treasury as aforesaid, the said reserve bank so formed shall become a body corporate, and as such, and in the name designated in such organization certificate, shall have power—

"First, To adopt and use a corporate seal.

"Second. To have succession for a period of 20 years from its organization unless it is sooner dissolved by an act of Congress, or unless its franchise becomes forfeited by some violation of law.

"Third. To make contracts.

"Fourth. To sue and be sued, complain and defend, in any court of law and equity as fully as natural persons.

"Fi

this act and such incidental powers as shall be necessary to carry on the business of banking within the limitations prescribed by this act.

"No Federal reserve bank shall transact any banking business, except such as pertains to the perfection of its organization and management, until two-thirds of its stock subscribed for has been paid in as prescribed in section 2 of this act.

"Every Federal reserve bank shall be conducted, managed, and controlled by a board of nine directors, five of whom shall be appointed by the Federal reserve bank shall be known as directors it, and four of whom shall be known as cliented, who shall be selected in the state of the shall be known as directors it is a shore provided, the board shall subject to the shall notify the member banks in said Federal reserve district to elect four directors within a certain date to be named in the notification. Said board shall supjly to each member bank a blank for the purpose of recording the vote of said member banks. Each member bank shall vote for four 'B' directors upon the blank so forwarded, shall certify that they are the choice of the result to each of said member banks, which certificate shall be signed by the officers of said bank and forwarded to the board within the time which said board shall limit. Said board shall canyass the hallots so received from said member banks. The candidate for director years; the candidate for director receiving the second largest number of votes shall hold office for three years; the candidate for director receiving the second largest number of votes shall hold office for three years; the candidate for director receiving the second largest number of votes shall hold office for one year. During each subsequent year, the election shall be held in the same manner except that each bank shall vote for only one director unless in case of vacancies, when the number to be elected shall be certified by the board to each ember bank, and in such cases a plurality vote shall elect.

"No person shall be legal to

"INCREASE OF CAPITAL.

"INCREASE OF CAPITAL.

"Sec. 5. That the capital stock in the reserve banks shall be maintained as nearly as practicable in an amount equal to 6 per cent of the capital and surplus of the member banks in said district, and the board is authorized from time to time to sell to the public such additional stock in any reserve bank as may be required to maintain this proportion. The price at which said stock shall be offered to the public shall be at its fair market value, but in no case below par. Any bank applying for membership in a reserve bank shall be required by the board to underwrite, at the price fixed by the board, such an amount of capital stock in said reserve bank equal to 6 per cent of the capital and surplus of such applying bank, as may be allotted to it by the board, and to purchase and pay for such portion of said allotment as may not be purchased by the public, as provided for in this act.

"When the capital stock of any reserve bank has been increased, the board shall certify the same to the Secretary of the Treasury.

"Sec. 6. That in case the Federal reserve board shall decide, after two years' operation of the reserve banks first established, that one or more additional banks herein authorized should be established it shall make the necessary change in lines of existing districts, designate the new reserve city or cities, and notify the member banks affected by such change to associate themselves with the new reserve bank or banks and change the deposit of their reserves accordingly. Stockholders in previously established reserve banks affected by the change shall be invited to exchange a portion of their stock certificates as indicated by the reserve board, and for all stock so exchanged the reserve bank or banks from the old reserve bank or banks of the corresponding amount of cash capital in gold.

"If sufficient stock certificates are not thus exchanged the reserve board may offer to the general public at par stock in the newly created district or districts to an amount necessary to make

" DIVISION OF EARNINGS.

"Sec. 7. That after the payment of all necessary expenses and taxes, including its share of the expenses of the Federal reserve board, the stockholders of each Federal reserve bank shall be entitled to receive an annual dividend of 5 per cent on the paid-in capital stock, which dividend shall be cumulative. Net earnings over and above expenses and the aforesaid dividend shall be applied as follows: Twenty-five per cent of such net earnings to be carried to a surplus fund until such fund shall amount to 20 per cent of the paid-in capital stock of such reserve bank, and 37½ per cent of said net earnings shall be set aside in a trust fund to be known as the depositors' insurance fund and shall be used for the payment of the depositors of insolvent member banks under rules and regulations made by the board. When, in the judgment of the

board, there has been accumulated in such depositors' insurance fund a sufficient sum fully to insure the payment of the depositors of insolvent member banks, the board shall have power to suspend the setting aside and accumulation of the said 37½ per cent of such earnings, and thereafter such 37½ per cent of such earnings and thereafter such 37½ per cent of such earnings shall be paid to the United States, except that in the event the depositors' insurance fund is depleted by the payment of depositors of insolvent member banks such fund shall be replicated of depositors of insolvent member banks such fund shall be replicated of the earnings or so much thereof as, in the judgment of the board, may be necessary. The remaining net earnings shall be paid to the United States: Provided, That the amount so paid shall be applied to the purchase, st par, with accrued interest, of the 2 per cent bonds of the United States, stall bonds then to be retired; or if such bonds can not be so purchased shid amount shall be applied to the purchase, st par, with accrued interest, of the 2 per cent bonds of the United States, said bonds then to be retired; or if such bonds can not be so purchased shid amount shall be applied to the purchase, and the capital stock therein and the income derived therefrom shall be exempt from Federal, State, and local taxation, except in respect to taxes upon real estate.

"Sec. 8. That within six months after a national bank shall have been notified by the Federal reserve board of its allotment of stock under section 2 of this act said national bank shall hold a meeting of its stockholders and decide by a majority vote whether it will become a member bank under the terms of this act or whether it will become a member bank under the terms of this act or whether it will be member bank, the officers of said bank, upon a blank provided by the board, shall forward the saceptance by said national bank shall become a member bank, the formal taxetion and shall thereupon have six months within which to sur

"STATE BANKS AS MEMBERS.

"SEC. 10. That from and after the passage of this act any bank or banking association or trust company incorporated by special law of any State, or organized under the general laws of any State or the United States, may make application to the Federal reserve board to become a member of the Federal reserve bank organized or to be organized within the Federal reserve district where the applicant is located. The Federal reserve board, under such rules and regulations as it may prescribe, subject to the provisions of this act, shall permit such applying bank to become a member of the Federal reserve bank of the district in which such applying bank is located, in which case stock shall be allotted to it as provided in this act.

"No such applying bank shall be admitted to membership in a Federal reserve bank unless it possesses a paid-up unimpaired capital sufficient to entitle it to become a national banking association in the place where it is situated, under the provisions of the national banking act, and it shall thereafter be required to make the same reports and be subject to the same examination and supervision as national banking associations and subject also to the reserve requirements of this act.

"If at any time it shall appear to the Federal reserve board that a member bank has failed to comply with the provisions of this act or the regulations of the Federal reserve board, it shall be within the power of the said board, after due hearing, to suspend or expel the said bank from membership. The Federal reserve board my restore membership upon due proof of compliance with the conditions imposed by this act.

"FEDERAL RESERVE BOARD.

"Sec. 11. That the President of the United States shall appoint, by and with the advice and consent of the Senate, a Federal reserve board consisting of eight members, in addition to whom the Secretary of the Treasury shall be an ex officio member. Of the eight members appointed in the first instance, the President shall appoint one for a term of one year, one for a term of two years, one for a term of three years, one for a term of four years, one for a term of five years, one for a term of six years, one for a term of seven years, and ne for a term of eight years, and thereafter all appointments shall be made for a term of eight years, not less than one nor more than three of said members shall be appointed from any one Federal reserve district. Appointments to fill vacancies in the board shall be for the unexpired term and may be made by the President when the Senate is not in session, which appointments shall expire at the end of the next session. In selecting members of the reserve board consideration shall be given to experience in commerce and banking. The eight members of the Federal reserve board thus appointed by the President shall devote their entire time to the work and duties of the board and shall not while in office be officers, directors, or employees of any bank or trust company, nor hold stock in any such institution, and they shall each receive a salary of \$12,000 per year, payable monthly out of the Treasury of the United States upon the order or warrant of the Secretary of the Treasury, one member of said board as governor thereof, and one member as vice governor thereof, who shall act in place of the governor during his disability or absence.

The governor shall be the active executive and presiding officer of the board. The Secretary of the Treasury shall provide the necessary office rooms for said board in the Treasury Department Building, or the board may select quarters elsewhere in the city of Washington if sufficient office room can not be found in said building. The said board shall hold its office in the city of Washington, D. C. The first meeting of the board shall be held as soon as may be, upon the call of the Secretary of the Treasury, at a time and place designated by him.

"The Federal reserve board shall have power to levy semiannually upon the Federal reserve banks, in proportion to their capital stock and surplus, an assessment sufficient to pay its estimated expenses and salaries for the half year succeeding the levying of such assessment, together with any deficiency carried forward from the preceding half year.

surplus, an assessment sufficient to pay its estimated expenses and salaries for the half year succeeding the levying of such assessment together with any deficiency carried forward from the preceding half year.

"The Federal reserve board shall annually make a full report of its operations to the Congress.

"Section 324 of the Revised Statutes of the United States shall be amended so as to read as follows: 'There shall be in the Department of the Treasury a bureau charged with the execution of all laws passed by Congress relating to the issue and regulation of national currency secured by United States bonds and, under the general supervision of the Federal reserve board, of all Federal reserve notes, the chief officer of which bureau shall be called the Comptroller of the Currency, and shall perform his duties under the general direction of the Secretary of the Treasury. Nothing in this act contained shall be construed as taking away any powers heretofore vested by law in the Secretary of the Treasury bepartment and the bureaus under such department.

"SEC, 12. That the Federal reserve board hereinbefore established shall be authorized and empowered—

"(a) To examine at its discretion the accounts, books, and affairs of each Federal reserve bank and of each member bank and to require such statements and reports as it may deem necessary. The said board shall publish once each week a statement showing the condition of each Federal reserve banks. Such statements shall show in detail the assets and liabilities of such Federal reserve hank, single and combined, and shall furnish full information regarding the amount and character of the paper and other investments owned or held by Federal reserve banks.

"(b) To permit or require, in time of emergency, Federal reserve banks to rediscount the discounted prime commercial paper of other Federal reserve banks, at least six members of the Federal reserve banks to rediscount the discounted prime commercial paper of other Federal reserve banks.

"(c) To supervise and reg

"FEDERAL ADVISORY COUNCIL.

"Sec. 13. There is hereby created a Federal advisory council, which shan consist of as many members as there are Federal reserve districts. Each Federal reserve bank, by its board of directors, shall annually select from its own Federal reserve district one member of said council, who shall receive such compensation and allowances as may be fixed by the board of directors, subject to the approval of the Federal reserve board. The meetings of said advisory council shall be held in Washington, D. C., at least four times each year, and oftener if called by the Federal reserve board. The council may select its own officers and adopt its own methods of procedure, and a majority of its members shall constitute a quorum for the transaction of business. Vacancies in the council shall be filled by the respective reserve banks, and members selected to fill vacancies shall serve for the unexpired term.

"The Federal advisory council shall have power by itself or through its officers (1) to meet and confer directly with the Federal reserve board on general business conditions; (2) to make oral or written representations concerning matters within the jurisdiction of said board; (3) to call for complete information and to make recommendations in regard to discount rates, rediscount business, note issues, reserve conditions in the various districts, the purchase and sale of gold or securities by reserve banks, open-market operations by said banks, and the general affairs of the reserve banking system.

"REDISCOUNTS.

" REDISCOUNTS

affairs of the reserve banking system.

"SEC. 14. That any Federal reserve bank may receive from any member bank and from the United States deposits of current funds in lawful money, national-bank notes, Federal reserve notes, and checks and drafts upon solvent member banks of the Federal reserve system, payable upon presentation; and, solely for exchange purposes, may receive from other Federal reserve banks deposits of current funds in lawful money, national-bank notes, and checks and drafts upon solvent member or other Federal reserve banks, payable upon presentation. Reserve banks shall not pay interest on deposits.

"Upon the indorsement of any member bank with a waiver of demand notice and protest any Federal reserve bank may discount notes, drafts, and bills of exchange arising out of actual commercial transactions; that is, notes, drafts, and bills of exchange issued or drawn for agricultural, industrial, or commercial purposes, or the proceeds of which have been used, or may be used, for such purposes, the Federal reserve board to have the right to determine or define the character of the paper thus eligible for discount, within the meaning of this act; nothing herein contained shall be construed to prohibit such notes, drafts, and bills of exchange, secured by staple agricultural products, or other goods, wares, or merchandise from being eligible for such discount; but such definition shall not include notes, drafts, or bills covering merely investments or issued or drawn for the purpose of carrying or trading in stocks, bonds, or other investment securities, except bonds and notes of the Government of the United States. Notes and bills admitted to discount under the terms of this paragraph must have a maturity at the time of discount of not more than 180 days: Provided, however, That not more than 50 per cent of the paper discounted for any member bank shall have a maturity at the time of the paper discounted for any member bank shall have a maturity at the time of the paper discounted for any member

member bank have more than \$200,000 of rediscounts having a maturity longer than 90 days.

"Any Federal reserve bank may discount acceptances of member banks which are based on the exportation or importation of goods and which have a maturity at time of discount of not more than six months and of acceptances based on domestic shipments of goods and which have a maturity at time of discount of not more than four months and bear the signature of at least one member bank in addition to that of the acceptor. The amount so discounted shall at no time exceed one-half the capital stock of the bank for which the rediscounts are made.

"The aggregate of such notes and bills bearing the signature or indorsement of any one person, company, firm, or corporation rediscounted for any one bank shall at no time exceed 10 per cent of the unlimpaired capital and surplus of said bank; but this restriction shall not apply to the discount of bills of exchange drawn in good faith against actually existing values.

"Any national bank may, at its discretion, accept drafts or bills of exchange drawn upon it and growing out of transactions involving the importation or exportation of goods having not more than six months to run or growing out of the domestic shipment of goods and having not more than four months to run; but no bank shall accept such bills to an amount equal at any time in the aggregate to more than the par value of its paid-up and unimpaired capital.

"The Federal reserve board may authorize the reserve bank of the district to discount the direct obligations of member banks, secured by the pledge and deposit of satisfactory securities; but in no case shall the amount so loaned by a reserve bank exceed three-fourties of the actual market value of the securities so pledged or one-half the amount of the paid-up and unimpaired capital of the member bank.

"The rediscount by any Federal reserve bank of any bills receivable and of domestic and foreign bills of exchange shall be subject to such regulations as may be imposed by

"OPEN-MARKET OPERATIONS.

"Sec. 15. Any Federal reserve bank may, under rules and regulations prescribed by the Federal reserve board, purchase and sell in the open market, either from or to domestic or foreign banks, firms, corporations, or individuals, prime bankers' bills, and bills of exchange of the kinds and maturities by this act made eligible for rediscount, and cable transfers.

"Every Federal reserve bank shall have power (a) to deal in gold

or individuals, prime bankers bills, and only of exchange of the kinds and maturities by this act made eligible for rediscount, and cable transfers.

"Every Federal reserve bank shall have power (a) to deal in gold coin and bullion both at home and abroad, to make loans thereon, and to contract for loans of gold or bullion, giving therefor, when necessary, acceptable security, including the hypothecation of interest-bearing obligations of the United States; (b) to buy and sell interest-bearing obligations of the United States and of its dependencies when payment of principal and interest is guaranteed by the United States, and bonds or warrants of any State, county, or municipality, or short-time interest-bearing obligations issued by foreign governments, with a maturity from date of purchase of not exceeding one year, such purchases to be made in accordance with rules and regulations prescribed by the Federal reserve board; (c) to purchase from a member bank and to sell, with or without its own indorsement, bills of exchange arising out of commercial transactions, as hereinbefore defined; (d) to establish publicly from time to time, subject to review and determination of the Federal reserve board, a rate of discount to be charged by such bank for each class of paper, which shall be fixed with a view of accommodating the commerce of the country and promoting stability in business; and (e) establish accounts with other reserve banks and with the consent of the Federal reserve board, to open and maintain banking accounts in foreign countries and establish agencies in such countries wheresoever it may deem best for the purpose of purchasing, selling, and collecting bills of exchange, letters of credit, and travelers' checks, and to buy and sell with or without its indorsement, through such correspondents or agencies, bills of exchange arising out of commercial transactions which have not exceeding 90 days to run and which bear the signature of two or more responsible parties.

"Sec. 16. That all moneys now held in

"Sec. 16. That all moneys now held in the general fund of the Treasury, except the 5 per cent fund for the redemption of outstanding national-bank notes and the funds provided in this act for the redemption of Federal reserve notes, shall, upon the direction of the Secretary of the Treasury, be deposited in Federal reserve banks, which banks shall act as fiscal agents of the United States; and thereafter the revenues of the Government shall be regularly deposited in such banks and disbursements shall be made by checks drawn against such deposits.

"The Secretary of the Treasury shall, subject to the approval of the Federal reserve board, from time to time apportion the Government deposits among the said Federal reserve banks. In proportion to their capital stock as far as practicable: Provided, That for the purposes of collection and transfer only the Secretary of the Treasury may designate national banks as Government depositories.

"NOTE ISSUES.

" NOTE ISSUES.

"Sec. 17. That Federal reserve notes, to be issued under authority of the Federal reserve board for the purpose of making advances to Federal reserve banks as hereinfater set forth, and for no other purpose, are hereby authorized. The said notes shall be obligations of the United States and shall be receivable for all taxes, customs, and other public dues, but shall not be held as reserves by member banks or by a reserve bank. They shall be redeemed in gold on demand at the Treasury Department of the United States, in the city of Washington, D. C., or at any Federal reserve bank may, upon vote of its directors, make application to the local Federal reserve agent for such amount of the Federal reserve notes hereinbefore provided for as it may require. Such application shall be accompanied with a tender to the local Federal reserve agent of collateral security in amount equal to the sum of the Federal reserve notes thus applied for and issued pursuant to such application. The collateral security thus offered shall be notes and bills accepted for rediscount under the provisions of this act, and the Federal reserve agent shall each day notify the Federal reserve board

of all issues and withdrawais of Federal reserve motes to and by the Federal reserve bank to which he is accredited. The said Federal reserve bank to which he is accredited. The said Federal reserve has for additional security to protect the Federal reserve notes issued to it as hereinabefore provided it shall segregate and turn over to lits reserve agent gold coin or gold buillon or United States stated to it as hereinabefore provided it shall segregate and turn over to lits reserve agent gold coin or gold buillon or United States gold coin or gold buillon or United States gold coin to gold buillon or United States gold coin the control of the same than the control of the

erning the transfer of funds among Federal reserve banks and their branches.

branches.

"Sec. 18. That so much of the provisions of section 5159 of the Revised Statutes of the United States and section 4 of the act of June 20, 1874, and section 8 of the act of July 12, 1882, and of any other provisions of existing statutes, as require that before any national banking association shall be authorized to commence banking business it shall transfer and deliver to the Treasurer of the United States a stated amount of United States registered bonds be, and the same is hereby, repealed.

"REFUNDING BONDS.

mereby, repealed.

"REFUNDING BONDS.

"Sec. 19. That as soon after the organization of the reserve banks as practicable and under authority from the Federal reserve board each Federal reserve bank shall purchase at par and accrued interest 2 per cent bonds of the United States. The amount purchased by each reserve bank shall not be more than 50 per cent of its capital in any one year. The bonds so purchased may be held by such reserve bank and used for deposit with its reserve agent as security for the Federal reserve notes issued, or they may be exchanged at the Treasury for one-year Treasury gold notes bearing 3 per cent interest. In case of such exchange the reserve banks shall be bound at the option of the United States to renew year 3 per cent United States gold notes may be used to deposit with the reserve agent as security for the United States reserve notes, or be freely purchased by reserve banks from time to time to employ idle funds, or sold to protect the gold supply.

"National banks which sell 2 per cent bonds to a reserve bank under this provision shall retire such portion of their outstanding national bank notes as are secured by the bonds so sold. The Secretary of the Treasury is hereby directed to issue 3 per cent one-year gold Treasury notes year by year to exchange for 2 per cent bonds as above provided or to take the place of 3 per cent one-year gold notes that have been redeemed. During the period between the first and last purchases of bonds any national bank may continue to apply for and receive circulating notes based upon the deposit of 2 per cent bonds as now provided for shall be exempt from Federal, State, and municipal taxation, both as to income and principal.

"BANK RESERVES."

for by law. The one-year 3 per cent gold Treasury notes above provided for shall be exempt from Federal, State, and municipal taxation, both as to income and principal.

"BANK RESENYES.

"SEC. 20. That when a Federal reserve bank has been duly organized and established as provided in this act in any Federal reserve district every member bank of that district shall establish and maintain reserves as follows:

"(a) A bank not in a reserve or central reserve city as now or hereafter defined shall hold and maintain reserves equal to 12 per cent of the aggregate amount of its net deposits, as follows:

"In its vaults, four-twelfths thereof.

"In the Federal reserve bank of its district, for a period of six months and the state of the state o

"BANK EXAMINATIONS.

"Sec. 23. That the examination of the affairs of every member bank shall take place at least twice in each calendar year and as much oftener as the Federal reserve board shall consider necessary in order to furnish a full and complete knowledge of its condition. The Federal reserve board may authorize examinations by the State au-

thorities to be accepted in the case of State banks and trust companies and may at any time direct the holding of a special examination. The person assigned to the making of such examination of the affairs of any member bank shall have power to call together a quorum of the directors of such bank, who shall, under oath, state to such examiner the character and circumstances of such of its leans or discounts as he may designate; and from and after the passage of this act all bank examiners abail receiv fixed salaries, the amount whereof shall be not less than \$2,000 nor more than \$7,000 per reported to Congress. But the expense of the examinations herein provided for shall be assessed by authority of the Federal reserve board upon the member banks examined in proportion to assets or resources held by such member banks upon the dates when the various banks are examined.

"In addition to the examinations made and conducted by the Comproler of the Currency, every Federal reserve bank may, with the approval of the Federal reserve agent or of the Federal reserve bank arrange for special or periodical examination of the member banks within its district. Such examinations shall be so conducted as to inform the Federal reserve bank under whose auspices it is carried on a complete of the currency, every Federal reserve bank and the bank located within the district of the said Federal reserve bank and the bank located within the district of the said Federal reserve bank.

"The Federal reserve board shall, at least once each year, order an examination of each Federal reserve board, and upon joint application of 10 member banks the Federal reserve board, and upon joint application of 10 member banks the Federal reserve bank, and upon joint application of 10 member banks the Federal reserve bank and located within the district of the said Federal reserve bank.

"SEC. 24. That no member bank, or any officer, director, or employee thereof, shall hereaffer make any loan or grant any grantity shall be deemed guilty of a misdemen

"LOANS ON FARM LANDS.

"Sec. 26. That deposits in national banks, payable mere than 30 days after they are made, shall be known as time deposits, and such banks may continue hereafter as heretofore to receive time deposits and to pay interest on the same. All national banks not located in central reserve cities may make loans, secured by improved, occupied, and unencumbered farm lands situated within the Federal reserve district where the loaning bank is located to the extent of one-half of its value, but no such loan shall be made for a longer period than five years, nor shall the aggregate of such loans by any bank exceed one-third of its time deposits.

"After becoming member banks of any reserve banks, national banks are hereby authorized to act as administrators, executors, or trustees.

"FOREIGN BRANCHES.

"Sec. 28. That any Federal reserve bank or national banking association possessing a capital of \$5,000,000 or more may file application with the Federal reserve board, upon such conditions and under such circumstances as may be prescribed by the said board, for the purpose of securing authority to establish branches in foreign countries or dependencies of the United States for the furtherance of the foreign commerce of the United States, and to act, if required to do so, as fiscal agents of the United States, and to act, if required to do so, as fiscal agents of the United States. Such applications shall specify, in addition to the name and capital of the banking association filing it, the place or places where the banking operations proposed are to be carried on and the amount of capital set aside by the said banking association filing such application for the conduct of its foreign business at the branches proposed by it to be established in foreign countries. The Federal reserve board shall have power to approve or to reject such application if in its judgment the amount of capital proposed to be set aside for the conduct of foreign business is inadequate or if for other reasons the granting of such application is deemed inexpedient.

"Every national banking association which shall receive authority to establish branches in foreign countries shall be required at all times to furnish information concerning the condition of such branches to the Comptroller of the Currency upon demand, and the Federal reserve board may order special examinations of the said foreign branches at such time or times as it may deem best. Every Federal reserve bank and every such national banking association shall conduct the accounts of each foreign branch independently of the accounts of other foreign branches established by it and of its teome office, and shall at the end of each fiscal period transfer to its general ledger the profit or loss accruing at each such branch as a separate item.

"Sec. 29. All provisions of law inconsi

standard of value, to maintain the parity of all forms of money issued or coined by the United States, to refund the public debt, and for other purposes."

"Sec. 29a. That the previsions of the act of May 30, 1908, authorizing national currency associations, the issue of additional national-bank circulation, and creating a National Monetary Commission, which expires by limitation under the terms of such act on the 30th day of June, 1914, are hereby extended to June 30, 1915.

"Sec. 30. That the right to amend, alter, or repeal this act is hereby expressly reserved."

Mr. MANN. Mr. Speaker—
Mr. GLASS. Mr. Speaker, I move the previous question.
Mr. MANN. Mr. Speaker, if I may explain, the amendment has not yet been read. The proposition which I have offered is what is known as the Hitchcock bill in the Senate, which was voted for in the Senate yesterday by all the Republicans and Senator Hitchcock and Senator Poindexter. It is only a questional senator Hitchcock and Senator Poindexter. tion of whether it shall be read in full or not, and, unless somebody desires to have it read, I would ask unanimous consent that it be considered as read and published in the RECORD

Mr. GLASS. There is no objection on this side, I imagine.
Mr. LEVER. Mr. Speaker, a parliamentary inquiry—
The SPEAKER. The thing to do is to read this amendment,

unless some gentleman asks to dispense with the reading.

Mr. MANN. Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER. Without objection, it is so ordered.

The SPEAKER. Without objection, the state of the second of the speaker—
The SPEAKER. Mr. Speaker—
The SPEAKER. For what purpose does the gentleman rise?

Mr. LEVER. For a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LEVER. Would it be in order at this time to offer a substitute for the amendment offered by the gentleman from Illinois?

Mr. MANN. The gentleman from South Carolina is not entitled to the floor.

Mr. GLASS. Mr. Speaker, I move the previous question on the amendment offered by the gentleman from Illinois.

The SPEAKER. When the time comes, the gentleman has

the right to offer an amendment.

Mr. MANN. Mr. Speaker, the gentleman from South Carolina is not entitled to the floor. The gentleman from South Carolina can not take me off the floor. The gentleman in charge of the bill would have the right-

Mr. GLASS. Mr. Speaker, I move the previous question on

the amendment proposed by the gentleman— Mr. CRISP. Mr. Speaker, a parliamentary inquiry. The SPEAKER. The gentleman will state it.

Mr. CRISP. Should not the gentleman from Virginia first be recognized before he can move the previous question?

The SPEAKER. The Chair thinks this: The gentleman from Illinois has the floor and he has a right to discuss that amendment and-

Mr. MANN. Then, Mr. Speaker, I move the previous question.

A parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CRISP. The previous question having been ordered on this metion, and the House having voted on it, is it in order to have discussion on a motion to instruct?

The SPEAKER. If not, why not?
Mr. CRISP. Because the Chair has ruled that the previous question has cut off all debate, and while a motion of instrucion was in order, it was not debatable.

Mr. SAUNDERS. The Chair ruled on that specific point last

year, because I made it, and it was overruled.

The SPEAKER. The Chair would like the gentleman from Virginia [Mr. SAUNDERS] to restate his proposition,

Mr. SAUNDERS. I was saying in support of the point of order raised by the gentleman from Georgia [Mr. CRISF] that I wish to cite the Chair to a ruling with that specific intent, that was made by the present occupant of the chair in the last session.

Mr. MANN. Mr. Speaker.—
Mr. GLASS. Mr. Speaker, being in charge of the bill, am I not first entitled to recognition?

The SPEAKER. You are, unquestionably.

Mr. GLASS. Then I move the previous question on the amendment offered by the gentleman from Illinois [Mr. Mann].

The SPEAKER. The gentleman from Virginia [Mr. GLASS]

and the gentleman from Illinois [Mr. MANN] both move the previous question.

Mr. CRISP. A parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CRISP. If the motion for the previous question is voted down, will it not then be in order to offer a substitute?

The SPEAKER. Either a substitute or an amendment.

Mr. LEVER. Mr. Speaker, a parliamentary inquiry.
The SPEAKER. The gentleman will state it.
Mr. LEVER. Is it a fact that the only way the House can get a way to instruct the conferees is to vote on the previous question?

Mr. MANN. Not at all. The way to do it is to vote for my

The SPEAKER. The House will be in order. If the gentleman from South Carolina [Mr. Lever] will state his parliamentary inquiry again, the Chair will try to answer him. was the parliamentary inquiry?

Mr. LEVER. The parliamentary inquiry is this: Whether or not it is a fact that the only way to get a vote on my proposition to instruct the conferees on agricultural loans and loans

on farm loans is by voting down the previous question?
The SPEAKER. That is correct.
Mr. MURDOCK. The regular order.

Mr. MURRAY of Oklahoma. Mr. Speaker, another parlia-

Mr. FITZGERALD. Mr. Speaker, how does the Chair know that is not in the motion now pending to instruct the conferees?

The SPEAKER. The Chair does not know what is in the motion that is pending-Mr. MANN. I do.

The SPEAKER (continuing). And nobody else does except the gentleman from Illinois.

Mr. MURDOCK.

The SPEAKER.

Mr. Speaker, I make a point of order. What is the point of order? The point of order is that the previous Mr. MURDOCK. question is not debatable.

The SPEAKER. Nobody has said that it was. [Laughter.] These gentlemen are making parliamentary inquiries.

Mr. MURRAY of Oklahoma. Mr. Speaker

The SPEAKER. For what purpose does the gentleman rise? Mr. MURRAY of Oklahoma. The Chair a moment ago, as I understood, stated the only way to offer other instructions was to vote down this question. Now, I understand the rule to be that whatever may be the vote on the motion of the gentleman from Illinois [Mr. Mann] other instructions might be raised?
The SPEAKER. That question has not been raised. The speaker is the speaker of the speaker is the speaker.

question is on the motion for the previous question.

The question was taken, and the Speaker announced that the

noes seemed to have it.

Mr. MURDOCK. I demand the yeas and nays.

Mr. GLASS, Mr. CRISP, and Mr. BYRNES of South Carolina asked for a division.

Mr. RAGSDALE. The yeas and nays, Mr. Speaker. The SPEAKER. If the gentlemen will take their seats, the

Chair will state the question. The noes seem to have it.

Mr. GLASS. Mr. Speaker, I ask for a division.

The SPEAKER. The gentleman from Virginia [Mr. GLASS] asks for a division.

The House divided; and there were-ayes 109, noes 101. Mr. RAGSDALE, Mr. HARDWICK, and Mr. LEVER demanded the yeas and nays.

The SPEAKER. The yeas and nays are demanded. Mr. GARNER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARNER. If the previous question were ordered on this amendment and it should be voted down, could instructions then be given with reference to other portions of the bill under the rules of the House? I ask that question so that we can understand the parliamentary situation.

The SPEAKER. Will the gentleman state his inquiry over again? There is so much noise that the Chair was unable to

understand him clearly.

Mr. GARNER. My inquiry was this: If the motion of the gentleman from Illinois [Mr. Mann] should be voted down, then would the conferees be subject to instructions from the House, under the rules of the House, if some gentleman desiring to give them instructions should get recognition from the Chair?

Mr. MANN. Mr. Speaker, if the gentleman will permit, if the previous question should be voted down, it would be in order

Mr. GARNER. I said if the motion of instructions offered by the gentleman from Illinois [Mr. Mann] to instruct the conferees should be voted down.

The SPEAKER. Immediately after the motion for the previous question is voted down, the motion of the gentleman from

Illinois [Mr. Mann] can be substituted for it.
Mr. UNDERWOOD. Mr. Speaker, may I submit a unanimousconsent agreement?

The SPEAKER. Yes.

Mr. UNDERWOOD. I ask unanimous consent, Mr. Speaker, that after the motion of the gentleman is disposed of the House may dispose of the motion to instruct by the gentleman from South Carolina [Mr. Lever], and that the previous question be ordered on that.

The SPEAKER. In answer to the parliamentary inquiry propounded by the gentleman from Texas [Mr. GARNER], the Chair will state that if the previous question is voted down, then the motion for instructions offered by the gentleman from Illinois can be substituted for it.

Mr. GARNER. Mr. Speaker, a further parliamentary inquiry. The SPEAKER. The gentleman will state it.

Mr. GARNER. If the motion to instruct offered by the gentleman from Illinois [Mr. MANN] is voted down, then, under the rules of the House, could the gentleman from South Carolina [Mr. Lever] offer a motion to instruct the conferees with reference to other portions of the bill?

The SPEAKER. The Chair just answered that question. What is the request of the gentleman from Alabama [Mr.

UNDERWOOD]?

Mr. UNDERWOOD. I ask unanimous consent, Mr. Speaker, that the motion of the gentleman from Illinois [Mr. Mann] and the motion of the gentleman from South Carolina [Mr. LEVER | may both be considered pending and both be voted on and the previous question considered as ordered on both of

Mr. LEVY rose.

The SPEAKER. For what purpose does the gentleman from New York rise?
Mr. LEVY. I want my amendment to go in also.

Mr. MURDOCK. Reserving the right to object, Mr.

I will withhold my amendment, Mr. Speaker. The SPEAKER. If gentlemen want business transacted they must be in order. What is the parliamentary inquiry of the gentleman from Kansas [Mr. MURDOCK]?

Mr. MURDOCK. I have made no parliamentary inquiry. reserved the right to object, in order to ask the gentleman from Alabama [Mr. UNDERWOOD] what are the amendments of the gentleman from South Carolina [Mr. LEVER].

Mr. UNDERWOOD. I just stated that he proposed to move to instruct the conferees that they agree to these provisions in the bill that relate to agricultural credits.

Mr. RAGSDALE. And the extension of five years on loans on farm lands.

Mr. MURDOCK. Mr. Speaker, reserving the right to object, I would like to know what the propositions are. We have a right to know that.

Mr. MANN. Well, Mr. Speaker, to save trouble I will ask for the regular order.

Mr. LEVER. Mr. Speaker, I ask that the amendments be read.

The SPEAKER. The gentleman from Illinois asks for the regular order.

Mr. CRISP. Mr. Speaker, the regular order was demanded. I call the attention of the Chair to the fact that the regular order was on my demand for the yeas and nays on the previous question.

The SPEAKER. The Chair understood that, and was going to put the question; but the Chair can not put the question with

six or eight gentlemen speaking at once.

Mr. UNDERWOOD. Mr. Speaker, if the House will pardon me, I think it is evident that a large number of gentlemen want to vote on this particular instruction. I do not think that right ought to be taken away from them. My purpose in asking unanimous consent was to avoid a long roll call, because I think the motion to order the previous question ought to be voted down, considering the number of gentlemen who want to vote on this other question. I wish to avoid a long roll call, and therefore I ask unanimous consent that both propositions be considered as pending, with the previous question ordered.

Mr. MANN. Reserving the right to object, Mr. Speaker-Mr. MURRAY of Oklahoma. I wish to include in that two

motions that I have written out.

The SPEAKER. Will the gentleman from Oklahoma [Mr. MURBAY], instead of paying attention to other Members, talk direct to the Speaker?

Mr. MURRAY of Oklahoma. I shall be glad to, Mr. Speaker. have two amendments written out. I thought, in view of the motion I made in the beginning, that I would possibly be recognized by the Chair. I never dreamed that the majority leader would undertake to make propositions as he did in order to eliminate me. I have written these motions, and I would like to have them included in the gentleman's proposition for

yeas and nays, so that they may all be considered together. have no objection to other gentlemen offering amendments.

I have no objection to what they have offered. One of them is an amendment providing that the formation of the board shall remain as provided by the Senate amendment. The other is with reference to the disqualification of Members of the House and Senate to become members of any of the regional reserve boards.

Mr. GLASS. Mr. Speaker, personally I have not the slightest objection in the world to instructions from this House upon the two propositions—of a six months' discount on agricultural paper and five years on farm loans. [Applause.] Nobody has been authorized to say that I would object to that in conference if I were one of the conferees. I do not think any such instruction is at all necessary, but I have no objection to receiving an instruction from the House on those two points; but I shall object if the instructions are to be extended to other matters.

Mr. MURRAY of Oklahoma. Mr. Speaker, these questions will all be submitted, and under the rules gentlemen have the right to a division of them and vote on them separately, voting down those they do not want and voting for the ones they do want.

Mr. MANN. Mr. Speaker, reserving the right to object, I will say now that I shall not consent to ordering the previous question on a lot of amendments which have not yet been read, when nobody on this side of the House knows what is in

iem. That is a preposterous proposition.

Mr. LEVER. I ask unanimous consent—

bama is pending.

Mr. MANN. I have objected to that. The SPEAKER. The request of the gentleman from Ala-

The SPEAKER. The gentleman from Illinois objects. what purpose does the gentleman from South Carolina [Mr. LEVER1 rise?

Mr. LEVER. I ask unanimous consent that my amendment may be read for the information of the House in response to the request of the gentleman from Illinois [Mr. MANN].

The SPEAKER. The gentleman from South Carolina asks unanimous consent that his amendment may be read for the instruction of the House. Is there objection?

There was no objection.

The SPEAKER. The Clerk will read.

The Clerk read as follows:

Mr. LEVER moves that the conferees of the House be, and they are hereby, instructed to agree in conference to the provisions of the Senate amendment extending the time on loans secured by agricultural products, on page 85, lines 11 to 19, inclusive, and on loans on farm lands, on page 108, lines 16 to 26, inclusive.

Mr. MURRAY of Oklahoma. Now, I will ask the Clerk to read the first part of the instruction I sent up there that is not included in the other motion.

The SPEAKER. Is there objection to the reading of the amendment of the gentleman from Oklahoma?

There was no objection.
The SPEAKER. The Clerk will read.

The Clerk read as follows:

By Mr. Murray of Oklahoma: Page 74, that the conferees be instructed to concur in the Senate amendment to section 10, creating the Federal reserve boards.

Mr. MURRAY of Oklahoma. I will ask the Clerk to read the other one right there, that they did not include.

The Clerk read as follows:

Page 63, line 3, after the word "bank," that the conferees be instructed to agree to lines 4, 5, 6, and 7, as provided by the Senate amendment, in these words:

"No Senator or Representative in Congress shall be a member of the Federal reserve board, a director of a Federal reserve bank, or an officer or director of any member bank."

The SPEAKER. The question is on ordering the year and nays on the motion for the previous question.

The yeas and nays were ordered.

The SPEAKER. The question is on ordering the previous question. The Clerk will call the roll.

The question was taken; and there were—yeas 83, nays 259, answered "present" 2, not voting 90, as follows:

YE	AS-83.	
Curry Danforth Davis Dyer Esch Fitzgerald French Gardner George Glass Good Greene, Mass. Greene, Vt.	Hamilton, Mich. Hamilton, N. Y. Hardy Haugen Hayes Hinds Howell Hullings Humphrey, Wash. Johnson, Wash. Kahn Keister	Mann Moore Mott Oglesby
Guernsey	Kennedy, Iowa	Parker Payne
	Curry Danforth Davis Dyer Esch Fitzgerald French Gardner George Glass Good Greene, Mass. Greest Vt. Griest	Danforth Davis Davis Hardy Dyer Haugen Esch Fitzgerald French Gardner George Glass Good Greene, Mass. Greene, Mass. Greene, T. Griest Hamilton, N. Y. Hardy Haugen Haugen Hunds Howell Hulings Humphrey, Wash, Johnson, Utah Johnson, Wash. Kahn Keister Keiley, Mich.

Riordan Roberts, Mass. Rogers

Abercrombie Adamson Aiken Ashbrook Aswell Baker Barkley Barnhart Barkley Barnhart Barton Bathrick Beall, Tex. Bell, Cal. Bell, Ga. Blackmon Bowdle Brockson Brockson Brodbeck Brown, N. Y. Browne, Wis. Brumbaugh Bryan Buchanan, Tex. Buchanan, Tex Burgess Burke, Wis. Burnett Byrnes, S. C. Byrns, Tenn. Callaway Candler, Miss. Cartin Carter Cary Casey Church Clark, Fla. Claypool Clayton Coady Collier Connelly, Kans. Connolly, Iowa Conry Cooper Copley Covington Cramton Crisp Crosser Cullop Decker Deitrick Dent Dershem Dickinson

Dies Difenderfer Dillon Dixon Donovan Dooling Doolittle

Doremus Doughton Driscoll

Adair Ainey Alexander Allen Ansberry Anthony Bailey Barchfeld Bartlett Borchers

Borchers Bremner Britten

Sutherland Slemp Smith, Idaho Smith, Saml. W. Stephens, Cal. Stevens, Minn. Switzer Talcott, N. Y. Towner Treadway Volstead NAYS

-259.Kirkpatrick Kitchin Edwards Evans Faison Falconer Kitchin
Konop
Korbly
La Follette
Lazaro
Lee, Ga.
Lenroot
Lesher
Lever
Levy
Lieb
Lindbergh Farr Fergusson Ferris Fields Finley FitzHenry Flood, Va. Floyd, Ark. Foster Lindbergh Lindquist Linthicum Lloyd Lobeck Fowler Francis Frear Lobeck
Logue
Lonergan
McClellan
McCoy
McDermott
MeGflilcuddy
McKenzie
McKenzie
McLaughlin
MacDonald
Maguire, Nebr.
Manahan Gard Garner Garrett, Tex. Gilmore Gittins Godwin, N. C. Godwin, N. C.
Goeke
Goldfogle
Goodwin, Ark.
Gordon
Goulden
Graham, Ill.
Gray
Green, Iowa
Gregg
Griffin
Gudzer Manahan Mapes Mitchell Montague Moon Morgan, La. Morgan, Okla. Morrison Moss, W. Va. Murdock Gudger Hamlin Hammond Hardwick Harrison Murdock Murray, Mass. Murray. Okla. Nceley, Kans. Neely, W. Va. Nelson Nolan, J. I. Hart Hart
Hawley
Hay
Hayden
Heffin
Helgesen
Helvering
Hensley
Hill Nolan, J. I.
Norton
O'Hair
Oldfield
O'Shaunessy
Padgett
Page, N. C.
Palmer
Park
Patton, Pa.
Peters, Mass.
Phelan
Post
Pou
Prouty
Quin
Ragsdale
Rainey
Raker
Rayburn
Reed Hinebaugh Hinebaugh Holland Houston Howard Hughes, Ga. Hull Humphreys, Miss. Igoe Jacoway Johnson, Ky. Johnson, S. C. Keating Kelly, Pa. Kennedy, Conn. Kettner Key, Ohio Kindel Kinkaid, Nebr.

Reed Reilly, Conn. ANSWERED " PRESENT "-2. Garrett, Tenn. NOT VOTING-90.

Hughes, W. Va.

Curley Dale
Davenport
Donohoe
Dunn
Dupré
Eagle
Edmonds Elder Estopinal Fairchild Fairchild
Fess
Fordney
Gallagher
Gerry
Gillett
Gorman
Graham, Pa.
Hamill
Helm
Henry
Hobson Broussard
Brown, W. Va.
Bruckner
Buchanan, Ill.
Bulkley
Burke, Pa.
Calder
Cantrill
Carr
Chandler, N. Y.
Clancy Hobson Hoxworth

Browning

Hughes, W. Va.
Jones
Kless, Pa.
Knowland, J. R.
Lafferty
Lee, Pa.
L'Engle
Lewis, Md.
Loft
Madden
Maher
Martin
Merritt Martin Merritt Metz Miller Mondell Morin Moss, Ind. O'Brien O'Leary Paige, Mass. Patten, N. Y.

Pepper Peters, Me. Peterson Plumley Porter Powers Rauch Richardson Wilson, N. Y.

Wilson, Fla. Wingo Witherspoon Woodruff

Young, Tex.

The following additional pairs were announced:

Until further notice:

Mr. DUPRÉ with Mr. MONDELL. Mr. PETERSON with Mr. PLUMLEY.

Mr. Adair with Mr. Anthony, Mr. Vaughan with Mr. Calder,

Mr. BARTLETT with Mr. ROBERTS of Nevada.

On this vote:
Mr. Talborr of Maryland (against the previous question) with Mr. Madden (for the previous question).

Walsh Willis Winslow Woods Young, N. Dak. Reilly, Wis. Rothermel

Rouse Rubey Rucker

Rucker Rupley Russell Saunders Scott Seldomridge Shackleford Sharp Sherley Sherwood Sims Sims Sisson Slayden Sloan Small Smith, J. M. C. Smith, Md. Smith, Minn. Smith, Tex. smith, Tex, Sparkman Stafford Stanley Stedman Steenerson Stephens, Miss, Stephens, Nebr. Stephens, Tex. Stevens, N. H. Stone Stone Stout Sumners Taggart Taggart
Tavenner
Taylor, Ala.
Taylor, Ark.
Taylor, Colo.
Temple
Thacher
Thomas
Thompson, Okla.
Thomson, Ill.
Townsend
Tribble
Underhill
Underwood
Walker Underwood Walker Walters Watkins Watson Weaver Webb Whaley Whitacre White Williams Wilson F

Roberts, Nev. Sabath Scully Smith, N. Y. Stringer Talbott, Md. Taylor, N. Y. Ten Eyck Tuttle Vare Vaughan Wallin

Mr. GARRETT of Tennessee. Mr. Speaker, I voted "no" on this roll call. I have a pair with the gentleman from Michigan, Mr. FORDNEY, and I wish to withdraw that vote and answer

The result of the vote was then announced as above recorded. Mr. MANN. Mr. Speaker, am I not entitled to recognition? I have submitted a motion to instruct, and the gentleman from Virginia in charge of the bill moved the previous question; and having been defeated, am I not entitled to the floor?

The SPEAKER. Unfortunately, the gentleman from Illinois

moved the previous question at the same time.

Mr. MANN. I would have moved it, but I withdrew it, be-

cause I was not entitled to the floor.

Mr. LEVER. Mr. Speaker, I offer the language which I have sent to the desk as a substitute for the proposition of the gentleman from Illinois, and on that I demand the previous ques-

The SPEAKER. The gentleman from South Carolina offers a substitute for the motion of the gentleman from Illinois, and on that moves the previous question.

Mr. MURRAY of Oklahoma. Mr. Speaker, I offer as an amendment to the substitute of the gentleman what I send to the Clerk's desk.

The SPEAKER. The Clerk will report the motion of the gentleman from South Carolina.

The Clerk read as follows:

Mr. Lever moves that the conferees of the House be, and are hereby, instructed to agree in conference to the provision of the Senate amendment extending the time on loans secured by agricultural products, on page 85, lines 11 to 19, inclusive, and on loans on farm lands, on page 108, lines 16 to 28, inclusive.

Mr. MANN. Mr. Speaker, I make the point of order that that amendment is not in order. It is not an amendment to the motion I make.

The SPEAKER. The point of order is overruled.

Mr. MANN. Will the Speaker hear me?

The SPEAKER. The Chair will hear the gentleman.

Mr. MANN. Mr. Speaker, I offered a motion to instruct, including an entire bill, known in the Senate as the Hitchcock amendment or the Hitchcock bill. That bill includes as a part of it, and it is included in my motion, language which the gentleman from South Carolina [Mr. Lever] now offers as an amendment to it. One of the provisions in my motion, included in the Hitchcock bill, is as follows:

Nothing herein contained shall be construed to prohibit such notes, drafts, and bills of exchange, secured by staple agricultural products, or other goods, wares, or merchandise from being eligible for such discount—

Notes and bills admitted to discount under the terms of this paragraph must have a maturity at the time of discount of not more than 180 days: Provided, however, That not more than 50 per cent of the paper discounted for any member bank shall have a maturity exceeding 80 days, and in no case shall any member bank have more than \$200,000 of rediscounts having a maturity longer than 90 days.

Another provision included in the Lever amendment, identical

with the motion that I have offered, is:

That deposits in national banks, payable more than 30 days after they are made, shall be known as time deposits, and such banks may continue hereafter as heretofore to receive time deposits and to pay interest on the same. All national banks not located in central reserve cities may make loans, secured by improved, occupied, and unencumbered farm land situated within the Federal reserve district where the loaning bank is located to the extent of one-half of its value, but no such loan shall be made for a longer period than five years, nor shall the aggregate of such loans by any bank exceed one-third of its time deposits.

I contend that where I have offered a motion the gentleman can not take out of that a few sentences and offer it as an amendment to my motion. My motion of instruction covers the identical language, word for word, to the dotting of the i's and the crossing of the t's, that the gentleman from South Carolina now offers as an amendment to my motion.

Mr. HARDWICK. Mr. Speaker, will the gentleman yield? Mr. CRISP. Mr. Speaker, will the gentleman yield? The SPEAKER. To whom does the gentleman yield?

The SPEAKER. To whom does the Mr. MANN. Either fair charmer.

Mr. HARDWICK. Suppose the gentleman had moved, as he has in a different way, to instruct the conferees to agree upon three propositions; would it not then be in order for any gentleman on either side of the House to move to amend by striking out two of his propositions and leaving the other, and is not that what we are trying to do in this case?

Mr. MANN. But that is not the proposition that is pending. The gentleman may move to strike out all he pleases and that would be in order because that would be germane, but what he moves is to insert as an amendment something already in the

Mr. CRISP. Mr. Speaker, will the gentleman yield? Mr. MANN. Certainly.

motion.

Mr. CRISP. The gentleman from Illinois is arguing the motion as it was read from the Clerk's desk, but that is not the way the gentleman from South Carolina offered it. Mr. MANN. Of course, I am not responsible for that

Mr. CRISP. But the gentleman offered it as a substitute for the gentleman's entire motion to instruct the conferees. The amendment was prepared before the gentleman had offered instructions, and the Record will show that the gentleman from South Carolina offered it as a substitute for the gentleman's instructions.

Mr. MANN. Of course, if it is offered because that side of the House is afraid to let the minority offer a bill, I can not

complain about it.

The SPEAKER. The point of order is overruled, and the vote is on ordering the previous question.

Mr. MURRAY of Oklahoma. Mr. Speaker

The SPEAKER. For what purpose does the gentleman rise? Mr. MURRAY of Oklahoma. I want to say it occurs to me that the motion for the previous question in connection with another motion ought not to lie, on principle.

The SPEAKER. But it was not annexed to it. The gentleman from South Carolina made two separate motions, which he

had the right to do.

Mr. MURRAY of Oklahoma. But he made them in the face of an effort upon my part to get recognition to offer an amendment. I offered an objection and then made a motion to concur in the Senate amendment. The Chair very properly overruled me, because it involved two motions, or was tantamount to two motions. I made them separately, just as he made them separately.

The SPEAKER. If the gentleman will permit, the cases are

not alike. The practice is universal that where a gentleman gets the floor and offers a proposition the motion for the preious question can be immediately made. The gentleman from Oklahoma had two substantive propositions and he was trying to get them in at one time.

Mr. MURRAY of Oklahoma. I know, but I offered one of

them as an amendment.

The SPEAKER. That was voted on, was it not?

Mr. MURRAY of Oklahoma. No.

Mr. MANN. No; he has not had a chance to offer it yet. The SPEAKER. If the gentleman has not offered it, that is

another matter. There is a great difference between sending up something to have it read and offering it.

Mr. MURRAY of Oklahoma. A moment ago those motions were all read, and then we voted on this matter of the previous question and voted down the motion for the previous question.

The SPEAKER. They were read by unanimous consent for the information of the House.

Mr. MURRAY of Oklahoma. That is true; but they were read for the information of the Chair and the House, with the understanding they would be offered at this time.

The SPEAKER. Well, the Chair knows. The gentleman said he was going to offer them. That is all right; he is going to offer them if he gets a chance.

Mr. MANN. Vote down the previous question and you can

The SPEAKER. Under the parliamentary situation the question is on ordering the previous question.

The question was taken, and the Speaker announced the ayes seemed to have it.

Mr. MANN. Mr. Speaker, I ask for a division. The House divided; and there were—ayes 181, noes 93.

So the previous question was ordered.

The SPEAKER. The question is on the substitute offered by the gentleman from South Carolina [Mr. LEVER].

The question was taken, and the Speaker announced the ayes seemed to have it.

Mr. MANN. Mr. Speaker, I ask for a division.
The House divided; and there were—ayes 211, noes 51.
So the substitute was agreed to. [Applause.]
The SPEAKER. The question is on—
Mr. MURRAY of Oklahoma. Mr. Speaker, now I move that additional instructions

Mr. MANN. Mr. Speaker, I make the point of order there is no motion in order now.

Mr. MURRAY of Oklahoma. Well, wait until I get through. We have not disposed of this matter yet. Mr. MANN.

The SPEAKER. The question is on the proposition of the gentleman from Illinois as amended by the substitute offered by the gentleman from South Carolina.

Mr. CRISP. Mr. Speaker, a parliamentary inquiry.
The SPEAKER. The gentleman from Georgia will state it.

Mr. CRISP. An affirmative vote on that instructs the conferees to agree to the Lever instructions. Is that a correct interpretation of the parliamentary situation?

Mr. MANN. That is correct. Mr. LEVER. It is an affirmative vote-

The SPEAKER. Will the gentleman from Georgia state it over again?

Mr. CRISP. If the motion the Speaker is about to put is adopted, the vote on that is to instruct the conferees to agree to the Lever instructions?

Mr. MANN. Mr. Speaker, a parliamentary inquiry.
The SPEAKER. The gentleman will state it.
Mr. MANN. Would the effect of the adoption of the Lever

amendment be to prevent any vote upon the motion which I offered?

The SPEAKER. Why, the Chair was just going to put it.

Mr. MANN. No; upon the motion which I offered?

The SPEAKER. The Chair is inclined to think that the adoption of the substitute ends it.

Mr. MURRAY of Oklahoma. Mr. Speaker—
The SPEAKER. For what purpose does the gentleman from Oklahoma rise?

Mr. MURRAY of Oklahoma. I understand that the Chair rules that the adoption of the substitute carries the motion without a further vote. Is that correct?

The SPEAKER. The question is on the proposition of the

gentleman from Illinois as amended by the substitute offered by the gentleman from South Carolina.

The question was taken, and the motion as amended was

Mr. MURRAY of Oklahoma. Mr. Speaker, now I move as additional instructions to the conferees the propositions I have sent to the Clerk's desk to have read.

Mr. HARDWICK. Mr. Speaker, I raise the question of

The SPEAKER. The point of order is sustained; you can

not have two sets of instructions.

Mr. MURRAY of Oklahoma. Mr. Speaker, is there nothing under the rules by which a motion to do the will of this House

The SPEAKER. It can be done; the gentleman has his opportunity.

Mr. MURRAY of Oklahoma. I realize-

The SPEAKER. The House had its opportunity on the Lever substitute and on the motion for the previous question. Now, it has been decided before the present Speaker got in the chair-

Mr. MURRAY of Oklahoma. I apprehend I would have been ruled out of order, according to what had been said before; but I want to call attention to the fact that this House, under this rule, can not do what it wants to do.

The SPEAKER. This House can always do what it wants to do.

Mr. MANN. Mr. Speaker, a parliamentary inquiry.
The SPEAKER. The gentleman will state it.
Mr. MANN. Is it in order for the gentleman from Oklahoma to say that the House can not do what it wants to do by ordering the previous question, when he himself has just voted [Laughter.] for it?

Mr. MURRAY of Oklahoma. The difference is that I am

unselfish myself, even if the other gentleman is selfish.

Mr. MANN. I will say to the gentleman if I am selfish I am not aware of the fact.

The SPEAKER. The House will be in order. The situation was this, and the Chair had stated it in answer to a parliamentary inquiry made by the gentleman from Texas [Mr. Garner], that if the previous question prevailed on the Lever substitute it shut off all other amendments, but that if the previous question was voted down then the whole thing was open.

Mr. MURRAY of Oklahoma. But, Mr. Speaker-

The SPEAKER. But the House chose to vote the previous question up, and then the vote on the substitute, and then the vote on the motion of the gentleman from Illinois as a substitute.

Mr. MURRAY of Oklahoma. Mr. Speaker, under every cour-

tesy of this House, seniority rule, so to speak—

Mr. MANN. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is the appointment of the conferees

Mr. NEELEY of Kansas. Mr. Speaker-

The SPEAKER. For what purpose does the gentleman from Kansas rise?

Mr. NEELEY of Kansas. To send a motion to the desk. Mr. MANN. I make the point of order that there is no motion

The SPEAKER. The point of order is sustained. Mr. HARDWICK. A parliamentary inquiry. The SPEAKER. The gentleman will state it.

Mr. HARDWICK. A motion to give the Chair instructions about the number of conferees would now be in order. This is probably a motion to increase the number of conferees.

The SPEAKER. For the information of the House, the Speaker will order the Clerk to read the motion of the gentleman from Kansas.

The Clerk read as follows:

Resolved, That the Speaker name a conference committee composed of nine members of the Banking and Currency Committee to meet with a like committee of the Senate.

Mr. UNDERWOOD. Mr. Speaker, I make the point of order that that motion is not in order.

Mr. HARDWICK. 'I want to be heard, if the gentleman

makes it seriously.

The SPEAKER. The gentleman from Alabama [Mr. Underwood] makes a point of order that the resolution is not in order, and the gentleman from Georgia [Mr. HARDWICK] desires to be heard. The Chair will hear him.

Mr. HARDWICK. Mr. Speaker, the rules provide that conference committees and other special committees shall be appointed by the Speaker unless otherwise directed by the House.

Ordinarily, in the absence of instructions from the House, the Speaker would appoint such number of conferees as he saw proper; but now, just as the Speaker is about to make the appointment, is the only time and way that the House can express itself as to what its desires are in the premises, so that under the rule it must be in order at this juncture for the House to determine how many conferees we shall have, and even who they may be. The House could name them if it saw fit to do It seems to me the motion of the gentleman from Kansas [Mr. NEELEY] is not only in order but is pertinent at this junc-

Mr. UNDERWOOD. Mr. Speaker, the point of order I make is this: The Speaker, unless directed otherwise, has the appointment of the committee. I take it that is clear under the

Will the gentleman yield?

Mr. UNDERWOOD. Certainly.

Mr. MANN. The gentleman is slightly in error.

Mr. UNDERWOOD. I am not quoting exactly, but-

Mr. MANN. The rule is:

The Speaker shall appoint all select and conference committees which shall be ordered by the House from time to time.

It is absolute; not conditional.

Mr. HARDWICK. I would like to inquire, if the gentleman will yield-

Mr. UNDERWOOD. I will say to the gentleman that I was under the impression the change that was made in the rules of the last Congress was carried in the rules of this Congress.

Mr. FITZGERALD. That was as to standing committees.
Mr. UNDERWOOD. No; as to special committees. I think the rules of the last Congress authorize—

Mr. MANN. I referred to the last Manual, which has the

rules of the last Congress.

Mr. GARRETT of Tennessee. Will the gentleman permit an interruption? I think the differences can be explained in this way: The rules of the House prior to the Sixty-second Congress provided that at the beginning of each Congress, unless otherwise ordered, the Speaker should appoint the standing committees.

Mr. MANN. That is the old rule.

Mr. GARREIT of Tennessee. That was the old rule with regard to the standing committees. The rules never did provide, and do not now provide, any conditions as to the Speaker appointing any conference committee.

Mr. MANN. Prior to 1880 the rules did provide the House

could name conferees, but that has not been the rule since that

time.

Mr. GARDNER. Mr. Speaker-

The SPEAKER. The gentleman from Massachusetts.

I make the point of order that this is a Mr. GARDNER. change in the rules of the House, and as such it must go to the Committee on Rules.

The SPEAKER. The point of order is sustained, and the Chair announces the names of the following gentlemen as the conferees on the part of the House: Mr. GLASS, Mr. KORBLY, and Mr. HAYES.

INDIAN TUBERCULOSIS SANITARIUM (H. DOC. NO. 505).

Mr. STEPHENS of Texas. Mr. Speaker, I desire to present a privileged report from the special committee for the investigation of Indian matters, and ask that it be printed.

The SPEAKER. The Clerk will report it by title.

The Clerk read as follows:

Report of the Joint Commission on Indian Tuberculosis Sanitarium and Yakima Indian Reservation Project.

The SPEAKER. The report is ordered printed and referred to the House Calendar.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. PAGE of North Carolina. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10523, the District of Columbia appropriation bill.

Mr. MANN. Oh, let us quit. Mr. GARNER. Oh, no; let us pass this bill to-day. The SPEAKER. The gentleman from North Carolina [Mr. PAGE] moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the District of Columbia bill. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. HULL in the

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the District of Columbia appropriation bill.

Mr. JOHNSON of Kentucky. Mr. Chairman, when the consideration of the appropriation bill for the District of Columbia was interrupted by the bringing in of the currency bill I was addressing the Chair and I now wish to continue along the same addressing the Chair, and I now wish to continue along the same

line which I then contemplated.

A bill was introduced into the House by the gentleman from Missouri [Mr. Borland], numbered H. R. 10234. In regular order that bill was referred to the Committee on the District of Columbia. The gentleman from Missouri came before the committee and said that he was anxious to have the bill considered by the House District Committee, with a view to getting it upon the calendar, in order that it might be offered as an amendment to the District appropriation bill, which was then about to be brought in.

Mr. Chairman, I am addressing my remarks to the Chair and

ask his attention.

Mr. MOORE. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Kentucky yield? Mr. JOHNSON of Kentucky. Yes.

Mr. MOORE. Mr. Chairman, I would like to make a parliamentary inquiry of the Chair.

The CHAIRMAN. The gentleman will state it.

Mr. MOORE. In view of the confusion in the House and our inability to understand what is going on, I ask the parliamentary status.

The CHAIRMAN. The Chair will state that earlier in the day he sustained a point of order made by the gentleman from Illinois [Mr. MANN] against the amendment offered by the gentleman from Missouri [Mr. BORLAND]. The gentleman from Kentucky [Mr. Johnson] thereupon took the floor and is pro-

To discuss the point of order?

The CHAIRMAN. The Chair is not aware of the exact import of the gentleman's discussion.

Mr. MOORE. Then, may I interrupt the gentleman from Kentucky for a moment? Will he yield?

The CHAIRMAN. Does the gentleman yield? Mr. JOHNSON of Kentucky. Yes.

Mr. MOORE. I ask the gentleman from Kentucky whether he is discussing the point of order?

Mr. JOHNSON of Kentucky. Yes; and— Mr. MOORE. Because it is impossible for us on this side to hear him. Or is he discussing the five-minute rule?

Mr. JOHNSON of Kentucky. I am discussing the point of

Mr. MOORE. A parliamentary inquiry, Mr. Chairman. May I inquire what is the point of order? The gentleman from Kentucky says he is discussing the point of order.

The CHAIRMAN. There is no point of order pending now,

as the Chair understands.

Mr. MOORE. Mr. Chairman, will the gentleman yield? The CHAIRMAN. Does the gentleman from Kentucky yield

to the gentleman from Pennsylvania? Mr. JOHNSON of Kentucky. No; I must go on with my re-

Mr. MOORE. Mr. Chairman, another parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. MOORE. Is it proper for the gentleman from Kentucky or any other gentleman to discuss a point of order when the Chair declares that there is no point of order?

Mr. JOHNSON of Kentucky. Mr. Chairman, I decline to be interrupted further. I have the floor. I offer an amendment. Mr. PAGE of North Carolina. I reserve a point of order

against the amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk began the reading of the amendment.

Mr. BORLAND. Let me suggest to the gentleman from Kentucky that he has not indicated where the amendment goes in. It should go in at the end of line 11, page 20.

Mr. JOHNSON of Kentucky. That is where we are in the reading of the bill; it can not be inserted elsewhere.

The Clerk resumed the reading of the amendment.

Mr. BORLAND. Mr. Chairman, I desire to call the attention of the Chair to the fact that this amendment is offered by the chairman of the Committee on the District of Columbia, and he is offering as an amendment the bill as it came from that committee. The Clerk is reading a portion of the bill which is stricken out by the committee and not the bill as it came from the committee. He ought to read the bill as it was perfected by the committee.

The CHAIRMAN. The Clerk will only read the portions not

stricken out.

Mr. MANN. I reserve a point of order on the amendment. Mr. PAGE of North Carolina. I have reserved a point of

The CHAIRMAN. The gentleman from North Carolina and the gentleman from Illinois both reserve points of order.

The Clerk resumed and completed the reading of the amend-

The amendment is as follows:

ment.

The amendment is as follows:

Insert at the end of line 11, page 20, the following:

"That hereafter whenever, under appropriations made by Congress, the roadway of any street, avenue, or road in the District of Columbia is improved by laying a new pavement thereon or by resurfacing an existing pavement from curb to curb or from gutter to gutter, where no curb exists, where the material used is sheet asphalt, asphalt block, asphaltic or bituminous macadam, concrete, or other fixed roadway pavement, such proportion of the total cost of the work, including all the expenses of the assessment, to be made as hereinsafter prescribed, shall be charged against and become a lien upon the abutting property, and assessments therefor shall be levied pro rata according to the linear frontage of said property on the street, avenue, or road, or portion thereof upon the roadway of which said new pavement is laid or the existing roadway of which is resurfaced: Provided, however. That there shall be excepted from such assessment the cost of paving or resurfacing the roadway space included within the intersections of streets, avenues, and roads, as said intersections are included within such roadways for which street railway companies are responsible under their charters or under law on streets, avenues, or roads where such railways have been or shall be constructed.

"The assessments herein provided for shall be levied and paid for in the following manner, namely: Where the width of the roadway actually to be paved is 40 feet or less between the curbs, or between the gutters, where no curbs exist, after deducting the amount required to be paved by the street railway companies, the total cost of the work, including the expenses of assessments, shall be assessed against the abutting property owners, one-half to each side; where the width of the street thus to be paved, after deducting the amount required to be paved by the street railway companies, shall be assessed against the abutting property owners, one-half to each sid

Mr. PAGE of North Carolina. Mr. Chairman, because of the fact that I could not catch the amendment as it was read, I want to inquire at this juncture if this is identical in terms with the Borland amendment, which has been offered hereto-

Mr. JOHNSON of Kentucky. It is an exact copy of it.
Mr. MANN. With a slight difference.
Mr. JOHNSON of Kentucky. Perhaps with the failure to erase the word "that" at the beginning.
Mr. MANN. There is a greater difference than that, to which

will call attention later.

Mr. JOHNSON of Kentucky. Whether it is identical or not is not material. This amendment stands on its own merits, regardless of the amendment which has been held not to be in

Mr. Chairman, in arguing the point of order which the Chairman must determine, I do not believe it can be done in a better way than to give a plain history of this amendment just as it has come to the point where it has been offered as an amendment to the District appropriation bill.

While the District Committee was in session, the gentleman from Missouri [Mr. Borland] came before the committee and asked that a bill which he had introduced, relative to the subject of assessments of benefits being levied against abutting property

where streets were to be improved, be taken up for consideration then and there. A motion was made in the committee to take up the bill for consideration. The bill was taken up for consideration and amended. The gentleman from Missouri [Mr. Borland, being present all the time, asked that the bill be amended so as to make it germane to the District appropriation bill, and that the motion which was to follow should also em-brace the instruction that it be reported to this committee by the House District Committee as an amendment to this bill. upon the motion which the gentleman from Missouri [Mr. Bor-LAND] asked to be made was made. That motion was adopted. I am now offering this amendment in the name of the House District Committee, that amended bill having been heretofore favorably reported to the House and put upon the calendar.

Mr. PAGE of North Carolina. May I interrupt the gentle-

man from Kentucky?

Mr. JOHNSON of Kentucky. Yes. Mr. PAGE of North Carolina. I understand from the statement just made by the gentleman from Kentucky that he, as chairman of the Committee on the District of Columbia, was instructed by his committee to offer this bill as an amendment

to the District appropriation bill.

Mr. JOHNSON of Kentucky. The suggestion was made by the gentleman from Missouri [Mr. Borland] to the House District Committee that this bill be amended and thereby put in such shape as to be germane to this feature of the bill, and that that be done for the purpose of offering it as an amendment to this bill at this stage. That motion was then made and unani-mously adopted by the committee, and I am now undertaking to carry out the instructions of the resolution adopted by the House District Committee.

Mr. MONDELL. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.
Mr. MONDELL. Do I understand that the gentleman was authorized by his committee, at a meeting of the committee, to

offer this as an amendment to this bill?

Mr. JOHNSON of Kentucky. The House District Committee has been authorized, by a motion adopted by the committee, to offer this bill as an amendment to the District appropriation bill.

Mr. MONDELL. Was that action taken at a regular meeting

of the committee, at which a quorum was present?

Mr. JOHNSON of Kentucky. That action was taken at a meeting of the committee, in answer to written notices sent out the day before, and in answer to telephone calls to each and every member of that committee before it met upon that morning, and in the presence of a quorum.

Mr. MOORE. Mr. Chairman, I make the point of order that

there is no quorum present.

The CHAIRMAN. The gentleman makes the point of order that there is no quorum present. The Chair will count. [After counting.] Sixty-four Members present; not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed

to answer to their names:

Hoxworth Hughes, W. Va. Pepper Humphrey, Wash. Plumley Johnson, S. C. Porter Adair Adair Adamson Ainey Alexander Allen Ansberry Anthony Bailey Barchfeld Bartholdt Bartlett Bathrick Borchers Driscoll Dunn Dupré Porter Post Pou Jones Key, Ohio Kiess, Pa. Kinkaid, Nebr. Knowland, J. R. Konop Korbly Powers Rauch Richardson Riordan Edmonds Elder Estopinal Fairchild Roberts, Nev. Fess Fordney Rothermel Langham Borchers Bremner Britten Frear Gallagher Gardner Garrett, Tex. Lazaro Lee, Pa. L'Engle Lever Lewis, Pa. Brodbeck Seldomridge Garrett, Tex. Gerry Gillett Gittins Glass Goldfogle Goodwin, Ark. Gorman Graham Pa Broussard Brown, W. Va. Bruckner Buchanan, III. Sells Shackleford Lewis, Pa.
Loft
McGuire, Okla.
McLaughlin
Madden
Mahan
Maher
Manahan
Martin
Merritt
Metz
Miller
Morin Sherley Shreve Smith, Md. Smith, N. Y. Stout Bulkley Burke, Pa. Butler Stout Stringer Sutherland Taggart Talbott, Md. Taylor, Ala. Taylor, Colo. Vare Vaughan Wallin Wilson, N. Y. Graham, Pa. Calder Campbell Candler, Miss. Cantrill Carew Church Gregg Griest Guernsey Hamill Miller
Morin
Morrison
Moss, Ind.
Moss, V. Va.
Neely, W. Va.
O'Leary
O'Shaunessy
Palge, Mass.
Patten, N. Y.
Payne Hamlin Hardwick Hart Helgesen Helm Helvering Clancy Clayton Curley Dale Danforth Wilson, N. Y. Woodruff Young, Tex. Henry Hobson Howard Dershem Difenderfer Donohoe Howell

During the call of the roll the following occurred: Mr. STAFFORD. Mr. Chairman, I understand this is a call of the names of Members who failed to answer on the first call. I wish to direct the attention of the Chairman to the fact that when a quorum appears in committee but one call of the roll is necessary, and I cite to the Chair the fourth volume of Hinds' Precedents

Mr. FOSTER. Mr. Chairman, I make the point of order that

the gentleman can not interfere with the roll call.

The CHAIRMAN. It has been the practice of the House without objection on the part of anyone, to call the names of

those who failed to respond the first time.

Mr. STAFFORD. We are wasting time in calling the roll, and if you have time to waste on that side, of course we have.

The Clerk proceeded and completed the calling of the roll. The committee rose; and the Speaker having resumed the chair, Mr. HULL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 10523, the District of Columbia appropriation bill, and, finding itself without a quorum, the roll had been called, whereupon 285 Members answered to their names, and he reported the names of the absentees.

Mr. MOORE. Mr. Speaker, I move that the House do now

adjourn

The SPEAKER. The gentleman from Pennsylvania moves that the House do now adjourn.

The question was taken; and on a division, demanded by Mr. Moore, there were 20 ayes and 127 noes.

Mr. MOORE. Mr. Speaker, I demand the yeas and nays. The SPEAKER. The gentleman from Pennsylvania demands the yeas and navs.

The question was taken, and seven Members arose in the affirmative, and the yeas and nays were refused.

Mr. MOORE. Mr. Speaker, I make the point of order of no

Mr. FITZGERALD. Mr. Speaker, I make the point of order that after the committee rises and a quorum is reported to be present there is no motion in order except the motion to adjourn, and if that be voted down it does not require a quorum to go back into committee.

Mr. MANN. It does not require a quorum to go back into

committee.

The SPEAKER. The House will resolve itself into Committee of the Whole House on the state of the Union, with the gentleman from Tennessee [Mr. Hull] in the chair.
Mr. PAGE of North Carolina. Mr. Chairman, I ask unani-

mous consent that I may address the committee for three

minutes

Mr. RAGSDALE. Mr. Chairman, I object. The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Kentucky,

Mr. PAGE of North Carolina. Mr. Chairman, I desire to address myself to the amendment.

Mr. MANN. Mr. Chairman, I ask to be recognized on the point of order. Of course, the amendment can not be voted on until the point of order is disposed of.

The CHAIRMAN. No point of order having been made, the

Chair did not feel called upon to rule.

Mr. MANN. I reserved the point of order, and the gentleman from North Carolina [Mr. Page] made the point of order on the amendment.

The CHAIRMAN. The gentleman from North Carolina, as

the Chair understood, also reserved the point of order.

Mr. PAGE of North Carolina. Mr. Chairman, I really reserved the point of order. I may have said that I made it, but my desire was to reserve it.

Mr. MANN. I understood that the gentleman from Kentucky

argued the point of order, and I desire to be heard for a moment

on the point of order.

on the point of order.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. MANN. Mr. Chairman, the amendment offered by the gentleman from Kentucky provides that hereafter whenever approved the chairman from propriations are made by Congress for roadway improvement or resurfacing the amount shall be collected by a tax levied on the abutting property. I contend that the amendment is not germane to a provision making a specific appropriation. The amendment proposed now by the gentleman is not confined to the items in this bill, and is not confined to the appropriations made even for the ensuing fiscal year, is not confined to the appropriations for this year, but provides for taking effect whenever the bill takes effect—that all street improvements hereafter made out of any appropriations made by Congress in any way, either for the current year or the ensuing fiscal year or a succeeding fiscal year, shall be raised by special assessment upon the abutting property. I contend that is not germane

to a provision making a specific appropriation in this bill.

Mr. JOHNSON of Kentucky. Mr. Chairman, upon the raising of the question as to whether this amendment is germane, I wish to say that I can not imagine how anybody can conceive the idea that it is a specific appropriation in this bill. the idea that it is not germane. To be germane it must simply relate to the same subject matter. The subject matter which is here sought to be amended is payment for the building of streets. The amendment offered deals with no other subject than the manner in which the building of streets shall be paid for. If this amendment is not germane to the subject of paying for streets, then one can not be drawn that would be germane, because this amendment deals with nothing else than that subject. The gentleman from Illinois in his remarks emphasizes the word "hereafter." That cuts no figure in this case, because this amendment comes from the legislative committee having jurisdiction over such matters, and in the amendment legisla-tion is permissible under the Holman rule. It need not come from the committee having legislative jurisdiction of the matter if there is no new legislation in it. The rule provides that legislative matter may be tacked onto an appropriation bill if it comes from the committee having legislative jurisdiction of the subject matter. This fully meets that requirement.

The CHAIRMAN. The gentleman from Illinois makes the point of order against the amendment offered by the gentleman

from Kentucky upon the ground that it is not germane. pending bill contains a provision appropriating money for the improvement and repair of streets, avenues, and roads. The amendment seeks to add to the provision and to some extent to modify the provision of this section of the bill to which it is offered by enacting a provision of law requiring that assess-ments be made upon the landowners of property abutting the improvements. The question of germaneness is the only ques-

tion raised by the point of order.

Mr. MANN. Mr. Chairman, the Chair will recognize that we argued at length yesterday the question as to whether this amendment retrenches expenditures. That was argued at length, and while it was not argued again to-day, that point is

still supposed to be before the Chair.

Mr. PROUTY. Mr. Chairman, if that point of order is to be made and argued, I want to be heard on that particular phase

I understood that was not raised to-day

Mr. MANN. Mr. Chairman, I have no desire to argue it further, so far as I am concerned, but, of course, that is one of the points of order that is made. We would not argue it for two hours and then suppose that it was abandoned.

Mr. PROUTY. The ruling went off on another point.
Mr. MANN. I understand; but the same question we argued yesterday is involved in this amendment.

Mr. PROUTY. Yes; but it would Mr. MANN. Oh, it would apply. Yes; but it would apply unless urged.

Mr. PROUTY. It would not apply unless it is urged, and the gentleman raised the point of order that it was not germane.

Mr. MANN. Mr. Chairman, I beg the gentleman's pardon. I made the point of order, and I argued the germaneness. did not suppose it was necessary to repeat the argument which I made yesterday, and I shall not do it, even to delight my friend from Iowa.

The CHAIRMAN. Then the Chair will also undertake to dispose of the other ground suggested by the gentleman from Illinois, as to whether the effect of the proposed amendment will be to retrench expenditures within the meaning of the rule. the first question of germaneness, the Chair is of opinion that if the amendment would retrench expenditures within the meaning of the rule it would also be germane to this paragraph of the bill. It relates solely and alone to the question of improving the streets, avenues, roads for which an appropriation is being made, and seeks to modify the existing law; and if in doing so it retrenches expenditures, the Chair is of the opinion that that objection is not tenable. The proviso of clause 2 of Rule XXI is to the effect-

That it shall be in order further to amend such bill upon the report of the committee or any joint commission authorized by law, or the House Members of any such commission having jurisdiction of the subject matter of amendment, which amendment being germane to the subject matter of the bill shall retrench expenditures.

This last clause evidently means the retrenchment not only of appropriations or expenditures contained in the bill, but expenditures under the operation of the existing general law taken in connection with the provisions of the pending measure. The Chair finds from an examination of a number of precedents undertaking to define the scope and meaning of the term "retrenchment of expenditures" that it is not to be taken in that precise literal sense which would perhaps result in restrict-ing the proper and logical scope of its operation. The Chair

will not stop to read the precedents. It is apparent that if the General Government and the District of Columbia should shift a substantial portion of the expenses of improving the streets, avenues, and roads of the District of Columbia to the abutting property owners, a correspondingly less amount would have to be appropriated annually out of the funds of the District of Columbia to the extent of one-half and the remainder out of the Treasury of the United States. The Chair thinks it necessarily follows that the effect of the operation of the proposed amendment, keeping in view the existing general law applying to the District of Columbia and the administration of applying to the District of Columbia and the administration of its different bureaus, divisions, and departments, together with the pending measure, it would result in retrenching expenditures within the meaning of the proviso of clause 2, Rule XXI, and therefore the Chair overrules the point of order. The question is on the adoption of the amendment offered by the gentleman from Kentucky.

Mr. MANN. Mr. Chairman, I would just like to call attention to one effect of the amendment without arguing the general

tion to one effect of the amendment without arguing the general

proposition-

Mr. BORLAND. Mr. Chairman, will the gentleman yield? The CHAIRMAN. Does the gentleman from Illinois yield? Mr. MANN. No. Under this amendment if we should pave

or resurface to-day, which possibly may be done some time, the road out here in front of the Capitol or the roads around the White House or the roads around in front of the public buildings in Washington, the District Commissioners are required to levy a tax against them, and if it is not paid they are to be to levy a tax against them, and if it is not paid they are to be sold for nonpayment of taxes. It is the first time I have ever heard of a body giving to a little municipality the power to sell the capitol of the State, but here is a proposition which would permit the sale to a tax buyer of the White House and the Capitol of the United States. It is certainly not a very well guarded provision. well guarded provision.

Gentlemen will say Congress will make an appropriation. Well, possibly. I have heard a great many people say now Congress will make an appropriation, but I have noticed a very great disregard of those promises in the course of time. There ought not to be the power given to the District commissioners in Washington under any circumstances to levy a special assessment or taxes against Government property and authorize that

to be sold.

Mr. FITZGERALD. Will the gentleman yield?

Mr. MANN.

Mr. FITZGERALD. Does not this apply only in those cases where this work is done upon the application of the property

Mr. MANN. That is not the case at all. It is wherever any roadway is improved or resurfaced the commissioners are required to take this action.

Mr. FITZGERALD. That is in connection with the appro-

priation to which it attaches.

Mr. MANN. It is not confined to the appropriation. We have just been arguing that. It applies to all cases in the District where there is a paving or resurfacing. That is not all. There is no assessment levied anywhere in the United States for street paving-no special assessment, at least-where the property owners do not have an opportunity to be heard and say whether their property is benefited; but under this provision the District commissioners, against the will of every property owner in the block, may force an asphalt pavement upon them and levy a special assessment against them which they can not contest in court.

They can have no hearings as to whether their property is to be benefited or as to whether the street is to be paved. After the pavement is put in the commissioners levy what they call a special assessment, but what is in effect a special tax, against these property owners, and they are required to pay it, with no opportunity to be heard by any court in the land.

Mr. PAGE of North Carolina. Mr. Chairman—

The CHAIRMAN. The gentleman from North Carolina [Mr.

Pagel is recognized.

Mr. PAGE of North Carolina. Mr. Chairman, so far as the merits contained in the amendment now pending are concerned, I want to confess that I am in sympathy with them. But I do want to say in this connection that I shall oppose the amendment. I shall oppose it, not because I am opposed to the provisions that it carries but because of the criticism of the District of Columbia appropriation bill during all the years I have served in this body-and that criticism has come mostly even from gentlemen who are now urging this amendment—as to substantive legislative propositions carried in such bill.

Time and time again during the hearings that were held by

the subcommittee framing this bill, when those urging proposi-

sons that carried substantive legislative propositions brought them to our attention, we told them unhesitatingly that this committee would not undertake to consider propositions of a legislative character and referred them to the legislative committee having jurisdiction over these particular matters, namely, the committee presided over by my distinguished friend the gentleman from Kentucky [Mr. Johnson]. Now, in this instance, having guarded this bill against legislative provisions, believing, as I do, that it is not good legislative practice to legis-late upon an appropriation bill, but bringing it into this House clear of these provisions which would establish here a precedent for this kind of legislation upon appropriation bills, we are met by the very gentlemen who have contended against this practice with an effort to place upon this bill substantive legislative propositions. And, as I said in the beginning, so far as the merits of this proposition are concerned, I would favor them if they were brought in as a legislative proposition separate from this bill.

But I contend that this is not the place to legislate, and gentlemen in this House have time and time again contended with me against legislative propositions in an appropriation bill.

It is a strange situation in which we find ourselves. would naturally conclude that these gentlemen were opposed to legislative propositions in an appropriation bill that did not meet their approval, but that they were heartily in favor of legislative propositions if they happened to meet their approval. And I appeal to this membership to sustain the committee, which brought this bill in without legislative propositions, and defeat this amendment. I believe, as I have said repeatedly, that it is bad practice. The gentlemen have a favorable report from the legislative committee having jurisdiction of this matter. They have two days in every month in which they can call up from the calendar the bills that they have reported to this House, and these propositions can be considered upon their merits and class as legislative propositions.

I contend, Mr. Chairman, however meritorious this legisla-tion may be; however beneficial it might be to the Treasury; however just the provisions it places on the property owners of this District, this is not the place for that, and this House

should not legislate upon this appropriation bill.

I do not know that there is anything further I care to add. I am not antagonizing the provisions of the bill. I want that distinctly understood. But I am antagonizing the effort on the part of gentlemen who heretofore have fought legislative provisions upon this bill. Because of consideration for them, as well as for consideration for the rules of this House, the committee formulating this bill has met their objections by bringing in a bill clear of these provisions. Now, I want to be consistent, and I believe they ought to be consistent, and that this committee ought to be consistent, and keep out of this bill

substantive legislative propositions.

Mr. JOHNSON of Kentucky. Mr. Chairman, for some years, whenever a District appropriation bill has been before this body for consideration I have stood here day in and day out, week in and week out, insisting upon respect for the rules of this My contention has never been other than that the rules of this House should be observed. I am here to-day, in offering this amendment, complying to the strict letter of the rules governing this body. Heretofore substantive legislation has found its way into appropriation bills contrary to the rules of this The piece of legislation that is now proposed has just been decided by the Chairman to be within the rules of this House. The gentleman from North Carolina [Mr. Page], who is in charge of this bill, and who has just stated that he is in favor of its terms, provided it came in another way, should not be forgetful that this amendment is not now contrary to the rules of this body, but is in full compliance with those rules. I insist that Members vote their sentiments, and not undertake to get behind the subterfuge that heretofore objection has been made to substantive legislation in appropriation bills.

Under the ruling just made by the Chair the legislation proposed in the amendment offered by me is not contrary to the rules, but is within them, and Members who cast their votes for this amendment are not now violating any parliamentary rule.

Mr. BORLAND and Mr. McCOY rose.

The CHAIRMAN. The gentleman from Missouri [Mr. Bor-

LAND] is recognized.

Mr. BORLAND. Mr. Chairman, the very purpose of the Holman rule, I want to say to my colleague from North Carolina [Mr. Page], is to permit legislation being put upon appropriation bills if it has the purpose of retrenching public expenditures.

The evil that has been complained of heretofore, when the Democratic side of the House was fighting this practice of overloading appropriation bills with legislation, was the evil of

putting on legislation which increased public expenditures. Every one of those bills that came in in the past, during the time I was a Member of this House under the Republican régime, contained items of new legislation increasing public expenditures in violation of the rules of the House.

But the Holman rule is intended for the sole purpose of permitting legislation-something which is broader than mere limitation-substantive legislation, if it has the effect of retrenching or reducing expenditures; and we have declared by an almost united party action that that was our principle, that legislation of that character really belonged upon an appropria-tion bill. We have denominated it "legislation." We have met that issue fairly by the adoption of the Holman rule, and if now that Holman rule is to be abrogated by a rule of the committee to the effect that it will not put on any legislation, even though it retrench expenditures, it is still within the power of any Member of Congress under the rules of the House to offer such legislation; and that is the very scope and purpose, I might say, of this proposition.

Now, as to the argument of the gentleman from Illinois [Mr. Mann], that some one could sell Government buildings in the National Capital for nonpayment of such assessments for street paving, it is probably so long since my friend from Illinois read the celebrated case of McCullough against Maryland and the opinion of the Chief Justice in that case that he has forgotten that local

power can seize any of the property of the United States. Mr. MANN. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Missouri yield to the gentleman from Illinois?

Mr. BORLAND. No. The gentleman from Illinois declined

to yield to me.

Mr. MANN. I did not.

Mr. BORLAND. I asked the gentleman to yield.

Now, we have been operating for 14 years in this District, since the year 1894, under a law which is just this law exactly a law applying to assessments for sidewalks. That law is found in volume 28 of the Statutes at Large, on page 244. It is referred to specifically in this amendment, which is an arrendment proper to be used in this case, so that under the gentleman's contention for 19 years we have been in danger of having our public buildings sold for the nonpayment of a sidewalk tax. Of course, no such state of affairs ever existed or can exist under the law as it now stands or under such amendments to it as

may from time to time be made in pursuance of it.

Mr. SISSON. It does not change it now.

Mr. BORLAND. No; as the gentleman from Mississippi says, it does not change it now. There is not much objection to this proposition, even at this late day, on the merits. I want to say that when I introduced this bill a year ago it provided that only one-half of the expense of the street pavement should be in-curred at the cost of the abutting property owner. The District Committee, clothed with discretion to consider this bill, in its wisdom changed that to a charge on the property owner for the improvement of the street for an average width of 40 feet.

It has been contended-and even as late as to-night's Washington papers-that because Washington has very wide streets this law is unjust. I want to tell you that is a chimera. Washington has on paper a number of wide streets, but in practice the width of the streets has been reduced by throwing the extra land back into the front yards of property owners, and the average road that is improved is only an average roadway. If any gentleman looks at Massachusetts Avenue, or any other of the avenues that are supposed to be of unusual width, on paper, he will see that the property owner, without tax or charge, is enjoying a large front yard which he actually uses as his own property. That is what becomes of your wide streets. They are not improved at the expense of the abutting property owners, and will not be.

But there is another feature that is of great interest in con-nection with this matter, and that is the schedule as to what is

to be paved under this appropriation.

Mark, gentlemen, these are the streets that the District Commissioners say are to be paved with asphalt under this appropriation. There are about 20 of them. Listen to the width that is going to be paved:

Northwest section: V Street from Tenth Street to Florida Avenue, 32 feet; Warner Street from New Jersey Avenue to Fifth Street, 30 feet; K Street from Washington Circle to Twenty-eighth Street, 50 feet; I Street from Twenty-sixth Street, to Virginia Avenue, 38 feet.

Southwest section: Howison Place, M Street to N Street, 24 feet; M Street from Half Street to First Street, 35 feet; K Street from Four-and-a-half Street to Eighth Street, 30 feet.

Northeast section: Thirteenth Street from B Street to C Street, 35 feet; Ninth Street from H Street to K Street, 32 feet; K Street from Seventh Street to Tenth Street, 40 feet; Tennes-

see Avenue from B Street to D Street, 40 feet.

Southeast section: Massachusetts Avenue from Thirteenth Street to Fourteenth Street, 40 feet; New Jersey Avenue from M Street to N Street, 40 feet; Pennsylvania Avenue (south side) from end of pavement to bridge, 32 feet; I Street from Eleventh Street to Thirteenth Street, 34 feet; E Street from Seventeenth Street to Eighteenth Street, 35 feet; Thirteenth Street from Pennsylvania Avenue to Potomac Avenue, 32 feet; I Street from Sixth Street to Seventh Street, 32 feet; Potomac Avenue from Eighth Street to Ninth Street, 40 feet.

Georgetown: Wisconsin Avenue from Thirty-fourth Street to

Thirty-fifth Street, 35 feet.

The CHAIRMAN. The time of the gentleman from Missouri

Mr. BORLAND. I ask for five minutes more.

Mr. MANN. I hope the gentleman will get his five minutes, although he was discourteous to me.

Mr. BORLAND. I have had no intention to be discourteous to the gentleman, but I did not like his refusal to yield to me.

Mr. MANN. I did not refuse to yield to the gentleman. Mr. BORLAND. Then I am mistaken. I am very glad to

learn that.

There is only one of these streets that is wider than 40 feet in its roadway, and that is the handsome K Street. I undertake to say that on K Street the property bears a relatively high value on account of the extra width, so that it could bear the extra cost. But on K Street, under the liberal proposal of this amendment, they will only pay for 40 feet of pavement, so that there can be no injustice done even to the fortunate owners of property on K Street.

Mr. STAFFORD. Will the gentleman yield?
Mr. BORLAND. I will yield in a minute to my friend from Wisconsin. It has been said also that somebody or other might own a wedge at the corner of an avenue where it intersected a street. Why, bless your soul, the United States Government owns nearly all of those wedges, and now it is proceeding to buy all the rest of them that it can buy. They are in the hands of the Federal Government; but wherever those wedges are in the hands of private owners, on account of the extra light and air that they have around them they have an increased value and they sell for an unusually high price, more than enough to absorb a dozen such expenses as this pavement.

Now I will yield to my friend from Wisconsin.

Mr. STAFFORD. In the enumeration that the gentleman gave, did he include the so-called avenues, or only the so-called

Mr. BORLAND. I took this illustration verbatim from the official statement of the commissioners as to the streets proposed

Mr. STAFFORD. Take, for instance, the Avenue of the Presidents, Rhode Island Avenue, Vermont Avenue, New Jersey Avenue.

Mr. JOHNSON of Kentucky. Will the gentleman from Missouri yield to let me answer that question?

Mr. BORLAND. I yield to the gentleman from Kentucky. Mr. JOHNSON of Kentucky. I will say in answer to the gentleman from Wisconsin that a few days ago I saw the statement made in a report by one of the officers of the District of Columbia to Congress that certain additional appropriations were asked for because of the extreme width of the avenues in the District of Columbia. I addressed a written communication to that official, and asked him to name to me the avenues that were 160 feet wide, as he said. His answer was that Pennsylvania Avenue is the only one, except five or six squares of Louisiana Avenue.

Mr. STAFFORD. There are some in excess of 40 feet,

Mr. BORLAND. Mr. Chairman, I must decline to yield

Mr. STAFFORD. Will the gentleman answer my question? Are there not some in excess of 40 feet?

Mr. BORLAND. Yes; I undertake to say that the Avenue of the Presidents is paved in excess of 40 feet, and so is K Street and Massachusetts Avenue.

Mr. JOHNSON of Kentucky. But will the gentleman from Missouri explain that the property owners will not have to pay for paving more than 40 feet.

Mr. BORLAND. The property will justify a greater expenditure than that, on account of its greater value, but it is limited to 40 feet, anyway.

Mr. STAFFORD. Why should you limit it to 40 feet? Those owning property on the wide avenues are more able to pay than the people who live on the narrower side streets.

Mr. BORLAND. That is a concession to a clamor that I do not regard as sound, that because a man lives on a street of extra width he ought to be treated with some special consideration; but I point it out for the purpose of showing that under no circumstances is any injustice done on account of the width of the avenues.

Mr. ROBERTS of Massachusetts. Will the gentleman yield

for a question?

Mr. BORLAND. Yes.

Mr. ROBERTS of Massachusetts. I am asking for information. The gentleman has been speaking of K Street. calls to my mind the fact that between Thirteenth and Fourteenth Streets, K Street on one side is bordered by a public

Mr. JOHNSON of Kentucky. Franklin Park, owned by the Government of the United States, and the United States will

have to pay for that.

Mr. BORLAND. The chairman of the District Committee suggests that Franklin Park is a Government reservation, and that the private owners would not have to pay for it, but that I take it that is true the Government would have to pay for it. of many of these other wide streets. I think there is hardly a municipality in the country outside of Washington where the property owner does not pay for the special improvements abutting on his own property, and I think that rule ought to be applied, with some limit of fairness, to the property in the District of Columbia. I hope the amendment will pass.

The CHAIRMAN. The time of the gentleman has expired. Mr. MANN. Mr. Chairman, I believe my distinguished friend from Missouri is an able lawyer, and probably he has forgotten more law than I ever knew. Evidently he has forgotten all he knew on this subject. He said that the Supreme Court of the United States has made a decision which would affect this case. I challenge the gentleman to produce any decision of the Supreme Court which shows that Congress can not pass a law authorizing the sale for taxes of Government property belonging to the United States.

Mr. BORLAND. And I challenge the gentleman to point out

where we have undertaken to do any such thing.

Mr. MANN. I will do it. Mr. BORLAND. And I will show, further, that the defect, if it is a defect, exists in the present law; the same law pre-

Mr. MANN. The gentleman's bill provides that all the costs shall be assessed against the abutting property owners. Then it provides for the collection of the assessment through the sale of the property by reference to the statutes that requires the District Commissioners, in the case of Franklin Park named, to assess one-half the cost of paving K Street against Franklin Park, and if the assessment is not paid it requires the District Commissioners to sell the property. It will not be the first time that public property has been sold for special assessments. Property of cities is sold for special assessments constantly. The property of a municipality is sold for special assessments constantly; but here is a proposition to permit the District Commissioners to sell the property of the United States. It is not customary anywhere that I know of to permit a municipality to order the sale of property belonging to the superior organization. Now, if the gentleman from Missouri will produce the decision, I will eat the book. [Laughter.]

The CHAIRMAN. Debate is exhausted on this amendment.

Mr. SISSON. Mr. Chairman, I move to strike out the last

word.

Mr. FOSTER. Mr. Chairman, do I understand that all debate on this amendment is exhausted?

The CHAIRMAN. The Chair has so stated.

Mr. FOSTER. Then, a motion to strike out the last word in order to debate is not in order?

Mr. SISSON. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent to address the committee for five minutes. Is there objection?

There was no objection.

Mr. SISSON. Mr. Chairman, I think it is fair to state, not only for this Committee on Appropriations, but for the District Committee, that when we were discussing the assessment and improvement item under the bill your subcommittee decided that that law in reference to the present assessment and improvement should be changed. We then conferred with the chairman of the District Committee and asked him, so that the item might be in order under the Holman rule, to report such a bill. The District Committee in drafting the measure went further than the Appropriations Committee asked it to do by including

practically in that bill all the streets of the city of Washington. That was not the request of the subcommittee nor of the members of the subcommittee, but the District Committee having the full right under the Holman rule and the holding of the Chair to do this, this is as properly before the House as any Item in the bill, because we are proceeding under the rules of the House to consider this, and this bill is as much before the House as any item in the bill.

The purpose of the Holman rule was to permit this sort of legislation on an appropriation bill, because the English-speaking people have been able to retrench expenses by putting riders

on appropriation bills.

The law in relation to the sale of property in this bill is identical with the present law in relation to assessments relating to streets and sidewalks, because it refers specifically to the provision read by the gentleman from Missouri [Mr. Borland]. The power of the District Commissioners is not enlarged, except that a greater amount is assessed against the property owners. In other words, the power now in the commissioners is as great

as it would be if this amendment were agreed to.

If the amendment is agreed to, it simply means that the Federal Government will respond as the property owners do when a street in front of Government property is improved. It now responds as property owners do in a street in front of Government property if the improvement is made, and therefore the power the gentleman from Illinois refers to is not a power greater than the commissioners after this amendment is agreed Now, this is a question whether, under the Holman rule, we will take this opportunity where we may have a chance to get it through the other body or not. If this bill goes over to the other body by itself, the chance of ever writing it into law is very shadowy and distant, so far as the future is concerned. But if it is put on this bill, the chances are that it may become a law in the District of Columbia bill.

Mr. PAGE of North Carolina. Will the gentleman yield?

Mr. SISSON. I will. Mr. PAGE of North Carolina. Does not the same reason prevail in another body for placing on the bill riders that they may

become a law?

Mr. SISSON. That is true; and if they do it under their rules, they are responsible for it. But, Mr. Chairman, I do not like that privilege to be exercised there and we not to have the same right here. If they put on amendments over there which increase expenses of the Federal and the District governments, then the House of Representatives, if they are an economical body, ought to have the right to meet that with the corresponding rule to reduce expenses. In other words, to use a homely expression, "What is sauce for the goose ought to be sauce for the gander."

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman

yield?

Mr. GREEN of Iowa. Do I understand the gentleman to say this amendment is the same in form as the provision for other

assessments for sidewalks?

Mr. SISSON. No. I said the powers vested by this amendment in the District Commissioners are identical with the powers now vested in the commissioners. It does not change the power of the District Commissioners to make the assessment. It simply changes the amount that may be assessed against the property owner.

Mr. GREEN of Iowa. The point I had reference to was that this amendment simply contains a provision for publishing

notice of the assessment.

Mr. SISSON. I did not say that.
Mr. GREEN of Iowa. No; the gentleman did not say that.
I am saying it. It does not state what the notice shall be. It does not provide for any hearings.

Mr. SISSON. The general law here-

Mr. GREEN of Iowa. Oh, the general law is not made a part by this amendment.

Mr. SISSON. The power of the District Commissioners and the manner are provided for in another section of the District law

Mr. GREEN of Iowa. But it was not provided in this amend-

Mr. SISSON. This is simply for the purpose of enabling this power of the District Commissioners to be enlarged, so that they may levy the assessment against the property owner, and they do that by assessing it all in the exact manner that they assess a part of it now. There is no difference in procedure. assess a part of it now. The only difference is in the amount to be paid by the property

Mr. SIMS. Mr. Chairman, I would like to address the committee for five minutes.

Mr. LINTHICUM. Mr. Chairman, I demand the regular

Mr. SIMS. I shall have to take it on the next paragraph. It makes no difference. No time will be saved. It is pertinent here. I would like to have five minutes,

The CHAIRMAN. The gentleman from Maryland objects, and the question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr.

LEVY) there were-ayes 30, noes 40. Mr. JOHNSON of Kentucky. Mr. Chairman, I make the point

of order that there is no quorum present.

Mr. PAGE of North Carolina. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. Cullor having assumed the chair as Speaker pro tempore, Mr. Hull, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 10523, the District appropriation bill, and had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted-

To Mr. PORTER, for five days, on account of sickness in his family.

To Mr. L'ENGLE, for the day, on account of illness.

COMMISSION OF FINE ARTS (H. DOC. NO. 461).

The SPEAKER pro tempore laid before the House tha following, which the Clerk reported:

Ordered. That House Document No. 461, the report of the Commission of Fine Arts, be printed with illustrations.

Mr. MANN. That was not ordered before?

The SPEAKER pro tempore. The matter went before the Senate and was referred back, as it contained illustrations.

Mr. MANN. I know what took place in the Senate. The Senate did not order it printed, because they said the House had ordered it printed.

The SPEAKER pro tempore. Without objection, it will be so

There was no objection.

EXTENSION OF REMARKS.

Mr. FOWLER. Mr. Speaker, I ask unanimous consent that I may be permitted to extend my remarks in the RECORD on the currency bill, having had that permission granted last session, but having failed to take advantage of it.

The SPEAKER pro tempore. Is there objection? Mr. MANN. Mr. Speaker, having to-day been denied the opportunity to address the House and again denied the right to the floor when I was entitled to it, the minority having had no opportunity this afternoon, I object.

Mr. FOWLER. Mr. Speaker, a parliamentary inquiry.
The SPEAKER pro tempore. The gentleman will state it.
Mr. FOWLER. Mr. Speaker, during the discussion of the banking and currency bill in the House I made a speech and obtained permission to extend my remarks in the RECORD. My parliamentary inquiry is, as the banking and currency bill has now finally been disposed of, have I that privilege now?

The SPEAKER pro tempore. The Chair would say with reference to the leave given to the gentleman at that time that the time has expired, and if the gentleman desires that per-

mission new leave would have to be given.

Mr. MANN. I have no doubt some arrangement may be made by which leave will be granted to everybody, but it will not

be granted to the majority and not to the minority.

Mr. FOWLER. Mr. Speaker, the parliamentary inquiry is, as I understand the rule, when unanimous consent is obtained to extend remarks in the RECORD upon any bill this right obtains until five days after the bill has finally passed.

The SPEAKER pro tempore. The Chair will say to the gen-tleman that the rule is exactly the reverse. The time extended to the gentleman was five days after the passage of the bill and was in another session of Congress. That time has exand was in another session of Congress. pired and the leave is abrogated because of the rule itself.

Mr. FOWLER. But, Mr. Speaker, the bill has not been passed

The SPEAKER pro tempore. It was passed by the House

and the purpose of the gentleman's leave has been fulfilled, although the gentleman did not take advantage of it.

Mr. FOWLER. Mr. Speaker, a further parliamentary inquiry.
The SPEAKER pro tempore. The gentleman will state it.
Mr. FOWLER. Does not that rule obtain until five days after the passage of the bill by both Houses instead of by one of the Houses?

The SPEAKER pro tempore. It does not.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Tulley, one of its clerks, announced that the Senate had passed without amendment a bill of the following title:

H. R. 11003. An act to provide for expenses of representatives of the United States at the International Maritime Conference for Safety of Life at Sea.

The message also announced that the Senate had passed the following resolutions, in which the concurrence of the House of Representatives was requested:

Senate concurrent resolution 11.

Senate concurrent resolution 11.

Resolved by the Scnate (the House of Representatives concurring),
That there be printed for the use of the Senate 1,000 additional copies
of Senate Document No. 357, volumes 1 and 2, Sixty-first Congress, and
Senate Document No. 1063, Sixty-second Congress, being a compilation
of the treaties, conventions, international acts, protocols, and agreements between the United States of America and other powers from
1776 to 1913; and that the superintendent of documents is hereby
authorized to order reprinted such copies of the foregoing documents
as may be required for sale by his office in accordance with law.

Senate concurrent resolution 12.

Resolved by the Senate (the House of Representatives concurring),
That there be printed for the use of Congress 80,000 copies of the Federal
reserve act in pamphlet form, to be apportioned as follows: Thirty-five
thousand copies for the use of the House of Representatives, 20,000
copies for the use of the Senate, 5,000 copies for the use of the Committee on Banking and Currency of the Senate, 5,000 copies for the use of
the Committee on Banking and Currency of the House, 5,000 copies
for the use of the document room of the Senate, and 10,000 copies for
the use of the document room of the Senate, and 10,000 copies for
the use of the document room of the Senate, and 10,000 copies for

ENROLLED JOINT RESOLUTION PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. ASHBROOK, from the Committee on Enrolled Bills, re-ported that this day they had presented to the President of the United States for his approval the following joint resolution:
H. J. Res. 165. Joint resolution for recognition of the services

of the late David Du B. Gaillard, lieutenant colonel, Corps of Engineers, United States Army, as a member of the Isthmian Canal Commission, and for the relief of Mrs. Katherine Davis Gaillard.

ENROLLED BILL SIGNED.

Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of

the following title, when the Speaker signed the same:
H. R. 11003. An act to provide for expenses of representatives of the United States at the International Conference for Safety of Life at Sea.

SENATE BILL AND CONCURRENT RESOLUTION REFERRED.

Under clause 2, Rule XXIV, Senate bill and concurrent resolution of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below

S. 3454. An act authorizing the Secretary of Commerce to lease to the city of Port Angeles, Wash., certain property; to the Committee on the Public Lands; and

S. Con. Res. 11. Concurrent resolution authorizing the printing of additional copies of Senate Document No. 357, Sixtyfirst Congress, and Senate Document No. 1063, Sixty-second Congress, being a compilation of treaties, conventions, etc., between the United States and other powers; to the Committee on Printing.

ADJOURNMENT.

Mr. PAGE of North Carolina. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 55 minutes p. m.) the House adjourned to meet on Monday, December 22, 1913, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS.

Under clause 2 of Rule XXIV, executive communications

were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting a copy of a communication of the Secretary of the Interior of the 15th instant submitting a supplemental estimate of appropriation in the sum of \$5,000 for the preservation, development, administration, and protection of the national monuments created under the provisions of the act of June 8, 1906 (34 Stats., 225), entitled "An act for the preservation of American antiquities" (H. Doc. No. 506); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting copy of a communication of the Secretary of War of the 16th instant submitting an urgent deficiency appropriation required by the Isthmian Canal Commission for the current fiscal year under item 4 of the appropriations made by the sundry civil | States; to the Committee on Agriculture.

act of June 23, 1913, being for skilled and unskilled labor on the Isthmus, etc., \$2,250,000 (H. Doc. No. 507); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. McCOY, from the Committee on the Judiciary, to which was referred the bill (H. R. 10046) to regulate the judicial procedure of the courts of the United States, reported the same without amendment, accompanied by a report (No. 157), which said bill and report were referred to the House Calendar.

Mr. POST, from the Committee on Elections No. 1, to which was referred the resolution (H. Res. 356) to dismiss the charges filed by John P. Grace against Richard S. Whaley be dismissed, reported the same without amendment, accompanied by a report (No. 158), which said resolution and report were referred to the House Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows

By Mr. STEPHENS of Texas: A bill (H. R. 11093) to amend an act entitled "An act to authorize the sale and disposition of surplus or unallotted lands of the diminished Colville Indian Reservation in the State of Washington, and for other purposes"; to the Committee on Indian Affairs,

Also, a bill (H. R. 11094) for the relief of the Turtle Mountain Chippewa Indians, and for other purposes; to the Commit-

tee on Indian Affairs.

Also, a bill (H. R. 11095) to authorize the Secretary of the Interior to expend the proceeds arising from the sale of town sites on the Yuma Rservation in California, and the Colorado River Reservation in Arizona and California; to the Committee on Indian Affairs.

Also, a bill (H. R. 11096) authorizing the Tuscarora Nation of New York Indians to lease or sell the limestone deposits upon

their reservation; to the Committee on Indian Affairs.

By Mr. ADAMSON: A bill (H. R. 11097) to amend the laws relating to shippers' manifests of merchandise for exportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. TAYLOR of Colorado: A bill (H. R. 11098) to provide for the establishment and maintenance of mining experiment stations, and for other purposes; to the Committee on Mines and

Mining.

By Mr. LAFFERTY: A bill (H. R. 11099) authorizing and directing the Interstate Commerce Commission to prepare and establish a single uniform classification of freight, with its rate schedule, and to prescribe rules for the ascertainment and apportionment of freight operating expenses; to the Committee on Interstate and Foreign Commerce.

By Mr. BYRNS of Tennessee: A bill (H. R. 11100) to authorize the Secretary of War to complete the erection of Locks and Dams B, C, and D, and put same into operation in the Cumberland River below Nashville, State of Tennessee, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. HENSLEY: A bill (H. R. 11101) to establish a mining experiment station at Flat River, St. Francois County, Mo., to aid in the development of the mineral resources of the United States, and for other purposes; to the Committee on Mines and

Mining.

By Mr. KINKAID of Nebraska: A bill (H. R. 11102) providing that the marriage of a homestead entryman to a homestead entrywoman shall not impair the right of either to a patent, after compliance with the law a year, to apply to eixsting entries; to the Committee on the Public Lands.

By Mr. McKELLAR: A bill (H. R. 11103) to amend section 1, chapter 209, of the United States Statutes at Large, volume 27, entitled "An act providing when plaintiff may sue as a poor person and when counsel shall be assigned by the court," and to provide for the prosecution of writs of error and appeals in forma pauperis, and for other purposes; to the Committee on the Judiciary

By Mr. SINNOTT: A bill (H. R. 11104) to provide for a deferred-residence homestead; to the Committee on the Public

Lands.

By Mr. MAGUIRE of Nebraska: A bill (H. R. 11105) to provide for the encouragement of live stock, agricultural, horticultural, machinery, and the industrial exhibits in the various

By Mr. GOEKE: A bill (H. R. 11106) for the erection of a public building at Delphos, Ohio; to the Committee on Public

Buildings and Grounds.

Also, a bill (H. R. 11107) to provide for the purchase of a site for a public building at Celina, Ohio; to the Committee on Pub-

lic Buildings and Grounds.

Also, a bill (H. R. 11108) for the erection of a public building at St. Marys, Ohio; to the Committee on Public Buildings and Grounds.

By Mr. GOODWIN of Arkansas: A bill (H. R. 11109) pro viding for the erection of a public building at the city of El Dorado, Ark.; to the Committee on Public Buildings and Grounds.

By Mr. KINKAID of Nebraska: A bill (H. R. 11110) to authorize the Secretary of the Interior to contract with irrigation districts, organized under State laws, for the construction by the Government of reservoirs and canals and the operation of the same, the Government to be compensated for the costs thereof by tax levies made on the lands of the water users of irrigation districts as provided by the statutes of the State in which the irrigation district may be situated; to the Committee on Irrigation of Arid Lands.

By Mr. AIKEN: A bill (H. R. 11111) to amend sections 1 and 105 of the Judicial Code, to provide for the appointment of a district judge, district attorney, and marshal for the west-ern district of South Carolina, and for other purposes; to the

Committee on the Judiciary

By Mr. SHERLEY: A bill (H. R. 11112) to create the Gettys-burg Peace Memorial Commission, charged with the duty of locating the memorial on the Gettysburg battle field to commemorate the fiftieth anniversary of that battle, July 1, 2, 3, and 4, 1913; to the Committee on the Library.

By Mr. KEY of Ohio: A bill (H. R. 11113) to enlarge, extend, remodel, etc., post-office building at Findlay, Ohio; to the

Committee on Public Buildings and Grounds

By Mr. TAYLOR of New York: A bill (H. R. 11114) authorizing the Secretary of War to donate to the city of New Rochelle, N. Y., one condemned bronze gun and three pyramids of shell; to the Committee on Military Affairs.

By Mr. STANLEY: A bill (H. R. 11167) to prescribe the conditions under which corporations may engage in interstate commerce, and for other purposes; to the Committee on the Ju-

diciary.

By Mr. McGILLICUDDY: A bill (H. R. 11168) to prescribe the conditions under which corporations may engage in interstate commerce, and for other purposes; to the Committee on

By Mr. LEWIS of Maryland: Resolution (H. Res. 355) regarding the Government ownership and operation of telegraph and telephone lines; to the Committee on the Post Office and

By Mr. POST: Resolution (H. Res. 356) to dismiss the charges filed by John P. Grace against Richard S. Whaley; to the House Calendar.

By Mr. KINDEL: Joint resolution (H. J. Res. 179) to establish a fair and relative parcel-post graduate; to the Committee on the Post Office and Post Roads.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills were introduced

and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 11115) to remove the charge of desertion from the military record of Earl W. Shaffer; to the Committee on Military Affairs.

By Mr. BARTON: A bill (H. R. 11116) granting a pension to Z. B. Partridge: to the Committee on Invalid Pensions.

By Mr. BRODBECK: A bill (H. R. 11117) granting an increase of pension to George W. Householder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11118) granting an increase of pension to William C. Stair; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11119) granting an increase of pension to John Zumbrum: to the Committee on Invalid Pensions.

Also, a bill (H. R. 11120) to correct the military record of Jeremiah Stover: to the Committee on Military Affairs.

By Mr. BURNETT: A bill (H. R. 11121) for the relief of the heirs of Hase Burns; to the Committee on War Claims.

By Mr. CAMPBELL: A bill (H. R. 11122) granting an increase of pension to Lyman U. Humphrey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11123) granting an increase of pension to

C. H. Jewett; to the Committee on Invalid Pensions.
By Mr. CANTOR: A bill (H. R. 11124) for the relief of the heirs of the late Samuel H. Donaldson; to the Committee on Claims.

By Mr. CLAYPOOL: A bill (H. R. 11125) granting an increase of pension to Emanuel Sheese; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11126) granting an increase of pension to William F. Bailey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11127) granting an increase of pension to

Simeon Mick: to the Committee on Invalid Pensions.

By Mr. DERSHEM: A bill (H. R. 11128) granting an increase of pension to Jacob T. Yarger; to the Committee on Invalid Pensions.

By Mr. DIXON: A bill (H. R. 11129) granting a pension to Abram S. Rich; to the Committee on Invalid Pension

Also, a bill (H. R. 11130) granting a pension to Mary Jane Patrick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11131) granting an increase of pension to John Woolley; to the Committee on Invalid Pensions

Also, a bill (H. R. 11132) granting an increase of pension to Clark Canfield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11133) granting an increase of pension to William Rook; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11134) granting an increase of pension to Elisha D. Turner; to the Committee on Invalid Pensions.

By Mr. DOOLITTLE: a bill (H. R. 11135) granting a pension

to Alice P. Knapp; to the Committee on Pensions.

By Mr. DRISCOLL: A bill (H. R. 11136) granting a pension to Guy L. Joslin; to the Committee on Pensions.

By Mr. FERRIS: A bill (H. R. 11137) for the relief of J. P. Clark; to the Committee on War Claims.

Also, a bill (H. R. 11138) granting an increase of pension to Thomas Clark; to the Committee on Invalid Pensions.

By Mr. FOSTER: A bill (H. R. 11139) granting an increase of pension to Joseph M. Ashcraft; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11140) granting a pension to Oscar Sweeten; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11141) granting a pension to Clifford Swee-

ten; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11142) for the relief of Peter Helfman; to

the Committee on Claims. Also, a bill (H. R. 11143) to remove the charge of desertion from the record of Frederick Feninger; to the Committee on

Military Affairs. Also, a bill (H. R. 11144) to remove the charge of desertion

from the record of Herman Kneofler; to the Committee on War By Mr. GOEKE: A bill (H. R. 11145) granting an increase of

pension to James Liggit; to the Committee on Invalid Pensions. Also, a bill (H. R. 11146) granting an increase of pension to George W. Larsh; to the Committee on Invalid Pensions.

By Mr. HENSLEY: A bill (H. R. 11147) granting an in-

crease of pension to Bruce Myers; to the Committee on Invalid Pensions.

By Mr. KENNEDY of Rhode Island: A bill (H. R. 11148) granting a pension to Michael E. Fogarty; to the Committee on

By Mr. LAFFERTY: A bill (H. R. 11149) granting an increase of pension to Frederick H. Rix; to the Committee on Invalid Pensions.

By Mr. LANGHAM: A bill (H. R. 11150) granting an increase of pension to Francis S. Altman; to the Committee on Invalid Pensions

By Mr. LENROOT: A bill (H. R. 11151) granting an increase of pension to John Q. Adams; to the Committee on Invalid Pensions.

By Mr. LONERGAN: A bill (H. R. 11152) granting a pension to William Gilligan; to the Committee on Pensions.

Also, a bill (H. R. 11153) granting a pension to Arthur Demers; to the Committee on Pensions.

Also, a bill (H. R. 11154) granting an increase of pension to Fannie Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11155) granting an honorable discharge to

George D. Tracy; to the Committee on Military Affairs

Also, a bill (H. R. 11156) granting an honorable discharge to Patrick Kennedy; to the Committee on Military Affairs.

By Mr. MITCHELL: A bill (H. R. 11157) for the relief of John A. Gauley; to the Committee on Claims.

Also, a bill (H. R. 11158) for the relief of Thomas C. Hyde; to the Committee on Claims.

Also, a bill (H. R. 11159) for the relief of John McGrail; to the Committee on Military Affairs.

By Mr. FERRIS: A bill (H. R. 11160) granting a pension to

O. A. Spencer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11161) granting an increase of pension to Samuel Blair; to the Committee on Invalid Pensions.

By Mr. MITCHELL: A bill (H. R. 11162) granting an increase of pension to Margaret Gallagher; to the Committee on Invalid Pensions

By Mr. PARKER: A bill (H. R. 11163) for the relief of Lewis Wood; to the Committee on Military Affairs,
By Mr. PATTON of Pennsylvania: A bill (H. R. 11164)
granting an increase of pension to David Tanyer; to the Com-

mittee on Invalid Pensions.

By Mr. STEPHENS of Mississippi: A bill (H. R. 11165) for the relief of the heirs of Thomas F. Clayton; to the Committee

on War Claims

By Mr. SMITH of New York: A bill (H. R. 11166) for the relief of Wilhelmina Rohe; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid

on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Petition of directors of the Washington Board of Trade, the Chamber of Commerce, and the Retail Merchants' Association, protesting against any change in the half-and-half principle of the act of 1873; to the Committee on the District of Columbia.

By Mr. BALTZ: Petition of the Grundy County (Ill.) Bar Association, favoring the passage of a certain amendment to House bill 9573, rearranging the Federal court districts in the State of Illinois; to the Committee on the Judiciary.

By Mr. BURKE of Wisconsin: Papers to accompany bill (H. R. 10090) granting an increase of pension to Edgar A. Bullis; to the Committee on Invalid Pensions.

By Mr. BURNETT: Petition of citizens of the seventh congressional district of the State of Alabama, favoring the passage of the Lindquist pure-fabric law; to the Committee on In-

terstate and Foreign Commerce.

By Mr. CARLIN: Papers to accompany bill (H. R. 11041) for the relief of L. C. Reid and Fannie B. Betts; to the Com-

mittee on War Claims.

By Mr. COOPER: Memorial of the Advancement Association of Pacific Junction, Wis., protesting against the passage of the seamen's bill in its present form; to the Committee on the Merchant Marine and Fisheries.

By Mr. DIXON: Petition of citizens of Hartsville and Taylorsville, Ind., favoring the passage of the Lindquist pure-fabric and leather bill; to the Committee on Interstate and Foreign

By Mr. EDMONDS: Petitions of Business Science Club, Philadelphia, and Employees' Association of Philadelphia, favoring the Philadelphia Navy Yard as location for a new dry dock;

to the Committee on Naval Affairs.

By Mr. ESCH: Petition of the directors of the Washington Board of Trade, the Chamber of Commerce, and the Retall Merchants' Association, protesting against any change in the half-and-half principle of the act of 1873; to the Committee on the District of Columbia.

By Mr. GARDNER: Memorial of the Beverly Board of Trade, indorsing the movement for the purpose of designating the Boston Navy Yard as the place for building a ship; to the Committee on Naval Affairs.

By Mr. GRAHAM of Pennsylvania: Petitions of the Business Science Club of Philadelphia and the Employees' Association, Philadelphia, favoring the Philadelphia Navy Yard as the location for the new dry dock; to the Committee on Naval Affairs.

By Mr. KIESS of Pennsylvania: Petition of citizens of Lycoming County, Pa., favoring legislation to pension emergency men:

to the Committee on Pensions.

By Mr. LAFFERTY: Papers to accompany bill (H. R. 11149) granting an increase of pension to Frederick H. Rix; to the Committee on Invalid Pensions.

By Mr. LANGHAM: Memorial of the Federation of Jewish Farmers of America, favoring the passage of a bill for adequate rural credit facilities; to the Committee on Banking and

By Mr. MAHAN: Petition of the Chamber of Commerce of New Haven, Conn., favoring the passage of House bill 6282, relative to the restriction of narcotics; to the Committee on Ways and Means.

Also, petition of the German-American Alliance of New York, protesting against the passage of the Burnett immigration bill; to the Committee on Immigration and Naturalization.

By Mr. McCLELLAN: Petition of the common council of the city of Hudson, N. Y., relative to the location of the deep-water terminal of the Hudson River at Hudson, N. Y.; to the Committee on Rivers and Harbors.

By Mr. SELLS: Petition of the business men of Newport, Tenn., favoring the passage of House bill 5308, relative to mailorder houses; to the Committee on Ways and Means,

By Mr. SCULLY: Petitions of Patent and Enameled Leather Manufacturers' Association, and committee on manufactures of the board of trade of Newark, N. J., favoring bill to compel concerns to properly label goods; to the Committee on the Judiciary.

Also, petition of C. B. McLaury, of New Brunswick, N. J., protesting against the passage of the seamen's bill; to the Committee on the Merchant Marine and Fisheries.

Also, petition of citizens of Navesink, Sea Bright, Elberon, and Long Branch, protesting against the passage of the seamen's bill in its present form; to the Committee on the Merchant Marine and Fisheries.

By Mr. WILLIS: Petition of Mrs. J. E. Myers and 90 others, members of the Woman's Missionary Society of the First Presbyterian Church of Bucyrus, Ohio, favoring an amendment to the Constitution to prohibit polygamy; to the Committee on the Judiciary.

SENATE.

Monday, December 22, 1913.

The Senate met at 12 o'clock m. The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the

following prayer:

We bless God for the light and glory of a new day. Thou hast not been satisfied to unveil Thy face to show us Thy glory alone, but Thou hast been pleased to make us partners with Thyself in the execution of a great plan and coworkers together with God in that which works out the design of the divine mind. So with our hands full of this divine commission, with our lives full of the divine plan, we must give ourselves day by day to the execution of the task that God has committed to us.

In so far as Thou hast given us in trust a personal influence may it be for the establishment of the highest and the best among men. In so far as Thou hast committed unto us power may it be to restrain evil and to help on the good. In so far as Thou hast committed to us wisdom may it be used for the working out of the wise designs of God among men, so that our whole life with all its energies may be consecrated to the plan that God has revealed to us through His Son, our Lord and Savior, Jesus Christ. We ask the blessing of God upon us this day, for His holy name's sake. Amen. The Journal of the proceedings of Saturday last was read

and approved.

TELEPHONE SERVICE IN THE DISTRICT.

The VICE PRESIDENT. The Chair presents a communication from the Public Utilities Commission of the District of Columbia, transmitting information relative to telephone service in the District, which information was requested by the Senate in a resolution of November 13, 1913.

Mr. GALLINGER. I think the communication should be

printed and referred to the Committee on the District of

Columbia.

The VICE PRESIDENT. If the Senator from New Hampshire will bear with the Chair, he will state that it is a very large document and contains a great deal of matter the printing of which the Chair is in doubt about, and the Chair would prefer to refer it first to the Committee on Printing.

Mr. GALLINGER. I think that reference first would be

proper under the circumstances.

Mr. NORRIS. I was going to make an inquiry in regard to the disposition of the report. I could not hear what the Chair said.

The VICE PRESIDENT. The Chair stated that, in the first instance, he would refer the communication to the Committee on Printing, as it appears to be a very voluminous document, and the Chair is in doubt as to whether it should be printed. It will be referred to the Committee on Printing, and the Senator from Nebraska can consult with the members of that committee in reference to the printing.

Mr. NORRIS. That course is satisfactory, I will say to the

FEDERAL RESERVE CITIES.

Mr. POINDEXTER. Mr. President, I present several telegrams, including one from the mayor of the city of Seattle, Wash., setting forth the claims of the city of Seattle to be designated as a Federal reserve city under the currency act which is about to be enacted. I ask that they be printed in the RECORD.

Mr. SMOOT. I did not hear the request of the Senator.

Mr. POINDEXTER. There are several telegrams that I submit, and I ask that they be printed in the RECORD.

Mr. SMOOT. Upon what subject?
Mr. POINDEXTER. Upon the subject of the city of Seattle being made a Federal reserve city under the national banking

Mr. SMOOT. If there is not any real desire on the part of the Senator that they be printed in the RECORD, I wish that he would withdraw the request. The bill has passed, the subject is settled, and it is only filling the Record with the views of indi-

Mr. POINDEXTER. I could not hear quite clearly what the

Mr. SMOOT. I say if there is not any good reason why the telegrams should be printed in the RECORD and if the Senator is not particularly interested in having them printed, I wish he would withdraw the request.

Mr. POINDEXTER. I would be very glad to comply with the wish of the Senator from Utah, and would comply if I were not particularly interested in having these telegrams printed. I will say to the Senator that they are not altogether telegrams from private citizens. The principal telegram is from the mayor of Seattle. It is not a matter which has been settled; it is a public matter now before the country, and undoubtedly one

which will be publicly discussed.

Mr. SMOOT. Would it not do just as well, I ask the Senator, to have the telegrams referred to the Committee on Banking

and Currency and let that committee consider them?

Mr. POINDEXTER. I have no objection to their being referred to the Committee on Banking and Currency; I would be very glad if they were so referred; but I should like very much to have the statement contained particularly in the telegram of the mayor of the city of Seattle printed in the RECORD. It is not very long.

Mr. GALLINGER. I will ask the Senator from Washington

whether he knows how many banks will probably be established.

Mr. POINDEXTER. I am sorry to say that I do not know.

Mr. GALLINGER. Of course if there are to be but four, it is manifest that Seattle would not probably get one, whatever the wishes of the mayor and citizens of that city might be.

Mr. POINDEXTER. That is very true. My understanding was that there would be not less than eight.

Mr. GALLINGER. I quite agree with the Senator from Utah,

My understanding

Mr. President, that it would seem hardly necessary to commence burdening the RECORD now with telegrams and letters from citireserve city, but, of course, I am not in the habit of objecting, and personally I will not object, although if the Senator could persuade himself that the same purpose would be reached by keeping them out of the Recerp I wish he would do it.

Mr. CHAMBERLAIN. Mr. President—
Mr. POINDEXTER. If the Senator will allow me to make a statement with reference to the point made by the Senator from New Hampshire, I agree entirely with the Senator from New Hampshire in the general policy of not burdening the CONGRESSIONAL RECORD with unimportant and extraneous matter, and for that reason as to two of the telegrams which I have presented I withdraw the request which I have made. One of them, from the mayor of Seattle, I should like to have printed in the RECORD.

Mr. CHAMBERLAIN. Mr. President, I simply wish to say in this same connection that my colleague and I have received a number of telegrams and letters on the same subject in reference to our city. As is well known, we are measurably a rival of the magnificent city on the Sound; but we have not felt it advisable to present them and to encumber the Record with them. While I do not want to object, if these matters are going in the RECORD we feel that our citizens should not be forgotten in the matter.

Mr. POINDEXTER. I withdraw the request with the exception of that as to the telegram from the mayor of Seattle.

Mr. BURTON. Mr. President, I regard this as a rather serious matter. The great danger to the proposed plan for a Mr. President, I regard this as a rather system of regional banks is local influence and political manipulation. In my judgment the plan is in a measure handicapped already by exemption from the civil-service rules. ought to be so established and managed as to command the utmost confidence of the people.

I really should be glad to see a resolution introduced here and adopted to the effect that no Senator or Representative shall exert any influence for the making of selections for the location of regional banks. A free hand ought to be given to the organization committee and the Federal reserve board to act according to their judgment after full hearings. If requests like this are thrust in here, and every Senator must advocate his own city or some other city in his State, and every Repre-

sentative some town in his district, we can readily see where we will land.

I do not know that I ought to make any suggestion to any Senator. It is for each Senator to decide for himself. But my hope is that this problem is to be worked out independently of political influence.

Mr. CLAPP. Senators and Representatives could not resist the pressure to make an effort to get these regional associations in cities in their own States. I believe that if we should pass such a resolution it could not be honestly and in spirit carried out, as much as it may be deplored.

Mr. POINDEXTER. With reference to the proposition of the Senator from Ohio, it seems to me that this is peculiarly a matter of public concern in which individuals are not primarily interested, but involving entire regions of the country, involving

interested, but involving entire regions of the country, involving only the principal cities of the country. I do not think this is an appropriate time, however, to settle or to discuss the propriety or ethics of the question whether Senators should use any influence in reference to the selection of the regional reserve cities. Should the Senator from Ohio introduce such a resolution it would be appropriate then to be discussed. It being not now before the Senate, I only desire to take this occasion to state that I do not altogether agree with the views the Senator

from Ohio has expressed.

Mr. SMOOT. Mr. President, I am not going to object to this telegram, but I give notice now that I shall object to the next

one which is presented here.

There being no objection, the telegram was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

SEATTLE, WASH., December 21, 1913.

Hon. MILES POINDEXTER, Senate, Washington, D. C .:

Hon. MILES POINDEXTER,

Senate, Washington, D. C.:

Request prompt united action of Washington delegation and other influential friends presenting claims of Seattle for designation of Pacific Northwest regional reserve bank. Seattle banking capital deposits exceed Portland one-third. Washington banking statistics double Oregon. Seattle more convenient and logical banking center for three-fourths Northwest than possible at Portland. Seattle clearing house constantly showing substantial increasing lead over Portland despite division of territory with Tacoma, Everett, Bellingham, other Washington banking centers, whereas Portland without large vicinity banking nelghbors. Also impress important bearing of Seattle with existing Government revenues and disbursements, remembering regional reserve bank becomes Government depositary and disbursing agency. Emphasize facts that all expenditures of Alaska, Puget Sound Navy Yard, coast-defense forts, large postal contracts, forestry, and other Government services now made from Seattle. Also revenues assay office, Puget Sound customs district, internal revenue, and income tax are concentrated here. These Government revenues and disbursements centering at Seattle vastly exceed similar relations at Portland. Am confident all substantial business considerations and geographical relations amply support selection of Seattle as regional reserve center of Pacific Northwest. Any necessary detail figures promptly furnished. Please present copies of this message to other members of Washington delegation, also my personal friends, Senators Owen and Lewis, urging their assistance. Congratuations all along the line for great accomplishment in passage of people's currency measure.

Geo. S. Cottrell, Mayor.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 7837) to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes, agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. Glass, Mr. Korbly, and Mr. HAYES managers at the conference on the part of the House.

The message also announced that the House had passed a bill (H. R. 8142) to authorize the construction, maintenance, and operation of a bridge across Bayou Bartholomew, at or near Wilmot, Ark., in which it requested the concurrence of the

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented resolutions adopted by the Board of Trustees of Crescent City, Cal., favoring the construc-tion of a breakwater and for certain harbor improvements at or near that city, which were referred to the Committee on Commerce.

Mr. BURLEIGH presented a petition of Local Union No. 11, International Brotherhood of Paper Makers of the United States and Canada, of Livermore Falls, Me., praying for the enactment of legislation to make lawful certain agreements between employers and laborers, and persons engaged in agriculture or horticulture, and to limit the issuing of injunctious in certain cases, and for other purposes, which was referred to the Committee on the Judiciary.

Mr. BURTON presented a petition of the Methodist Ministers' Association of Cincinnati, Ohio, praying for the adoption of an international agreement for the suspension of naval construction, which was referred to the Committee on Naval Affairs.

Mr. SMITH of Arizona. I have a resolution in the nature of a petition from the Board of Common Council of Tempe, Ariz., in favor of a grant of certain lands lying near that city. It is very short and contains facts that I am afraid of losing in ref-erence to the matter. For that reason alone, for the preservation of the facts, I ask that the resolution be printed in the RECORD, and I purpose at the earliest convenient moment to introduce a bill on the subject.

There being no objection, the matter was referred to the Committee on Public Lands and ordered to be printed in the RECORD,

as follows:

Resolution 2, by the Common Council of Tempe.

Resolution 2, by the Common Council of Tempe.

Whereas it is desirable that Tempe should secure title to land in the vicinity thereof containing deposits of material suitable for macadamizing streets and roads; and

Whereas large and very desirable deposits of calich suitable for macadamizing streets and roads are found in the southwest quarter of the southeast quarter of section 10 in township 1 north, range 4 east, of the Gila and Salt River base and meridian; and

Whereas said land adjoins the north boundary line of the corporate limits of Tempe and is accessible and desirable for the purpose above mentioned; and

Whereas the title of said land is in the United States, and said land was on December 4, 1908, withdrawn from entry under the first form of withdrawal provided for in section 3 of the act of Congress of June 17, 1902; and

Whereas it is believed by the common council of Tempe that said land will not in any way be needed or required by the United States for any of the purposes contemplated by said act of June 17, 1902; and Whereas said land and no part thereof is suitable for agricultural purposes and is valuable only for the deposits suitable for road construction contained therein: It is therefore

Resolved by the Common Council of Tempe:

Resolved by the Common Council of Tempe:

(1) That Joseph T. Birchett, the mayor of Tempe, be, and he is hereby, authorized and directed to take any and all such action as he may deem proper to secure the title of the above-described land for Tempe, either by a special act of Congress or otherwise, as he may be advised or deem best

(2) That a copy of these resolutions be forwarded by the clerk of Tempe to Hon. Carl Hayden, the Representative in Congress for Arizona, and that like copies be forwarded to Hon. Marcus A. Smith and Hon. Henry F. Ashurst, the United States Senators from Arizona, and that they and each of them be, and are hereby, petitioned to use their best efforts to secure the title to the above-described land for Tempe, either through a special act of Congress or by such other means as they may deem proper.

I, Curt W. Miller, town clerk of Tempe, do hereby certify that the above and foregoing is a true and correct copy of a resolution passed by the common council of Tempe at a meeting thereof held on December 1, 1913.

In witness whereof I have hereunto set my hand as town clerk of Tempe and the corporate seal of Tempe this 2d day of December, A. D. 1913.

[SEAL.]

Curt W. MILLER, Town Clerk.

CURT W. MILLER, Town Clerk.

Mr. BRANDEGEE. I send to the desk a memorial which the Senator from Pennsylvania [Mr. OLIVER] left for me to present. I will ask that it be read.

There being no objection, the memorial was read and ordered to lie on the table, as follows:

PHILADELPHIA BOARD OF TRADE, Philadelphia.

To the honorable the Senate and House of Representatives of the United States in Congress assembled:

This memorial of the Philadelphia Board of Trade respectfully repre-

Attest:

That the urgency of the situation, as a blow to our American merchant marine, again compels the Philadelphia Board of Trade to address you in protest against the passage of Senate bill No. 136, known as the seamen's bill;

you in protest against the passage of Senate bill No. 136, known as the seamen's bill;

That its provisions are so radically wrong and will affect so seriously our fast disappearing deep-sea tonnage, and will equally cripple the lake and coast tonnage, that Congress should take counsel from the practical experience of shipowners and agents before committing the Government to another death-dealing blow to the interests of our mercantile marine;

That the provision as to the employment of able-bodied seamen for manning lifeboats, it is claimed by those best equipped to pass judgment upon same, is impracticable, as the number required could not be secured; nor is such a provision necessary, as firemen and those employed regularly on steamship lines are well qualified to discharge the duties now assigned them;

That the board of trade is deeply interested in every proper provision for the safety of passengers at sea, and believes that every wise effort should be made to that end, but Congress owes a duty to deal justiy by all interests and should halt the proposed legislation until shipowners and others interested be given, either by hearings or through the investigation of a commission, an opportunity to represent the character of legislation needed for the upbuilding of the American merchant marine, now so badly handicapped in its competition for the world's commerce: Therefore

Your memorialist, the Philadelphia Board of Trade, most earnestly profests to your honorable bodies against the passage of Senate bill No. 136, known as the seamen's bill, without radically amending the same to meet the objections urged against its provisions.

And your memorialist will ever pray.

[SEAL.]

President Philadelphia Board of Trade.

WM. M. COATES.
President Philadelphia Board of Trade.

W. R. TUCKER, Secretary,

Mr. BRANDEGEE. I asked for the reading of the memorial because the bill is not before this branch of Congress now; it is in the other House, and that was the only way the matter could be brought to the attention of the people.

SUITS AGAINST COMMON CARRIERS.

Mr. SHIELDS. From the Committee on the Judiciary I report back favorably, with an amendment in the nature of a substitute, the bill (8. 3484) to amend paragraph 8, section 24, chapter 2, of the Judicial Code, and I submit a report (No. 146) thereon. I ask unanimous consent for the present consideration of the bill.

Mr. SMOOT. Mr. President, will the Senator from Tennessee, in as brief a statement as possible, tell the Senate what changes

are proposed by the bill and what its effect will be if passed?

Mr. SHIELDS. Mr. President, the object of this bill is to prevent the removal of causes brought in courts of the State against transportation companies under the commerce laws of the United States involving less than \$3,000 to district courts of the United States. Section 28 of the Judicial Code, in defining the jurisdiction of district courts, confers on those courts jurisdiction of all suits arising under any law regulating commerce regardless of the amount involved. This bill relates to that particular jurisdiction.

The statute in question is the Carmack amendment to the interstate commerce law which, as all Senators will remember, provides that the initial carrier shall be liable to the shipper for any damage caused by loss, delay, or injury to the property after it has been received for transportation. Under section 28 of the Judicial Code the district courts are given jurisdiction of such cases regardless of the amount or value involved. Therefore all cases arising under the commerce laws may be removed from the State courts to the district courts of the United States. It has become a custom of the transportation companies against which suits of this character are brought to remove them even if the amount is but \$25, thus entailing cost and delay, which amount to practically a denial of all remedy and absolutely emasculating the Carmack amend-

ment making the initial carrier liable.

The object of this amendment is to prevent removals of these cases from the State courts where the amount involved

is under \$3,000.

To refresh the memory of Senators, I will read section 28 of the Judicial Code:

SEC. 28. Any suit of a civil nature, at law or in equity, arising under the Constitution or laws of the United States, or treaties made, or which shall be made under their authority, of which the district courts of the United States are given original jurisdiction by this title, which may now be pending or which may hereafter be brought in any State court, may be removed by the defendant or defendants therein to the district court of the United States for the proper district."

That covers the particular class of cases to which I have referred. This section provides for the removal of other cases not pertinent to the present issue. The concluding clause is in these words:

Provided, That no case arising under an act entitled "An act relating to the liability of common carriers by railroad to their employees in certain cases," approved April 22, 1908, or any amendment thereto, and brought in any State court of competent jurisdiction, shall be removed to any court of the United States.

The proposed amendment is simply another provision to the effect that no suit brought under the commerce laws involving less than \$3,000 in a court of competent jurisdiction shall be removed to a district court, but shall remain in the State courts, to be there finally determined.

Mr. SMOOT. I will say to the Senator from Tennessee that

his explanation is perfectly satisfactory to me, and I agree that the bill ought to be passed. I have no objection to it.

Mr. SHIELDS. I wish to say that the bill was introduced by the junior Senator from Iowa [Mr. KENYON], who can, if it be thought necessary, more fully and clearly explain it than I have done.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendment of the Committee on the Judiciary was to strike out all after the enacting clause and to insert:

strike out all after the enacting clause and to insert:

That the act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, being chapter 231 of Thirty-sixth Statutes at Large, be amended by inserting at the conclusion of section 28, chapter 3, of said act, the following:

"And provided further, That no suit brought in any State court of competent jurisdiction against a railroad company or other corporation or person engaged in and carrying on the business of a common carrier to recover damages for delay, loss of, or injury to property received for transportation by such common carrier, under section 20 of the act to regulate commerce, approved February 4, 1887, as amended June 29, 1906, April 13, 1908, February 25, 1909, and June 18, 1910,

shall be removed to any court of the United States where the matter in controversy does not exceed, exclusive of interest and costs, the sum or value of \$3,000."

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading,

read the third time, and passed.

The title was amended so as to read: "A bill to amend an act entitled 'An act to codify, revise, and amend the laws relating to the Judiciary,' approved March 3, 1911, being chapter 231 of Thirty-sixth Statutes at Large."

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. POINDEXTER:

A bill (S. 3844) granting a pension to John Snider; to the Committee on Pensions.

By Mr. JOHNSON:

A bill (S. 3845) granting a pension to Ada Cary McKenney (with accompanying papers); and

A bill (S. 3846) granting a pension to Arria S. Sargent (with accompanying papers); to the Committee on Pensions.

By Mr. SHEPPARD:

bill (S. 3847) to provide for a public building at Big Tex.; to the Committee on Public Buildings and Grounds.

By Mr. SMITH of Arizona:

A bill (S. 3848) authorizing the Secretary of War, in his discretion, to deliver to the city of Tucson, State of Arizona, two condemned bronze or brass cannon, with their carriages and outfit of cannon balls; to the Committee on Military Affairs.

By Mr. BURLEIGH:

A bill (S. 3849) for the relief of Thomas C. Jones; to the Com-

mittee on Military Affairs.

A bill (S. 3850) to provide for the purchase of a site and the erection of a public building thereon at Pittsfield, Me.; and

A bill (S. 3851) to provide for the purchase of a site and the erection of a public building thereon at Fairfield, Me.; to the Committee on Public Buildings and Grounds.

A bill (S. 3852) granting a pension to Caroline E. Remick; A bill (S. 3853) granting an increase of pension to William

O. Steele A bill (S. 3854) granting an increase of pension to Cornelius

T. Ham; and

A bill (S. 3855) granting an increase of pension to John H. Thorn; to the Committee on Pensions.

By Mr. JACKSON:

bill (S. 3856) granting an increase of pension to Lucinda Holmes; to the Committee on Pensions.

By Mr. BORAH:

A bill (S. 3857) granting an increase of pension to Michael Reynolds (with accompanying papers); to the Committee on

By Mr. SHIVELY: A bill (S. 3858) granting a pension to Edna E. Mead (with accompanying papers):

A bill (S. 3859) granting an increase of pension to Annie T. La Tourrette Romeyn (with accompanying paper);

A bill (S. 3860) granting an increase of pension to Amelia

Raschig (with accompanying papers);
A bill (S. 3861) granting an increase of pension to Henry C. Byers; and

A bill (S. 3862) granting a pension to Anna O. Stanton; to the Committee on Pensions,

By Mr. ROBINSON:

A bill (S. 3863) granting lands to Hot Springs Lodge, No. 62, Ancient Free and Accepted Masons, of Hot Springs, Ark.; to the Committee on Public Lands.

By Mr. MYERS:

A bill (S. 3864) to amend an act entitled "An act to protect the birds and animals in the Yellowstone National Park and to punish crimes in said park, and for other purposes"; to the Committee on the Judiciary.

By Mr. POINDEXTER:

A bill (S. 3865) providing for the enployment of an engineer to take charge of the work of caring for the flood waters of the Puyallup, White, and Stuck Rivers, and other streams in King and Pierce Counties, State of Washington; to the Committee on Commerce.

By Mr. DU PONT:

A bill (S. 3866) for the relief of the heirs of John W. Massey; to the Committee on Claims.

COST OF LIVING IN THE DISTRICT OF COLUMBIA.

Mr. KENYON. I introduce a joint resolution, and ask that it be read.

The joint resolution (S. J. Res. 93) relative to the cost of living in the District of Columbia was read the first time by its title and the second time at length, as follows:

Resolved, etc. That the Department of Labor be, and hereby is, authorized and directed to make an inquiry into the cost of living in the District of Columbia, and to report thereon to Congress as early as practicable, and that there be appropriated for this purpose the sum of \$6,000; and be it further

Resolved, That the special agents and clerks employed under this appropriation shall be selected from among the persons eligible on any civil-service register.

Mr. KENYON. I ask that the resolution may be referred to the Committee on Education and Labor.

Mr. SMOOT. Inasmuch as the resolution carries an appropriation, I believe, under the law, it ought to go to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. KENYON. I assumed it would have to go to the Commit-

tee on Education and Labor first, and then possibly to the Committee to Audit and Control the Contingent Expenses of the

enate. I have no objection, however.
The VICE PRESIDENT. The resolution will go to the Committee to Audit and Control the Contingent Expenses of the

Senate.

AMENDMENTS TO INDIAN APPROPRIATION BILL.

Mr. GORE submitted an amendment proposing to appropriate \$500,000 in aid of the common schools in the Cherokee, Creek, Choctaw, Chickasaw, and Seminole Nations, etc., intended to be proposed by him to the Indian appropriation bill, which was referred to the Committee on Indian Affairs and ordered to be printed.

He also submitted an amendment authorizing the Secretary of the Interior to make a per capita payment to the enrolled members of the Choctaw and Chickasaw Tribes of Indians, etc., intended to be proposed by him to the Indian appropriation bill, which was referred to the Committee on Indian Affairs

and ordered to be printed.

OMNIBUS CLAIMS BILL.

Mr. SMITH of Georgia submitted an amendment intended to be proposed by him to the omnibus claims bill, which was referred to the Committee on Claims and ordered to be printed.

Mr. RANSDELL submitted an amendment intended to be proposed by him to the omnibus claims bill, which was referred to the Committee on Claims and ordered to be printed.

AGRICULTURAL EXTENSION WORK.

Mr. O'GORMAN submitted an amendment intended to be proposed by him to the bill (8, 3091) to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplemental thereto, and the United States Department of Agriculture, which was ordered to lie on the table and be printed.

HATTIE A. KRUEGER AND LIZZIE KRUEGER,

Mr. SMITH of Arizona submitted the following resolution (S. Res. 237), which was rend and referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay out of the contingent fund of the Senate to Hattle A. Krueger and Lizzie Krueger, sisters of Paul A. Krueger, late a clerk to the Committee on Irrigation and Reclamation of Arid Lands of the United States Senate, a sum equal to six months' salary, at the rate he was receiving by law at the time of his death, the said sum to be considered as including funeral expenses and all other allowances. allowances.

COMPENSATION FOR INJURIES TO WORKMEN.

Mr. KERN submitted the following resolution (S. Res. 238) which was read, considered by unanimous consent, and agreed

Resolved, That the Secretary of War be, and hereby is, directed to supply the Senate with such information as is available on the subject of the laws of the various States of the United States and of foreign countries providing for systems of compensation of workmen for in-

ADDITIONAL CLERKS TO SENATORS.

Mr. JONES. I ask to have taken from the calendar Senate resolution 116, providing for an extra clerk for each minority Senator having fewer than three employees, and that it be indefinitely postponed.

The VICE PRESIDENT. Without objection, the resolution

will be indefinitely postponed.

Mr. JONES. I also ask that Senafe resolution 117, authorizing the Vice President to appoint a committee of five Senators to consider what clerical help should be allowed Senators and Senate committees, be taken from the calendar and that it be referred to the Committee on Rules.

The VICE PRESIDENT. If there be no objection, that action will be taken.

RELATIONS BETWEEN THE GOVERNMENT AND THE DISTRICT.

Mr. GALLINGER. Mr. President, I have been handed an article which appeared in the Sunday Star of yesterday, the headlines of which are as follows:

The workshop of the Nation—Review of the Federal course in creating a Capital—Significance of the "organic act"—Present District establishment the culmination of process of evolving a seat of government.

The article is by Henry E. Davis, a prominent member of the District bar, and as this matter, Mr. President, is being acutely discussed at the present time in another body and will doubt-less be transferred to this body, I ask that this communication be referred to the Committee on Printing with a view to having it published as a Senate document, if the committee thinks it of

sufficient importance.

The VICE PRESIDENT. In the absence of objection, that action will be taken.

HOUSE BILL REFERRED.

H. R. 8142. An act to authorize the construction, maintenance, and operation of a bridge across Bayou Bartholomew at or near Wilmot, Ark., was read twice by its title and referred to the Committee on Commerce.

SAN FRANCISCO WATER SUPPLY.

Mr. MYERS. Mr. President, as the introduction of bills appears to have ceased, I desire to take occasion at this time to make a few remarks.

On Saturday last the Senator from California [Mr. Works] introduced a bill (S. 3839) to repeal the Hetch Hetchy grant, which has been enacted into law and approved by the President. I desire to make some remarks in connection therewith. I have sent word to the Senator from California that I intended doing so and would be pleased if he should be on the floor, although my remarks will be very brief.

Mr. SMOOT. Mr. President, I will ask the Senator if it would not be just as well to have morning business closed, and

then for him to make his remarks?

Mr. MYERS. I thought the morning business was about to be closed, and I desire to speak before it is closed. I will ask if the order of reports of committees has been reached?

The VICE PRESIDENT. It has been passed.
Mr. MYERS. I thought that the morning business was about passed. I wanted to speak before it was entirely closed.

Mr. WALSH. Mr. President, I gave notice on Saturday that at the conclusion of the morning business this morning I intended to ask for the consideration of Senate bill 2860, providing a temporary method of conducting the nomination and election

of United States Senators.

Mr. MYERS. Mr. President, my remarks will take only a short time. I desired to get in ahead of other business while we

were yet on the morning hour.

At the time the Senator from California [Mr. WORKS] introduced his bill for the repeal of the Hetch Hetchy grant he made some remarks in connection therewith, but from where I sat I was unable distinctly to hear all he said; in fact, I heard very little of what he said. Had I heard what he said in relation to the Senate Committee on Public Lands, I would have made some brief comment at that time, but I certainly did not hear a word of what he said about the Senate Public Lands Committee, and I only learned of it by reading his remarks in the Record of Saturday's proceedings. I feel impelled by his remarks in regard to the Senate Public Lands Committee to say

a few words by way of comment and explanation.

In support of his rather unusual procedure in introducing a bill to repeal this grant, the Senator from California assigned 14 reasons for his action. I shall take no cognizance of any of them, except the thirteenth, which pertains to the Senate Committee on Public Lands, of which I am chairman, as I feel that it calls for a few words from me in connection there-

with. Reason No. 13 is as follows:

13. The bill was reported out of the Committee on Public Lands in the absence of a number of its members known to be opposed to it and without any adequate hearing, and was made a special order by unanimous consent when but a few Senators were present, thus shutting off all further hearing or investigations that were being demanded by people deeply and vitally interested in the subject.

Mr. President, I can not let that assertion go by entirely unchallenged or at least without a few words of comment and ex-

planation. In regard to the first clause of the sentence:

The bill was reported out of the Committee on Public Lands in the absence of a number of its members known to be opposed to it—

I do not deny that; that is entirely true. It is true that a number who were known to be opposed to the bill and who later opposed it were absent; but I will say, Mr. President, that from my experience here it is a very unusual thing at any committee meeting of this body for each and every Senator who is a member of the committee to be present.

Mr. CLARK of Wyoming. Mr. President, will the Senator allow me to interrupt him at that point?

Mr. MYERS. Certainly; with pleasure. Mr. CLARK of Wyoming. Is it not a fact that prior to the time this bill was taken up and considered in the committee there was an understanding between one member of the committee, who thereafter was absent, and the chairman that this bill would not be taken up in his absence?

Mr. MYERS. Does the Senator refer to the Senator from

Utah [Mr. SMOOT]?

Mr. CLARK of Wyoming. I am referring to the Senator

from Utah.

Mr. MYERS. I will tell you all I know about the understanding between the Senator from Utah and myself. going to reach that presently, but I will take it up right now. as the Senator from Wyoming has asked the question.

Very soon after the tariff bill was passed, which was about the 4th or 5th of September, the Senator from Utah [Mr. SMoot] came to me and said he was opposed to the Hetch Hetchy bill, that he wanted to be present when it was considered in the committee, and that he desired to be heard upon it before it was reported out. He said that he was compelled to go home to Utah to attend the wedding of his daughter, and asked me either that until his return I should have it not reported or that I should oppose the reporting of it—I do not remember which—but he expressed a desire that the bill should not be acted upon or reported out of the committee until he could be here. I told the Senator from Utah that, so far as I personally was concerned, I would oppose action on the bill or the report-

ing of it until he could be present and be heard.

The Senator from Utah, in some discussion of this matter during the debate on the Hetch Hetchy bill, used words to the effect that I had promised him that the bill would not be reeffect that I had promised him that the bill would not be reported until his return; but the Senator, if he meant just exactly that, was mistaken. I did not promise nor guarantee nor undertake to promise nor say that the bill would not be reported until his return. I told him that I would oppose reporting it until his return, but that I could not speak for the whole committee. I am not the committee; I am only one member of the committee, and on anything before the committee my vote only counts one, the same as the vote of any other Senator. I will say in that connection that the Senator from Utah-

Mr. SMOOT. Will the Senator yield just for a moment?

Mr. MYERS. Certainly.

Mr. SMOOT. So that there may be no misunderstanding, Mr. President, I want to state just what I understood regarding the matter. I fully believe that the Senator has stated it just as he understood it; but, Mr. President, if the Senator will remember, before leaving I called his attention to the bill and said I did not want the bill reported out of the committee.

Mr. MYERS. Certainly.

Mr. SMOOT. until I returned. That I did not want any action taken on it

Mr. MYERS. Yes. Mr. SMOOT. I told the Senator that I had to go home to be present at the marriage of my daughter, and that I would get back here just as quickly as possible; and I asked him if the bill could not remain in the committee until I returned, as I wanted to be heard upon it. The Senator told me he saw no reason why it should not remain there, and that he would see that it was not reported, and, of course, I took it for granted that it would not be reported.

I know, of course, that the Senator can not control the action of the committee, but I did think he could control calling the committee together when there were so many members of the committee absent. The Senator knows that the Senator from California [Mr. Works] was out of the city, and he knows that the Senator from Wyoming [Mr. CLARK] was out of the city. He knows that nearly everybody who was opposed to the meas-

ure was out of the city.

Of course I am not going to find any fault with the Senator in any way, shape, or form if the balance of the committee forced him to report the bill out of the committee; but I rested upon that promise, and if that promise had not been given me, or at least if I had not understood that the promise was given

me, I would not have gone to Utah.

Mr. MYERS. Mr. President, the minutes of the committee meeting show what was done in regard to the matter. The

Senator is certainly mistaken if he thinks I promised him or stated unqualifiedly to him that the bill would not be reported in his absence. I did tell him that I saw no reason why it should be considered or reported in his absence, and that I would op-

pose any such action, and I did so.

It would be absurd for me to promise what the committee would or would not do. I am not the committee. I have no desire to usurp the functions of the committee or to constitute myself the committee. Nothing could be more remote from my thoughts. When I told the Senator from Utah that I would favor such action as he desired, it applied only to such individual efforts as I could make. I never dreamed nor thought nor said that I could control the committee. I would not undertake to usurp the functions of the committee veder any circum-

I will say, further, that in our conversation the Senator from Utah told me that his daughter was going to be married on the 17th of September, and that that was what was taking him home, and that he would start back immediately after the 17th of September. The Senator from Utah also told me that we could have a meeting of the committee within any reasonable time after the 17th of September. He told me he would start back immediately after the 17th of September, and would be here soon after that to consider the bill, and said that within any reasonable time, giving him time to get back after the 17th, the bill could be considered in the committee. certainly left me under the impression that he was going to start back immediately after the 17th, and that all he needed was time to get back from Utah after the 17th of September.

Mr. SMOOT. Mr. President, I wish to say to the Senator that I did say to him that the marriage of my daughter would take place on the 17th of the month, but I do not remember telling the Senator that I intended to come right back after the

marriage.

Mr. MYERS. I am quite sure of that, because I asked about it.

Mr. SMOOT. I do not want to carry this discussion along

any further, as far as I am concerned. Mr. MYERS. I do not think it is profitable to go very far

into these things.

Mr. SMOOT. All I know is that the impression the Senator made upon me—I may be wrong, of course, in my construction of his words-was that the bill would not be reported out of

the committee until I returned.

Mr. MYERS. I wish to assure the Senator before closing this phase of the matter that I asked him when he expected to be back. I took pains to make that inquiry. I have a distinct recollection of it. He told me he intended to start back right after the 17th and would be ready to attend the meeting of the committee and participate in it as soon as he could get back after the 17th. I had that very distinctly in mind.

Resuming where I left off when I was asked the question, I will say in regard to the first clause of this reason, numbered

The bill was reported out of the Committee on Public Lands in the absence of a number of its members known to be opposed to it—

That is true. There is no doubt about that. I think it is very seldom that all the membership of a committee is present. As to the next clause, however-

And without any adequate hearing-

I must deny the correctness of that assertion. I think there was reasonable hearing and every reasonable facility afforded for hearing before the committee.

Mr. CLARK of Wyoming. Mr. President—
The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Wyoming?

Mr. MYERS. Certainly.

Mr. CLARK of Wyoming. I should like to ask the Senator what rule the committee adopted as to the length of the hear-

Mr. MYERS. They had several conferences about hearings. I will enumerate them as I come to them. I will read them.

Mr. CLARK of Wyoming. Let me ask whether it is not a

fact that they fixed a certain day upon which they should take up the bill and consider it, and that in that consideration they limited the hearings on behalf of those opposed to it to 1 hour

Mr. MYERS. I do not think so. I have no recollection of at. The minutes will show the fact about it; but I do not remember it.

Mr. NORRIS. Mr. President, will the Senator yield to me on that point?

Mr. MYERS. Certainly.

Mr. NORRIS. I think the records of the committee will show that when the matter came up first, both sides being repre-

sented, it was agreed unanimously that the hearings of the House committee should be considered by the Senate commit-tee, and that each side should file written briefs. As I remember, there were representatives there both in favor of and in opposition to the bill, and that was agreed to. I think the subsequent hearing, which perhaps the Senator has in mind, occurred after that date-after the committee had voted at a preceding meeting that at the next meeting they should proceed to vote upon the bill and all amendments that might be offered. When that time arrived Mr. Johnson and several other parties appeared, and at their request that order was set aside and they were given a limited time—I do not remember what it was—which, as a matter of fact, went practically to an unlimited time; and the chairman did not call them down at the time, or at least he did not call down a good many of them. So I think the meeting to which the Senator from Wyoming refers was a couple of weeks after the hearings had been formally closed.

Mr. CLARK of Wyoming. Mr. President, I know nothing about it except what the records of the committee show. have no special fault to find with anything that occurred when the members of the committee were not there, because we all should have been there. Unfortunately, I was detained and was not there; and I was opposed to the bill. I had been opposed to it from its inception.

However, the records of the committee show that when the committee met the first time the bill came up there was a lack of a quorum and that one member was represented by a proxy, making a quorum, and that at that time the question came up on the resolution offered by the Senator from Oregon that the bill should be taken up at the next meeting, seven days there-That vote disclosed a quorum, three members of the committee being against the resolution—among others, the chairman of the committee himself voting against taking it up the following week; but an order was entered at that meeting or at the meeting when it was taken up that hearings upon this bill should be limited, and the opponents of the bill were limited to 1 hour and 45 minutes.

That is what the record of the committee shows. Whether or not it shows the facts in the case of course I am unable to say,

because I was not there.

Mr. NORRIS. Was that the last meeting—the day the bill was reported?

Mr. CLARK of Wyoming. That was the day the bill was ordered reported, and an order was made by unanimous consent, or something of the sort.

Mr. NORRIS. I will say to the Senator that, as I remember, referring to the day upon which the bill was reported, that being the day to which the Senator has reference-

Mr. CLARK of Wyoming. Yes. Mr. NORRIS. I think that is correct; but at a preceding

meeting the hearings had been closed, as I stated before.

Mr. CLARK of Wyoming. But there is no record of any hearings having been had before that time, and no oppor-

Mr. NORRIS. Not at the preceding meeting, but perhaps at the second one preceding that meeting there were representatives there on both sides, and they filed briefs and agreed, since there had been such extensive hearings in the House, that the Senate committee should consider the House hearings and that there should be no further hearings.

Mr. CLARK of Wyoming. That may be, Mr. President.
Mr. NORRIS. So the meeting to which the Senator has reference was in addition to what had been agreed to prior thereto.

Mr. CLARK of Wyoming. I do not suppose there was any necessity for an agreement to consider hearings that had been already had.

Mr. NORRIS. No. I have reference to the agreement that there would not be any further hearings. I think all the members went to the meeting at which the report was made with the understanding that there would be no hearings, or at least they had that understanding until a short time before the meeting; but when they got there people wanted to be heard, and I think we agreed practically unanimously that if they wanted further hearings we should open up the matter and let whited in the heard, and they were heard for the entire day.

Mr. CLARK of Wyoming. How could that be when an order was made right then and there to report the bill?

Mr. NORRIS. The order to report the bill came after the hearings. They were perhaps limited to an hour, but I have an idea that they ran nearly four hours, because I know it was practically night when the hearings were finished and we reported the bill.

Mr. THOMAS. Mr. President-

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Colorado?

Mr. MYERS. Certainly. Mr. THOMAS. I atter I attended the last meeting of the committee, and I think the Senator from Wyoming has correctly stated the situation. During the course of the hearing a Mr. Le Hane appeared, and his statement was so comprehensive that it was necessary to give him further time. With the exception of the extension of time which was given to him, I think the situation was precisely as stated by the Senator from Wyoming.

Mr. MYERS. I will try to cover all phases of this matter briefly, because I do not want to take long. I have already been on the floor longer than I intended. If I state anything incorrectly, when I get through I shall be glad to have my atten-

tion called to it.

I think the Senator from Wyoming [Mr. Clark] correctly stated the principle of the matter when he said that members of the committee are supposed to be here, and, if they are not, a majority of the committee is not blamable for going ahead and disposing of business, although I endeavored in this instance to postpone matters still further than they were post-

As to the hearings, however, and the opportunity for hearings to be had on this matter, bills for this grant were introduced almost simultaneously in the House and in the Senate early in the special session of the Sixty-third Congress. The first reference I find to either Hetch Hetchy bill on the minutes of the proceedings of the Senate Committee on Public Lands is on the 4th of June. So it appears that one of these bills—in that instance it was the Senate bill—was before this committee on the 4th of June; and the committee, the minutes say, considered the advisability of holding hearings on the subject of a water supply for San Francisco, but took no action. It was discussed, however. The clerk of the committee was directed to secure copies of House Document No. 54 of this Congress and to send each Member a copy. I understand that document is the House hearings.

On the 2d of July there was a meeting. The minutes close by saying that the matter was discussed and that the committee would meet on the following Wednesday for the purpose of considering the measure if the House should make a report on a similar measure on Saturday, as was apprehended.

Again, they held a meeting on the 9th of July, at which the committee considered the advisability of holding hearings on the measure, but concluded to await action on the part of the House committee, which was considering a similar measure

section by section.

So at meeting after meeting through the summer this matter was before the Senate committee, and anyone interested had a right to be there and to express his views whether he was a member of the committee or not. As a matter of fact, views were expressed and the matter was discussed in various ways. I am very positive in my recollection that it was decided by the Senate committee at one time during the summer not to have separate hearings of its own, but to have printed copies of the House hearings laid before it and sent to each member, such to be considered the hearings before the Senate committee. I believe that was not objected to by either .side, but was acquiesced in.

The House committee held very extended hearings, occupying many pages of printed matter and making a pamphlet of quite considerable size. At those hearings both sides were heard, and there was extended discussion; a great deal of testimony was had, and many views were expressed. The hearings were printed and made quite a pamphlet, as I have stated. were supplied to each member of the Senate committee, in order that each member might have the opportunity of reading them and making them the hearings of the Senate committee, and getting the benefit of them. Matters ran along in that way

until September.

As to the reason for holding a meeting on the 17th of September, when the Senator from Utah could not be here, I will state that there were other matters before the committee that were pressing for consideration. Almost weekly there were coming up appointments to office as to which other Senators would There is an appointment made in my State, and there can be no objection to it. I want a meeting of the committee called to report it out." Appointments were being referred to the committee all fall, right along. Many bills were before the committee, and Senators were requesting meetings of the committee for various purposes. There was a meeting of the committee held, generally speaking, almost every week, whether there was anything of consequence done or not; so it was nothing unusual to have a meeting called on the 17th of September.

A meeting was had on the 17th of September, and I had distinctly in mind the fact that the Senator from Utah could not be there and wanted time to get back. I also had it distinctly in mind that he had said to me that he would start back immediately after the 17th of September and would be here soon after that. On the 4th of September, I see, there was a meeting held, and another on the 17th of September.

At the meeting on the 17th of September a quorum of the committee was present, and a resolution was offered and adopted which I will read. There were people there demanding a hearing on Hetch Hetchy at that time. The advocates of the bill were there in force, very strongly urging a hearing and some action and disposition of the matter. I explained to them very fully the request of the Senator from Utah, and urged them to put the matter over and give him time to be here, and expressed the opinion that no action ought to be taken on that day. As a result, it did go over, in response to my urgent request. It was my personal representation that caused the committee to allow the matter to go over, and the following resolution was offered and adopted:

Resolved, That the bill H. R. 7207 be taken up for consideration on Wednesday, the 24th day of September, and that the same and all amendments pending to, or to be offered thereto, be voted upon and disposed of before the adjournment of the committee.

I voted against that resolution, but nevertheless it was carried, setting the hearing over one week. I wired the Senator from Utah the result of it. I felt confident that, as his daughter was to be married on the 17th, if he was going to start back immediately after the 17th he could be here on the 24th. felt sure of it. Nevertheless, to be more than sure and more than fair, if possible, I voted against the resolution; but when it prevailed I notified him by wire that the matter would come up on the 24th and that I did not believe I could get it put over any further at that time.

On the 24th of September there was a quorum of the committee actually and corporeally present—not by proxy, nor on paper, nor by request to be counted "present," nor anything of that kind; but there was a corporeal quorum present, consisting of Senators Myers, Chamberlain, Pittman, Thompson, RANSDELL, NORRIS, HUGHES, and THOMAS-8 members out of the 15 constituting the committee-and the Senator from Arizona [Mr. SMITH] was present by written proxy, requesting that his vote be cast for reporting the bill favorably and for the

bill generally in all matters.

But, exclusive of that proxy, there were 8 members actually present, a quorum of the committee. A motion was made that the committee proceed to the hearings. I voted against that motion. There were only 2 Senators present who voted against it—Senators Myers and Thomas. The other 6 who were presented the communication of the communica ent voted in favor of it, and the hearing necessarily had to proceed.

That is all there was to it. The wishes of absent members had been laid before the committee and the committee had voted to proceed, and, of course, it had to proceed. There was nothing else for the committee to do. That hearing occupied one entire day. I think the committee met at 10 o'clock in the morning, and it was after 5 o'clock in the afternoon when the worthing, and it was after 5 o clock in the afternoon when the vote was taken on reporting the bill. So one whole day was devoted to the hearings, and the greater part of that time—I think four-fifths or nine-tenths of it—was taken up by parties who were opposed to the bill. No one asked for any further hearing. All expressed themselves as satisfied with the length of time which had been allotted to them. Nobody asked to At the end of the have the hearing continue for a longer time. hearing a motion was made to report the bill favorably, and it was unanimously adopted by the vote of every one of the eight Senators present.

Now, with all due regard to the 7 Senators who were absent, if they had been there I do not see what more they could have done than to have voted against reporting the bill favorably. The vote, anyway, would have stood 8 to 7, but 2 of the absent Senators had sent word that they wanted to be counted for the bill. So, if all had been present, the vote would have been 10 for the bill and 5 against it.

As to the Senator from California [Mr. Works], I will not say anything in particular about his absence from the committee meeting at that time because the Senator is not here. I sent him word before I began making these remarks that I was going to make some remarks, and if he cared to be present I would be glad to have him present. But he has not come in. have not much to say about his absence from the committee meeting, and if I am not correct in what little I may say about it he can correct me some time in the future.

The Senator from California [Mr. Works] went home some time before this committee meeting, I think right away after the tariff bill had been disposed of, early in September, and he stayed until the 1st of December, I think. I am quite sure that before departing he made no request of me that the consideration of the bill be postponed until after his return. The only remark he ever made to me about the bill, I am quite sure, was that he had offered an amendment, and that unless his amendment should be adopted he was opposed to the bill and would oppose it.

When a Senator goes away early in September and remains at home until December 1, whatever the cause may be—and I know nothing about the cause in this instance and have nothing to say about it—I hardly think the proceedings of a committee of the Senate ought to be held in abeyance for nearly three months because a Senator interested in the bill and opposed to it is absent. I am quite sure the Senator from California never made any request of me, as did the Senator from Utah [Mr. Smoot], to have the bill stand until his return. I believe the Senator from California would verify me in that statement if he were here. I have no recollection of any conversation about it except his statement that he was going home, and that he was opposed to the bill unless an amendment were made to it.

I claim that there was fair and adequate opportunity offered for the consideration of the bill by everyone who was for it and everyone who was against it, and while I regret that some Senators were away when the committee acted, and while I voted against action by the committee at the time it was taken, yet, as the Senator from Wyoming [Mr. Clark] says, I do not and did not believe that to be a sufficient reason for indefinite postponement nor any valid objection to prompt consideration of a bill by committee or Senate. The Senators who were here, attending to their duties and attending committee meetings and ready to act, were entitled to some consideration.

Now, as to the next clause in paragraph 13:

The bill * * * was made a special order by unanimous consent when but a few Senators were present, thus shutting off all further hearing or investigations that were being demanded by people deeply and vitally interested in the subject.

When that bill was made a special order there was a quorum of the Senate present. There was a quorum transacting business; frequently calls for a quorum were made, establishing the fact that there was a quorum every day in attendance. That quorum was authorized to do business. What the Senator meant by saying there were only a few Senators here, I do not know. There was more than a majority present. The fact that the bill was set down for a special order, to be voted on upon the 6th of December, was due to the opponents of the bill, not to the advocates of the bill. Two or three days before that order was made, a quorum being called for and being found present, a majority of this body by an affirmative vote ordered that the bill be taken up and made the unfinished business of the Senate. That was done, and the debate ran along for a day or two in a desultory sort of way. There was a good deal of opposition to the bill, and much manifestation of lengthy opposition to it. The advocates of the bill realized that there was no chance of bringing it to a reasonably speedy vote. Then, owing to the opposition of certain Senators, a unanimous-consent agreement was entered into. The bill would have been acted on sooner had it not been for that order, and that order would not have been made had it not been for the Senators who were opposed to the bill. So the making of the order was the result of the action of opponents of the bill. They brought it about, not the advocates of the bill. It was by unanimous consent agre. I that the bill should be made a special order, beginning the 1st day of December, and should be voted upon on the 6th of December. There were opponents of the bill present, and all agreed to it. It seemed to suit everybody, and I think it gave reasonable and ample time for debate upon the measure. So all present seemed to think. In fact it was the common talk before the end of the debate that there was a plethora of debate, a surfeit of debate, on it, and everybody seemed to tire of it.

That bill was then debated a whole week. The banking and currency bill which involved the welfare of one hundred millions of people, presenting one of the most vital questions which has ever been before this body in the present or at a past session, was debated only two weeks.

was debated only two weeks.

The Hetch Hetchy bill was debated one-half as long as the banking and currency bill was debated. If there was anybody at the time who wished for further debate. I falled to hear of it. Everybody seemed to think it had been debated fully.

As far as the chance for investigation was concerned, an order for the date of voting on the bill was made in October and notice of it was wired to absent Senators and to other people opposing the bill and to the nature lovers and to the irrigators of the San Joaquin Valley and to others interested in all sec-

tions of the country. Everybody had an opportunity to come here.

Mr. SUTHERLAND. Mr. President, I rise to a point of order. What is the matter before the Senate?

The VICE PRESIDENT. Nothing.

Mr. SUTHERLAND. I demand the regular order.

Mr. MYERS. I am sorry that I have trespassed on the patience of the Senate so long, but I was about to close. Will the Senator allow me a couple of minutes longer?

Mr. SUTHERLAND. Very well; I withdraw the demand. Mr. MYERS. I claim, Mr. President, that there was ample opportunity granted to everybody to appear here the first week in December and bring statistics and arguments both for and

against this bill to be used in the debate upon it.

As to other reasons assigned as to why the act should be repealed, amongst them it being charged that the majority of the Senators did not understand what they were doing when they voted and that they voted unadvisedly, and that there was a gigantic and insidious lobby here influencing Members of this body, I leave those charged to the Members of this body. I have nothing to say about them; but as chairman of the Committee on Public Lands I desire to disclaim that there was any disposition in that committee to railroad the bill. There was nothing done surreptitiously or stealthly or in any underhand manner by the committee. Everything was done openly and above board; absent Members were notified of what was being done, and the committee endeavored to act in a perfectly fair and upright and straightforward and honorable manner.

I do not believe there is any reason in any action or conduct of the committee for the bill introduced last Saturday by the Senator from California or any ground for any reflection in any way whatsoever upon the committee or any member of the committee.

That is all I care to say.

ELECTION OF SENATORS.

The VICE PRESIDENT. The morning business is closed. Mr. WALSH. I ask unanimous consent that the Senate resume the consideration of Senate bill 2860.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2860) providing a temporary method of conducting the nomination and election of United States Senators.

The VICE PRESIDENT. The pending question is on the amendment offered by the Senator from Utah [Mr. Suther-

LAND

Mr. SMOOT. I know that there are one or two Senators out of the Chamber who desire to be here when this question is discussed. For that purpose, and that only, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst Hitchcock Hollis O'Gorman Overman Shively Bacon Bankhead Simmons Smith, Ariz. Smith, Ga. Smith, Md. Smith, Mich. Smith, S. C. James Johnson Jones Kenyon Owen Page Perkins Pittman Borah Bradley Brady Brandegee Bristow Kenyon Kern La Follette Lane Lea Lewis McCumber Martin, Va. Martine, N. J. Myers Nelson Poindexter Pomerene Ransdell Reed Robinson Smoot Sutherland Bryan Burton Swanson hamberlain Thomas Root Saulsbury Shafroth Sheppard Sherman Chilton Clapp Clark, Wyo. Dillingham Thomas Thompson Townsend Vardaman Walsh Nelson Norris Warren Weeks Shields Gallinger

Mr. REED. I announce the necessary absence of my colleague [Mr. Stone] on account of illness, which makes it impossible for him to be present to-day. In his absence he is paired with the Senator from Wyoming [Mr. Clark].

Mr. MARTINE of New Jersey. I desire to state that my colleague [Mr. Hughes] is absent from the city on official business.

The PRESIDING OFFICER (Mr. Brandegee in the chair). Sixty-eight Senators having answered to their names, a quorum

of the Senate is present.

Mr. WALSH. Mr. President, when this matter was before the Senate for consideration on a prior occasion a suggestion was made that, though the Congress of the United States had power to legislate in relation to the election of Senators and Representatives, giving to that word a narrow significance, it had no authority or power to legislate in relation to the nomination of candidates for United States Senator, and that accordingly those provisions in the bill in relation to the nomination.

tion of candidates would be inoperative. One of the amendments proposed accordingly contemplates eliminating from the bill all its provisions in relation to the nomination of candidates for United States Senator. The high source from which the suggestion comes impels us to give some consideration to it, and I desire to address the Senate briefly with respect to that

When that idea was first advanced I ventured to suggest that the word "elections" as used in the section of the Constitution that is important here was broad enough in its significance to embrace and include all proceedings leading up to the final casting of the vote of the electors and the actual determination of the result thereafter, including the proceedings prescribed by law for the nomination of candidates as well as the ultimate act of choice.

The authority under which we act comes from section 4 of Article I of the Constitution, which provides that-

The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof, but the Congress may at any time by law make or alter such regulations.

The determination of the question hinges upon the significance that is to be given to the words "elections" and "regulations" in this provision of the Constitution. I suggested, when the matter was before the Senate heretofore, that provisions in constitutions generally in relation to elections are ordinarily regarded as applying equally to primary elections and to proceedings for the nomination of candidates. I undertake to say that if by authority of any State a compilation of the election laws were made, it would always embrace the laws prescribing the method of nominating candidates. So, likewise, if one is asked as to how elections are conducted in a certain State or in a certain country, he would expect to have information in relation to the manner by which candidates are placed in nomination as well as the manner by which the choice is finally to be made. There is, however, I find upon an examination of the authorities, some diversity of opinion in the courts as to whether general provisions in constitutions in relation to the holding of elections apply to the holding of primary elections. These decisions are not by any means determinative, although perhaps they may be, in a way, persuasive, in seeking to arrive at the correct interpretation to be given to the language of the Constitution under consideration. A great many States hold that provisions in their constitutions in relation to free and equal elec-tions, or in relation to the right of the citizen to vote at elections, or in relation to the right of the chizen to vote at election; others hold that they do not; usually, however, by reason of some attendant language in which the significance of the word is restricted. If the matter should be deemed of any particular interest, the investigator will find notes in the Eighteenth Lawyers' Reports, Annotated, and in the Twenty-sixth American and English Annotated Cases which cover the subject. For instance, in the work first referred to, the following résumé is made:

in the work first referred to, the following resume is made:

A primary election for the purpose of placing in nomination candidates for public offices is an "election" within a constitutional provision prescribing the qualifications of electors at "all elections authorized by law." (Spier v. Baker, 120 Cai., 370.)

Or within a provision of the State bill of rights providing that "all elections shall be free and equal." (People ex rel. Breckon v. Election Comrs., Chicago, 221 Ill., 9: 77 N. E., 321; 5 A. & E. Ann. Cas., 562. See Montgomery v. Chell., infra, contra.)

Or within a constitutional provision prescribing the qualification of voters at "any election." (Johnson v. Grand Forks County, 16 N. Dak., 353; 113 N. W., 1071.)

Or within a constitutional reference to "any election." (Leonard v. Com., 112 Pa., 622; 4 Atl., 220.)

So, a primary election is within the letter and spirit of a statute prohibiting the sale of intoxicating liquors on "the day of any election." (State v. Hirsch, 125 Ind., 207; 9 L. R. A., 170; 24 N. E., 1062.) The court said: "The words 'primary election,' we may say, are as well understood to mean the act of choosing candidates by the respective political parties to fill the various offices as the word 'election' is to mean the final choice of all the electors of the persons to fill such offices. So that the words 'any election' clearly include primary elections, and such elections come within the letter of the statute."

But, on the other had, it has been held that a primary election is not

But, on the other had, it has been held that a primary election is not needs and it is not necessary malifications of electors. (State ex rel. Gulden v. Johnson, 87 Minn.,

A word there. Decisions of that character have been rendered in quite a good many States. In the State of Tennessee it was so held in the case of Ledgerwood against Pitts, a leading case, which reviews the authorities upon the subject and holds that a primary election is not an "election" within the meaning of the provision of the Constitution which lays down the qualifications of electors who are entitled to vote at any election. It has been held in cases of that class that the legislature may add qualifications and prescribe limitations upon those who are permitted to vote at the primary election other and different from those that are fixed by the Constitu-

tion as controlling in the matter of those who may vote at the general election.

The State of Nevada holds that within the meaning of their constitution a primary election is not an election, and yet its court holds as well that the right to participate in the choice of candidates who are to be voted for at the final election is so much of the essence of the right to vote at all that it is beyond the power of the legislature to add to or take away from the qualifications that are prescribed by the constitution, except to provide that those participating in the primary must belong to the party holding it, or that no one can be permitted to vote except for a choice among the candidates of the party to which he belongs

Mr. BORAH. Mr. President—
The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Idaho?

Mr. WALSH. I do. Mr. BORAH. It has been a little difficult, owing to the noise in the Chamber, distinctly to understand the Senator; but, as I take it, the Senator's argument is to the effect that the word election" reaches back to all the steps which lead up to the final result which constitutes the election?

Mr. WALSH. I take that position. I think, Mr. President, that entirely aside, however, from the question as to whether within the meaning of the language of particular constitutions the word "election" shall be deemed to include primary elections, there are other considerations which easily extend the meaning of the term as it is used in the Constitution of the United States to embrace all preliminary steps. I might say, by way of illustration, that in a Kentucky case it was held that the provision did not apply to the case of primary elections, because it was provided in the constitution of that State that no more than one election should be held in a certain district within any one year, and that, if a primary election was held, there would of necessity be two elections, unless the primary elections were held in the preceding year.

On the general question of power I desire to refer the Senate. however, to some comments of the Supreme Court of the State of Illinois, showing how necessary it is wherever the Australian ballot system exists, how indispensible it is, indeed, to have regulations concerning nominations in order that regulations concerning elections—using the term in the restricted sense can have any force or significance at all.

Indeed, it will appeal at once to everyone that wherever the Australian ballot system is in existence every comprehensive law in relation to elections must of necessity make some provision in relation to nominations; otherwise it would be impossible to get the name of the candidate upon the ballot at all. The case to which I have referred, People against Board (77 N. E., 321), says as follows, speaking of the Australian ballot law of the State of Illinois:

That act provides for an official ballot, and in connection with it regulates the nomination of candidates whose names shall be placed on the ballot, the filing of nomination papers and certificates of nomination, and for the printing and distribution of ballots at public expense. No other ballot can be used, and the provisions and restrictions of the act as to what parties and names and other matters shall appear upon it are regulations of elections equally with those provisions which relate to the actual conduct of the election on election day.

I refer to this language particularly because it so happens that it uses the very language of section 4 of Article I of the Constitution-"Regulations in relation to elections"-and the provisions of the law, it is said here, in relation to nominations are just as much regulations of elections as those provisions of the law which prescribe what shall actually be done on the final vote.

final vote.

No other ballot can be used, and the provisions and restrictions of the act as to what parties and names and other matters shall appear upon it are regulations of elections equally with those provisions which relate to the actual conduct of the election on election day. It is manifest that, if an official ballot must be used, nominations of candidates whose names shall appear upon the ballot must be regulated in some way, otherwise the whole scheme would become incapable of execution. The right of the legislature to provide for an official ballot is not questioned, and it follows that the legislature may prescribe reasonable requirements concerning it which will not subvert or injuriously restrict the right of suffrage or conflict with the provisions of the Constitution. The act of 1905, which is now under consideration, makes further extensions and regulations for choosing candidates whose names shall be printed on the official ballot, and the legislation is of the same character as the ballot law. All these acts relate to the same subject, and in combination are designed to constitute a single and harmonious system, under which the people may exercise the elective franchise and make their choice between the candidates for public offices. They all relate to elections and are within the meaning of that word as used in the Constitution.

It seems clear that the elections protected by the Constitution are all the Constitution.

the Constitution.

It semes clear that the elections protected by the Constitution are all such elections as are held under authority of law, at which qualified electors may vote; and when statutes are enacted which regulate the form of the ballot to be used, what shall appear upon the ballot, and how the candidates whose names shall so appear shall be chosen, the provision of the Bill of Rights applies to the new condition.

The right to choose candidates for public offices whose names will be placed on the official ballot is as valuable as the right to vote for them after they are chosen, and is of precisely the same nature. There is scarcely a possibility that any person will or can be elected to office under this system unless he shall be chosen at a primary election, and this statute, which provides the methods by which that shall be done and prescribes and limits the right of voters and of parties, must be regarded as an integral part of the process of choosing public officers, and as an election law.

Whatever view may be taken, as I have said, as to the significance to be given to the word "elections" in particular constitutions, there can be no doubt that, when power is given to regulate elections, it must of necessity, wherever the Australian ballot system is in vogue, include regulations by which the names of various candidates may find a place upon the official ballot which is to be used at the final election. That is all I care to say with reference to the general subject of the power to legislate in relation to nominations.

The particular matter before the Senate is the amendment offered by the Senator f.om Utah [Mr. SUTHERLAND], and I trust very much, indeed, that the amendment will not be adopted.

Mr. SHIELDS. Mr. President-

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Tennessee?

Mr. WALSH. Certainly.

Mr. SHIELDS. Before proceeding to a new branch of the question, I should like to inquire if I am correct in understanding that there is an amendment pending striking out the clause in regard to nominations?

Mr. WALSH. There is such an amendment pending, it having been offered by the Senator from Georgia [Mr. BACON].

Mr. SHIELDS. I had not noticed it, and I merely wanted to

know if I understood it correctly.

Mr. WALSH. The committee having this matter under consideration gave very careful consideration to the question of the particular State laws to be made applicable, those in relation to the election of State officers or those concerning Members of Congress. Which ought to be followed as guides in the

matter of the election of United States Senators?

The original act prescribed that the provisions of law applicable to the election of Representatives in Congress should be That is a very reasonable provision, and would ordinarily, without reflection, receive acceptance at once; but when you come to think about it, Representatives in Congress are ordinarily elected by single districts; indeed, the statute of the United States now requires that they shall be so elected, except in cases where there is a Representative at large. The regulations, then, applicable to Members of Congress have reference only to single districts, and we can very well conceive that there might be some provisions of law in some State providing a certain method for the nomination and election of a Representative in one district quite different from the regulations in another district. I apprehend that it will be found that in some of the States there are provisions applicable to the nomination and election of candidates for Representatives in Congress in some of the densely populated cities that are not required at all in some of the remote country districts; at least, it is readily conceivable that some provision of that kind would

Likewise, the election for Representative in Congress is to be conducted only in a single district. Of course, there must be some provision for proclaiming the election, for giving notice to the electorate, and for publication of the notice of election. You will at once see that any provision of a State statute which has application to a single district and provides for the publication of the notice of election within a particular district, or even within any of the districts in a State, would be quite inapplicable in the case of the election of a United States Senator, who is to be chosen by the electors of the State at large. The Representatives being chosen by a single district, the laws would ordinarily be found rather inapplicable to the case of the election that is to be conducted through the State at large.

Mr. CHAMBERLAIN. Mr. President-

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Oregon?

Mr. WALSH. I do.

Mr. CHAMBERLAIN. Is it the opinion of the Senator, and was it the opinion of the committee, that this proposed measure would supply all the necessary qualifications for the election of a Senator in those States which have not enacted any law on this subject since the adoption of the seventeenth amendment?

Mr. WALSH. That was the intention of the act; it is to be made applicable only in those States which have not adopted any specific provision. Those States which have already pro-

vided for the specific case will not be affected by the proposed statute at all.

Mr. CHAMBERLAIN. In the State of Oregon, for instance, the law that is now in force was in force before the adoption of the seventeenth amendment, and there is some question now as to what procedure must be followed for the filling of the coming vacancy. The Senator thinks that this bill, if enacted, will meet all of the requirements in any case?

Mr. WALSH. I think so. Mr. President, the amendment proposed by the Senator from Utah, recognizing that these conditions of which I speak will exist, provides-

That if the manner of such nomination or election is not applicable to the case of a nomination or election by the people of the entire State the laws respecting the manner of nominating or electing the governor shall be followed.

I shall advert to the particular language of the proposed amendment directly, but, speaking generally, it is intended to provide that the method provided for the election of a governor shall be applicable, while the bill as reported by the committee provides that the methods provided by the State statute for the nomination and election of the general administrative and executive officers of the State shall control. The idea of the committee was that some States might have some provisions of law specially applicable to the case of the nomination and election of a governor simply because he is the governor, and different provisions in regard to the general administrative and executive officers of the State; and we wanted the general provisions of law to govern rather than the provisions of the law applicable to any particular officer, because the considerations which took that particular officer out of the provisions of the general statute would have no force in all probability in the case of the selection of a United States Senator.

Mr. SHIELDS. Mr. President—
The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Tennessee?

Mr. WALSH. I do. Mr. SHIELDS. I should like to ask the Senator what would be the effect of this provision in regard to primary elections in States that have no legalized primaries?

Mr. WALSH. It would have no effect whatever.

Mr. SHIELDS. That is what I understood. It can not be a general law applying to all the States of the Union, then.

Mr. WALSH. It is a general law applicable to all the States

of the Union which have laws on these subjects. Every State, of course, has a law in relation to elections. Every State has a law in relation to the election-that is, the final choice-of general administrative and executive officers. If it has not any law in relation to the nomination of candidates for offices, of course there will be no law, then, applicable to the nomination of candidates for United States Senator.

Another thing to which I wish to advert in connection with the amendment offered by the Senator from Utah [Mr. SUTHERLAND] is this: Section 1 of the bill as reported by the committee provides for the time of holding the election. It provides that it shall be held at the general election next preceding the expiration of the time for which any Senator was elected, at which general election Members of Congress will be voted for. did that because in some States they elect a governor only every four years, and if it were not specified particularly it would be necessary to elect the Senator at the time the governor and other State officers were elected, which in some cases might be three years before the time he would take his seat. It was our purpose to make it as close as seemed practicable to the time when he would actually assume the duties of his office.

The next section, section 2, covers the case of the place and the manner of conducting the elections, and says that the place and the manner shall be exactly the same as the place and the manner of electing Representatives in Congress at large, 1f there is any such provision. If there is no such provision, then as is provided in the case of the general executive and administrative officers.

Section 2, Senators will observe, covers both place and manner. The amendment offered by the Senator from Utah [Mr. SUTHERLAND] provides:

That if the manner of such nomination or election is not applicable to the case of a nomination or election by the people of the entire State, the laws respecting the manner of nominating or electing the governor shall be followed.

This leaves the matter of place to be controlled by the preceding provision. In other words, the Senator, I think, recognize that at least the amendment should be amended so as to include the place, if he desires to have that method followed. As it is now the place would be prescribed in one way by one law and the manner would be prescribed by a

Mr. SUTHERLAND. Mr. President, I think all of us want to have a law passed here that will be workable. so far as I am concerned, I have not any pride of opinion about any amendment I have offered, and I offered it only because I think the bill as reported by the committee is not workable. If it is, then there is no need of my amendment, because it is a matter of no particular concern whether the law with reference to the nomination and election of Representatives at large or with reference to the nomination and election of Representatives by districts is to be followed, or the law with reference to

administrative officers. The whole object of the amendment is to provide a workable scheme. Therefore the first inquiry it is necessary to make is whether or not the bill as reported from the committee requires any amendment. Is the bill sufficient to cover the matter we have sought to cover?

the nomination and election of governor, or that with reference

to the nomination and election of the ordinary executive and

The bill provides in the first section that the regular election for United States Senators shall be held at a certain time. We all agree about that. It applies only to the regular election and in no manner affects a special election.

The second section covers not only the matter of the general election so far as the place and manner are concerned, as the Senator from Montana has stated, but it also covers the question of time so far as a special election is concerned. If it does not do that, then there is no provision in the law fixing the time for a special election. The second section does not deal with the question of time so far as general elections are concerned, because the question of time with reference to general elections is covered by the first section, but it deals with the question of time and place and manner, all three of them, so far as special elections are concerned.

The provision of the second section is that the nomination of candidates and their election to the office of United States Senator shall conform as nearly as may be to the laws of the State regulating the nomination and election of candidates for Members at Large of the National House of Representatives.

My criticism about that is that there are many States where the law is not applicable to the election of a Member at Large. The language of some statutes will be applicable to the election of Representatives by districts, but not to the election of a Member at Large; so that in those States there would be no rule laid down which can be followed. The language is, I repeat, that the nomination and election shall conform to the law of the State "regulating the nomination and election of candidates for Members at Large of the National House of Representatives.

When Congress has provided a new apportionment, there generally has been a provision that temporarily the Member at Large shall be elected in the State at large; but there are many State statutes that do not deal in terms with the question of the election of Members at Large at all. So it seems to me we must find some other language in place of that which is used in the bill so far as that feature is concerned.

To cover that, I have provided in my amendment that we shall conform to the law of the State with reference to the election and nomination of Representatives in Congress, without specifying whether at large or by districts.

The next part of the bill which, it seems to me, is faulty is the proviso:

Provided, That in case no provision is made in any State for the case of the nomination or election of Representatives at Large—

You see, the bill itself concedes that there may be such casesthe procedure shall be in accordance with the laws of such State respecting the ordinary executive and administrative officers thereof who are elected by the vote of the people of the entire State.

There are two objections to that. First, there may be in different States—and I have no doubt that is the case—different provisions made for the election of different executive and administrative officers. The auditor may be nominated and elected in one way; the secretary of state may be nominated and elected in another way. So that will introduce an element of confusion. Whenever a State undertakes to comply with this law it will have to determine whether it shall follow the manner of nominating and electing an auditor or the manner of nominating and electing a secretary of state or some other officer.

The second objection to it is that in many States-for ex-The second objection to it is that in many states—for example, in my own State—in case of vacancies no executive or administrative officer of the State is elected at all. When a vacancy occurs in the office of auditor, attorney general, secretary of state, or any of the other executive or administrative

offices of the State, that vacancy is filled by an appointment. So we will find cases in many of the States to which that proviso will not apply. We will have cases arising in the various States where the substantive provision of the section will not apply, because there is no statute regulating the nomination and election of Members at Large of the House of Representatives; and the proviso will not apply in the case of a special election, because no executive or administrative officer is elected at a special election. He is appointed when a vacancy occurs.

It being apparent, therefore, as it seems to me, that the bill in its present form is faulty, and that it must be amended in some way, the question arises, How shall it be amended?

The Constitution provides that the legislatures of the various States shall regulate the time and place and manner of the election of Representatives and Senators; and it provides, further, that Congress may from time to time make or alter such regulations. As I said the other day in discussing this matter, those three words—"time" and "place" and "manner" include every possible element of an election; and it is necessary in any bill which we enact into law that those three elements shall be covered.

There never can be any trouble about the question of time and place. The provision of the law that the statutes of the States, with reference to the nomination and election of Representatives by districts, shall govern in this respect will cover the question of time and place, because the time of the election of a Representative in a district clearly can be made applicable to the time of electing a Senator in the whole State. The place also can be made applicable, because the place is only the voting precinct or the voting district.

Mr. POINDEXTER. There would not be any question about

Mr. SUTHERLAND. No; there never could be any question about those two things. The only matter that can ever trouble us at all is the question of manner; and that answers the suggestion of the Senator from Montana that the amendment I have proposed is not sufficiently broad because it does not include place as well as manner. There is no need of dealing with the question of time or place at all in the proviso. We provide that the laws with reference to the nomination and election of Representatives shall be followed.

That fully covers the question of time and place, and we need

not consider those questions any further. I provide, further,

having passed that point:

Provided, That if the manner of such nomination or election is not applicable to the case of a nomination or election by the people of the entire State, the laws respecting the manner of nominating or electing the governor shall be followed.

Mr. CHAMBERLAIN. Mr. President, may I interrupt the Senator?

Mr. SUTHERLAND. I yield to the Senator. Mr. CHAMBERLAIN. I rather like the language of the amendment of the Senator from Utah, but I can see one difficulty even in that. Take the case of the State of Oregon. have no Member of Congress at Large.

Mr. SUTHERLAND. No.
Mr. CHAMBERLAIN. So your bill provides for that?
Mr. SUTHERLAND. Yes.
Mr. CHAMBERLAIN. It provides for the nomination and election of a Senator as Representatives in Congress are nominated and elected? nominated and elected?

Mr. SUTHERLAND. Yes.
Mr. CHAMBERLAIN. In Oregon, for instance, a different rule is provided for the nomination of a Congressman in a particular district from the rule which is provided for a general State officer-for instance, the governor.

Mr. SUTHERLAND. In Oregon you have a primary law with reference to the nomination of United States Senators.

Mr. CHAMBERLAIN. There is some question in some quar-Mr. CHAMBERGAIN. There is some question in some quarters there about that. I think, myself, our laws are sufficient; but while this matter is being fixed up, I should like to have it broad enough to cover that, if it is going to cover some other

Mr. SUTHERLAND. This is only temporary, Mr. President. It is to tide over the period which will intervene between now and the time when the various legislatures can meet in regular session and adopt laws in reference to this matter.

Mr. CHAMBERLAIN. In Oregon there will be

In Oregon there will be no session

of the legislature until 1915.

Mr. SUTHERLAND. I know that; but there will be no difficulty about proceeding under this law in Oregon. If you have a law in Oregon which deals with the subject of nominating United States Senators, that law will apply, because the provision of the bill is that until or unless otherwise specially

provided by the legislature this shall go into operation. If you have not such a law, then this bill furnishes you a plan upon which you can operate until you have a law.

Mr. CHAMBERLAIN. I think probably the last clause of the proposed amendment of the Senator would cover even Oregon, where it provides that the laws providing for the election of a governor shall be followed in case the laws for the election of a Congressman do not apply.

Mr. POINDEXTER. Mr. President-

Mr. SUTHERLAND. I yield to the Senator from Wash-

Mr. POINDEXTER. The statement made by the Senator from Oregon will illustrate the proposition involved in the So I should like to ask the Senator from Oregon why the laws of that State with reference to the nomination and election of Representatives could not be applied to the nomination and election of a Senator throughout the entire State?

The VICE PRESIDENT. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business,

which will be stated.

The SECRETARY. A bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes

Mr. CHAMBERLAIN. I ask that the unfinished business be

temporarily laid aside.

PRESIDING OFFICER. The Senator from Oregon asks unanimous consent that the unfinished business be temporarily laid aside. Is there objection? The Chair hears none, and

it is so ord-red.

Mr. CHAMBERLAIN. In reply to the Senator from Washington I will state that there is only one reason why there might be a difference. For instance, the petitions filed for the nominations for Representatives in Congress have to be signed by the voters of the certain counties in the particular district, while petitions for the nomination of general officers of the State are signed by not only the members of the particular congressional district, but of the others as well.

Mr. POINDEXTER. Of course it seems to me perfectly obvious that administrative officers would construe the law so as to make it applicable to the entire State, simply applying the

method and the manner that are used in the district.

Mr. CHAMBERLAIN. I will state to the Senator that so far as I am concerned I believe that the Oregon laws are sufficient, but there is some question about it, and while it is attempted to correct conditions I thought I would raise the question in that respect.

Mr. SUTHERLAND. I suggest to the Senator from Washington that if the law of any State, with reference to the nomination and election of a Representative from a district, can be made applicable to the case of the nomination and election of a Senator, then the bill permits that to be done. The proviso is only put in by way of precaution in case there shall be such a law in any State that is not applicable to the case of the nomination and election of a Senator; then we could be with reference to the nomination and election of a governor.

Mr. NORRIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Nebraska?

Mr. SUTHERLAND. I do.

Mr. NORRIS. It seems to me that the Senator would simplify the situation very much—and I am speaking as a friend of the amendment; I like it better than the bill—if he would apply it only to one officer. In the case the Senator from Oregon suggests the question would arise, if there were a vacancy in Oregon, whether the law applicable to Members of the House of Representatives would apply, and difficulty might arise as to the very proposition as to whether the law was applicable or not, that law being different from the law that applies to the nomination and election of a governor. I want to suggest to the Senator that he eliminate in his amendment everything except the nomination and the election of a governor. I take it that in all the States they have a regulation as to that, and it would make it general and prevent that kind of a difficulty.

Mr. SUTHERLAND. The difficulty with that is that we are not only providing for general elections, but we are providing for special elections as well. I do not know of any State where, when a vacancy occurs in the office of governor, a special election is held. When a vacancy occurs in the office of governor in State the secretary of state succeeds under the law. other States the lieutenant governor succeeds. So the bill would

not cover the case of a special election. That is the difficulty.

Mr. NORRIS. But why not by this law have the nomination and election of a governor at the regular election apply both to

the special and regular election of a Senator?

Mr. SUTHERLAND. Because when you call a special election you have to fix the time. The time is not fixed by statute. The statute will provide, for example, that the governor shall issue a notice 30 days or 60 days before the election. If you provide for adopting the law of the State with reference to the nomination and election of a governor, there being no governor elected at a special election, there would be no provision of law which would govern the matter of time. That is the difficulty with that.

The Senator will find the more he looks into it the more complex the subject becomes. If we were dealing by the bill only with general elections, it would be a very simple matter. Then we could adopt the law with reference to the election of governors. But we are dealing with the question of special elec-

tions as well.

As I have said, the law with reference to the nomination and election of Representatives, so far as time and place are concerned, will always apply, because in every State there is a provision for holding a special election to fill a vacancy caused by the death or resignation of a Representative in Congress, although there is no law with reference to the case of a vacancy in the office of governor. Here the element of time and place will be amply taken care of. If we adopt a law wherever the general law of the State with reference to the election of Representatives is not applicable, then we will simply adopt, as is suggested in my amendment, a provision that we shall follow the law of the State with reference to the manner of nominating and electing a governor, we will cover the whole field, it seems to me.

Mr. ROBINSON. Mr. President—
The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Arkansas?

Mr. SUTHERLAND. I do.

Mr. ROBINSON. The language reported by the committee does appear to be somewhat indefinite. It is-

That in case no provision is made in any State for the nomination or election of Representatives at Large, the procedure shall be in accordance with the laws of such State respecting the ordinary executive and administrative officers thereof.

I ask the attention of the Senator from Montana [Mr. Walsh] to this language. It occurs to me that it might be quite difficult to determine how the election should be held in States where the manner of choosing the executive officers differs from the manner of choosing the administrative officers or where the manner of choosing one executive officer of the State differs from the manner of choosing another executive officer of the State.

Mr. SUTHERLAND. That I stated a moment ago.

Mr. ROBINSON. It seems to me that it might open a conflict as to the manner of making this choice. In my State the law is uniform as to the manner of choosing both executive and administrative officers. Still there might be some States where a controversy growing out of the difference in the provision as to choosing administrative and executive officers would arise.

I want to call the attention of the Senator from Utah to a feature of his amendment and ask his opinion about its practical operation. If it be limited to the manner of choosing a governor, it would give the approval of Congress in some cases, under the existing manner of choosing governors, for instance, in the State of Louisiana, to a choice expressed four years before the beginning of the term of the Senator to be chosen.

While, if Congress is to legislate on the subject at all, I am heartily in sympathy with the general principle that runs through the bill and through the Senator's amendment of recognizing the preference of the States in those matters, I wonder if it is desired by this legislation to approve of a nomination made in that way? Take the case of Louisiana, for instance. It is possible, if the Senator's amendment prevails, that a Senator from Louisiana may be nominated practically four years before his term will begin. That would not be possible under the election if conducted in the same way that Representatives are chosen, but it would be possible both under the amendment reported by the committee and under the amendment introduced by the Senator from Utah.

If the Senator will pardon me for just one moment further, my idea is to make the system of popular elections harmonious, so that the nomination and the election may be within a reasonable time of the beginning of the service of the Senator, and that it is inconsistent with the spirit of the amendment to say that a Senator may be chosen four years before he shall actu-ally begin his service. That would result, as I think I have already pointed out, in some of the States, notably the State of Louisiana. A Senator might be chosen, for instance, to succeed Senator RANSDELL four years in advance of the expiration

of Senator Ranspell's term, because under the law of Louisiana a governor is chosen only once in four years. It has happened once in the recent past that the choice has been made in that

Mr. SUTHERLAND. The situation which the Senator speaks of could not arise under this bill because, in the first place, express provision is made with reference to the regular election in the first section, namely:

That at the regular election held in any State next preceding the expiration of the time—

Mr. ROBINSON. I understand that-

Mr. SUTHERLAND (reading):

for which any Senator was elected to represent such State in Congress, and at which election a Representative to Congress is regularly by law to be chosen.

That makes it necessary for the State to hold the election for United States Senator to fill the regular term at the November preceding the March at which the term of office expires.

Mr. ROBINSON. Yes; but as the governor is elected only once in four years, it could not be done in that way.

Mr. SUTHERLAND. The bill does not adopt the law with reference to the election of governor, so far as time is concerned. It is limited to the manner of election. As the Senator will see, if the manner of such election is not applicable to the case of a nomination and election by the people of the entire State, the laws respecting the manner of nominating or electing the governor shall be followed, leaving the element of time and place to be governed in all cases by the law with reference to the nomination and election of Representatives

Mr. ROBINSON. If that is the correct construction of it, I think the amendment is more definite than that reported by

the committee.

Mr. SUTHERLAND. As I use only the word "manner," there can be no confusion of the kind to which the Senator calls attention.

Mr. POINDEXTER. The amendment of the committee, speaking with reference to the suggestion made by the Senator from Arkansas, contains this language:

Until or unless otherwise specially provided by the legislature thereof. It is not intended either by the amendment offered by the committee or by the amendment offered by the Senator from Utah [Mr. SUTHERLAND] to interfere in any way with the right of the State, acting through its legislature, to make such regulations on the subject as are not inconsistent with or in conflict with the seventeenth amendment to the Constitution. So before the four years, which the Senator from Arkansas speaks of as in some States, such as Louisiana, elapsing between the election and beginning of the term, the Legislature of Louisiana would have had an opportunity to make such regulations on the

Mr. ROBINSON. I am inclined to think from the statement made by the Senator from Utah that the objection which I have suggested is obviated by the language which he has carefully

subject as it might see fit under either form proposed for the

Mr. SUTHERLAND. Mr. President, with the criticism which is made by the Senator from Arkansas upon the proviso as contained in the reported bill I quite agree. I had already stated it, perhaps before the Senator came into the Chamber, namely, that if we conform to the law respecting the ordinary execu tive and administrative officers, confusion is certain to result in some States where the different administrative and executive

officers are nominated and elected in different ways

I also call the attention of the Senator from Arkansas to the other criticism which I made, which seems to me to be more important, that in many, if not all, the States—I do not know whether there is an exception to it, but I know in many of the States, in my own State, as I have already stated, henever a vacancy occurs in the office of an executive or administrative officer an appointment to fill the vacancy is made by the governor. So we never could have an election at a special election if we conform to that rule, because there is no special election with reference to executive and administrative officers.

Mr. President, as I said in the beginning, my only anxiety, and that is the anxiety of the Senator from Montana ac well, is to have a scheme that will be workable; and it does seem to me we adopt the bill as reported by the committee we are bound to run into some difficulties and confusion. I think the

amendment which I have suggested will obviate that.

Mr. BRANDEGEE. Mr. President, I am strongly in favor of the amendment proposed by the Senator from Utah [Mr. Sutherland], but I do not care to discuss that question. The Senator has made it clear to me, and I have nothing to say about it. I wanted to ask the Senator in charge of the bill, however, to turn his attention to page 2 of the bill, looking at

the first line on page 2, and then follow me as I call his attention to another feature of it. It provides

That at the regular election held in any State next preceding the expiration of the term for which any Senator has been chosen to represent such State in Congress, at which election a Representative to Congress is regularly by law to be chosen, a United States Senator from said State shall be elected by the people thereof for the term commencing on the 4th day of March next thereafter.

The first line of that section speaks of this election as a regular election. In line 10, where the section refers to what I assume is the same thing, it describes it as a general election, "elected either at a general election or at any special election." It occurs to me that in the first line of the bill it would be better to say "that at the general election held in any State" instead

of at the regular one.

Then I wanted to ask the Senator whether in the case of Louisiana, which has been referred to by the Senator from Arkansas [Mr. Robinson], if it is true that they have a general election only once in four years, what would happen if the provision contained in lines 7 and 8 of page 2 were in force, to wit, "a United States Senator from said State shall be elected by the people thereof for the term commencing on the 4th day of March next thereafter"?

After the election, which had been held perhaps four years

previously, would there not be a conflict about it?

Mr. WALSH. It could not possibly be so, Mr. President, because the election for Senator is to be held at the regular election at which Representatives in Congress are chosen next preecding the expiration of the term, regardless of what the provision says in relation to the election of State officers.

Mr. BRANDEGEE. I think the Senator is correct about that, Mr. WALSH. I will say to the Senator that I find the words "regular" and "general" are interchangeable with reference to those elections which occur at stated times. I dare say it might probably be more advisable to use the same word in both connections

Mr. BRANDEGEE. Would it not be better to describe the official as the Representative "in Congress" rather than "to

Mr. WALSH. I followed in the framing of the bill the language of the statute as it is already framed. I think I had it so framed.

Mr. BRANDEGEE. Does the statute so describe the officer?

Mr. WALSH. That is my recollection.

Mr. BRANDEGEE. It is almost universally printed the other way, Mr. President. This print is so confused and interlined with amendments that it is impossible for me to tell, not having been here on the day when it was previously considered, which have been adopted and which are pending.

Mr. WALSH. None of them have been adopted. Mr. BRANDEGEE. They are all pending then upon the same basis as to precedence in consideration?

Mr. WALSH. I am not posted as to the order of them.

Mr. BRANDEGEE. I will wait then until they are proposed

in their order.

Mr. WALSH. Mr. President, I merely wish to say, on the amendment under consideration, because it was adverted to by the Senator from Arkansas [Mr. Robinson], of course we can conceive that there would be some provision in the State applicable to one or more executive or administrative officers and other provisions applicable to some other administrative or executive officers. But that is so remote a chance that we ought not to hesitate about passing the bill speedily because of the possibility of confusion there.

I do desire, however, to suggest in connection with the amendment offered by the Senator from Utah [Mr. Sutherland], that there is, it seems to me, much force in the suggestion made by the Senator from Nebraska [Mr. Norris]. The amendment proposed makes applicable, in the first place, the provisions of law in relation to the nomination and election of Representatives in Congress, but if those provisions are not applicable, then the provision in relation to the nomination and election of candidates for governor. In other words, the question will always come up and be an ever-recurring question of controversy that will have to be settled in the courts as to whether the laws in relation to nomination and election of Representatives in Congress are or are not applicable. I undertake to say that in some States it will be found and held that they are applicable and in some other States the courts will hold that they are not applicable, and I am very much afraid confusion will ensue.

Now, I have no personal interest in this matter at all, because we have already made special provision in my State for the case of the nomination and election of candidates for United States Senator. So the act would not affect my State at all. I think, however, that we spend too much time upon this matter, because, as suggested by the Senator from New York some time

ago, in all reasonable probability the States will speedily take this thing up and legislate themselves in respect to the matter, and we are not likely to find any great amount of controversy arising. I think we might well have allowed the bill to pass as reported.

Mr. VARDAMAN. Before the Senator from Montana takes his seat, I wish to ask him a question:

And provided further, That in any case the candidate for Senator receiving the highest number of votes shall be deemed elected.

Does that have any reference to the nomination?

Mr. WALSH. I would say not. Mr. VARDAMAN. It does not? Mr. BACON. Will the Senator from Montana allow me to ask him a question in that connection? If we have the right under the law to regulate the manner of the nomination, why have we not just as much right to determine what vote shall be sufficient in the nomination as we have to determine what vote shall be sufficient to constitute an election?

Mr. WALSH. I should say so unquestionably.

Mr. BACON. Therefore the contention of the Senator is— Mr. WALSH. Excuse me. I should say it would be exceedingly unwise to legislate on the matter; but we have the power to do it, I think.

Mr. VARDAMAN. Does not the Senator from Montana think it should be made sufficiently clear to prevent any possible complication resulting from it as to whether it shall or shall not apply in any State which requires a majority to nominate for the office?

Mr. WALSH. I should say there could be no reasonable doubt about it.

Mr. VARDAMAN. I do not think the Federal Government has any right to legislate upon the question of nomination at all, and it should not exercise it if it has the power. But certainly it ought to be made very clear.

Mr. BRADLEY obtained the floor.

Mr. JONES. I understand that the Senator from Kentucky has given this matter a great deal of thought and he has a particular proposition which he wants to present to the Senate. Therefore I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Norris O'Gorman Overman Page Perkins Poindexter Ashurst Bacon Bankhead Gronna James Johnson Smith, Ariz. Smith, Ga. Smith, Md. Smith, S. C. Bradley Jones Brady Bristow Kenyon Kern Lane Smoot Sutherland Bryan Burton Reed Robinson Swanson Thomas Thompson Lea Burton Catron Chamberlain Chilton Clark, Wyo. Dillingham Fletcher Gallinger Lewis McCumber Martin, Va. Martine, N. J. Root Saulsbury Sheppard Townsend Vardaman Sherman Shields Walsh Myers Nelson Newlands Warren Weeks Williams Shively Simmons

Mr. REED. I desire to renew my announcement regarding the illness of the Senator from Missouri [Mr. STONE], and I will let this statement stand for the day.

The VICE PRESIDENT. Sixty Senators have answered to the roll call. There is a quorum present. The Senator from

Kentucky will proceed.

Mr. BRADLEY. Mr. President, I am satisfied that the bill now pending authorizing and regulating the election of United States Senators, at any rate in so far as the filling of vacancies is concerned, is unconstitutional, and in proof of this assertion I desire to call the attention of the Senate to my reasons therefor.

In determining this question, we must take into consideration above all other things the seventeenth amendment to the Constitution; and in construing that amendment we must consider the purpose of its proposal and ratification, and the circumstances existing at the time. We very frequently hear the expression that the people adopted this amendment. In one sense of the word that is true. The people have adopted it through their agents, to wit, the legislatures of the States.

It is also frequently said that we must do what the people desire. There is no Senator on this floor who bows with more becoming submission to the will of the people than do I, nor is there one who has more respect for their will, nor who would more cheerfully comply with it when it can be done without violence to the organic law. I deny that it is their will that we should enact this law. When we undertake to ascertain what the will of the people is we must consider the amendment itself in order to determine, for through it they have spoken. We have no authority to go outside of the language it contains.

At the time when this question was being agitated, there was

in the terms of the old Senators-I call them "the old Senators" to designate the Senators who were elected before the seventeenth amendment became valid as a part of the Constitution-there was absolutely no discussion on that point. whole discussion was on the right of the people thereafter to elect their Senators. So when the State legislatures ratified the amendment, they very clearly indorsed the language therein contained, thereby expressing their purpose. To say that something was intended more than was expressed in the amendment is merely idle; to say that it does not express the will of the people is to say that the people and their agents had not sufficient intelligence to make known their desire.

I voted for it when it was before the Senate. I did so with very grave doubt as to whether or not such an innovation should be adopted. But believing that the great majority of the people of the country demanded it, I yielded my opinion and voted for it. I am in favor of complying with the will of the people, but I am not in favor of doing something for which the people have made no request, merely to cater to what may be thought by some to be their wish or to play the demagogue in order to acquire cheap notoriety. I prefer to confine myself to the written law of the land in the performance

of duty in this body.

In the first place, we must consider the mischief attempted to be remedied. What was it? The further election of Senators by the legislatures of the States. That was the only mischief, and it was to be remedied by giving the people the right to elect. We must take into consideration, too, the provisions of the Constitution as they stood before the amendment was adopted and ratified. Sections 3 and 4 of Article I of the Constitution clearly lay down the rule concerning vacancies. Under these sections of the old Constitution-and we will call it that in order to distinguish it from the Constitution after the seventeenth amendment was adopted-Senators were elected for a period of six When a vacancy occurred during the term of any Senator, if the legislature was in recess the governor of the State was empowered to fill it temporarily until the legislature met. when that body was authorized to fill the remainder of the unexpired term by election.

Let us see when we proposed this amendment and when it was ratified what we necessarily took into consideration. In the first place, it was not absolutely certain that it would be ratified, though such was the general belief. In the second place, if it should be ratified, it was not known how much time would be consumed in its ratification by the various State legislatures. In the third place, it was reasonable to suppose that during that period vacancies would occur in the Senate. Consequently, the question directly presented itself as to how these vacancies should be filled. It was known by this body, and it was known by the legislatures of the States, that some of the State legislatures met annually, some biennially, some triennially, and some quadrennially. All these matters were taken into consideration in the preparation of the amendment, and it was the intention that ample time should be given for carrying its provisions into effect. At all times we had in view that section of the Constitution—the only section—that can not be amended, section 1, Article V, which provides "that no State, without its consent, shall be deprived of its equal suffrage in the Senate.'

We all knew, Senators, the mighty struggle which took place in the Constitutional Convention on the question of equal senatorial representation among the States; we knew that intense excitement prevailed in the discussion of that question, and that it seemed to be imminent at one time that there would be an irreconcilable disagreement. Finally, after mature consideration and much deliberate and acrimonious debate, it was determined that each State should have two Senators, who should serve for six years. Fearing future action might change this basis by way of constitutional amendment, a prohibition was placed in the organic law that:

No State, without its consent, shall be deprived of its equal suffrage in the Senate.

That section did not mean that no State should be prevented from having its equal suffrage for the whole six years; it meant exactly what it said, that no State should be prevented from

exercising its right of equal suffrage in the Senate without its consent for any part of the time.

The State of Alabama did not ratify the seventeenth amendment, and hence did not consent to a deprivation of equal suffrage. We had presented here from that State a certificate of appointment by the governor; but I will come to that further along.

If the seventeenth amendment has the effect, or if it was its purpose to deprive any State in the Union of its equal suffrage in the Senate for any length of time, then it is absolutely void; absolutely no discussion as to how vacancies should be filled but I contend that such was not its intention and that such is not its effect. We have presented before us this peculiar state of case; Senator Johnston died on the 8th of last August, over four months ago. Since that time we have had before this body more important legislation, possibly, than has ever been before it during the same length of time. During all that period the State of Alabama had but one Senator, when she was entitled to two. The governor promptly made an appointment of Senator Johnston's successor and sent him here. The matter was referred to the Committee on Privileges and Elections, but before that committee acted the gentleman who had been appointed withdrew. Now, the governor of Alabama has certified another appointment, and his action only accentuates the condition of affairs.

I say it was not the intention that we should have this hiatus; yet we have it. Why? Because, if the seventeenth amendment controls, as contended, the State of Alabama has not passed any law empowering the governor to appoint or any law directing an election. Consequently, when he made the appointment, it was contended by some Senators that he had no right to make it, because he had not been empowered by the Legislature of Alabama to do so. This, I contend, was unnecessary, because the amendment contemplated nothing of the kind, the object being to leave in force the third and fourth sections of Article I of the Constitution as to all the Senators who had been elected before the amendment became valid as a part of the Constitution. In no other way could this hiatus be avoided, Under the old Constitution the present vacancy could be supplied by temporary appointment, and then the legislature could elect for the remainder of the term, but it never was the intention when there was such a great uncertainty as to whether the amendment would be ratified or, if ratified, when that ratification would occur, and after that as to how long it would require to have the proper legislation under it, give notice of the time of holding the election and receive the certificate, that there should be a vacancy on the floor of the Senate and the State prevented from having equal representation.

The governor of Alabama believed that he had the right to appoint a Senator under the old Constitution, and he had a right to that opinion. The nonaction of the governors of the different States in failing to call special sessions of the legislatures shows that they thought it was unnecessary, as vacancies in the terms of old Senators would be filled under the provisions of the old Constitution. If I remember correctly, not a single governor in the United States has called the legislature of his State together, notwithstanding all were bound to know that vacancies might occur at any moment in the offices of the old Senators chosen before the amendment became valid

as a part of the Constitution.

The governor of Alabama, I say, is entitled to his opinion as to what the law is. Suppose he had called a session of the legislature-

Mr. WALSH. Mr. President, may I interrupt the Senator? The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Montana?

Mr. BRADLEY. Certainly.

Mr. WALSH. Mr. President, the discussion which the remarks of the Senator provokes is an intensely interesting one. Of course, as I understand him, he is now arguing in favor of the power of the governor of Alabama to fill the vacancy.

Mr. BRADLEY. That is merely incidental, I will say to the

Mr. WALSH. I was going to say, suppose, now, that we concede, for the purpose of the discussion, that vacancies of that kind ought to be filled in accordance with the old Constitution and not by election under the provisions of the new Constitu-tion, what is there in the bill that the Senator finds objectionable?

Mr. BRADLEY. I am coming to that in a very few moments. I will try to make myself understood.

WALSH. I thought possibly the Senator might have overlooked it.

Mr. BRADLEY. I am traveling in broken stages.

Mr. WALSH. Not at all; but I thought possibly the Senator might have overlooked the fact that, at his suggestion, I have said to the Senate that it was my purpose to propose the following amendment-

Mr. BRADLEY. I understand that perfectly; and I am coming to that.

Mr. WALSH. The amendment is:

That nothing herein contained shall be construed to affect the right of any person to a seat in the Senate under any election held or appoint-ment made since the ratification of the seventeenth amendment to the

Mr. BRADLEY. I remember that very distinctly.

Mr. WALSH. Section 2 provides:

That in any State wherein a United States Senator is hereafter to be elected, either at a general election or at any special election—

And so on

So that, if the Senator is right, and those vacancies are not to be filled at elections, then this proposed statute will not be

applicable.

Mr. BRADLEY. Mr. President, I will go out of my way to take that matter up at this time. The position I assume is that under this law as proposed elections can be held, either general or special, to elect Members of the Senate, and that there is no exception in the law which applies to Senators who are elected to fill vacancies in the terms of Senators who were in office when the amendment became valid as part of the Constitution

I proposed the amendment referred to by the Senator and never heard before that he approved it. Besides, even with

that amendment included, the bill is unconstitutional.

Mr. WALSH. Mr. President, I feel that the Senator ought to be corrected, for evidently he is laboring under the impression that the bill provides that in all cases hereafter when a vacancy occurs, the vacancy shall be filled by election. That is not the bill at all. The bill simply provides that whenever hereafter an election is to be held it is to be conducted in this The bill does not purport to control any elections at all except those that are to be held pursuant to this legislation.

Mr. BRADLEY. I trust the Senator will bear with me and I will try to make myself understood. The position I take is this: It is true that an amendment has been offered to the effect that this bill shall not be construed to affect any appointment that has been made heretofore, but that amendment is an empty delusion and a snare, because whenever the Senate passes a bill providing for special elections when called to fill vacancies in the offices of the old Senators, then the Senate declares in so many words that the governor of Alabama had no right to make that appointment, because if we have the right to pass such a law, then he had no right to make that appointment, and the saving clause that is put into the bill is absolutely worthless. I will try to make myself understood as I proceed. I am doing so for the purpose, in one way, of reaching the intention of Congress in proposing and of the legislatures in ratifying the amendment.

I was about to show where the enforcement of the amendment as to filling vacancies in the terms of the old Senators. would carry us. Suppose the governor should call the legislature of his State together and that legislature should not feel that it had authority under the constitutional amendment to authorize him to make an appointment; or suppose the legislature should have the same opinion of the amendment that he has, it follows they would decline to act. Then what would be the condition? Still another delay would ensue and a hiatus exist in the representation of Alabama. Or suppose, on the other hand, they should conclude that they did have the right to act, but refused to empower the governor to appoint because of the struggle in that State among the various aspirants for the place, then again you have delay and a continued hiatus. Or suppose they should provide for an election, then considerable time would be consumed in giving notice, in holding the election, and in certifying the returns, and all this time the State of Alabama would be deprived of her equal suffrage in the Senate. When we appreciate the difficulties that present themselves or that manifestly might present themselves they show conclusively what the intention of the seventeenth amendment is.

I call your attention to the fact that the seventeenth amendment is not self-executing. It provides that Senators shall be elected; it provides that in case of certain vacancies the governor may appoint, provided the legislature authorizes him to do so, and that the election is to be held under the direction of the legislature. Does it mean that elections to fill vacancies in the offices of the old Senators are to be held? Clearly not. When we take the whole amendment together it shows two things: First, that it was not intended to affect those elections, and, secondly, that no election can be held in any State to supply a vacancy in the office of a United States Senator except under the direction of the State legislature. I will refer to this phase of the discussion further along.

The construction that I contend for removes every uncertainty and prevents any hiatus. Every moment of the term of a Senator from any State can be filled when the governor appoints temporarily until the legislature elects a successor, who can serve the remainder of the term.

The language of the amendment in regard to vacancies was intended to apply to vacancies in the offices of Senators who are to be elected under its provisions and is not intended to apply to

others. It seems to me that Congress, in framing the amendment, and the legislatures, in ratifying it, spoke as plainly as they could have spoken. It provides, first:

The Senate of the United States shall be composed of two Senators from each State, elected by the people thereof for six years, and each Senator shall have one vote. The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislatures.

When vacancies happen in the representation of any State in the Senate the executive authority of such State shall issue writs of election to fill such vacancies.

If the amendment had stopped there, it might with some slight reason be contended that under its provisions sections 3 and 4 of Article I were repealed and the old Senators made subject to its provisions. But the following proviso is added:

Provided, That the legislature of any State may empower the executive thereof to make temporary appointment until the people fill the vacancles by election as the legislature may direct.

We have it settled here how vacancies in the office of Senators who are elected under this amendment are to be filled. Now, let us go a little further:

This amendment shall not be so construed as to affect the election term of any Senator chosen before it becomes valid as part of the

What is the meaning of this language? Could it be more clearly or plainly expressed in English that the old senatorial terms are not to be affected, changed, or impaired? Had the object been otherwise, it might have been provided that the election shall not be affected; but the significant words are added that it shall not be construed to affect "the term of any Senator chosen."

It was not necessary to insert the word "term" if the amendment was to apply only to the election, because the Senator, having been elected under the Constitution, could not be ousted from his office when his election was excepted. The word "term" was inserted for a specific purpose.

Again, the words "term of any Senator" are followed by the

word "chosen.'

Why was the word "chosen" used? Simply to prevent interference with any Senator who had been temporarily appointed by the governor to fill a vacancy in the term of one of the old Senators, for it might be said he was not elected. That word embraces both an election and an appointment. Again, if it was desired to affect the portion of the term unexpired, why not provide that it should not affect the "election or tenure" of

Constitution-

We are compelled to assume that both the Congress of the United States and the legislatures of the States knew the difference in meaning of the two words. Evidently the amendment meant exactly what it says; and when I come to the conclusion of my argument I desire to call your attention to a construction of the amendment which I think unquestionably set-

tles the whole matter. •
Mr. SUTHERLAND. Mr. President-

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Utah?

Mr. BRADLEY. Certainly.

Mr. SUTHERLAND. Before the Senator passes from the question which he is now discussing-

Mr. BRADLEY. I have not passed from it; I am just getting

Mr. SUTHERLAND. I understood the Senator had not passed from it, but I was anxious to get in a word before he did pass from it.

Mr. BRADLEY. Certainly; I am always willing to give the Senator a chance to do that, because he rarely gets one.

Mr. SUTHERLAND. The Senator has plenty of chances, but he rarely avails himself of them.

The provision to which the Senator is calling attention, that-This amendment shall not be so construed as to affect the election term of any Senator chosen before it becomes valid as a part of the

has been before Congress in various proposed amendments for many years. I invite the Senator's attention to a report made by Mr. Tucker, who was a very eminent lawyer, from the Committee on the Election of President and Vice President and Representatives in Congress in February, 1892. The report was upon substantially the same amendment as is now embodied in the seventeenth amendment, and it contained the precise clause to which the Senator has called attention and which I have just read. In that report Mr. Tucker says, referring to

this particular provision: That the title of no Senator may be affected who at the time of the adoption of the amendment holds his seat at the hands of the legislature of his State ns now provided by the Constitution, the last provision is inserted out of abundant caution.

So it seemed to have been the view of the committee which originally reported the amendment that the language was inserted simply in order to prevent any Senator then holding his seat from being legislated out of his seat. I want to ask the Senator whether or not since 1892, a period of many years, during which time this same amendment has been before Congress many times, he has heard suggested anywhere any dissent from

the view thus expressed by Mr. Tucker?
Mr. BRADLEY. Really, Mr. President, I have not had time to examine that report, but I do not think it has anything to do with this discussion. That is a matter of ancient history. It occurred in 1892. We all know that the amendment since that time has been changed in various ways. When it was first proposed it was defeated, and afterwards what was called the Bristow amendment, which is the amendment we now have before us, was adopted. I will not be turned aside to notice that matter now, because, as I have said, I am not through with the proposition I am undertaking to advance. That may have been the opinion of Mr. Tucker and his committee—and Mr. Tucker is a very eminent man; yet other eminent men differ

Mr. BANKHEAD. Mr. President-

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Alabama?

Mr. BRADLEY. Certainly.

with him.

Mr. BANKHEAD. I desire to say, for the information of the Senator from Utah, that Mr. Tucker-Mr. St. George the Senator from Utah, that Mr. Tucker—Mr. St. George Tucker, the same gentleman who filed this report, not his father—has filed a brief, and I will present it here when this question comes before the Senate, which is as strong, or perhaps stronger, than any brief which any Senator or any other lawyer has filed, and in which he says there can be no question whatever about the right of the governor of Alabama

to make this appointment,
Mr. BRADLEY. I thank the Senator.
Mr. BANKHEAD. He has stated it frequently to other Senators.

Mr. BRADLEY. Proceeding in the line from which I was deflected by my good friend from Utah, the question is now, What is the meaning of the word "term"? It is unquestionably true that under the amendment the term is not to be affected. Now, if the term can not be affected, how can part of it be affected? The word "term" embraces all of its parts. It is a unit, and not susceptible of partition. When the amendment says "the term shall not be affected," it means the whole

term—the six-year term to which the Senator was elected.

We come now to the meaning of the word "affect." That is passed over very lightly by those who favor this legislation and by those who object to the action of the governor of Alabama. It is passed over with the observation that the word "affect" means that the term can not be lengthened or shortened. The word is used in its common acceptation. It is used with the meaning that is applied to it by all lexicographers and synonymists; and in addition to that, as I propose to show in a very brief way, it is used with the meaning that the courts of this country have given it.

First, we will take the definitions of the word, and see whether it shall be confined to the narrow and restricted limit which is given it by those who favor this election law and by those who oppose the appointment by the governor of Alabama.

I have said from the beginning that this bill should not have been brought before the Senate until we passed on that case; that it would necessarily prejudice the right of the gentleman who had been appointed. It has been brought in, however, by the direction of every member of the committee, except myself.

I now desire to take up the definitions of this word and then

its synonyms.

Webster's Unabridged Dictionary says the word "affect" means "to act upon," "to produce an effect or change."

Mr. Webster gives the synonyms of the word "affect" as "influence," "operate," "act on," "concern," "move," "overcome," and "impair."

Soulé, in his work on synonyms, gives the synonyms of this word as "influence on," "act upon," "work upon," "concern." Now, for a moment allow me to call attention to some of the

decisions of the courts.

In the case of Home Building Loan Association v. Nolan (21 Mont., 205) the word "affect," used in an act relating to building and loan associations, providing that except as to taxation the act should not "affect" any association "heretofore organized," was held to be used in the sense of "operate," "act upon," or "concern."

The act of June 13, 1812, relating to rights of property in the territory acquired from France by treaty of 1803, and providing that the rights, title, and claims to certain lots, and so forth, in or adjoining and belonging to towns and villages in the Territory of Missouri, are confirmed to the inhabitants, and so forth, provided-

That nothing herein contained shall be so construed as to affect-The exact language of the seventeenth amendment-

The rights of any persons claiming the same

And so forth.

The word "affect" was construed by the court as "having been used in the sense of acting injuriously upon persons and

Such interpretation-

Said the court-

accords with the reason and manifest intention of the proviso, unsettles no confirmed title, and secures to the inhabitants the protection that Congress thought proper to afford.

This is the decision of the Supreme Court of the United States

in Ryan v. Carter (93 U. S., 78).

In Missouri, in the case of Baird v. St. Louis Hospital (116 Mo., 419), the act construed provided that nothing contained therein should be construed to affect the rights of any person, and so forth. The court held that the word "affect" meant that it should not be so construed as to "prejudice or injuriously affect such rights."

In Copplian Client (A. F. P. Chairle, 1982)

In Conniff v. City (4 E. D. Smith, 430), where the language under consideration was:

Nothing herein contained shall be so construed as to affect any appointment heretofore made under other acts-

The New York court said that the meaning of the word "af-ect" was to "act upon" or "produce a change."

In Iowa the court held, in Clark v. Riddle (101 Iowa, 270) :

"Affect" means to "act upon," "to change," and hence a statute applying generally can not affect the charters or laws of cities organized under special charters, the general law providing that no general law shall be construed to "affect" charters or laws of cities having special charters.

Again, in Iowa, it was held:

"To affect does not necessarily mean to impair, but to work a change upon. A right is affected if it is enlarged or abridged."

Hence it was held that under section 50, Code (Iowa) 1873, the repeal of existing statutes, providing that it should not affect any act done, right accrued or accruing before the time the repeal takes effect, "does not change preexisting rights." (Holland v. Dickerson, 41 Iowa, 767.)

At page 1159 of the Cyclopedia of Law and Procedure we find it laid down as a general rule that the word "affect" means—

To have effect upon, to influence; but often used in the sense of acting injuriously upon persons and things and sometimes in the sense of "vary."

According to all these definitions, this amendment says in so many words that the election or term of any Senator chosen before the same becomes valid as part of the Constitution shall be acted upon, shall not be affected, or concerned, or enlarged, or overcome, or abridged, or prejudiced, or injuriously affected, or changed, or impaired, or worked upon, or varied, or aimed at, or produce an effect, or influence, or operate upon.

One of two things is self-evident. These vacancies which have occurred or that may occur during the terms of Senators who were in office and who had been elected or chosen at the time the amendment became valid as a part of the Constitution must be filled either under the terms of the old Constitution or under the terms of the seventeenth amendment. I suppose no

one will controvert this assertion.

If they are to be filled under the terms of the old Constitution, then the governor temporarily appoints and the legislature elects; and that being true, the Congress of the United States has no power to pass a law providing for an election by

the people. Hence the bill is unconstitutional.

But let us take the other horn of the dilemma. Let us agree for argument's sake that the seventeenth amendment controls, and that under its provisions the vacancies that are to be filled are not vacancies in the offices of Senators elected by the people, but vacancies in the offices of Senators elected before the amendment became valid. Then Congress has no right to pass a law providing for an election to fill such vacancies, because the States alone can perform that office, and hence the law proposed is unconstitutional.

Under the old Constitution it was provided that the

Times, places, and manner of holding elections for Senators shall be prescribed in each State by the legislature thereof, but the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators.

But when this amendment became part of the Constitution the power to provide for the election of Senators to fill vacancies is conferred exclusively on the legislatures. The selection of a specific agency to enforce the amendment is the exclusion of every other agency. When these vacancies were referred to in the seventeenth amendment the framers and the ratifiers omitted studiously and carefully the right of Congress to legis-

late upon the subject. This action was and is significant. The amendment provides-

That the legislature of any State may empower the executive thereof to make temporary appointment until the people fill the vacancies by election as the legislature may direct.

What authority have we to intervene when this amendment, which is the last utterance of the people, requires the legisla-

tures alone to direct such elections?

Either the old Constitution governs or the amendment governs. If the old Constitution governs, we can not enact the law, because under its provisions the people can not elect, and the legislatures alone can act. If the amendment governs, we can not enact the law, because that power is distinctly conferred upon the legislature. Hence we are absolutely without any power to enact any law on this subject. Possibly we might enact a law providing for the regular election of Senators whose terms begin after the amendment became valid. It would seem, however, that the intent of the amendment is to empower the legislature to direct the manner of holding all elections.

I have conversed with some of the Senators about this proposed law, and have met with this response: "Oh, well, what difference does it make? The Senate is the judge of the qualifications and election of its Members. If we pass this law, and Senators are elected under it, why we will just go ahead and

recognize them."

I do not understand such reasoning. That means in so many words, in the first place, that we may violate our oaths by passing a law which is not constitutional. In the second place, when Senators are elected under it, we may violate our oaths again by giving them seats in this body. I do not believe that any honorable man would be guilty of such action. I do not believe in the propriety of the remark made by some, "What is the Constitution among friends?"

Why, the other night at the Gridiron Club I noticed that the Constitution was mentioned, when some gentleman remarked that it "had not spoken above a whisper for seven years. When I stood at that desk and took an oath without mental reservation that I would support the Constitution of the United States, I believed it right and have felt it was my duty to comply with it. The time has come in this country when the man who proposes the most amendments to the Constitution is thought by many people to be the greatest statesman. We are asked to propose an amendment for woman suffrage, and I saw the other day where some man proposed we should allow the children to vote. Well, I do not know and there is no telling how far this thing will go. The next proposition will be a constitutional amendment proposed to prevent tuberculosis from being contagious.

I do not believe the Constitution should be so lightly regarded. I am an old-fashioned American, and believe in the Constitution of my country. I believe in its enforcement; I believe every citizen is bound by it. We should revere it, we should honor it, we should love it, for it is the fruit of the terrible struggles of our ancestors. It represents the blood and tears that were shed by the fathers and mothers in that supreme struggle for liberty and constitutional government; it is not only cemented with the blood but it has been made sacred by the prayers of our ancestors. So help me God, I will never knowingly violate it. I will cling to it as the article of our faith, the ark of our safety, our haven in every storm.

Mr. SHIELDS obtained the floor.

Mr. BRADLEY. Mr. President, if the Senator will permit me. I will explain that I have offered an amendment to the bill providing that if it shall pass it shall not have any effect on the filling of vacancies in the terms of Senators who were elected prior to the time the amendment became valid as a part of the Constitution. If the bill is to pass, I think that amendment should be adopted; but my argument necessarily leads to the conclusion, if I am correct, that the bill should not be passed.

Mr. SHIELDS. Mr. President, what I have to say is in be-

half of the amendment offered by the Senator from Georgia [Mr. BACON] to strike out all of the second section of the bill relating to the nomination of candidates for Senator.

My opposition to these provisions is based upon several grounds. The Congress, in my opinion, has no power to legislate upon this subject; and if it had, such legislation is unwise and an unnecessary interference with local self-government by the people and the internal affairs of the States,

I do not wish to be understood as opposing primary elections for the nomination of Senators. On the contrary, I favor primary elections for the nomination of Senators and Representatives in Congress and all State officers, ordinarily called political officers, when authorized and protected by laws similar to those controlling regular elections. I believe that by this method the will of the people and their choice of representatives and rulers can be expressed and executed with greater certainty than in any other way. It conforms more with the theory and spirit of popular government and makes the domination of bosses more difficult than the old way of nominating by tumultuous conventions.

Chief Judge Parker, in sustaining the validity of a statute of New York providing for nominating primaries, well said:

New York providing for nominating primaries, well said:

The dominant idea pervading the entire statute is the absolute assurance to the citizen that his wish as to the conduct of the affairs of his party may be expressed through his ballot, and thus given effect, whether it be in accord with the wishes of the leaders of his party or not, and that thus shall be put in effective operation in the primaries the underlying principle of democracy which makes the will of an unfettered majority controlling. In other words, the scheme is to permit the voters to construct the organization from the bottom upward instead of permitting the leaders to construct it from the top downward.

Primeron elections are recognized without the selection of

Primary elections are peculiarly suited to the relection of candidates for Senator in order to effect the purposes of the seventeenth amendment, ordaining that these officers shall be elected by the people. The States, however, have the sole power to provide for primaries. They must be trusted to do so.

But neither the wisdom of a law nor the necessity of the

occasion can ever furnish justification for Congress exceeding its powers or invading those of the States.

The question here is not whether nominations by primary elections are the best procedure in the selection of candidates, but one of constitutional power in the Congress to legislate upon the subject and the propriety of leaving the method of the selection of Senators to the people of the several States, who have exercised it without let or hindrance from the Federal Government

for more than a hundred years. The power of the general assemblies of the several States of the Union to enact reasonable primary laws and otherwise regulate the nomination of candidates for State offices and Senators and Representatives in Congress is now well established. majority of the States have passed such legislation, and its

operation has in the main proven satisfactory

But it does not follow that the Congress of the United States has the same power. The constitutional powers and limitations of the Federal and State Governments are inherently and fundamentally different. These differences are elementary, and every Senator is familiar with them, but it will do no harm to briefly

The States are sovereign powers, having all the governmental powers of free and independent States which they have not delegated to the United States in the Federal Constitution, the chief of which is the power to enact laws. The legislatures of the States are the reservoirs of the reserve powers of the States. Their power to enact laws extends to every possible subject, save those over which the Federal Government has been given control and such limitations as the State constitution may contain, while the power of Congress to legislate is confined to the subjects expressly or impliedly confided to it by the Constitution of the United States. When the legislatures of the States have in contemplation the enactment of a law, the inquiry is not whether they have the power to do so but is there any constitutional provision, Federal or State, which prohibits them from doing so, while the Congress must always examine the Constitution to see whether the power to enact the proposed legislation has been vested in it. Therefore, unless the Congress can place its finger upon some provision of that instrument authorizing it to enact a primary law for the nomination of United States Senators, it is without such authority, and the provisions of this bill upon that subject, if enacted into law, will be absolutely

The entire provisions of the original Constitution for the election of Senators are as follows:

ARTICLE I.

ARTICLE I.

SEC. 3. The Senate of the United States shall be composed of two Senators from each State, chosen by the legislatures thereof for six years, and each Senator shall have one vote. * * * And if vacancies happen by resignation, or otherwise, during the recess of the legislature of any State the executive thereof may make temporary appointments until the next meeting of the legislature, which shall then fill such vacancies.

SEC. 4. The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof, but the Congress may at any time, by law, make or alter such regulations, except as to the places of choosing Senators.

The joint resolution proposing the seventeenth amendment upon the subject, recently adopted, is in these words:

That in lieu of the first paragraph of section 3 of Article I of the Constitution of the United States, and in lieu of so much of paragraph 2 of the same section as relates to the filling of vacancies, the following be proposed as an amendment to the Constitution, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the States:

"The Senate of the United States shall be composed of two Senators from each State, elected by the people thereof, for six years; and each Senator shall have one vote. The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislatures.

"When vacancles happen in the representation of any State in the Senate, the executive authority of such State shall issue writs of election to fill such vacancles: Provided, That the legislature of any State may empower the executive thereof to make temporary appointments until the people fill the vacancles by election as the legislature may direct.

"This amendment shall not be so construed as to affect the election or term of any Senator chosen before it becomes valid as a part of the Constitution."

The power of Congress, then, to regulate the nomination of candidates for Senator, if it exists, must be found in the provision of section 4, authorizing it to alter the time and manner provided by the States for the election of Senators, understand is the contention of the advocates of this bill.

This presents the concrete question whether the power here vested over the election of Senators extends to the selection of candidates who may be voted for in such elections. words, is the power to regulate conventions and primary elections-for both methods must be included, if either-for the nomination of candidates included in that given by this section

to control the election of Senators'

When the incontrovertible fact that nominating conventions and primary elections were things unknown at the time the Constitution was written and adopted, and therefore could not have been contemplated by the framers of that instrument when they worded section 4 of Article I is considered, I can not see how it can be urged with reason that it was intended to include the control of the selection of candidates by such methods in the provision for elections. There had never been an election for Senator at that time. The manner of election provided in the Constitution almost excluded the idea of a previous party nomination. Political parties were not then known, certainly not defined and organized so as to make nominations by any method either advisable or necessary. To now extend the provisions concerning elections of officers so as to include candidates for office seems to me wholly unwarranted by any known rule of constitutional interpretation or construction.

I have not found any determination of the question by the Federal courts, doubtless because no statute of this character has ever been enacted by Congress, although many of the States have for years had legalized primary elections for the nomina-

tion of Senators.

The courts of last resort of several of the States, however, have been called upon to decide the analogous question, whether or not primary elections are included in the provisions in their respective constitutions in regard to elections for both State and Federal officers. There is some conflict in these decisions, but the majority of these courts have held that primary elections were not included in the constitutional provisions for the election of officials, and I believe these opinions are better supported by reason and authority than those which have held otherwise.

One of the latest cases was decided by the Supreme Court of Tennessee, the opinion of the court being delivered by Judge William K. McAlister, a member of that court for 16 years and one of the ablest judges of the day. The style of the case is Ledgerwood against Pitts, and it is found reported in One hundred and twenty-second Tennessee.

The court sustained the power of the legislature to enact a primary election law for State officers and Senators and Repsentatives in Congress and approved the policy of it, although I may say, in passing, the policy of the law was a thing it had nothing to do with, that being solely a question for the legislative branch of the Government. The direct question was made that the compulsory primary election provided for by the statute was an election within the meaning of the constitution of Tennessee, and hence must be tested by the provisions of of Tennessee, and hence must be tested by the provisions or that constitution relating to elections and qualifications of voters therein prescribed, with which the provisions of the law were claimed to be in radical conflict. This is the direct ques-tion here presented by the bill under consideration, and all the arguments made here in support of this legislation were there made and pressed upon the court. The court, in disposing of this contention, said:

this contention, said:

The first inquiry therefore presented for our examination is whether or not these provisions of the constitution have any application at all to primary elections. Admittedly no such thing could have been in contemplation by the framers of the constitution when they came to formulate the election and suffrage clauses of that instrument, for at that time no such thing as a primary election had ever been suggested. The object of this modern invention of political parties is primarlly for the purpose of permitting and requiring the entire electorate of that party to participate in the nomination of candidates for political office. The plan is simply a substitution for the caucus or convention. It is true, as stated, it is a part of the political machinery that starts the candidate on his way, and the political party is thereby enabled to crystallize and concentrate its vote on that particular candidate who is chosen as the representative and expositor possibly of their political yiews; but the limitations and safeguards of the constitution apply exclusively to the final election when the officer is chosen in the mode required by the constitution.

Judge McAlister, in this opinion, in regard to the weight of authority on this question, says:

authority on this question, says:

The right of the legislature to require that nominations shall be by primary and to prescribe additional qualifications for the voters participating in same has been recognized by the weight of authority in the States of the Union. (Runge v. Anderson, 100 Wis., 533, 76 N. W., 482, 42 L. R. A., 239; State, ex rel. McCarthy, v. Moore, 97 Minn., 308, 92 N. W., 4, 59 L. R. A., 447, 94 Am. St. Rep., 702; State v. Drexel, 74 Nebr., 776, 105 N. W., 174; Hopper v. Stack, 69 N. J. Law, 662, 56 Atl., 1; Coffey v. Dem. Gen. Com., 164 N. Y., 335, 58 N. E., 124; Healey et al. v. Wipf (S. Dak.), 117 N. W., 521; Griffin v. Gesner, 78 Kans., 669, 97 Pac., 794; Walling v. Lansdon, 15 Idaho, 282, 97 Pac., 396; State v. Nichols, 50 Wash., 508, 97 Pac., 728.) **

An examination of many of these cases has disclosed the fact that they are bottomed on two propositions, namely:

(1) That such primaries are not in reality elections, but merely nominating devices; and

(2) That they are valuable auxiliaries for the promotion of good government and are regulated by legislative enactment for the public welfare.

weifare.

As against the array of authorities to the contrary, counsel cites the following cases, which hold that compulsory primary elections are "elections" within the purview of the constitution, and that the qualifications for voters in the primaries must be the same as the constitution of the State prescribes.

The Judge then cities the cases referred to by the Senator from Montana [Mr. Walsh].

Johnson v. Grand Forks Co. (16 N. D., 363); Spier v. Baker (120 al., 370; 59 S. E., 145); People v. Board of Commissioners (221 Cal., 370; 59 S. E., 145); People v. Board of Commissioners (221 III., 9).
We do not subscribe to the reasoning of these cases, and, moreover, they are opposed to the great weight of authority.

I have not had an opportunity to examine all of the cases referred to and will not attempt a digest of them, but will quote from a few of them.

In the case of The State v. Dillon (32 Fla., 545) the supreme court of that State held:

That the suffrage provision of the constitution of that State prescribing the qualifications of electors at all elections under it does not apply to elections for municipal officers, but such elections are subject to statutory regulations; and, further, that it is competent for the legislature to prescribe the qualifications of voters at the same.

The Court of Appeals of Maryland, speaking through Chief Justice McSherry, in Hanna v. Young (84 Md., 183), said:

It is only at elections which the constitution itself requires to be held, or which the legislature under the mandate of the constitution makes provision for, that persons having the qualifications set forth in section 1, article 1, are by the constitution of the State declared to be qualified electors.

The same court, in a later case, Kenneweg v. Allegany Co. (102 Md., 122), involving the validity of a State primary election law for the nomination of State and congressional candi-

tion law for the nomination of State and congressional candidates, through the same distinguished jurist, said:

The general assembly possesses all legislative power and authority except in such instances and to such extent as the Constitutions of the State and of the United States have imposed limitations and restraints thereon. In this respect the legislature differs from the Congress of the United States, which has and can exercise only such power as the Federal Constitution expressly or by necessary implication confers upon it. In the general assembly plenary power to legislate is vested, unless restrained by the Constitution. In the State constitution we look not for the power of the general assembly to adopt an enactment but for a prohibition against its adoption. In the Federal Constitution we look not for the prohibition but for the delegated power to enact a measure. The general assembly being, then, the depository of all legislative power, except when restrained by the organic law, it follows that it is clothed with full power to cnact a primary election law, if there is no such provision in the Constitution depriving it of that authority. There is no such provision to be found in the constitution of the State. It is true that section 42 of Article III of the Constitution provides: "The general assembly shall pass laws for the preservation of the purity of elections," but the power to enact a primary election law lies back of and beyond this provision and is not derived from it at all.

The Court of Appeals of Kentucky, in the case of Montgom-

The Court of Appeals of Kentucky, in the case of Montgomery v. Chelf (118 Ky., 774), held that the constitutional provisions of that State concerning elections of officers had no application to legalized primary elections. It is there said:

These sections clearly recognize that the committee has the authority to prescribe conditions to be complied with before the candidate is entitled to have his name printed on the ballot in addition to the submission of his name to the committee. We are unable to perceive what these conditions could be, except the payment of a due portion of the cost of the primary. But it is urged that if the statutes mean this it conflicts with the constitution (sec. 6), which provides that "all elections shall be free and equal." That section of the constitution has no reference to primary elections, but applies only to general elections. Section 148 of the constitution provides that not more than one election can be held in any district in each year except as otherwise provided in the constitution. The constitution nowhere makes provision for holding primaries. Therefore if the word "election." as used in the constitution, includes primary elections, the constitution effectually prohibits the holding of primary elections at all. There is a general election every year, and if a primary can not be held in the same year with a general election it can not be held at all. To make it more plain, if the constitution only authorizes one election to be held within a year and a primary election is an election within the meaning of the constitution, then to hold a primary election and a general election the same year would be violative of this provision of the constitution. the constitution.

The case of State v. Felton (77 Ohio Stat., 577) is also instructive as well as directly in point:

The next contention is that section 2919-1, enacted April 20, 1904 (97 O. L., 107), which provides that "no person shall be allowed to

vote at any primary election except he be an elector resident of the precinct, ward, or township in which he desires to vote, and except he voted with the political party holding such primary election at the last general election, provided he voted at all at such election, unless he be a first voter; nor shall any person vote more than one time or at any other than the polling place in that precinct, ward, or township in which he resides," conflicts with section 1, Article V, of the constitution, which prescribes that "every male citizen of the United States of the age of 21 years who shall have been a resident of the State one year next preceding the election, and of the county, township, or ward in which he resides such time as may be provided by law, shall have the qualifications of an elector and be entitled to vote at all elections." In this that it adds to the qualifications that entitle an elector to vote. If this contention is sound, then every elector has the constitutional right to vote at the primary election of every party. If the election is one at which merely the candidates of a party are to be selected, it can not be an objection that electors who do not belong to that party are not permitted to take part. That was one of the evils that the legislation was intended to prevent, and as to the test prescribed for determining an elector's partisanship it is impossible to conceive of a political party without the possession by its members of some qualifications, and the test prescribed by the statute is the usual one and is not unreasonable. But a primary election held merely to name the candidates of a political party is not an election within the meaning of this section of the constitution. That section refers to an election of officers, and not to the nomination of candidates.

The two cases cited last emphasize the incongruity of elections to nominate candidates of political parties and those provided for in the constitution for the election of officers. It is absolutely necessary that different qualifications of electors be provided for and various other regulations be made which can not be applicable to both kinds of elections, and therefore a law providing for a primary election must contain provisions in conflict with constitutional safeguards of elections for officials.

I have stated there are cases of equally high authority which are in conflict with those from which I have quoted. Some of them are by courts of States whose constitutions were framed long after those of the older States of Maryland, Kentucky, Tennessee, and Ohio, and it may be that their constitutions contemplated the modern popular method of nominating candidates. I have not had time to examine them to ascertain whether this be so. But, in any event, I think it can not be denied, in view of the authorities upon the subject, that the question is free from doubt. It is said that the provisions which I challenge can do no harm, because they merely provide for the application of State primary laws. I think they go further by applying those laws to elections to which the States have not applied them. The principle involved in the legislation, however, is what I object to. If the Congress can require the laws of a State to be applied to an election, it can enact other laws applicable to such elections. The one necessarily follows the other once the power be conceded. If the legislation really amounts to nothing and is of doubtful constitutionality, it should not be enacted. It is a rule of all courts that where the constitutionality of a statute is challenged every reasonable doubt must be resolved in favor of its validity, and I think it equally wise for legislators to refrain from legisand I think it equally wise for legislators to refrain from legislation where the power to enact it is a matter of serious doubt. Another rule of universal application is that courts will not decide a constitutional question when unnecessary for the decision of the particular case, and it seems to me it would be equally wise for legislators never to enact a law of debatable validity where no great necessity requires such action.

The argument that the provisions of this bill merely provide for the enforcement of State laws, and therefore do not really interfere with the domestic concerns of the States, is, I think, without merit. It evades the real objection to the law. There should be no semblance of the control of State affairs of this kind by Congress. This bill, however harmless it may be in its operations, is the first step toward such control and should not be allowed to become a law.

The supremacy and permanency of republics depend upon the maintenance of the fundamental law as written in constitutions adopted by the people in its integrity, and it is the solemn duty of all those temporarily vested with the power, in all departments of the State, to do this. The necessities of a particular case will not justify a departure from the organic law. It is by such insidious process and gradual encroachment that constitutional limitations and government by the people are weakened and eventually destroyed. It has been well said:

One step taken by the legislature or judiciary in enlarging the powers of government opens the door for another, which will be sure to follow, and so the process goes until all respect for the fundamental law is lost and the powers of government are just what those in authority please to make or call them.

Mr. President, I have said this much as a protest aga/nst taking a further step, for I regretfully admit that man; of this kind have already been taken in favor of paternalism and against the right of the people of the States of this Union to control their own affairs in local and domestic matters as they deem best to promote their prosperity, happiness, and personal liberty. I have not attempted to go as exhaustively into

the questions discussed as their great importance would justify.

Mr. President, I again call attention to the bad policy of
this legislation, if it be conceded that Congress has the power
to enact it. The political parties in the several States have for many years selected their candidates for Senator without any assistance or restraint upon the part of the Federal Government. There is no demand for the proposed interference in these local affairs. Many of the States have enacted primary laws for this purpose, and it is apparent that soon all of them will do so. I believe that no necessity for this legislation exists. The people of the States can be trusted to take care of this matter satisfactorily, and unquestionably are doing so.

It has been said of the personnel of this Senate by many men familiar with the history of this branch of Congress, and even by some of its own Members here on the floor at the cost of being somewhat egotistical, that it more fully represents the people than ever before. The Senate of the United States has been the great force that has protected the people, especially those of some of the States, from unjust and improper election laws which the Congress has the power to enact but which were unnecessary and oppressive, on more than one notable occasion in the past. Will it now make a precedent for notable occasion in the past. Will it now make a precedent for not only enacting laws of that character but go into debatable ground and legislate upon matters of a mere local character and which will eventually lead to the absolute control of all State elections? It is directly in the face of the last declaration of the Democratic Party in the Baltimore platform, where it is said:

Believing that the most efficient results under our system of government are to be attained by the full exercise by the States of their reserved sovereign powers, we denounce as usurpation the efforts of our opponents to deprive the States of any of the rights reserved to them and to enlarge and magnify by indirection the powers of the Federal Government.

Mr. President, there is another ground upon which I oppose this legislation. It will establish a precedent for the enactment of primary laws by Congress. The questions here involved, if not directly in point, are analogous to those involved in the proposed legislation for presidential primaries. The questions of constitutional power and of public policy necessarily involved in that measure are of the gravest and most serious character, vitally affecting all the States, and especially the group constituting the great South, and all those of comparatively small population in every part of the Union. The enormous cost of holding such a primary and the necessary disturbance and tur-moil that will inevitably attend two national elections in the same year are of small importance to the other questions involved. I do not propose to venture into any discussion of them at this time. I believe I can assert without fear of contradiction from any Member of this Chamber that these questions should not be decided until they have been exhaustively debated and had the most deliberate consideration by the Congress, and that no action of the Congress should be had which will in any way commit it upon those questions. The case should not be prejudged in the disposition of a comparatively unimportant and unnecessary measure. I believe that the questions involved in that legislation are closely akin to those presented by the present bill to regulate senatorial primaries, and we should refrain from any action which can be cited as a precedent for it.

I see no objection to the presidential electors in the several States being elected and, if desired, instructed by the people of the respective States under primary laws enacted by the It would perhaps be well for this to be done, if it can be, without violating the fundamental law. The Democratic Party stands committed to this by the Baltimore platform.

The movement toward more popular government should be promoted through legislation in each State which will permit the expression of the preference of the electors for national candidates at presidential primaries.

We direct that the national committee incorporate in the call for the next nominating convention a requirement that all expressions of preference for presidential candidates shall be given and the selection of delegates and alternates made through a primary election conducted by the party organization in each State where such expression and election are not provided for by State law.

The present method of nominating candidates for President has secured wise and able Chief Executives for this Nation. The rulers of no country in the world will favorably compare with those of this country. The Senators upon this side of the Chamber can not complain that the late Democratic convention at Baltimore was not a success in selecting a President, and it has been a pleasure to me to hear the compliments paid him from the other side of the Chamber by distinguished Senators on more than one occasion. The Senators who represent the Republican Party have little ground upon which to complain in the result of their conventions, for they have placed in the presidential chair some of the greatest men the Nation has

produced. I admit that some of them may not have pleasant memories of what occurred at Chicago in 1912, but others have, as they were there and approved what was done. I have heard of no Democrat complaining of the action of that convention.

I will not support the proposed legislation for a presidential primary if introduced into Congress, but will stand on the Democratic platform. I am unable to see how Congress can, directly or indirectly, control the election of the Electoral College, composed of State officers appointed or elected in such manner as the States may provide under provisions of the Federal Constitution. The object of a presidential primary will be to do this. In my opinion it would destroy to a large extent the voice and influence guaranteed to the smaller States of the Union by the provisions of the Constitution granting them equal representation in this body in national affairs. There are other constitutional questions involved, but I will say nothing of them now.

There is general opposition to such legislation in all the Southern States.

I read an extract from the Houston Daily Post, which has been reproduced approvingly in a recent editorial in the Commercial Appeal, of Memphis, Tenn., one of the largest daily newspapers published in my State. The Post says:

THE NATIONAL PRIMARY AND THE SOUTH.

Looking further into President Wilson's recommendation of a national primary to select candidates for President and the result of such a policy upon southern political power and influence, we ascertain some interesting facts.

The old South-Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Texas, Arkansas, and Tennessee—had in 1910 a total population of 22,400,934, or 24.3 per cent of the total population.

The old South—Virginia, North Carolina. South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Texas, Arkansas, and Tenessee—had in 1910 a total population of 22,400,934, or 24.3 per cent of the total population.

In the Electoral College of 1912 these States cast 126 votes, or 23.7 per cent of the whole.

In the Baltimore convention they possessed 23.7 per cent of the voting strength of the States.

In the election of November, 1912, these 11 States of the old South polled a total vote of 1.542,855, or 10.3 per cent of the whole.

In the election of 1912 the single State of New York—population 3,113,279, 10 per cent of all, electoral vote 45, couvention vote 90—cast 1.587,983, or 10.5 per cent of the total.

In other words, New York, with 10 per cent of the total population, less than 8.3 per cent of the electoral vote, the same proportion of the convention vote, cast 45,000 more votes than the 11 States of the old South.

Without regard to party considerations at all, therefore, the national primary would reduce the power of the South in the nomination of Presidents from 23.7 per cent to 10.3 per cent, or less than the single State of New York.

From the Democratic standpoint the change would be even more radical. The South is the backbone of the Democracy. Going back to 1908, when the fight was between the two old parties and the Democratic candidate received a larger vote than Mr. Wilson received last year, the 11 States mentioned above gave the ticket all the electoral votes it received, save 42 from the States of Colorado, Kentucky, Nevada, Nebraska, Maryland, and Oklahoma.

And yet the States of New York and Ohio, one of which went Democratic for President last year for the first time in 20 years and the other for the first time since the Civil War, cast more Democratic votes than the 11 States of the old South.

If therefore the national primary election law is enacted and the other for the first time since the Civil War, cast more Democratic Party in all the vicissitudes it has encountered

A leading paper of the State of Florida, the Florida Times-Union, editorially said:

The Democratic Party has always stood for State supervision of elections. Especially is this true of the South. Our people have always insisted on control of their own affairs.

If the Federal Government may supervise and control a primary, why not an election? There is no difference in principle, and the one is a step to the other. We do not believe the Democrats in Congress will reverse the position their party has held from the beginning. We feel certain that southern Senators and Representatives will not vote to turn over their primaries to the Federal Government.

The other leading papers of the South, so far as I have read them, are in full accord in their opposition to the measure.

Mr. President, I only call attention to these objections to primary elections in order to emphasize the great importance of the questions involved in such radical innovations in our form of government and the division in opinion of the people of the States in regard to it, and to also emphasize the importance of Congress not now taking any action which will in any way interfere with an untrammeled and proper decision of those questions when they are properly presented to Congress.

Mr. WALSH. Before the Senator from Tennessee takes his seat—I have been very much edified by the discussion of the very interesting questions involved in which he has indulged, and I am disposed to attach a good deal of weight to his views concerning the lack of power of the National Government to legislate in relation to primaries for the nomination of a candidate for President of the United States—I should like to have a clearer idea than I have of the views of the Senator in relation to what power there is to regulate elections of United States Senators.

Clearly there i; some power. The fourth section of the first article of the Constitution contemplates that such regulations shall ordinarily be made by the State legislatures. Then, it provides that Congress may at any time make or alter such regulations. What regulations could Congress make with refer-

ence to the election of a United States Senator?

Mr. SHIELDS. My views are very clear upon that subject. I think the Constitution meant to vest the power in Congress to make regulations in regard to elections by which men are vested with the power of Senators.

Mr. WALSH. Let me inquire, specifically, then, could Congress, for instance, prescribe that the elections shall be by ballot; that the voter must vote a written or a printed ballot; and that he can not vote by going up and announcing his choice personally, as was formerly done in England?

Mr. SHIELDS. I do not think there is any question but what

it could.

Mr. WALSH. Congress has already so legislated.

Mr. SHIELDS. I think Congress can legislate in any matter coming within the purview of the election of the official; but I do not believe that it can go back and legislate and bind the people of the State as to what candidates shall run or who they

shall select to be voted for in that election.

Mr. WALSH. Let me follow the inquiry a little further. Congress has legislated with reference to the election of Representatives. The vote must be by written or printed ballot or by a voting machine; no other system can be adopted. Can not Congress further provide, then, that the voting must not only be by written or printed ballot, but that the names of the candidates of all political parties shall be printed upon the ballot, allowing the voter to make his choice among them?

Mr. SHIELDS. If that is granted, it does not follow that Congress can control the selection of candidates voted for in

the election.

Mr. WALSH. Exactly.

Mr. SHIELDS. The political parties of the country name their candidates, and others may run without being nominated and their names may be placed upon the ballot by statutory regulations, but the power of Congress does not go back to the

day they were nominated.

Mr. WALSH. I want to see how far back we can get. The Senator agrees that the Congress may prescribe not only that the voting shall be by written or printed ballot, but that that ballot shall be in accordance with the Australian system rather than the old system. The old system was for every man to go and write or print whatever names he saw fit on the ballot. The Senator agrees, as I understand him now, that the Congress of the United States might prescribe that the system shall be in accordance with the Australian ballot system, namely, that the names of the candidates shall be printed on the ballot and the voter can mark a cross upon it. If that is the case, then you must have some provision by which the names of the candidates of the various parties shall get on the ballot. Is that not correct?

Mr. SHIELDS. No; that is not necessarily so at all. The candidates themselves provide for that. Citizens may be candidates without the permission of anyone in this country.

Mr. WALSH. Undoubtedly.

Mr. SHIELDS. In this country everyone has a right to run for office, and there is a broad distinction between nominating

men for office and electing them to office.

Mr. SUTHERLAND. Mr. President, I should like to ask the Senator from Tennessee a question. As I remember, several years ago Congress passed an election law, and among other things included certain provisions regulating the registration of voters. I think it was never doubted that Congress had the power to do that. Is not the registration of voters a matter preliminary to an election, as much as the nomination of candidates?

Mr. SHIELDS. I think not. Registration relates to electors of elections and not to the candidates.

Mr. SUTHERLAND. It is not a regulation of the election, if the Senator please, but it is a step preliminary to an election; that is, it provides for voters who may vote at the election. Now, if Congress has the power to regulate the method

of registering voters in order that they may vote at an election, upon what theory, if that be sound, does the Senator think that Congress may not also provide the method of nominating men to be voted for by those voters? What difference in principle is

there between the two things?

Mr. SHIELDS. It is plain to me, because candidates are no part of the election, while voters are necessary. Candidates are necessary, but it is not necessary that the law should provide candidates. The nomination of candidates is not necessary in any sense to hold a regular election for officials. We do have a great many elections in which there are no nominations. In some States they have no primary elections now.

Mr. WALSH. But you do not have the Australian system.
Mr. SHIELDS. The Australian system is for the purpose of
effecting the election of officials, of controlling the votes in an
official election, and Congress has the right to regulate that;
but it is far away from the power to name who shall be the
candidates for office in the election to be provided for. But
whether or not Congress should have the power is not the question here. My position is that the word "election" was used
in the fourth clause in the sense of electing officials to hold
office and serve the people, and that it was not used in the sense
of selecting candidates who might never become officials.

Mr. SUTHERLAND. Mr. President, I think the Senator is quite correct in saying that the nomination of candidates is not a necessary prerequisite to an election; but when they are nominated, that action constitutes a preliminary step to the election in precisely the same way, it seems to me, that the registration of voters constitutes a preliminary step to an election.

Mr. BACON. If the Senator from Tennessee [Mr. Shields] will allow me, I should like to ask the Senator from Utah [Mr. SUTHERLAND] a question in connection with what the Senator from Utah suggests. The idea presented by the Senator from Utah, as I understand, is that that which leads up to an election and constitutes a connecting part in it is necessarily a part of the proceedings which may be described as "the manner." Now, the question I wish to ask the Senator is this: Under the Constitution as it previously existed Senators were elected by the legislatures of the States. If it be true that the present law would justify the regulation of a nomination on the ground that the nomination was but a preceding step to the election, why was it not true in all these years that, under the power which Congress had to regulate the manner of electing a Senator, except as to the place of election-why was it not true, if that same principle were applied, that Congress did not have the power to regulate the manner in which the legislature should be elected, the legislators being the authority at last which would select the Senator? If it be true that the authority to select a candidate in a nominating convention could be regulated as a part of "the manner," why was it not equally true, under the old law, that the manner of electing a legislature fell within the power of Congress, it being but a precedent step to the election of a Senator? I should like to ask the view of the Senator from Utah on that point, for I know the fertility of his resource

Mr. SUTHERLAND. I think, Mr. President, that the difference would be that Congress would then be prescribing the qualifications of the members of the legislature.

Mr. BACON. No; I am not speaking of the qualifications; I am speaking of the manner in which they shall be elected.

Mr. SUTHERLAND. I am not certain that within limits Congress might not do that.

Mr. BACON. Logically the Senator could not come to any other conclusion; yet in more than 120 years no such suggestion has ever been made or entertained for a moment; and if any suggestion had been so made, as suggested by my colleague [Mr. Smith of Georgia], it would have shocked men of all parties throughout the United States; and yet that is a legitimate and logical conclusion.

Mr. SUTHERLAND. Some legislation which Congress passed a few years ago regulating elections shocked my friend from Georgia very much.

Mr. BACON. Yes; it did.

Mr. SUTHERLAND. And it shocked a great many others in the United States; but, nevertheless, Congress passed the law, and it was upheld by the Supreme Court of the United States. It was a period of 80 years before the Congress undertook to provide for a written ballot, and the fact that Congress has not exercised the power for 80 years or 125 years does not constitute a very strong argument in favor of the nonexistence of the power.

Mr. BACON. Do I understand the Senator, then, to concede that, according to the logic of the proposition now advanced, Congress would have had the power under the old law, when a Senator was elected by the legislature, to have controlled the

manner in which the legislature which was going to elect the

Senator should be elected?

Mr. SUTHERLAND. I do not care to give a categorical answer to that question. I should like to know the sort of a law the Senator has in mind. I have answered him that I think within limits the Congress might have such power; but I should like to know what sort of law the Senator has in

mind before I would go further.

Mr. BACON. Just such a law as is now contemplated as to the way in which candidates shall be nominated. The Senator from Montana [Mr. Walsh] has in view—and I suppose the Senator from Utah also-the application of the Australian ballot to the nomination of a candidate for Senator to be elected by the

people at large on a direct vote.

Now, of course, it will be admitted by everyone that the power to designate a State law which shall control must necessarily include the power to legislate directly on the subject, and that if the Congress of the United States has the power to say that in a State a State provision which adopts the Australian ballot shall prevail in the selection of a candidate for Senator, it would be equally within the power of Congress to pass a universal law and provide that in every State the Australian ballot shall be followed in the selection of a candidate for Senator. If that be true, and if the Senator wishes to apply it to the question of the legislature, if it be true that the same principle would give the right to direct the manner in which a legislature shall be elected, and the Senator should ask me in what manner, I would say in that manner. By the same reasoning the Congress of the United States would have the right to say that a legislature under the old law, if it were still a law, should be elected by the Australian ballot system, because, for sooth, it was, after being elected itself, going to elect a United States Senator. no escape, it seems to me, from that proposition.

Mr. SUTHERLAND. Mr. President, there is this difference between the case which the Senator supposes with reference to the legislature and the cases that we have been talking about: The old constitutional provision was that the legislature should elect the United States Senator. Now, the Constitution by that recognized the legislature as an existing institution. It might have devolved the power upon the governor or upon any other official of the State, but it saw fit to devolve that power upon the legislature of the State. The legislature of the State discharges other functions; it makes laws for the State. The election of a United States Senator is only one of the things that it does; and I can see a very great difference between the case of prescribing rules for electing members of the legislature and that of prescribing methods for registering voters and prescribing methods for nominating candidates for office. The legislature is a State institution, charged with performing State functions, and there may be many reasons why Congress can not interfere with a body of that kind when it might prescribe methods of registering voters to vote for candidates either for the House or for the

Mr. BACON. In the same way, if the Senator will pardon me an interruption, a nominating election, as is frequently the case, may select at one time a dozen or two dozen or three dozen candidates for State offices, and in some cases even more than that. Exactly the same machinery is applicable to one as to the other, and at the election which is held for the purpose of selecting a nominee for Senator at the same time and under the same auspices and by the same electors a choice is made of two or three dozen other candidates.

Mr. SUTHERLAND. Yes; but nevertheless Congress has passed laws of that character, and they have been upheld.
Mr. SAULSBURY. Mr. President—

Mr. SUTHERLAND. Just another word, Mr. President, and I am through.

Mr. BACON. I should like to know what the Senator means when he says that Congress has passed a law of that kind which

Mr. SUTHERLAND. Congress passed many years ago, as I recall, a law which provided for inspectors at elections.

Mr. BACON. Yes; those were elections.

Mr. SUTHERLAND. And it provided for regulating the registration.

Mr. BACON. Of course that was in the case of elections for Representatives. Nobody disputes that.

Mr. SUTHERLAND. That is all I have been saying,

Mr. BACON. But the Senator contends that we can go back of the election and control the question as to how those who are to be elected shall be nominated.

Mr. SUTHERLAND. I can see no difference between the two cases; I can see no difference between Congress prescribing methods for registering voters and prescribing methods for nominating candidates for the voters to vote for.

Mr. SAULSBURY. Mr. President-

Mr. SUTHERLAND. I have been diverted, if the Senator will pardon me; I wanted to make just one further observation.

The Senator from Tennessee [Mr. Shields], as I understood him, seemed to think that legislation of this character might hereafter be regarded as a precedent for passing a general presidential primary law. I do not think so. The language of the Constitution with reference to the appointment of electors and that with reference to Representatives and Senators is altogether different. The language of the Constitution with reference to the election of Representatives and Senators is that Congress may from time to time make or alter these regulations with reference to the time, the place, and the manner that gives Congress plenary authority over all the elements of such an election, while in the case of electors for President the power of Congress is limited to fixing the time when the electors may be elected or chosen and the day upon which they shall cast their votes. By the express terms of the Constitution the manner of their appointment is left exclusively to the legislature.

So Congress might have power, under the broader terms of the Constitution, in fixing the time and the place and the manner of electing Senators and Representatives and to regulate the nominations; but under the single power to regulate the time for appointing electors it would have no such power

with reference to the electors for President and Vice President. Mr. SAULSBURY. Mr. President, I think a statement which I understood the Senator from Utah [Mr. Sutherland] to make should not pass unchallenged. If I understood him correctly, he said that with respect to the election of Senators Congress might prescribe regulations requiring the registration of electors. I am not sure I understood the Senator correctly.

Mr. SUTHERLAND. I said to regulate the registration of

voters.

Mr. SAULSBURY. The registration of voters at such an election?

Mr. SUTHERLAND. Yes.

Mr. SAULSBURY. In view of the words of the seventeenth amendment of the Constitution, and in view of the very great care which was taken by the framers of our Constitution and the great jealousy of the States regarding their representation in this body, it seems to me such a statement as that should not be passed quietly and unchallenged.

In the very seventeenth amendment which we are discussing I desire to call the attention of the Senator from Utah to this

provision:

The electors-That is, the electors for Senators-

in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislatures.

Clearly providing that the States themselves should regulate the elections by their laws, in so far as to provide who should vote for Senators.

Mr. SUTHERLAND. Oh, yes; there is no doubt about that.
Mr. SAULSBURY. Now, I put this question to the Senator
from Utah: In case the laws of any State should not provide for registration of electors before an election, but should leave it to be determined at the election itself, on that day, when and where the elections were held, or should prescribe that all males above the age of 21, for example, might vote at such elections without any previous registration, would the Senator contend that the Congress might prescribe a previous registration which was not necessary for the electors of the most numerous branch of the State legislature?

Mr. SUTHERLAND. The provision of the Constitution, to which the Senator has called attention, would preclude Congress from fixing the qualifications of the voters in any State. Congress has never claimed any such power, and under the language of the Constitution I think very clearly it has no

such power.

Mr. SAULSBURY. Then surely it could not provide for the registration of voters at such an election unless the State did so.

Mr. SUTHERLAND. I think it could, to see that the people who were qualified to vote in the State were properly registered; to surround the registration with such safeguards as would prevent fraud, just as it surrounded the polls with supervisors at one time to prevent fraud at the polls.

Mr. SAULSBURY. I am entirely satisfied with having protested against such a construction of the provision of the Constitution as that given to it by the Senator from Utah. I thought such a statement as that should not pass unchallenged, and each time it is made in this body I think it will be challenged.

Mr. SUTHERLAND. Mr. President, let me call the attention of the Senator from Delaware to the provisions of the act to which I referred. It was repealed, I think, about 1891, or perhaps a little later—perhaps in 1893. The language of the act, however, is contained in section 2016 of the Revised Statutes. It is as follows:

sec. 2016. The supervisors of election, so appointed, are authorized and required to attend at all times and places fixed for the registration of voters who, being registered, would be entitled to vote for a Representative or Delegate in Congress and to challenge any person offering to register; to attend at all times and places when the names of registered voters may be marked for challenge and to cause such names registered as they may deem proper to be so marked; to make, when required, the lists, or either of them, provided for in section 2026 and verify the same; and upon any occasion and at any time when in attendance upon the duty herein prescribed to personally inspect and scrutinize such registry, and for purposes of identification to affix their signature to each page of the original list and of each copy of any such list of registered voters at such times upon each day when any name may be received, entered, or registered, and in such manner as will, in their judgment, detect and expose the improper or wrongful removal therefrom or addition thereto of any name.

There is a provision of our statute which recognizes the

There is a provision of our statute which recognizes the power of Congress to supervise these registrations made under the authority of the State.

Mr. SAULSBURY. I am quite familiar with the statute to which the Senator has referred and have had some experience in connection with it. That statute, I think, was repealed in 1893 or 1894. It was certainly in force, and there was an attempt to enforce it in 1892; but as I recall that statute, it was a remnant of the old post-bellum period. I sincerely hope, and I think every lover of his country hopes, that no attempt will be made to reenact such legislation as that. Certainly an attempt to do so will be always challenged here and will have to pass the scrutiny of the Supreme Court of the United States before it is submitted to.

Mr. SUTHERLAND. I quite agree with the Senator. I should not be in favor of passing any such law as that today. I simply refer to it as indicating the power of Congress to do it.

Mr. SAULSBURY. In which I do not believe. Mr. ROBINSON. Mr. President, I am heartily in sympathy with the seventeenth amendment, conferring upon the people the right to choose their representatives in this body. I very much fear the passage of this bill will add to the confusion that has already arisen concerning its provisions and its proper enforcement.

In the first place, the bill seeks to regulate the manner of nominating Senators. Under the seventeenth amendment that power does not exist in the Congress. The language of the amendment is:

The Senate of the United States shall be composed of two Senators from each State, elected by the people thereof, for six years; and each Senator shall have one vote. The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislatures.

This provision plainly indicates that it was the intention of Congress to limit the matter to elections, and not to permit Congress to limit the matter to elections, and not to permit the regulation of primaries, for the reason that it defines the qualifications of those who are entitled to participate in the elections. If the word "election" means "primary" as well as what we commonly understand by the word "election," then it necessarily follows that under this provision of the Constitution either a Republican or a Democrat is entitled to vote in a primary choosing a nominee of a political party, because the qualification of the electors entitled to vote in the election provided for in this amendment is that-

The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislatures.

In the next place, it appears to invade the power expressly reserved to the States by the amendment itself. In the matter of filling vacancies, the language is:

When vacancies happen in the representation of any State in the Senate, the executive authority of such State shall issue writs of election to fill such vacancies: Provided, That the legislature of any State may empower the executive thereof to make temporary appointment until the people fill the vacancies by election—

Not "as the Congress may prescribe," butas the legislature may direct.

That is a limitation upon the manner in which the election shall be held.

It is true that the bill as reported here contemplates that the primaries and the elections to fill such vacancies shall be held in the manner that primaries and elections are held for choosing certain State officers, yet the legislature might not want to adopt that rule. It adds nothing whatever to the power of

the legislature already existing under the Constitution itself.

Again, suppose this bill should become a law, and in any State in the Union the grossest frauds were perpetrated in the election of a United States Senator. I want to ask the Senator from Montana and the Senator from Utah what penalty would attach or could be imposed for the practice of those frauds?

You can not attach the penalties existing under State laws for violations of the State laws, because you are proceeding upon the theory that the States have made no provision for the election of Senators. You can not attach a penalty by implication.

That is a well-established rule of law. There is nothing in this bill that even seeks to attach any penalty for the violation either of the Federal law or of the State law. You are proceeding upon the theory that the States have not made their election laws applicable to the election of United States Senators, and therefore you are passing a law here for the violation of which in any particular no penalty can be imposed. The mere statement of the proposition, it seems to me, is the argu-

Take the case, for instance, of an election in the State of Maryland or in the State of Arkansas to fill a vacancy that may hereafter arise if the bill is passed. What court would have jurisdiction and what offense could be charged for the practice of any kind of fraud?

It seems to me, too, that another vice in this bill is found in the fact that it constitutes an implied legislative construction of the seventeenth amendment in violation of what I understand to be the true construction and import of the amendment. That is a very broad field. It is a well-known fact that Senators differ gravely concerning the import of the amendment. Senator from Montana [Mr. Walsh], whose ability and distinction as a lawyer is widely known and well recognized here and elsewhere, has said that this is not intended to affect any case that has heretofore arisen, and he has offered an amendment especially exempting from its provisions cases that have heretofore arisen. I call his attention, however, to the fact that there is no exemption in his amendment of the cases that may hereafter arise.

Will it not be said, Senators, if this bill passes, that it constitutes an implied construction of the saving clause of the seventeenth amendment? That clause says:

This amendment shall not be so construed as to affect the election or term of any Senator chosen before it becomes valid as part of the Constitution.

Will it not be said that the bill impliedly construes that language to mean that in so far as cases may hereafter arise within the terms of Senators already chosen, and where vacancles may occur, elections must be held, when under the plain import of the Constitution an election can not be held for the filling of a vacancy during any term where the initial Senator was chosen before the amendment became valid?

The construction of the saving clause is important in that no election can be held under that clause to fill a vacancy where the Senator originally chosen for the term was chosen before the amendment became valid as a part of the Constitution. If it had been intended to make the saving clause applicable to the seats of Senators, and to exempt, as suggested by the Senator from Utah, only Members sitting—an I he reenforced his argument by an opinion expressed by Mr. Tucker, set forth many years ago in a report in which the question was not directly at issue—why did not the framers of the amendment use the word "seat"?

That word is used in the Constitution in another clause, in which it is said that the seats of Senators of the first class shall be vacated at the end of two years, those of the second class at the end of four years, and those of the third class at the end of six years, so that one-third may be chosen every two years. The word "seat" has a fixed meaning in the Constitu-tion of the United States. If the word "term" is synonymous with the word "seat," why did not the framers of the amendment, who are presumed to have used apt words to express their meaning, use a word which was apt and which could have

had no other construction?

The word "term," however, does not mean "seat," and it does not mean "election." It means a fixed and definite period of six years. All the courts so hold. The term of a Senator is six years, and it is an entity distinct from the Senator himself.

That argument is reinforced by the fact that in framing the Constitution a great battle was waged about the creation of a definite senatorial term. The State owns the senatorial term. It may remain vacant, but it still exists.

Nor can I concur in the construction of the word "affect" which I believe is impliedly given to the language in the saving clause of the amendment by this bill. The word "affect" has a definite and fixed meaning in law. It means "shall not act upon." To give to the word "affect" the construction which some Senators have urged, to say that it only means "shall neither lengthen nor shorten," is to restrict the usual and ordinary meaning of the word "affect," which is, "shall not act upon." If you substitute the usual meaning of the word "affect" for the language used and say that "this amendment shall not act upon the term of a Senator chosen," you reach the conclusion that it was the intention of the framers of this provision of the Constitution to save not only the cases which have heretofore arisen, but the cases which may hereafter arise, within the terms of Senators chosen when the amendment became valid as a part of the Constitution.

I am aware of the fact that the language of the bill is:

In any State wherein a United States Senator is hereafter to be elected, either at a general election or at any special election called by the executive authority thereof to fill a vacancy—

And so forth. I am also aware that the bill does not expressly declare that hereafter vacancies shall be filled only by election; but the exemption of the two cases that have already arisen under the saving clause of this amendment, and the failure to exempt other cases that may hereafter arise, might constitute and be urged as an implied construction of this provision of the Constitution.

Mr. WALSH. Mr. President-

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Montana?

Mr. ROBINSON. I yield.

Mr. WALSH. I signified my purpose to offer that amendment simply because the distinguished Senator from Kentucky [Mr. Bradley], who entertains the same views concerning the amendment as the Senator from Arkansas, desired that it should be put there. If the Senators do not desire to have it, I have no disposition at all to ask its incorporation in the bill. own view about the matter is that it does not change the meaning of it at all; but if the Senator from Arkansas and the Senator from Kentucky can get together on the subject and agree that it shall go out, we shall all be glad to leave it out

Mr. ROBINSON. I have no objection to the exemption. point I make is that the exemption should be broader than is stated within the amendment offered by the Senator from Montana. It is good as far as it goes, but it ought not to be limited to the right of any person to a seat in the Senate under an election held or appointment made since the ratification of the seventeenth amendment. It ought to be applied also to the cases which may hereafter arise under the saving clause in the seven-

teenth amendment.

Mr. WALSH. Let me say to the Senator from Arkansas that the Senator from Kentucky [Mr. Bradley] has proposed as a substitute for this that we incorporate the language of the seventeenth amendment to the Constitution, so that it will apply as the Senator desires. I do not see why we should incorporate the language of the amendment in this bill, because, of course,

it would be read there anyway.

Mr. ROBINSON. That suggestion would have great force if this were an ordinary lawsuit to be determined in a court; but this is the court that must finally determine the specific cases which arise under the amendment. A legislative act giving force and effect to the amendment might constitute-and I believe in this instance it does constitute partially in some sense a legislative construction of the amendment; and I believe that construction is at variance with the true meaning of the amend-

Mr. President, the history of this proposed legislation in the Senate of the United States discloses the necessity for a more careful consideration of the subject. An examination of the bill and the amendments that have been tacitly agreed to discloses the fact that the subject is one which calls for very careful consideration and treatment. The passage of this bill with the language that it now carries may, instead of relieving

the subject from confusion, greatly increase it.

Mr. VARDAMAN. Mr. President, I was just about to make from Montana if he will not be willing now to consent that this bill may go over until after the recess? The discussion this afternoon clearly indicates a great variety of opinion on this bill, and I know a number of Senators who desire to discuss it. Some of them are absent from the Chamber at this time, and some others who are present are not quite prepared yet. time would be lost, I am sure, by permitting the bill to go over until after the recess.

Mr. VARDAMAN. Mr. President, I was just about to make the same request that the Senator from Alabama has made. There are some phases of this question which are of vital importance to certain sections of the Republic. I myself wish to submit some observations upon it, and I am not prepared to do so at this time. I hope therefore the Senator from Montana may consent to the postponement of the bill until after the

Mr. WALSH. Mr. President, I am altogether willing to accede to the reasonable request of the Senator from Alabama. I

have no disposition to crowd the matter or to shut off anybody who desires to canvass it, and I apprehend that no great evil will result from a reasonable continuance of the consideration of the bill. I am desirous, however, that something shall be done, and that it shall not be simply left for consideration when nothing else is before the Senate.

I am quite willing to agree to lay the matter temporarily aside if we can fix a day upon which it shall be taken up and disposed of. If the Senator has any suggestion to make in that

respect, I shall be very glad to meet it.

Mr. BANKHEAD. Mr. President, of course I quite agree with the Senator from Montana that the matter should be decided as speedily as it can be done with proper consideration of a subject which is so important as this appears to me; but I do not think it is quite the proper thing to do now to agree to a day on which we shall vote on this bill after the recess. I have no doubt, however, that the Senator from Montana can reach such an agreement very soon after Congress convenes after the holidays

Mr. BRANDEGEE. Mr. President—
The VICE PRESIDENT. Does the Senator from Alabama

yield to the Senator from Connecticut?

Mr. BANKHEAD. I do.

Mr. BRANDEGEE. I think the suggestion of the Senator from Alabama is a wise one. The question is complicated, and there are a good many Senators who are not upon the floor at the present time.

With reference to fixing a particular day, I wish to ask the Senator from Montana a question. The bill is now the unfin-

ished business; is it not?

Mr. SUTHERLAND. No; the Alaska bill is the unfinished

Mr. BRANDEGEE. I am informed that another matter is the unfinished business. Does the Senator from Montana think it would be desirable, in view of the importance of the bill, that we should attempt now to fix a particular day after the recess

when we would have to vote upon it?

Mr. WALSH. I will say to the Senator from Connecticut that my idea about the matter was that it might be appropriately given a place immediately after the disposition of the matter that is the unfinished business-the Alaska railroad bill. If, by any parliamentary procedure or agreement, it could be set down for disposition immediately after the disposition of that matter, I should be very glad to accede to a suggestion of that character.

Mr. BACON. Mr. President, I was going to suggest to the Senator that it is always within the power of a majority to take up a bill at any time it sees fit to do so; and I have no doubt a majority of the Senate will realize the importance of acting upon this measure. I imagine the Senator will have no difficulty in having the Senate agree to a motion to proceed to its consideration.

I think we have had some experiences of late as to the inconvenience which may flow from endeavoring to preempt a time too far in advance. This is not a matter which it will require unanimous consent to take up. Only a majority vote is necessary for the purpose. In the absence of something which should have precedence and which we do not now anticipate, there would not be any difficulty in taking it up.

I think the Senator could very safely let the matter go over, with confidence that it would be at least taken up for consideration. Of course, the Senator does not now desire, as I understand, to fix any day for voting. That would not be proper

under the circumstances.

I hope the matter may go over. We recognize it as a case of emergency only within certain limits. It is a subject which should receive attention, in view of the fact that in some States there is no provision for bringing on elections, and we should make some provision; but I imagine it is not a matter of such urgency as to require that we should do so before the holidays. There will be ample time afterwards.

The matter is a most important one. It is a matter of importance and also of some difficulty, as is shown by the debate here, and the vista opens as we proceed a little further into it.

I sincerely hope the bill may go over, and for one I shall not offer any obstacle to its being taken up for consideration whenever the Senate is through with whatever it now has before it as unfinished business, unless some unforeseen emergency should make it imperative that we should consider something else.

Mr. BRANDEGEE. In this connection I was going to ask the Senator from Georgia, if I may be permitted-I mean with-

out occupying some one else's time—
The VICE PRESIDEN'T. The Senator from Connecticut has the floor.

Mr. BRANDEGEE. Very well. I wish to ask the Senator from Georgia and the Senator from Montana whether the same arrangement which has resulted in making the Alaska railroad bill the unfinished business would not suit the Senators; that is, may we not now agree that upon the legislative day following the final disposition of the present unfinished business, the Alaska railroad bill, we shall make this bill relative to the election of Senators a special order for that day. I realize that Senators would dislike to bind themselves to vote upon the bill at a particular time, and I myself would not want to do that, but making it a special order for a day in the future would simply guarantee its coming up on that day, and then Senators being better informed as to the urgency of various measures could make such further order for its consideration as might be necessary if not finished on that day.

Mr. VARDAMAN. Mr. President, I thought I made respect-

fully a very reasonable request of the Senator from Montana. that this matter go over, because I myself desire to have something to say on the subject, and I am not prepared to speak this afternoon. The Senator did not seem to hear that request; he

passed it over absolutely,

Mr. WALSH. On the contrary-

Mr. VARDAMAN. The Senator's remarks were addressed to the Senator from Alabama [Mr. BANKHEAD], and my request was altogether ignored. I have no desire in the world to delay the consideration of this measure, but I want to say now that the bill will not be passed without further debate, whether it is agreed to postpone it or not.

Mr. WALSH. Mr. President, I regret exceedingly that the Senator from Mississippi, for whom I have the very highest regard, as he knows, felt in any way that I had been discourteous to him. I understood, when the Senator rose, that he simply joined in the request that had already been preferred by the Senator from Alabama. I remember now that I spoke only with reference to the request made by the Senator from Alabama. The answer to the request was that I was quite willing that the matter should go over, so that those who desired to speak on it would have an opportunity to do so, having in mind at the time the request made by the Senator from Mississippi.

I regret very much that I did not include the Senator from Mississippi in answering the request that was made, but I signified then my willingness, and I will say now to the Senator from Mississippi that I am desirous to arrange this matter so

that he may be heard upon the measure.

Mr. SUTHERLAND. Mr. President, I think it is quite apparent that the bill can not be disposed of to-day, or probably during the sessions that will be held between now and the holiday adjournment. I think, therefore, it may as over: but I should like to suggest to the Senator from Montana whether it would not be well to ask to have it made the special order to follow the Alaska railroad bill, because that, I think, will probably take some time. I do not know-none of us knows-how long that bill will take; but if the pending bill goes over there will be practically two hours every day measure of this kind can be considered. I think we will make better headway and finish the consideration of the bill much sooner if every morning after the conclusion of the routine business this bill can be taken up and considered until we reach the unfinished business, two hours after the meeting. In that way we will dispose of it in the course of two or three days. I suggest to the Senator from Montana that, in my opinion at any rate, we would make better headway by that course rather than by having it made a special order to follow the Alaska railroad bill.

Mr. WALSH. I desire to say to the Senator from Utah with respect to the matter that I have observed when the routine business is ended each morning the unfinished business is then ordinarily laid before the Senate to the exclusion of everything

Mr. SUTHERLAND. That can only be done by an agreement of the Senate.

Mr. GALLINGER. It can only be done by unanimous con-

Mr. WALSH. Very well. Under the suggestion made I will ask that the bill be temporarily laid aside.

THE CRISIS IN CONSTITUTIONALISM.

Mr. BRANDEGEE. Mr. President, I take this opportunity to make an observation upon a matter which I regard as of great importance, a matter not before the Senate at the present time in any legislative way, but concerning the Constitution of this country and its form of government with relation to the proba-bilities of the future and what certain existing tendencies may lead to.

I am going to read a short article appearing in the North American Review for this month by David Jayne Hill, entitled "The Crisis in Constitutionalism." The North American Review comments upon this article as follows:

"FOR CONSTITUTIONAL CLUBS.

"The foremost American diplomat now living-barring Mr. Charles Francis Adams, Mr. Wayne MacVeagh, Mr. Choate, and Gen. Porter as of another generation-is undoubtedly Dr. David Jayne Hill, who served his apprenticeship under Secretary Hay and won the respect and admiration of European statesmen while representing his country abroad. Just as Mr. John Bassett Moore and Mr. Adee stand preeminent as masters, respectively, of international law and the technique of diplomacy, so is Dr. Hill without a peer in the shaping of national policies. It is, then, a matter of sincere congratulation that he has returned to his own country at a time when the wisdom derived from thought and experience is sadly needed.
"We wish that every thinking American might read the

article on 'The Crisis of Constitutionalism' which appears in this Review. Dr. Hill writes, of course, as a scholar and philosopher rather than as a diplomat, but the marked advantage which he has acquired, from long and thorough training, over others who have treated of the subject becomes quickly apparent to the reader. We can not recall in recent years a setting forth of the basic principles peculiar to our Government so incomplex and understandable, nor, better yet, so convincing a statement of the reasons for their more rigid application and

of the true methods of accomplishment.
"'What is our political future to be?' is the question with which Dr. Hill finds the United States is now brought face to That the answer will be found ultimately in the reason and conscience of the people he has no doubt, but first, he declares with emphasis, must be determined the lines on which the answer is to be given. 'What we need at present is not so much leaders as a statement of the principles by which we should be led.' And here the choice must be made 'between experience and experiment; between arbitrary decisions and fundamental principles; in a word, between political anarchy and constitutional government.' If any corroboration of this declaration were needed, it can be found readily in the present tendency of legislation, in the constant expanding of the powers of government, in the growth of paternalistic sentiment, in the resentment against law 'because it is law,' in the encroachment upon the prerogatives bestowed upon others, in the development of positive dictation or 'bossism' in the guise of 'leadership,' and in the ready assurance of those holding or seeking authority that they are, indeed, tribunes of the people rather than the administrative officers they were designed by the Constitution to be. Dr. Hill might well have enlarged, and may yet, we trust, expand his thought along these lines.

"Of his own judgment that the Constitution itself is 'the one overmastering issue,' Dr. Hill leaves no room for doubt. And he is firmly convinced that now, of all times, the preservation of constitutional government hangs upon 'cultivation of respect for the spirit' of our fundamental law. To this end, speaking as a practical statesman, he advocates definite organization. 'If we are to defend the Constitution, we who believe in it must act together.' Finally, recalling that 'in the days of our Civil War much aid was afforded to the cause of preserving the Union by the formation of clubs of citizens,' he urges the inauguration of a similar movement, feeling certain that the opposition sure to arise would at least 'furnish surprising proofs that we are at present passing through a crisis of constitutionalism in which the great structure of liberty and justice erected by our fathers is being insidiously undermined.

"The suggestion well deserves thoughtful consideration. is probably not too much to say that, to the adoption of this method many years ago England to-day owes her national existence. Surely, at any rate, to the influence of the clubs may safely be attributed many far-reaching reforms and a higher order of politics generally. If so successful there, why should Dr. Hill's suggestion fail here? Is it not worth while and

worth trying?

"We invite opinions from the press."

THE CRISIS IN CONSTITUTIONALISM.

"Thoughtful men in all countries of the world are united in the conviction that constitutional government embodies the highest ideal for the regulation of human affairs over conceived

by man.
"With regard to the attainability and permanence of this ideal, opinions differ widely. Most men agree in the belief that certain peoples are not ripe for it. Others consider it necessary to combine with it some vestiges of absolutism, as a means of rescuing society from the anarchy that would follow upon Its possible failure. Still others openly oppose it, because, for

various reasons, it is their personal interest to do so.

"The dangers to constitutional government, however, do not arise from the open opposition of its enemies, for in the field of free debate it is abundantly able to defend itself. Its real foes—and they are not a few—are those who do not avowedly attack or resist it, but who, while professing to be its friends and its advocates, secretly repudiate or intentionally pervert its fundamental principles.

"In contrast with the political absolutism which it was intended to destroy, and which it has endeavored to supersede, constitutional government is based upon the principle of equal guaranties for the rights of all citizens, without distinction of persons or classes, under the protection of coordinate and distributed powers, exercised by public officers freely chosen by the people, and revocable after fixed periods of office. Recognizing life, personal liberty, and property as elements of inalienable right, constitutional government aims to guard these from every form of violation.

The mere statement of the meaning of constitutional government plainly indicates who are its natural enemies. These include all those who, in any form whatever, desire to make the State their private servant, and through control of the public powers use it to serve their own personal or class interests at the expense of others.

"The division of men into friends and enemies of constitutional government must be based upon the attitude they assume toward its fundamental principle. This principle being the existence of equal and adequate guaranties, by which the life, the personal liberty, and the property of every citizen are rendered inviolate, every person and every organization that aims by means of exceptional legislation to secure advantages to the detriment of others must be classed as an enemy of constitutional government, which—although not a guaranty of equal conditions, which is impossible—is essentially a guaranty of equal rights.

"The means by which the founders of constitutional government intended to obtain this guaranty were threefold.
"First of all, the 'inalienable rights' of all citizens were to

be secured by a fundamental law which placed them beyond the reach of unequal legislation or executive violence. the advocates of constitutional government had suffered from was the exercise of absolute and arbitrary authority. This they intended to end, and in order to do so they placed certain en-croachments upon personal rights beyond the power of legislatures and executives. In brief, legislative bodies and executive officers were themselves made subject to law; and no man was to be judged except in accordance with the law. Life, liberty, and property were not to be taken away without a day in court, in the presence of responsible authorities acting under the obligations of equal laws.

"The second security afforded was a form of government in which public powers were so distributed that no public officer could commit an act of oppression without rendering himself responsible for his action. The people, through their representatives, could make new laws, but they could make no laws which encroached upon the rights already sacredly guarded by the fundamental law. The executive, when necessary, could act, but only according to law. The judiciary could judge if the law was respected, but only in accordance with those personal securities which the fundamental law provided.

"Finally, the people, standing in the place of the sovereign, and exercising sovereign power, did what no other sovereign had ever before voluntarily done in the history of the world—they freely and formally renounced the power to impose their per-sonal arbitrary will upon the organs of government or upon one another. They confided to the operation of the system they had devised and created the legislative, executive, and judicial functions necessary to the application of justice, subject to their approval or reprobation by means already provided for in that

system.
"Thus absolutism in every form was intended to be extruded from government, which aimed to be a system of just laws and principles in place of mere arbitrary will actuated by caprice, prejudice, malignity, or self-interest.

"It is easy to see how this system could be covertly attacked

by those who, consciously or unconsciously, were inspired by motives for subverting it.

"The first method of attack is through the hasty alteration of the fundamental law itself. Believing in the approximate perfection of our system, the people of the United States have, in general, desired to maintain the stability of the Constitution, and so far it has been subjected to very little change. Being essentially a restriction of arbitrary power, it presents a barrior to the aims of those who seek to derive private advantage

through the control of the State. As long as it remains intact there exists a legal obstacle to depredation. No mere demagogue ever has loved, or ever will love, the Constitution, for it is a restraint upon personal ambition and personal interests. He would much prefer to substitute for it the unrestrained will of the people,' by which he understands assent to his own proposals. With seductive simplicity he blandly asks, 'What is the Constitution between friends?

"Undoubtedly, any inflexible obstacle to a transitory popular impulse can at times be made to appear too rigid, but it is precisely this clear and definite obstruction to impulsive and illconsidered action which constitutional guaranties are intended to impose. It is always a dangerous moment for the liberties of a people when it is proposed to substitute for the deliberately established reasonableness of a constitutional provision the impromptu and uncontrolled impulses of the moment, or to open the way without serious reflection and debate for mere political

experiments.
"Two constitutional changes have been recently urged and passively accepted. The election of United States Senators by legislative bodies has sometimes been attended with corruption. and this has led to a demand for popular nominations and elections. In order to lower import duties an income tax-hitherto left to the several States, which can levy no import taxeshas been urged as a means of supporting the Federal Govern-To accomplish this a constitutional change was necessary, since an unequal tax was prohibited, and an equal tax was not deemed practicable. It is, perhaps, too early to demonstrate the results of these changes, but it remains to be seen how the people, if they can not succeed in choosing trustworthy legislators from among their own immediate neighbors, will be able to select worthier Senators from among persons whom they know only by reputation; nor is it certain that the power to impose a Federal income tax without any kind of restriction may not eventually become the instrument of mere class and sectional legislation. It will be gratifying if these experiments result in an elevation of political morals or in greater social equity, but it is not yet certain that these results will

"A second point of attack upon the Constitution is through the encroachment of one or more of the three divisions of public power upon the legitimate domain of the others. The American conception of government has always laid stress upon the balance of the public powers, which is intended to limit the excesses of all. When, however, we consider the possible effect of the power concentrated in one man both to urge and to veto new laws, backed with the enormous influence of Federal patronage, the employment of which may be so easily concealed behind the mask of apparently beneficent legislation, we contemplate the nearest approach to absolute power now to be found in any constitutional government in the world. In defense of this centralization of authority it may be said that a President of the United States is responsible to the country, and particularly to his party, for the fulfillment of promises made in the platform of the party that elected him, and this is true; but Executive urgency and Executive prohibition have not always been exercised exclusively with the purpose of fulfilling party promises, but sometimes merely upon the personal initiative of the Executive himself, who has thereby assumed the exercise of a prerogative which, however pleasing it may be to those who profit by its results, when considered from a constitutional point of view, is certainly of doubtful propriety, if not of doubtful legal-ity. Fidelity in urging the fulfillment of previously made party promises and personal ballons d'essai sent up for the purpose of securing the favor of the majority, without regard to the previously determined policies of the party, are two entirely dif-ferent methods of official procedure. The business of a President is to execute the laws and urge the fulfillment of party pledges, but it is not his prerogative to revolutionize the Government.

"But encroachments upon constitutional limitations by the Executive are not more dangerous than those of a legislative origin. For these there is always the plausible excuse that they spring more directly from the expressed will of the peo-ple, since the legislators have received a recent mandate from It is, however, a perversion of reasoning to maintain that their mandate includes an instruction to disregard the spirit of the Constitution, or to strain it to the breaking point. It is therefore essential that the judiciary be free, pure, and faithful in its interpretation of the fundamental law. It is equally important that it should have the confidence and support of the people. Nothing could so fatally affect the foundations of constitutional government as a loss of confidence on the part of the people in the purity, fidelity, and intelligence of the judiciary. By every means that will leave it free and re-

sponsible it should be placed and kept upon the highest plane of honor and authority, for it is by its essential nature the guardian of our guaranties of liberty.

"There is a third and a far more insidious form of attack

upon constitutional government which should not escape observation. It is the disposition to withdraw and annul that act of popular renunciation of each in the interest of all upon which the success of constitutional government is based. It is important that this point should be made clear, for it contains the chief justification for speaking of a 'crisis' in constitutionalism

"Attention has been called to the fact that the third step in the development of the Constitution of the United States was the voluntary surrender of arbitrary power by the sovereign people. This was not an abdication of power by the people as a whole in the interest of a majority, but a determination that absolutism in every form should be abolished altogether. It was the surrender of will to reason, of private interest to the public good, of the individual to the State as the institution of organized justice.

'The greatest present danger to constitutional government is the revocation of this splendid sacrifice of personal advantage to the common well-being; the agreement of the people not to attempt an act of conquest upon one another, but to live on

terms of equality under just laws.

"It is worthy of observation that wherever this act of patriotism has been refused constitutional government has proved an abject failure. If we consider the revolutions that have stained with blood and ruined the economic life of several of our sister Republics on this continent, we shall find ample and striking illustrations of this assertion. They, like ourselves, have had a fundamental law, often expressed in most irreproachable language, and a frame of government in which the division of powers is theoretically accepted. In fact, however, these elements of constitutional organization have not been treated as realities. Personal ambition, conspiracy, and revolution have defied the system, and frequently destroyed it. Instead of devoting themselves to the State and making a religion of vital patriotism—that is, of consecration to the State as the institution of order and justice—these unfortunate brethren have attached themselves to factions, each seeking to dominate by force the others, and thus creating a scene of constant incertitude, turmoil, lawlessness, and rapine.

"We have at the present moment a startling example of this assertion of arbitrary will and repudiation of public authority it: our nearest neighbor to the South. Everyone who personally knows the Mexican statesmen of the highest type appreciates their learning, their culture, and their sometimes great execu-What is lacking to that country? It is the spirit tive ability. of personal renunciation of arbitrary power in the interest of the public well-being. Rich in natural resources, situated in a most favorable geographical environment, and not wanting in capable men, Mexico is doomed to stagnation, poverty, and discredit because it is the prey of rival forces within the State, each claiming the right to rule, each determined to destroy the

Let us not lose the lesson of this impressive illustration of the unwillingness of men to accept the authority of principles because we ourselves are not at present harassed by banditti and visibly divided by opposing powers within the It is opportune for us to ask ourselves why we are not subjected to this anarchy, and why we enjoy a high degree of peace, order, and justice in our own Republic, which is based on the same fundamental ideas as that of our unfortunate neighbors?

"The answer to this question is evident to every thoughtful We have thus far been able to maintain respect for observer. our Constitution and our judiciary. We have, in the interest of the public peace, renounced the primitive right of personal selfdefense. We have differences, but we endeavor, for the most part, to settle them by an appeal to the law and to the courts. We have thus far maintained the renunciation of arbitrary power which has made our Government a success where others have failed, and we have had, and are having, our

"Will this condition always continue? There is more than one sign that it will not unless we are on our guard. dangers arising from the first and second forms of attack on constitutional government are not unworthy of attention, but they are insignificant in comparison with the third; for further alterations can not be made in the Constitution without fresh consideration by the people, and a misuse of power by the legislative and executive, or even by the judicial, authorities is at least subject to correction. But the third form of attack is of a

different nature. It results from a social transformation that may affect constitutionalism at its source by perverting the minds of the people.

"For a long time the chief danger to constitutionalism in our country was the menace of conflict between the States. That peril seems now to have passed, for their interests are so nearly identical and their populations are so homogeneous that a divergence of purposes sufficiently wide to lead to armed conflict is altogether improbable.

"But there is another source of antagonism which would have an equally disastrous effect upon constitutional govern-ment, the possibility of which is not entirely excluded from

consideration.

"We have in recent years developed in the United States a spirit of class antagonism which is peculiarly disquieting. In stating this point it is not at all necessary to cast the blame on any particular stratum of society, and a careful analysis might distribute responsibility in a manner that would not be welcome in quite opposite quarters. The one undeniable fact is that this antagonism exists and that it has been stimulated by political ambitions that have found their advantage in creating unrest and in deepening the hostility of certain conditious of life toward others.

"The peril of this situation is that it does not consist merely in opposing personal sentiments entertained by isolated individuals, but that it aims to control the State by massing its forces in powerful organizations with the purpose of changing the laws, and even the Constitution, in the interest of special

"Books have recently been written with the endeavor to make it appear that the Constitution of the United States is a belated eighteenth-century construction, devised in the interest of a property-possessing class, and at present an anachronism. For the first time since it was adopted the Constitution has within very recent years been treated with open disrespect. What is the reason for this opposition? It is that the Constitution presents an obvious barrier to the designs of those who oppose it. If we seek the actuating principle of this opposition, we find it in the doctrine that the unregulated will of the majority is a more desirable form of authority than deliberately accepted principles of government sanctioned by general assent and tried and tested by experience.

Should this tendency become further accentuated by combinations of power able eventually to control the State in their own interest, we should find ourselves in a position not dissimilar from that in which Mexico is placed to-day-divided into hostile factions, one class plundered by another, and the country utterly powerless to defend its interests or maintain its

dignity in the field of international relations.

"The means of preventing this calamity, or the remedy for it, if it is already in some degree upon us, is evidently a determination on the part of the people that arbitrary power in every form must be renounced; that life, liberty, and property shall still enjoy protection against any form of absolutism that

may be asserted within the State.

"To apply this remedy the country needs two things: First, to consider seriously the drift of the social forces now operating among us, with a view to forming a clear conception of the degree in which we are adhering to or departing from the spirit of conformity to just and equal laws; and, second, an active movement on the part of thoughtful citizens to arrest an anticonstitutional tendency.

"In considering the drift of the social forces now in operation, one is struck by the diminished respect for law simply because it is law. This is, no doubt, in part owing to the changed conception of the source of legal authority. When men sincerely believed in 'inalienable rights' and conceived of law as the guardian of those rights, it was esteemed worthy of a sentiment of reverence. At present the importation of a conception of law as the decree of a dominating will, without relation to fundamental rights, which are alleged to have no demonstrable existence, has made it difficult to respect law in and for itself. If, after all, it is merely arbitrary, if it proceeds from no moral principle, if, in short, it is the expression of mere will and not of reason, it is difficult, it is even unreasonable, to demand that it be respected.

"It is necessary in the life of every nation that from time to time it be called upon to reflect upon the principles that underlie its existence. The present generation has been confronted with no great national crisis that has called for such reflection. The shock that has been given to the party system of government in the United States may prove to be such a crisis. We have suddenly been brought face to face with the question, 'What is our political future to be?' It is for the reason and

the conscience of the people to answer, but it remains to be

determined on what lines the answer is to be given.

"Naturally in moments of indecision men look for leaders, but unless they look also for principles they look in vain. The choice must be made between experience and experiment, between arbitrary decisions and fundamental principles; in a word, between political anarchy and constitutional government.

"The one thing most certain is that if we are to preserve and justify constitutional government we must be ever ready to defend it. If we are to defend it, we who believe in it must act together. To many minds it seems at this moment the one overmastering issue. When principles have been settled men have always been found to render them effective. What we need at present is not so much leaders as a statement of the principles by which we should be led and which we should then insist upon having applied in practice. In seeking for these we can not do better than to revert to the great doctrines of our fathers, which, in the midst of revolutions on every side, have brought us to great power as a Nation, and which, if faithfully applied, will continue to give us great presperity as a people.

"If from the dissolution of party ties, which has brought

"If from the dissolution of party ties, which has brought home to us the problem of our political future, we are able to rally about the one rock of salvation, the rights of the individual citizen as guaranteed by the Constitution, the atmosphere will clear. We shall see that a State can not be built upon private interests of any kind, and that our prosperity as a Republic consists in the readiness to renounce the control of the State for our own advantage, by giving to each individual not only full liberty to exercise and develop all his powers in his own way, but protection in preserving that liberty by preventing the public powers from falling under the domination of any class or combination of men having for its object the subjection of others to their private will.

"In the days of our Civil War much aid was afforded to the cause of preserving the Union by the formation of clubs composed of citizens who perceived in that movement the great issue of the hour. It is possible that the time has come when a similar interest in the preservation of constitutional government, through the cultivation of respect for the spirit of the Constitution, may be desirable and even necessary.

"Such a movement would, undoubtedly, be stoutly opposed, but the intensity of the opposition and the comments that would attend it would, perhaps, furnish surprising proofs that we are at present passing through a crisis of constitutionalism in which the great structure of liberty and justice erected by our fathers is being insidiously undermined, not in the interest of the people, of whose rights it is the only guaranty, but in the interest of private powers within the State, which, for purposes of their own, wish to dominate it and employ it as the instrument of their designs

"DAVID JAYNE HILL."

Mr. President, I ask that this article may be printed as a public document.

The VICE PRESIDENT. Is there objection to the request of the Senator from Connecticut?

Mr. OWEN. I object. I ask that it be referred to the Committee on Printing.

The VICE PRESIDENT. The article will be referred to the Committee on Printing.

ELECTION OF SENATORS.

Mr. POINDEXTER. Mr. President, I ask as a parliamentary inquiry, what disposition has been made of the bill which the Senate was considering this afternoon in relation to a temporary method of electing Senators? I was paying close attention to the proceedings, but was unable to tell whether any order was made in regard to the matter.

The VICE PRESIDENT. By unanimous consent it went back to the calendar.

Mr. POINDEXTER. I understand that a request was made to lay it aside temporarily. I have no objection, however.

CONFERENCE REPORT BANKING AND CURRENCY.

(H. REPT. 163.)

Mr. OWEN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7837) to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes, having

met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the amendment proposed by the Senate insert the following:

Be it enacted, etc., That the short title of this act shall be the "Federal reserve act."

Wherever the word "bank" is used in this act, the word shall be held to include State bank, banking association, and trust company, except where national banks or Federal reserve banks

are specifically referred to.

The terms "national bank" and "national banking association" used in this act shall be held to be synonymous and interchangeable. The term "member bank" shall be held to mean any national bank, State bank, or bank or trust company which has become a member of one of the reserve banks created by this act. The term "board" shall be held to mean Federal reserve board; the term "district" shall be held to mean Federal reserve district; the term "reserve bank" shall be held to mean Federal reserve bank.

FEDERAL RESERVE DISTRICTS.

Sec. 2. As soon as practicable the Secretary of the Treasury, the Secretary of Agriculture and the Comptroller of the Currency, acting as "the reserve bank organization committee," shall designate not less than 8 nor more than 12 cities to be known as Federal reserve cities, and shall divide the continental United States, excluding Alaska, into districts, each district to contain only one of such Federal reserve cities. The determination of said organization committee shall not be subject to review except by the Federal reserve board when organized: Provided, That the districts shall be apportioned with due regard to the convenience and customary course of business and shall not necessarily be coterminous with any State or States. The districts thus created may be readjusted and new districts may from time to time be created by the Federal reserve board, not to exceed 12 in all. Such districts shall be known as Federal reserve districts and may be designated by number. A majority of the organization committee shall constitute a quorum with authority to act.
Said organization committee shall be authorized to employ

Said organization committee shall be authorized to employ counsel and expert aid, to take testimony, to send for persons and papers, to administer oaths, and to make such investigation as may be deemed necessary by the said committee in determining the reserve districts and in designating the cities within such districts where such Federal reserve banks shall be severally located. The said committee shall supervise the organization in each of the cities designated of a Federal reserve bank, which shall include in its title the name of the city in which it is situated, as "Federal Reserve Bank of Chicago."

Under regulations to be prescribed by the organization committee, every national banking association in the United States is hereby required, and every eligible bank in the United States and every trust company within the District of Columbia, is hereby authorized to signify in writing, within 60 days after the passage of this act, its acceptance of the terms and provisions hereof. When the organization committee shall have designated the cities in which Federal reserve banks are to be organized, and fixed the geographical limits of the Federal reserve districts, every national banking association within that district shall be required within 30 days after notice from the organization committee, to subscribe to the capital stock of such Federal reserve bank in a sum equal to 6 per cent of the paid-up capital stock and surplus of such bank, one-sixth of the subscription to be payable on call of the organization committee or of the Federal reserve board, one-sixth within three months and one-sixth within six months thereafter, and the remainder of the subscription, or any part thereof, shall be subject to call when deemed necessary by the Federal reserve board, said payments to be in gold or gold certificates.

The shareholders of every Federal reserve bank shall be held

The shareholders of every Federal reserve bank shall be held individually responsible, equally and ratably, and not one for another, for all contracts, debts, and engagements of such bank to the extent of the amount of their subscriptions to such stock at the par value thereof in addition to the amount subscribed, whether such subscriptions have been paid up in whole or in part, under the provisions of this act.

Any national bank failing to signify its acceptance of the terms of this act within the 60 days aforesaid, shall cease to act as a reserve agent, upon 30 days' notice, to be given within the discretion of the said organization committee or of the Federal reserve board.

Should any national banking association in the United States now organized fail within one year after the passage of this act to become a member bank or fail to comply with any of the provisions of this act applicable thereto, all of the rights, privileges, and franchises of such association granted to it under the national-bank act, or under the provisions of this act, shall be thereby forfeited. Any noncompliance with or violation of this act shall, however, be determined and adjudged by any court of the United States of competent jurisdiction in a suit brought for that purpose in the district or territory in which such bank is located, under direction of the Federal reserve board, by the Comptroller of the Currency in his own name before the association shall be declared dissolved. In cases of such noncompliance or violation, other than the failure to become a member bank under the provisions of this act, every director who participated in or assented to the same shall be held liable in his personal or individual capacity for all damages which said bank, its shareholders, or any other person shall have sustained in consequence of such violation.

Such dissolution shall not take away or impair any remedy against such corporation, its stockholders or officers, for any liability or penalty which shall have been previously incurred.

Should the subscriptions by banks to the stock of said Federal reserve banks or any one or more of them be, in the judgment of the organization committee, insufficient to provide the amount of capital required therefor, then and in that event the said organization committee may, under conditions and regulations to be prescribed by it, offer to public subscription at par such an amount of stock in said Federal reserve banks, or any one or more of them, as said committee shall determine, subject to the same conditions as to payment and stock liability as provided for member banks.

No individual, copartnership, or corporation other than a member bank of its district shall be permitted to subscribe for or to hold at any time more than \$25,000 par value of stock in any Federal reserve bank. Such stock shall be known as public stock and may be transferred on the books of the Federal reserve bank by the chairman of the board of directors of such bank.

Should the total subscriptions by banks and the public to the stock of said Federal reserve banks or any one or more of them, be, in the judgment of the organization committee, insufficient to provide the amount of capital required therefor, then and in that event the said organization committee shall allot to the United States such an amount of said stock as said committee shall determine. Said United States stock shall be paid for at par out of any money in the Treasury not otherwise appropriated, and shall be held by the Secretary of the Treasury and disposed of for the benefit of the United States in such manner, at such times, and at such price, not less than par, as the Secretary of the Treasury shall determine.

Stock not held by member banks shall not be entitled to vot-

ing power.

The Federal reserve board is hereby empowered to adopt and promulgate rules and regulations governing the transfers of

said stock.

No Federal reserve bank shall commence business with a subscribed capital less than \$4,000,000. The organization of reserve districts and Federal reserve cities shall not be construed as changing the present status of reserve cities and central reserve cities, except in so far as this act changes the amount of reserves that may be carried with approved reserve agents located therein. The organization committee shall have power to appoint such assistants and incur such expenses in carrying out the provisions of this act as it shall deem necessary, and such expenses shall be payable by the Treasurer of the United States upon voucher approved by the Secretary of the Treasury, and the sum of \$100,000, or so much thereof as may be necessary, is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, for the payment of such expenses.

Sec. 3. Each Federal reserve bank shall establish branch banks within the Federal reserve district in which it is located and may do so in the district of any Federal reserve bank which may have been suspended. Such branches shall be operated by a board of directors under rules and regulations approved by the Federal reserve board. Directors of branch banks shall possess the same qualifications as directors of the Federal reserve banks. Four of said directors shall be selected by the reserve bank and three by the Federal reserve board, and they shall hold office during the pleasure, respectively, of the parent bank and the Federal reserve board. The reserve bank shall designate one of the directors as manager.

FEDERAL RESERVE BANKS.

Sec. 4. When the organization committee shall have established Federal reserve districts as provided in section 2 of this

act, a certificate shall be filed with the Comptroller of the Currency showing the geographical limits of such districts and the Federal reserve city designated in each of such districts. The Comptroller of the Currency shall thereupon cause to be forwarded to each national bank located in each district, and to such other banks declared to be eligible by the organization committee which may apply therefor, an application blank in form to be approved by the organization committee, which blank shall contain a resolution to be adopted by the board of directors of each bank executing such application, authorizing a subscription to the capital stock of the Federal reserve bank organizing in that district in accordance with the provisions of this act.

When the minimum amount of capital stock prescribed by this act for the organization of any Federal reserve bank shall have been subscribed and allotted, the organization committee shall designate any five banks of those whose applications have been received, to execute a certificate of organization, and thereupon the banks so designated shall, under their seals, make an organization certificate which shall specifically state the name of such Federal reserve bank, the territorial extent of the district over which the operations of such Federal reserve bank are to be carried on, the city and State in which said bank is to be located, the amount of capital stock and the number of shares into which the same is divided, the name and place of doing business of each bank executing such certificate, and of all banks which have subscribed to the capital stock of such Federal reserve bank and the number of shares subscribed by each, and the fact that the certificate is made to enable those banks executing same, and all banks which have subscribed or may thereafter subscribe to the capital stock of such Federal reserve bank, to avail themselves of the advantages of this act.

The said organization certificate shall be acknowledged before a judge of some court of record or notary public; and shall be, together with the acknowledgment thereof, authenticated by the seal of such court, or notary, transmitted to the Comptroller of the Currency, who shall file, record and carefully preserve the same in his office.

Upon the filing of such certificate with the Comptroller of the Currency as aforesaid, the said Federal reserve bank shall become a body corporate and as such, and in the name designated in such organization certificate, shall have power—

First. To adopt and use a corporate seal.

Second. To have succession for a period of 20 years from its organization unless it is sooner dissolved by an act of Congress, or unless its franchise becomes forfeited by some violation of law.

Third. To make contracts.

Fourth. To sue and be sued, complain and defend, in any

court of law or equity.

Fifth. To appoint by its board of directors, such officers and employees as are not otherwise provided for in this act, to define their duties, require bonds of them and fix the penalty thereof, and to dismiss at pleasure such officers or employees. Sixth. To prescribe by its board of directors, by-laws not

Sixth. To prescribe by its board of directors, by-laws not inconsistent with law, regulating the manner in which its general business may be conducted, and the privileges granted to

it by law may be exercised and enjoyed.

Seventh. To exercise by its board of directors, or duly authorized officers or agents, all powers specifically granted by the provisions of this act and such incidental powers as shall be necessary to carry on the business of banking within the limitations prescribed by this act.

Eighth. Upon deposit with the Treasurer of the United States of any bonds of the United States in the manner provided by existing law relating to national banks, to receive from the Comptroller of the Currency circulating notes in blank, registered and countersigned as provided by law, equal in amount to the par value of the bonds so deposited, such notes to be issued under the same conditions and provisions of law as relate to the issue of circulating notes of national banks secured by bonds of the United States bearing the circulating privilege, except that the issue of such notes shall not be limited to the capital stock of such Federal reserve bank.

But no Federal reserve bank shall transact any business except such as is incidental and necessarily preliminary to its organization until it has been authorized by the Comptroller of the Currency to commence business under the provisions of this act

Every Federal reserve bank shall be conducted under the supervision and control of a board of directors.

The board of directors shall perform the duties usually appertaining to the office of directors of banking associations and all such duties as are prescribed by law.

Said board shall administer the affairs of said bank fairly and impartially and without discrimination in favor of or against any member bank or banks and shall, subject to the provisions of law and the orders of the Federal reserve board, extend to each member bank such discounts, advancements and accommodations as may be safely and reasonably made with due regard for the claims and demands of other member banks.

Such board of directors shall be selected as hereinafter specified and shall consist of nine members, holding office for three years, and divided into three classes, designated as classes A, B, and C.

Class A shall consist of three members, who shall be chosen

by and be representative of the stock-holding banks.

Class B shall consist of three members, who at the time of their election shall be actively engaged in their district in com-

merce, agriculture or some other industrial pursuit.

Class C shall consist of three members who shall be designated by the Federal reserve board. When the necessary subscriptions to the capital stock have been obtained for the organization of any Federal reserve bank, the Federal reserve board shall appoint the class C directors and shall designate one of such directors as chairman of the board to be selected. Pending the designation of such chairman, the organization committee shall exercise the powers and duties appertaining to

serve bank.

No Senator or Representative in Congress shall be a member of the Federal reserve board or an officer or a director of a Federal reserve bank.

the office of chairman in the organization of such Federal re-

No director of class B shall be an officer, director, or em-

ployee of any bank.

No director of class C shall be an officer, director, employee, or stockholder of any bank.

Directors of class A and class B shall be chosen in the fol-

lowing manner:

The chairman of the board of directors of the Federal reserve bank of the district in which the bank is situated or, pending the appointment of such chairman, the organization committee shall classify the member banks of the district into three general groups or divisions. Each group shall contain as nearly as may be one-third of the aggregate number of the member banks of the district and shall consist, as nearly as may be, of banks of similar capitalization. The groups shall be designated by number by the chairman.

At a regularly called meeting of the board of directors of each member bank in the district it shall elect by ballot a district reserve elector and shall certify his name to the chairman of the board of directors of the Federal reserve bank of the district. The chairman shall make lists of the district reserve electors thus named by banks in each of the aforesaid three groups and shall transmit one list to each elector in each group.

Each member bank shall be permitted to nominate to the chairman one candidate for director of class A and one candidate for director of class B. The candidates so nominated shall be listed by the chairman, indicating by whom nominated, and a copy of said list shall, within 15 days after its completion, be furnished by the chairman to each elector.

Every elector shall, within 15 days after the receipt of the said list, certify to the chairman his first, second, and other choices of a director of class A and class B, respectively, upon a preferential ballot, on a form furnished by the chairman of the board of directors of the Federal reserve bank of the district. Each elector shall make a cross opposite the name of the first, second, and other choices for a director of class A and for a director of class B, but shall not vote more than one choice for any one candidate.

Any candidate having a majority of all votes cast in the column of first choice shall be declared elected. If no candidate have a majority of all the votes in the first column, then there shall be added together the votes cast by the electors for such candidates in the second column and the votes cast for the several candidates in the first column. If any candidate then have a majority of the electors voting, by adding together the first and second choices, he shall be declared elected. If no candidate have a majority of electors voting when the first and second choices shall have been added, then the votes cast in the third column for other choices shall be added together in like manner, and the candidate then having the highest number of votes shall be declared elected. An immediate report of election shall be declared.

Class C directors shall be appointed by the Federal reserve board. They shall have been for at least two years residents of the district for which they are appointed, one of whom shall be designated by said board as chairman of the board of directors of the Federal reserve bank and as "Federal reserve bank."

agent." He shall be a person of tested banking experience; and in addition to his duties as chairman of the board of directors of the Federal reserve bank he shall be required to maintain under regulations to be established by the Federal reserve board a local office of said board on the premises of the Federal reserve bank. He shall make regular reports to the Federal reserve board, and shall act as its official representative for the performance of the functions conferred upon it by this act. He shall receive an annual compensation to be fixed by the Federal reserve board and paid monthly by the Federal reserve bank to which he is designated. One of the directors of class C. who shall be a person of tested banking experience, shall be appointed by the Federal reserve board as deputy chairman and deputy Federal reserve agent to exercise the powers of the chairman of the board and Federal reserve agent in case of absence or disability of his principal.

Directors of Federal reserve banks shall receive, in addition to any compensation otherwise provided, a reasonable allowance for necessary expenses in attending meetings of their respective boards, which amount shall be paid by the respective Federal reserve banks. Any compensation that may be provided by boards of directors of Federal reserve banks for directors, officers or employees shall be subject to the approval of the Federal

reserve board.

The reserve bank organization committee may, in organizing Federal reserve banks, call such meetings of bank directors in the several districts as may be necessary to carry out the purposes of this act, and may exercise the functions herein conferred upon the chairman of the board of directors of each Federal reserve bank pending the complete organization of such bank.

At the first meeting of the full board of directors of each Federal reserve bank, it shall be the duty of the directors of classes A, B and C, respectively, to designate one of the members of each class whose term of office shall expire in one year from the 1st of January nearest to date of such meeting, one whose term of office shall expire at the end of two years from said date, and one whose term of office shall expire at the end of three years from said date. Thereafter every director of a Federal reserve bank chosen as hereinbefore provided shall hold office for a term of three years. Vacancies that may occur in the several classes of directors of Federal reserve banks may be filled in the manner provided for the original selection of such directors, such appointees to hold office for the unexpired terms of their predecessors.

STOCK ISSUES; INCREASE AND DECREASE OF CAPITAL.

SEC. 5. The capital stock of each Federal reserve bank shall be divided into shares of \$100 each. The outstanding capital stock shall be increased from time to time as member banks increase their capital stock and surplus or as additional banks become members, and may be decreased as member banks reduce their capital stock or surplus or cease to be members. Shares of the capital stock of Federal reserve banks owned by member banks shall not be transferred or hypothecated. When a member bank increases its capital stock or surplus, it shall thereupon subscribe for an additional amount of capital stock of the Federal reserve bank of its district equal to 6 per cent of the said increase, one-half of said subscription to be paid in the manner hereinbefore provided for original subscription, and one-half subject to call of the Federal reserve board. A bank applying for stock in a Federal reserve bank at any time after the organization thereof must subscribe for an amount of the capital stock of the Federal reserve bank equal to 6 per cent of the paid-up capital stock and surplus of said applicant bank, paying therefor its par value plus one-half of 1 per cent a month from the period of the last dividend. When the capital stock of any Federal reserve bank shall have been increased either on account of the increase of capital stock of member banks or on account of the increase in the number of member banks, the board of directors shall cause to be executed a certificate to the Comptroller of the Currency showing the increase in capital stock, the amount paid in, and by whom paid. When a member bank reduces its capital stock it shall surrender a proportionate amount of its holdings in the capital of said Federal reserve bank, and when a member bank voluntarily liquidates it shall surrender all of its holdings of the capital stock of said Federal reserve bank and be released from its stock subscription not previously called. In either case the shares surrendered shall be canceled and the member bank shall receive in payment therefor, under regulations to be prescribed by the Federal reserve board, a sum equal to its cash-paid subscriptions on the shares surrendered and one-half of 1 per cent a month from the period of the last dividend, not to exceed the book value thereof, less any liability of such member bank to the Federal reserve Sec. 6. If any member bank shall be declared insolvent and a receiver appointed therefor, the stock held by it in said Federal reserve bank shall be canceled, without impairment of its liability, and all cash-paid subscriptions on said stock, with one-half of 1 per cent per month from the period of last dividend, not to exceed the book value thereof, shall be first applied to all debts of the insolvent member bank to the Federal reserve bank, and the balance, if any, shall be paid to the receiver of the insolvent bank. Whenever the capital stock of a Federal reserve bank is reduced, either on account of a reduction in capital stock of any member bank or of the liquidation or insolvency of such bank, the board of directors shall cause to be executed a certificate to the Comptroller of the Currency showing such reduction of capital stock and the amount repaid to such bank.

DIVISION OF EARNINGS.

Sec. 7. After all necessary expenses of a Federal reserve bank have been paid or provided for, the stockholders shall be entitled to receive an annual dividend of 6 per cent on the paid-in capital stock, which dividend shall be cumulative. After the aforesaid dividend claims have been fully met, all the net earnings shall be paid to the United States as a franchise tax, except that one-half of such net earnings shall be paid into a surplus fund until it shall amount to 40 per cent of the paid-in capital stock of such bank.

The net earnings derived by the United States from Federal reserve banks shall, in the discretion of the Secretary, be used to supplement the gold reserve held against outstanding United States notes, or shall be applied to the reduction of the outstanding bonded indebtedness of the United States under regulations to be prescribed by the Secretary of the Treasury. Should a Federal reserve bank be dissolved or go into liquidation, any surplus remaining, after the payment of all debts, dividend requirements as hereinbefore provided, and the par value of the stock, shall be paid to and become the property of the United States and shall be similarly applied.

Federal reserve banks, including the capital stock and surplus therein, and the income derived therefrom shall be exempt from Federal, State, and local taxation, except taxes upon real

SEC. 8. Section 5154, United States Revised Statutes, is hereby amended to read as follows:

Any bank incorporated by special law of any State or of the United States or organized under the general laws of any State or of the United States and having an unimpaired capital sufficient to entitle it to become a national banking association under the provisions of the existing laws may, by the vote of the shareholders owning not less than 51 per cent of the capital stock of such bank or banking association, with the approval of the Comptroller of the Currency be converted into a national banking association, with any name approved by the Comptroller of the Currency: Provided, however, That said conversion shall not be in contravention of the State law. case the articles of association and organization certificate may be executed by a majority of the directors of the bank or banking institution, and the certificate shall declare that the owners of 51 per cent of the capital stock have authorized the directors to make such certificate and to change or convert the bank or banking institution into a national association. A majority of the directors, after executing the articles of association and the organization certificate, shall have power to execute all other papers and to do whatever may be required to make its organization perfect and complete as a national association. shares of any such bank may continue to be for the same amount each as they were before the conversion, and the directors may continue to be directors of the association until others are elected or appointed in accordance with the provisions of the statutes of the United States. When the comptroller has given to such bank or banking association a certificate that the provisions of this act have been complied with, such bank or banking association, and all its stockholders, officers, and employees, shall have the same powers and privileges, and shall be subject to the same duties, liabilities, and regulations, in all respects, as shall have been prescribed by the Federal reserve act and by the national banking act for associations originally organized as national banking associations.

STATE BANKS AS MEMBERS.

SEC. 9. Any bank incorporated by special law of any State, or organized under the general laws of any State or of the United States, may make application to the reserve bank organization committee, pending organization, and thereafter to the Federal reserve board for the right to subscribe to the stock of the Federal reserve bank organized or to be organized within the Federal reserve district where the applicant is located. The organization committee or the Federal reserve board, under such rules

and regulations as it may prescribe, subject to the provisions of this section, may permit the applying bank to become a stockholder in the Federal reserve bank of the district in which the applying bank is located. Whenever the organization committee or the Federal reserve board shall permit the applying bank to become a stockholder in the Federal reserve bank of the district, stock shall be issued and paid for under the rules and regulations in this act provided for national banks which become stockholders in Federal reserve banks.

The organization committee or the Federal reserve board shall establish by-laws for the general government of its conduct in acting upon applications made by the State banks and banking associations and trust companies for stock ownership in Federal reserve banks. Such by-laws shall require applying banks not organized under Federal law to comply with the reserve and capital requirements and to submit to the examination and regulations prescribed by the organization committee or by the Federal reserve board. No applying bank shall be admitted to membership in a Federal reserve bank unless it possesses a paid-up unimpaired capital sufficient to entitle it to become a national banking association in the place where it is situated, under the provisions of the national banking act.

Any bank becoming a member of a Federal reserve bank under the provisions of this section shall, in addition to the regulations and restrictions hereinbefore provided, be required to conform to the provisions of law imposed on the national banks respectin; the limitation of liability which may be incurred by any person, firm, or corporation to such banks, the prohibition against making purchase of or loans on stock of such banks, and the withdrawal or impairment of capital, or the payment of unearned dividends, and to such rules and regulations as the Federal reserve board may, in pursuance thereof, prescribe.

Such banks, and the officers, agents, and employees thereof,

Such banks, and the officers, agents, and employees thereof, shall also be subject to the provisions of and to the penalties prescribed by sections 5198, 5200, 5201, and 5208, and 5209 of the Revised Statutes. The member banks shall also be required to make reports of the conditions and of the payments of dividends to the comptroller, as provided in sections 5211 and 5212 of the Revised Statutes, and shall be subject to the penalties prescribed by section 5213 for the failure to make such report.

If at any time it shall appear to the Federal reserve board that a member bank has failed to comply with the provisions of this section or the regulations of the Federal reserve board, it shall be within the power of the said board, after hearing, to require such bank to surrender its stock in the Federal reserve bank; upon such surrender the Federal reserve bank shall pay the cash-paid subscriptions to the said stock with interest at the rate of one-half of 1 per cent per month, computed from the last dividend, if earned, not to exceed the book value thereof, less any liability to said Federal reserve bank, except the subscription liability not previously called, which shall be canceled, and said Federal reserve bank shall, upon notice from the Federal reserve board, be required to suspend said bank from further privileges of membership, and shall within 30 days of such notice cancel and retire its stock and make payment therefore in the manner berein provided. The Federal reserve board may restore membership upon due proof of compliance with the conditions imposed by this section,

FEDERAL RESERVE BOARD.

SEC. 10. A Federal reserve board is hereby created which shall consist of seven members, including the Secretary of the Treasury and the Comptroller of the Currency, members ex officio, and five members appointed by the President of the United States, by and with the advice and consent of the Senate. In selecting the five appointive members of the Federal reserve board, not more than one of whom shall be selected from any one Federal reserve district, the President shall have due regard to a fair representation of the different commercial, industrial and geographical divisions of the coun-The five members of the Federal reserve board appointed by the President and confirmed as aforesaid shall devote their entire time to the business of the Federal reserve board and shall each receive an annual salary of \$12,000, payable monthly together with actual necessary traveling expenses, and Comptroller of the Currency, as ex officio member of the Federal reserve board, shall, in addition to the salary now paid him as Comptroller of the Currency, receive the sum of \$7,000 annually for his services as a member of said board.

The members of said board, the Secretary of the Treasury, the Assistant Secretaries of the Treasury, and the Comptroller of the Currency shall be ineligible during the time they are in office and for 2 years thereafter to hold any office, position, or employment in any member bank. Of the five members thus appointed by the President at least two shall be persons expe-

rienced in banking or finance. One shall be designated by the President to serve for 2, one for 4, one for 6, one for 8, and one for 10 years, and thereafter each member so appointed shall serve for a term of 10 years unless sooner removed for cause by the President. Of the five persons thus appointed, one shall be designated by the President as governor and one as vice governor of the Federal reserve board. The governor of the Federal reserve board, subject to its supervision, shall be the active executive officer. The Secretary of the Treasury may assign offices in the Department of the Treasury for the use of the Federal reserve board. Each member of the Federal reserve board shall within 15 days after notice of appointment make and subscribe to the oath of office.

The Federal reserve board shall have power to levy semiannually upon the Federal reserve banks, in proportion to their capital stock and surplus, an assessment sufficient to pay its estimated expenses and the salaries of its members and employees for the half year succeeding the levying of such assessment, together with any deficit carried forward from the pre-

ceding half year.

The first meeting of the Federal reserve board shall be held in Washington, D. C., as soon as may be after the passage of this act, at a date to be fixed by the reserve bank organization The Secretary of the Treasury shall be ex officio chairman of the Federal reserve board. No member of the Federal reserve board shall be an officer or director of any bank, banking institution, trust company, or Federal reserve bank nor hold stock in any bank, banking institution, or trust company; and before entering upon his duties as a member of the Federal reserve board he shall certify under oath to the Secretary of the Treasury that he has complied with this requirement. Whenever a vacancy shall occur, other than by expiration of term, among the five members of the Federal reserve board appointed by the President, as above provided, a successor shall be appointed by the President, with the advice and consent of the Senate, to fill such vacancy, and when appointed he shall hold office for the unexpired term of the member whose place he is selected to fill.

The President shall have power to fill all vacancies that may happen on the Federal reserve board during the recess of the Senate, by granting commissions which shall expire 30 days after

the next session of the Senate convenes.

Nothing in this act contained shall be construed as taking away any powers heretofore vested by law in the Secretary of the Treasury which relate to the supervision, management, and control of the Treasury Department and bureaus under such department, and wherever any power vested by this act in the Federal reserve board or the Federal reserve agent appears to conflict with the powers of the Secretary of the Treasury, such powers shall be exercised subject to the supervision and control of the Secretary.

The Federal reserve board shall annually make a full report of its operations to the Speaker of the House of Representatives, who shall cause the same to be printed for the information of

the Congress

Section 324 of the Revised Statutes of the United States shall be amended so as to read as follows: There shall be in the Department of the Treasury a bureau charged with the execution of all laws passed by Congress relating to the issue and regulation of national currency secured by United States bonds, and, under the general supevision of the Federal reserve board, of all Federal reserve notes, the chief officer of which bureau shall be called the Comptroller of the Currency and shall perform his duties under the general directions of the Secretary of the Treasury.

SEC. 11. The Federal reserve board shall be authorized and

empowered:

(a) To examine at its discretion the accounts, books and affairs of each Federal reserve bank and of each member bank and to require such statements and report; as it may deem necessary. The said board shall publish once each week a statement showing the condition of each Federal reserve bank and a consolidated statement for all Federal reserve banks. Such statements shall show in detail the assets and liabilities of the Federal reserve banks, single and combined, and shall furnish full information regarding the character of the money held as reserve and the amount, nature and maturities of the paper and other investments owned or held by Federal reserve banks. (b) To permit, or, on the affirmative vote of at least five mem-

bers of the reserve board to require Federal reserve banks to rediscount the discounted paper of other Federal reserve banks at rates of interest to be fixed by the Federal reserve board.

(c) To suspend for a period not exceeding 30 days, and from time to time to renew such suspension for periods not exceeding 15 days, any reserve requirement specified in this act: Pro-

vided, That it shall establish a graduated tax upon the amounts by which the reserve requirements of this act may be permitted to fall below the level hereinafter specified: And provided further, That when the gold reserve held against Federal reserve notes falls below 40 per cent, the Federal reserve board shall establish a graduated tax of not more than 1 per cent per annum upon such deficiency until the reserves fall to 321 per cent. and when said reserve falls below 32½ per cent, a tax at the rate increasingly of not less than 1½ per cent per annum upon each 2½ per cent or fraction thereof that such reserve falls below 32½ per cent. The tax shall be paid by the reserve bank, but the reserve bank shall add an amount equal to said tax to the rates of interest and discount fixed by the Federal reserve board.

(d) To supervise and regulate through the bureau under the charge of the Comptroller of the Currency the issue and retirement of Federal reserve notes, and to prescribe rules and regulations under which such notes may be delivered by the comptroller to the Federal reserve agents applying therefor.

(e) To add to the number of cities classified as reserve and central reserve cities under existing law in which national banking associations are subject to the reserve requirements set forth in section 20 of this act; or to reclassify existing reserve and central reserve cities or to terminate their designation as such.

(f) To suspend or remove any officer or director of any Federal reserve bank, the cause of such removal to be forthwith communicated in writing by the Federal reserve board to the removed officer or director and to said bank.

(g) To require the writing off of doubtful or worthless assets upon the books and balance sheets of Federal reserve banks.

(h) To suspend, for the violation of any of the provisions of this act, the operations of any Federal reserve bank, to take possession thereof, administer the same during the period of suspension, and, when deemed advisable, to liquidate or reorganize such bank.

(i) To require bonds of Federal reserve agents, to make regulations for the safeguarding of all collateral, bonds, Federal reserve notes, money or property of any kind deposited in the hands of such agents, and said board shall perform the duties, functions, or services specified in this act, and make all rules and regulations necessary to enable said board effectively to perform the same.

(j) To exercise general supervision over said Federal reserve banks.

(k) To grant by special permit to national banks applying therefor, when not in contravention of State or local law, the right to act as trustee, executor, administrator, or registrar of stocks and bonds under such rules and regulations as the said board may prescribe.

(1) To employ such attorneys, experts, assistants, clerks, or other employees as may be deemed necessary to conduct the business of the board. All salaries and fees shall be fixed in advance by said board and shall be paid in the same manner as the salaries of the members of said board. All such attorneys, experts, assistants, clerks, and other employees shall be appointed without regard to the provisions of the act of January 16, 1883 (vol. 22, U. S. Stat. L., p. 403), and amendments thereto, or any rule or regulation made in pursuance thereof: *Provided*, That nothing herein shall prevent the President from placing said employees in the classified service.

FEDERAL ADVISORY COUNCIL.

SEC. 12. There is hereby created a Federal advisory council, which shall consist of as many members as there are Federal reserve districts. Each Federal reserve bank by its board of directors shall annually select from its own Federal reserve district one member of said council, who shall receive such compensation and allowances as may be fixed by his board of directors subject to the approval of the Federal reserve board. The meetings of said advisory council shall be held at Washington, D. C., at least four times each year, and oftener if called by the Federal reserve board. The council may in addition to the meetings above provided for hold such other meetings in Washington, D. C., or elsewhere, as it may deem necessary, may select its own officers and adopt its own methods of procedure, and a majority of its members shall constitute a quorum for the transaction of business. Vacancies in the council shall be filled by the respective reserve banks, and members selected to

The Federal advisory council shall have power, by itself or through its officers, (1) to confer directly with the Federal reserve board on general business conditions; (2) to make oral or written representations concerning matters within the jurisdiction of said board; (3) to call for information and to make recommendations in regard to discount rates, rediscount business, note issues, reserve conditions in the various districts, the purchase and sale of gold or securities by reserve banks, openmarket operations by said banks, and the general affairs of the reserve banking system.

POWERS OF FEDERAL RESERVE BANKS.

Sec. 13. Any Federal reserve bank may receive from any of its member banks, and from the United States, deposits of current funds in lawful money, national-bank notes, Federal reserve notes, or checks and drafts upon solvent member banks, payable upon presentation; or, solely for exchange purposes, may receive from other Federal reserve banks deposits of current funds in lawful money, national-bank notes, or checks and drafts upon solvent member or other Federal reserve banks.

payable upon presentation.

Upon the indorsement of any of its member banks, with a waiver of demand, notice and protest by such bank, any Federal reserve bank may discount notes, drafts, and bills of exchange arising out of actual commercial transactions; that is, notes, drafts, and bills of exchange issued or drawn for agricultural, industrial, or commercial purposes, or the proceeds of which have been used, or are to be used, for such purposes, the Federal reserve board to have the right to determine or define the character of the paper thus eligible for discount, within the meaning of this act. Nothing in this act contained shall be construed to prohibit such notes, drafts, and bills of exchange, secured by staple agricultural products, or other goods, wares, or merchandise from being eligible for such discount; but such definition shall not include notes, drafts, or bills covering merely investments or issued or drawn for the purpose of carrying or trading in stocks, bonds, or other investment securities, except bonds and notes of the Government of the United States. Notes, drafts, and bills admitted to discount under the terms of this paragraph must have a maturity at the time of discount of not more than 90 days: Provided, That notes, drafts, and bills drawn or issued for agricultural purposes or based on live stock and having a maturity not exceeding six months may be discounted in an amount to be limited to a percentage of the capital of the Federal reserve bank, to be ascertained and fixed by the Federal reserve board.

Any Federal reserve bank may discount acceptances which are based on the importation or exportation of goods and which have a maturity at time of discount of not more than three months, and indorsed by at least one member bank. The amount of acceptances so discounted shall at no time exceed one-half the paid-up capital stock and surplus of the bank for

which the rediscounts are made,

The aggregate of such notes and bills bearing the signature or indorsement of any one person, company, firm, or corporation rediscounted for any one bank shall at no time exceed 10 per cent of the unimpaired capital and surplus of said bank; but this restriction shall not apply to the discount of bills of exchange drawn in good faith against actually existing values.

Any member bank may accept drafts or bills of exchange drawn upon it and growing out of transactions involving the importation or exportation of goods having not more than six months sight to run; but no bank shall accept such bills to an amount equal at any time in the aggregate to more than one-

half its paid-up capital stock and surplus.

Section 5202 of the Revised Statutes of the United States is hereby amended so as to read as follows: No national banking association shall at any time be indebted, or in any way liable, to an amount exceeding the amount of its capital stock at such time actually paid in and remaining undiminished by losses or otherwise, except on account of demands of the nature following: First. Notes of circulation,

Second. Moneys deposited with or collected by the asso-

ciation.

Third. Bills of exchange or drafts drawn against money actually on deposit to the credit of the association, or due thereto.

Fourth. Liabilities to the stockholders of the association for dividends and reserve profits.

Fifth. Liabilities incurred under the provisions of the Federal reserve act,

The rediscount by any Federal reserve bank of any bills receivable and of domestic and foreign bills of exchange, and of acceptances authorized by this act, shall be subject to such restrictions, limitations, and regulations as may be imposed by the Federal reserve board.

OPEN-MARKET OPERATIONS.

SEC. 14. Any Federal reserve bank may, under rules and regulations prescribed by the Federal reserve board, purchase and sell in the open market, at home or abroad, either from or to domestic or foreign banks, firms, corporations, or individuals,

cable transfers and bankers' acceptances and bills of exchange of the kinds and maturities by this act made eligible for rediscount, with or without the indorsement of a member bank.

Every Federal reserve bank shall have power:

(a) To deal in gold coin and bullion at home or abroad, to make loans thereon, exchange Federal reserve notes for gold, gold coin, or gold certificates, and to contract for loans of gold coin or bullion, giving therefor, when necessary, acceptable security, including the hypothecation of United States bonds or other securities which Federal reserve banks are authorized to hold:

(b) To buy and seil, at home or abroad, bonds and notes of the United States, and bills, notes, revenue bonds, and warrants with a maturity from date of purchase of not exceeding six months, issued in anticipation of the collection of taxes or in anticipation of the receipt of assured revenues by any State, county, district, political subdivision, or municipality in the continental United States, including irrigation, drainage and reclamation districts, such purchases to be made in accordance with rules and regulations prescribed by the Federal reserve board;

rules and regulations prescribed by the Federal reserve board;
(c) To purchase from member banks and to sell, with or without its indorsement, bills of exchange arising out of com-

mercial transactions, as hereinbefore defined;

(d) To establish from time to time, subject to review and determination of the Federal reserve board, rates of discount to be charged by the Federal reserve bank for each class of paper, which shall be fixed with a view of accommodating commerce and business:

(e) To establish accounts with other Federal reserve banks for exchange purposes and, with the consent of the Federal reserve board, to open and maintain banking accounts in foreign countries, appoint correspondents, and establish agencies in such countries wheresoever it may deem best for the purpose of purchasing, selling, and collecting bills of exchange, and to buy and sell with or without its indorsement, through such correspondents or agencies, bills of exchange arising out of actual commercial transactions which have not more than 90 days to run and which bear the signature of two or more responsible parties.

GOVERNMENT DEPOSITS.

SEC. 15. The moneys held in the general fund of the Treasury, except the 5 per cent fund for the redemption of outstanding national-bank notes and the funds provided in this act for the redemption of Federal reserve notes may, upon the direction of the Secretary of the Treasury, be deposited in Federal reserve banks, which banks, when required by the Secretary of the Treasury, shall act as fiscal agents of the United States; and the revenues of the Government or any part thereof may be deposited in such banks and disbursements may be made by checks drawn against such deposits.

No public funds of the Philippine Islands, or of the postal savings, or any Government funds, shall be deposited in the continental United States in any bank not belonging to the system established by this act: Provided, however, That nothing in this act shall be construed to deny the right of the Secretary of the

Treasury to use member banks as depositories.

NOTE ISSUES.

SEC. 16. Federal reserve notes, to be issued at the discretion of the Federal reserve board for the purpose of making advances to Federal reserve banks through the Federal reserve agents as hereinafter set forth and for no other purpose, are hereby authorized. The said notes shall be obligations of the United States and shall be receivable by all national and member banks and Federal reserve banks and for all taxes, customs, and other public dues. They shall be redeemed in gold on demand at the Treasury Department of the United States, in the city of Washington, D. C., or in gold or lawful money at any Federal reserve bank.

Any Federal reserve bank may make application to the local Federal reserve agent for such amount of the Federal reserve notes hereinbefore provided for as it may require. Such application shall be accompanied with a tender to the local Federal reserve agent of collateral in amount equal to the sum of the Federal reserve notes thus applied for and issued pursuant to such application. The collateral security thus offered shall be notes and bills, accepted for rediscount under the provisions of section 13 of this act, and the Federal reserve agent shall each day notify the Federal reserve board of all issues and withdrawals of Federal reserve notes to and by the Federal reserve bank to which he is accredited. The said Federal reserve board may at any time call upon a Federal reserve bank for additional security to protect the Federal reserve notes issued to it.

Every Federal reserve bank shall maintain reserves in gold or lawful money of not less than 35 per cent against its deposits and reserves in gold of not less than 40 per cent against its Federal reserve notes in actual circulation, and not offset by gold or lawful money deposited with the Federal reserve agent. Notes so paid out shall bear upon their faces a distinctive letter and serial number, which shall be assigned by the Federal reserve board to each Federal reserve bank. Whenever Federal reserve notes issued through one Federal reserve bank shall be received by another Federal reserve bank they shall be promptly returned for credit or redemption to the Federal reserve bank though which they were originally issued. No Federal reserve bank shall pay out notes issued through another under penalty of a tax of 10 per cent upon the face value of notes so paid out. Notes presented for redemption at the Treasury of the United States shall be paid out of the redemption fund and returned to the Federal reserve banks through which they were originally issued, and thereupon such Federal reserve bank shall, upon demand of the Secretary of the Treasury, reimburse such redemption fund in lawful money or, if such Federal reserve notes have been redeemed by the Treasurer in gold or gold certificates, then such funds shall be reimbursed to the extent deemed necessary by the Secretary of the Treasury in gold or gold certificates. and such Federal reserve bank shall, so long as any of its Federal reserve notes remain outstanding, maintain with the Treasurer in gold an amount sufficient in the judgment of the Secretary to provide for all redemptions to be made by the Treasurer. Federal reserve notes received by the Treasury, otherwise than for redemption, may be exchanged for gold out of the redemption fund hereinafter provided and returned to the reserve bank through which they were originally issued, or they may be returned to such bank for the credit of the United States. eral reserve notes unfit for circulation shall be returned by the Federal reserve agents to the Comptroller of the Currency for cancellation and destruction.

The Federal reserve board shall require each Federal reserve bank to maintain on deposit in the Treasury of the United States a sum in gold sufficient in the judgment of the Secretary of the Treasury for the redemption of the Federal reserve notes issued to such bank, but in no event less than 5 per cent; but such deposit of gold shall be counted and included as part of the 40 per cent reserve hereinbefore required. The board shall have the right, acting through the Federal reserve agent, to grant in whole or in part or to reject entirely the application of any Federal reserve bank for Federal reserve notes; but to the extent that such application may be granted the Federal reserve board shall, through its local Federal reserve agent, supply Federal reserve notes to the bank so applying, and such bank shall be charged with the amount of such notes and shall pay such rate of interest on said amount as may be established by the Federal reserve board, and the amount of such Federal reserve notes so issued to any such bank shall, upon delivery, together with such notes of such Federal reserve bank as may be issued under section 18 of this act upon security of United States 2 per cent Government bonds, become a first and paramount lien on all the assets of such bank.

Any Federal reserve bank may at any time reduce its liability for outstanding Federal reserve notes by depositing, with the Federal reserve agent, its Federal reserve notes, gold, gold certificates, or lawful money of the United States. Federal reserve notes so deposited shall not be reissued, except upon compliance with the conditions of an original issue.

The Federal reserve agent shall hold such gold, gold certificates, or lawful money available exclusively for exchange for the outstanding Federal reserve notes when offered by the reserve bank of which he is a director. Upon the request of the Secretary of the Treasury the Federal reserve board shall require the Federal reserve agent to transmit so much of said gold to the Treasury of the United States as may be required for the exclusive purpose of the redemption of such notes.

Any Federal reserve bank may at its discretion withdraw collateral deposited with the local Federal reserve agent for the protection of its Federal reserve notes deposited with it and shall at the same time substitute therefor other like collateral of equal amount with the approval of the Federal reserve agent under regulations to be prescribed by the Federal reserve board.

In order to furnish suitable notes for circulation as Federal reserve notes, the Comptroller of the Currency shall, under the direction of the Secretary of the Treasury, cause plates and dies to be engraved in the best manner to guard against counterfeits and fraudulent alterations, and shall have printed therefrom and numbered such quantities of such notes of the denominations of \$5, \$10, \$20, \$50, \$100, as may be required to supply the Federal reserve banks. Such notes shall be in form and tenor as directed by the Secretary of the Treasury under the

provisions of this act and shall bear the distinctive numbers of the several Federal reserve banks through which they are issued.

When such notes have been prepared, they shall be deposited in the Treasury, or in the subtreasury or mint of the United States nearest the place of business of each Federal reserve bank and shall be held for the use of such bank subject to the order of the Comptroller of the Currency for their delivery, as provided by this act.

The plates and dies to be procured by the Comptroller of the Currency for the printing of such circulating notes shall remain under his control and direction, and the expenses necessarily incurred in executing the laws relating to the procuring of such notes, and all other expenses incidental to their issue and retirement, shall be paid by the Federal reserve banks, and the Federal reserve board shall include in its estimate of expenses levied against the Federal reserve banks a sufficient amount to cover the expenses herein provided for.

The examination of plates, dies, bed pieces, etc., and regulations relating to such examination of plates, dies, etc., of national-bank notes provided for in section 5174 Revised Statutes, is hereby extended to include notes herein provided for.

Any appropriation heretofore made out of the general funds of the Treasury for engraving plates and dies, the purchase of distinctive paper, or to cover any other expense in connection with the printing of national-bank notes or notes provided for by the act of May 30, 1908, and any distinctive paper that may be on hand at the time of the passage of this act may be used in the discretion of the Secretary for the purposes of this act, and should the appropriations heretofore made be insufficient to meet the requirements of this act in addition to circulating notes provided for by existing law, the Secretary is hereby authorized to use so much of any funds in the Treasury not otherwise appropriated for the purpose of furnishing the notes aforesaid: Provided, however, That nothing in this section contained shall be construed as exempting national banks or Federal reserve banks from their liability to reimburse the United States for any expenses incurred in printing and issuing circulating notes.

Every Federal reserve bank shall receive on deposit at par from member banks or from Federal reserve banks checks and drafts drawn upon any of its depositors, and when remitted by a Federal reserve bank, checks and drafts drawn by any depositor in any other Federal reserve bank or member bank upon funds to the credit of said depositor in said reserve bank or member bank. Nothing herein contained shall be construed as prohibiting a member bank from charging its actual expense incurred in collecting and remitting funds, or for exchange sold to its patrons. The Federal reserve bank from its patrons whose checks are cleared through the Federal reserve bank and the charge which may be imposed for the service of clearing or collection rendered by the Federal reserve

The Federal reserve board shall make and promulgate from time to time regulations governing the transfer of funds and charges therefor among Federal reserve banks and their branches, and may at its discretion exercise the functions of a clearing house for such Federal reserve banks, or may designate a Federal reserve bank to exercise such functions, and may also require each such bank to exercise the functions of a clearing house for its member banks.

SEC. 17. So much of the provisions of section 5159 of the Revised Statutes of the United States and section 4 of the act of June 20, 1874, and section 8 of the act of July 12, 1882, and of any other provisions of existing statutes as require that before any national banking association shall be authorized to commence banking business it shall transfer and deliver to the Treasurer of the United States a stated amount of United States registered bonds is hereby repealed.

REFUNDING BONDS.

Sec. 18. After two years from the passage of this act, and at any time during a period of 20 years thereafter, any member bank desiring to retire the whole or any part of its circulating notes, may file with the Treasurer of the United States an application to sell for its account, at par and accrued interest, United States bonds securing circulation to be retired.

The Treasurer shall, at the end of each quarterly period, furnish the Federal reserve board with a list of such applications, and the Federal reserve board may, in its discretion, require the Federal reserve banks to purchase such bonds from the banks whose applications have been filed with the Treasurer at least 10 days before the end of any quarterly period at which the Federal reserve board may direct the purchase to be made: Provided, That Federal reserve banks shall not be permitted to

purchase an amount to exceed \$25,000,000 of such bonds in any one year, and which amount shall include bonds acquired under section 4 of this act by the Federal reserve bank: Provided fur-ther, That the Federal reserve board shall allot to each Federal reserve bank such proportion of such bonds as the capital and surplus of such bank shall bear to the aggregate capital and surplus of all the Federal reserve banks.

Upon notice from the Treasurer of the amount of bonds so sold for its account, each member bank shall duly assign and transfer, in writing, such bonds to the Federal reserve bank purchasing the same, and such Federal reserve bank shall, there-upon, deposit lawful money with the Treasurer of the United States for the purchase price of such bonds, and the Treasurer shall pay to the member bank selling such bonds any balance due after deducting a sufficient sum to redeem its outstanding notes secured by such bonds, which notes shall be canceled and permanently retired when redeemed.

The Federal reserve banks purchasing such bonds shall be permitted to take out an amount of circulating notes equal to

the par value of such bonds.

Upon the deposit with the Treasurer of the United States of bonds so purchased, or any bonds with the circulating privilege acquired under section 4 of this act, any Federal reserve bank making such deposit in the manner provided by existing law, shall be entitled to receive from the Comptroller of the Currency circulating notes in blank, registered and countersigned as provided by law, equal in amount to the par value of the bonds so deposited. Such notes shall be the obligations of the Federal reserve bank procuring the same, and shall be in form prescribed by the Secretary of the Treasury, and to the same tenor and effect as national-bank notes now provided by law. shall be issued and redeemed under the same terms and conditions as national-bank notes except that they shall no be limited to the amount of the capital stock of the Federal reserve

Upon application of any Federal reserve bank, approved by the Federal reserve board, the Secretary of the Treasury may issue, in exchange for United States 2 per cent gold bonds bearing the circulation privilege, but against which no circulation is outstanding, 1-year gold notes of the United States without the circulation privilege, to an amount not to exceed one-half of the 2 per cent bonds so tendered for exchange, and 30-year 3 per cent gold bonds without the circulation privilege for the remainder of the 2 per cent bonds so tendered: Provided, That at the time of such exchange the Federal reserve bank obtaining such 1-year gold notes shall enter into an obligation with Secretary of the Treasury binding itself to purchase from the United States for gold at the maturity of such 1-year notes, an amount equal to those delivered in exchange for such bonds, if so requested by the Secretary, and at each maturity of 1-year notes so purchased by such Federal reserve bank, to purchase from the United States such an amount of 1-year notes as the Secretary may tender to such bank, not to exceed the amount issued to such bank in the first instance, in exchange for the 2 per cent United States gold bonds; said obligation to purchase at maturity such notes shall continue in force for a period not to exceed 30 years.

For the purpose of making the exchange herein provided for, the Secretary of the Treasury is authorized to issue at par Treasury notes in coupon or registered form as he may prescribe in denominations of \$100, or any multiple thereof, bearing interest at the rate of 3 per cent per annum, payable quarterly, such Treasury notes to be payable not more than 1 year from the date of their issue in gold coin of the present standard value, and to be exempt as to principal and interest from the payment of all taxes and duties of the United States except as provided by this act, as well as from taxes in any form by or under State, municipal, or local authorities. And for the same purpose, the Secretary is authorized and empowered to issue United States gold bonds at par, bearing 3 per cent interest payable 30 years from date of issue, such bonds to be of the same general tenor and effect and to be issued under the same general terms and conditions as the United States 3 per cent bonds without the circulation privilege now issued and outstanding.

Upon application of any Federal reserve bank, approved by the Federal reserve board, the Secretary may issue at par such 3 per cent bonds in exchange for the 1-year gold notes herein provided for.

BANK RESERVES.

Sec. 19. Demand deposits within the meaning of this act shall comprise all deposits payable within 30 days, and time deposits shall comprise all deposits payable after 30 days, and all savings accounts and certificates of deposit which are subject to not less than 30 days' notice before payment.

When the Secretary of the Treasury shall have officially announced, in such manner as he may elect, the establishment of Federal reserve bank in any district, every subscribing member bank shall establish and maintain reserves as follows

(a) A bank not in a reserve or central reserve city as now or hereafter defined shall hold and maintain reserves equal to 12 per cent of the aggregate amount of its demand deposits and 5 per cent of its time deposits, as follows:

In its vaults for a period of 36 months after said date fivetwelfths thereof and permanently thereafter four-twelfths.

In the Federal reserve bank of its district, for a period of 12

months after said date, two-twelfths, and for each succeeding 6 months an additional one-twelfth, until five-twelfths have been so deposited, which shall be the amount permanently required.

For a period of 36 months after said date the balance of the reserves may be held in its own vaults, or in the Federal reserve bank, or in national banks in reserve or central reserve cities

as now defined by law.

After said 36 months' period said reserves, other than those hereinbefore required to be held in the vaults of the member bank and in the Federal reserve bank, shall be held in the vaults of the member bank or in the Federal reserve bank, or in both, at the option of the member bank.

(b) A bank in a reserve city, as now or hereafter defined, shall hold and maintain reserves equal to 15 per cent of the aggregate amount of its demand deposits and 5 per cent of its

time deposits, as follows:

In its vaults for a period of 36 months after said date sixfifteenths thereof, and permanently thereafter five-fifteenths.

In the Federal reserve bank of its district for a period of 12 months after the date aforesaid at least three-fifteenths, and for each succeeding 6 months an additional one-fifteenth, until six-fifteenths have been so deposited, which shall be the amount permanently required.

For a period of 36 months after said date the balance of the reserves may be held in its own vaults, or in the Federal reserve bank, or in national banks in reserve or central reserve

cities as now defined by law.

After said 36 months' period all of said reserves, except those hereinbefore required to be held permanently in the vaults of the member bank and in the Federal reserve bank, shall be held in its vaults or in the Federal reserve bank, or in both, at the option of the member bank.

(c) A bank in a central reserve city, as now or hereafter defined, shall hold and maintain a reserve equal to 18 per cent of the aggregate amount of its demand deposits and 5 per cent of its time deposits, as follows

In its vaults six-eighteenths thereof.

In the Federal reserve bank seven-eighteenths.

The balance of said reserves shall be held in its own vaults or in the Federal reserve bank, at its option.

Any Federal reserve bank may receive from the member banks as reserves, not exceeding one-half of each installment, eligible paper as described in section 14 properly indorsed and acceptable to the said reserve bank.

If a State bank or trust company is required by the law of its State to keep its reserves either in its own vaults or with another State bank or trust company, such reserve deposits so kept in such State bank or trust company shall be construed, within the meaning of this section, as if they were reserve deposits in a national bank in a reserve or central reserve city for period of three years after the Secretary of the Treasury shall have officially announced the establishment of a Federal reserve bank in the district in which such State bank or trust company is situate. Except as thus provided, no member bank shall keep on deposit with any nonmember bank a sum in excess of 10 per cent of its own paid-up capital and surplus. No member bank shall act as the medium or agent of a nonmember bank in applying for or receiving discounts from a Federal reserve bank under the provisions of this act except by permission of the Federal reserve board.

The reserve carried by a member bank with a Federal reserve bank may, under the regulations and subject to such penalties as may be prescribed by the Federal reserve board, be checked against and withdrawn by such member bank for the purpose of meeting existing liabilities: Provided, however, That no bank shall at any time make new loans or shall pay any dividends unless and until the total reserve required by law is fully restored.

In estimating the reserves required by this act, the net balance of amounts due to and from other banks shall be taken as the basis for ascertaining the deposits against which reserves shall be determined. Balances in reserve banks due to member banks shall, to the extent herein provided, be counted as reserves.

National banks located in Alaska or outside the continental United States may remain nonmember banks, and shall in that event maintain reserves and comply with all the conditions now provided by law regulating them; or said banks, except in the Philippine Islands, may, with the consent of the reserve board, become member banks of any one of the reserve districts, and shall, in that event, take stock, maintain reserves, and be subject to all the other provisions of this act.

SEC. 20. So much of sections 2 and 3 of the act of June 20, 1874, entitled "An act fixing the amount of United States notes, providing for a redistribution of the national-bank currency and for other purposes," as provides that the fund deposited by any national banking association with the Treasurer of the United States for the redemption of its notes shall be counted as a part of its lawful reserve as provided in the act aforesaid, is hereby repealed. And from and after the passage of this act such fund of 5 per cent shall in no case be counted by any national banking association as a part of its lawful reserve.

BANK EXAMINATIONS.

SEC. 21. Section 5240, United States Revised Statutes, is

amended to read as follows:

The Comptroller of the Currency, with the approval of the Secretary of the Treasury, shall appoint examiners who shall examine every member bank at least twice in each calendar year and oftener if considered necessary: Provided, however, That the Federal reserve board may authorize examination by the State authorities to be accepted in the case of State banks and trust companies and may at any time direct the holding of a special examination of State banks or trust companics that are stockholders in any Federal reserve bank. The examiner making the examination of any national bank, or of any other member bank, shall have power to make a thorough examination of all the affairs of the bank and in doing so he shall have power to administer oaths and to examine any of the officers and agents thereof under oath and shall make a full and detailed report of the condition of said bank to the Comptroller of the Currency.

The Federal reserve board, upon the recommendation of the Comptroller of the Currency, shall fix the salaries of all bank examiners and make report thereof to Congress. The expense of the examinations herein provided for shall be assessed by the Comptroller of the Currency upon the banks examined in proportion to assets or resources held by the banks upon the

dates of examination of the various banks.

In addition to the examinations made and conducted by the Comptroller of the Currency, every Federal reserve bank may, with the approval of the Federal reserve agent or the Federal reserve board, provide for special examination of member banks within its district. The expense of such examinations shall be borne by the bank examined. Such examinations shall be so conducted as to inform the Federal reserve bank of the condition of its member banks and of the lines of credit which are being extended by them. Every Federal reserve bank shall at all times furnish to the Federal reserve board such information as may be demanded concerning the condition of any member bank within the district of the said Federal reserve

No bank shall be subject to any visitatorial powers other than such as are authorized by law, or vested in the courts of justice or such as shall be or shall have been exercised or directed by Congress, or by either House thereof or by any committee of

Congress or of either House duly authorized.

The Federal reserve board shall, at least once each year, order an examination of each Federal reserve bank, and upon joint application of 10 member banks the Federal reserve board shall order a special examination and report of the con-

dition of any Federal reserve bank.

SEC. 22. No member bank or any officer, director, or employee thereof shall hereafter make any loan or grant any gratuity to any bank examiner. Any bank officer, director, or employee violating this provision shall be deemed guilty of a misdemeanor and shall be imprisoned not exceeding one year or fined not more than \$5,000, or both; and may be fined a further sum equal to the money so loaned or gratuity given. Any examiner accepting a loan or gratuity from any bank examined by him or from an officer, director, or employee thereof shall be deemed guilty of a misdemeanor and shall be imprisoned not exceeding one year or fined not more than \$5,000, or both; and may be fined a further sum equal to the money so loaned or gratuity given; and shall forever therebe disqualified from holding office as a national-bank examiner. No national-bank examiner shall perform any other service for compensation while holding such office for any bank or officer, director, or employee thereof.

Other than the usual salary or director's fee paid to any officer, director, or employee of a member bank and other than a reasonable fee paid by said bank to such officer, director, or employee for services rendered to such bank, no officer, director, employee, or attorney of a member bank shall be a beneficiary of or receive, directly or indirectly, any fee, commission, gift, or other consideration for or in connection with any transaction or business of the bank. No examiner, public or private, shall disclose the names of borrowers or the collateral for loans of a member bank to other than the proper officers of such bank without first having obtained the express permission in writing from the Comptroller of the Currency, or from the board of directors of such bank, except when ordered to do so by a court of competent jurisdiction, or by direction of the Congress of the United States, or of either House thereof, or any committee of Congress or of either House duly authorized. Any person violating any provision of this section shall be punished by a fine of not exceeding \$5,000 or by imprisonment not exceeding one year, or both.

Except as provided in existing laws, this provision shall not take effect until 60 days after the passage of this act.

SEC. 23. The stockholders of every national banking association shall be held individually responsible for all contracts, debts, and engagements of such association, each to the amount of his stock therein, at the par value thereof in addition to the amount invested in such stock. The stockholders in any national banking association who shall have transferred their shares or registered the transfer thereof within 60 days next before the date of the failure of such association to meet its obligations, or with knowledge of such impending failure, shall be liable to the same extent as if they had made no such transfer, to the extent that the subsequent transferee fails to meet such liability; but this provision shall not be construed to affect in any way any recourse which such shareholders might otherwise have against those in whose names such shares are registered at the time of such failure.

LOANS ON FARM LANDS.

SEC. 24. Any national banking association not situated in a central reserve city may make loans secured by improved and unencumbered farm land, situated within its Federal reserve district, but no such loan shall be made for a longer time than five years, nor for an amount exceeding 50 per cent of the actual value of the property offered as security. Any such bank may make such loans in an aggregate sum equal to 25 per cent of its capital and surplus or to one-third of its time deposits; and such banks may continue hereafter as heretofore to receive

time deposits and to pay interest on the same.

The Federal reserve board shall have power from time to time to add to the list of cities in which national banks shall not be permitted to make loans secured upon real estate in the

manner described in this section.

FOREIGN BRANCHES.

Sec. 25. Any national banking association possessing a capital and surplus of \$1,000,000 or more may file application with the Federal reserve board, upon such conditions and under such regulations as may be prescribed by the said board, for the purpose of securing authority to establish branches in foreign countries or dependencies of the United States for the furtherance of the foreign commerce of the United States, and to act, if required to do so, as fiscal agents of the United States. Such application shall specify, in addition to the name and capital of the banking association filing it, the place or places where the banking operations proposed are to be carried on, and the amount of capital set aside for the conduct of its foreign business. The Federal reserve board shall have power to approve or to reject such application if, in its judgment, the amount of capital proposed to be set aside for the conduct of foreign business is inadequate, or if for other reasons the granting of such application is deemed inexpedient.

Every national banking association which shall receive authority to establish foreign branches shall be required at all times to furnish information concerning the condition of such branches to the Comptroller of the Currency upon demand, and the Federal reserve board may order special examinations of the said foreign branches at such time or times as it may deem best. Every such national banking association shall conduct the accounts of each foreign branch independently of the accounts of other foreign branches established by it and of its home office, and shall at the end of each fiscal period transfer to its general ledger the profit or loss accruing at each branch as a separate

SEC. 26. All provisions of law inconsistent with or superseded by any of the provisions of this act are to that extent and to that extent only hereby repealed: Provided, Nothing in this act contained shall be construed to repeal the parity provision or provisions contained in an act approved March 14, 1900, entitled "An act to define and fix the standard of value, to maintain the parity of all forms of money issued or coined by the United States, to refund the public debt, and for other purposes," and the Secretary of the Treasury may for the purpose of maintaining such parity and to strengthen the gold reserve, borrow gold on the security of United States bonds authorized by section 2 of the act last referred to or for one-year gold notes bearing interest at a rate of not to exceed 3 per cent per annum, or sell the same if necessary to obtain gold. When the funds of the Treasury on hand justify, he may

purchase and retire such outstanding bonds and notes. Sec. 27. The provisions of the act of May 30, 1908, authorizing. national currency associations, the issue of additional nationalbank circulation, and creating a National Monetary Commission, which expires by limitation under the terms of such act on the 30th day of June, 1914, are hereby extended to June 30, 1915, and sections 5153, 5172, 5191, and 5214 of the Revised Statutes of the United States, which were amended by the act of May 30, 1908, are hereby reenacted to read as such sections read prior to May 30, 1908, subject to such amendments or modifications as are prescribed in this act: Provided, however, That section 9 of the act first referred to in this section is hereby amended so as to change the tax rates fixed in said act by making the portion applicable thereto read as follows:

National banking associations having circulating notes secured otherwise than by bonds of the United States, shall pay for the first three months a tax at the rate of 3 per cent per annum upon the average amount of such of their notes in circulation as are based upon the deposit of such securities, and afterwards an additional tax rate of one-half of 1 per cent per annum for each month until a tax of 6 per cent per annum is reached, and thereafter such tax of 6 per cent per annum upon

the average amount of such notes.

SEC. 28. Section 5143 of the Revised Statutes is hereby amended and reenacted to read as follows: Any association formed under this title may, by the vote of shareholders owning two-thirds of its capital stock, reduce its capital to any sum not below the amount required by this title to authorize the formation of associations; but no such reduction shall be allowable which will reduce the capital of the association below the amount required for its outstanding circulation, nor shall any reduction be made until the amount of the proposed reduction has been reported to the Comptroller of the Currency and such reduction has been approved by the said Comptroller of the Currency and by the Federal reserve board, or by the organization committee pending the organization of the Federal reserve

Sec. 29. If any clause, sentence, paragraph, or part of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered.

SEC. 30. The right to amend, alter, or repeal this act is

hereby expressly reserved.

ROBT. L. OWEN, J. A. O'GORMAN, JAS. A. REED, ATLEE POMERENE, J. F. SHAFROTH, HENRY F. HOLLIS,

Managers on the part of the Senate. CARTER GLASS, CHARLES A. KORBLY, Managers on the part of the House.

Mr. OWEN. I ask that the report lie on the table and be

The VICE PRESIDENT. The report will lie on the table and be printed.

PECESS.

Mr. KERN. Mr. President, I move that the Senate take a

recess until 9 o'clock this evening.
The motion was agreed to, and (at 5 o'clock and 45 minutes p. m.) the Senate took a recess until 9 o'clock p. m.

EVENING SESSION.

The Senate reassembled at 9 o'clock p. m. EXECUTIVE SESSION.

Mr. OVERMAN. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 37 minutes spent in executive session the doors were reopened.

MISSISSIPPI RIVER FLOODS.

Mr. VARDAMAN. I have taken from the report of the Mississippi River Commission for 1912 a description of the flood of 1912 of the Mississippi River, the changes made in the river bed, the outlets, levees, and flood losses, which I desire to have printed as a public document. I ask that the article be referred to the Committee on Printing with the request.

The VICE PRESIDENT. If there be no objection, that action

will be taken.

BANKING AND CURRENCY.

Mr. GALLINGER. Mr. President, I should like to inquire of the chairman of the Banking and Currency Committee as to the probability that the conference report on the currency bill will reach the Senate this evening, and at what hour.

Mr. OWEN. The conference report should reach the Senate

between 10 and 11 o'clock.

Mr. GALLINGER. Then, I will venture to inquire further, if the Senator is at liberty to state, what the procedure probably will be. Will the report go over until to-morrow?

Mr. OWEN. We should like to have a unanimous

We should like to have a unanimous-consent agreement to dispose of the matter at some convenient hour to-

morrow-say, at 12 o'clock or at 1 or 2.

Mr. GALLINGER. I was thinking of my own comfort in making the inquiry. I assumed, without having had a consultation with any other Senator, that the report would not be seriously taken up for discussion this evening.

Mr. OWEN. Not unless the unanimous consent is refused. Mr. GALLINGER. I imagine it will not be refused. I can hardly conceive of its being refused, provided satisfactory arrangements can be made for proper debate, which doubtless

Mr. OWEN. I ask for unanimous consent to dispose of the conference report on the currency bill by a vote at 2 o'clock to-morrow

Mr. WILLIAMS. Meeting at 10 o'clock and beginning to

vote at 2 o'clock?

Mr. OWEN. Beginning at 10 o'clock to-morrow morning, and having the final vote at 2.

Mr. GALLINGER. Would the Senator make it not later

Mr. OWEN. We are willing to give three-fourths of the four hours to the opposition, leaving the time to be controlled by the Senator from Minnesota [Mr. Nelson], who is the senior Republican conferee.

Mr. GALLINGER. I somewhat question the propriety of adopting the methods of the other House, and dividing up time. I somewhat question the propriety of

Still, I shall not object.

Mr. OWEN. We can have a gentlemen's agreement without

any record of the matter.

Mr. GALLINGER. That is right; without having it stated in the agreement. The Senator will make it not later than 2 o'clock?

Mr. OWEN. Not later than 2 o'clock.

Mr. GALLINGER. I hope consent will be granted.

Mr. THOMAS. Mr. President, do I understand that that divides the time so that only 1 hour will be taken on this side, and 3 hours on the other side?

Mr. GALLINGER. I should object if that were to go into the unanimous-consent agreement, as a part of it; but it seems to me the chairman can arrange that matter with the other members of the conference committee.

Mr. THOMAS. I would suggest 4 o'clock to-morrow after-noon, instead of 2 o'clock. ["No!" "No!"]

Mr. JAMES. Our train leaves here at 3 o'clock. Mr. THOMAS. I am not going to take any train. worrying about the train myself. I have been here all summer. I do not think this report should go through without some debate from some of us on this side who are not satisfied

Mr. BRISTOW. I desire to say that in the preliminary conferences that have been had in the Chamber during the last hour I suggested that we should vote not later than 4 o'clock to-morrow afternoon. Then it was suggested that that would give six hours for debate, approximately three hours on each side, as the debate would usually run. Then the suggestion was made from the other side that they did not care to occupy much time and that if this side did not want to use that much time the hour of voting might be moved up.

So far as I am concerned, I do not know how much time will

be used. I know that a number of Senators wish to speak, but not at much length. Personally, I should prefer that we meet to-morrow at 10 o'clock and get through as quickly as we can. That would suit me better. If we can get through by 12, we will be through; if we can not, we will go along just as rapidly as possible. That course is always more satisfactory to me, and it would be now, but I am amenable to suggestions.

Mr. OWEN. I suggested that the vote be taken not later than 2 o'clock in order to allow the matter to be concluded at the convenience of the Senate if it should prove to be desirable to take a vote earlier than 2; and I propose meeting at 10 o'clock in the morning, so as to give an abundance of time.

The VICE PRESIDENT. The Secretary will state the pro-

posed agreement.

The Secretary. It is agreed by unanimous consent that on to-morrow, December 23, 1913, immediately upon the approval of the Journal, the Senate will proceed to the consideration of the conference report on the bill (H. R. 7837) to provide for the establishment of Federal reserve banks, etc., and that at not later than 2 o'clock p. m. the Senate will proceed. without further debate, to vote upon the question of the adoption of the said conference report.

Mr. WILLIAMS. That request does not provide for the hour

of meeting.

Mr. KERN. A clause can be added stating that we shall meet at 10 o'clock.

Mr. GALLINGER. We do meet at 10.

The VICE PRESIDENT. It is the understanding of the Chair that the regular hour of meeting is 10 o'clock.

Mr. KERN. But we changed it the other day.

Mr. GALLINGER. We changed it for only one day, however. The VICE PRESIDENT. It was changed for one day, but the understanding of the Chair is that the former order has not yet been set aside. Ten o'clock is the regular time of meeting.

Mr. MARTIN of Virginia. It is easy enough to add at the end of the order as read, "and that the Senate shall meet at 10 o'clock a. m. to-morrow."

The VICE PRESIDENT. Is there any objection to the pro-

posed agreement?

Mr. BRISTOW. Mr. President, I know there is objection to incorporating in the agreement an understanding that this side shall have three hours of the time to debate the subject tomorrow. Subject to that understanding, however, I have no objection to it.

Mr. OWEN. The Senator, in referring to "this side," means those opposed to the report. The Senator from Colorado [Mr. THOMAS] opposes the omission of the provision for guarantee of bank deposits, and would like to be heard.

Mr. CLARK of Wyoming. He is not opposed to the report,

however?

Mr. OWEN. He opposes the omission of that feature.

Mr. CLARK of Wyoming. But he is not opposed to the conference report?

I do not know what his attitude is upon that subject. I understand he is opposed to dropping the provision for the guarantee of bank deposits.

Mr. BRANDEGEE. I should like to have the proposed unani-

mous-consent agreement restated.

The VICE PRESIDENT. The Secretary will restate it.

The Secretary. It is agreed by unanimous consent that on to-morrow, December 23, 1913, the Senate will meet at 10 o'clock a. m.; that immediately upon the approval of the Journal the Senate will proceed to the consideration of the conference report on the bill (H. R. 7837) to provide for the establishment of Federal reserve banks, etc., and that at not later than 2 o'clock p. m. the Senate will proceed without further debate to vote upon the question of the adoption of the said conference report.

The VICE PRESIDENT. Is there any objection?

Mr. BRISTOW. Mr. President, I do not want to agree to that until we have an understanding with regard to the length of the debate. If there is opposition to the report on the other side of the Chamber, I do not want that time to be taken out of the time we shall need on this side. I am willing to agree to an adjournment not later than 4 o'clock, and to get through

with the report as quickly as we can.

Mr. OWEN. I will say that, as far as the chairman of the committee is concerned, he would not ask for more than one

hour of the time for those who are with him.

VICE PRESIDENT. Is there any objection to the unanimous-consent agreement?

Mr. BRISTOW. Mr. President, I temporarily object. I do not wish to make a permanent objection.

Mr. BRANDEGEE. If a little time is given to consider the matter, does not the Senator from Oklahoma think that, by a conference with Senators on his side of the Chamber, he can

give some assurance about the total amount of time they will take?

Mr. OWEN. I can say now that, as far as our side is concerned, a vote at 3 o'clock will allow all the time the Senator from Colorado [Mr. Thomas] will want. I am willing to ask that the hour for voting shall be fixed at 3 o'clock.

Mr. BRANDEGEE. Of course, the Senator from Colorado will not want all the time to be taken by the other side?

Mr. OWEN. No; I hardly think he will, but he is willing to have the vote taken at 3 o'clock.

Mr. JAMES. That will give three hours for the other side.
Mr. BRANDEGEE. The first proposition would have met
favor upon this side, I understand, except that the Senator
from New Hampshire did not like to have a unanimous-consent agreement to an absolute division of time in the Senate.

Mr. OWEN. I understand.

Mr. BRANDEGEE. That aroused the opposition of the Senator from Kansas [Mr. Bristow], because he wanted some assurance that he should have sufficient time to-morrow. If the Senator from Oklahoma could give some assurance about the total amount of time required on the other side, I think the Senator from Kansas might take the assurance without having it incorporated in the unanimous-consent agreement.

Mr. BRISTOW. Yes; I am willing to take the statement of

the chairman of the committee.

Mr. BRANDEGEE. Can not the Senator from Oklahoma, so far as he can control the matter, agree that his side shall not take over two hours out of the five hours, and give this side

Mr. OWEN. The suggestion is made by various Senators who live in the South that unless they can leave the Senate Chamber not later than half past 2 it will cause them a delay of a day; they will not be able to get the train leaving here at 3 o'clock. Can we not meet at 9.30 in the morning?

Mr. WILLIAMS. No; let us meet at 10.

Mr. OWEN. I ask that the agreement be to take a vote not later than half past 2.

Mr. GALLINGER. Yes; try it at half past 2. The VICE PRESIDENT. The Secretary will restate the proposed agreement.

The Secretary. It is agreed by unanimous consent that on to-morrow, December 23, 1913, the Senate will meet at 10 o'clock a. m.; that immediately upon the approval of the Journal the Senate will proceed to the consideration of the conference re-port on the bill (H. R. 7837) to provide for the establishment of Federal reserve banks, etc.; and that at not later than 2.30 o'clock p. m. the Senate will proceed without further debate to vote upon the question of the adoption of the said conference

The VICE PRESIDENT. Is there any objection? The Chair

hears none, and unanimous consent is given.

RECESS.

Mr. KERN. I move that the Senate take a recess until 11.15 o'clock to-night.

The motion was agreed to, and (at 10 o'clock p. m.) the Senate took a recess until 11.15 o'clock p. m., when it reassembled.

PRESIDENTIAL APPROVAL.

A message from the President of the United States, by Mr. Latta, executive clerk, announced that the President had on this day approved and signed an act (S. 2689) amending an act entitled "An act to increase the limit of cost of certain public buildings, to authorize the enlargement, extension, remodeling, or improvement of certain public buildings, to authorize the erection and completion of public buildings, to authorize the purchase of sites for public buildings, and for other purposes, approved March 4, 1913.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7837) to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other pur-

The message also announced that the House had agreed to a concurrent resolution providing that when the two Houses adjourn December 23, 1913, they stand adjourned until 12 o'clock meridian, Monday, January 12, 1914, in which it requested the concurrence of the Senate.

The message further communicated to the Senate the intelligence of the death of Hon. IRVIN ST. CLAIR PEPPER, late a

Representative from the State of Iowa, and transmitted resolutions of the House thereon.

LAWS OF ALASKA.

The VICE PRESIDEN's laid before the Senate the following message from the President of the United States, which was read and, with the accompanying paper, referred to the Committee on Territories:

To the Senate and House of Representatives:

In accordance with section 20 of the act of Congress entitled "An act to create a legislative assembly in the Territory of Alaska, to confer legislative power thereon, and for other purposes," approved August 24, 1912, I transmit herewith a bound volume of the session laws, duly authenticated, containing the acts and resolutions of the first session of the 1913 Territorial Legislature of Alaska.

WOODROW WILSON.

THE WHITE House, December 22, 1913.

HOLIDAY RECESS.

The VICE PRESIDENT laid before the Senate the following concurrent resolution (H. Con. Res. 26) of the House of Representatives, which was read and referred to the Committee on Appropriations:

Resolved by the House of Representatives (the Senate concurring). That when the two Houses adjourn December 23, 1913, they stand adjourned until 12 o'clock meridian on Monday, January 12, 1914.

BANKING AND CURRENCY (S. DOC. NO. 835).

Mr. OWEN. I ask that the conference report on House bill 7837 be printed for the information of the Senate.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION.

Mr. BACON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After eight minutes spent in executive session the doors were reopened, and (at 11 o'clock and 27 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, December 23, 1913, at 10 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate December 22, 1913.

COLLECTORS OF INTERNAL REVENUE.

Fred C. Kirkendall, of Pennsylvania, to be collector of internal revenue for the ninth district of Pennsylvania, in place of Henry

L. Hershey, superseded.

Isaac R. Strouse, of Indiana, to be collector of internal revenue for the seventh district of Indiana, in place of Charles G.

Covert, superseded.

Peter J. Kruyer, of Indiana, to be collector of internal revenue for the sixth district of Indiana, in place of Elam H. Neal, superseded.

PROMOTIONS IN THE ARMY.

INFANTRY ARM.

First Lieut. Morris M. Keck, Twelfth Infantry, to be captain from December 21, 1913, vice Capt. Frank H. Kalde, Eighteenth Infantry, dismissed December 20, 1913.

Second Lieut. George R. Harrison, Twenty-fifth Infantry, to be first lieutenant from December 21, 1913, vice First Lieut. Morris M. Keck, Twelfth Infantry, promoted.

CAVALRY ARM.

Second Lieut. Augustin M. Prentiss, Thirteenth Cavalry, to be second lieutenant in the Coast Artillery Corps, with rank from October 4, 1913.

RECEIVER OF PUBLIC MONEYS.

H. Clay Sharkey, of Jackson, Miss., to be receiver of public moneys at Jackson, Miss., vice Thomas V. McAllister, resigned.

REGISTER OF THE LAND OFFICE.

William F. Cummins, of Yazoo City, Miss., to be register of the land office at Jackson, Miss., vice John J. White, whose term will expire January 5, 1914.

POSTMASTERS.

ALABAMA.

Robert Boyd to be postmaster at Dothan, Ala., in place of Byron Trammell, removed.

Jesse B. Hearin to be postmaster at Demopolis, Aia., in place

of Buckner L. Garber, deceased.

B. L. Perry to be postmaster at Union Springs, Ala., in place of Sterling P. Rainer, resigned.

John C. Routon to be postmaster at Luverne, Ala., in place of James W. McNeill, removed.

Dora A. Speer to be postmaster at Ashland, Ala., in place of James L. Carwile, resigned.

ARIZONA.

A. T. Pancrazi to be postmaster at Yuma, Ariz., in place of Claus Y. Meeden, deceased.

ARKANSAS.

William E. Brown to be postmaster at Nashville, Ark., in place of Edward I. Stevens, removed.

A. B. McKinney to be postmaster at Corning, Ark., in place of Charles T. Bloodworth, resigned.

G. R. Pendleton to be postmaster at Junction City, Ark., in place of Charles L. Jones, removed. H. C. Pernot to be postmaster at Van Buren, Ark., in place of John L. Smith, resigned.

Levi B. Sharp to be postmaster at Black Rock, Ark., in place of S. A. Isaminger, deceased.

CALIFORNIA.

A. G. Sawin to be postmaster at Loyalton, Cal., in place of

G. E. Arnold, resigned.

F. V. Dewey to be postmaster at Hanford, Cal., in place of William A. Long. Incumbent's commission expired December 16, 1913.

E. E. Drees to be postmaster at Petaluma, Cal., in place of James E. Olmsted. Incumbent's commission expired February 4, 1912.

George T. Fissell to be postmaster at Davis, Cal., in place of J. J. Gallager. Incumbent's commission expired January 30, 1913.

Emily Gavin to be postmaster at Concord, Cal., in place of P. M. Soto. Incumbent's commission expired January 26, 1913. T. S. Kemble to be postmaster at Alturas, Cal., in place of

James T. Negley. Incumbent's commission expired December 16, 1913.

R. W. Lockridge to be postmaster at Delano, Cal., in place of Guy S. Turner, deceased.

Flora B. Reynolds to be postmaster at Mill Valley, Cal., in place of Flora B. Reynolds. Incumbent's commission expired March 29, 1913.

Walter Staley to be postmaster at Selma, Cal., in place of George W. Holmes. Incumbent's commission expires January 12 1914.

COLORADO.

E. C. McAnelly to be postmaster at Fort Collins, Colo., in place of Marshall Moore. Incumbent's commission expired February 9, 1913.

Thomas McCunniff to be postmaster at La Jara, Colo., in

place of Mahala E. Mosier, removed.

R. L. Newton to be postmaster at Arvada, Colo., in place of John L. Miller. Incumbent's commission expired December 13,

Christopher C. Wilson to be postmaster at Goldfield. Colo., in place of Alfred W. Flanigan. Incumbent's commission expired December 16, 1913.

Michael H. Walsh to be postmaster at Middleton, Conn., in place of Arthur B. Calef, deceased.

Patrick H. Walsh to be postmaster at New Hartford, Conn., in place of Marie W. Munn. Incumbent's commission expired December 13, 1913.

Camilda A. Woisard to be postmaster at North Grosvenor Dale, Conn. Office became presidential July 1, 1913.

FLORIDA.

Alma P. Carmichael to be postmaster at Melbourne, Fla., in place of Alma P. Martin (name changed by marriage).

Corinne T. Summerlin to be postmaster at Fort Myers, Fla., in place of Isaac E. Foxworthy, removed.

GEORGIA.

Annie Ard to be postmaster at Lumpkin, Ga., in place of Annie Ard. Incumbent's commission expires January 12, 1914. Harvey C. Bunn to be postmaster at Waycross, Ga., in place

of Charles E, Murphy, resigned.

J. H. Cotter to be postmaster at Manchester, Ga., in place of

Ada Winslow, resigned.

Walter R. Harrell to be postmaster at Quitman, Ga., in place of Rutledge A. Griffin, Incumbent's commission expired De-

cember 16, 1913.

Frank S. Murray to be postmaster at Fort Valley, Ga., in place of Max L. James. Incumbent's commission expired December 20, 1918,

J. M. Scott to be postmaster at Bainbridge, Ga., in place of George L. Liverman, resigned.

William W. Webb to be postmaster at Hahira, Ga., in place of William W. Webb. Incumbent's commission expired December 16, 1913.

Edmund Ellsworth, jr., to be postmaster at Rigby, Idaho, in place of Howard L. Hoppes, resigned.

O. H. Marsh to be postmaster at Rupert, Idaho, in place of Watson N. Shilling, resigned.

P. C. O'Malley to be postmaster at Pocatello, Idaho, in place of Francis Ball, resigned.

ILLINOIS.

Gus Blair to be postmaster at Murphysboro, Ill., in place of James A. White, Incumbent's commission expired December 21,

J. H. Carey to be postmaster at Watseka, Ill., in place of B. F. Shankland. Incumbent's commission expired December 16, 1913.

George W. Cress to be postmaster at Washington, Ill., in place of A. H. Heiple. Incumbent's commission expired December 16, 1913.

C. F. Cooke to be postmaster at Ridge Farm, Ill., in place of Eva Y. Hole. Incumbent's commission expired December 16, 1913.

Henry Earle to be postmaster at Hebron, Ill., in place of Edwin A. Mead. Incumbent's commission expired May 13, 1913. Robin Etter to be postmaster at Waverly, Ill., in place of Bruck Reinbach, removed.

William Finley to be postmaster at Hoopestown, Ill., in place

of Charles W. Warner, removed.

Frank B. Huber to be postmaster at Antioch, Ill., in place of Williams. Incumbent's commission expired Decem-Daniel A. ber 20, 1913.

Bernard McManus, jr., to be postmaster at Cairo, Ill., in place of Sidney B. Miller. Incumbent's commission expired December 20, 1913.

M. M. Morrissey to be postmaster at Bloomington, Ill., in place of J. A. Bohrer. Incumbent's commission expired December 21, 1913.

Michael O'Neill to be postmaster at Gilman, Ill., in place of Herrick Houghton. Incumbent's commission expired December 16, 1913.

R. C. Probasco to be postmaster at Sparta, Ill., in place of Alexander B. Sproul, resigned.

Henrietta Rehwald to be postmaster at Altamont, Ill., in

place of John R. Snook, resigned.

J. C. Reuter to be postmaster at Freeburg, Ill., in place of

F. W. Herman, resigned.

Charles D. Rock to be postmaster at Farmer City, Ill., in place of Harry S. Farmer. Incumbent's commission expires January 10, 1914.

Thomas J. Ronin to be postmaster at Sycamore, Ill., in place

of Edward I. Boies, removed.

H. P. Simpson to be postmaster at Rock Island, Ill., in place of Hugh A. J. McDonald. Incumbent's commission expires January 24, 1914.

William W. Sweeney to be postmaster at Fort Sheridan, Ill., in place of Jennie M. De Roo. Incumbent's commission expired June 9, 1913.

D. B. Ulrey to be postmaster at Martinsville, Ill., in place of James Porter, removed.

INDIANA.

Thomas O. Beck to be postmaster at Lebanon, Ind., in place of Samuel S. Heath. Incumbent's commission expires January 20,

Ray C. Fickle to be postmaster at Mulberry, Ind., in place of ercy V. Ruch, resigned.

Austin E. Menges to be postmaster at Bristol, Ind., in place of

Horace H. Mosier, resigned.

Tilghman Ogle to be postmaster at Carlisle, Ind., in place of Archer R. Orr, resigned.

John Osborn to be postmaster at Culver, Ind., in place of E. E. Parker, resigned. Nilas Wolf to be postmaster at Bourbon, Ind., in place of

Joel F. Martin, resigned.

George A. Crane to be postmaster at Dexter, Iowa, in place of Frank C. Downey. Incumbent's commission expired December

Laura H. Figert to be postmaster at Marathon, Iowa, in place of Joel E. Johnson. Incumbent's commission expired December 20, 1913,

Weston D. Ralston to be postmaster at Paullina, Iowa, in place of Frank V. D. Bogert, resigned.

Harvey A. Sweigard to be postmaster at Garner, Iowa, in place of C. J. Schneider, resigned.

James S. Webster to be postmaster at Carlisle, Iowa. Office became presidential October 1, 1913.

KANSAS

Isaac Jordan Barrackman to be postmaster at Humboldt, Kans., in place of William T. McElroy, deceased.

John M. Brown to be postmaster at Minneapolis, Kans., in place of George W. Barker, resigned.

J. C. Cordill to be postmaster at Alton, Kans., in place of Mary A. Campbell, resigned.

H. C. Duckworth to be postmaster at Altoona, Kans., in place of James T. Miller. Incumbent's commission expired December 20, 1913.

Floyd C. Flory to be postmaster at Grenola, Kans., in place of Ellis A. Mann. Incumbent's commission expires January 12, 1914

Peter W. Jury to be postmaster at La Harpe, Kans., in place of J. Q. Roberts. Incumbent's commission expired December 9, 1911.

J. M. Little to be postmaster at Sterling, Kans., in place of

Thomas A. Dilley, deceased.

H. L. O'Bryan to be postmaster at Chetopa, Kans., in place of George S. Boon, resigned.

F. M. Pearl to be postmaster at Hiawatha, Kans., in place of

Ewing Herbert, resigned.
W. O. Rigby to be postmaster at Topeka, Kans., in place of K. Rodgers. Incumbent's commission expired December 21, 1913.

R. E. Stotts to be postmaster at Garden City, Kans., in place of C. A. Schneider. Incumbent's commission expired December

13, 1913.

Nettie Watkins to be postmaster at Hope, Kans., in place of Belle Nickles. Incumbent's commission expired December 13, 1913.

KENTUCKY.

G. S. Morris to be postmaster at La Grange, Ly., in place of W. J. Manby. Incumbent's commission expires January 6, 1914. LOUISIANA.

S. S. Gullatt to be postmaster at Ruston, La., in place of L. S. Flournoy. Incumbent's commission expired June 26, 1913.

F. J. Carsley to be postmaster at Dexter, Me., in place of D. Dearth. Incumbent's commission expired December 14, 1912

Frank P. Davis to be postmaster at Bridgton, Me., in place of John F. Davis. Incumbent's commission expired December 21, 1913.

W. J. Eldridge to be postmaster at Foxcroft, Me., in place of Edward B. Buck. Incumbent's commission expired December 14, 1912.

Everett P. Hanson to be postmaster at Gorham, Me., in place of Edward Harding. Incumbent's commission expired December 21, 1913.

William I. Johnson to be postmaster at North Berwick, Me., in place of Frank A. Knight. Incumbent's commission expired December 21, 1913,

Herbert L. Pinkham to be postmaster at Lincoln, Me., in place of Leon B. Clay, resigned.

Otis C. Verow to be postmaster at South Brewer, Me., in place of Fred W. Doane. Incumbent's commission expired December 16, 1913.

MARYLAND.

Clarence T. Dare to be postmaster at Rising Sun, Md., in place of Samuel Hambleton. Incumbent's commission expired February 21, 1912. Wesley Jarrell to be postmaster at Greensboro, Md., in place

of W. B. Massey. Incumbent's commission expired February 11, 1913.

George W. Kefauver to be postmaster at Middletown, Md., in place of Leslie W. Gaver. Incumbent's commission expired February 9, 1913.

Thomas J. Linthicum to be postmaster at Annapolis, Md., in place of D. R. Randall, Incumbent's commission expired January 8, 1913.

John O. Murray to be postmaster at Hampstead, Md., in place of William A. Murray, removed.

George M. Wolfe to be postmaster at Forest Glen, Md., in place of W. P. Miller. Incumbent's commission expired April 1, 1913.

MASSACHUSETTS.

E. H. Bowler to be postmaster at Dedham, Mass., in place of H. A. Hutchinson. Incumbent's commission expired December 13, 1913.

Arthur W. Gibbs to be postmaster at Huntington, Mass., in place of C. W. Daugherty. Incumbent's commission expired

December 13, 1913.

John R. McComb to be postmaster at Great Barrington, Mass., in place of W. C. Hinman. Incumbent's commission expired December 13, 1913.

Daniel J. O'Connell, jr., to be postmaster at South Hadley, Mass., in place of Marie E. White, resigned.

John F. O'Leary to be postmaster at West Warren, Mass., in place of George Bliss, deceased.

Charles Prescott to be postmaster at Beverly, Mass., in place of Francis Norwood. Incumbent's commission expires January 6. 1914.

Henry L. Ripley to be postmaster at Edgartown, Mass., in place of Henry A. Pease. Incumbent's commission expired December 13, 1913,

Harvey F. Shufelt to be postmaster at Housatonic, Mass., place of E. S. Thatcher. Incumbent's commission expired December 13, 1913.

Dennis A. Smith to be postmaster at Rutland, Mass., in place of Henry Converse. Incumbent's commission expired January 11, 1913.

MICHIGAN.

Byron Burch to be postmaster at Midland, Mich., in place of Henry D. Northway, resigned.
William H. Cronin to be postmaster at Brown City, Mich., in

place of Walter H. Witt, resigned.

John J. Dawson to be postmaster at Hastings, Mich., in place of John C. Ketcham, resigned.

William Downing to be postmaster at Grant, Mich., in place of James E. Sharp, resigned. Charles E. Hogadone to be postmaster at Grand Rapids, Mich.,

in place of W. Millard Palmer, removed.

Harvey E. Kidder to be postmaster at Ionia, Mich., in place of

Henry J. Horrigan, removed.

Arthur R. Martin to be postmaster at Croswell, Mich., in

place of Frank J. Battersbee, resigned.

Edwin F. W. Neidhold to be postmaster at Wakefield, Mich., in place of James W. Bedell, resigned.

MINNESOTA.

- G. A. Bucks to be postmaster at Henderson, Minn., in place of Herman Ohde. Incumbent's commission expired January 28,
- T. J. Grimes to be postmaster at Grand Meadow, Minn., in place of C. E. Hovda. Incumbent's commission expired December 13, 1913.

Hans P. Krog to be postmaster at La Crescent, Minn., in place

of Edward Hurley, declined.

- H. H. Salmon to be postmaster at Biwabik, Minn., in place of R. Gillpatrick. Incumbent's commission expired December 13, 1913.
- W. W. Stockwell to be postmaster at Anoka, Minn., in place of John Palmer. Incumbent's commission expired December 13, 1913.

MISSISSIPPI.

Thomas P. Barr to be postmaster at Jackson, Miss., in place of R. O. Edwards. Incumbent's commission expires January 6,

A. S. Bell to be postmaster at Grenada, Miss., in place of H. P. Miller. Incumbent's commission expires January 10, 1914.

Henry H. Mackey to be postmaster at Vicksburg, Miss., in place of M. J. Mulvihill. Incumbent's commission expires January 26, 1914.

MISSOURI.

Gertrude Brown to be postmaster at Auxvasse, Mo., in place of C. H. Brown, deceased.

A. H. Davis to be postmaster at Seymour, Mo., in place of Robert C. Rhodes. Incumbent's commission expired December

Thomas E. Graves to be postmaster at Kirksville, Mo., in place of F. M. Harrington. Incumbent's commission expired December 20, 1913.

W. W. Hamilton to be postmaster at Granby, Mo., in place of Z. T. Jennings. Incumbent's commission expired December 20,

W. A. Hughes to be postmaster at Glasgow, Mo., in place of W. T. Lessley. Incumbent's commission expired December 21, 1913.

Alexander McCandless to be postmaster at Downing, Mo., in place of Grant Stipp, resigned.

C. C. Mitchim to be postmaster at De Soto, Mo., in place of Theodore Walther. Incumbent's commission expired December 20, 1913,

John H. Orr to be postmaster at Ava, Mo., in place of H. L. Brown. Incumbent's commission expired December 20, 1913.

L. E. Phlieger to be postmaster at Caruthersville, Mo., in place of R. G. Crow. Incumbent's commission expired December 20, 1913.

Francis H. Smith to be postmaster at Sikeston, Mo., in place of Daniel McCoy, resigned.

W. H. Ward to be postmaster at Bonne Terre, Mo., in place of A. Roy. Incumbent's commission expires January 10, 1914. Robert H. Williams to be postmaster at Louisiana, Mo., in

place of A. C. Gansz. Incumbent's commission expired December 16, 1913.

NEBRASKA.

Sadie E. Flaherty to be postmaster at Hyannis, Nebr. Office became presidential July 1, 1913.

John Cain to be postmaster at Kenesaw, Nebr., in place of K. Partridge. Incumbent's commission expired January 14,

Thomas A. Davis to be postmaster at Neligh, Nebr., in place of W. W. Cole. Incumbent's commission expired December 20, 1913

D. H. Kuhlman to be postmaster at Sterling, Nebr., in place of C. E. Zink. Incumbent's commission expired December 13, 1913.

Elizabeth McLean to be postmaster at Clarks, Nebr., in place of R. R. Douglas. Incumbent's commission expired December

20, 1913.
D. C. Mor x.1 to be postmaster at Plattsmouth, Nebr., in place of H. A. Schneider. Incumbent's commission expired December 13, 1913.

NEW HAMPSHIRE.

Hume B. Heath to be postmaster at Plymouth, N. H.. in place of C. C. Wright. Incumbent's commission expired December 13, 1913.

William P. Nolin to be postmaster at Claremont, N. H., in place of W. J. Chandler. Incumbent's commission expired

December 13, 1913.

Albert J. Richardson to be postmaster at Littleton, N. H., in place of H. M. Eaton. Incumbent's commission expired December 13, 1913.

NEW JERSEY.

Laird H. Bowers to be postmaster at Millington, N. J., in place of F. P. Baker. Incumbent's commission expired January 5, 1913.

Joseph P. Cullen to be postmaster at Boonton, N. J., in place of Charles F. Hopkins, resigned.

John Lodge to be postmaster at Paulsboro, N. J., in place of

W. D. Gill. Incumbent's commission expired December 20, 1913.

James Norton to be postmaster at Hackensack, N. J., in place of William Jeffers. Incumbent's commission expired December 16, 1913.

George Lee Shaw to be postmaster at Franklin (late Franklin Furnace), N. J., in place of Daniel W. Sheldon, to change name of office.

Frank C. Tomlin to be postmaster at Sewell, N. J. Office became presidential July 1, 1913.

Henry Walter to be postmaster at Riverside, N. J., in place of A. F. Stecher. Incumbent's commission expired December 16, 1912.

NEW MEXICO.

Adolph P. Hill to be postmaster at Santa Fe, N. Mex., in place of John Pfluger, removed.

M. McCreary to be postmaster at Magdalena, N. Mex., in place of John S. Mactavish, resigned.

L. Pascual Martinez to be postmaster at Taos, N. Mex., in place of J. J. Vigil. Incumbent's commission expired December 16, 1913.

NEW YORK.

Augustus A. Blackledge to be postmaster at Nyack, N. Y., in place of George B. Helmle, deceased.

Wilbur C. Box to be postmaster at Lynbrook, N. Y., in place of S. Pearsall. Incumbent's commission expired December 21, 1913.

David E. Brett to be postmaster at Whitehall, N. Y., in place of W. G. C. Wood. Incumbent's commission expired December 20, 1913,

Peter T. Conley to be postmaster at Fulton, N. Y., in place of William E. Hughes, deceased.

Charles E. Dempsey to be postmaster at Fort Covington, N. Y., in place of T. A. Chisholm. Incumbent's commission expired December 16, 1912.

Edward F. Dougherty to be postmaster at Tonawanda, N. Y., in place of Peter Dahl. Incumbent's commission expired Feb-

ruary 9, 1913.

Arthur H. Graham to be postmaster at Newark Valley, N. Y., in place of T. F. Chamberlain. Incumbent's commission expired December 16, 1913.

Clinton P. Geer to be postmaster at McGraw, N. Y., in place of B. T. Burlingham. Incumbent's commission expired December 16, 1913.

Patrick A. Hallahan to be postmaster at Brasher Falls, N. Y.,

in place of Benjamin A. Babcock, deceased.

George D. Hughes to be postmaster at Madrid, N. Y., in place of F. J. Merriman. Incumbent's commission expired April 8,

William J. Hyland to be postmaster at Hoosick Falls, N. Y., in place of G. F. Rising. Incumbent's commission expired December 21, 1913.

William F. Kasting to be postmaster at Buffalo, N. Y., in

place of Fred Greiner, resigned.

Joseph P. Kiernan to be postmaster at Pawling, N. Y., in place of W. T. Chapman. Incumbent's commission expired February 17, 1913.

William H. Kinne to be postmaster at Ovid, N. Y., in place of F. C. Allen. Incumbent's commission expired April 22, 1912.

De Witt C. Lynde to be postmaster at Marathon, N. Y., in place of C. A. Brooks. Incumbent's commission expired December 21, 1913.

Frank McMahon to be postmaster at Belfast, N. Y., in place

of William Ingleby, deceased.

Mark L. Mount to be postmaster at Hewlett, N. Y., in place

of Cornelius T. Seaman, resigned.

M. J. Murray to be postmaster at Owego, N. Y., in place of W. A. Smyth. Incumbent's commission expired December 16, 1913.

Joseph J. O'Reilly to be postmaster at Willsboro, N. Y. Office became presidential July 1, 1913.

George M. Pierson to be postmaster at Maybrook, N. Y. Office

became presidential July 1, 1913.

Edward Eugene Rigney to be postmaster at East Bloomfield, Y. Office became presidential October 1, 1912.

John W. Thorp to be postmaster at Brewster, N. Y., in place of E. W. Addis. Incumbent's commission expired December 21,

Charles A. Townsend to be postmaster at Millerton, N. Y., in

place of Lorin J. Eggleston, resigned.
Frederick W. Youmans to be postmaster at Delhi, N. Y., in place of Jonas M. Preston, removed.

NORTH CAROLINA.

Louis G. Daniels to be postmaster at Newbern, N. C., in place of Jesse S. Basnight, removed.

W. A. Gibson to be postmaster at Bryson City, N. C., in place of J. F. Teague. Incumbent's commission expired December 20, 1913.

R. S. Montgomery to be postmaster at Reidsville, N. C., in place of J. R. Joyce. Incumbent's commission expired January 28, 1912.

A. M. Sanders to be postmaster at Smithfield, N. C., in place

of J. C. Stancil, resigned.

John R. Swann to be postmaster at Marshall, N. C., in place of Frank Roberts. Incumbent's commission expired December 17, 1911.

NORTH DAKOTA.

James R. Manley to be postmaster at Minnewaukan, N. Dak. in place of J. M. Cubbinson. Incumbent's commission expired August 2, 1913.

John Schmitz to be postmaster at Tower City, N. Dak., in place of H. H. Roberts. Incumbent's commission expires Janu-

ary 10, 1914.

Pauline M. Schultz to be postmaster at Leeds, N. Dak., in place of J. H. Dooley. Incumbent's commission expires January 10, 1914.

Curtis Shepard to be postmaster at Courtenay, N. Dak., in piace of H. T. Nelson. Incumbent's commission expires January 6, 1914.

J. Frank Tibbs to be postmaster at Rugby, N. Dak., in place of Henry W. Ellingson, resigned.

Stephen D. Carroll to be postmaster at Painesville, Ohio, in place of Charles A. Moodey, resigned.

L. H. Chapin to be postmaster at Hudson, Ohio, in place of L. T. Marrott. Incumbent's commission expired December 20, 1913

David B. Dick to be postmaster at Harrison, Ohio, in place of Clinton F. Bonham, resigned.

Homer Gard to be postmaster at Hamilton, Ohio, in place of Carl H. Schell, resigned.

Samuel C. Litsinger to be postmaster at Worthington, Ohio. Office became presidential April 1, 1913.

A. Ross Read to be postmaster at Akron, Ohio, in place of

William B. Baldwin, resigned. George M. Sizelove to be postmaster at Camden, Ohio, in place of W. J. King. Incumbent's commission expired Decem-

ber 20, 1913. George B. Snyder to be postmaster at Youngstown, Ohio, in

place of O. P. Shaffer, resigned.

A. N. Warren to be postmaster at Sylvania, Ohio, in place of C. Jones. Incumbent's commission expired December 20, 1913.

Royal M. Wheeler to be postmaster at Mantua, Ohio, in place W. Brainerd. Incumbent's commission expired December 20, 1913.

George G. Wilkinson to be postmaster at East Palestine, Ohio, in place of C. A. Murphy. Incumbent's commission expired December 20, 1913.

OKLAHOMA.

Andrew J. Adcock to be postmaster at Aline, Okla., in place of Samuel C. Timmons, resigned.

I. W. Bebout to be postmaster at Orlando, Okla., in place of

Henry R. Morris, resigned.

Leslie E. Ellis to be postmaster at Erick, Okla., in place of E. D. Pritchard. Incumbent's commission expired December 20, 1913.

PENNSYLVANIA.

Edward Ace to be postmaster at Nicholson, Pa., in place of F. N. Boyle. Incumbent's commission expired April 10, 1913.

Effie R. Anschutz to be postmaster at Fort Washington, Pa., in place of Samuel Yeakle, resigned.

John E. Blair to be postmaster at Shippensburg, Pa., in place

of Frank E. Hollar, resigned. John L. Dimmig to be postmaster at East Greenville, Pa., in

place of Elam M. Stauffer, resigned.

H. Lee Goerman to be postmaster at Ambridge, Pa., in place of A. C. McGillivray, removed.

James S. Gordon to be postmaster at Natrona, Pa., in place of John Clinton, resigned.

William E. Gregg to be postmaster at West Brownsville, Pa., in place of John B. Moffitt, resigned.

Michael F. McDermott to be postmaster at Jermyn, Pa., in place of John B. Griffiths, resigned.

William D. McGinnis to be postmaster at Connellsville, Pa., in place of Arthur E. Kurtz, resigned.

John A. Rick to be postmaster at Girard, Pa., in place of William J. Murray, resigned.

Henry J. Bock to be postmaster at Conway, Pa. Office became presidential October 1, 1913.

Charles A. DeHuff to be postmaster at Royersford, Pa., in place of Edgar Matthews. Incumbent's commission expires

January 6, 1914.
T. J. Donnell to be postmaster at Jenkinstown, Pa., in place of W. H. Fretz. Incumbent's commission expired December 13,

1913. G. G. Gaston to be postmaster at Tionesta, Pa., in place of J. W. Jamieson. Incumbent's commission expired December 16, 1913.

Milton H. Gundy to be postmaster at Wernersville, Pa., in place of C. A. Gaul. Incumbent's commission expired December 21, 1913.

W. H. Keener to be postmaster at New Bethlehem, Pa., in place of G. L. Thomas. Incumbent's commission expired June 12, 1913,

Robert M. McCartney to be postmaster at McDonald, Pa., in place of H. P. Williams. Incumbent's commission expired May 22, 1913.

Albanus S. Magargal to be postmaster at Sellersville, Pa., in place of W. S. Schlichter. Incumbent's commission expired December 13, 1913.

John B. Parks to be postmaster at Leechburg, Pa., in place of C. Duncan. Incumbent's commission expired December 20, 1913.

Isaac Scarborough to be postmaster at New Hope, Pa., in place of C. W. Betts. Incumbent's commission expired December 13. 1913.

RHODE ISLAND

Francis J. McCabe to be postmaster at Apponaug, R. I., in place of E. E. Matteson. Incumbent's commission expired December 21, 1913.

SOUTH DAKOTA.

M. M. Bennett to be postmaster at Yankton, S. Dak., in place of Williard C. Lusk, resigned.

TENNESSEE.

Gordon B. Baird to be postmaster at Obion, Tenn., in place of G. M. Steele. Incumbent's commission expired December 21, 1913. Joel J. Jones to be postmaster at Fayetteville, Tenn., in place of William A. Pamplin, resigned.

J. P. Penn to be postmaster at Kenton, Tenn., in place of J. D. Dodson. Incumbent's commission expired December 21, 1913.

Eugene C. Shannon to be postmaster at Nashville, Tenn., in place of A. W. Wills. Incumbent's commission expires January 11, 1914.

Minerva E. Austin to be postmaster at Grapevine (late Grape Vine), Tex., in place of J. M. Phillips. Incumbent's commission expired December 16, 1913, and to change name of office.

A. S. Collins to be postmaster at Bay City, Tex., in place of

William E. Sayers, sr., resigned.

J. A. Davis to be postmaster at Dawson, Tex., in place of J. L. Franks. Incumbent's commission expired December 16, 1913. W. J. Davis to be postmaster at Silsbee, Tex., in place of

Thomas M. Wren, resigned.
Robert N. Eastus to be postmaster at Gordon, Tex., in place of Alexander Jamieson. Incumbent's commission expired December 16, 1913.

Earl M. Duvall to be postmaster at Petrolia, Tex. Office became presidential October 1, 1913.

A. W. Howell to be postmaster at Frost, Tex., in place of Janie Hyer. Incumbent's commission expired December 16, 1913.

J. J. Jenkins to be postmaster at Skidmore, Tex., in place of John W. Baldeschwiler. Incumbent's commission expired December 16, 1913.

Will Ligon to be postmaster at Morgan, Tex., in place of Leander A. Canada, deceased.

Forrest M. Mattox to be postmaster at Newton, Tex., in place

of Rufus H. Windham, resigned.

W. L. Mount to be postmaster at Bellevue, Tex., in place of William J. Manton, resigned.

Conrad M. Newton to be postmaster at Hubbard, Tex., in place of George W. Cash. Incumbent's commission expired December 20, 1913,

George W. Rohleder to be postmaster at Eagle Pass, Tex., in

place of John W. Chichester, resigned.

R. D. Tankersley to be postmaster at Killeen, Tex., in place of Richard T. Polk. Incumbent's commission expired December 20 1913.

UTAH.

A. Binkele to be postmaster at Tremonton, Utah. Office became presidential January 1, 1913.

James A. Faust to be postmaster at Delta, Utah. Office be-

came presidential July 1, 1913.

J. M. French to be postmaster at Greenriver, Utah, in place of

of T. G. Wimmer, jr., resigned.

Adelbert K. Huish to be postmaster at Payson, Utah, in place of Jonathan S. Page, jr. Incumbent's commission expired December 17, 1912.

Isadore Lessing to be postmaster at Beaver, Utah, in place of

Orrice F. McShane, resigned.

Niels Lind to be postmaster at Midvale, Utah, in place of Clif-Incumbent's commission expired June 16, 1913. ford I. Goff.

Nephi O. Palmer to be postmaster at Farmington, Utah. Office became presidential October 1, 1913.

J. C. Twaddle to be postmaster at Sunnyside, Utah, in place of Albert E. Hopkinson. Incumbent's commission expired June 16, 1913,

VERMONT.

Frank A. Burditt to be postmaster at Putney, Vt., in place of Lyman P. Bailey. Incumbent's commission expired December

Herbert S. King to be postmaster at Manchester Depot, Vt. Office became presidential October 1, 1913.

Carl A. Mattison to be postmaster at Manchester Center, Vt. Office became presidential October 1, 1913.

VIRGINIA.

Charles A. Funkhouser to be postmaster at Dayton, Va., in place of John W. Thompson. Incumbent's commission expired December 16, 1913.

William C. Menefee to be postmaster at Rockymount, Va., in place of Beverly A. Davis, resigned.

Hay T. Thornton to be postmaster at Richmond, Va., in place of Edgar Allan, jr. Incumbent's commission expired December 16, 1913.

WASHINGTON.

Ethel R. Hanks to be postmaster at Port Orchard, Wash., in place of W. T. Pitcher, resigned.

James H. Schneckloth to be postmaster at Pomeroy, Wash., in place of T. B. Keirnan, deceased.

WEST VIRGINIA.

A. D. Smith, jr., to be postmaster at Fayetteville, W. Va., in place of Charles A. Goddard. Incumbent's commission expired December 16, 1913.

Jesse D. Wilson to be postmaster at Fairview, W. Va., in place of Zephaniah J. Martin, deceased.

WISCONSIN.

H. J. Kinne to be postmaster at Amery, Wis., in place of John G. Burman. Incumbent's commission expired February

9, 1913.
T. D. Pluck to be postmaster at Horicon, Wis., in place of Edward C. Rehfeld. Incumbent's commission expired December 21, 1913.

Michael J. Rice to be postmaster at Kewaunee, Wis., in place of Albert B. Leyse, resigned.

Frank B. Schutz to be postmaster at Milwaukee, Wis., in place of David C. Owen, removed.

A. T. Swedborg to be postmaster at Prentice, Wis., in place of Frank J. Salter. Incumbent's commission expired February 9, 1913.

WYOMING.

R. J. McGinnis to be postmaster at Cody, Wyo., in place of Frank O. Thompson. Incumbent's commission expired December 16, 1913.

CONFIRMATIONS.

Executive nominations confirmed by the Senate December 22, 1913. MINISTERS.

George Fred Williams to be envoy extraordinary and minister plenipotentiary to Greece and Montenegro.

Brand Whitlock to be envoy extraordinary and minister plenipotentiary to Belgium.

CONSULS.

Ezra M. Lawton to be consul at Tegucigalpa, Honduras. Clarence Carrigan to be consul at Grenoble, France.

ASSISTANT APPRAISER OF MERCHANDISE.

George W. Wolf to be assistant appraiser of merchandise in the district of New York.

COLLECTORS OF INTERNAL REVENUE.

Paul A. Hemmy to be collector of internal revenue for the first district of Wisconsin.

Peter J. Kruyer to be collector of internal revenue for the sixth district of Indiana.

Isaac R. Strouse to be collector of internal revenue for the seventh district of Indiana.

UNITED STATES ASSAYER.

Charles Gammon to be assayer in charge of the United States assay office at Salt Lake City, Utah.

SUPERVISING STEAMBOAT INSPECTOR.

Eugene E. O'Donnell, of Massachusetts, to be supervising inspector, fifth district, Steamboat-Inspection Service, vice John D. Sloane, resigned.

PROMOTION IN THE REVENUE-CUTTER SERVICE.

Third Lieut. Roy Ackerman Bothwell to be second lieutenant in the Revenue-Cutter Service.

UNITED STATES ATTORNEYS.

John W. Preston to be United States attorney for the northern district of California.

James L. McClear to be United States attorney, district of Idaho.

PROMOTIONS IN THE ARMY.

CORPS OF ENGINEERS.

Maj. Charles Keller to be lieutenant colonel.

INFANTRY ARM.

Maj. André W. Brewster to be lieutenant colonel.

Capt. John Howard to be major.
First Lieut. William H. Patterson to be captain.
First Lieut. Leonard J. Mygatt to be captain.
First Lieut. Elliott M. Norton to be captain.

Second Lieut. Bruce B. Buttler to be first lieutenant. Second Lieut. Evan E. Lewis to be first lieutenant. Second Lieut. Paul A. Larned to be first lieutenant. Second Lieut. Seth W. Scofield to be first lieutenant.

Maj. John C. Waterman to be lieutenant colonel. FIELD ARTILLERY ARM.

First Lieut. Henry S. Kilbourne, jr., to be captain. Second Lieut, Albert K. C. Palmer to be first lieutenant. CHAPLAIN.

Rev. John E. Rochford to be chaplain with the rank of first lieutenant.

PROMOTIONS AND APPOINTMENTS IN THE NAVY.

Lieut. (Junior Grade) Garrett K. Davis to be a lieutenant. Norman M. McClelland to be an assistant surgeon in the Medical Reserve Corps.

Assistant Civil Engineer Kirby Smith to be a civil engineer. Assistant Civil Engineer David G. Copeland to be an assistant civil engineer (junior grade).

Lieut. (Junior Grade) John A. Monroe to be a lieutenant. Lieut. (Junior Grade) William F. Newton to be a lieutenant. Ruskin M. Lhamon to be an assistant surgeon in the Medical Reserve Corps.

Jerome M. Lynch to be an assistant surgeon in the Medical

Reserve Corps.

Naval Constructor Horatio G. Gillmor to be a naval constructor, with rank of commander.

Medical Inspector George B. Wilson to be a medical director. Medical Inspector Charles F. Stokes to be a medical director. Surg. Sheldon G. Evans to be a medical inspector.

RECEIVERS OF PUBLIC MONEYS.

Ashley G. Dawley to be receiver of public moneys at Elko, Nev.

Fred A. King to be receiver of public moneys at Cass Lake, Minn.

Gratton D. Little to be receiver of public moneys at Eureka, Cal.

REGISTERS OF LAND OFFICES.

John E. Robins to be register of the land office at Elko, Nev. Mrs Mary Wolfe Dargin to be register of the land office at Denver, Colo

Peter M. Ringdal to be register of the land office at Crookston, Minn.

A. G. Swindlehurst to be register of the land office at Cass Lake, Minn.

POSTMASTERS. ALASKA.

Albert Wile, Iditarod.

CALIFORNIA.

J. W. Heard, Oilcenter.

CONNECTICUT.

Dennis C. Murphy, Taftville.

ILLINOIS.

Margaret Keegan, Loda.

MASSACHUSETTS.

Thomas H. Hackett, Westboro.

MICHIGAN.

Edwin S. Noble, Elk Rapids.

MINNESOTA.

Bernard P. Eagan, Spooner. Joseph Huelskamp, Gaylord. T. F. Oneill, Gilbert. Axel Ringborg, Bagley William F. Roche, Lakeville.

James J. McCarthy, Greeley.

NEW JERSEY.

Edward F. Higgins, Bloomfield.

WISCONSIN.

Simon Skroch, Independence.

WITHDRAWAL.

Executive nomination withdrawn December 22, 1913.

POSTMASTER.

ARKANSAS.

C. A. Harris to be postmaster at Junction City, in the State of Arkansas.

HOUSE OF REPRESENTATIVES.

Monday, December 22, 1913.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the fol-

lowing prayer:

O Thou Infinite, Eternal, whose footsteps may be traced on land and sky and sea; whose creative and re-creative hand, guided by infinite wisdom, power, and goodness, has left its impress on everything that is. All that we think or do are but imperfect imitations of what Thou hast done to perfection. The architect, the sculptor, the painter, the musician, the poet finds his model and receives his inspiration in the works of Thy hands. The real scientist, philosopher, statesman, philan-thropist, teacher, all are students at Thy feet, and happy is the man who catches truth as it falls from Thy lips. In the thunderings of Sinai, in the Sermon on the Mount, in the parables of the Master, in the love poured out on Calvary is the heart of God writ in characters of living light. May we read with undimmed eyes, hear with unstopped ears, and feel the thrill of Thy presence in our hearts, and departing leave behind us footprints on the sands of time to the honor and glory of Thy holy name. And now, O Father, Thou hast touched deeply our hearts in the death of one of our Members, comfort us, and be especially near to his stricken family, inspire them with the hope of the immortality of the soul, that they may look forward to an everlasting reunion in the realms of joy and happiness. In His name. Amen.

The Journal of the proceedings of Saturday, December 20,

1913, was read and approved.

QUESTION OF PERSONAL PRIVILEGE.

Mr. JOHNSON of Kentucky. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. JOHNSON of Kentucky. Mr. Speaker, day before yesterday the Washington Times contained, in substance, under large headlines which extended entirely across the front page, the bold statement that certain interests in the District of Columbia had effected an organization in order to defeat me and other Members of this House who would not do their bidding.

Very recently the whole country awoke one morning to find that a gigantic conspiracy was abroad in the land to defeat Members of Congress for reelection who were unwilling to be-tray their constituents that a monster "trust" might continue to extort from the people of the whole United States. That conspiracy was organized for the purpose of fixing an exorbitant price upon practically all articles manufactured in the United States. These articles included hats, clothing, shoes, housebuilding material, household effects, and even the implements with which the soil is cultivated in order that our people may be fed.

From the sworn admissions of those who were brought before an investigating committee of this House we learned that the now infamously notorious Mulhall was sent from State to State of this Union to find some man willing to make the race for Congress upon money furnished by him, against such Members of Congress as would not yield to the demands made upon them by the conspirators allied with Mulhall. For years they kept the operations of this organization secret. But now, Mr. Speaker, we are boldly and defiantly told by the Washington Times, a paper which has been vilifying me and other Members of this House who have attempted and are attempted. of this House, who have attempted and are attempting to stand as a barrier between the Treasury of the United States and those here at Washington who would scrape it to the very bottom, that unless I and they would stand aside we are to be defeated for reelection.

That paper, more desperate than the others, just at the time when the District appropriation bill was under consideration, through which its patrons get the money with which to pay their taxes; money with which to build sidewalks and driveways in front of their houses; money with which to send their children to school; money with which to buy loys and procure amusements for their children; money with which to build auto-mobile roads through great parks of hundreds and even thousands of acres in extent; money with which to build engine houses and buy fire engines for sections of the District where there are almost no houses; money with which to build asphalt streets for those who would convert the primeval forests and cornfields into city lots 7 and 8 miles from the Capitol building; money with which to put electric or gas lights upon the rural mail routes in the District of Columbia, as well as money with which to pay Washington papers for carrying advertisements of proceedings by which the Washingtonian is to be paid for the very land taken upon which driveways and sidewalks are to be built, in order that his undeveloped holdings may be brought into market; that paper, I say, just at that momentous time threatens to defeat me and others unless we desist in our efforts to keep plundering arms out of the Treasury of our constituents. Copies of that paper, with its threatening headlines, were brought upon this floor, bearing the news that a gigantic and powerful organization was forming almost at the very doors of this Chamber, to defeat for reelection those who dared vote in favor of saving the Public Treasury from pillage at the hands of the organization, the members of which are patrons of this paper.

I charge, Mr. Speaker, that I, as a representative of the people who sent me here, have been menaced even in this Chamber. I further charge, Mr. Speaker, that other Members of this body, in the same way, upon the floor of this House, have been challenged in the performance of their constitutional duties.

Mr. Speaker, the very first vote taken upon any feature of the District of Columbia appropriation bill after the appearance of that paper in this Hall was taken upon an amendment offered by me, through which it was proposed to take away the public money with which streets were to be paved for those who composed the menacing organization described by that paper. That vote disclosed the eventful fact that only 62 Members were left in the Chamber out of 355 who had answered to the call of their names but a short while before.

A preceding issue of the same paper, as did current issues of other Washington papers, contained misquoted and distorted interviews with Members of this House, the Speaker, and the gentleman from North Carolina [Mr. Page], who had charge of the appropriation bill then under consideration. The same papers also bore statements, alleged to have come from the White House, to the effect that the cautious and patriotic Woodrow Wilson had agreed in advance to veto a bill, if passed,

which they admit he had never seen.

The same papers, at the same time, bore the infamously false statement that the committee of which I am chairman, and which is made up of men of the highest integrity, had resorted to questionable methods to prematurely report that bill out of the committee, when the facts are that the bill was introduced in the House on the 20th day of November, took the regular course, was printed, and the next day referred and delivered to the committee of which I am chairman. The bill was before the committee and the House from that date until December 17 (21 days), was considered; and, when amended, approved by the committee in the usual way.

On the day before its consideration written notices were sent out by the clerk of the committee to each and every member of the committee, notifying them that there would be a meeting of the committee the next day at 10 o'clock a. m. In addition to these notices the clerk, on the morning of the day when the bill was considered, and before it was considered, telephoned each and every member of the committee that the meeting was to be held at 10 o'clock. To these notices a quorum of the committee responded and was present. Those who misrepresent the matter are fully aware that if the full committee had been present the vote for and against the bill would have been nearly proportionately the same, and that the result would have been the

During the time which elapsed between the introduction of the bill and its consideration no one asked for a hearing, notwithstanding that the local papers had carried notices of its introduction. The printed statements of Capt. James S. Oyster and others of the threatening organization were unwarranted, and carried implied falsehood for the purpose of creating false sentiment among those who might read those statements, whether the readers be the President, Members of the House, or others.

Neither the long-continued libelous assaults of the Washington papers upon me, nor the threats to defeat me for reelection made by the powerful organization which the Washington Times says will undertake to do, shall shake me in the least in my devotion to a well-conceived duty. [Applause.] I much prefer to be a free and respected private citizen among the people who have put their trust in me than to be a Member of Congress and a slave to those who seek to plunder.

At the proper time I shall say to those in good old Kentucky who have placed their confidence in me that I challenge all the world, even the unscrupulous who continuously assail me here, to point to a single act of mine which has not been in the in-

terest of those whose commission I bear.

It is now my determination to go back to Kentucky and ask those there to place in my hands their standard—a standard upon which is inscribed "Loyalty to the people"—and let me meet in the political arena him who bears the standard of this organization here—a standard upon which must be written "Betrayal of the people."

I do not know how much they will have to put up in order to find some one who will undertake to carry out the will of this organization, which is bent upon the mission of destroying all but those who do their infamous will; but whatever sum it be I will double if he will go over the congressional district with me and appear upon the same platform with me, and let honest people look at him while I draw a true picture of him after he shall have come to Washington to do the bidding of those who have tried, but who can not control my vote or silence my voice in proclaiming my enmity to the arrogant, purse-proud here who have grown rich at the expense of their humble neighbors and the people back in the States.

These arrogant few who compose this threatening organization here have for many years dominated this community and ruled it with a merciless hand. Former Presidents have put machinery in their hands, with which they have driven the help-less Government clerk to distress, and with which they have impoverished their native neighbors. Congresses past and almost present have poured the Public Treasury into their laps. One of their local railroads even now, through the agency of professional witnesses and elastic consciences of habitual jurors, is taking a profit of about \$887,000 out of one opportunity, which, to say the least, a nonresisting Congress has made pos-

sible

Only a few months ago I heard a man who was a prominent witness in recent condemnation suits admit under oath, in substance, that his business was to swear for landowners in condemnation proceedings. These are the people who threaten to retire me from Congress because I will not do their bidding.

A recent President of the United States has given the District of Columbia officers who have made up a hundred and forty condemnation juries by using only a hundred and fifty-two men. Some of those who compose this threatening organization, which the Washington Times tells us about, have served upon these juries, while others are fraudulent beneficiaries of those official acts.

So powerful have they become that they do not hesitate to use public offices for their private purposes, and public officials to carry into execution their infamous plans. [Applause.]

But recently one of their hirelings was driven out of what had theretofore been a permanent desk in the Treasury Building, where the confidential affairs of the country's banks were kept. And this is the crowd which says it will drive me out of public life yeless. of public life unless I betray the trust which my constituents

have imposed in me.

More recently still their domination of all about them led them to induce a Treasury official to all but destroy the savings of nearly 60,000 humble people in Washington, all because a few men had the temerity to venture in the banking business in Washington without putting a majority of the clan upon the board of directors. In the dead of night 'hey had an official who is protected by civil service to meet them in a Government office, and expose to them a list of the assets of a rival institution and then had him to treat as insolvent a lot of paper of this institution, and throw out as such, paper sufficient to have the capital stock of the concern appear to be impaired.

While this was being done one of the directors of the institution thus being destroyed in order to gratify the avarice and spleen of the ringleaders of this organization which threatens to destroy me was not permitted to enter the office and defend his institution and its clients from ruthless destruction, but he was taken by the arm and led away by another civil-service Government employee while the havoc to securities went on within by his destructive business rivals. Next, they went into their own places of business and there, by word of mouth and by the use of the telephone, started a movement which would have swept away millions of dollars if another, not of their own, had not appeared upon the scene and said to them, "Thou shalt not."

And these are the men who compose the organization which is to destroy me because, in part, I have introduced a bill which, if passed, will break up their system of interlocking directorates, by which they control every big financial institution in the city except the one just mentioned, and which they failed to grab

and against which their efforts still are active.

A little more than a year ago the committee of which I have the honor to be chairman made an exhaustive investigation into the conditions of taxation and assessment prevailing in the District of Columbia. That investigation disclosed that 40,000 humble homes here in Washington were valued for taxation far more than they were worth. In this way the poor were overtaxed in order that those who are members of this threatening organization, who live in other sections of the city, might be undertaxed. I and the other members of that committee brought to Congress and to public notice the fact that this organized gang had absolute control of two of the three assessors of real estate.

two assessors have been driven from their official positions, and these positions are now being filled by men who will, I hope, make honest efforts to value property in accordance with law.

This is another of their grievances against me.
Only a few days ago one of the Washington papers, in criticizing the present District of Columbia Committee, charged that former District Committees had been in partnership with the big business interests of the District of Columbia. Notwithstanding its continued disposition to villify me and others of the committee, it was compelled to admit that there is now no partnership between that committee and the big business interests of the District of Columbia.

When I became chairman of the District Committee the poor were being plundered by the loan sharks, who were collecting interest at a rate as high as 275 per cent from the unfortunates who had fallen into their clutches. I have succeeded in get-ting upon the statute books a law which fixes as the highest rate of interest these sharks may charge 1 per cent per month. I have no doubt that they, too, are full-fledged members of this threatening organization, forming under the very Dome of the Capitol to defeat me because I look more to the interest of the helpless than I do to those who need to be curbed and not

helped. [Applause.]

One of the laws which a former Congress has placed upon the statute books, and one for the repeal of which there is a crying demand coming to Washington from every State in the Union. is the statute which, in effect, compels the United States to offer a reward to the District of Columbia of \$1.000 for each and every saloon license which the officers of the District nay issue. This law says to the officers of the District of Columbia: Go, issue all the saloon licenses which are within your limit, and for every one that you issue the United States will give you \$1,000 of the people's money. This is the case, while there are millions of people in the United States who are protesting against this subsidy to a business which they disapprove. I have communications even from distillers, saloon keepers, and hundreds of men and women in other occupations all over the United States entering their vehement protests against being taxed in order to subsidize this business in the Nation's Capital, which costs the United States about four and a half million dollars They are unwilling to have the clothes upon their annually. backs bear a tax in order to subsidize this business here.

Early in this session I drafted a bill which would do away

with this subsidy. That bill a few days ago passed this House without a dissenting voice. It has now gone over to the Senate for their consideration. I wait with much interest to see whether or not the members of this threatening organization here will menace Members of the Senate in order to deter them from passing it. I have no doubt that this bill, too, has its enemies in this organized gang which seeks my political destruc-

The Congressional Record contains every word that I have uttered since I have been in Congress. It also shows all of my votes. I challenge those who are dissatisfied with my public career to show to Kentuckians, or to anybody else, that I have ever uttered a word or have ever cast a vote which has not been in the interest of the people and against the enemies of the people.

When I commenced this fight several years ago I was alone in Many, many times when viva voce votes were taken upon motions made by me, my voice would be the only one to answer in the affirmative, while a roar of negative votes deluged in defeat that which I proposed. In order to emphasize my position, and in order to demonstrate that I could make a losing fight without being in the least dismayed, I asked for rising votes. Many, many times I have been the only one to rise in support of a motion which I was making in defense of my constituents against this organized gang here, while a floor full of people would rise in order to cast a negative vote, which clearly demonstrated that the hold of this organization upon the Congress was tight and secure. But, two years ago when I renewed the old fight, repeating my theretofore often-defeated motions, a few voted with me; sometimes 3 or 4 would vote with me; again 12 or 15 would vote with me; again 30 or 40 would vote with me; and sometimes as many as a hundred would support my motions.

During all of the early stage of this fight I was ridiculed and derided by the press of Washington, owned and controlled by those who now make up this threatening organization. Recently a great number of the Members of the present Congress have seen their duty to their constituents, and have not been intimi-dated to the extent that they were not willing to perform it.

Since the present situation has arisen, and since this gang sees their hold upon the Treasury being about to be shaken loose, they arise and 'hreaten Congress as no other Congress has

been threatened since one was almost invaded by a mob when Congress met in the city of Philadelphia years ago.

Only a few days ago this organized gang boasted that at one time they had nearly a thousand men in the galleries which overlooked this Chamber, by their presence to menace Members of this body.

I am not entirely sanguine that this Congress will pass such measures as will divorce the Treasury of the United States from this crowd, fattened at public expense. I am, however, absolutely confident that the beginning of the end to this awful

condition of affairs is at hand.

It has been said that a similar organization which preceded the present one laid their hands upon all the organized forces of the community; that they captured every source of influence, public and private; that they dictated the conduct of the press, controlled the legislature, and manipulated the courts; that they demanded the irresponsible disbursement of the public funds; that they secured the arbitrary appointment of all officials, high and low; that they cultivated congressional officials, high and low; that they cultivated congressional committees; that they debauched public servants; that they surrounded the President; that they patronized the rowdy element; that they intimidated the primary assemblages of the people; that they packed political meetings; that they conspired to overthrow political organizations; that they imposed their candidates upon the people and drove voters to their support through threats of starvation; that they suppressed freedom of speech in the District of Columbia and made liberty of political action an offense; that they seduced made liberty of political action an offense; that they seduced the wealthy, tyrannized over the poor, ostracized the honest, and persecuted the independent; that they retained the leading members of the bar, subsidized the churches, and schemed for the control of the school and charitable fund; that they sought the power of appointment of judges to be the ministers, and have made the police agents of their will; that they organized a militia establishment on the basis of an army corps.

I am proud that I can say that when I am defeated for Congress it shall not be because I have not done my duty by the people. I much prefer to be defeated, when my defeat comes, because I would not do the will of an infamous gang who

are plundering the Treasury of the United States.

I say to you, conspirators, that I want the people to see him whom you select to carry your standard of destruction into Kentucky! [Applause.]

Mr. PROUTY. Mr. Speaker, I desire to offer and ask for the present consideration of the privileged resolution which I send

to the Clerk's desk.

The SPEAKER. The Clerk will report the same.

The Clerk read as follows:

House resolution 358.

Whereas on Saturday, December 20, 1913, there appeared in the Washington Times, a paper published in the city of Washington and having a very large circulation throughout the United States, an article headed in large type clear across the front page, the following:

NATION-WIDE FIGHT ON CRISP-BILL BACKERS—DISTRICT CHAMPIONS UNITZ IN EFFORT TO PREVENT RELECTION.

NATION-WIDE FIGHT ON CRISP-BILL BACKERS—DISTRICT CHAMPIONS UNITZ IN EFFORT TO PREVENT RELLECTION.

Plans for a concerted fight against the reelection of the Members who voted for the measure are already under way. Their respective districts will be flooded with letters protesting against their unparticular clark toward the National Capital. Voters throughout the country will be appealed to in the hope that Congressmen will be urged to take the welfare of this District at heart and aid in making the capital city of the United States the queen metropolis of the world. Members of the executive committee of the joint committee of Chamber of Commerce, the Board of Trade, and the Retail Merchants' Association have been notified by Chairman William H. Singleton of the committee that they must be ready at a moment's notice to answer a call to meet and determine on some concerted action immediately; and Whereas said alleged threat, if carried into effect, would menace the freedom of action of the Members of this body in the discharge of their legislative duties: Therefore be it

*Resolved by the House of Representatives, That the Committee on the District of Columbia, or a subcommittee thereof appointed by the chairman, be instructed and empowered to make a full and thorough investigation of the truth of the facts set out and alleged in said article.

That said committee or subcommittee be instructed and empowered to ascertain whether there is now or at any time in the past has been any organization in the District of Columbia or elsewhere that has or has had as its purpose or object the securing or preventing of legislation affecting the relation between the Federal Government and the District of Columbia or the citizens or institutions thereof;

That said committee or subcommittee be instructed and empowered to ascertain whether there is now being raised or whether at any time in the past there has been raised any money by the citizens, residents, property owners, corporations, or organizations of Washington or the Di

same:
That said committee or subcommittee be instructed and empowered to ascertain whether there is now or in the past has been maintained a lobby in the city of Washington for the purpose of influencing or affect-

Ing legislation or appropriations for and on behalf of the District of Columbia or the people, corporations, or institutions thereof, and said committee or subcommittee will ascertain methods and agencies employed for the purpose of affecting said legislation;

That said committee or subcommittee be, and is hereby, authorized to issue subpeans and call for books, papers, and records; that the chairman of said committee, or any member thereof in his absence, is hereby authorized to administer oaths and to compel the attendance upon the committee of any person or persons whom said committee may wish to interrogate relative to the matters set out in this resolution;

That said committee or subcommittee in conducting this investigation is authorized to use the official committee stengraphers.

Upon the conclusion of its investigation the said committee shall report fully to this House the results of its investigation and findings thereon.

Mr. MANN. Mr. Speaker, I make the point of order that the resolution is not a privileged resolution.

The SPEAKER. What is the gentleman's point?

The mere fact that some organization may Mr. MANN. exist, if such be the case, for the purpose of influencing the election or defeat of Members of Congress does not constitute a matter of privilege in the House. That is what the Democratic congressional committee is for. That is what the Republican congressional committee is for. That is what the national committees are for, and that is what the Progressive committee is for, if one exists.

Mr. MURDOCK. And the National Association of Manufac-

turers also. [Laughter.]
Mr. MANN. I do not know about that. [Laughter.] The National Association of Manufacturers has not done as much work in that direction as the gentleman from Kansas [Mr. Murdock] has done on the Chautauqua circuit, I expect. [Laughter.]

Now, the mere organization to defeat the election of Members of Congress does not constitute a matter of privilege in the House. We have a law on the statute books providing that if any organization or committee shall ever attempt to influence the election of Members of Congress in more than one State it must make a report of its receipts and expenditures under penalty of the law. There is no charge of corruption here, nor is there anything improper in having an organization in the District of Columbia to look after legislation in Congress. The only method the people here have of influencing legislation in Congress is by appeals through organizations of the District. That does not constitute a question of privilege.

Mr. PROUTY. Mr. Speaker, Rule IX provides:

Questions of privilege shall be, first, those affecting the rights of e House collectively, its safety, dignity, and the integrity of its proceedings.

I submit to the Chair and to gentlemen of this House the proposition that if an organization that is directly affected by this legislation issues a threat which is promulgated through this House at the time that votes are being cast upon an important measure affecting that organization it does interfere with the dignity and the integrity of this House.

The comparison that my distinguished friend from Illinois [Mr. Mann] made is no comparison at all. I admit that any one's constituents have a perfect right to organize to defeat him if he does not carry out their wishes. But that is not the proposition here. Here is an organization that is not a constituent of any Member, and yet they stand here threatening to mass their influence and their money to defeat any man who votes for a measure that they think ought not to pass.

Mr. DYER. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman yield? Mr. PROUTY. Yes.

Mr. PROUTY.

Mr. DYER. The gentleman states that the people of the District of Columbia are not the constituents of any Member of this House.

Mr. PROUTY. I said that.

Mr. DYER. I would like to have the gentleman state whom they are the constituents of, if they have any representative in the House?

Mr. PROUTY. They have no representative. The gentleman knows that full well, and I have no objection whatever to their appealing to us in the manner they have the right to appeal. But it is another proposition to say that these people, who receive \$7,000,000 a year out of the Public Treasury, have the right to use that or a part of it to intimidate men in their votes in this House.

I beheld a sad spectacle the other day, while we were taking a vote in this House, of the very article I am calling attention to being in the hands of perhaps half of the Members of this Do you say it does not interfere with the dignity of this House? It is not a threat that they will appeal to the judgment and integrity of these people or of their constituencies, but they say frankly that they are going to flood the district of for five minutes at least.

every man who has the courage and the nerve to stand on this floor and vote for and say that which he believes in.

I do not want you to consider that there is anything personal in this matter for me. Every man who knows my feeling knows that I have no desire to return to Congress, and they will be wasting their money in my district, so far as I am concerned. But while I am here I am going to do everything I can to relieve this House from the pressure and corrupting influence that is constantly being brought to bear upon this House in behalf of certain measures and in opposition to certain other

The SPEAKER. The Chair is inclined to think that the position of the gentleman from Iowa [Mr. Prouty] is correct, and overrules the point of order. [Applause.] Those in favor of the resolution will say "aye."

Mr. FITZGERALD. Mr. Speaker, I move that the resolution be referred to the Committee on Rules, or at least to some com-

mittee, for examination and consideration.

Mr. PROUTY. I think the gentleman is too late in making the request.

The SPEAKER. Oh, the Chair does not think he is too late. Mr. MURDOCK. The House was dividing.

The SPEAKER. The gentleman from New York moves to refer this resolution to the Committee on Rules.

Mr. JOHNSON of Kentucky. I move to lay that motion on the table.

Mr. CRISP. That will take the resolution with it.

The SPEAKER. Yes; it will take the resolution with it. Mr. JOHNSON of Kentucky. Then, Mr. Speaker, I withdraw that motion.

Mr. MANN. Mr. Speaker, this seems to me a rather peculiar proposition to come from my distinguished friend from Iowa [Mr. PROUTY].

Charges are made reflecting upon the integrity of the gentleman from Iowa and of other Members of the House, and especially upon the Committee on the District of Columbia, and it is proposed to have the Committee on the District of Columbia investigate the charges. If charges were made against me, I should want somebody else to investigate them. I would never ask that I investigate charges reflecting upon my personal integrity; and if charges have been made against the District Committee—and propositions are made affecting the members of the District Committee—they ought to be the first ones to ask for an impartial committee of this House to make the investigation, instead of proposing that they investigate charges made against themselves.

Mr. HAY. Mr. Speaker, I offer the following amendment-Mr. FITZGERALD. Mr. Speaker—

The SPEAKER. The gentleman from Virginia [Mr. Hav] offers an amendment which the Clerk will report. The motion to refer is pending.

Mr. HAY. If there is a motion to refer, I withdraw my

motion. I did not understand that there was.

Mr. FITZGERALD. Mr. Speaker, I suggest that this resolution be referred to the Committee on Rules, because that is the orderly and proper manner to dispose of such a resolution.

This resolution, referring to a report in one of the local papers, and assuming the report to contain an accurate statement of facts, proposes that an investigation as outlined in this resolution be conducted by the Committee on the District of Columbia.

I do not know how many Members of the House have had an opportunity to see this resolution and examine it, to ascertain the extent of the investigation proposed, or whether, if an investigation be necessary, the resolution is sufficiently com-prehensive in its terms to insure the investigation which ought to be made.

It seems to me, Mr. Speaker, that this House can well afford to do what sensible men would do under such circumstances, and that is, permit the committee that has jurisdiction of such matters to have an opportunity to examine the resolution and to make a report to the House as to what should be done. I hope it will be referred, and I demand the previous question on my motion.

Mr. STAFFORD. Will the gentleman allow me— The SPEAKER. The gentleman from New York moves the previous question on his motion to refer.

The question being taken, the previous question on the motion to refer was refused.

Mr. STAFFORD. Mr. Speaker-

Mr. STAFFORD. Mr. Speaker
The SPEAKER. For what purpose does the gentleman rise?
Mr. STAFFORD. I should like to debate the motion to refer

The SPEAKER. The motion to refer is before the House, and it is debatable in the discretion of the Chair.

Mr. STAFFORD. Mr. Speaker, before the House takes ac-tion on this resolution I hope that the second thought of every Member here will be to refer it to some duly constituted com-

mittee to give it good consideration.

We have just received the report of the so-called House lobby investigation committee. That committee worked during the summer months for some six or eight weeks consecutively. do not suggest that this resolution go to that committee, but certainly we all know that the District Committee is charged with many matters of legislation that deserve consideration, and if you delegate this investigation to the District Committee you will interfere with their regular duties of considering the legislation with which they are charged. If they go ahead with the investigations sincerely and conscientiously, you may rest assured they will not do any other thing except investigate for the next two months. Your committee that was delegated to investigate all the lobbies that were in the air, some of which were substantial, were engaged continuously for two months in that line of investigation. I am not seeking further work, nor is any member of that committee seeking further work along this line; but I have never refrained, and I do not believe any member of that committee has ever refrained, from performing a duty that the House has charged it to perform.

Now, if the Committee on Rules should see fit to have this matter investigated by the committee that was appointed under the former resolution, I think every Member of this House can say that that committee may properly be charged with that additional duty; but to delegate this important duty of investigation to the Committee on the District of Columbia will mean that they will not do anything else for the next two months, if they go ahead conscientiously with that work. I believe I express the judgment of the Members of this House-those who sympathize with the District chairman and those who opposethat we expect, and the people of the District of Columbia have a right to expect, some affirmative legislation from the District of Columbia Committee without their going into an omnibus endeavor to ferret out every little newspaper report casting reflection upon the chairman or members of that committee. hope the motion of the gentleman from New York, to refer this resolution to the Committee on Rules, will be adopted, so that they can determine what is best under the ordinary procedure

Mr. HOWARD. Mr. Speaker, I would like to address myself to this resolution for about three minutes.

The SPEAKER. All gentlemen must address themselves to

the motion to refer.

Mr. HOWARD. That is what I expect to do. Mr. Speaker, I am heartily in favor of the immediate passage of this resolution without referring it to the Committee on Rules. I doubt to some extent the wisdom of the District of Columbia Committee being made the inquisitors of the conduct of certain organizations in the city of Washington. But, Mr. Speaker, there is not a Member in this House who has heard the resolution read who does not thoroughly understand its import. The conduct of the Washington papers within the last two weeks relative to The conduct legislation pending before this House has been, in my humble judgment, an outrage and a disgrace. [Applause.] It has been an insult to the intelligence and the integrity of every Member upon the floor of this House. It has brought upon my colleague from Georgia, Judge Crisp, criticism, ridicule, and abuse which he did not deserve, for the very good reason he was discharging what he conceived to be his patriotic duty. So far as he is concerned, in his district this ridicule, abuse, and sarcasm on the part of the Washington press will in no manner affect his return to this body by his appreciative constituency for the splendid services he has rendered them as their Representative.

Mr. MOORE. Will the gentleman yield?

Mr. HOWARD. I will.

Mr. MOORE. If the comments of the Washington newspapers had been entirely favorable to the gentleman from Georgia, Judge Crisp, or to any other Member of the House, would the gentleman have raised any objection to that?

Mr. HOWARD. If it had been entirely favorable, of course not; the question is silly.

Silly?

Mr. HOWARD. Of course it is silly and no sense in it.

Mr. MOORE. Why does the gentleman from Georgia object

to fair criticism of a public man in a public place?

Mr. HOWARD. Because of the fact that these papers seek to influence Members of the House by intimidation.

Mr. MOORE. Would the gentleman favor an investigation now of any of the labor unions which send their circulars to Members of Congress?

Mr. HOWARD. If the labor unions resorted to the methods of intimidation that the Washington newspapers have, I would; but I have yet to receive my first circular or letter intimating even a threat. Labor unions are usually very grateful for what few crumbs they receive from the legislative banquet table. [Applause.]

Mr. MOORE. Would the gentleman object to an investigation of the various waterways organizations and the good roads organizations which are being conducted in Washington?

Mr. HOWARD. They will never criticize the gentleman from Pennsylvania about anything that might be wanted for the District of Columbia. [Laughter.]

Mr. MOORE. That is because I try to be lail.

Mr. CRISP. Will the gentleman from Georgia yield? Mr. CRISP. Will the gentleman from Georgi Mr. HOWARD. I will yield to my colleague.

Mr. CRISP. Mr. Speaker, I had not intended to open my mouth, but since my name has been brought into it I want to say to my colleague and the Members of the House that I have not the slightest objection to any criticism or ridicule being heaped upon me by the Washington papers. [Applause.]
Mr. HOWARD. Well, Mr. Speaker, if I was in the impreg-

nable position in my district that my colleague is in in his district, I would not object, either. [Applause.] Speaker, that this resolution should pass immediately. only thing that could be accomplished by the reference of this resolution to the Committee on Rules would be to delay its pas-I think the resolution ought to be amended and that the members of the District of Columbia Committee ought to be eliminated from being members of the investigating committee. It should be thoroughly and speedily gone into, and if these organizations in Washington who are said to have made these statements and insinuations against Members of Congress have stated the truth we ought to vindicate them, and if they have not we ought to condemn them. I hope that this resolution will be speedily passed with the amendment suggested.

Mr. JOHNSON of Kentucky. Mr. Speaker, I would like to ask the gentleman from Georgia if he has gone sufficiently into the history of the affairs in the District of Columbia and realizes the fact that the leaders of this gang are themselves the very men who stand in the way of preventing a Delegate to Congress from the District of Columbia being on the floor?

Mr. HOWARD. That is my honest judgment; and I will say further in answer to the question of the gentleman from Kentucky that I believe that these folks, so far as the District of Columbia is concerned-and I am speaking of the District only—are doing more harm than they are good. In fact, they would probably get better and fairer treatment if they were not so unfair themselves in dealing with these questions. Mr. Speaker, I hope the resolution will be speedily passed.

Mr. GREEN of Iowa. Mr. Speaker, I hope that this resolution will pass as it stands without amendment. As I understood the resolution, it is not proposed to investigate charges made against Members of this House, but it is proposed to investigate the conduct of gentlemen who, if newspaper statements are to be credited, are proposing to influence this House by methods which are inconsistent with its dignity and selfrespect, to say the very least. For this reason I do not see why the resolution should be referred to the Committee on Rules. The Committee on the District of Columbia has cognizance of affairs in the District and is the best equipped to investigate this matter, and I think it ought to pass as it stands.

Mr. BYRNES of South Carolina. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. BYRNES of South Carolina. Does the gentleman think the articles in the Washington newspapers will influence the judgment of any Member of this House?

Mr. GREEN of Iowa. Mr. Speaker, I think articles of that character ought not to influence the judgment of anyone in this

Mr. BYRNES of South Carolina. Does not the gentleman believe that these newspaper articles will be used as a political asset by a good many of these gentlemen who are now complaining of them? Would it not be a political asset for the gentleman to use them in his district? [Applause and laughter.]

Mr. GREEN of Iowa. The gentleman can address himself to the members of the committee or to the gentleman who intro-

duced this resolution.

Mr. BYRNES of South Carolina. What is the gentleman's honest opinion? Would it not help him in his district to take these newspaper articles and, using them as a text, deliver a stump speech upon them? [Laughter.]

Mr. GREEN of Iowa. The gentleman misunderstands my situation. I am not attacked by these articles.

Mr. BYRNES of South Carolina. Would it not help the gen-

tleman to do that, in his own judgment?

Mr. GREEN of Iowa. I can not say anything about that, because I have not any occasion to. I have no desire to make any such reflection on the gentlemen who have introduced or who favor the resolution. I believe that an attack of the kind described in these newspaper articles is derogatory to the dig-

nity of this body and in practical contempt of it.

Mr. KAHN. Mr. Speaker, I hope the motion of the gentleman from New York [Mr. FITZGERALD] will prevail. After all, Congress is the common council of the city of Washington. We are all members, practically, of the board of aldermen of this city, and the newspapers of any community have the right to criticize their board of aldermen. It is unfortunate, probably, for the District that such a large body of men as this should be called upon to pass ordinances for the municipality, but that is the law, and the District Committee simply takes charge of the legislation or prepares it for the benefit of the House. There is not a city in the United States in which the citizens would attempt to curb the power of the newspapers to properly criticize their aldermen; and any attempt on the part of the aldermen to curb such criticism would probably be met by an indignant people as tending to infringe the liberty of the press. Mr. MANN. Mr. Speaker, will the gentleman yield for a

question? Mr. KAHN. Certainly.

Does the gentleman think that this whole at-Mr. MANN. tempt is an attempt on the part of the newspapers to terrorize Congress, or an attempt on the part of certain Members of Congress to terrorize the Washington newspapers? [Laughter.]

Mr. KAHN. I do not believe that the attempt is that of the newspapers to terrorize Congress, because I have enough faith in my colleagues in the House to believe that they would not be terrorized by any newspaper. Long experience here has taught me that the Members of the House perform their duty as they see it, without interference from any newspaper. However, on the matter of reference, I think this resolution should go to the Committee on Rules, because an interested committeeand in this instance the Committee on the District of Columbia is an interested committee-should not have jurisdiction over the matter.

Mr. GREEN of Iowa. Mr. Speaker, will the gentleman yield?

Mr. KAHN. Certainly.
Mr. GREEN of Iowa. Does not the gentleman realize that this resolution is not aimed at the newspapers at all, but at certain organizations which are claimed to be in existence?

Mr. KAHN. Those organizations probably represent the views of the citizens of the District, and practically the only way in which they can express their views to Congress so that Congress can get a general idea of their views is through the columns of their newspapers

Mr. MacDONALD. Mr. Speaker, will the gentleman yield?

Mr. KAHN. Certainly.
Mr. MacDONALD. If the gentleman from California is opposed to this investigation, as I take it he is-

Mr. KAHN. I am not.

Mr. MacDONALD. I take it the gentleman is opposed to the investigation of these articles in the newspapers. Is not that true? Mr. KAHN. I am in favor of the motion of the gentleman from New York to refer the resolution to the Committee on

Mr. MacDONALD, But I understand from the gentleman's remarks that he is opposed to this common council, this board of aldermen, investigating these articles in the newspapers.

Mr. KAHN. Oh, I have no objection to the articles in the newspapers being investigated by some committee of this House; none whatever. I do not think the District Committee ought to attempt to investigate them, because the District Committee has an interest in the matter. But I did attempt to say that the newspapers have a right, in my judgment, to criticize the Members of this House regarding legislation affecting the District

Mr. MacDONALD. The question I wanted to ask the gentleman from California is, if he is opposed to the investigation, why not vote it down rather than refer it to the Committee on

Mr. KAHN. The Rules Committee can bring in such a report as will probably meet the views of a majority of the Members of the House.

Mr. BARNHART. Will the gentleman from California yield? The SPEAKER. Does the gentleman from California yield? Mr. KAHN. Certainly.

Mr. BARNHART. The gentleman from California elaborates on the importance of newspapers criticizing Members of Congress; but it is not a question of criticism. It is a question of absolute intimidation. Whenever a newspaper declares it is going into the districts of men who dare to stand up for what they believe is right and attack and defeat them, the very proposition to fight these men carries with it the question of intimidation

Mr. KAHN. I will answer the gentleman's question in this way: If the gentleman voted upon a question affecting his own immediate constituents, does the gentleman believe that the newspapers of his district have not the right to attack him and try to defeat him at the polls if they desire to do so? And I contend that under the existing system of government for the District of Columbia every citizen of the District is to a certain extent a constituent of every Member of this House.

Mr. GARNER. Will the gentleman yield?
Mr. KAHN. I will yield.

Mr. GARNER. Mr. Speaker, could not this matter be solved by an amendment to this resolution requiring the Speaker to appoint a select committee and let them make the investigation? Mr. KAHN. Well, the Committee on Rules can so report if it

desires to do that.

Mr. GARNER. I understand the gentleman from Iowa [Mr. PROUTY] is willing to accept that amendment to his resolution.

Mr. HAY. Will the gentleman yield?

Mr. KAHN. I do.
Mr. HAY. I have already sent to the Clerk's desk an amendment to the resolution providing that there shall be a select committee instead of the District Committee.

Mr. KAHN. I have no objection to that action, but personally I would like to see some committee other than the District Com-

mittee investigate the matter.

Mr. MONTAGUE. Mr. Speaker, I had no idea of addressing myself at all to the pending motion, save for the remarks made by the gentleman from Georgia [Mr. Howard] that we were all practically apprised of the contents of this resolution. I myself have not heard the whole resolution, though I tried to listen as best I could, and I am persuaded that many of the Members of this House are not familiar with its context.

Having said this much, Mr. Speaker, permit me to suggest— and I do it with great reluctance—that we should not be swept off our feet in this matter. I disclaim any sympathy with any attack upon any Member or upon the integrity of this House, but this is not the question now before us. The merits or demerits of the resolution are aside the question. The question is one wholly of parliamentary procedure, one of propriety and of order and of the dignity of this House; and it seems to me, therefore, that the motion made by the gentleman from New York [Mr. FITZGERALD] is the appropriate procedure. plies a proper vehicle to take care of this question at this particular juncture, and I submit to the House that this motion should be referred to the Committee on Rules, and they, in turn, can submit a report to this House upon which we can properly deliberate, or this committee might indicate another procedure more adequate or more appropriate to deal with the whole mat-[Applause.]

Mr. UNDERWOOD. Mr. Speaker, I desire to ask the gentleman from Iowa whether his resolution proposes-I did not catch the drift of it-to investigate the newspapers of Washington or to investigate certain organizations in Washington for statements that occurred in the newspapers?

Mr. PROUTY. The resolution clearly provides for an investigation as to the truthfulness or lack of truthfulness of statements in this paper that such organizations existed and were

going to do certain things.

Mr. UNDERWOOD. Now, I wish to say to the gentleman— he may have overlooked it—there was a statement made in one of the Washington papers that certain organizations intended to organize to raise funds, or something of that kind, to defeat Members of Congress. That was in an early afternoon edition. The 5.30 afternoon edition of that same paper came out and stated on the same afternoon that that statement was an unauthorized statement of this newspaper reporter; that it was a mistake; and that no such statement had been made by these organizations.

Mr. JOHNSON of Kentucky. Will the gentleman yield?

Mr. UNDERWOOD. I will.

Mr. JOHNSON of Kentucky. I want to ask the gentleman if the 5.30 o'clock edition of the Washington Times of day before yesterday did anything more than to remove the article from the front page to another page, where it was less prominent, and that another paper made the statement to which the gentleman now refers?

Mr. UNDERWOOD. Well, I am not sure which paper made the statement correcting the other statement, because I am not certain about the matter in my own mind, but I am sure of the proposition that the men who were charged in the first paper with having made this statement the same afternoon came out and denied emphatically that any such statement had been

Mr. JOHNSON of Kentucky. I ask the gentleman if he expected them to admit it any more than the Mulhall people were expected to make admissions until they were put under

Mr. UNDERWOOD. Well, I would not say that. I think, if they intended to make a statement, that a man who will publish a statement in the newspapers will stand by his state-

Mr. JOHNSON of Kentucky. The gentleman, if he will permit an interruption, must admit that these people themselves never made this statement of their own accord. A newspaper

in publishing the news published it for them. Mr. UNDERWOOD. Well, I think there is some doubt. There certainly is considerable doubt in my mind as to whether a body of citizens in the city of Washington would be so unwise and so unpatriotic as to attempt to intimidate the Congress of the United States, from which they must get their supplies with which to run this government. Now, if they have, I will say to the gentleman from Kentucky [Mr. Johnson], they ought to be brought to the bar of this House and properly disciplined for doing so. But if they have not, I should dislike very much to see this House put itself in a ridiculous attitude of attempting to run after a shadow. Now, I do not know how far these resolutions go, and neither do you. I do not know whether there is any warrant outside of a mere newspaper publication for this statement or not. You do not know. Now, there is no great haste in this matter. It is one that should be considered by this House with that deliberation, consideration, and dignity that the House of Representatives should treat any matter which reflects upon the character of the Members of this House or the dignity of the House. [Applause.] And I should very much regret to see the Members of this House, because an item had merely appeared in the newspapers that had been contradicted to some extent, rush headlong, without careful consideration, into a matter of ordering an investigation when we are not sure as to whether these charges have been made by authority of the people of this city or not.

Now, I want to say, in passing, that I not only think it unwise but absolutely unjustifiable for the newspapers of this city or any other city to reflect on the personal character or the intention of a Member of this House when he is trying to perform his duty, merely because his views happen to differ with the views of the editor of a newspaper or the sentiment which that newspaper reflects. But I do say that we must maintain our own dignity, our own poise, and our own decision. We have a committee of this House to whom all questions of investigating resolutions are referred. They have repeatedly reported to this House such resolutions. No man on the floor of this House can charge for a moment that the Committee on Rules, if this resolution goes to them, would have any desire or intention to block or defeat it if the facts will sustain the resolution and authorize an investigation. I hope at this time that the House may not be swept off its feet hastily and without due consideration, but that you will send this resolution to a committee of this House that can properly investigate it and report back its conclusions as to what should be done promptly after the Christmas holi-days. [Cries of "Vote!" "Vote!"]

The SPEAKER. The question is on the motion to refer the

Mr. PROUTY. Mr. Speaker, I should like to be heard for a

The SPEAKER. The gentleman from Iowa [Mr. Prouty]

is recognized

Mr. PROUTY. Mr. Speaker, a great deal of confusion has grown out of the discussion of this question. This article referred to is not under investigation, neither is any attack made upon any Member of Congress involved in this investigation. This paper alleged that there were certain persons of the city. of Washington that had already agreed among themselves to flood every district in the United States with letters in attempt to defeat the candidates who voted in favor of what was known as the abolition of the half-and-half rule. Now, pardon me, but what could this Committee on Rules investigate in order to determine whether or not the House should order an investigation? There is the article. If it is true, then this House ought to know that the facts alleged in that article are true. If the statements in that article are false-

Mr. MOORE. Mr. Speaker— Mr. PROUTY. Pardon me. If the statements in that article are false, then the Members of this House ought to know that, and then they will not any longer be scared by it-

Mr. FITZGERALD. Who is scared?

Mr. PROUTY. The fellows who are behind this thing are the fellows who are scared. I have not been on this floor very long, but I do know how things are hid.

Mr. FITZGERALD. Does the gentleman intimate that I am trying to hide anything in moving that his resolution go to the Committee on Rules?

Mr. PROUTY. I have noticed this-

Mr. FITZGERALD. The gentleman can answer that ques-

tion, and not hide behind some indirect statement.

Mr. PROUTY. I may be unable to understand or fathom the intricacies of a man's mental operation, but I can understand his acts. I say the apparent purpose of this move is de-We are just now on the eve of an adjournment.

This committee can not report, in decency, within the time that this House will be in session, and it will be heralded all over this country that this House was not willing to enter upon this investigation and that upon the shrewd tactics of the gentleman from New York [Mr. FITZGERALD] it was pigeonholed for the present. [Applause.]

Mr. FITZGERALD. Mr. Speaker, will the gentleman yield?

Mr. TRIBBLE. Will the gentleman yield, Mr. Speaker? The SPEAKER. To whom does the gentleman yield?

Mr. PROUTY. I will yield to my distinguished friend from

New York [Mr. FITZGERALD].

Mr. FITZGERALD. Mr. Speaker, let me say to my friend from Iowa that if I were so timid or thought that anybody had as little confidence in my integrity as he seems to think they have in his, then I would want to hide in this matter. am not so thin-skinned as to be frightened either by the criticisms of the press or by the attempts of any of the people in the District of Columbia to be afraid of any impression that they may make upon the people whom I represent in this House, however they may affect those whom the gentleman

Mr. MOORE. Mr. Speaker, will the gentleman yield?

Mr. MONDELL. Mr. Speaker, will the gentleman yield for an interruption?

The SPEAKER. To whom does the gentleman yield?

Mr. PROUTY. I will yield to the gentleman from Wyoming. Mr. Speaker, assuming that it is true that there are organizations in the District of Columbia that have threatened to bring to the attention of the constituencies of Members the fact that they are unfriendly to the District, does the gentleman contend that they have no right to do that in a legitimate way-to attempt to defeat a Member on the ground that he is unfriendly to the District? Have not the citizens of the District the right to do that?

Mr. PROUTY. My answer to that inquiry is that neither I nor any other Member of this House would have any objection to having that question fairly presented to the people of his district. But I am old enough in politics to know that whenever gigantic organizations undertake to defeat a man they never raise the question that they really have at heart, but

always start some subterfuge. [Applause.]

Mr. TRIBBLE. Mr. Speaker, will the gentleman yield? Mr. PROUTY. And this organization, if it is as strong as they say it is and Nation-wide, is capable of putting into your district another man. It is capable of furnishing him with funds to make a fight. It is capable of furnishing him with facts and things that bear upon the campaign.

Now, I am certainly disinterested in a personal way in this I repeat again that I am not personally interested in a single thing that is involved in this controversy. My name has not been mentioned in connection with this publication. Yet I feel with all the keenness of my heart that you will never

get proper legislation in the American Congress until you have divested Congress of the influence of the local press and divested

of the local influence. [Applause.]

Mr. TRIBBLE. Mr. Speaker, will the gentleman yield?
Mr. PROUTY. In a moment. I may say that, so far as this committee is concerned, I recognized in drawing the resolution the impropriety, in a sense, of having the Committee on the District of Columbia do that work, and I therefore inquired if there still existed the committee known as the Lobby Investigating Committee under resolution 198, and the best information I could get was that that committee had been discharged. I would like to inquire now if anybody knows whether that committee has been discharged or not?

Mr. MANN. That committee made a report. That dis-

charges it.

The SPEAKER. They have made their report, and without studying about it the Chair would think it was functus officio.

Mr. TRIBBLE. Now, Mr. Speaker, will the gentleman yield? The SPEAKER. Does the gentleman yield?

Mr. PROUTY. Yes. Mr. TRIBBLE. Would the gentleman be willing to accept an amendment to his resolution—an amendment which strikes out the words "District of Columbia"?

The SPEAKER. The Chair would state to the gentleman from Georgia [Mr. TRIBBLE] that no amendment is in order.

Mr. TRIBBLE. I would like to make a parliamentary in-

quiry. Is not the discussion still before the House?

The SPEAKER. The Chair knows that; but the discussion is confined to this motion about referring. [Cries of "Vote!" Vote!"

Mr. MOORE. Mr. Speaker-

The SPEAKER. Does the gentleman from Iowa yield?
Mr. PROUTY. Just a moment. If this resolution is voted down, then I intend to offer an amendment changing the committee where the matter will be investigated.

Mr. MOORE. Mr. Speaker

The SPEAKER. The gentleman from Pennsylvania [Mr. Moore] is recognized.

Mr. MOORE. In the first place, Mr. Speaker, this is a very odd spectacle-

Mr. UNDERWOOD. Will the gentleman allow me to interrupt him for a moment? There are other things to transact. How long does the gentleman want to talk?

Mr. MOORE. Not more than three minutes.

Mr. UNDERWOOD. Mr. Speaker, I ask unanimous consent

that all debate on this motion close in three minutes.

The SPE_KER. The gentleman from Alabama [Mr. Underwood asks unanimous consent that all debate on the pending motion be closed in three minutes. Is there objection? a pause.] The Chair hears none, and the gentleman from Pennsylvania [Mr. Moore] is recognized for three minutes.

Mr. MOORE. It is a very odd circumstance that this House, made up of the statesmen of the Nation, should be able to devote one hour and a half of this morning's session, on the eve of a Christmas adjournment, to the discussion of a newspaper report written by one newspaper reporter in the city of Washington affecting the personal feelings of some of the Members, when it could not give 40 minutes on Saturday last to the discussion of the great currency bill for which this Nation is waiting. [Applause.]

Second, it is very odd that the gentleman from Iowa [Mr. PROUTY] should be in such a state of mind over the ebullition of one newspaper reporter that he must delay the proceedings of this House this morning on such a trivial business as that of

investigating what a newspaper reporter has said.

There is no other way for the people of the District of Columbia to obtain a hearing except through the newspapers of their city, and it is strange indeed that Members can refuse to investigate unions of one kind or another, which have votes in the districts from which the Members come, but can still take the time of the House to move an investigation against people of the District of Columbia, who have no votes at all, Why do they not inquire as to the pretenses of certain labor leaders that Members of Congress can not come back unless they vote as the unions dictate? They do not inquire into that because there are labor votes at home. Why do they not investigate the aggressions of the good-roads boomers and the good-waterways boomers, if you please? Because they have votes back home that influence Members of Congress. But when it comes to the feeble little District of Columbia, with about 300,000 people in it, not one of whom has a vote or can speak for himself at all in this House, then Members get courageous; then they step forward and bare their breasts and talk of intimidation and of fear. [Applause and laughter.] Oh, brave men come to Congress! They are so brave on this vital day of this great session of Congress that they would investigate, at the expense of the Government, the poor little District of Columbia, where there are no votes at all. [Applause.] This is big work for the home folks to ponder over.

Mr. REED. Mr. Speaker-

The SPEAKER. For what purpose does the gentleman from New Hampshire rise?

Mr. REED. To ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire to extend his remarks in the

Mr. MANN. On what subject?
Mr. REED. On the subject of the civil service.

Mr. MANN. Mr. Speaker, of course that embraces everything under the Government except the military service. ment does not convey any information to my mind.

Mr. REED. That is the subject. The gentleman asked for the subject, and I have given it to him.

The SPEAKER. Is there objection?
Mr. BARNHART. Reserving the right to object-

Mr. MANN. That is too broad a subject. Until we know

more about it I shall object.

The SPEAKER. The gentleman from Illinois objects, and the question is on the motion of the gentleman from New York [Mr. Fitzgerald] to refer this resolution of the gentleman from Iowa [Mr. Prouty] to the Committee on Rules.

The question was taken; and on a division (demanded by Mr.

PROUTY and Mr. Moore) there were—ayes 171, noes 86.

Accordingly the motion to refer the resolution to the Committee on Rules was agreed to.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. PAGE of North Carolina. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the District of Columbia appropriation bill, H. R. 10523.

Mr. MANN. Mr. Speaker, pending that motion, and out of order, I ask whether anyone can inform the House as to the prospect of an early report from the committee of conference on

the banking and currency bill?

Mr. UNDERWOOD. Mr. Speaker, I will say to the gentleman from Illinois that I have just heard from the gentleman from Virginia [Mr. GLASS], chairman of that committee, and he thinks it is probable that he will be able to bring in a report in about an hour and a half-not before that time.

Mr. MANN. I take it, then, that in any event it will be ex-

pected that the House dispose of that report to-day?

Mr. UNDERWOOD. Yes.

Mr. PAGE of North Carolina. I will say to the gentleman that if that report is ready to come in I shall ask that the committee rise.

Mr. MANN. I understand. I was simply trying to find out

for the benefit of Members of the House.

Mr. UNDERWOOD. I think, as everybody wants to get home for Christmas, it will be necessary for the House to pass that report to-day, and I think it advisable even for the House to stay in session late to-night in order to get through with the report, so that it may be in the Senate to-morrow. Of course, if we can not get unanimous consent for the consideration of the report when it comes in, it will be necessary to bring in a rule, and I would like to know the disposition of the gentleman from Illinois [Mr. Mann] and the gentleman from Kansas [Mr. Mur-DOCK] as to whether they will grant unanimous consent for the consideration of the conference report without compelling it to lie over for one day under the rule.

Mr. MURDOCK. You are going to permit some debate on the

conference report?

Mr. UNDERWOOD. Oh, yes.

Mr. HAYES. How much time is the gentleman willing to

allow for debate?

Mr. UNDERWOOD. While the gentleman from Virginia is not here and I would not like to enter into an agreement for any definite length of time in his absence, yet I will say that I am sure that he will agree to a reasonable time. I certainly would favor it. This matter is of too much importance not to allow a reasonable debate.

Mr. MANN. In order to see whether the House can reach an understanding, I want to say that, of course, it is within the power of the majority to bring in a report from the Committee on Rules, which might take a debate of 40 minutes. I do not know the disposition of gentlemen in the House on the subject as to whether it would be practicable at this time to make a unanimous-consent agreement that the conference report might

be disposed of without printing, under the rule.

Mr. HAYES. Mr. Speaker, before I agree to any unanimousconsent proposition, I would like some assurance as to the time

for debate.

Mr. UNDERWOOD. How much time does the gentleman want?

Mr. HAYES. An hour on a side, as this is a very important bill.

Mr. MANN. Clearly that time would be granted and perhaps more.

Mr. HAYES. I would like to have more time, but I would like to have an hour at least.

Mr. UNDERWOOD. Although I am speaking without the knowledge of the gentleman from Virginia [Mr. Glass], I will assume that if this request is granted there will be at least two hours' time for debate, if not more, one hour on a side.

Mr. MURDOCK. That would run us until half past 5.

Mr. MANN. We can sit until half past 9 or 10.

Mr. UNDERWOOD. I do not think there will be any disposition on the part of the gentleman from Virginia to unduly Mr. Speaker, I will couple with my request the further request that when the conference report comes in to-day, if it comes in to-day, on the currency bill, that it may be considered to-day without printing under the rule, with the understanding that there must be at least two hours debate on the conference report if anybody demands that much time.

Mr. ANDERSON. If the gentleman will pardon me, will the

report be printed in any form at all?

Mr. UNDERWOOD. I understand that the report is printed

Mr. HAYES. I have a copy of the report as printed.

Mr. PAYNE. Is it accessible?

Mr. HAYES. If the reports are not in the document room

at the present time they will be very shortly.

Mr. UNDERWOOD. I understand that they will be up here from the Printing Office within an hour and in sufficient numbers for all Members to have a copy.

Mr. HAYES. I am advised that only 360 copies of the report are in the document room. I would suggest to the gentleman

that there be a larger number procured immediately.

Mr. UNDERWOOD. Mr. Speaker, before my request for unanimous consent is put, I will ask unanimous consent that the Public Printer be authorized to print 500 additional copies for the use of the House of Senate Document No. 335.

The SPEAKER. The gentleman from Alabama asks unanimous consent that the Printer be authorized to print 500 additional copies for the use of the House of the conference report, which is Senate Document No. 335.

Mr. HAYES. Mr. Speaker, I am advised by the Doorkeeper

that other copies are being printed.

The SPEAKER. Is there objection to the request of the gentleman from Alabama? [After a pause.] The Chair hears

Mr. UNDERWOOD. Now, Mr. Speaker, I renew the request that when the conference report on the currency bill comes before the House to-day it may be considered without being printed in the RECORD under the rule, with the understanding that there shall be at least two hours' debate.

Mr. MANN. I think there is no need to make that part of the request. We will accept that statement.

Mr. UNDERWOOD. The gentleman from Illinois says that he is willing to accept the statement that there will be two hours' debate without making it a part of the unanimousconsent request.

The SPEAKER. Is there objection to the request of the

gentleman from Alabama?

Mr. LINDBERGH. Mr. Speaker, reserving the right to object, will the gentleman couple with that a request that all gentlemen be permitted to extend remarks in the RECORD on the currency bill? It is well known that the bill can not be considered in two hours' debate.

Mr. UNDERWOOD. I think that is correct; and I will ask unanimous consent that all Members of the House may be allowed five days in which to extend remarks in the Record on this conference report and the currency bill.

The SPEAKER. The gentleman from Alabama asks unanimous consent that all Members of the House have five days in which to print remarks in the Record on the currency bill and the conference report. Is there objection? [After a pause.] The Chair hears none. Is there objection to the request of the gentleman from Alabama that the conference report may be

considered to-day without being printed under the rule?

Mr. MURDOCK. Mr. Speaker, reserving the right to object, I want to ask if we can have a proportionate amount of the

Mr. HAYES. Yes; if I can get the time; but I would like to

have it definitely stated.

Mr. MURDOCK. We have not yet fixed on any definite time. Mr. UNDERWOOD. I will say to the gentleman from Kansas that we want to get through with this conference report to-day. Of course I recognize there are always two ways in which to get through-one is with an ax and the other is without an ax. Whenever we use the ax it usually takes as long to cut our way through as it does by unanimous consent.

Mr. MURDOCK. I realize that; and I do not want a rule.

Mr. UNDERWOOD. Neither do I. Understanding that, we have to be good-natured, and I have no doubt that the House will be good-natured and give the gentleman from Kansas time.

Mr. MURDOCK. Even the gentleman from Alabama would

see that I have some time.

Mr. MANN. How much time does the gentleman want? Mr. MURDOCK. Fifteen or twenty minutes.

The SPEAKER. The gentleman from Alabama asks unanimous consent that when the conference report on the currency bill comes before the House it shall be immediately considered, notwithstanding the rule requiring printing in the RECORD one day in advance of consideration. Is there objection?

Mr. WINGO. Mr. Speaker, reserving the right to object, I would like to know when members of the committee may hope to see a copy of the report, so that they can determine whether or not it can be disposed of in an hour's time?

Mr. UNDERWOOD. I understand that it will be here in a few minutes.

Mr. HAYES. A copy of the report will not be available until a report has been made to the House.

Mr. UNDERWOOD. But a copy of the bill agreed to in

conference is now available.

Mr. WINGO. I think the members of the committee at least should have an opportunity to know what is being done by the conferees upon that subject, and I would like to ask the gentleman from Alabama if he can assure the members of the com-mittee that they will be recognized in the division of time, and not be left as they were on Saturday, shut out without any opportunity to be heard.

Mr. UNDERWOOD. Mr. Speaker, I will say to the gentle-man from Arkansas that, of course, I shall not control the time. The time will belong to the gentleman from Virginia [Mr. Glass] and the gentleman from California [Mr. Hayes], but I have no doubt that the gentleman from Virginia will be willing to yield a reasonable amount of time to his colleagues, and that the House will be willing to agree on a reasonable amount of time, so that all may be heard, within reason; at least that is my disposition.

Mr. WINGO. Mr. Speaker, will the gentleman permit me right there? That is the situation that I do not care to get into. The presumption is that the gentleman from California [Mr. HAYES] and the gentleman from Virginia [Mr. GLASS] agree,

because each of them has signed the report.

Mr. HAYES. Oh, the gentleman is misinformed. The gen-

tleman from California has not signed the report.

Mr. WINGO. I beg the gentleman's pardon. I presumed that he was traveling the same route on this that he has traveled heretofore. He has been with the chairman of the committee. I beg his pardon, if I have misrepresented him at this juncture. The only object I have is not to be put in the attitude that I was on Saturday, of being shelved as a member of the committee, and gentlemen who knew nothing about what was in the bill being permitted to control and take the time that members of the committee, who do know something about it and who were interested in it, ought to have had.

The gentleman was in a better situation on Mr. MANN.

Saturday than this side of the House.

WINGO. Oh, I think if the gentleman had listened

closely to my remarks he would not think that.

Mr. MANN: I have listened very closely to the remarks of the gentleman whenever he has spoken. We had one minute on this side of the aisle on Saturday, and the other side of the House had considerable time.

Mr. WINGO. That is the objection I have. It may be true that there was one minute on that side, but that was more than certain members of the committee had. I suggest that the papers are not now in the possession of the House. While I would object now to any agreement, I shall not later on, as soon as that report is in, for I am anxious that it be disposed of at to-day's session.

Mr. MANN. Mr. Speaker, I would suggest to the gentleman from Alabama that he better bring in a rule, because I think

later on I shall object.

Mr. FITZGERALD. Mr. Speaker, I demand the regular

The SPEAKER. Is there objection to the request of the gentleman from Alabama that the rule compelling printing of a conference report in the RECORD one day in advance of its consideration be dispensed with and that when the conference report on the currency bill is presented to the House it shall be immediately considered? [After a pause.] The Chair hears none, and it is so ordered.

WITHDRAWAL OF PAPERS.

Mr. Townsend, by unanimous consent, was given leave to withdraw from the files of the House, without leaving copies, papers in the case of H. R. 15445, for the relief of Bayard T. Garrabrandt, Sixty-second Congress, no adverse report having been made thereon.

Mr. Hawley, by unanimous consent, was granted leave to withdraw from the files of the House, without leaving copies, papers in the case of H. R. 1701, Sixty-second Congress, no adverse report having been made thereon.

Also, papers in the case of H. R. 16938, Sixty-second Congress, or H. R. 13606, Sixty-first Congress, granting an increase of pension to George Gans, Company D, Thirty-sixth Wisconsin Infantry, no adverse report having been made thereon.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as fol-

To Mr. Blackmon, indefinitely, on account of illness in family. To Mr. L'ENGLE, for the day, on account of illness.

To Mr. Goodwin of Arkansas, for the day, on account of illness.

To Mr. SHACKLEFORD, for 10 days, on account of sickness.

DISTRICT OF COLUMBIA APPROPRIATION BILL

The SPEAKER. The question is on the motion of the gentleman from North Carolina that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10523.

The question was taken, and the motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10523, with Mr. HULL in the chair. The CHAIRMAN. The House is in the Committee of the

Whole House on the state of the Union for the further consideration of the bill H. R. 10523, the District appropriation bill, the title of which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 10523) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1915, and for other purposes.

The CHAIRMAN. On Saturday a vote was being taken by a division on the motion to agree to the amendment offered by the gentleman from Kentucky, during which time a point of order of no quorum was made. The committee therefore rose, and the question again recurs on the motion to agree to the amend-

the question again recurs on the motion to agree to the amendment offered by the gentleman from Kentucky.

Mr. BORLAND. Mr. Chairman—

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. BORLAND. For a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BORLAND. As I understand it, that amendment is the amendment providing for the payment of street paying by the abutting property owners of the District of Columbia. Is that

The CHAIRMAN. That is correct.

Mr. MANN. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. MANN. Is not debate closed on that amendment? The CHAIRMAN. Debate is closed on the amendment.

The question was taken, and the Chairman announced the ayes seemed to have it.

Mr. PAGE of North Carolina. Division, Mr. Chairman.

The committee divided.

Mr. BORLAND. Mr. Chairman, I make the point of order of no quorum preseni. The Chair has not, I believe, announced

The CHAIRMAN. On this question the ayes are 28 and the

noes are 21.

Mr. MANN. Mr. Chairman, I make the point of order of no

The CHAIRMAN. The Chair will count. [After counting.] One hundred and one Members are present-a quorum. [Applause. l

Mr. MANN. Mr. Chairman, I ask for tellers.

Tellers were ordered.

The committee again divided; and the tellers [Mr. Page of North Carolina and Mr. Johnson of Kentucky] announced that there were-ayes 53, noes 31.

So the amendment was agreed to. [Applause.]

The Clerk read as follows:

The Clerk read as Iollows:

Under appropriations contained in this act no contract shall be made for making or relaying asphalt pavement at a higher price than \$1.80 per square yard for a quality equal to the best laid in the District of Columbia prior to July 1, 1886, and with same depth of base, nor more than \$1.80 per square yard for laying standard asphalt-block pavement equal to the best laid in the District of Columbia prior to July 1, 1904: Provided, That these conditions as to price and depth of base shall not apply to those streets on which, in the Judgment of the commissioners, by reason of heavy tradic, poor foundation, or other causes, a pavement of more than ordinary strength is required, in which case the limit of price may be increased to \$2 per square yard.

Mr. SISSON. Mr. Chairman, I offer the following committee amendment.
The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 20, after line 25, insert: "Hereafter the street designated as the Avenue of the Presidents shall be known and designated as Sixteenth Street, in accordance with the plans of the city of Washington."

Mr. JOHNSON of Kentucky. Mr. Chairman, I make the point

of order against the amendment.

The CHAIRMAN. The Chair is under the impression the point of order is well taken, and the point of order is sustained. The Clerk will read.

The Clerk read as follows:

Repaying with asphalt the granite roadway of P Street NW. tween Rock Creek and Twenty-eighth Street, 30 feet wide, \$11,500.

Mr. LEWIS of Maryland. Mr. Chairman, on Saturday last I introduced a resolution (H. Res. 355) directing the Committee on the Post Office and Post Roads to consider and report to this House a bill providing for the postalization of the telephone networks of the United States. Upon that same day, sir, a determination of the controversy between the Government and the American Telephone & Telegraph Co., under the antitrust act, reached a happy conclusion so far as the litigants were concerned. That conclusion, however, sir, does not embrace by any possibility of the well-known laws of economics any relief to the public in the matter of rates. Since competition in the telephone business is universally conceded by students of that subject to be entirely out of place, and to bring injury both to the public and to the owners of telephone property themselves, we can only regard the agreement of the defendant company with the Attorney General as establishing the primacy of the laws and a proper juridical situation for the American Telephone & Telegraph Co., not to speak of the good example afforded.

ECONOMIC PRINCIPLES.

Mr. Chairman, in approaching the subject I propose to present to the House to-day, the telegraph and the telephone agencies of the country, it is appropriate, I think, that they should be treated not as mere ephemeral incidents of legislation, but with a view to those more fundamental truths which determine our actions in disposing of the most serious problems of government.

What is the relation of the public and the post office to the telegraph and the telephone, those great agencies of communication between the people, which now equal, if they do not eclipse, the postal system in the taxes levied upon national

communication?

Do they differ from the post office in the function they per-form; and if not, how do they differ from industrial activities consigned by general consent to private control? Is there some-thing in their nature which distinguishes them from the farm and the retail store, some difference which reaches the dignity of a principle of classification, assigning one to the domain of postal action, while leaving farm and store to the field of competitive control?

Mr. Chairman, there is a science of political economy; it speaks with an authority, not to say with a thoroughness of analysis and breadth of view, which I could not claim. It speaks, too, with a responsible sense, a knowledge, of those perplexing varieties and complexities of modern societies. perplexing varieties and complexities of modern society and industry. It knows that society has never governed itself well by utilizing merely a single truth or principle, whether it be laissez faire, unqualified individualism, socialism, or communism; that society is not a one-idea or a one-fingered institution, but that it possesses aspirations and appropriate organic attributes and powers which it is its duty to utilize to promote its welfare. Now, what does it say on the subject before us, first as to the natural division defining those activities which should, and those which should not, on economic and social grounds, be assigned to the control of the individual? I quote from the work of Prof. Adams, "The State and its Relation to Industrial Action":

CLASSES OF INDUSTRY.

All industries fall into three classes, according to the relation that exists between the increment of product which results from a given increment of capital or labor. These may be termed industries of constant returns, industries of diminishing returns, and industries of increasing returns. The first two classes of industries are adequately controlled by competitive action; the third class, on the other hand, requires the superior control of State power.

FIRST CLASS-CONSTANT RETURNS.

Industries of the first class are such as demand a proportional increase in capital and labor to secure a given increase in product. That is to say, if 2x capital and labor result in 2y product, the application of 3x capital and labor would gain 3y product. The increment of return is equal to the increment of capital. All those businesses in which success depends on attention to detail and where the personal element of the laborer is brought prominently into view fall under this class. For example, the retail business of merchants is subject to the rule here stated.

e. g. Retail business: The struggle for superior success in these businesses is a struggle to depress the cost of rendering services rather than to raise the prices of services rendered.

It is not necessary for public officials to inquire if sugar is sold as low as fair dealings demand, for this business is one that admits easily of multiplication, and consequently invites competition. The step from a clerkship in a grocery to the proprietorship of a new establishment is not a difficult one to take, and for this reason we are assured that the profit of an ordinary grocer will not greatly exceed the salary which he

pays his head clerk. There can, therefore, be no motive for endeavoring to apply the rule of public financiering to businesses of this sort.

SECOND CLASS-DECREASING RETURNS.

Farming: The same conclusion applies to the second class of industries, where a given increment of product calls for a proportionally greater increment of capital and labor. Assuming the same relation to exist in an established business as before, if 2x capital is required for 2y product, an additional x of capital will not produce an additional y of product, but something less. That is to say, 3x capital may produce but 22y product. Industries of this sort are said to be subject to the law of diminishing returns, and it calls for no abstruse argument to recognize that society is quite safe in submitting such lines of industry to the control of competition. The rate of product in the new industry is greater than that in the one that is further developed, and for this reason we may rely upon individual interest to maintain a large number of separate producers. The agricultural industry is usually cited as an illustration to which the principle of diminishing returns may be said to apply, and, if we leave out of view the element of accruing rent, the conclusion which we have suggested may be applied in its most extreme form to the business of farming. There is no call for Government farming.

THIED CLASS-INCREASING RETURNS.

THIED CLASS—INCREASING RETURNS.

The peculiarity of those industries belonging to the third class, which we now come to consider. lies in the fact that they conform to the law of increasing rather than to the law of constant or decreasing returns. The increment of product from an expanding enterprise is greater than the increment of capital and labor required to secure its expansion. Adopting the algebraie formula, as before, if 2x capital give 2y product, an economic application of 3x capital will give more than 3y product. * * The important thought in this connection is that where the law of increasing returns works with any degree of intensity the principle of free competition is powerless to exercise a healthy regulating influence. This is true, because it is easier for an established business to extend its facilities for satisfactorily meeting a new demand than for a new industry to spring into competitive existence. If this analysis of industries be accepted as correct, there can be no question as to the line which marks the duties of the State. The control of the State over industries should be coextensive with the application of the law of increasing returns in industries.

There are many other lines of business which conform to the principle of increasing returns, and for that reason come under the rule of centralized control. Such businesses are by nature monopolies. We certainly deceive ourselves in believing that competition can secure for the public fair treatment in such cases or that laws compelling competition can ever be enforced. If it is for the interest of men to combine, no law can make them compete. For all industries, therefore, which conform to the principle of increasing returns, the only question at issue is whether society shall support an irresponsible extra-legal monopoly or a monopoly established by law and managed in the interest of the public. In this latter way may the benefits of organization in the form of monopoly be secured to the people, and in no other.

Thus where we have the law of increasing returns as a cause we have monopoly as a result. How shall that monopoly be rendered of the greatest service to society? Well, that, it is said, is a question of motive in financiering:

Private financiering: The relations here set forth will present themselves more clearly to our minds if we throw into comparison the rule of public and the rule of private financiering. A private business is managed to secure a profit, and, other things being equal, the higher the price secured for any service rendered, the higher will be the profit. The rule of private financiering therefore is to maintain the profit. The rule of private financiering therefore is to maintain the profit of goods or services at the highest price which has no tendency to curtail profitable business. The price of goods in this case will equal the cost of production, plus the profit to the undertaker, and the only guaranty against exorbitant rates lies in the fact that purchasers are free to choose from whom they will buy.

Public financiering: The rule of public financiering, on the other hand, conforms to an altogether different principle. It is the purpose of government to render services at the lowest price consistent with efficient service. Price equals cost. This is true, because the State, being the manager of the business, has no motive in acquiring riches. The officers of the State receive their salaries which, roughly speaking, may be said to correspond to the profit secured by the managers of private enterprises. The guaranty that price will not be more than cost of production, including salaries of officers, lies in the publicity of accounts and in all that goes to make up efficient service. In theory, therefore, we should expect parallel results from a monopoly under control of the State and from a business privately organized directed by the principle of free competition.

The public-service motive: In institutions, as with individuals, motive is everything. The motive to serve one's self is the common motive, and to impose sufficient restraint upon its operation, when unsocial, is, stated in a broad way, the principal object of government. There is much illogical complaint in this respect against what are called "public utilities." ers, who have invested their money with the purpose of gain, are expected to behave differently from investors in general. Of course they do not, but why should we expect them to? Because they have a monopoly, it is argued. Well, this may impose an inferential duty, yet who will say that it can have a decisive influence upon the normal motive of the investor to gain all he can?

Where public needs and social considerations become the principal and dominating purpose, where imperative public servprincipal and dominating purposes it is the object, the world naturally has not yet found the rethe normal action of this motive under the rule of private finan-

An English railway, some 60 years ago, had the question presented to it as to how to graduate its passenger rates to secure the best returns. Much as one adjusts his opera glass in the theater to obtain the clearest line of vision, these railway offi-

cers adjusted and readjusted their passenger rates. They tried rates all the way from 6 cents a mile to one-half a cent a mile. and found that as the rate was 31 cents a mile or one-half cent a mile, the higher charge produced 6 per cent and the lower charge only 4 per cent dividends; and, acting on the private motive, or the rule of private finance, they rejected the rate which would have produced the greater public service and adopted that yielding the higher returns.

The rule of private financiering is obviously applicable to Classes I and II of the economists, while the rule of public financiering is equally applicable to Class III, to which the publicists and economists formally assign telegraphy, the telephones, expressage, and similar services. Against this view we have only the misapplication, by the superficial or interested, of the doctrine of laissez faire. Let us see what this doctrine is.

Prof. Cairnes says:

Prof. Cairnes says:

I must ask you, in the first place, to note what this doctrine of laissez faire, if it is to be taken as a scientific principle, really means. The implied assertion, as I understand it, is this: That, taking human beings as they are, in the actual state of moral and intellectual development they have reached; taking account of the physical conditions with which they are surrounded in the world; lastly, accepting the institution of private property as understood and maintained in most modern States, the promptings of self-interest will lead individuals in all that range of their conduct which has to do with their material well-being spontaneously to follow that course which is most for their own good and for the good of all. Such is the assertion with which we have now to deal, and you will see at once that it involves the two following assumptions: First, that the interest of human beings are fundamentally the same—that which is most for my interest is also most for the interest of other people—and, secondly, that individuals know their interests in the sense in which they are coincident with the interests of others, and that, in the absence of coersion, they will, in this sense, follow them.

Applied in its extreme or absolute form Mill observes that

Applied in its extreme or absolute form, Mill observes that "it excludes some of the most indispensable and unanimously recognized functions of government," and even Cairnes, far from claiming for it finality in application, cautions us thus:

Only let us remember that it is a practical rule and not a doctrine of science; a rule in the main sound, but, like most other sound practical rules, liable to numerous exceptions; above all, a rule which must never be allowed to stand in the way of a candid consideration of any promising proposal of social or industrial reform.

Now, I think it plain that the doctrine of laissez faire has its true interpretation in the statement that society ought not to enter upon fields of activity where the forces of competition insure to consumers, who represent the social interest, the prevalence of competitive prices. It surely can not be applied to a monopoly, since the conditions for the play of individual freedom and struggle, predicated by the statement of the doctrine itself, are excluded in its very terms. But what is an industrial monopoly? The answer of the economist is: "An industrial monopoly may be defined as a business superior to the regulating control of competition." And what are its advantages and characteristics? Their answer is:

characteristics? Their answer is:

Provided a business admits of something like military organization; provided the details of its management have been well worked out; provided its extension to meet new demands may be accomplished by merely duplicating what already exists; and provided the social want which it supplies is widespread and constant, exclusiveness in management must lead to efficiency of management, if only men of adequate ability may be found to assume authority. Under such conditions a service may be rendered at less cost to the public than if the agents of the monopoly were broken up into competing groups. There are several reasons why this is true. The fact of an assured demand for services rendered admits of the closest calculations; the extent of the demand also allows of a minute application of the principle of division of labor; the absence of any rivalry between competing concerns precludes the necessity of expending more capital than is required for an economical performance of the service; and, what is perhaps of as much importance as any other consideration, there is no temptation to adopt speculative methods of management which lead to the covering of unnecessary losses of one period by the arbitrarily high profits of another. Thus the possibility of cheapness and efficiency seems to lie in the very nature of a monopoly. This is the beneficent principle of which mention was made, and the practical question is how to realize the benefits of this principle for society. (Prof. Adams, The State, etc.)

It is strongly pointed out by the sociologists that the misap-

It is strongly pointed out by the sociologists that the misapplication of this maxim of laissez faire, and the consequent neglect of society to discharge its true functions with respect to monopolies, is charged with serious dangers.

monopolies, is charged with serious dangers.

The policy of restricting public powers within the narrowest possible limits tends to render government weak and inefficient, and a weak government placed in the midst of a society controlled by the commercial spirit will quickly become a corrupt government; this in its turn reacts upon commercial society by encouraging private corporations to adopt bold measures for gaining control of government machinery. Thus the doctrine of laissez faire overreaches itself; for the application of the rule which it lays down—

Major premise: All human interests are the same.

Minor premise: Each man knows his own interest, and if left to himself, will follow it.

Conclusion: The best possible form of social relations will emerge from the unrestricted play of industrial freedom—

* Will absolutely destroy that harmony between public and private duties essential to the best results in either domain of action.

(Ibid.)

Mr. Chairman, I shall not, at this point take the time of the street of the

Mr. Chairman, I shall not, at this point, take the time of the House to point out the moral adduced in the last excerpt. I shall not compare the public morals of New York and Berlin in street railway history; nor of London and San Francisco in the matter of the telephone. Nor will it be necessary to point to the contrast presented by our untainted postal system, the peer of any postal organization in efficiency and honorable history.

It is enough, sir, to add at this point that the conclusions of these authorities are much more than mere dicta. Every important country of the world—England wholly, as to the telephone only but recently—has long adopted these views. I insert later a list of them which finds the United States looking very solitary, with only Spain for respectable company. authority of the above conclusions of science, supported by the almost unanimous examples of other countries, will be argument sufficient to most people for like postal assumption here. will intuitively liken the telegraph and the telephone with our ex; prience with the express companies and the parcel post, so long delayed by certain causes; and will feel that at least the age of constructive statesmanship has crossed the Atlantic and inspired a great party, suppressed for two generations, with its purposes to serve mankind. But, sir, I should be derelict to rest the argument on the authority of examples, however general and impressive; and so I must ask the patience of the House while I enter into a minute analysis of the facts which govern approach to businesslike conclusions on this subject.

ANALYSIS AND COMPARISON.

THE TELEGRAPH.

We have had generally stated the elements necessary in the administration of a monopoly to secure its maximum utilization for the social welfare. Let us catalogue these elements and, applying them to our subject matter, ascertain which, the privative or the postal, exploitation of our great public monopolies in the telegraph and the telephone are conducive to the greater public service. But before presenting the data on the subject let us briefly summarize the conclusions reached by the economists:

(a) That the store and farm are competitive, not monopolistic, in character as shown by the circumstances that the prices are fluctuating. But the telegraph and telephone services are not truly competitive; their prices do not tend to fluctuate. Thus they have the price characteristic of monopolies.

(b) There being no competition the rule of private financiering obtains, if the monopoly be privately owned; the higher the price secured the higher will be the profit.
(c) Conducted with this motive (private) the utilization of

(c) Conducted with this motive (private) the utilization of the monopoly is restricted to rendering only that degree of social service consistent with maintaining such prices.

(d) Accordingly, the private conduct of a monopoly is not productive of its highest utilization or greatest social service. Social efficiency: These maxims may be illustrated in the most direct way. In the United States there was up to the eighties something of competition between rival telegraph companies, and at competing points there were 10, 15, and 20 cent rates. The inevitable law is that such interests will not compete when it is more profitable to combine. There is now a complete concentration of the Western Union and Postal Telegraph Cos. with respect to rates. The result is that while

street car fares, electric lighting charges, even the price of gas, and transportation rates have, generally, gone down with the increase of business, telegraph rates remain the same as they were fixed by these companies in 1888.

In New Zealand the telegraph system is under the principle of public financiering and conducted by the post office. Since price levels there generally, as well as social and educational conditions, resemble those of the United States, it will be permissible to compare the service there with our own. As against the minimum rate under private financiering of 25 cents in the United States, the New Zealand minimum rate is 12 cents. This illustrates the normal functioning of the telegraph monopoly as publicly and privately financiered, for both rates are equally normal in relation to their facts of ownership. By which it is meant to say that if the private financier should discover that only the lowest rates would produce the maximum of profit, and the public financier that only the highest rates would insure the most extensive public service, we should immediately have the New Zealand rate in the United States and the American rate in New Zealand.

But is it equally true that the rule of private financiering prevents the highest social service or full potential use of this particular form of monopoly? In answer I will continue the comparison with New Zealand:

Country.	Rate.	Number messages for 100 popula- tion.
New Zealand	\$0.12 \$0.25 to \$1.00	809 110

Thus, under what appears to be similar price and wage levels and social and industrial conditions, we have a telegraph institution under the rule of public financiering yielding about eight times the social service attained by private financiering.

From this experience we adduce another conclusion. The New Zealand State compares with one of our own of like extent and population. Its experience indicates a potential demand of eight telegrams per capita per annum for the United States, seven-eighths of which fails to find a permissible rate, and is thus suppressed by the relatively prohibitive tariffs under private financiering. If this be the case, the defects are economically unpardonable; for in offending against the law of normal efficiency, by an almost complete failure to perform the function, the functionary's right to control becomes forfeit. A high rate, the highest rate, of profit, even at the cost of excessive prices, society may be willing to grant as a concession to the rights of the private financier; but a radical failure to consummate its function and afford effective accommodation for the normal requirements of society is to be fundamentally delinquent. At this point I shall insert a table giving the telegraph rates and the social use made of them here as compared with the postal telegraph rates and like uses in other countries.

		Mini	Minimum rate and average receipt per telegram. Telegrams per capit		per capita.	. Letter rates.		Letters per capita.				
	Number of words.											
	Per word. Each word extra. Rank. Receipt. Rank. Number. Rank.	Rank.	Rate.	Rank.	Number.	Rank.						
Luxemburg France	10	180.067 .0965	\$0.0087 .0096	9	\$0.090 -131 -123	1 2 3	0.84 1.65 .60	11 4 14	£0.02 .02 .015	2 2	39 34 23	11
Norway Belgium. Netherlands Sweden New Zealand.	10 15 10 10	.134 .0965 .1005 .134 .12	.0134 .0193 .0201 .0134	134		1. 48 1. 25 1. 19 . 80	1. 48 5 1. 25 7 1. 19 8 . 80 12	1.48 5 1.25 7 1.19 8 .80 12	.026 .02 .02 .026 .026	3 2 2 3 2	28 37 38 29 93	1
Preat Britain	12 10 15	.1217 1.0579 .119 .193 .130	.01015 2.0048 .0119 .01015			.172 .172 .180	7 .172 4 .172 5 .180	2.18 1.75 .92	2 3 10 16	.02 .02 .02 .028 .028	. 2 2 2 4	87 70 64 13 49
ustria lungary ussia nited States	10	². 075 . 25	2, 025 , 02	13 14	. 224 . 251 . 390 . 360	13 14 15 17 16	.73 .59 .24 .97	13 15 17 9	.02 .02 .02 .036 .02	2 2 5 2	45 19 7 101	1
Do		.35	.02 .02 .03 .03									
Do Do		.75 1.00	.05									

It appears that we rank second in postal rates and first in utilization, while we rank seventeenth in the telegraph rate charged and ninth in resulting social service.

Mr. Chairman, having applied these economic principles as criteria to determine the social efficiency of our telegraph service, let us now apply the standards of economics to them to determine their administrative efficiency.

ADEQUACY OF ORGANIZATION.

Mr. Chairman, I present now the elements or factors laid down by the political economists as necessary in the working organization of a monopoly in order that its service be rendered at the lowest cost, and that society should realize the benefits of a monopoly in the class of enterprises for which that form of capital and labor is economically and socially adapted. The elements are stated to be:

(a) Unity and exclusiveness of organization. (b) Details of management well worked out.

(c) Facility for extension by mere duplication of existing structure.

(d) A social demand for the service which is widespread and constant.

(e) Adequate ability in authority.

Results:

(f) Service at less cost than if broken into groups, because

(g) Assured demands for service admits of closest calculations.

(h) Extent of demand admits of most minute division of labor.

(i) Absence of rivalry reduces to a minimum the amount of capital and other expenditures necessary for the performance of the service

(j) Speculative management is eliminated; (k) And thus, with public financiering motives,

(1) The maximum of cheapness and efficiency is rendered

possible Mr. Chairman, it is, of course, not a matter of criticism that

the telegraph monopoly is lacking in a main essential-the public-service motive. As a privately financiered organization, such a motive is against nature and should not be asked.

It is only by the employment of these factors that the highest utilization of the monopolistic institution can be attained. we review them let us notice which kind of financiering, the privative or the public, is most adapted to virilizing the respective factors.

(a) Unity and exclusiveness of organization: That this is a primary essential is almost a truism, admitted on all sides. The Bell Co. frankly justifies its war of capture or destruction of its rivals on this ground, and but recently in its campaign of advertising against the procedure of the Department of Justice for the enforcement of the antitrust laws declared:

We believe that the highest commercial value

In which they mean to include the element of public service can only be attained by one system under one common control, and that it can not be given by independent systems unless they are controlled by agreements in effect making them a single system—and that is what the Bell system is.

I propose to take up the challenge these advocates of private monopolies make. In another part of the advertisement they declare:

We believe that the public would in this way get all the advantages and avoid all the manifest disadvantages of public ownership.

In treating this challenge "public ownership" shall be taken as equivalent to the principle of postal control and administration of telephone and telegraph communication; and, not to be unfair, the principle of private financiering shall be treated as equivalent to the Bell Co.'s own administration of its telegraph and telephone properties. In this comparison I shall make no complaint against the Bell system for the doing of anything which the average private investor does with private property and shall only subject their claims to the tests of facts and social economic principles, with a view to determining the premises of the challenge, namely, that the private policy "gives the public all the advantages of postal administration without its disadvantages.'

THE ADVANTAGES.

Mr. Chairman, the challenger has not defined what it means by the "advantages of public ownership." I shall, therefore, be under the necessity of doing so. I shall do so as briefly as possible, and I presume it would include the following:

The postal system gives nondiscriminating service rates as low as any in the world:

(a) The 1 and 2 cent letter rates, good to all our possessions, to Canada, Great Britain, and Germany, and to the farms of the country.

(b) The cent a pound, or 2 (2.38) mills per mail piece, for educational publications consisting of the magazine, the periodical, and newspaper of the country.

(c) The parcel post, extending to the farm with rates as low as 5 cents, against the 25 cents hitherto charged by the pri-

vately financiered express service.

Besides these, it dispatches money and pays interest on deposits, insured by the indubitable security of the Nation, and performs other services. All these services it renders as cheaply as any other postal system, stated in terms of money (except Japan), and in terms of price levels performs them, along with Canada, for the lowest payments in the world. These are some of the advantages of public or postal financiering. And we ask no consideration in this comparison for the higher wages of the postal employee of the United States or of the higher price levels here, nor for the fact that railway mail transportation is paid for here, which is commonly not the case elsewhere.

THE DISADVANTAGES.

Now, Mr. Chairman, as to the "disadvantages of public ownership." The challenger has not defined them, and so I will be obliged to do so. The disadvantages would probably be alleged as:

(a) Postal deficits of the past.

(b) Alleged unsatisfactory political phases in relation to postal personnel.

With regard to the postal deficits, they assuredly represent only a small part of the amount of social service rendered under statutory public policies for which the public is not directly called upon to pay. The franking privilege (1.85 per cent of the total postal service), the carriage and handling of secondclass matter for educational purposes constitutes 29.24 per cent, carried at about one-seventh its proportional cost; these are the items which take the form of a "deficit," only because the department has no "public-service" statement showing the amount and value of service rendered, like a railway does. such a table were presented there would be no deficit, but a surplus of very many millions, quite as many millions as the telegraphs and telephones show as the profits of their private financiering. This very clearly appears when we charge to the franked matter and the second-class educational mail pieces the rates charged on other postal matter. Thus only 5.19 per cent of postal revenues are derived from the 29.24 per cent of the total postal services devoted to such second-class matter. and no revenues from the 1.85 per cent of such service given to franked and penalty matter.

It can be readily seen, therefore, that 25.90 per cent of the postal service goes unaudited, and that a correct statement of its services would credit its receipts with that additional amount. In that event the department would have shown a surplus at all times since the war, and in 1912 a surplus of more than

The classification of the postal deficit as a "disadvantage" fails, moreover, to comprehend the distinction between private and public financiering. The test of success in the former is the degree of profit it brings the private investor; in the latter the test is the degree of social service rendered. This argument of a deficit might be as well made-and doubtless would be if the financial motive existed for making it-against the public roads, schools, and colleges, not to say the churches and other eleemosynary institutions which are all expenditure and show no audited fiscal profit. But the challenger has disayowed such standards of the private financier and proposes to justify its tenure of these public monopolies on social service principles. Even so, it can not call that a deficit which simply represents unaudited services to the Nation, performed at its command upon grounds of settled educational public policy. Moreover, these deficits are in another sense chargeable to the influences of the private financier who has succeeded for 40 years in de-barring the postal system from the very profitable function of the parcel post. Had this business been in its hands the department would have shown no deficit, but surpluses in much the greater number of years. The initiatory experience of the very limited service we now enjoy shows that even with the most substantial reductions in the rates the service is highly profitable to the department.

The postal personnel: In pointing out the "disadvantages" of public or postal administration I confess I may not do it to the satisfaction of the challenger, however sincerely I may endeavor to divine its meaning. I am simply crediting it with making those objections commonly made when I refer to the "deficit" and now to the grumbling one occasionally hears of inefficiency in Government employees. But is the postal employee inefficient? Let us see what it is he does. Obviously, in the main, it is to handle the mail piece. How well does he perform this work? Here is the record for 27 years:

Year.	Number of employees.	Estimated num- ber of pieces mailed, including foreign matter.	Number of mail pieces per em- ployee per annum.	Cost per average mail piece, in cents.	Cost per average mail piece, in cents, excluding assignable cost of Rural Delivery Service.
1886 1887 1888 1889 1800 1889 1800 1890 1800 1800	122, 698 127, 288 134, 112 129, 295 153, 857 162, 855 171, 780 178, 018 183, 916 189, 671 194, 533 199, 846 208, 873 215, 904 224, 029 235, 327 246, 524 226, 673 286, 685 272, 694 278, 610 283, 481 288, 636 291, 320 291, 113 290, 701	3,474,000,000 3,495,100,000 3,575,100,000 4,005,408,206 4,309,900,352 4,776,575,076 5,021,841,056 4,919,090,000 5,134,281,200 5,134,281,200 5,134,281,200 5,781,002,143 6,214,447,000 6,576,310,000 7,129,990,202 7,424,390,329 8,085,446,858 8,857,467,048 9,502,459,535 10,187,505,889 11,361,606,610 12,255,666,367 13,173,340,329 14,004,577,271 14,850,102,559 16,900,552,138 17,588,658,941	28, 313 27, 458 26, 606 29, 856 26, 033 26, 833 27, 806 28, 209 28, 746 27, 069 29, 752 29, 752 29, 752 29, 752 30, 459 31, 526 31, 549 32, 797 34, 625 35, 366 37, 449 40, 770 44, 083 46, 463 46, 463 46, 620 50, 975 58, 054 60, 504	1.44 1.49 1.55 1.58 1.61 1.63 1.57 1.57 1.57 1.57 1.57 1.54 1.57 1.50 1.47 1.44 1.48 1.47 1.49 1.53 1.56 1.49 1.48 1.48 1.48 1.48 1.48 1.48 1.48 1.48	1.57 1.50 1.47 1.43 1.46 1.42 1.40 1.36 1.28 1.26 1.25 1.25 1.25 1.25

Mr. Chairman, during the years of that record not only have the units of service more than doubled, but city and rural delivery have been added, virtually doubling the quality of the service. And not only has the quality nearly doubled, the cost of service, as we see, has been reduced for each piece. Sir, I invite any privately financiered public service agency to compare its record as against this. Can any telegraph or telephone company—yes; can any public-service corporation enter the lists on this showing of advancing efficiency and progress?

At this point it may be interesting to compare our postal accomplishments with that of other nations. At the same time tables showing our telegraphic-service performances are introduced for comparison with accomplishments in these services by the postal systems of other countries.

Number of postal-service units per postal employee.

Country,	Units.	Rank.
Belgium United States Netherlands Italy Luxemburg Denmark. Switzerland Germany Sweden France Norway Austria. New Zealand Great Britain Hungary Japan	85, 819 60, 651 53, 621 42, 947 40, 321 38, 930 37, 562 37, 236 35, 837 32, 414 30, 523 28, 696 26, 056 23, 025 21, 820	1 2 3 4 5 6 7 7 8 9 10 11 11 12 13 14 16 16 16 16 16 16 16 16 16 16 16 16 16

Mr. Chairman, from this table it appears that Belgium is first and the United States second in postal efficiency among all the nations of the world. And if Belgium were not composed virtually of one large city with suburban surroundings I think we should really rank first.

Traffic density and efficiency.

Country.	Telegrams ploy		Telegrams per opera- tive office.		
	Per annum.	Per day.	Per annum.	Per day.	
New Zealand United States Norway Belgium Sweden Notherlands. Switzerland	3,700 3,487 3,115 3,063 2,370 1,607 1,596	10.1 9.5 8.7 8.6 6.6 4.4 4.4	4,380 14,332 2,097 5,451 1,495 4,774 2,454	12 39, 3 6 15 4 13 7	

With three times the traffic density per office the telegraph companies of the United States still do not take first place in product per employee. The reason for this will appear a little later. Here attention is called to the gross amount of idle plant implied in the small number of telegrams per average day—not more than 10 messages per day. This compares with 193, the average mail pieces per day for the average postal employee, with its collection, 620 miles of railway transportation, distributions, and deliveries over the city and rural routes.

I have thus far treated the question of efficiency as related to the amount of work or product which privately financiered and public financiered monopolies secured from their employees. But I put it to the serious judgment of the House whether the question of efficiency ought to be decided on such narrow grounds. Ought not such a question include a comparison of the rates charged to the public and consequent degree of social service?

Mr. Chairman, my preceding remarks have been mostly descriptive of the results under the principle of public and private financiering. Only by general analysis have they suggested, on a priori grounds, the processes of fact which cause the disappointing results where private financiering has been allowed to take the place of public financiering in the conduct of the telegraph monopolies. At this point, sir, it becomes necessary to make a painstaking investigation of the minute facts and circumstances comprising the management and workings of these agencies. If the inefficiency of our telegraph networks, as conducted in the United States, is plain, while our postal agency and competitive industries show, at least, more than the average efficiency, it may be that the particular causes of such inefficiency can be identified and brought to light. Let us take up these agencies of communication and compare their methods of operation with those of the post.

EFFICIENCY OF TELEGRAPHIC ADMINISTRATION.

Recurring now to the elements of organization essential to the highest utilization of a monopoly for social purposes we can dispose of the first, "unity and exclusiveness," by the mere statement that there are some 25 telegraph companies doing commercial business, and that two of them duplicate their agencies in more than half of the country. The next element, efficiency in details of management," will require more elaborate discussion.

Mr. Chairman, the public is familiar with the high state of simplicity attained in postal administration, especially in dealing with the mail piece and safeguarding the revenues. I have had experienced telegraphers outline the processes and acts of attention devoted to the telegram under private administration of these agencies. They are, in part, as follows:

HANDLING OF COMMERCIAL MESSAGES. THE TELEGRAPH COMPANY.

THE TELEGRAPH COMPANY.

1. Figures charges on telegrams.
2. Reads each message for purpose of properly deciphering it.
3. Marks on each message "time filed."
4a. Enters each telegram on sheet "receiving clerk's record."
5. Turns in cash to local cashier.
6. Sends telegram.
7b. Puts time sent, numbers, sending and receiving operators' signals on telegram.
8c. Checks off numbers on number sheet, and initials sheet.

RECEIVING OPERATOR.

9. Receives and transcribes telegram on proper blank. 10d. Checks off number on number sheet and initials opposite the number.

DELIVERY CLERK.

11e. Makes wet copy of telegram.
12f. Puts delivery number on telegram.
13g. Makes out delivery sheet for messenger.
14h. Enters telegram on "delivery clerk's record."
15. Incloses telegram in envelope and addresses envelope.
16l. Examines delivery sheet to see telegram is properly receipted

for. 17j. Collects cash from messenger to cover "collect received" telegrams.
18k. Turns in cash to local cashier.

MESSENGER BOY.

Delivers telegram to proper addressee.
 Secures receipt for telegram on delivery sheet.
 Collects cash on "collect" telegrams.
 Returns delivery sheet and cash to delivery clerk.

RECEIVING OPERATOR (RELAY POINT).

23. Receives and transcribes telegram on proper blank.
24n. Checks off number on number sheet and initials sheet.
SENDING OPERATOR (RELAY POINT).

25. Sends telegram.

260. Times telegram, etc. 27p. Checks off number sheet.

Here, then, are 27 acts or processes, for 16 of which (the lettered ones) an argument of elimination might well be made with the introduction of the stamp and other simplified postal

But whatever may be thought of the susceptibility to elimination of half of the above items, it is believed that the fol-

lowing, some 52 in number, all accounting processes, would give way under public management to the prepaid or postage-due stamp. We find it safe to intrust nearly three hundred millions of postal revenue to such stamps now.

OPERATIONS IN THE ACCOUNTING DEPARTMET.

CASHIER (LOCAL).

- Checks up and balances "receiving clerk's record" of messages.
 Checks up and balances "delivery clerk's record" of messages.
 Checks up and balances money-order clerk's sent-and-received
- record.
 4. Checks up "charge accounts" weekly or monthly bills of customers for messages.
 5. Turns over above four accounts to bookkeeper.
 6. Checks up receiving clerk's record, branch offices.
 7. Checks up delivery clerk's record, branch offices.

BOOKKEEPER (LOCAL).

- BOOKKEEPER (LOCAL).

 8. Records cash received, daily receiving clerk's record.

 9. Records cash received, daily delivery clerk's record.

 10. Records cash received, "sent" money orders record.

 11. Records cash received, "received" money orders record.

 12. Records cash received, receiving clerk's record, branch offices.

 13. Records cash received, delivery clerk's record, branch offices.

 14. Records all charge accounts.

 15. Records apyment of charge accounts.

 16. Makes out weekly balance sheet.

CHARGE ACCOUNT CLERK.

- 17. Makes out charge accounts (weekly and monthly).
 18. Balances with bookkeeper.
 19. Sends out bills of charge accounts.

AUDITOR'S OFFICE (LOCAL).

- AUDITOR'S OFFICE (LOCAL).

 20. Balances with cashier "receiving clerk's" record.

 21. Balances with cashier "delivery clerk's "record.

 22. Balances with cashier receiving clerk's record, branch offices.

 23. Balances with cashier delivery clerk's record, branch offices.

 24. Checks up number sheets of main and branch offices.

 25. Keeps book record of branch office receipts.

 26. Inspects "sent messages" to see that they all bear number, time, and operator's signature.

 27. Makes dally record of messages on forms supplied for "Sent paid," "Sent collect," "Received paid," "Received collect," for public, press, and Government accounts.

 28. Statement of Government messages sent paid, for Government, for general auditor.

 29. Statement of Government messages sent collect, for Government, for general auditor.

- general auditor.

 29. Statement of Government messages sent collect, for Government, for general auditor.

 30. Statement of Government messages received paid, for Government, for general auditor.

 31. Statement of Government messages received collect, for Government, for general auditor,

 32. Statement of messages upon which there are other line tolls, for general auditor.

 33. Makes daily check sheets for each city (amount of tolls).

 34. Makes statement of "deadhead" messages.

 35. Makes monthly statement of uncollected messages.

 36. Sorts all messages as "sent paid."

 38. Sorts all messages as "sent paid."

 39. Sorts all messages as "sent paid."

 40. Sorts all messages as "received collect."

 41. Figures amount of tolls on each message.

 42. Files all messages by dates.

 43. Answers all check-error sheets.

 44. Makes daily statement of "sent" press report (number of words and city).

 45. Counts number of words in "sent" press matter.

 46. Makes daily statement of "received collect" press matter.

 47. Counts number of words in "received collect" press matter.

 48. Makes daily statement of "received collect" press matter.

 49. Makes daily statement of "received collect" press matter.

 40. Makes daily statement of "received collect" press matter.

 41. Figures number of words in "received collect" press matter.

 42. Counts number of words in "received collect" press matter.

If it is objected that all these are very little things, let it be remembered that so, too, is the telegram; and that if it is

to be loaded down with an accounting burden only to be compared with the accounting applied to a carload lot of freight in railway transportation, as the express companies have done with their packages, the 25-cent minimum of the railway and of the express company and the like minimum of the telegraph company become logical enough, even if economically indefensible for a mere electrical letter.

It is exactly accurate to say that merely affixing the stamp to the letter replaces these 47 accounting processes with the individual telegram under postal practice. That is, the postal system realizes the first great canon of a publicly financiered monopoly. Its "details of management have been well worked

It is not meant to criticize the fiscal management of the telegraph companies here described. There are many reasons why the conservative private financier may find it essential to employ all the processes set forth, although under postal financiering the postage paid or postage-due stamp would safely suffice. The same phenomenon of relative rather than actual waste or inefficiency appears in the handling of the parcel by the express company when compared with the Postal Depart-

LIST OF EXPRESS PROCESSES.

THE EXPRESS COMPANY.

- THE EXPERS COMPANY.

 1. Ascertains the rate to be paid.
 2. Makes out waybill.
 3. Copies waybill into record of shipments "forwarded."
 4. Copies same into record of shipments "received."
 5. Makes statement of "shipments sent" to auditor.
 6. Makes same of shipments "received."
 7. Auditor checks waybilis against record of "sending" agent.
 8. Auditor checks same against record of "receiving" agent.
 9. In case of "through" waybills previous items repeated.
 10. Auditor makes division of percentages going to express company and the railway or railways.
 11. In case of "through" waybills auditor makes like division of percentages between express companies and railways.

 Affining the postages stamp replaces all these presesses in

Affixing the postage stamp replaces all these processes in

If the postal system were to copy express practice; that is, if it had to keep in view such a set of privative relations to the shipment, the first pound parcel rate would have at least to be doubled to pay the expense. It is likely true that the telegraph companies would find it as impossible to eliminate these accounting processes as do the express companies. At the same time, the postal method finds the stamp a sufficient accountant and conservator of its revenues.

RECEIPTS AND EXPENDITURES.

If the privative relations imposed on the administrative details of telegraph operation constitute such a tax on its personnel as the preceding analysis suggests, one should expect that other elements of expenditure would be substantially involved in the criticism. There is here inserted a balance sheet of the companies for 1902, the latest year available for which anything like an itemized expense account is given by the census. The items are also stated in percentages, and it is obvious that some of them would be rendered unnecessary under postal management.

Commercial telegraph systems, 1902. Compiled from special report of United States Census, telephones and telegraphs, 1902. [Pages 101-102.]

			Per ce	nt of—		
Rece	Receipts.	s. Expenses.	Operating expenses (\$26,592,411).	Earnings and income from all sources (\$40,930,038).	Number of employees of each class.	Average annual earnings.
1. Gross receipts from operation. \$35,30 2. Operating expenses, total. \$35,30		\$26, 592, 411 1, 162, 632	100.0	65. 0 2. 8	829	\$1,402
4. Salaries, corporation officers		230, 250 255, 740 676, 642	0.9 1.0 2.5	0.6 0.6 1.7	54 82 693	4, 264 3, 094 976
7. Wages, total.		13, 877, 041	52.2	33.9	26, 798	518
8. Wages, managers and assistants. 9. Wages, operators. 10. Wages, inspectors. 11. Wages, linemen. 12. Wages, messengers.		2, 898, 588 8, 862, 349 573, 369 573, 088 839, 360	10.9 33.3 2.2 2.2 2.2 3.2	7.1 21.7 1.4 1.4 2.1	5,752 110,179 22,914 1,152 1,208 4,746	504 736 469 498 474 177
13. Wages, all other wage earners. 14. Operation and maintenance. 15. Legal expenses 16. Rentals, offices and other real estate. 17. Rentals, conduits and underground privileges 18. Telegraph traffic paid or due other companies 19. Miscellaneous.		9, 220, 948 194, 890 875, 213 7, 808 724, 826 529, 053	0.5 34.7 0.7 3.3 (3) 2.7 2.0		847	· · · · · · · · · · · · · · · · · · ·

Commercial telegraph systems, 1902. Compiled from special report of United States Census, telephones and telegraphs, 1902 - Continued.

	. Receipts.		Per ce	nt of—				
		Receipts.	Receipts.	Receipts. E	Expenses.	Operating expenses (\$26,592,411).	Earnings and income from all sources (\$40,930,038).	Number of employees of each class.
20. Net earnings from operation.	\$8,703,158			To pair Se				
21. Income from other sources, total	5, 629, 469							
22. Dividends on stock of other companies 23. Lease of lines, wires, and conduits 24. Rent from real estate 25. Interest. 26. Miscellaneous	1, 159, 658 4, 185, 799 205, 070 6, 719 72, 223							
27. Gross income, less operating expenses	14, 337, 627							

Of the above items of expenditure it is apparent that Nos. 3, 14, 15, 16, and 19, amounting to 26.8 per cent of operating expenses, might be eliminated, which would thus leave but 73.2 per cent of the operating cost. If to that be added the interest on Government capital at 3 per cent for the value of the agencies, we should have the necessary cost of the telegram for that year.

We shall see later that the cost per message should decrease with the increase of the traffic, as shown with the mail piece, and another element of economy thus be added, but I shall defer the statement of a schedule of tentative rates for more thorough treatment. The intent has been to show the failure to realize operative economy by merely confederating otherwise autonomous groups, the mere juxta amalgamations of which, in the cases of the Bell telegraph and telephone systems, as well as the Mackay companies, and their rate-making agreements, producing none of the advantages or operative economy of a pure monopoly, but instead only an effective power to fix the rates most desirable

To the foregoing wastes should be added nearly the entire expenditure of the rival company where its lines and offices duplicate another like service. To speak to the very point itself, the expenditures and capital costs of either the Bell or the Mackay telegraph companies, where their lines serve the same territory, could be almost wholly eliminated, since either system is probably adequate to handle all the traffic at the duplicated points.

INADEQUACY OF EXTENSION.

It has been suggested that substantially the entire capital and current expenditures of the rival telegraph company is wasted with reference to competitive territory. The antonym of this condition is the absence of any telegraphic service at points which are unattractive to private finance. There are 64,022 post offices and branches in the United States and but 6,828 (1907) offices maintained by the telegraph companies themselves, although they treat some 22,282 railway-signal stations as telegraph offices. Converting the railway telegraph into phone signaling is reducing this rather doubtful claim for proper geographical distribution of the telegraph service, where, with the railway business having necessary precedence and amounting to double that of the commercial companies, the citizen's message, even where service was given, came as a third and last attention. These telegraph offices are maintained by the railways at their own expense and for their own purposes, and would be quite as available for the postal administration as they are now to the telegraph companies. They can hardly be claimed as belonging to the service rendered by the telegraph companies proper. And while we are on the subject of giving the public the "advantages of public ownership, without the manifest disadvantages," a comparison of the service rendered under postal administration elsewhere and private financiering here may be of interest.

Country.	Number of telegraph offices to number of post offices.
Luxemburg France Belgium Netherlands New Zealand Germany Hungary	1 to 1.0 1 to 1.1 1 to 1.2

Country.	Number of telegraph offices to number of post offices.
Sweden	1 to 1.5
Great Britain Japan	1 to 1.7
Switzerland	
Russia	1 to 2.0
Norway	1 to 2. 2
Austria	1 to 2. 2
Denmark	1 to 3.0
United States 1	1 to 7.7

¹Commercial offices, maintained by the companies.

Two telegraph offices to three post offices, at least, elsewhere, but one to over seven here.

Stated in another way, the commercial telegraph companies maintain less than one (0.8) office for 10,000 of population in the United States, while their rate averages 36 cents per message as against 16 cents in New Zealand, which maintains over (18.51) telegraph offices to each 10,000 of its population. Why, sir, the nearest county seat to this Capital, with 1,500 population, is without a telegraph office. Such a statement can not be made of the postal system. When this is considered in connection with the fact that New Zealand gets a working efficiency of 3,713 telegrams per employee per annum out of its personnel-telegraph-and the American companies but 3,487, it is not difficult to see how far the private financier falls short of realizing that higher efficiency which economists declare feasible in properly financiered monopolies.

A TRAFFIC-KILLING TELEGRAPH RATE.

Mr. Chairman, the most serious exaggeration of the high cost of service per message in Western Union finance remains to be stated. It is the factor inseparable from the financiering of a private price-making monopoly. I refer to the necessarily low or inferior plant utilization practicable, when measured in terms of units of service attained, where the rates are made with a view solely to the object of maximum profit. That they are so made by our telegraph systems we have already seen. Now, the effect of raising the price of any commodity or service is to correspondingly diminish the effective demand for it, and this principle is well exemplified for the telegraph service in an experience which I shall take the time to relate. The following statement is taken from page 26 of "Investigation of Western Union and Postal-Telegraph Cable Cos." by the Bureau of Labor:

of Labor:

In this connection it is interesting to cite the case of the Chicago & Milwaukee Telegraph Co., which was organized in 1878. It began by charging a 10-cent rate for 10 words and 1 cent for each additional word between Chicago and Milwaukee. It does principally a board-oftrade business, having its office in the board of trade building in Chicago. In 1878 the Western Union cut the rate to 5 cents for 10 words, or one-half cent a word for all words between these points. The Chicago & Milwaukee Co. met the cut so far as quotations were concerned, but kept up its 10-cent rate on orders, and this rate continued for several years to board of trade members. Finally, in 1904, the Western Union raised the rate to 25 cents for all except members of the board of trade, to whom a 15-cent rate still obtains, and the smaller company raised its rate to 15 cents for 10 words and 1 cent for each additional word to all except board of trade members, to whom it gave a 10-cent rate. Later it made a 15-cent rate to all. It does not deliver messages except by telephone, and will not accept a message for delivery to other than board of trade members, unless the delivery can be made by telephone.

The company reports handling an average of 354 messages a day, at an average charge of 17½ cents per message, on a rate of 15 cents for 10 words and 1 cent for each additional word. This Chicago and Mil-

waukee rate is perhaps the only survival of the low rates which were wiped out by the understanding between the Western Union and the Postal Telegraph Companies, referred to by Mr. A. B. Chandler, expresident of the Postal Telegraph-Cable Co., in his testimony before the Industrial Commission, March 5, 1901 (printed in Vol. IX, p. 195), as follows:

Industrial Commission, March 5, 1901 (printed in Vol. IX, p. 195), as follows:

"Q. Have you any understanding or agreement with your competitors in regard to a division of business or in regard to the method of conducting business?—A. We have no agreement or understanding with the Western Union Co. with reference to any division of business. They have no interest in our company, its property, or its business, and we have no interest in theirs; but we have an understanding with them respecting rates and respecting certain methods of competition, the giving of rebates, and things of that kind, that are equivalent to paying for the obtaining of business. We aim to put an end to that form of wasteful competition.

"Q. What has been the practice concerning rebates and other forms of cutting prior to this agreement?—A. Such methods had prevailed to a very large extent previous to 1888 to a very injurious extent to all concerned. At the time such understanding was had a large number of rates were reduced, long-distance rates particularly, and the very low rates—10, 15, and 20-cent rates—that had been established by the various smaller competing companies were done away with, it having been well ascertained that the more business done on that basis the worse for the doer of it."

The sequel of this episode is that the Bell system at length

The sequel of this episode is that the Bell system at length secured control of the Chicago & Milwaukee Telegraph Co. and substituted the well-known Western Union rate. I have a statement of the business done under the 15-cent rate and under the 25-cent rate:

103, 248 57, 689 22,018

That is, a two-thirds increase in the rate has resulted in a reduction of the traffic of about one-half, and this is, of course, according to the principles laid down. It appears the company secured about 18 cents per message in 1908 and about 27½ in 1912; that the gross receipts were \$18,563,92 for 1909 and \$19,355.71 for 1912, and since the expenditures about equaled receipts in 1912, it is apparent that the gross operation, when divided into the number of messages, makes the operating cost per message nearly double that of 1909.

The accounting report of this company giving the items of disbursements is referred to as a clear illustration of the high expensiveness of private as compared with postal administration. Certainly, 40 per cent of its expenses would be susceptible of elimination under postal auspices. The motive of the increase in the rate for those making it was, however, that they secured about as much revenue for half the messages as they did for the normal number of messages; and with the reduction of the service to the public by one-half they were able to dismiss two operators and two messengers, saving their salaries as profit. But the effect, none the less, was to cut the plant utilization by one-half and reduce the service to the public by an equal amount. By the same set of causes the operation cost per telegram was nearly doubled.

WASTES OF DUPLICATION.

Finally we have the competition of the Bell telegraph and the Mackay or Postal Co. The former has 220,938 miles of pole line and the latter 66,154 miles. The Postal Telegraph Co. has its complementary offices maintained by itself or numerous constituent companies. Nearly all of these are stationed at points where the Western Union maintains like offices. It is almost recurrent to say that if one of them were the lines are stationed. almost accurate to say that if one of them were to instantly withdraw from all these points the remaining company could handle the entire business without substantial increase of men or material. At such points there is a profit for both companies, although at 50,000 points where they have no offices, but which their wires mostly pass, the Postal Department maintains its offices without profit, using the profits from the larger ones to recoup the loss. Here is a fundamental defect which private financiering can not overcome. It will exploit to the point of wasted plant and personnel at the points of profit, but naturally refuses to apply its excess revenues from such points to maintain its services at nonremunerative points.

Need it be suggested that the Postal Department at all these 50,000 points has its agencies established and that where the wires are in the neighborhood to be connected with its existing offices no additional expense would be incurred to furnish these services to that large portion of the public now denied them? Thus the plethora of service in the cities would be removed to the towns and country to correct the entire absence moved to the towns and country to correct the entire assence of service there. The Morse operator could be employed where the traffic justified. At the fourth-class or even third-class office, where it did not, the automatic receiver or mechanical sender or the phone might be employed to forward the message to or from a regular office. All this with only such additional expense as the traffic at such points would make necessary in order of the postmester. But I need not detail extra compensation to the postmaster. But I need not detail the complete adaptability of the postal system to readily ab-sorb this secondary form of communication, in nearly all in-

stances, without any of the costs which now attend telegraphy except for maintenance and the wages of its operators, linemen, messengers, and necessary technical engineers.

Mr. Chairman, it is evident that our private exploitation of the telegraph agencies of communication fail to gratify the laws of either administrative or social efficiency. Their rates are the highest, their services the lowest, and their product per unit of economic energy employed among the lowest in the world. And all these failures are according to the laws laid down by the political economists of our time.

THE TELEPHONE. ANALYTICAL AND COMPARATIVE.

Mr. Chairman, so far I have placed under survey the telegraph Mr. Chairman, so far I have placed differ survey the telegraph agencies in relation to the postal systems of the principal countries of the world. My next duty is to apply the same standards of economic science to the telephone. In doing this I shall think it unnecessary to repeat what has already been stated of the telegraph where the matter is obviously equally applicable, nor shall I repeat the opinions of the economists whose criteria I mean to apply to telephone administration.

EFFICIENCY OF TELEPHONE MONOPOLY.

The canons of efficiency are the same for the telephone and telegraph:

(a) The social test: What is the degree of service rendered to the public?

(b) The economic: What does it cost the public? (c) The publicist: What are the social influences?

How do these compare under private and postal financiering? The telephone service subdivides itself into, first, the local and, second, the toll and long distance, and the statistics for each of these is twofold in character; that is to say, there are the varying rates fixed in the contracts corresponding, differing in the different cities and towns of the country, by which the patron secures a limited or an unlimited local service, or a measured, or a one or more party line service, or by which for toll or long-distance conversations the rate is graduated into day and night distinctions. Then there is the rate which is constituted from the sum of all these; that is to say, the total number of conversations, local, toll, and long distance, for a year is taken, and for each class, respectively, is divided into the receipts from that class, thus giving the average local, toll, and longdistance rates collected. This rate is called the statistical rate or average charge; the former, the tariffs paid by the patron, is called the tariff rate. I shall first present the local rates for the different countries statistically and compare them with the letter rates prevailing in each country:

Letter and local telephone rates.

Country.	Rank.	Local rate.	Letter rate.	Letter rate exceeds phone rate.
Norway (private) Sweden Japan Norway Russia Hungary Denmark (private) Austria Italy Germany Netherlands Belgium Switzerland United States (Bell Co.) Luxemburg	2 3 4 5 6 7 8 9 10 11 12 13	\$0.004 .005 .005 .006 .007 .009 .010 .011 .013 .015 .015 .017 .021 .024	\$0. 026 026 015 026 036 020 028 022 028 020 020 020 020 020	Per cent. 550 420 200 333 414 122 160 80 115 33 33 17 25 200 220

¹ Belgium, 1911.

2 Phone rate exceeds letter rate.

Thus we rank but fourteenth on the phone charge and are 1 of 3 out of 16 countries in which the local rate exceeds the letter rate. It will not do to say that our letter rate is too low or does not pay. It yields, in fact, a profit of just one-third. The local and other telephone rates given for the United States are those of the Bell system for 1912, embracing about two-thirds of the entire traffic. Our mutuals and the independents give a much lower rate, according to the statistics of 1907, which embrace all companies. The Bell system in that year secured about twice the rate for its service which was collected by the independents, presumably a local service as good as the Bell's. Let us review this 1907 American experience:

Average rate and operating expense per message.							
	Rate.	Equals rate per year.	Operating expense.				
Mutuals Independents Bell system	\$0.0047 .0114 .0211	\$5.35 18.50 42.35	\$0.0039 .0062 .0148				

The above table includes local, toll, and long distance for the independents and the Bell, whose statistics, taken from the census and the Bell report for 1907, were as follows:

	Receipts.	Expenses.	Number of messages.
Bell	\$128,556,506	\$87,908,000	5,977,000,000
	55,227,531	29,782,964	4,829,547,057

The Bell data are taken from its own report, while the independents are taken from the census by deducting the Bell figures. The item of Bell receipts represents an estimate of \$7,803,306 for its long-distance receipts, being double the amount of the item "Net \$3,901,653 from telephone traffic." The item for maintenance and depreciation, \$34,665,700, in the Bell account largely represents an element of undistributed profits which have been turned into new construction or purchase of other companies, the whole of this element for a series of years representing, according to the report of 1912, the sum of \$165,000,000. This item probably largely accounts for the alleged much higher operating expense per phone of the Bell system.

Mr. Chairman, I have now to present, comparatively, the toll rate as statistically ascertained for the different countries. Except in the United States and where otherwise stated, the service is postally conducted.

Average charge, interurban (toll) and long-distance.

Country.	Rate.
uxemburg	\$0.03 .038
Jermany Switzerland Weden	.07
rance.	.09
Norway. Ireat Britain Vetherlands	.12
taly	.19
Jenmark Belgium Jungary	.23
Austria	. 25

It will be observed that under the Bell system the United States, among 15 countries, takes the eleventh place. But this table may be unjust to the other countries, and especially to Denmark, Belgium, Hungary, and Austria. Their interurban statistical rate includes the receipts from their whole long-distance service, while it can not be certainly determined whether the interurban for the Bell includes their "long-distance" receipts, properly speaking. To make the comparison certain, in this respect, it will be necessary to compare the tariffs of the different countries for their long-distance service.

Long-distance tariffs.

Country.	100 miles.	300 miles.	500 miles.	700 miles.
(a) Sweden		(a) \$0.13 (k) .24 (b) .34	(a) \$0.20 (k) .36 (m) .38	(a) \$0.34 (m) .38 (k) .48
(d) Italy(e) Belgium(f) Denmark	.19 .19 .20	(c) .35 (m) .38 (n) .38	(n) .38 (c) .53 (h) .60	(c) .58 (g) 1.25 (l) 1.26
(g) Japan (h) New Zealand (i) Great Britain	.24	(d) .38 (f) .40 (g) .50 (o) .62		
(i) Australia (m) Austria (n) Hungary	.32 .38 .38	(h) .72 (l) .80 (i) .84		
(p) Russia(p) United States (Bell Co.)	. 38	(p) 1.80	(p) 3.00	(p) 4.20

Note.—The letters preceding the name of each country are used to identify the countries to which the rates given for 300, 500, and 700 miles belong.

Thus the Bell system gives the United States the fifteenth and last place in the scale of efficiency with respect to long-distance charges. This is a most serious circumstance for us economically and socially, in view of the American scale of distances, as may be seen in our average freight haul, which is ten times that of Great Britain, and from four to five times as long as in the other countries. This circumstance but lightly reflects our need for utilizable rates over the telephone for the scale of distances which separate the centers of communication in the United States. The Bell Telephone has an even rate of 6 mills a mile for a three-minute conversation; and a thousand miles

therefore commands a Bell charge of \$6 per talk. This happens to be about the same rate (7.53 mills) the railways secure for hauling a ton of freight a mile. But the railways do not make their charge arithmetically progressive. If they were to do so their rate on the longer distances would be so high as to sweep such traffic from the rails. What they do in fact, although not in theory, is to double the charge as the distance quadruples, thus the charge for 25 miles might be 10 cents per 100 pounds, first class; the rate for 100 miles would be 20 cents; for 400 miles, 40 cents; for 900 miles, 60 cents; the rate increasing not arithmetically but according to the square root of the number of miles. Thus if the charge for a phone call were placed at 10 cents for 25 miles, on the square-root formula it would increase to 20 cents for 100 miles, 40 cents for 400 miles, 50 cents for 625 miles. In fact, such a rate would slightly exceed the long-distance rates on the continent.

Continental rates for long-distance compared with square-root formula.

Country.	25 miles.	100 miles.	300 miles.	400 miles.	500 miles.	700 miles.
Sweden	\$0.04	\$0.08	\$0.13	\$0.20	\$0.20	\$0.34
Norway	.07	.09	.34	.40		
France	. 05	.10	. 35	. 43	. 53	. 53
Italy	.10	.19	.38	.38	.38	
Belgium	.10	. 19		Lancard N. P.	Service Co.	
Denmark	.07	. 20	. 54			
Germany	.06	. 24	. 24	.36	.36	. 49
Austria	.12	.31	.38	.38		
Hungary Average continental	.10	.19	.38	.38	.38	
rate	-07	.16	.30	.36	.37	.43
Formula rate	.10	. 20	. 35	.40	. 45	. 53
Bell rate	. 25	.60	1.80	2.40	3.00	4.20

It will be urged, of course, that prices are higher here; but they are not higher here, they are higher in Europe on the copper and poles, which mainly enter into the capital cost of a long-distance line; higher by the price of the transportation of such material from this country to the Continent. It may cost more to conduct such a line here in the expense of personnel, but the difference could hardly be more than 10 per cent of the continental rate. It is true, however, that a special charge is made abroad for an urgency, or preferential, use of the line, but its payment secures one the preference, while with the Bell system the day charge is all the same and one has to wait his turn despite the rate. The truth is that no attempt is made to justify the Bell rates on the grounds of social efficiency. This is frankly declared by the present managers of the Western Union and Bell telephone system. I quote from the report of the Bell system for 1911:

Instantaneous and immediate transmission of communications is as yet a convenience or luxury, although under modern methods of business and commerce it is an economical alternative to the cheaper mail service in business operations. The use of the telegraph may be a popular convenience, but it is not a necessity and is still confined to the comparatively few, and for that reason should be at the cost of the few that find benefit and profit in that use.

This is bold language. We are virtually told that of the three great agencies of communication only one, the letter post, may be used by the people, and that the other two, the phone and the telegraph, are conveniences or luxuries, not popular necessities, and for that reason should be at the cost of the few, i. e., of the rich, to which class largely the present rates confine the service. But this is not a justification. It is a confession. These tariffs are the scandal of public-service rates the world over and are endured because the service is known only to those in easy circumstances, who overlook the rates in the glamour of the marvelous character of the process of communication.

THE TABIFFS.

The statistical charges give but a very deficient conception of the situation as to actual telephone tariffs. While there are many points at which a phone may be rented on the basis of yearly tariffs of \$24 for business and \$18 for residence service, at such points the number of subscribers are relatively low; and as a matter of fact, with the Bell system at least, the rule of 5 cents a call comes more nearly expressing the rate available to the public. This is seen in the following examples allocated according to the density of the different centers of population.

Table giving annual tariffs, flat-rate service, for leading cities of different countries.

Christiania	\$21.44
Stockholm	24, 44
The Hague	26, 00
Copenhagen	32, 00
Tokyo	34.00
Auckland, New Zealand	34. 09
New Haven	84. 00
New Haven	01.00

Table giving annual tariffs, flat-rate service, for leading cities of different countries—Continued.

Cincinnati	\$100,00
Oakland, Cai	84.00
Philadelphia	190,00
Chicago 2	
Denver	138.00
Amsterdam	
Rotterdam	
Berlin	
Budapest	57.90
Paris	
London	82. 79
Boston	125. 00
Seattle	90.00
Washington	168.00
Baltimore 3	
San Francisco	180.00
New York 3	228.00

American average exceeds foreign average 300 per cent.

Comparisons based on the flat or unlimited service rate do not adequately present the field of traffic. While, except in small towns and for the residence service, the flate-rate business works out the lowest average charge per call, it does not reflect the degree to which a popular use of the service may be had. To measure these possibilities we must go to the limited or measured service rates, under which the user is asked to pay in accordance to the number of calls. This comparison can not be made as simple as for the flat-rate tariffs without circumscribing, which I shall do by taking selected numbers of rates as, for example, the cost per call of the first 2,000, 5,000, and 10,000 calls for one-party business lines.

Rates per call for measured service in principal cities of the world.

	Per call.			
Country.	2,000 calls.	5,000 calls.	10,000 calls.	
Switzerland, Berne	\$0.0140	\$0.0116	\$0.0100	
Covington, Ky	.0450	.0360	. 0238	
Delgium, Brussels	.0184	.0100	.0060	
Baltimore, Md.	-0500	.0336	.0312	
Australia, Sydney	.0197	.0106	.0086	
Washington, D. C	. 0190	.0366	.0283	
Italy, Rome		.0140	.0120	
New Orleans, La	.0200	.0280	.0100	
Austria, Vienna Cineinnati, Ohio	.0450	.0360	.0330	
Germany, Berlin	.0216	1,0086	1,0043	
Boston, Mass		- 6360	.0330	
France Paris		1,0154	1,0077	
France, Paris. New York, N. Y.	. 0555	.0120	.0100	
Denmark, private	.0294	.0197	.0171	
San Francisco, Cal		.0487	.0265	
Average postal telephone rate	.0197	.0123	.0085	
Average American telephone rate	.0493	.0371	. 0300	
American rate exceeds postal (per cent)	167	200	215	
American rate exceeds Australian (per cent)	150	250	250	

¹Computed on flat rates.

A rival of the Bell system gives the following table of comparative rates before, during, and after competition, presumably flat rates:

City.	Bell rate before com- petition.	Bell rate during com- petition.	Bell rate after competition wiped out or Bell found it impossible to kill com- petition.
Richmond, Va. York, Pa San Jose, Cal. Dubuque, Iowa Winona, Minn Savannah, Ga. Mobile, Ala Lynchburg, Va. Rosnoke, Va. Norfolk, Va. Oswego, N. Y. Kenosha, Wis. Iowa City, Iowa Tampa, Fla.	\$72 72 60 48 48 36 64 65 30 40 45 30 42 30	\$12 15 30 244 12 18 18 12 30 40 30 24 30	\$72 48 60 48 48 36 48 48 48 48 48 48 48 48 50 54
Average rate	49	23	49

Postal telephone rates, like mail rates, are uniform for similar services. The following table of the same rival gives the rates

Competition.
 Recently this rate raised to \$125; competition presumably removed.
 Baltimore and New York limited to 5,400 and 5,700 calls.

of the Bell system for some 60 cities, graded from the highest to the lowest populations. The letter (c) indicates competition. The depressing influence of competition on the rates is ob-

0.	City.	Population.	Rate.	
1	New York, N. Y.	2,331,542	£228-	
2	Chicago, Ill	2, 185, 283	84-	
3	Philadelphia, Pa	1,549,008	90-	
4	St. Louis, Mo	687,029	78-	
5	Boston, Mass	670,585	125	
6	Cleveland, Ohio	560,663	72-	
7	Baltimora, Md.	558,485	174-	
8	Pittsburgh, Pa.	533,905	80-	
9	Pittsburgh, Pa. Buffalo, N. Y. San Francisco, Cal.	423,715	72-	
0	San Francisco, Cal	416,912	180	
1	Cincinnati, Ohio	364, 463	100	
2	Washington, D. C.	331,069	168	
3	Los Angeles, Cal	319,198	63-	
5	Seattle, Wash.	237, 194	90	
6	Indianapolis, Ind	233,650	54- 80	
7	Providence, R. I. Rochester, N. Y.	224,326 218,149	48-	
8	Denver, Col	213, 381	138	
9	Portland, Oreg	207 214	72-	
0	Toledo, Ohio	207, 214 168, 497	48-	
ĭ	Oakland, Cal	150,174	84	
2	New Haven, Conn	133,605	84	
3	Memphis, Tenn	131, 105	48-	
4	Memphis, Tenn. Scranton, Pa	131, 105 129, 867	42-	
5	Richmond, Va.	127,628	72	
6	Hartford, Conn	98,915	84	
7	Trenton, N. J.	96, 815	36-	
8	Hartford, Conn Trenton, N. J Springfield, Mass	88,926	63	
9	Wilmington, Del	87, 411	46-	
0	Des Moines, Iowa	86,368	60	
1	Norfolk, Vá Savannah, Ga	67,452	60	
2	Savannah, Ga	65,064	36	
8	Portland, Me.	58,571	60	
4	Johnstown, Pa.	55, 482	30-	
5	Altoons, Pa.	52,127	30- 36-	
6	Springfield, Ill	51,521	48	
7 8	Mobile, Ala	46,921	36-	
9	Springfield, Ohio	44,750	48	
0	Sacramento, Cal.	44,696	72	
i	Berkeley, Cal	40, 434	84	
2	San Diego, Cal.	39,578	48-	
3	Dubuana Jowa	38, 494	48	
4	Tampa, Fla	37,782	54	
5	Roanoke, Va	34,874	48	
8	Jackson, Mich	31, 433	30-	
7	Decatur, Ill	31,140	30-	
8	Lynchburg, Va	29, 494	48	
9	San Jose, Cal.	28,946	60	
0	Newport, R. I	27,149	60	
1	Fresno, Cal	24,892	60	
2	Everett, Wash Burlington, Iowa	24,814	48-	
3	Burlington, Iowa	24, 324	72	
4	Alameda, Cal	23,383	84	
5	Oswego, N. Y.	23,368	36	
6	Stockton, Cal	23,253	60	
7	Kenosna, Wis.	21,371 18,583	48	
8	Kenosha, Wis. Winona, Minn. Helena, Mont.	18, 585	60-	
9	Iowa City, Iowa	10,091	63	

Note (a): Limited to 5,700 calls; Manhattan district only. Note (b): Limited to 5,400 calls.

Twenty-four cities, averaging 342,486 in population, pay an average rate of \$53 under competition, while the remaining 36 cities, averaging 188,629 in population, without competition, pay \$81. Even where competition is absent there does not appear to be any rational order of rates. Stockton, Cal., with 23,253 population, pays the same rate (\$60) as Des Moines, Iowa, with \$6,368, and pays twice as much as Johnstown, Pa., with 55,482 population, and only \$24 less than Chicago, Ill., under competition.

I should utter a caution against the spirit of prejudice likely to be elicited by the great disparity shown in the rates under postal and private financiering. The gentlemen who are exploiting this service for profit as their private property have, doubtless, decided correctly that the American rates yield the very maximum of profit. This is what people do in the conduct of a hotel, I suggest. True, this is what we all should do if two coulds it is the pormal rule of private financiering. But if we could; it is the normal rule of private financiering. But competition plays its part where monopoly private financiering is inadmissible and protects us from ourselves. So we do not blame the individual. He is obeying the laws of his nature. But the Government, without whose incidental approval or protection such a monopoly could not exist—is it to be held blameless for abandoning its function and submitting its citizens to exactions which are the scandal of public-service rates the world over, and with which only our express rates can justly be compared?

The effect of these abnormal distance rates upon the utilization of the service may readily be seen. The number of interurban conversations per phone in the different countries is as follows.

Long-distance conversations per phone.

Country.	Number of conversa- tions.	Rank.
Denmark Netherlands Denmark (private) Germany Sweden Russia Norway Switzerland France Norway (private) Haly (private) Japan Haly United States (1912, Bell) Belgium Austria. Hungary	761 634 348 301 150 142 135 130 125 109 73 69 62 48 44 43 37	1 1 1 1 1 1

Mr. Chairman, it is apparent, of course, that telephone rates fail to satisfy the law of social efficiency and the pronouncement just quoted from the Bell Co., far from making apology, disavows any concern or obligation in that respect.

ADMINISTRATIVE EFFICIENCY.

Let us look now into the question of the operative efficiency of the privately financiered telephone as compared with its public and postal management in other countries.

Telephone operative efficiency.

Country.	Phone calls per cm- ployee per annum.	Rank.	Pestal units per em- ployee per annum,	Rank.
Norway	146,854	1	32, 414	11
Russia	114,659	2		
Belgium	98,715	3	85,819	1
Netherlands (municipal)	92, 251	4		
Sweden	79,142	5	35,837	9
Denmark (private)	79,000	6		
Italy	67,727	7	42,947	4
Netherlands (private)	65, 181	8	************	*******
United States (Bell Co.)	58, 134	10	60,651	2
Norway (private)	50, 751 47, 328	11	07 700	
Netherlands (State)	38,912	12	37,562	
France.	34,018	13	53,621 33,697	10
Luxemburg		14	40,321	10
Denmark		15	38,930	
Germany		16	37,236	8
		17	30,528	12
New Zealand		18	28,696	12
Great Britain		19	26,056	14
Hungary		20	23,025	15
Japan		21	21,820	16

In the column for phone efficiency the long-distance or interurban call is included and rated as equal to four local calls in its demands upon the personnel. The column for postal efficiency is inserted to show the performance of the postal personnel. For this purpose the postal-service unit is treated as the average mail piece and the telegram as equal in service to 10 mail pieces, while the local call is rated as equal to one-half mail piece, or unit, and the interurban as equal to two mail pieces. All kinds of employees of the telephone and post are included in the statement. While these service valuations are only assumptions, it is believed that they are approximately accurate, and certainly in no case unfair to the phone service, as may be seen in the cases of Norway, Russia, and Belgium, where the phone performances per employee reach as high as 146,854, 114,669, and 98,715, respectively. It appears that the American postal system ranks second among 16 countries on the mail piece, while the Bell Co. on the phone ranks but ninth, among 13 countries, in institutional efficiency or product per employee.

Now, what is the cause of this disparity? An inferior American personnel? No; the record of the American postal personnel answers that charge. What, then, is it? My explanation is that it is the deterrent influence of high rates on the amount of the traffic and consequent plant utilization. Obviously the amount of traffic will depend on the rate. If it should cost me but a cent a call, I will use the phone freely; if it cost me a nickel, I should probably restrict my calls. So, too, not only may the message rate be so high as to discourage the use of the phone, but the rate for phone subscription may do so. In short, to a vast majority of the people the degree of utilization depends on the cost, and these as subscribers will spend less at the higher rate than they will at the lower. The low performance therefore represents the unutilized time

of the employees and wires caused by rates which to that extent are prohibitive of potential utilization; the plant is subjected to low service performance, while the same cause operates to deny society its use. This statement is susceptible of illustration in the experience of American telephone administration. As we have seen, the Bell average charge in 1907 was 2.11 cents per call, while that of the Independents was 1.14 cents, or about half. The employees of the former were 90,324 and the latter 52,112, which divided into the total calls gives an efficiency in number of calls per employee of 65,287 for the Bell and 92,868 for the Independents per annum. Traffic advantages were with the Bell, in that it had 578 phones per exchange, while the Independents rated only 295.

We reach the same conclusion for the telephone that we had reached for the telegraph. Private financiering falls to secure either the maximum of social service or the maximum of plant utilization. Its rule condemns the agency to a half marketing of its production, to less than half of its potential yield. Society under its rule must sacrifice half or more of the utility of this great agency of public communication. Suppose the farmer should organize into a monopoly, restraining the marketing of half his wheat production, half the normal yield, on the theory that the half crop would produce the same revenue as the whole. Will the defender of half service and double pay reply that the cases are different; that the "instantaneous and immediate transmission of communications is as yet a convenience or luxury, confined to the comparatively few, and for that reason should be at the cost of the few that find benefit or profit in that use"? It remains to be seen whether this ambitious rival of the postal function, like the express companies, can defy the public for 40 years.

ADEQUACY OF ORGANIZATION.

Mr. Chairman, in treating of the telegraph I presented the elements or factors laid down by the political economists as necessary in the working organization of a monopoly, in order that its service be rendered at the lowest cost, and that society should realize the possible benefits of a monopoly in the class of enter-prises for which that form of capital and labor is economically and socially adapted. But it may not be amiss to restate them here for application to our telephone agencies. The elements are stated to be:

- (a) Unity and exclusiveness of organization.
- (b) Details of management well worked out.(c) Facility for extension by mere duplication of existing structure.
- (d) A social demand for the service which is widespread and constant.
 - (e) Adequate ability in authority.

RESULTS.

- (f) Service at less cost than if broken into groups, because-(g) Assured demands for service admits of closest calculations.
- (h) Extent of demand admits of most minute division of labor.
- (i) Absence of rivalry reduces to a minimum the amount of capital and other expenditures necessary for the performance of the service.
 - (j) Speculative management is eliminated.
- (k) And thus with a public-service motive,(l) The maximum of cheapness and efficiency is rendered possible.

Mr. Chairman, it is, of course, not a matter of criticism that the telephone monopoly is lacking in a main essential—the public-service motive. In a privately financiered organization such a motive is against nature and should not be asked. With the other elements, while it may be painstaking, it may be instructive to deal.

UNITY OF ORGANIZATION.

Exclusiveness of organization is, of course, denied to the Bell Co. where a rival service has found location. But to what extent does it possess unity of organization even within itself? There is likely to be a great deal of misapprehension on this point, and unity of administration may be erroneously inferred to exist merely from the fact of the concentrative power to control the making of rates. Thus the Mackay and the Bell companies have agreed on rates, just as the fire insurance companies have done. But in neither of these instances is it claimed that unity of management or organization has been attained. The perfection of unity and of exclusiveness-except as to the express service—is, of course, found in the postal organization. In which class will the Bell system be assigned? I think it clear that it can be assigned in neither; that it is not an organization in the organic sense, but an amalgamation for which the most appropriate word of description is that used

by its officers, namely, the "associated companies." "amalgamation" or a system does not imply the reduction of methods to the ultimum of simplicity, or the number of processes to the feasible minimum. If the structure of each company amalgamated, with its distinct officialdom and accounting institutions, is preserved, as would appear to be necessary with a distinct legal proprietorship for each, then, while the methods of a holding company with a majority of stock may give the power over rates and appointment of officials for the constituent company, this mode may be far from reducing to a minimum either the personnel or the interproprietary trans-

It is this method of controlling rather than of assimilating the different exchanges which characterizes the Bell system; in fact, the expression employed is "the Associated Companies." Thus, speaking of them, Mr. Vail says: "The organization as constituted will be flexible enough to enable any rearrangement to be made of the whole or any part, in any way which may be found necessary or advantageous from reasons of policy or from business or legal reasons without affecting business." The aim has evidently been to so articulate the different exchanges that they can be used for a common purpose and yet so preserve the autonomous elements in each to meet any business or legal situation that may arise—the enforcement of the antitrust laws, for example. Such conditions preclude simplicity and singleness of process, the concomitants of economy and efficiency attained by the institution possessing unity and exclusiveness of organization. That the Bell system is not organized to realize the maximum economies of a single organization is seen in the comparison of its operating costs per message as compared with the independents on a preceding page. GENERAL CONCLUSIONS.

Sir, it appears that despite our high price and wage levels in the United States we take first place as to postal rates. Among 16 countries we take but fifteenth place as to telegraph rates; among 15 countries, but tenth place as to interurban telephone rates; among 12 countries, only the eleventh place on local telephone charges; and among 11 countries we take the eleventh, or last, place on long-distance telephone charges.

Mr. Chairman, let me explain the significance of these con-Recurring to the analysis of industries placing merchandizing in Class I, with its law of constant returns; farming as Class II, because of its law of diminishing returns; and such industries as the post, the express service, and the telegraph and telephone in Class III, under the law of increasing returns: The first two classes belong to the realm of competition, and therefore to private financiering, while the third classpublic-service monopolies—belong to the domain of public financiering. Now, what do we find? That in the United States Classes I and II-the store and farm, privately financed, according to their natures, and acting under circumstances of struggle and competition-are unquestionably among the most economically conducted of their kind among nations. That our postal service, publicly financed, in spite of our high price levels, is giving rates the lowest prevalent in the world, and possesses the very highest working efficiency; while the two examples of the third class—the telegraph and telephone monopolies, like the express companies, subjected unnaturally to the rule of private financiering-rank among the very lowest in working efficiency and among the highest in the rates exacted from the public.

I think it apparent from all these comparative experiences that the doctrine of laissez-faire is clearly inapplicable to the telegraph and the telephone; i. e., that these public agencies of communication do not belong legitimately to the field of the rule of private financiering. I quote Prof. Adams again:

rule of private financiering. I quote Prof. Adams again:

In taking the position here assumed it need not be implied that one is arguing either for or against State socialism, but merely that the doctrine of laissez faire does not permit society to realize in any adequate degree the benefits of organization in the form of monopoly. This is true, for several reasons, but especially because there are many industries which, from their nature, are monopolies, and can not, therefore, be safely consigned to the guidance of the rule of private financiering. It is certainly absurd to say that a business superior to the regulating influence of competition, conducted according to the principle that the highest possible price should be demanded for services rendered, can be managed in a spirit of fairness to the public. Such a business ought to be made to conform to the rule of public financiering, but the common prejudice aroused by the teachings and superficial application of laissez faire renders this difficult of accomplishment. "In some countries," says Mr. Mill, "the desire of the people is not for being tyrannized over, but in others it is for an equal chance to everybody to tyrannize." So long as public opinion refuses to enter upon a candid analysis of the nature of industries for the purpose of discovering which of them may be safely consigned to the guidance of competition, large numbers of private monopolies will be maintained. If men persist in thinking themselves free because the law grants them an equal chance with their fellow men to become monopolists, the great majority will pass their lives in that state which even conservative writers call commercial dependence. Bastiat is right when he speaks

of the interest of the consumer as identical with the "social interest," in so far as this question of monopolies is concerned, for it is only when we regard the problem from the point of view attained by considering the collective interest of society that we can secure a just appreciation of the relation of government to business activity.

To what conclusion does all this lead? Plainly, I suggest, to the conclusion that we are violating the laws of sound public economics. Plainly, I suggest again, that we have violated the laws of economic science in giving to the functionaries of private finance those things which were not theirs. There is a law of private finance; there is a law of public finance. Each has its subjects upon which, properly confined, each will normally operate for the maximum of human service. We have ignored, or rather misapplied, one of these laws by giving over to the private financier a postal duty. Let him rule in his own field restrained by the laws of competitive industry, he will prove a social servitor and a blessing. But give him the field of public finance where his instincts of profit making can only be misapplied, and those unwelcome results are shown to follow which would be expected to follow if public finance were applied to store and farm, namely, high prices and the lowest social and operative efficiency.

COMPETITION.

Mr. Chairman, with regard to this method as a corrective agency, I can not do better than quote from the work of Prof. Holcombe, one of the Harvard economic studies, entitled "Public Ownership of Telephones on the Continent of Europe." After stating the theory of competition in relation to prices generally, he speaks of the telephone service:

The difficulty with the theory of competitive rates in the telephone business is that the liberty of choice between rival undertakings is illusory. No two competing systems can offer the same range of communication. The subscribers to one system will have no means of conversing with those to the other. Consequently the prospective subscriber is not free to compare the price levels and conditions of service of the rival undertakings. He is compelled to join that system to which are already connected those persons with whom he most desires to converse.

seriper is not free to compare the price levels and conditions of service of the rival undertakings. He is compelled to join that system to which means the price levels and conditions of service of the rival way connected those persons with whom he most desires to the same system, he can not choose between rival services without being thereby deprived of the possibility of effecting a certain proportion of the communications which he would like to carry on by means of the telephone. The utility of the telephone lies in its marvelous power of transmitting the spoken word and reproducing it at a distance. The greater the number of persons who are enabled to converse with one another, regardless of intervening space, by means of a telephone system, the greater is the which like the postal service, reaches everybody. Whatever excludes a portion of the community from participating in the benefits of a telephone system impairs by so much its usefulness. Now, a competitive undertaking does just that. The subscribers to each undertaking are debarred from carrying on telephonic conversations with the subscribers to the other undertaking. If there are several competing systems, the impairment of the usefuness of the service is correspondingly greater. If there were as many sellers of telephone service as buyers, and all were determined to remain in the business, the telephone would have no usefulness at all even competition offers no adequate assurance of reasonable rates for telephone service, the question at once arises, How shall they be determined? The only alternative to competition is monopoly of some sort. The forces of demand and supply will operate under a régime of monopoly, as under one of free competition, but he results will not be the same. In the latter case the interests of the monopolist will ordinarily lead him to fix his rates at a level which is not most of the demand of his services were services and readjusts them, if need be, until the actual sale of his services verifies his calculations. His purp

take whatever steps they may deem expedient in order to secure to the community the enjoyment of reasonable telephone rates.

His final conclusions, after a complete survey of the Continent,

In the telephone business competition is a failure. Considered as an automatic arrangement for maintaining an accurate adjustment of the supply of telephone facilities to the demand, it easily gets out of order. So long as it remains in order its effect is to diminish the utility of the service to render which telephone facilities are created. For a while it is capable of bringing about low rates and stimulating a rapid development. Sooner or later, however, the self-interest of the competitors or the disillusionment of the public authorities will cause the termination of competition and the substitution of a régime of monopoly. This has been the result everywhere in Europe where competition has once existed, except in Stockholm, and in Stockholm the bankruptcy of the private company or the purchase of its business by the Government is only a matter of time. Competition as a permanent status in the telephone business is neither desirable nor possible.

REGULATION.

Mr. Chairman, there are many things to be predicated of regulation, of course, and I shall make no attempt to cover them all. Among them, however, are some effects that are certain. A régime of regulation will-

(a) Eliminate competition.

(b) Strongly tend to crystallize the rates and, with them, local discriminations.

(c) Remove personal discriminations.

(d) Limit extension to places of sufficiently high profit to attract private finance.

(e) Thus defeat the attainment of the maximum extension of

social service.

The three first propositions are exemplified in our railway history of the last 10 years and in that of England for 20 years. The progressive decline in average rates, which began with the introduction of the railway, continued in both countries to the time when the State exerted its power and converted the unstable rates into legal rules. In neither England nor here has the average rate fallen substantially since. I say such rates, including any local discriminations, crystallize under regula-tion fixing them as rules of the State. The shipping interests, unable to set one railway underbidding the other, urge reductions upon the regulating power, only to be met by the proprietary defenses of the railway owners. And they, when try-ing to secure rate increases, are met by the defenses of the shipping interests. The antagonistic forces are so nearly equal that, impeded by the complexity of the subject matter and the inertia of court procedure, they meet only in an impasse, with a triumph usually in favor of the status quo.

But there is a more profound reason for the impasse thus reached and the practical inability to reduce rates under regula-

tion. It is the instinct of respect for private property so highly developed in modern civilization. The stockholders earnestly defend their right to the profits their capital and enterprise have created; the effect of reducing the rates renders so uncertain what the rate of profit may be; moreover, its reduction affects not merely the dividend they are to receive but the commercial value of their capital itself, a reduction of from 12 to 6 per cent, cutting such value in two for purposes of sale; all these deterrents, with the ability of the conductor of the enterprise to suppress or disguise those inner facts of his business, of which he alone has intimate and real knowledge, usually leave but one safe recourse for the regulating tribunal, and that is to heed the inevitable doubt in the proprietor's favor. Count von Bismarck has summarized the weakness of the regulating theory as fol-

The attempts to bring about reform by laws have shown the futility of hoping for a satisfactory improvement through legal measures, without trenching materially on established rights and interests.

State ownership is necessary to attain unity and economy under conditions in harmony with the public welfare and to secure direct attention to public interests which do not permanently find sufficient furtherance and protection in the hands of private corporations whose object is gain. The inadequacy of private management and State supervision becomes daily more obvious.

Mr. Chairman, efficacy has never been claimed for regulation as a method for obtaining the maximum social service. Take the case of the Bell Co. controlling the Chicago & Milwaukee Telegraph Co., which raised its rates per telegram from 15 to 25 cents, abridging its former social service nearly 50 per cent. Contrast this with the British post office in 1885 reducing its rate from 24 cents to 12 cents and increasing the number of messages about 60 per cent. In the former case there was an increase, perhaps a justifiable increase, of profits to the private owners; in the latter there was a slight loss in the revenues, but a tremendous gain in public service rendered. It comes back, then, to the fundamental principle involved in the rule of private financiering. Regulation is helpless to invest the private investor with a public-service motive; and urally enough for the investor, the maximum return on his investment, is the rational rule of conduct.

Conservative students of the telephone subject do not propose or consider regulation as a means to attaining the maximum of utilization in this service. I shall quote again from the work of Prof. Holcombe on this subject. He says:

of utilization in this service. I shall quote again from the work of Prof. Holcombe on this subject. He says:

The great advantage of the ownership of business undertakings by the community lies in the power that goes with possession. While the ownership of business of general public importance remains in private hands there is no protection for the ordinary economic interests of consumers except by free competition or by public regulation. In the telephone business the former is neither desirable nor possible. The latter may be obtained in only two ways: (1) By special contract between the private owners and the public authorities; (2) by direct legislative action, subject to appeal to the courts for the protection of individual rights. Under either method of public regulation the antagonism of interest between the private monopolist and the consumer may be subdued but is never removed. It was in order to possess complete control over the management of the telephone business that the Governments of Europe adopted the policy of public ownership. By retaining complete control in their own hands those Governments have had the opportunity to adopt methods for the establishment of rates and the maintenance of service that would have been impossible under any form of private ownership. In a business such as the telephone, the best security for the establishment of reasonable rates is to give those who are to pay the rates a voice in their making, and the best security for the accurate adjustment of the supply of telephone facilities to the demand is to give to those who are to use the facilities a share of the responsibility for their creation.

But once it is recognized that in a particular industry the hypothetical alternative of free competition is an illusion it becomes evident that the community's saving by the assumption of the risks of the enterprise is not a mere recompense for the sacrifice of a more rapid rate of industrial progress will be appropriated by the monopolist solely by virtue of the fact that h

Naturally enough, sir, the owners, for the most part, when confronted by a proposal to postalize, object and point to the alternative of regulation. But this attitude on their part, it is not considered unfair to suggest, is dictated rather by private than by social considerations. Postalization puts an end to their profits. Regulation may or may not curtail them in a degree, while the stability of their monopoly is actually augmented by regulation, bringing with it an increment to the value of their securities. In this connection it ought to be remembered that, whatever our hesitation may be on administrative grounds to applying the State principle to all forms of natural monopoly in obedience to the principle that "private monopolies are intolerable," such hesitation need not be felt as to postal subjects given the postal department. It may be confidently asserted that no bank or railroad organization, private or public, has better assurances of administrative efficiency to offer.

OBJECTS OF RELIEF.

Mr. Chairman, having completed the analyses of the economics and the traffic effects of our systems of communication by wire let us put the direct question, What, if any, are the deficiencies to be corrected? Answering this question just as directly, I wish to say that, while our postal rates are as low as those of other countries, we find that in the United States—

(a) The telegraph charge averages more than double,
(b) The local-call phone charge about double,
(c) The toll and long-distance telephone charge about four times, the rates generally prevailing in the principal countries of the world.

Proceeding on the assumption that our postal system can do as well for the wire forms of communication as it does for the letter-that is, can handle the wire messages as cheaply, compared with these countries, as it does the letter—it is suggested that these forms of communication should be postalized; that is, the postal agency should be permitted to conduct these com-munications in order to normalize the rates and extend the service to the great body of the people.

Proceeding, again, on the further assumption that the abnor-

without that motive, not the maximum social service, but nat- mal rates operate to abridge the total service rendered in the

same percentage that the rates are excessive-a moderate statement, I think-then the Nation has short-work claims on such services as follows:

(a) The telegraph: Number of messages, 175,000,000.(b) Local phone service: Number of messages, 7,500,000,000.

(c) Toll and long distance: Number of messages, 300,000,000. That a twice normal rate will inhibit at least half the traffic, or, stated in the reverse way, that cutting the rates in half will double the traffic in a service for which, like these, there is a universal and constant demand, is an assumption sustained by postal experience with the telegram, with the letter, and now with the postal-express parcel, not to speak of definite experiences with the passenger traffic.

The doubling, or more probably the expected quadrupling, of the number of such communications is not predicated merely on the demands of those now using these means, for the effect of prohibitive rates is not merely to reduce the number of calls by present subscribers but to seriously reduce the number of subscribers themselves. It is true that the rate renders the telegram merely an incident to some calamity, like death, and so forth, for the working classes. But the use of the telephone, so forth, for the working classes. But the use of the telephone, which is an hourly convenience if not a necessity, in homes that can afford it, is at present confined to a small percentage of the homes of the country. The proportion of telephones is 1 to each 12 persons. If the number of office or business phones be deducted from this proportion, it is indeed doubtful whether more than 1 family in 6 enjoy this convenience.

Now, the Postal object is not merely to confer equal privileges in form, but to effectuate equality in practice. It, therefore, so oversiges its service and formulates its rates as to

fore, so organizes its service and formulates its rates as to remove any economic barriers to their use. The poor man, the very poor man, can actually utilize any form of the Postal service. Its rates are adapted to his means. Mr. Vail, president of the Western Union Telegraph Co., declares:

There is a road to every man's door; there should be a telephone to every man's house.

The parallel is indisputable, but its complementary fact should also be noted. It was society, and not any privately financed monopoly, that built these roads. He also adds, apologetically for the Bell, that the system must be-

Under common control * * * it must be sufficiently strong constitute practically one system, intercommunicating, interdepend-

Now, is this possible in the United States? Sir, I feel justified in saying that it is possible here, if nowhere else; and the Swiss tariff system, I submit, affords demonstration of this statement. But of this the point fundamental—indeed, the whole objective of the discussion, the supportive facts-must be developed later.

METHOD OF RELIEF.

THE TELEGRAPH AND TELEPHONE SERVICES INTERDEPENDENT.

Mr. Chairman, these two methods of communication are so interrelated and interwoven and so identical in characteristics that the only difference which now suggests itself is that the communication in one case is addressed to the eye and in the other to the ear. The mechanism, the wire, and the active principle-electricity-are the same for both; moreover, it is a fact at present that the same telephone wire may be and actually is simultaneously engaged in conveying the both forms of com-munication, especially for longer distances, where the telegram formerly was the more efficacious. Coupled with this fact that every telephone wire is in fact or potentially a telegraph wire is the circumstance of conclusive economic importance. Since the telephone wires permit the discharge of the double function without interference one with the other, the duplication of the physical agencies will involve a doubling of the expenses of each service—except for the points of large telegraphic traffic, where the skilled telegrapher will be needed as a supplement to the exchange personnel. I shall leave to Mr. Theodore N. Vail, president alike of the Western Union and the Bell telephone system, the task of completing this statement. I quote from the report of the Western Union for 1912:

from the report of the Western Union for 1912:

There are estimated to be less than about 5,750,000 rural habitations in this country. The Bell System has over 3,200,000 rural telephone stations; that is, more than half the rural habitations are connected by exchange wires with central offices of rural centers and these central offices, by means of branch telephone Ilnes, with and form a part of the Bell Telephone System. These branch lines extend to substantially every rural center. They are not used to nearly their capacity. The lines and the operating staff have to be maintained for one purpose. Under a joint working between the telepraph and telephone, these facilities, both plant and operating, could be utilized without appreciable extra cost for telephoning the occasional telegraph message. In this way a telegraph service could be given to practically every center of population in the country and by means of the rural telephones made to reach nearly every habitation.

If the public desire, as they do, not only improved facilities but additional methods of intercommunication, and eventually cheaper

rates, these benefits can only be obtained through a combined use of plant, and to bring about such a combination, not only the purpose but the reasons must be understood, and if it results in a broad combined system extending over the whole country, such a system is inherent to the object to be accomplished and it can not be accomplished in any other way.

It is an axiom that the cost of operating and the cost of construction and maintenance of plant facilities must be borne by the service, If, then, plant facilities are only partially utilized the cost of service is greater and so must be the charges. If additional use of facilities is made, then the cost of service is less and the charges can be reduced.

reduced.

If the public insist upon a duplication of plant for each kind of service, then the cost of these plants must be borne by the service and the public must pay the cost. If you hire two carriages to carry two loads that one would carry as well, the two carriages must be paid for. No individual or corporation can be expected to, nor can they be required to, provide a permanent service to the public at less than cost and a fair profit. Waste of facilities and waste of duplication come out of the public, either through the additional cost of service which must be maintained or through the loss of the investment made on the facilities which were unnecessary.

In a like report for the Bell Telephone system in 1911, Mr. Vail illustrates the complementary character of the two services with a chart.

And then he makes the following observations as to the operative and economic advantages of their unification of ownership and management:

Operative and economic advantages of their unification of ownership and management:

The joint use of such lines and operatives would be a source of economy. At busy offices and on busy circuits, the circuits could be "composited" for the simultaneous use for telegraph and telephone purposes. Each service would require its distinct operating force and its distinct offices, as the services rendered by the telegraph and the telephone are functionally and fundamentally different, although both use wire circuits. The telephone makes up a circuit and places it at the use of the customers, who do the communicating, 1. e., it leases its circuits to others for personal communication. The telegraph, by its own operators, performs all the services of collecting, transmitting, and delivering messages, 1. e., it transmits over its circuits, for others, personal communications.

The greatest economy and advantage would come from the "compositing" or simultaneous use of one system of circuits for the two services, eliminating entirely one of the wire systems. The advance in the state of the art of "compositing" lines for joint use of the telephone and telegraph has been very marked in the very recent past.

The accompanying diagram illustrates a small section each of the telephone and telegraph has been very marked in the very recent past.

The diagram shows that the existing wire mileage of the present telephone bull circuits and telegraph plants, brought up to standard construction with some provision for deficiencies or extensions, if "composited" or used jointly, would for all practical purposes be the equivalent of two plants, each of the same mileage, one for telephone and one for telegraph; or, to put it another way, the wire mileage necessary to give the same service need be about half the combined wire mileage of the two systems separately operated, as now.

The annual gross revenue from either a telephone or a telegraph system should be approximately 33 per cent of the total cost of or the investment in plant. If i

Mr. Chairman, I think it sufficiently obvious that the telegraph and telephone are not two services, but really one service; as, indeed, they represent besides but one function, the function of intercommunication. Accordingly, it may be that they will require the application of but one policy and method of treatment.

We have seen that our problem is threefold, viz, the extension of postal relief to the three forms of electrical communication-the local call, the long-distance conversation, and the telegram-which I name in the priority of their importance. It appears that the postalization of but one agency, the tele-phonic network, may be effective for all these forms of relief. But let us look more carefully into this important matter by reviewing the subject in its constructive relations.

RECONSTRUCTION.

Mr. Chairman; having concluded that on both economic and social grounds these agencies of communication require public or, more exactly speaking, postal financiering, it is now in order to consider the subject in its constructive aspects.

The postal method: The examples of nearly all the principal countries point in but one direction as to the agency which should be employed. It is the postal. Its truly wonderful genius for doing little services cheaply and well is now winning for it the express function in the United States, and in the following countries has added the telephone and the telegraph to the mail piece:

LIST OF COUNTRIES OWNING BOTH TELEGRAPH AND TELEPHONE. POSTAL TELEGRAPH AND TELEPHONE COUNTRIES.

Australia, Austria, Belgium, Bosnia-Herzegovina, Bulgaria, New Caledonia, Dahomey, Denmark (at least part—state, private, and municipal), Egypt (part), Formosa, France, Tunis, Germany, Switzerland, Great Britain, Sweden (greater part), Greece, South Africa (Union of), French Guinea, Servia, Hungary, Roumania, India (British—state and private), India (Dutch—state and private), French Indo China, Panama (Government), Italy (state and private), Norway (greater part), Japan (including Korea), New Zealand, Luxemburg, the Netherlands (state municipal, and private), Russia (state and private), Siam (state and private).

COUNTRIES OWNING TELEGRAPHS ONLY.

Abyssinia (Ethiopia), Alaska, Argentina, Bolivia (not all), Brazil, Chile (nearly all), Colombia, Costa Rica, Cuba, Mexico, Montenegro, Paraguay, Persia, Peru, Portugal, Spain, Turkey, Uruguay.

Mr. Chairman, all the civilized, yes, almost all the uncivilized countries have postalized the electrical message, and it will be observed that Spain and Brazil only among the greater countries join the United States in licensing out the telephone agencies of communication to private parties. England naturally has been the last to yield, but since January 1, 1912, even she has assumed the entire postal function of conveying intelligence, by taking over the Bell service. Some of the Provinces in Canada took the step a few years ago, so that our situation is now so exceptional as to be actually noteworthy. The causes for our conditions are not different from those which for 40 years denied us the parcel post, namely, the "Tory" and the "system" largely consequent upon the private financiering of these natural monopolies.

THE POSTAL TELEGRAPH AND TELEPHONE STRUCTURES.

Construction de novo of the wire agencies, as a program, is denied us, of course, on the grounds of national economy as well as on sound political consideration. It therefore becomes necessary to compare existing structures and determine their adaptability for economical postal management and the purposes of the desired relief.

There is considerable likeness between the postal and wire mediums, even in their physical methods. If the wire be taken as the path of the electrical communication, the parallel is perfect. Both systems are susceptible of classification into units of: (a) Number of offices; (b) number of employees engaged; and (c) miles of routes of communication. Let us see how the two compare in these respects; I say "the two," for they are not three in number. The telegraph and telephone are but one agency since the same wire—that is, the telephone wire-now carries the written and the spoken communication

NUMBER OF OFFICES.	
Postal	64, 022
Telegraph	6, 828
Telephone	1 50, 000
NUMBER OF EMPLOYEES,	
Postal	290, 701
Postal (1907)	278, 010
Telegraph (1907)	28, 034
Telephone (1907)	144, 169
MILES OF ROUTES.	111, 100
Postal:	
Railway and water	436, 469
Rural	1, 021, 492
Telegraph: Pole line	007 000
Pole line	287, 082
Wire	1, 926, 052
Copper	2 800, 000
Telephone:	
Toll pole line	221, 161
Toll wire	2, 789, 163
Exchange pole line	183, 842
Exchange wire	15, 205, 995
TOTAL OF ROUTES.	
Date!	1, 457, 961
Postal	287, 082
Postal Telegraph Telephone	3 405, 003
The extent or enread of these structures has been	thue enm-

marized in order to give the student a total glance for preliminary comparison. Each must be subjected later to minute analy-I wish now merely to observe that the postal organization and structure far exceeds the other agencies. The postal personnel, 278,010 (1907), exceeds the wire, 172,203, by 62 per cent; the post routes, 1,457,961, exceed the duplicated telephone and

telegraph pole line, 692,082, by 105 per cent; and the number of post offices (bureaux de reception), 64,022, exceed the commercial wire offices and exchanges, about 60,000, by about 7 per cent. In revenue or gross charges only does the wire communication exceed the popular agency; for, putting the postal receipts this year at \$280,000,000, this figure is overtopped by the Bell system, with its \$250,000,000 of telephonic and telegraphic receipts, when the estimated \$80,000,000 of the independents and \$20,000,000 more of the Mackay company's telegraphic receipts are added. By how much this \$350,000,000 should be reduced under normal postal financiering the student will have to judge. No one will contend, notwithstanding, that the wire performances equal those of the post in economic service.

I shall consider later the speculative value of the wire systems, but at this time it will be necessary to determine approximately the reproductive cost of the 2,000,000 miles of telegraph and 18,000,000 miles of telephonic wires of the country. Attention is invited to the fact that the pole-line mileage, miles, of Western Union, the 67,000 miles of Postal Telegraph, and the 221,000 miles of interurban and long-distance telephone wires triplicate each other to the extent of their pole mileage. When some 50,000 miles of toll or interurban wire of the independents are added to the Bell we have a long-distance phone mileage of 221,000 miles, identical in extent with the Western Union. Therefore telegraphic communications are feasible over three routes:

First. The Western Union pole lines, 221,000 miles. Second. The Postal Telegraph Co. pole lines, 66,000 miles. Third. The Bell and independent toll and long-distance wires, 221,000 miles.

Mr. Chairman, considered merely from the standpoint of their value in economic use to the postal system, however, the Postal or Mackay telegraph lines would have to be rejected because of their insufficient extension. The Post Office would have to more than treble the Mackay mileage to do a general service. The Western Union is not subject to the same objection; it has the extension as a telegraph agency merely. But investigation discloses that only two-fifths of its wire—600,000 miles—is copper, so that three-fifths—900,000 miles—of its system would not be susceptible of satisfactory telephonic use. The third system, the Bell and independent toll or long-distance lines in combination suffices in extent and metabolical construction. tion, suffices in extent and mechanical construction for both objects, being entirely copper and having the requisite range and extent. All of which means that if we wished to give relief merely to telegraph users we might do so by the use of the Western Union. If we wished to extend relief as well to toll and long-distance users, the interurban and long-distance phone and long-distance users, the interurban and long-distance phone system would alone suffice. But if in harmony with other countries we wished to extend relief to users, actual and potential, of all the forms of communication by wire, we could do so completely by the single expedient of utilizing the Bell and independent telephone systems, since the telephonic network is potentially a telegraph network as well.

Recurring to the estimates of communication services now lost

to the public by relatively prohibitive wire rates, let us see in what measure these losses could be saved by the different methods of wire acquisition possible. Let the telegraphic service loss equal 14 per cent of the total loss, the toll and long-Let the telegraphic distance 21 per cent, and the local phone service 65 per cent, in all 100 per cent, then the following gains in service results

may be predicated of postal acquisition:

(a) By taking over the Western Union, 14 per cent on the tele-(a) By taking over the western cancer. A per care agraphic graphic of the property of the prop

The costs of propositions (a) and (b) collectively would be about \$200,000,000 on the basis of their capitalization; of proposition (c), about \$200,000,000; and of proposition (d), about \$900,000,000, on the like basis. But let us consider these phases of the subject matter with a little more detail.

CAPITALIZATION AND CONSTRUCTIVE VALUES.

The telegraphs: The censuses of the telephonic and telegraphic agencies are conducted quinquennially, and up to date we have such censuses for the years 1880, 1902, and 1907. On the subject of capitalization we have, besides the annual reports since 1880 of the Bell and Western Union. The "Postal" Telegraph Co. is a member of a voluntary association of telegraph and cable companies known as the "Mackay" Cos., formed under a deed of trust and managed by eight trustees. Besides the Postal Co. there are 20 or more land-wire com-

¹ Estimated 43,819 in 1907 census. ² Western Union, 600,000. Balance estimated. ³ Jan. 1, 1912.

panies merged in the association which, according to Poor's, 1913, has outstanding \$50,000,000 preferred and \$41,380,400 of common stock. There is, besides, a bond issue of \$20,000,000 and, perhaps, other issues. The association has published no reports showing receipts or expenditures, and all the information available for it is capital obligations and net receipts, none of which are segregated into land or sea operations. Besides the Bell, or Western Union Telegraph, and the Postal Co. systems, there are 23 other commercial or nonrailway telegraph companies operating on their own account, for none of which reports are available. Except for the Bell properties-that is, the American Telephone & Telegraph Co. and the Western Union—the latter itself not distinguishing its land-wire and ocean-cable capital, receipts or expenditures-we have only the census reports, which do not individualize the data for the separate companies, nor indeed segregate capitalization, receipts, or expenditures for the land and ocean service.

The situation is better for the telephone network. The companies report their fiscal experience, and the Bell publishes annually a statistical and financial report which, while displaying serious descriptive omissions, is yet excellent as a methodical disclosure of private business affairs. Besides, with the aid of its reports, the census data can be segregated into the necessary elements for the Bell, the Independents, the Rural Cooperative, and the Commercial companies, so that a working analysis of the telephone agency is practicable, while the same can not be said of the telegraphs, no segregation at all being possible as to land and ocean traffic or finance. It will now be in order to present such telegraphic data as are at hand:

Resuming with the data of the telegraph companies, the dividends paid on common and preferred stock were \$7,477,083 and \$6,256,693, while the other fixed charges amounted to \$5,300,529 and \$4,355,623 for the years 1902 and 1907, leaving surpluses of \$3,725,311 and \$2,227,172, respectively. These and other financial data appear as follows in the census report:

The telegraph. INCOME ACCOUNT, 1907 AND 1902.

	1907	1902	Per cent of increase.
Gross receipts from operation	\$45, 255, 187	\$35, 300, 569	28.2
Operating expenses	36,579,084	26, 592, 411	37.6
Net earnings from operation	8,676,103	8,708,158	10.4
Income from other sources	6,328,681	5, 629, 469	12.4
including interest on bonds	1,406,401	1,159,658	21.3
Lease of lines, wires and conduits	4, 430, 245	4, 185, 799	5.8
Rent from real estate	210,014	205,070	2.4
Interest	3,439	6,719	148.8
Miscellaneous	278,582	72, 223	285, 7
Gross income, less operating expenses	15,004,784	14, 337, 627	4.7
Deductions from income (fixed charges)	5,300,529	4, 355, 623	21.7
Taxes	783,686	588,726	83.1
Interest:			
Floating debt	1,493	1,132	31.9
Funded debt	2,651,511	1,949,150	36.0
Rental of leased lines	1,863,839	1,816,615	2.6
Net income	9,704,255	9,982,004	12.8
Deductions from net income	7, 477, 083	6, 256, 603	19.5
Dividends on preferred stock	15,000	63,000	176.2
Dividends on common stock	7,462,083	6, 193, 693	20.1
Net surplus for year	2,227,172	3,725,311	1 40.

1 Decrease.

Operating expenses, 1907 and 1902.

	1907	1902	Per cent of increase.
Total	\$36,579,084	\$26,592,411	37.6
General operation and maintenance	34, 057, 298	24, 455, 511	39.3
Salaries and wages	1 17, 808, 249	2 15, 039, 673	18.4
legal expenses. Rentals of offices and other real estate Rentals of conduits and underground priv-	16, 249, 049	9,415,838	72.6
	1, 684, 852	875,218	92.5
lleges	18,080	7,808	131.6
other companies	701, 697	724, 826	*3.2
	117, 657	529, 053	*77.8

Subsequent to the above we have the Western Union report. In 1907 its business represented \$32,856,406, or 72.5 per cent of the total reported by the Census Bureau. For 1912 it gives earnings of land and cable wire \$41,661,439; net, \$5,597,603; and for the 11 months ending May 21, 1912 and 1913, respectively, as follows:

The telegraph (Western Union).

	1912	1913
Gross earnings.	\$35,986,813.58	\$41,562,075.48
Operating expanses, including rent of leased lines Current maintenance Reserved for depreciation and reconstruction	26, 113, 616, 02 3, 045, 415, 38 1, 832, 264, 16 617, 649, 06	30,808,463.27 3,250,565.15 3,875,033.32 922,500.00
Total expenses	31,608,944.62	38,365,561.74
Balance	5, 377, 868. 96 1, 183, 999. 70	3, 196, 513. 74 892, 122. 61
Net earnings. Deduct interest on bonded debt	6,561,868.68 1,558,985.18	4,088,636.35 1,225,793.36
Net profits after allowing for interest Less 11 months' proportion of dividends	5,002,883.48 2,742,487.50	2,862,842.99 2,742,811.25
Balance carried to surplus	2,260,395.98	120,031.74

The above experience of the Western Union brings us up to date for 72.5 per cent of the 1907 telegraphic business; but it is not certain that its increase has been shared by the other companies. The census balance sheet of the telegraphic companies is now given:

Balance sheet, 1907 and 1902

	1907	1902	Per cent of increase.
ASSETS.			
Construction and equipment, including real estate. Stocks and bonds of other telegraph companies Cash and deposits Bills and accounts receivable. Machinery, tools, and supplies Sundries	\$210,045,959 \$36,486,446 \$3,690,343 \$,010,162 2,513,456 1,001,533	\$161,679,579 ² 25,939,944 3,287,384 3,084,739 945,795 566,334	29. 9 40. 7 12. 3 159. 7 165. 8 87. 4
Total	261,807,899	195, 503, 775	33. 9
LIABILITIES. Capital stock. Funded debt. Reserves. Bills and accounts payable. Dividends and interest due and accrued. Sundries. Surplus.	155,089,575 65,204,000 8,257,963 10,409,219 4421,179 2,100,024 20,325,939	117, 053, 525 45, 893, 000 7, 859, 648 6, 244, 585 366, 666 7, 310 18, 079, 041	32. 5 42. 1 5. 1 66. 7 14. 9
Total	261, 807, 899	195, 503, 775	33.
	And the second second second	THE PERSON NAMED IN COLUMN	PERSONAL TRANSPORT

Includes \$558,800 treasury stock and \$11,129,346 other permanent investments.
 Includes \$900,282 other stocks and bonds.
 Includes \$2,199,286 floating debt.
 Includes \$120,000 interest due and accrued.

Thus we have in 1907 an alleged \$210,045,959 of assets devoted to the function and \$220,293,575 of outstanding capital obligations. There is now introduced a table showing the line construction for the same years, which covers the land lines only:

Line construction 1907 and 1902.

	1907	1902	Per cent of increase.
Line construction: Pole line. Owned Leased. Cable. Overhead. Underground. Submarine 2 Single wire. On pole line. Copper wire owned Iron wire owned Leased wire. In cable. Overhead. Underground. Submarine 2	Miles. 239, 646 198, 127 41, 519 7, 488 2, 589 1, 130 3, 709 1, 577, 961 1, 492, 786 513, 509 972, 255 6, 602 85, 175 40, 066 37, 727 7, 382	Miles. 227, 990 218, 148 19, 842 1, 972 1, 467 209 106 1, 307, 046 1, 265, 668 333, 456 68, 259 41, 378 19, 041 21, 658	0.7 1.9.2 109.2 279.7 76.5 183.2 3,455.7 20.7 17.9 54.0 12.6 190.2 105.8 110.4 74.2 987.2

Decrease. Does not include 46,301 nautical miles of ocean cables of submarine cable com-

In addition to the above the census gives 46,301 nautical miles of ocean cables included in the other fiscal tables. must be apparent that the confusion of data as to the land

¹ Two companies were unable to separate the amount paid for salaries and wages from the general operating expenses.

² One company was unable to separate the amount paid for salaries and wages from the general operating expenses.

³ Decrease.

and ocean agencies leaves the student completely at sea as to the facts bearing on the receipts and expenses, not to say capitalization, of the land lines. The number of messages was 103,794,076, of which 5,869,317 were cablegrams and 5,923,483 were dispatched by the railway personnel, leaving 92,001,276 as the telegrams handled by the commercial companies. We know, too, the miles of wire appropriate to land and occan service. But these are all the distinctive facts we and ocean service. But these are all the distinctive facts we

Constructive values: Since it is impossible to segregate the data to determine what proportions are assignable to the lat. 1 and ocean wires, or how much of the capitalization of \$220,000,000 is chargeable to ocean cables, we can only make our approach to a valuation of the land lines by means of estimates of the present cost of construction.

The telephone network: Let us now make a like survey of the telephonic agencies. The data relating to the subject are for 1907 and are taken from the census of that year:

Analysis of capitalization; outstanding capital stock and funded debt, dividends, and interest, excluding duplications due to intercompany holdings and payments.

	Total.	Bell system (American Telephone & TelegraphCo.).	Independent (non-Bell) systems and lines.
Total capital outstanding (stock and bonds). Deduct intercompany holdings of stocks and bonds.	\$1,072,805,993	\$749,840,435	\$322,965,558
	\$274,247,841	\$258,189,989	\$16,057,852
Net capitalization of corporations Deduct value of investments outside of telephone industry of the United States.	\$798, 558, 152	\$491,650,446	\$306, 907, 706
	\$25, 289, 808	\$25,090,795	\$199, 013
Net capitalization based on telephone industry of the United States Total dividends and interest. Average rate per cent paid on stocks and bonds Capital stock. Total dividends. Common stock Dividends Preferred stock Dividends Funded debt. Interest	\$773, 268, 344	\$466,559,651	\$306, 708, 693
	\$35, 668, 827	\$27,729,346	\$7, 939, 481
	4, 47	\$27,729,346	2, 59
	\$512, 685, 265	\$204,578,646	\$218, 106, 619
	\$23, 733, 670	\$20,201,379	\$3, 531, 733
	\$476, 648, 616	\$279,583,201	\$197, 065, 415
	\$22, 030, 188	\$19,327,479	\$27, 702, 709
	\$36, 036, 649	\$14,995,445	\$21, 041, 204
	\$1, 703, 489	\$374,458	\$829, 024
	\$301, 930, 739	\$197,071,800	\$104, 858, 939
	\$12, 316, 109	\$7,527,409	\$4, 788, 700

In 1907 the exclusively telephone properties of the United States were capitalized at \$773,268,344, of which the Bell system had \$466,559,651 and the independents \$306,708,693, all of which paid \$35,668,827 in dividends and interest. Capitalizing these dividends on a 6 per cent basis, or 163 years' purchase, we arrive at a value for that year of nearly \$600,000,000, probably a slight overstatement of the total market value at

The Bell report for January 1, 1912, shows a total capitalization of \$620,760,654, or an increase of about one-third. augmentation of the Bell largely represents the acquisition of previously existing plants. Its 1912 (Jan. 1) capitalization, however, represented 12,932,615 miles of wire, 2,060,514 of which was interurban and long distance, as against 18,179,000 miles for the United States on that date, according to the best information (Scientific American Reference Book, 1912, p. 311). The Bell properties may thus be taken as representing 71 per cent of the total, which would give \$874,310,800 as the total value of telephone property at the beginning of 1912. This figure is probably an overshot for the independents, as the Bell wires embrace a disproportional percentage of the long-distance network, and thus represent larger cost elements per mile-unit.

Altogether we have a telephone network constituted as follows:

Altogether we have a telephone network constituted	as tollows.
Toll and long-distance network. Bell interurban and long distance, pole miles Independents, estimated, pole miles	
Total for the United States	221, 161
Bell toll, etc., wire extension, miles Independents, toil, etc., wire extension, estimated miles	2, 189, 163 600, 000
Total for the United States	2, 789, 163
Bell system, pole miles, estimatedIndependents, pole miles, estimated	143, 842 45, 963
Total exchange	189, 805
Bell exchange wire, January 1, 1913Independents, exchange wire, January 1, 1912	12, 421, 650 4, 596, 385
Total exchange wire of the United States	17, 028, 035

It appears that the toll and long-distance telephone lines aggregate in pole-line distribution about 220,000 miles and have a wire development of nearly 3,000,000 miles. Besides this they articulate with over 17,000,000 miles of exchange wires, distributing the messages into the homes and offices of the country through about 9,000,000 phones. This long-distance network in terms of distance compares with the telegraphic network as follows:

Telephonic toll and telegraphic networks. Telephonic, pole lines Telephonic, wire distribution	Miles. 221, 161 2, 789, 163
Telegraphic: Western Union, pole line Postal, pole line	220, 928 66, 154
Total	287, 082
Western Union, wire distributionPostal, wire distribution	1, 517, 317 408, 735
Total	1, 926, 052

The above commercial telegraphic network in 1907 reached 6.828 offices and the railway network 22,282. Generally speaking, it is only at the former-the commercial-that messages are promptly delivered, and by far the greater number of railway offices are in towers and otherwise inaccessible, not to say so engrossed with the prior claims of railway messages that the nonrailway public is hardly to be said to secure a real telegraphic service. As opposed to this, the telephone network, through the Bell alone, reaches 70,000 places, and probably nearly 100,000 places as a whole. As against the 6,828 distributing offices of the telegraphic network, the telephonic network possessed in 1907 some 43,819 public and private exchanges-offices from which to dispatch or receive the telegram-and now some 9,000,000 phones through which instantaneous and economical collection and delivery of the message may be had. Another feature possessed by the telephonic network, not possessed entirely by the telegraphic, is that the former lines are copper, while but 40 per cent of the Western Union and an unknown proportion of the others are of such material. In consequence of this condition, the telegraph lines would require almost complete reconstruction in order to be susceptible of telephonic usage. President Vail, of the Western Union, refers to this fact in his report for 1912. He says:

No telegraph company could go into the telephone business without substantially reconstructing its telegraph plant to adapt it for toll or long-distance use, and, in addition, building exchange plants, involving an investment many times that of its telegraph plant.

The two wires which are necessary for one telephone circuit can by multiplying be made into four, six, or eight telegraph circuits and can be used for both telegraph and telephone transmission at the same time.

And, again:

A single telegraphic circuit or wire can not be used for telephonic

Another circumstance is that the telephonic lines are metallic circuits; that is, have the return wire necessary for the spoken message, while the telegraph lines do not, but rely on the "earth return," which is adequate for the telegram but unsuited for speech, except in uninhabited districts like Alaska, where the interferences of adjacent electrical industries are absent.

The practical effect of these differences is that the telegraphic network is fitted only to carry the telegram, with poorer collection and delivery facilities, while the telephonic network is adapted to carrying the telegram and also the conversation, and has the best collection and delivery facilities.

Stated in a more formal manner: The telegraphic network will-

- (a) Dispatch the telegram and
- (b) Deliver it at, say, 7,000 places.
- The telephonic network will-
- (a) Dispatch the telegram and
- (b) Deliver it, through 50,000 exchanges, at 100,000 places.(c) Provide instantaneous and economical delivery through 9,000,000 phones.

(d) Provide toll conversations.

If, in connection with these patent advantages of the telephonic network, economy in operation is also to be considered, it ought to be observed that in maintaining and personneling the telephonic network for telephonic uses the operating and capital expenses will have been met and discharged for the telegraphic service as well. Except for the employment of telegraph operators at points of high density, and the tele-graphic instruments necessary in the telegraphic traffic, no additional expense would be incurred for the telegraph service. Indeed, this element is involved in a triplicate way on the telegraphic lines. To the extent that the Postal Co. duplicates the

lines of the Western Union we should in effect be paying two bills of maintenance expense; first, on the Western Union, dis-charging only the telegraphic function, and then again on the Postal, a mere duplicate of the former. If to this be added the circumstance that the toll telephonic network left in private hands could give a telegraphic service, practically with-out cost to itself, which, whatever its rates, supplemented by its instantaneous telephonic delivery and collection, would take the most lucrative business from the Postal Telegraph agency, it becomes evident that the proposition to acquire the telegraphic in preference to the telephonic network can reflect only a superficial view, rational 30 years ago, but wholly untenable since the interurban and long-distance telephone wire has been developed. To take over the telegraph wires at this time would for these reasons be only to invite unnecessary failure and, perhaps, postal bankruptcy.

History of subject: In a preceding portion of this study a list has been given of the countries which have postalized the telephone along with the telegraph. In nearly every instance the postalization of the telephone service took place as a measure of protection against the encroachments of the telephone on the revenue of the postal telegraphs. It was foreseen that the telephone, in private hands, would make such inroads upon the telegraphic service as to seriously abridge, if not bankrupt, the

postal operation. Prof. Halcombe, of Harvard, in his work on Public Ownership of the Telephone, has developed the history of the subject in this respect quite clearly. I can not here go over his grounds for each country, but I shall take the time to briefly review the history of the subject in England, whose example in all the fields of sociology has been so potent in our past history:

HISTORY OF ENGLISH TELEPHONE.

1870-1871. Transfer of telegraphs to State.
1879. Edison Telephone Co. of London and the Bell negotiate with the post office for the sale of their patents without success.
1880. The two companies amalgamate. Courts decide that the post office has a monopoly of all wire communication, under telegraph act office ha

offiee has a monopoly of all wire communication, under telegraph actof 1869.

1881. Postmaster general grants licenses to companies for local exchanges, subject to a royalty of 10 per cent of gross revenues, to replenish prospective losses of telegraph revenues. The Bell Co. holding patent rights refuses to sell the post office its phones. Post office refuses permission to construct interurban lines, or local lines beyond 5 miles. Patents do not expire until 1890 and 1891. The post office established several telephone exchanges in provincial towns to enable it to dictate satisfactory public service terms with the private licensees. 1882. Postmaster general refused to issue further licenses unless the licensees agreed to sell lines on request to the post office.

1883. Post office engages in active competition with the telephone companies. Post office constructs interurban lines and rents wires to the Bell at an annual rate of £10 per mile of wire plus one-half of receipts beyond that sum.

1884. Post office issues new licenses applicable to whole country; licensees not to receive or deliver written messages, but allowed to crect trunk or long-distance lines. Post office reserved right to compete by itself or through competitive licenses. New licenses to terminate in 1911, with the option in post office to purchase plants in 1890, 1897, or 1904. Bell required to charge the telegraph rate, 24 cents for interurban messages, giving one-half to the post office, to protect telegraph revenues.

interurban messages, giving one-half to the post office, to protect telegraph revenues.

1885–1888. The United Telephone Co. applied for the right to lay wires underground in streets. Refused. In spite of these protective measures the telegraphic service fell, and in 1885 the minimum rate was reduced from one to one-half shilling per message to save the business. The annual increase of telegrams had been 15 per cent; it jumped to 65 per cent the first year after the reduction.

1889. The privilege of erecting trunk lines connecting the various exchanges of the telephone companies is given. In this year there culminated the amalgamation of the companies into the National Telephone Co.

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1891. Duke of Marlborough, in the name of the New Telephone Co., inaugurated a campaign for cheaper telephone services, but this company was captured by and was then merged in the National Telephone Co.

1892. Public discontent with telephone service and increase of private telephone competition with the Postal Telegraph becomes acute. Post office arranges to take over all trunk wires, which was accomplished in 1896. The local exchanges were required to make the trunk or long-distance connections without charge.

1897. Glasgow asks for license for municipal plant to compete with private company. Refused on grounds that two systems would prove wasteful and embarrass the post office in 1911, when postal acquisition might be undertaken.

1898. Select committee reports that telephone service "was not likely to become of general benefit so long as the present practical monopoly in the hands of a private company shall continue." Advised competition in local areas, to extend service, and avoid inflated price to Government in 1911. Resolution of Associations of Municipal Corporations that "the subject of telephone supply should be treated as an imperial and not as a local on., and that the postmaster general should have the sole control of the telephone system" and, on failure of the postmaster general to act, municipalities authorized to operate local systems, License of National Telephone Co. made coextensive with other local licenses on the condition that the company should permit free intervan communication with new licenses in same locality. That is, all-round competitive system in London.

1901. Postmaster general coerced London company into granting free intercommunication for postal and company subscribers, and both established identical rates.

1905. Government contracted to take over the exchanges of the National Telephone Co. at the end of 1911.

1910. The effect of the encroachments of the telephone on the telegraph in number of messages and revenue had been such that the former became practically stationary, while the balance of the revenues showed a continuously increasing deficit:

Year,	Number of messages.	Deficit.
1900.	89, 576, 961	£337, 641
1907.	89, 493, 000	652, 055
1911.	91, 614, 000	848, 611

Meanwhile both the local and the trunk-line telephone service of the post office continued to show satisfactory financial results.

1912. On January 1 all exchanges of the private companies were taken over by the Government and postalized.

The English experience appears to be conclusive upon this point, namely, that an independent telegraph business, because of the growing inroads of the telephone traffic, is, for the future. of doubtful financial feasibility. Even in the United States there are three long-distance communications by phone to one by telegraph, while in Germany the ratio is five to one. Prudence therefore clearly dictates that our postal system should deliberately avoid the telegraph wires and select instead the telephone lines. Such a choice would enable the Postmaster General to render both services at minimum rates, since he would have but one bill of expenditure to pay for their joint operation.

COSTS OF POSTAL ACQUISITION.

As already pointed out, we have three agencies of wire communication—(a) the telegraph network; (b) the telephonic interurban and long-distance network; (c) the local telephone exchanges. In discussing the cost of acquisition these agencies shall be separately treated.

The telegraphic network: As we have already seen, the census gives the capitalization of the telegraph companies for 1907 as \$220,293,575, which then covered 1,517,317 miles of land wire and 46,301 miles of ocean cable. No segregation of this capitalization can be made from the data for land and water properties. The capitalization for 1912 for all companies can not be secured; but for the Western Union it is now \$135,000,000 and for the Mackay companies \$111,000,000, or \$246,000,000 for both. These combinations represent 1,517,317 and 408,735 miles of wire, respectively, or a total of 1,926,052. A considerable portion of this capitalization represents real estate investments, and a larger portion the cables owned, neither of which, it is thought, would be serviceable or desirable for the postal service. The Western Union stocks are recently quoted at 63 and the Mackay companies at 78, the former representing \$00,000,000 of common and the latter \$50,000,000, the balance of the Western Union capitalization being made up of \$36,000,000 bonds and of the Mackay companies \$41,000,000 of preferred and \$20,000,000 of bonds. It is impossible with the facts at hand to make any estimate of the market value of the telegraph companies in respect to their land properties. I have had an estimate made of the present cost of construction of the Western Union land system (see Appendix), which shows a cost of \$65,329,275.76 new, but not including the value of office equipment. This is all that may be said of such telegraph land-wire valuation with the information before me.

The interurban and long-distance telephone network: There similarly no separate capitalization for the interurban and long-distance wires, the cost of their construction being for the most part included in the capitalization for the exchanges and their local or party lines. In dealing with these wires the capitalization is therefore not involved, and our estimate of their value will be purely one of cost. Mr. Vail, in his report of the Bell Co. for 1912, states that the cost of wire per mile varied from \$62 in 1905, with 1,265,236 miles, and \$68 in 1911, with 2,060,514 miles, to \$71 per mile of 2,189,163 miles in 1912. This gives a cost of \$155,430,573 for the Bell Applying the same rate of cost to the 600,000 distance lines. miles of similar independent lines gives \$198,030,573 as the total cost of the 2,789,163 miles, the entire interurban telephone network of the country. This network is not taken to include any portion of the terminal properties, such as the exchanges in which the wires converge. The British post office separated these lines—there called trunks—in the matter of ownership from the exchanges of the private companies, requiring such exchanges and their personnel to make the toll or trunk calls without special compensation.

In 1907 the census gave the total number of toll and long distance calls as 251,728,238, of which 191,614,284 were Bell and 60,113,954 were independent. The corresponding receipts

are not given, but the Bell Co. gives its receipts as \$45,699,458 in 1912 for 237,579,006 of such calls. On the basis of the 71 per cent proportion of the Bell wires, the number of calls for the independents in 1912 would be 97,039,294, and, assuming the independent rates to average 10 cents-one-half of that of the Bell with its high long-distance rates and its ratio of about 2 to 1 compared with the independents in the charge for local service—the total revenues of the interurban network would estimate at \$55,403,387 with 334,618,300 messages.

The local exchanges: Excluding those of the rural and mutual associations, the number of the public exchanges of the commercial companies in 1907 was 15,527. It would not seem necessary to deal with the cooperative plants, as, whatever may be the efficiency of their service, their rates, which average about one-half cent per call, seem to remove them from the demand for immediate postal relief. The census of 1907 gives the number of phones as 5,552,929 for the commercial and 691,605 for the mutuals and rural organizations. The number of miles of wire for the commercial companies was 12,513,075, excluding the mutuals and rural lines, while the messages were, Bell, 6,401,044,799; independents, 4,829,537,057, including the toll

We have seen that the total capitalization for the commercial companies was \$773,268,344, and that the 1912 capitalization of the Bell was \$620,760,654, which, taken at the proportion of its wire mileage for 1912, would give a present capitalization of \$874,310,800 for our entire telephonic network. While this conclusion can not be verified in the absence of official data for the independents, it is believed that it actually overstates the proportionate capitalization of the independents. This inference is based on the reasoning given under the section on capitalization. Other traffic statistics for the commercial companies are now given.

Commercial telephone systems, classified as in urban and in rural districts.

[Exclusive of mutual systems and independent farmer or rural lines.]

	Total, 1907.	In urban dis-	In rural dis-	Per c tot:	ent of
		tricts, 1907.	tricts, 1907.	Urban, 1907.	Rural, 1907.
Number of systems. Miles of wire	4, 901 12, 418, 042	685 11, 294, 797	4, 216 1, 123, 245	14.0 91.0	86.0 9.0
Number of stations or telephones	5, 426, 973	4, 290, 160	1, 136, 813	79.1	20.9
Number of public exchanges. Estimated number	14,702	7,637	7,065	51.9	48.1
of messages or talks	11, 230, 581, 856	9,389,177,548	1,841,404,308	83.6	1 16. 4
Salaried employees: Number Salaries Wage-earners:	24, 959 \$19, 245, 349	20,650 \$17,271,126	4,309 \$1,974,223	82.7 89.7	17.3 10.3
Average num- ber Wages Income	\$48,660,223 \$183,784,037	99,925 \$43,716,663 \$166,637,109	17,552 \$4,943,560 \$17,146,928	85.1 89.8 90.7	14.9 10.2 9.3
Operating expenses and fixed charges, except interest on funded debt	\$127,910,817	\$116,598,227	\$11,312,590	91.2	8.8
Interest on funded debt	\$12,815,579	\$12,976,374	\$239, 205	98.1	1.9

¹The receipts per urban message was \$0.177 and per rural message \$0.0093. The receipts from the interurban and long-distance messages are included in these figures, but are not really local messages. Commercial systems, classified as Bell and independent (non-Bell) systems, traffic, 1907.

[Exclusive of mutual systems and independent farmer or rural lines.]

	Commercial systems.	Bell system.	Independent (non-Bell) systems and lines.
Number of systems Number of stations or telephones Estimated number of messages or	4, 901 5, 426, 973	175 3,132,063	4,726 2,294,910
talks: Total. Per station or telephone Local exchange:	11, 230, 581, 856 2, 069	6,401,044,799 2,044	4,829,537,057 2,104
Total Per station or tele-	10, 978, 853, 618	6, 209, 430, 515	4, 769, 423, 103
phone	2,023	1,983	2,078
Total	251, 728, 238	191, 614, 284	60, 113, 954
Per station or tele- phone	46	61	- 26

The receipts are not segregated for the local and long-distance traffic, but computation shows that of the Bell total message receipts in 1912-\$199,172,231-the toll and long-distance receipts were \$45,699,458, or about 23 per cent of the whole. The following tables bring up to 1912 the financial and traffic data of the Bell.

	1907	1908	1909
Assets: Contracts and licenses Telephone plant. Supplies, tools, etc. Receivables. Cash. Stocks and bonds.	\$9,078,000 521,514,500 17,702,200 24,490,100 25,440,700 28,627,300	\$8,107,600 545,045,000 16,133,700 20,689,900 54,916,000 35,154,400	\$7, 212, 800 557, 417, 100 17, 048, 200 49, 744, 900 32, 055, 939 38, 166, 308
Total	626, 897, 800	680,044,200	701,645,200
Liabilities: Capital stock Funded debts, Bills payable Accounts payable	299, 014, 100 198, 776, 700 45, 175, 700 20, 386, 200	311, \$37, 300- 238, 680, 500 35, 680, 800 21, 605, 700	352, 904, 100 187, 685, 330 40, 721, 600 24, 633, 800
Total outstanding obliga- tions Surplus and reserves	563, 352, 700 63, 545, 100	607, 804, 300 72, 239, 900	605, 944, 800 95, 700, 400
Total	626, 897, 800	680, 044, 200	701, 645, 200
	1910	1911	1912
Assets: Contracts and licenses. Telephone plant. Supplies, tools, etc. Receivables. Cash. Stocks and bonds.	\$2,943,381 610,909,964 20,887,551 26,077,802 27,548,933 64,766,039	\$2,943,381 666,660,702 20,743,585 32,916,127 41,878,140 66,777,231	\$742, 287, 631 23, 601, 262 37, 700, 623 35, 729, 037 84, 942, 255
TotalLiabilities:	753, 323, 720	831, 925, 149	924, 260, 818
Capital stock. Funded debts. Bills payable. Accounts payable.	344, 645, 430 224, 791, 696 42, 566, 943 21, 721, 125	379, 727, 832 241, 032, 822 41, 198, 431 23, 382, 438	393, 209, 925 294, 380, 353 38, 268, 341 25, 320, 335
Total outstanding obliga- tions Surplus and reserves. Employees' benefit fund	633, 725, 194 119, 508, 525	685, 341, 523 146, 583, 625	751, 178, 954 164, 236, 864 8, 845, 000
Total	753, 323, 720	831, 925, 149	924, 260, 818
Bell telephone system in t	he United State	es, condensed	statistics.
	1907	1908	1909
Miles of exchange pole lines	163, 218	108, 539 161, 452	113, 893 164, 111
Total miles of pole lines 1	1,664,081	269,991	278,004
Miles of underground wire	3,883,051 6,322 3,057,138 1,664,081	4,909,449 19,906 4,901,363	5,337,436 22,698 5,119,892
Total miles of wire	8,610,592	9,830,718	10, 480, 026
Comprising toll wire	1,664,081 6,946,511	1,732,039 8,098,679	1,804,552 8,675,474
Total	8,610,592 1,541,727	9,830,718 1,668,211 5,043	10, 480, 026 1, 829, 942 4, 963
Number of Bell-stations Number of Bell-connected stations 1.	3, 035, 533 803, 467	3, 215, 245 1, 149, 384	3, 588, 247 1, 554, 445
Total stations. Number of employees. Exchange connections daily. Toli connections daily.	3, 839, 000 88, 274 18, 130, 803 494, 000	4, 364, 629 98, 533 18, 499, 376 463, 021	5, 142, 629 104, 956 19, 925, 194 517, 341
	1910	1911	1912
Miles of exchange pole lines Miles of toll pole lines	120, 175 162, 702	131,379 163,351	143,842 171,161
	282,877	294,730	315,003
Total miles of pole lines 1	202)011		

11,642,212

¹ Toll-line wire.

12,932,615

14,610,813

Total miles of wire.....

Bell telephone system in the United States, condensed statistics-Contd.

	1910	1911	1912	
Comprising toll wire	1,963,994	2,060,514	2, 189, 163	
	9,678,218	10,872,101	12, 421, 650	
Total Total exchange circuits. Number of central offices.	11,642,212	12,932,615	14,610,813	
	2,082,960	2,306,360	2,576,789	
	4,933	5,014	5,182	
Number of Bell stations Number of Bell connected sta- tions i	4,030,668 1,852,051	4,474,171 2,158,454	4,953,447 2,502,627	
Total stations	5,882,719	6,632,625	7,456,074	
	120,311	128,439	140,789	
	21,681,471	23,483,770	25,572,345	
	602,539	644,918	737,823	

1 Includes private-line stations.

Bell telephone system in the United States, comparative yearly earnings, 1907 to 1912.

	1907	1908	1900
Gross earnings	\$133,006,900	\$138, 144, 300	\$149, 914, 700
	90,941,300	93, 376, 700	101, 547, 200
Net earningsInterest	42,065,600	44, 767, 600	48, 367, 500
	10,654,100	10, 874, 100	1 10, 221, 400
BalanceDividends	31, 411, 511	33, 893, 500	38, 146, 100
	18, 714, 100	20, 719, 000	23, 910, 600
Surplus earnings	12, 697, 400	13, 174, 500	14, 235, 500
	1910	1911	1912
Gross earnings	\$165,612,881	\$179,477,998	\$199, 172, 154
	114,618,473	127,891,701	142, 285, 464
Net earningsInterest	50,994,408	51,586,297	56, 886, 690
	11,556,864	13,610,860	14, 205, 365
Balance	39, 437, 544	1 37, 975, 437	42, 681, 325
	25, 160, 786	25, 966, 876	29, 460, 215
Surplus earnings	14, 276, 758	1 12,008,561	13, 221, 110

¹ Decrease from preceding year.

Averaging operating units of Bell associated operating companies, 1909-1912.

Average per exchange station.	1909	1910	1911	1912
Earnings: Exchange service. Toll service.	\$31.37 9.42	\$31.28 9.47	\$30. 85 8. 98	\$30.93 9.21
Total	40.79	40.75	39.83	40.14

Averaging operating units of Bell associated operating companies, 1909-1912—Continued.

Average per exchange station.	1909	1910	1911	1912
Expenses: Operation Taxes	\$15.14 1.93	\$15, 14 2, 00	\$15.36 1.94	\$15. 17 2. 02
Total	17.07	17.14	17.30	17.19
Balance	23.72 12.93	23. 61 13. 46	22. 53 13. 41	22. 95 13. 66
Net earnings	10.79	10. 15	9.12	9. 20
Percentage operation expense to tele- phone earnings. Percentage telephone expense to tele-	31.1	37. 2	38.6	37.8
phone earnings Percentage maintenance and depreciation to average plant, supplies, etc	73.6	75.1	77.1	76.5
Percentage increase exchange stations Percentage increase miles exchange wire	11.6 7.1	11.8 12.0	10.8 12.3	10. 14. 1
Percentage increase miles toll wire	4.4	11.5	6.5	6. 2
Average cost per mile of wire (toll), in-	\$145	\$142	\$141	\$143
cluding poles and conduits Percentage gross telephone earnings to	\$63	\$66	\$68	\$71
average plant	29.6	29.3	28.7	28. 9
stock	8.14	8.48	7. 93	8.3
stock	5.95	6.31	6.31	6.35
cluding wire	\$610			

The following table from the census of 1907 gives the comparative expense and income for the different kinds of operating agencies:

Commercial and mutual systems—Operating carnings and operating expenses per station and per message, 1907.

	Commer- cial and mutual sys- tems.	Commercial systems,	Mutual systems.
Average number of messages per station or telephone per year. Average operating earnings:	2,048	2,069	1,128
Per station or telephone.	\$31.49	\$32.10	\$5,35
	.01538	.01551	.00475
Average operating expenses: Per station or telephone. Per message.	21. 29	21.69	4. 43
	. 01040	.01048	. 00393
Average net operating earnings: Per station or telephone. Per message.	10. 20	10. 41	.93
	. 00498	. 00503	.00082
Ratio of operating expenses to operating earnings	67.6	67.6	82.7

There is now inserted a table showing the employees and their wages;

Commercial and mutual systems—Employees, salaries, and wages, 1907.

	Commercial and mutual systems.	Commercial systems.	Mutual systems.
Employees, total: Number	144, 169	142 436	1,73
Salaries and wages.	\$68, 279, 127	\$67,905,572	\$373,55
Salaried employees— Number Salaries	25, 298 \$19, 298, 423	24, 959 \$19, 245, 349	\$53,07
Wage earners— Total average number Total wages.	118, 871 \$48, 980, 701	\$48,660,223	1,39 \$320,48
Operators— A verage number Wages	\$0,214 \$24,309,877	79,085 \$24,080,873	1,12 \$229,00
Men— A verage number. Wages. Per cent of total operators.	\$1,218,387 4.5	3, 432 \$1, 184, 224 4. 3	\$34, 16 12.
Women— A verage number Wages Per cent of total operators.	76, 638 \$23, 091, 490 95. 5	75, 653 \$22, 896, 649 95. 7	\$194,84 87.
All other wage earners— Average number. Wages	38,657 \$24,670,827	38,392 \$24,579,350	\$91,47

The preceding data will sufficiently indicate the relative public importance of the telegraphic, the long-distance, and the local telephone service. But if a postal simile may be employed, I should say that the telegram and long-distance messages compare with the local calls or conversations about as the parcelpost service compares with the letters and mail pieces-that is, scarcely compare at all—the local phone and the letter services being immeasurably the more important,

Some special attention may be justified at this point to the

subject of these local rates.

The average rate or receipt per local call for the principal countries of the world is shown to be 1.1 cents, which compares with a rate exactly the same for the independents in 1907, which includes their toll messages, and with 2.1 cents per local message, exclusively, for the Bell Co. in 1912. As late as 1900 the Bell report gives the cost to the subscriber as varying from 1 to 9 cents per connection. As the Bell system includes from three-fourths to four-fifths of the telephonic institution, it is apparent that its operations present conditions which are national in character. This deduction will graphically appear when we compare it with even the national telephone institutions of the greatest countries, which it overshadows in capital invested as well as in wire development and in gross expenditure and income. It is only our postal system which exceeds it in scope and extent or the other characteristics of a national institution. It would seem to be unnecessary to indicate the similarity between the postal function of communication and that of the wires, while attention has already been given to the fact that but about one home in five can now be reached by the electrical communication. That this is due to the limitations natural to the rule of private financiering may be shown in a comparison of the universality of the postal agency under contemporaneous conditions. It is certain that under private financiering the wires are not destined to follow the mail carrier into the ordinary home. And yet, for even more pressing reasons of use and necessity, this is what they should do. It is as much the necessity and the right of society to have the effective means of sending its communications to the homes of the masses by wire as by human carriers, not to speak of the similar necessity and the right of the masses to enjoy such facilities for their own uses. Private financiering has exhausted its right to a longer lease of the agency to realize this end, even if it were to convince us of the sincerity of such a program. That such a program is impossible in its hands but requires institutional motives and resources which it can not be expected to command, and which are yet available for society acting for itself, shall be the subject of our next chapter.

POSTAL SOCIO-ECONOMICS.

Mr. Chairman, Mr. Vail, president alike of the Western Union and the Bell system, declares in one of his reports:

There is a road to every man's door; there should be a telephone to every man's house.

The parallel is indisputable, but its complementary fact should also be noted. It was society and not any privately financed monopoly that built these roads. He also adds apologetically for the Bell that the system must be-

under common control * * *. It must be sufficiently strong to constitute practically one system, intercommunicating, interdependent, universal.

For such an object I make bold to say that nothing less than the social power and motive can be made adequate.

Now, the postal object is not merely to confer equal privileges in form, but to effectuate equality in practice. It therefore so organizes its service and formulates its rates as to remove any economic barriers to their use. The poor man, the very poor man, can actually utilize any form of the existing postal service. Its rates are adapted to his means.

The rate methods by which this is accomplished with the mail piece are well known, and it now becomes necessary to apply them to the different kinds of communication by wire and determine their availability for procuring like results in that field.

The rates: It must be obvious that the universality of the postal service has been accomplished through the lowness or social serviceableness of its rates. In treating the forms of wire communication, the local call, the toll, and the telegraphic message will be separately taken up.

Subscribers' rates: Academically speaking, a railway rate

structure has two functions to perform:

(a) The function of the body of rates charged is to produce sufficient revenue to keep the property whole and pay operative and capital charges.

(b) The function of the particular rate is to move as much of the potential traffic as possible in the article to which it relates without actual loss in the operating expense.

If function (a) should fail, transportation must ultimately cease, while if function (b) fails, transportation does not take place at all. What all this means in practice is that the railways have not found it practicable to move the traffic of the country with rates based upon the quantity of service rendered; that is, rates compounded of the average cost of service plus a proportionate apportionment of the fixed and capital charges. At first they tried this plan, but very shortly learned that an immense proportion of the potential, low-priced traffic, able to pay its share of the operating costs and a small proportion of the fixed charges, was not able to pay its full share of the fixed or capital charges. The consequence was that such traffic did not move at all, and the railway lost the slight gain over operating expenses which it might have secured, while society lost the service of having many of its commodities moved from their places of production to their natural market. railways accordingly threw overboard the cost and capital-charge theory of rate making, and adopted instead the system of class and commodity rates which universally obtains to-day. In other words, they have frankly espoused the principle that transportation rates, especially that proportion of them from which they derive their revenues for fixed and capital charges, must be levied, like taxes, according to the subject's capacity to pay; and so, if you will look into a freight car, you will observe shipments of equal weights and sizes moving on the same train from the same point of consignment to the same destination, each paying a different rate for what appears to be an identical service. Rates per 100 pounds actually vary from 95 cents for first class to 31 cents for the sixth class, when consigned from St. Louis to points in Massachusetts, which is not an exceptional ratio. At first we may resent the idea that a private organization should formally assume and exercise the power to tax us, and this feeling doubtless has had much to do with the Government acquisition of the railways in other countries; but as necessity knows no law and a substantial part of transportation would have failed under cost-of-service rates, the American public has long acquiesced in this private taxing

It is worthy of note that only the railway has adopted this State or social principle in rate making. None of our public utilities, such as water, gas, electric, street railway, or telephone companies have followed its example; and, indeed, it is doubtful if such a program would be permitted them even if traffic conditions made it desirable. Although it will appear sufficiently clear that the universalization in use of the local telephone service will require just the treatment the railway has applied, still we can understand why no telephone company has discriminated in its charges in favor of the poorer, potential subscribers as the railways have done in favor of the poorer paying articles of commerce. It is the object of this chapter to show that such a policy is actually necessary and that it is also fundamentally ethical and economically sound.

Ethics of rate making: It is only necessary, I submit, to clearly apprehend the relations of the subscriber to his phone and to other subscribers to make proof of the above assertion.

Let us see what are the uses of a phone: First. To save A a walk to B's office.

Second. To save A a walk to B's office.

Second. To save B a walk to A's office.

Thus my phone is intended, or its functions, as much for Jones as for me. From this it follows that having supplied myself with a phone society is obligated to supply the conditions. whereby Jones can similarly provide himself. That is, my material interests in the case of the phone, as in the case of the road, entitles me to have a phone connection with Jones's house. The analogy with the public-road system is obvious, and my right to a means of ingress to his premises, now secured by general taxation, would seem to be the same in one case as in the other.

Let us suppose, now, that the system cost of maintaining each telephone is \$15 per annum, of which \$6 is the expense of making connections and \$9 the charge for depreciation and interest. Let us suppose that A earns \$2 per day, or \$0.20 an hour, which would enable him, impelled by its convenience, to subscribe for a phone, if he could rent it at not more than \$6 per annum. On the other hand, let it be supposed that B earns \$8 per day, or \$0.80 an hour, four times the wages of A, and impelled like A, would subscribe at a rate of \$24 per annum. In that case the joint subscriptions of A and B would equal \$30, or \$15 per phone, the gross sum required. In order that A may reach B and that B may reach A, why should not the tariffs be formed on the theory that would make them both subscribers? Would not this be making a like use with the railways of a principle just as applicable to a similar state of facts in local communication by wire?

It may be answered that such a proposal amounts to a gross discrimination between A and B, and that while the railway tariffs do discriminate between the different classes they do not discriminate between persons, but merely between inanimate commodities. But is there, in fact, any discrimination in either case? Is it not the fact that the railway, theoretically at least, is simply charging each class for service according to the value of such service to the commodity as the only practical mode of fully performing the function of transportation? Let us now recur to the assumed conditions of the illustration for A and B and their telephones. B receives four times the wages of A, therefore his time has four times the monetary value of A's time. In saving the time of the walk for A the agency renders him, accordingly, only one-fourth of the benefit it renders to B. Obviously the tariffs assumed in the hypothesis express the relative utility of the service rendered to each.

Now, if A may be taken to represent the phoneless homes and offices of the country to which the present nondistinguishing tariffs deny this great service, B may be taken to represent the body of relatively well-to-do subscribers, about one-sixth of the population, who are equally denied access to such phoneless population representing the immense body of the people. five-sixths who are phoneless suffer a great inconvenience from inability to communicate with each other or the more fortunate one-sixth, but it is not improbable that the B class suffer even more from their greater need of communicating with the more numerous body of society.

It is a condition, therefore, rather than a theory that confronts us. If the present class of subscribers had the number of accessible persons multiplied by 6, could they complain if the tariffs should be based on assignments of the cost of service proportioned only to the value of service rendered to the sub-scriber, especially if such tariff making were found to be the only means, the actual sine qua non, of securing for them the

required connections or accessibility to society?

Some such method ultimately must be applied to secure the maximum of social service in the local exchange. Society has resorted to much more aggressive measures in the case of the public road and the common schools. To maintain these agencies it levies its tax without regard to the utility directly resulting to the individual taxpayer. He may be a sailor or a bachelor, yet civilized mankind adopts but one policy-it is general taxation to secure the maximum result, otherwise unattainable.

Evolution of tariffs: In the beginning the phone was treated as the unit of service, and the monthly or annual rates were identical, whether for residence or business uses. No difference of charge was made even for business houses where the calls might be 30,000 a year as against one-tenth that number in some quiet office or even less in the residence. The next step was to charge a higher tariff for business than for residence uses, and this classification still largely obtains in the smaller towns where the limited number of subscribers prevents serious overuse and financial loss. In the larger cities the differentia-tion of the tariffs has proceeded forward to what is called the measured-service rate.

There is added as an appendix a table giving the local rates for a number of countries as perhaps the best means of studying the varieties of local-rate growth throughout the world.

While I believe both the economics and the ethics of the subject would justify the use of discriminating rates based on the value of the service to the user, if such rates proved necessary to exploit the potential traffic, yet it is not thought necessary that they should assume such a form at any time, even if judged necessary. The grades of service from one-party exclusive lines to two, three, or four party lines with graduated rates could be made effectually to cover up the merely apparent discriminations. The base rates could be made sufficiently low for the multiple party lines and sufficiently high for the exclusive to achieve both revenue and traffic producing qualities, with the rate per call alike for all. If eventually, as it is believed the event will show, the cent rate proved adequate alone, the base rate could be commuted into so many calls-for example, base rate, \$10, giving 1,000 free calls. Devices for collecting the call rates and for registering their number are cheap and have reached the practical stage. Ultimately the base rate itself might be susceptible of elimination, except temporarily as security against loss in improvident new installations of the phone, where it might be retained as a guaranty of the necessary utilization. The rate evolution here described might bring us ultimately to the "pay as you use" phone, with a low and uniform rate per call for the entire country.

Local rates: It would be highly desirable, if financially feasible, to secure for the phone user a local rate of a cent per call, the average statistical receipt per call for postal-telephone countries,

and approximately the average receipt with the independents. Such a rate would, if uniformly available, place the phone service within the reach of every American home. No one should complain of such a rate, as with our wage levels the 1 cent is an actually negligible price. Thus, if such a rate can be finally rendered compensatory, the local phone charge will be completely halved and universal satisfaction with the tariff secured. The letter rate, and if not in a few instances the postal-card rate assuredly, represents that desideratum at present,

The closest tariff approaches to the cent-a-call rate are the German and Swiss tariffs for measured service with a cent-acall charge. But the Germans have a basal fee besides, and the Swiss also a basal arbitrary charge amounting, after the second year, to \$7.72 per annum. Serious apprehension of inability to attain the cent rate as an average statistical result need not be felt in view of the experience of the American independents and foreign postal systems. But grave doubt may be felt as to applying such a rate to the metropolitan populations. It will be argued that while more than compensatory in the towns and villages, on the average, as it has been shown to be, yet in a city like New York such a rate would be ridiculous, especially when compared with existing New York charges. This is an extreme case, it is true, but let us see how the facts stand with respect to New York and the rest of the country.

The Bell reports give the average cost per subscriber for its entire system, excluding the cost of toll lines, as \$105 each. The total cost of construction for 400,000 subscribers' phones and 25,000 (?) booths of the New York Telephone Co. is given in the report of the Public Utilities Commission, as follows:

Telephone plant______Less depreciation reserve______ \$50, 128, 000 5, 123, 786

> Total_ 45, 004, 214

Thus the cost per phone is \$106, or but 1 per cent greater than the average. The assumption that a metropolitan plant exceeds the town and rural so greatly in cost does not seem to be borne When millions of miles of wire can be massed in a single conduit, even though at an underground expense, the cost per

mile and the maintenance service are greatly reduced.

But no discussion of local rates is actually valid that does not explain the use being made in many American cities and other countries-Munich, and so forth-of the automatic system with which the subscriber quickly and simply makes his own connection, eliminating the exchange operator, and by switching and trunking devices reducing the miles of manual wire per phone (2.50) in the most substantial way. There is now but 1 phone to 12 persons, and these phones are in the stores and offices, probably not more than one home in five being so provided, especially in the larger cities. Each city block of fifty or a hundred homes has a few subscribers, whose lines, in connection with the automatic system and its switching and trunking devices, could be used as trunks to the central for the multitude of block-party lines that would follow the introduction of the postal cent-a-call rate. The total investment per subscriber might thus be brought down to \$70 or lower, while the expenses of operation in the cities would be reduced by the amount of the expense of exchange operators. One should feel rather hesitant to make the above statement if the actual facts of practice and accomplishment were not before him. In the case of these local rates so various and incongruous even within the Bell network. it is submitted that while a goal should obtain toward which the postal department would direct its aim, yet the approaches to an ultimate uniform rate for local services should for a time be experimental and only tentative in spirit. The widest latitude should be given the department to conduct its experimentation, and specific freedom to try out its plans in selected places.

If it be found that metropolitan centers represent a greater capital cost per phone, I think it will also be found that such phones represent an even greater percentage of use or patronage. On a measured surface basis, even with like rates, it is only rational to expect a larger number of calls and, therefore, a larger revenue per phone from city subscribers. The average larger revenue per phone from city subscribers. utilization of the subscriber's phone is said to be less than 2 per cent of its time capacity. We all feel at liberty to write as many letters as we wish, but the visitor to New York who is asked first to pay the telephone company as much as the street car fare would be and then the hotel as much more, if his

means are limited, is likely to count the cost.

TENTATIVE BATES.

For all practical purposes the cost of conducting the agency will be nearly the same whether the lines be used at their maximum or their minimum capacity. The problem of the rate maker is therefore twofold:

(a) The body of rates must on the average pay the total cost of service.

. (b) The particular rate or adaptations of the rate should produce the maximum utilization of the agency and thus the greatest service to the public.

Therefore, according to the hypothesis, if the gross annual cost of operation were known and the amount of traffic which it given rate graduation would result in might be predicated, it would be feasible, theoretically, to adjust the rates to gratify both maxims. So much for the theory, which, of course, is not precisely realizable, although the universality of postal operations renders theoretical reasoning highly useful and almost accurate, as applied to average periods. What in practice is feasible is a system of approximations as to cost and traffic; and it is by these methods that private financiers pass upon such projects in the establishment of public utilities of the various kinds. Applying this method to our subject, let us observe the probabilities.

COST OF MAINTENANCE AND OPERATION. INTERURBAN NETWORK.

The operation of 220,928 miles of pole line of Western Union in 1912 represented expenditures as follows:

Total 36,063,835

This represents the operating and maintenance expenses of a pole-line network identical in mileage with the toll and long-distance network, including depreciation on 1,500,000 miles of wire, as against about 3,000,000 miles of such telephone wire. It also represents the wastes of telegraphic accounting previously set forth, as well as other elements of expense indicated as susceptible of elimination under postal operation, e. g., office rents, legal expenses, corporate salaries, and so forth. If we ignore these savings and add to the total sum interest at the rate of 3 per cent on 200,000,000 of Government bonds and 4 per cent to cover the depreciation not fully included in the expenditures statement of the Western Union, and also add 5 cents per telegram and 2½ cents per call for the extra business to follow the proposed reduction in rates, then the following table approximately represents an annual fiscal statement for the telegraphic and long-distance telephone services under the new system:

The receipts of the toll and long distance lines are now between sixty and seventy millions. The application of continental rates to this traffic has produced a result of over five long-distance calls per capita per aunum in Germany as against about three here, although our phones double theirs in per

capita distribution. With reference to the number of telegrams, the New Zealand experience, now nine per capita, is presented. From all these data it is assumed that under postal rates the long-distance phone traffic would equal the German and half equal, at least, the New Zealand development for the telegram. Such results in tabulated form would be as follows:

Obviously the figures as to the prospective traffic can only be speculative; but they are no more so than the conditions and computations of private enterprises in the same field. their support it may be said that the gross figure of \$135,000,000 approximately represents the gross receipts now derived from the toll and telegraph business; and it is not apparent why the postal system should not secure an equal gross revenue with the inducement of offering double and treble service. That the substitution of low-service rates for high ones will find a complementary potential traffic inhibited by the higher rates has been made sufficiently evident. Yet it seems justifiable to add that the experience of the parcel post in giving mobility to an immobile but potential express traffic sustains the thesis. two hundred million shipments will be moved as parcels by the post this year, certainly not less than one hundred and fifty millions; and yet only about fifty millions of these have been taken from the express companies. The low postal rates have had the effect of creating new traffic to the extent of trebling or quadrupling the former traffic.

TELEGRAPH RATES

Mr. Chairman, the present telegraph tariffs, beginning with a minimum of 25 cents for 10 words, are graduated for increasing distances in multiples of 5 cents up to 50, whence the rate is 60, 75 cents, and \$1. The additional word rates correspondingly rise from 2 cents to 3, 4, 5, and 7 cents, respectively. These rates yield now an average on the message of from 38 to 40 cents. Special rates are given the press on individual messages as set forth in an appendix; while the great body of the news is handled by the press associations over leased wires, for which the telegraph company is commonly paid \$20 per mile per annum, the association supplying its own operators. The data are insufficient to permit an opinion as to the merit of this lease rate, but since it is a wholesale rate it is not so likely to be excessive as the individual message rates.

We have seen that, differing from our postage rates, which are quite as low, the telegraph rate here averages about twice on the shorter, and on the longer distances from three to four times as high as in other countries.

Rate and receipt per telegram.

[Telegrams per capita.]

				Recei	pt.	Telegrams p	Telegrams per capita.	
Country.	Amount.	Rate.	Rank.	Amount. Rank.		Number.	Rank.	
LuxemburgFrance	10 words Each word additional	\$0.090 .0965 .0096	1 2	\$0.000 .121	1 2	0. 84 1. 65	10	
Japan Belgium Do	15 words additional	.0965	4	. 123 . 142	3 4	. 60 1. 25	12	
Netherlands	10 words	. 1005	5	.150	5	1.19	7	
Sweden Do.	10 words	.134	12	. 153	6	.80	1	
New Zealand Do	12 words	.12	8	. 157	7.	8.09		
Great Britain. Do.	12 words	.1217	9	. 172	8	2.18	11 9	
Switzerland Do	Each telegram	.0579	6	. 172	9	1.75		
Germany	10 words Each word additional	.119	10	. 180	10	.92		
Denmark	10-words Each word additional	. 130	11	. 205	11	1.31		
Austria Italy Do.	15 words	.193	13	. 224	12 13	. 73	12 15	
Hungary. United States 1.	10 words	.25	14	.251 .360	14 15	.59	14	
- Do. Russia	Each word additional	.02 .0757 0257	15	.390	16	24	16	

Thus, in Germany the rate is 12 cents and 1 cent, with possible distances of 700 miles. In the United States the rate for a like distance would average 50 cents. There are a few foreign rates lower than the German, but it represents a mean for postal-telegraph countries, including New Zealand, with its American wage levels. It is not believed that a flat rate for all distances in a country so large as the United States could be made compensatory without making it too high for the shorter-as it is in Russia-and too low for the extreme distances of which our country abounds. Tentatively, it is proposed to adopt the 12-cent minimum, plus a cent per additional word, which is typical for postal systems, the 12 cents to embrace but 12 words, counting address and signature. This rate, it is proposed, shall be effective for 200 miles. For greater distances a rate scale based on the declension of freight rates for increasing distances is suggested. Broadly regarded, the railway class rates double as the distance quadruples; or, stated in mathematical terms, the rate increases in proportion to the increase of the square root of the mileage of the journey. a recognition of the fact that the terminal service does not increase with the lengthening haul, a fact which would seem to be of even greater importance for increasing telegraph and telephone message journeys. Applying this law to the telegraph message, we should have a result as follows:

Twelve cents, up to 200 miles. Twenty-four cents, up to 800 miles.

Forty-eight cents, up to 3,200 miles, But the above table, which is merely expository, contains only three jumps from coast to coast, while the telegraph companies have found it prudent to have not less than eight, from their 25-cent to their \$1 charge, for the most part representing increases of 5 cents per advance. The scale following is therefore presented as supplying the necessary gradations.

* Cents.	Miles.	Addi- tional word.
12	200 500 800 1,400 2,009 2,600 3,200	Cents. 1 1 1 1 1 2 2 2 2 2 2

It is thought that the day and night letter services adapted to the above rates should be retained, in order that the wires be utilized during otherwise idle hours of the day and night, and to these should be added a new species of telegram, auxiliary to the long-distance conversation. I call it the phone-appointment telegram, say, at a flat cent-a-word rate, to be used by parties in fixing a definite moment for long-distance talks. Much time and annoyance, it would seem, might be saved thus to the parties themselves as well as otherwise wasted plant and personnel in the preliminaries of the attempt to connect long-distance parties.

The above tariffs would average a little less than one-half of the present telegraphic rates, and it is thought would produce an average receipt of 25 cents, somewhat exceeding the average 21-cent receipt for Denmark on a flat 13-cent minimum and 1½-cent additional word rate. Such rates, when taken in connection with the extension of the service to all the post offices, homes, and offices reached by the telephone wires, could hardly fail, ultimately, to render effective the maximum of business and social demand for this form of correspondence. Surely such a development is due us. The people of the United States exceed all others in the number of letters per capita on identical postal rates. It is humiliating to think that we must occupy but the eighth place among the nations in the degree of use made of the wonderful telegraph agency. Great Britain, Switzerland, France, Norway, Denmark, Belgium, and the Netherlands, all with lower wage levels than ours, precede us in this respect, while New Zealand, with wage conditions like our own, manages to extend its average citizen eight times the telegraph service we get here. And this has been done for a generation. Surely the country has paid enough for its tory statesmen and monopolistic finan-

The toll telephone rate: It has been said that the telegraphs have word-miles for sale, and that the limit of their capacity might only be reached when the best word-sending devices were fully occupied in transmitting words over every mile of their wire. It is equally true that the telephone agency has mileminutes to sell, and that its theoretical limit is only reached when every wire is conveying a conversation every moment during the year. Such is the theory. In fact, during sleeping hours, say from 12 to 6 a.m., there can be but a very reduced demand.

The conversation unit is three minutes in all countries, and according to the reports of the Bell Co. the time consumed in making the connection and the conversation runs from five to seven Taking the average as six minutes, if a circuit were, theoretically, in constant use throughout the year, 87,500 conversations might take place. The German toll and long-distance network consists of 19,623 circuits, while the Bell Co.'s network, reaching about the same number of people, appears to be 33,164. The number of conversations per circuit in Germany was 16,417 in 1910, while on the American system the average was but 7,164. It is pertinent to remark, however, that the average charge in Germany was less than 4 (0.038) cents, while in the United States it was over 19 (0.192) cents. The German rates were effective to induce traffic equal to one conversation to each 31 minutes, or 19 per cent of the theoretically available phone time; while the American rates produced one conversation to each 73 minutes, or a utilization of about 8 per cent of such time. The low utilization in the United States is indubitably the result of her higher rates-over five times those of Germany. This low utilization is made a matter of observation, if not of complaint, in the reports of the American system.

Unlike the telegraphic agency, where the press and the night letter largely preserve the nighttime from waste, while the day letter may use the idle moments of the day, little has been done in the United States to distribute the distance telephone traffic equally throughout even the day hours. In Germany considerable effort has been made to effect such a distribution. There are rates for urgency or immediate demand service, rates for regular subscribers at given hours, regular day and regular

night rates, and monthly contract rates.

Under the operation of postal motives it would be interesting to sketch the possibilities of the use which might be made of the waste hours from 12 p. m. to 6 a. m. A purely fanciful case is presented for illustration. The mother lives in New York and her daughter in Chicago. The scale rate is now \$6 for a three-minute talk, and this talk, purely domestic, never takes place between poor people. But the wires are idle, and in Germany the rate would be but 48 cents. Why not permit the use of the lines during midnight hours at that rate for such purpose? The postal rate maker would say, like the railway rate maker, "Well, if it be not diverting higher-priced traffic from the day business, anything I get beyond the cost of exchange operator will be velvet to me, and I will open the wires to this social traffic at the German rates." "Nonsense," objects the private financier, "such a rate is absurd."

Well, let us see as to that. In another part it is shown that

the total cost of maintaining and operating the interurban telephonic network for telegraphic and telephonic uses would be about \$80,000,000. If half of this represented the telephonic share, the cost per mile of wire, exchange service included, would be at the rate of \$13,333 per 1,000 miles. The New York to Chicago wire measures about 1,000 miles, and with return wire 2,000 miles; thus the half annual cost of maintenance and operation would be \$26,666, or about 30 cents per six-minute period, counting every moment of the year. These figures are not to be taken as accurate, or even approximate, and yet it is asserted that the true figure, when secured, will not differ

enough to impair the case.

The truth is that the German rate, while not seductive to him, might well be introduced during these midnight hours, if the private financier did not fear the effect in two directions. would call attention to the abnormal day rate, some ten times as high, and might divert a serious proportion of the highpriced day traffic to the cheaper service. Perhaps it might have been wiser for the gentlemen controlling these really postal agencies to have taken the public into their confidence and formulated rates designed to secure the maximum utilization of their plants, even if their rates at first appeared utterly incongruous. But they are not sure that it would be wise. Nor, indeed, can it be very certain that their fears are groundless, considering the state of ignorance and indifference which has permitted the agencies to fall into private hands at all. Their patriotic night rates might indeed be made the false basis of a demand for irrational day rates. And yet this has not been the experience of the railways, with their wisely

discriminatory class and commodity rates.

The basis for a long-distance rate, it is believed, would include
(1) the total number of messages likely to be transmitted on a given rate—the experience of other countries would afford approximate means of computing them; (2) the total cost of service divided into units of mile-minutes; (3) the graduation of rates for the different hours of the day and night to correspond with the relative desirability as determined by traffic demands; (4) the distribution of wasted or unused plant values into special hour rates in a way the least deterrout to the

demand for the service. Doubtless it would require considerable experimentation by the postal department to acquire data for the use of these bases, but the postal system would have a motive to experiment, and it could rely on the support of the public in its efforts. It is highly probable that the result would be a very great salvage of telephonic plant life now lost, to be devoted to public services, which the present rates preclude.

Expository toll rates: With the object rather of stating the conditions of the problems connected with the long-distance rates, I am presenting a tentative tariff for the different distances up to 1,000 miles. Two administrative purposes are sought to be realized, the utilization of the blank period between 12 m. and 6 a. m., and the comparatively blank period from 6 to 9 a. m., as also from 8 p. m. to 12 m., in the telephonic plant day of 24 hours. Conversely, it is sought to cut down the traffic peaks one-half between the hours of 9 a. m. and 12 m. and 6 p. m. and 8 p. m. I insert at this point a chart taken from the Bell report, which illustrates these points of peak and periods of blank utilization for the toll and long-distance traffic, differing but slightly from the local traffic.

It is obvious that if the blanks could be partly filled by new traffic such business would represent nearly all gain to the postal department. It is equally obvious, of course, that if future increases of traffic during peak periods could be diverted to the comparatively blank periods by sufficiently attractive rates, a business from three to four times that now done could be accomplished on the present capacity of the wires. Theoretically the rates should rise with the degree of the demand and fall with it in order to scatter or distribute the traffic as nearly equally over the 24 hours as possible, and thus secure the maximum effective capacity of the plant. With a view to illustrate rather than to propose methods for

this purpose the following tariff is presented:

Long-distance traffic distributing tariff (3-minute units).

12 m. to 6 a. m.	6 a. m. to 9 a. m.	9 a. m. to 12 m.	12 m. to 6 p. m.	6 p. m. to 8 p. m.	8 p. m. to 12 m.
Up to 10 miles:	HUA			ATRICE N	11/11/201
Regular	\$0.05	\$0.10	\$0.05	\$0.10	\$0.05
Urgent	.05	.10	.10	.10	.10
Up to 50 miles:			152		
Regular \$0.10	.20	.30	.20	.30	.20
Urgent	.30	. 45	.30	.45	.30
Up to 100 miles:					
Regular	.27	.40	.27	.40	.27
Urgent	.40	.60	.40	.60	.40
Up to 150 miles:				F (= 3 (4))	S. Hot I
Regular	.30	.60	.40	.60	-40
Urgent	.45	.90	.60	.90	.60
Up to 200 miles:	1000000				4 - 5 - 1830
Regular 1.25	. 53	.80	.53	.80	. 53
Urgent	.80	1.20	.80	1.20	.80
Up to 250 miles:	200		- T SAN	A CONTRACTOR	1
Regular30	.67	1.00	. 67	1.00	. 67
Urgent	1.00	1.50	1.00	1.50	1.00
Up to 400 miles:		and the same		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	11/2/1955
Regular	1.04	1.60	.97	1.60	.97
Urgent	1.60	2.40	1.60	2.40	1.60
Up to 600 miles:	TO THE REAL PROPERTY.				
Regular	1.60	2.40	1.60	2.40	1.60
Urgent	2.40	3.60	2.40	3.60	2.40
Up to 800 miles:	4.4				0.1
Regular	2.14	3.20	2.14	3.20	2.14
Urgent	3.20	4.80	3.20	4.80	3.20
Up to 1,000 miles:	0.00		0.07	1.00	0.00
Regular	2.67	4.00	2.67	4.00	2.67
Urgent	4.00	6.00	4.00	6.00	4.00

Add cost of appointment telegram 1 cent a word. Sunday, half week-day rates form 6 a. m. to 12 m. Overtime, one-sixth of given rate per additional minute.

The busy-hour rates could be very much further reduced in the event that the schedule proved effective in more equally distributing the traffic. It is for this purpose that the urgency rates are made so high; for the five busy hours they are as high as at present. Doubtless there is a body of demand that cares not for the highness of the rate—most of the present patronage, perhaps—if it can secure quick and instantaneous service. This character of service is called "urgent" in Germany, and pays three times the regular rate for its preference over the regular traffic.

The rates outlined are of seven varieties: The midnight rate for social objects slightly exceeding the German day rate; the 6-to-9 morning rate and the 8-to-12 night rate, designed to attract traffic from peak periods; the 9 a. m. to 12 m. and the 6 to 8 p. m., or peak periods, with the rates purposely left high to divert excess demands at those hours to other periods; the urgent or quick-service rates; the Sunday rates for social uses; and the one-half or one-sixth per minute additional rate, for overtime, which corresponds to the first three-minute rate

since the additional allowance of three minutes for making the connection is included in the first charge.

It will require some years of experimentation to determine just what graduation of rates to busy and nonbusy periods of the day and night will secure the highest attainable utilization of the plant; and the consummation of the lowest rates must await, and is dependent on, such a degree of utilization. Meanwhile the present rates, under the above schedule, run from but one-fifth to two-thirds of the existing rates, with it is believed a substantial enlargement of plant capacity during peak demands. Even if our long-distance traffic carries a rate four times normal, and the public service is at perhaps but one-fourth of its potential, yet normal, though compensatory, rates would not be practicable if the effect was only to exaggerate the peaks and thus perhaps require immediate additions to the plant, although its average utilization, as shown, might be but a paltry 8 per cent of its total capacity. Time and experiment only will qualify the rate maker to formulate the most desirable rate structure.

COMPARISON OF PROBABLE RECEIPTS AND EXPENDITURES.

Mr. Chairman, it may be of interest to ascertain how the account would have stood, say for 1912, had the telephones been under postal management, with the telegraph function added. Taking the receipts and expenditures of the Bell system for that year and adding those of the independents—estimated, Bell equals 71 per cent, independents equals 29 per cent—and adding also the receipts and expenditures which the superimposing of the telegraph traffic of the telephone network would have involved, we should have the following statement:

Receipts, 1912: Telegrams (300,000,000) Bell system receipts Independent companies' receipts	*75, 000,000 199, 172, 154 81, 351, 989
Total receipts	355, 524, 143
Expenditures, 1912: Telegrams, 7 cents each Bell system, 1912: Operation Current maintenance	85 248 877
Independents: Operation Current maintenance Interest at 3 per cent on purchase Depreciation, 5 per cent on purchase	26, 651, 000 12, 586, 000 27, 000, 000
Total expenditures	
Résumé: Total receipts Expenditures, interest, and depreciation	355, 524, 143 229, 246, 313
Net balance	126, 277, 830

The above table substantially reflects what the postal budget for 1912 would have been had it conducted the telephone and telegraph services over the telephone network upon the existing telephone rates, supplemented by the telegraph rates proposed. It is plain enough that the department will be on safe financial ground, with a surplus of a third of its receipts to apply to the extension of the service to the farmside and the homes of the masses.

Against this alluring balance of more than one hundred millions it will be urged that the statement takes no account of the higher wages which the postal system would have paid. Granted; its scale would have been higher. But as a future factor it is submitted, as the judgment of the telephone engineers, that the reduction of the personnel concomitant with the certain introduction of the automatic phone much more than meets the difference between private and postal wages.

SUMMARY OF BENEFITS.

Let us see what our reasoning supports as the advantages to be ultimately derived from a postalization of the telephonic network.

- (a) A cent-a-word telegram.
- (b) Long-distance rates from one-half to one-fourth those prevailing.
 - (c) A cent a call, local conversation.(d) Universal use of the telephone.

Only item (d) presents an achievement not already attained in other countries; i. e., the phone in every man's house. But with item (c) within reach our American wage levels offer the highest assurance that a service so cheap and necessary will become as universal as the letter service.

Of the great advantage which should flow to society in the way of relieving the local governing institutions from the strain to which they have been subjected by the corrupting influences of franchise hunters, it seems unnecessary to do more than refer to the experience of San Francisco recited more fully in the chapter on social effects. The New York (Bell) Telephone Co.

recently put forward a claim of \$30,000,000 as representing the value of the franchise it obtained from the city government to lay its wires in the streets. If private capital is to be relied on, then such franchises must continue, and if conceded any value it is apparent that bribery and corruption, whether frequently exposed and punished or not, are likely to continue; and with such stupendous amounts involved ordinary virtue in the promoter and official can only be expected to give way. On both economic and social grounds the verdict of the nations has been "Postalize"; and possessing an institution as trustworthy and efficient as our postal agency there is nothing to discourage the expectation of even higher accomplishments here.

OBJECTIONS.

I distinguish the difficulties which attach to any constructive program from objections which take the character of fundamental defects in the proposal itself. Such difficulties, for example, as the inconvenience of financing the project, the adjustments and readjustments necessary to secure the desirable properties in the rates, the extensions of the network to meet additional demands, the addition to the postal service of the numerous personnel essential to the conduct of correspondence by wire, and, finally, the effect of competition by the postal telegraph on the telegraph lines in private hands, all of which may be difficulties and yet not objections. It is meant to meet these in an absolutely frank way, and so I shall take them up in their order:

Financing the acquisition: It is assumed that the acquisition of the total telephone network, embracing local exchanges, toll, and long-distance lines, would cost about nine hundred millions of dollars. The purchase would, of course, be financed by the issue of Government bonds. The question presented is, therefore, whether the marketing of this amount of bonds would be so difficult as to render the proposition undesirable.

Great financing enterprises during recent years have been as follows:

The Panama Canal.
The United States Steel Co.
Acquisition of the railways by Japan.
Acquisition of the railways by Switzerland.
Acquisition of one-third of the railways by France.
Acquisition of the national telephone network of Great Britain.

The plan would not involve the compensation of the owners in one gross payment or at one time. While it would, of course, be necessary to acquire title and possession of the networks by a single process of statutory appropriation, and on the same day, it by no means follows that payment for the properties would or could be invoked in the same total or single way. There are, altogether, some 3,000 companies or distinct legal proprietorships of the network, and even the Bell associated companies number more than 200. There would, therefore, be as many distinct payments as there are different proprietor-Moreover, these payments would naturally extend over a period of time sufficiently long to enable the Interstate Commerce Commission to make its appraisals and the courts to adjust such legal questions as to valuation as may arise. It is thus apparent that the payments would be distributed throughout a period of several years and be decentralized into as many acts of payment as there are distinct legal owners. tension by such postal acquisition of the securities of the superseded companies would be likely to create an equal demand for substitute securities and render it but natural that most of such bond issues would be accepted by the former owners in lieu of their displacing private holdings. Thus ample time and opportunity to market the bonds necessary would seem to be assured, and it is not likely that the program would present any difficulties not successfully encountered in financing the Panama Canal.

Extensions of network: This represents a difficulty under any kind of proprietorship, but more especially does it represent a fundamental deficiency under private financiering. We have seen that the normal action of the private motive will be to extend the network only to those points promising sufficiently attractive profits. This motive has under our conditions substantially worked out its potency, except for the normal increase from year to year. Nearly every office and store and the residences of the well to do in the cities have been reached, and with these achievements the private financier has attained his practical limitations. The homes of the masses he has no motive to reach by the only means competent to reach them, namely, lower rates devoid of the desirable margin of profit.

As a high-priced haberdasher he naturally prefers the patronage of the gentry, and, as boldly proclaimed by the Bell system, meets demands of the masses with the assertion that "Instantaneous transmission of communications is as yet a convenience or luxury, it is not a necessity and is still confined

to the comparatively few, and for that reason should be at the cost of the few that find benefit and profit in that use."

The experience of the Bell system is that 48 per cent of their phones are "business." Whether this includes hotel-room phones does not appear. If half only of the phones are in the residences, we should have about 4,000,000 out of 20,000,000 homes supplied with phones, or one in five, embracing the 20 per cent of the population that is rich enough to patronize this alleged "luxury." It is not fair to expect that extensions to the other 80 per cent will be made by merely profit-seeking capital.

In the legislation proposed all existing agencies for extension and new development, together with important additional ones, are put in service. That is to say, individuals, associations, and corporations, together with the Postal Department, the municipalities, counties, and States, may engage in the work of extension of the system under license from the Postmaster General. They may operate them themselves, or have them postally operated, but the right to postalize the ownership is reserved upon paying a price for the extensions which shall not be so low as to discourage nonpostal construction. The above methods have been successfully employed by the Austrian Government to assure freedom and adequacy of railway development under a régime of State ownership and management, and there is every probability that these methods would prove effective to secure the maximum of telephonic extension in the United States.

Rate adjustments: It is of the highest importance that there should exist complete flexibility in the rate structure. Private financiering until the recent era of regulation possessed this advantage for use as its motive might impel. There is a disposi-tion to associate postal rates with the inertia of Congress and the inflexibility of our statutes. This objection is a fundamental one, but it is provisional none the less. If Congress undertook to make the rates, as it does the rates of postage, and gave no administrative power to the Postal Department to revise such rates, as it did in the case of the parcel post, then I should consider this objection to be a serious one indeed. But Congress has already shown that it can distinguish between what is a legislative and what is an administrative function. It has not undertaken to make freight rates or express rates, and recently delegated to the Postmaster General the power to revise the parcel-post rates and weight limit. The rate-making function is treated as administrative elsewhere and, moreover, the legislation proposed does not undertake to formulate the rates at all, but vests that duty with the postal administration under the restriction that the rates shall be revised from time to time in order to make them compensatory and to promote the public service.

The personnel: In the 1907 census the total number of employees is given as 144,169. The data for the later years are not now available, but the number for the Bell system in 1912 is stated to be 140,789, indicating something like 200,000 for the country. This compares with approximately 300,000 employees in the Postal Service. who, to an extent, would replace the telephone personnel. More than half of the telephone employees (56 per cent), i. e., 80,214, were exchange operators, as reported in the census of 1907, and of these 76,638 were girls and women. Improvements in telephone practice, the automatic switchboard now being installed abroad and in prospect, involve the elimination of nearly all exchange operators, so that the future telephone personnel need not exceed relatively one-half the present number. Two difficulties will be urged as involved in acquiring this personnel. First, probable postal hesitancy to eliminate the employee as mechanical improvement renders him unnecessary. This difficulty will happily take care of itself. The exchange operators are girls, and experience, as reported in a study of the Bureau of Labor, shows that the average time of their employment is less than three years, when their service is terminated by marriage. This is also the experience in Great Britain I am informed by the British postmaster general. Accordingly, by simply refusing to fill the vacancies the necessary reduction of the exchange-operator force will accomplish itself within a period sufficiently brief for improvement purposes.

The other difficulty that may be urged is that increases of wages and reduction of hours of service will be asked by the personnel and conceded by the Government. This is probably true. But is it an objection? Would it not, on the whole, be socially desirable that some of the savings of unification and postalization should go to the necessary employees to lift them to the wage and service level of the postal personnel? The rank and file of the latter are admittedly better paid and their working conditions more favorable than employees in nearly similar private employments. But instead of being an objection, this fact may fairly be appealed to as supportive

of postalization. The employees should be placed in the protected classified list, and their wages and conditions of employment, like the rates, left plastic, until, through experience, the Postal Department has developed a complete system of regulations for the service. If it be feared that the efficiency of the employees in work done might not be as great for the future, reference is confidently made to the efficiency tables in former pages, where the Bell performance per employee is compared with the publicly conducted telephones of other countries, and then again to a comparison of our own postal performance with those countries. The student can not be left in doubt as to the verdict, which is highly creditable to the American postal

Telegraph competition: The acquisition of the telephonic network alone, as proposed, would leave the telegraph lines undisturbed in the hands of their present owners. But the postal system would engage in telegraph business over the telephone wires, at least to the extent of transmitting individual messages. This would mean, of course, competition with the telegraph companies. President Vail, of the Western Union, is of the opinion that it need not fear such a situation, and asserts:

There is not a single instance of telegraph and telephone companies operated by private corporations in competition with Government operation where the private service is not better than the Government, and profitable, against unprofitable Government operation, if unframmeled by Government interference. (Bell report, 1911, p. 40.)

Since Mr. Vail speaks as president alike of the Western Union Telegraph Co. and the American Telephone & Telegraph Co., its major stockholder, this difficulty would seem to be answered for the Western Union, which, having granted none, asks no quarter from the public. The opinion of the Mackay companies as to Government competition is not available, but, even if unfavorable, it is submitted that it is estopped to complain. It went into the field itself with a deliberate purpose of competition, and its activities so far have been merely to duplicate the preoccupying lines of its rival. But this company is even under more distinct duty not to complain of postal rivalry. When, in the eighties, the Government was about to give the public a postal telegraph at reduced rates, it came forward and asked the Government to desist, giving it the formal assurance that it would, as fast as its lines were extended, give the public as low or lower rates.

The result was that the Government forbore at that time to postalize. Instead of keeping its promise this system joined hands with the Western Union to eliminate the popular 10 and 15 cent rates in existence, raising them to 25 cents, and has since maintained an effective agreement with it to keep the telegraph tariffs of the United States the highest in the world. A flagrant violator of its pledge to the public to furnish it the reasonable rates the Government was about taking measures to provide, it surely can not now contend that the

people should give heed to any opposition it may make. Such opposition might take the form of claiming that the telegraphic lines should be immune from competition. in effect, that the telegraph companies refusing to give the public the benefit of competition in rates the postal agency should not be permitted to do so. Many persons will fail to see any distinction between the competition of the Post Office and express companies and the like procedure with the telegraph companies. It may be urged by the latter companies that they should be purchased and not be subjected to competition from the Government. There are two circumstances preventing such a course, for one of which—the second—the companies ing such a course, for one of which—the second—the companies are responsible. First, in possession of the telephone network the telegraph lines would be only an unnecessary and very expensive adjunct to the Post Office; second, the telegraph lines notoriously are so water-logged by false capitalization that the maxim "caveat emptor" obviously applies itself, and no Government could risk their forcible appropriation. If abandoning Mr. Vail's position that postal competition need not be feared, it be argued that such competition will reduce the value of the properties and that the people should shoulder the loss by buying the properties without needing them, then a question of ethics is presented to be answered by another question of ethics, thus: Should the people, who have suffered from exorbitant telegraph rates for generations, now also be made to unpocket besides the amount of capitalization of the declining telegraph institutions merely that their owners, who took the profits with the chances of the enterprise, may escape the results of the progress of mechanical civilization? On what ethical theory can a few thousand stockholders ask that the obsolescent losses of private property shall be shifted from

them to the innocent taxpayer of the country?

It does not follow, however, that the gloomy picture of injury to the telegraph companies shall come true. There are several reasons for a more hopeful view. The competition would not extend to the whole field of telegraphic activity. With ref-

erence to much of it their rates are not so unsatisfactory. For example: First, The Associated Press business.

Second. The stock-quotation business.

Third. The patronage of those who do not object to higher

Fourth. Lease of the wires to various business demands.

Fifth. The growing demands of the rallways for such wires which are mostly located favorably for railway use.

All of these varieties of business would likely remain to the companies unimpaired, as also their cable traffic. initiative and the elimination of the nonpaying offices, as also the use of devices to economize on their extravagant telegram accounting, it is not apparent why fair returns on the fair value of their property should not follow. At all events, no claim should be made by them for a charitable purchase of their lines until they have exhausted their ability to "make good" the new conditions. If they succeeded, there would be no problem of charity to deal with. If they failed, we should know in what degree and the exact character of the problem.

The wireless: The startling character of the discoveries and innovations involved in the wireless method of communication may suggest to some the possibility that it may be applied to the domestic, or, rather, land and municipal, correspondence, and thus perhaps diverting the correspondence from the wires, place them on the scrap heap. This phase of the matter has been carefully inquired into, with the result that the Government experts declare such a prospect to be baseless. They explain that the method of the wireless is by the principle of disturbance of the medium—that is, by waves which disturb the ether between the point of sending and the point of receiving the message; indeed, the waves actually extend backward as well as in the direction of the address. This is illustrated by the wavelets caused by the throwing of a stone into a pool,

which move equably in all directions.

If many persons were throwing stones in such pool at the same time, the wavelets would commingle and lose their identity or definition. Just so when the wireless messages are being sent from different stations, attuned alike, a confusion of vibrations results and the messages can not be deciphered be-cause of the "interference" thus caused. It is true that attuning to different wave lengths is possible and, when correctly done, the interference is avoided. But the limits within which this distinguishing of wave lengths can even mathematically be carried is said not to exceed 33 in number; and so the nature of things would prevent more than 33 stations working constantly between two points. Thus, the Government scientists affirm that no development of any now known principle of communication can take the place of the telephone wires where selectiveness and secretiveness are necessary in the message. A wireless message flares itself to the whole world and correspondingly attuned instruments must listen. Thus, in a city where a half million phones are employed, or even in the smallest exchanges, it is apparent that the nonconducted or unisolated wireless message is out of the question for meeting the requirements of the telephone. For trans or intra oceanic uses where the number of communications is at its lowest, or even in uninhabitable districts like Alaska, with great distances to traverse, the wireless offers an ideal and economical agent, and for such fields its future would seem to be unrivaled. It is a supplement to and not a substitute for existing telephone agencies.

It is important, however, that provisions should be made to meet the contingencies of future discovery and invention in order to devote them to their greatest usefulness for society, and it is for this reason mainly that a monopoly of all electrical forms of communication is reserved in the bill to the Postal Department.

LEGISLATIVE METHODS.

Mr. Chairman, my object has been to present the economic, social, and institutional features of the subject, and so but the briefest discussion of legal questions will be undertaken.

Method of acquisition: The bill proposed itself condemns and appropriates the telephone network, except farmers' lines, to the use of the Government as of a given date. The transfer of title therefore takes place by force of the statute at the same moment for all the many distinct legal ownerships. method leaves open only the question of valuation, which, under the Constitution, must consist of "just compensation." Possession may be taken anterior to the act of valuation or payment, provided an appropriation is made to cover the amounts of the awards when found. (10 Am. & Eng. Ency., p. 1068.) The Interstate Commerce Commission is constituted a board of appraisal to value the properties without a jury (Nichols on Eminent Domain, secs. 302-306) and directed to

report its awards to the parties, and if either objects the valuation is sent for review to the appropriate circuit court-of appeals. The Secretary of the Treasury is directed to make payment of the final awards and is directed to issue such 3 per cent bonds as may be necessary for that purpose. On a given date, say the 1st of January, 1915, the Postmaster General takes possession, retaining the former employees so far as necessary, who are placed in the classified service, which will define the tenure of their employments.

The constitutional power to condemn the properties appears to be clear, independent of the fact that they are means of communication and correspondence and therefore postal instrumentalities. The Supreme Court has frequently decided that the wires possess interstate-commerce characteristics, and has as often affirmatively declared that Congress in its right to regulate commerce may condemn the instrumentalities through which such commerce is carried on; for example, the railroads. (Wilson v. Shaw, 204 U. S., p. 24.) But the constitutional resources are multiple. The military power is now used to construct and operate numerous telephone and telegraph agencies by the War Department, both for Government and private correspondence. The post-offices and post-roads clause, of course, is apposite. It will hardly be denied that the nearly universal postalization of the communicating wires establishes them as postal instrumentalities as much as it does the mail car or pneumatic mail tube, and as to postal instrumentalities the power of condemnation is well established. (Kohl v. U. S., 91 U. S., 367.)

The bill should contain a provision for the allowance of interest on the awards and perhaps its quarterly payment pendente lite, or from the time of Government possession up to the date of payment, Judgments in the Federal courts between private parties now bear interest at the rate provided in the State where the controversy arises; but the statutes do not apply to the Government, which pays none. A rate of 4 per cent is suggested as fair to the parties under the circumstance of a Government guaranty. A greater rate of interest might tempt pro-longed litigation in many cases to defer the events of final payment

It will be observed that the cooperative or "farmers' lines" are excepted from the act of appropriation. There are two reasons for this: First, such lines appear to be giving rates as low as should be desired, about one-half cent per call, and where not already articulated with the commercial lines may be so connected by postal permission. The second reason is that there are some 18,000 to 20,000 of such lines, each under distinct ownership; and if merger into the postal system be later desired, it might be much more efficaciously accomplished by agreements with the Postmaster General than through the methods of statutory condemnation of so great a multitude of

The licensing method: To protect its functions and its investments in the field of correspondence it is considered necessary that a monopoly be reserved to the Postal Department for the future, which is according to the practice in nearly all of the leading countries. In our civilization science is likely to develop improved methods from time to time, and it would seem to be the part of prudence to place the postal establishment in a situation where it could take the primary advantage of such progress as may occur. However, there may be, and frequently is, a period when such innovations are purely tentative and experimental and when it may be desirable to grant the private exploiter a temporary privilege, such as patentees are given, in which to put such new ideas into practice. Society might thus employ the fruits of all the pioneering which the postal system may conduct on its own initiative as well as that of private financiering without the alternative in the latter case of yielding itself over for generations to badly functioning private monopolies. Moreover, there are the present telegraph agencies, which, being left undisturbed, should be placed under license, and thus given definite relations to the postal monopoly.

In order to accomplish these objects the proposed bill first declares a monopoly of the whole field of electrical correspondence and then provides a system of licenses for existing telegraph lines, farmers' lines, and such telephone lines as may be used exclusively by the railways. These licenses may also be extended by the Postmaster General to private parties for developmental construction upon terms to be fixed in the license, so that future conditions and contingencies may be seasonably and rationally provided for without impairment of the principle of postal supremacy.

PARLIAMENTARY PROCEDURE.

Mr. Chairman, since 1871 no less than 17 favorable reports of committees of the House and Senate providing bills for some

form of postal telegraphy have been made to these bodies. They are:

March 3, 1845. House Report 187, Twenty-eighth Congress, second session. Committee on Ways and Means.

July 5, 1870. House Report 114, Forty-first Congress, second session. (Washburn.) Select Committee on Postal Telegraphy.

House Report 115, Forty-first Congress, second session. (Palmer.) 1872. House Report 6, Forty-second Congress, third session. 1875. House Report 125, Forty-third Congress, second session. (Gen. Butler.) Judiciary Committee.

1881. House Report 137, Forty-sixth Congress, third session. Committee on the Post Office and Post Roads.

1883. House Report 2004, Forty-seventh Congress, second session. (Bingham.)

mittee on the Post Office and Post Roads.

1883. House Report 2004, Forty-seventh Congress, second session.

(Bingham.)

1884. House Report 1436, Forty-eighth Congress, first session. Committee on the Post Office and Post Roads.

1888. House Report 955, Fiftieth Congress, first session. (Rayner.)

Committee on Commerce.

1870. Senate Report 18, Forty-first Congress, second session. (Ramsey.) Committee on Post Offices and Post Roads.

1872. Senate Report 20, Forty-second Congress, second session. (Ramsey.) Committee on Post Offices and Post Roads.

1872. Senate Report 223, Forty-second Congress, second session. (Zachary Chandler.) Committee on Commerce.

1872. Senate Report 242, Forty-second Congress, third session. Committee on Post Offices and Post Roads.

1874. Senate Report 242. Forty-third Congress, first session. Committee on Post Offices and Post Roads.

1875. Senate Report 624, Forty-third Congress, first session.

1884. Senate Report 577, Forty-eighth Congress, first session.

1896. Senate Document 291, volume 11, Fifty-fourth Congress, first session. (M. Butler.) Committee on Post Offices and Post Roads.

In not a single instance has one of these bills succeeded in getting before either House for a vote. They were crowded out by appropriation bills and other bills having the right to prior attention in the respective sessions. That is, to use courthouse parlance, the court adjourned at each session before the postal telegraph bill "came up" for trial; when under parliamentary practice a new bill would have to be reported at the next session, and so forth, only, however, to fail again for the want of the momentously valuable parliamentary time. In a generation, I am informed, not a single piece of postal legislation has passed Congress except as a part of the Post Office appropriation bill. Sufficient research would probably disclose that this statement is equally true of legislation relating to the other departments: and Members of Congress will understand why this has been true in the past and must become increasingly so in the future.

All of which means that there can be no hope for such legislation unless it is made a part of the Post Office appropriation bill. That bill can not be pigeonholed. An independent bill could be and most probably would be in the House or Senate. Accordingly, there would be two methods to defeat the measure without its getting a single opposing vote. One would be to have the Post Office Committee report a separate bill, the other would be to have the Committee on Rules of the House to refuse to grant a rule for the consideration of the measure as a part of the Post Office appropriation bill. So far as I know this committee has never vetoed the action of the Post Office Committee in such a way; and so if the Post Office Committee includes the measure in its appropriation bill, as it did the parcel post, the measure could not fail to come before the House for its action. If this be not done the history of the other 17 postal telegraph bills would become the history of this. It would simply be the eighteenth chapter in a story of never-ending parliamentary jugglery and calendar failures.

SOCIAL PRINCIPLES.

Mr. Chairman, having discussed the numerous other features, I shall devote my closing remarks to the social and institutional aspects of the subject, namely, the effects of the misapplication of private financiering in the field of public economics. The experience of the United States has been almost unique among nations in this respect, for it is only here that the accepted distinction between private and public financiering has been frankly thrown to the winds. Most people have been compelled to draw a very unfavorable comparison between American and foreign municipalities. With a view to explaining this fact I quote again from the work of Prof. Adams. Speaking of our State and local governments, he says:

The policy of restricting public powers within the narrowest possible limits tends to render government weak and inefficient, and a weak government placed in the midst of a society controlled by the commercial spirit will quickly become a corrupt government; this in turn reacts upon commercial society by encouraging private corporations to adopt bold measures for gaining control of government machinery. Thus the doctrine of lalsez faire overreaches itself, for the application of the rule which it lays down will surely destroy that harmony between public and private duties essential to the best results in either domain of action.

The great argument against public monopolies is that government is inefficient and corrupt, and this brings us to a consideration of the third class of evils which result from the theory of noninterference as maintained in modern society.

BOCIAL HARMONY MAY BE RESTORED BY EXTENDING THE DUTIES OF THE STATE.

As a class of evils attending the attempted realization of the doctrine of laissez faire may be mentioned the injury worked to established government. The policy of restricting public powers within the narrowest possible limit tends to weaken government and render it inefficient; this leads to corruption on the part of public officials, which, in its turn, invites to yet greater corruption in private practices. Excluding for the present Federal administration, no one will deny the inefficiency of the government of our States, while that of our municipalities is generally regarded as a dead failure. This fact is urged by the advocates of laissez faire as the strongest argument in favor of their doctrine. See, they say, what a weak and halting thing this Government is; it can not do well what now is in its hands; how absurd to extend the range of its activity. There seems to be sound sense in this statement; and yet, notwithstanding its apparent reasonableness, it is believed to rest upon superficial reasoning, for it commits the grave error of mistaking a result for a cause. I would not go so far as to say that the statement would be whelly true if turned end for end, but there is truth in the charge that the inefficiency of local government is, in a large measure, traceable to the endeavor to realize the nolle tangere policy among a people whose energies are directed by the commercial spirit.

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The policy of progressive denial of function and the consequent lessened ability of the functionary for efficient service is thus illustrated:

The policy of progressive denial of function and the consequent lessened ability of the functionary for efficient service is thus illustrated:

The advocates of noninterference have treated the Government as the old physicians were accustomed to treat their patients. Was a man hot, he was bled; was he cold, he was bled; was he faint, he was bled; until fortunately for him he passed beyond the reach of leech and lance. This has been, figuratively speaking, the form of treatment adopted by the people of the United States for their local governments, and it has worked its natural result of feebleness and disintegration.

It is quite possible that some of my readers will protest against such a presentation of the case, resting their criticism upon the well-known tendency toward an increase in legislation in these latter days. This is what Mr. Spencer complains of, and it is also the occasion of that remark, so often heard, that sessions of legislatures are far too frequents. But there are two thoughts which suggest themselves in reply to such criticism:

First, The multiplication of laws, so far from being out of harmony with the theory of individualism as understood by democratic peoples, is a natural consequence of its seneral acceptance. A philosophy of social relations, like that of laissez faire, which tends to efface the sharp distinction between public and private interests, must linevitably result in an extension of pernicious legislation; for, under the direction of such a philosophy, men feel themselves warranted in using public machinery for private ends. This conclusion is fully sustained by considering the nature of the hills which gain the approval of our modern lawmaking bodies.

Second. It is believed that the above criticism mistakes the true center of public power. The importance of government or the extent of the functions assigned to it

The causes of State and municipal corruption are said to in-

human relations, confines within itself all individual growth and action. The activity which it displays is either public or private; that is to say, the activity of the state, embracing all governmental functions, or that of individuals or corporations, which is undertaken for private ends. But the important point that should be noticed in this connection is that these departments of social activity are constantly acting and reacting each upon the other. The line which separates them is clearly defined so far as the principles are concerned to which each must conform, for the one is subject to the rule of public and the other to the rule of private financiering; but the growth of society demands continuous medification in the assignment of specific functions. Recognizing, then, the mutual relations that exist between public and private duties, it is easy to understand why failure to achieve the best results in one department of activity must injuriously affect the other; and the pertinent question for one who would direct by his thought the development of society is, Under what conditions may the best results be expected from both departments of activity?

This question has already been answered. The best results may be expected when the duties assigned to public officials and the functions performed by private individuals are so correlated that the inducements offered are of about the same strength in both domains of activity. It is, of course, necessary, in applying this rule, to take into consideration other than merely pecuniary motives by which men are led to act. Considerations of social distinction, the desire to exercise such powers as one may possess, the pleasure of filling well a responsible position—indeed, all the varied demands of human nature must be admitted into the account.

The neglect to observe these fundamental conditions, the depreciation of the public functionary, and the demoralization of the invader of public functions are treated thus:

the invader of public functionary, and the demoralization of the invader of public functions are treated thus:

In our own country, on the other hand, one observes that society has developed in the opposite direction. The great prizes here offered are in the line of individual initiative. Our civil, State, and municipal service is so poor that an official has no social position, while a business man who accumulates money is generally regarded with deference. The salary paid by the State is nothing when compared with what men of ordinary talent may secure, either as profit, if engaged in business on their own account, or as salary if working for a private employer. It is therefore no occasion for surprise to learn that in this country we have very perfect sewing machines but poorly administered cities.

One can not fully appreciate this view of the case without calling to mind the possibilities of acquiring wealth in a rapidly developing industrial society. The atmosphere of such a society is intensely commercial, and not only do men of ability and energy refuse to consider a public position as desirable to themselves, but they regard with supercilious condescension one who is willing to assume public office in a municipality. And it may be added in this connection, as bearing on the question of municipal corruption, that the moral judgments of a public officer are very much like those of his neighbors who elect him, and the sentiments which control in the transactions of their daily business will probably give color to his administration. But the ordinary business life of the nineteenth century is such as to render men familiar with methods of speculation and to conform their ethical principles to the law of supply and demand. The spirit of speculation partakes in character of the spirit of gambling. It judges all businesses undertaken on the basis of their pecuniary success, and has little care for the equivalent given for what is gained. A fine sense of what is just can not exist where it prevails, nor can a

guage:

"The man of the present day is actuated now by one influence, now by the other, and has two distinct codes of outward conduct. Moral philosophy, indeed, teaches that his fundamental character is one and unchanging; but as there is one code of practical conduct for war and another for peace, so there is one for mercantile life and a different one for the family, the social circle, and the church. The man of business is constantly passing from the jurisdiction of one code to that of another.

"It is a common remark that business practices are not what they should be, and that a sensitive conscience should be left at home when its possessor goes to the office or the shop. We helplessly deprecate this fact; we lament the forms of business depravity that come to our notice, but attack them with little confidence. We are appalled by the great fact of moral dualism in which we live and are inclined to resign ourselves to the necessity of a twofold life."

And what of the effect of these perversions upon the ambitions of public men?

The causes of State and municipal corruption are said to inhere in such a situation:

In all matters where any possible question arises between Government and corporations the advocates of governmental control are obliged to towns are managed by private companies. It is the exception for gas to be supplied through public works, while there is no city, except now Cleveland and San Francisco, so far as I am aware, that maintains whole line of policy is the morcelization of government among separate and independent boards rather than the concentration of power in the hands of responsible officials in such a manner as to make it worth their while to attend to business. Under the sway of this policy municipal government has become corrupt, while in many cases corrupted and such a manner as to make it worther their while to attend to business. Under the sway of this policy municipal government has become corrupt, while in many cases corrupted and the corruption of the control of the menacing power of corporations and the rise of municipal government provided in the regulating influence of competition on the one hand and the too great suspicion with which governmental action is viewed on the other. It is impossible, as society is at present or summitted to the control of the development of the control of the menacing power of corporations and the rise of municipal corruption. They are both an inevitable result of the too great confidence that has been placed in the regulating influence of competition on the one hand and the too great suspicion with which governmental action is viewed on the other. It is impossible, as society is at present of the menacing power of corporations and the rise of municipal corruption. They are both an inevitable result of the too great confidence that has been placed in the regulating induser of competition of the menacing power of corporations and the too great suspicion with which governmental action is viewed the control of the development of the development of the development of the p

faculties; he also learns through the sinister suggestions of those whose personal interests he does not forward that his tenure of office is insecure; and, last of all, he finds that his salary does not suffice to keep his family respectably in the social circles in which they wish to move and that the gratitude of republics does not extend to provision for their servants against sickness and old age. Repeating again the assumption that our candidate is honest—at least within the meaning of the law—and that he is conscious of ordinary business capacity, we are warranted in concluding that the career of an official will not harmonize with his tastes. He will, upon the first opportunity, retire to private life, which presents larger scope for efficient activity and where the prizes to be gained are much greater.

Such are the conditions of a public career in most of the municipalities of the United States, and observed results are altogether what might have been expected. The incumbents of local office are usually men of indifferent ability. If not actually depraved, they are at least colorless in character. Among "city fathers" of this sort there appears from time to time the shrewd yet unscrupulous man who for personal aggrandizement assumes complete control over public affairs. This is the explanation of "rings" and "jobs." Public corruption therefore is no accident. It is the necessary result of the idea that the best thing to do with a public official is to lay him on the shelf out of harm's way.

Is it not, then, correct to say that the theory of noninterference,

thing to do with a public official is to lay fills on the sach of charm's way.

Is it not, then, correct to say that the theory of noninterference, which regards individual enterprise as the only proper depository of industrial power, and which relies wholly on competitive action as the guaranty of fair treatment in business affairs, is an obstacle to the restoration of harmony in social relations? Under the influence of the sentiment engendered by this theory we see corporations to have attained power at the expense of the importance of the States; we see the symmetry of government to have been destroyed; we see the line between public and private interests to have been practically effaced; and, as a natural consequence, the machinery of government easily perverted from its high purpose to serve the private ends of corporations and individuals. tions and individuals.

A concrete case of what Prof. Adams has in mind may be given. It relates to the telephone in San Francisco. The Pacific States Co., a Bell company, and a rival, the Home Telephone Co., were engaged in a struggle for possession of the field, with stupendous bribes as their weapons. The Schmitz-Reuf combination was in political control. The following narrative is from McClure's Magazine for February, 1911, in the form of a dialogue between "Boss" Reuf and Detective Burns:

"What next?" said I [Detective Burns], when the gas case was

"What next?" said I [Detective Burns], when the gas case was finished.

"The Home Telephone Co.—\$120,000. Sixty thousand went to the board of supervisors, through Gallagher; the other sixty thousand was divided between Schmitz and me."

("Thirty thousand apiece for them," said Burns, interrupting his story, "while each of the 18 supervisors, poor devlis, who were necessary to grant the franchise and who served as a cloak, were glad to get away with their little three thousand apiece.")

There were absolutely no bounds to Reuf's greed. He is the only boss I've ever heard of who never showed an atom of loyalty or gratitude to those who served him. He admitted that, although for years he had received from the Pacific States Telephone Co., \$1,000 a month, when Detweller, of Toledo, president of the Home Telephone Co., outbid the Pacific States, he went over straightway. And in connection with the transaction Reuf told this story;

"The Pacific States, he went over straightway. And in connection with the transaction Reuf told this story;

"The Pacific States Corporation," said he, "attempted to do some individual bribing of the supervisors on their own account. They thought they could beat me," and Ruef swelled out his chest. "Their local agent, Theodore V. Halsey, had made an arrangement with Boxton, of the board, who had promised to procure the pledges of 10 of the supervisors to favor the old corporation—a majority of the 18, you see—when I was informed by some of the board of what was going on. They came to ask me what to do. 'Sure; take the money from the Pacific States people,' I advised. 'All you can get. And then give them the double-cross.' So Halsey started his little game," said Ruef. "Oh, he thought he was laying me out. He engaged a room in the Mills Building; Krause, his secretary, who has since committed suicide in Europe, ushered the supervisors into the inner office, where Halsey handed each a package containing from twenty-five hundred to five thousand dollars. Halsey told them that the balance, ma

The San Francisco conditions have not been repeated in every city, at least not to the same degree, although they are implicit wherever the temptation and prize are equal and the municipal government has been weakened by the policy

of denying it its powers.

The Federal administration has been excluded-very justly, I think-from the above desertation on the causes and character of municipal weakness and inefficiency. Its functions have not been so badly neglected, and agencies like the Interstate Commerce Commission, the Agricultural Department, the Army and Navy, and the postal system have made it adminis-tratively reliable and respected. This fact is recognized by tratively reliable and respected. Prof. Adams. He says:

So far as the Federal Government is concerned, the extension of its powers thus far does not seem to be open to severe criticism, and

we are only solicitous as to what this tendency will bring about in the future. The present condition of affairs is easily stated. Men are now coming to realize the disastrous consequences likely to emerge from the continued sway of irresponsible corporate power. They see that an extension of governmental agency can alone retain for them the fruits of an advanced industrial civilization; and, inasmuch as the States are incompetent to deal with such difficult questions, they turn of necessity to the Federal Government.

Municipal phone administration: There has been some suggestion that the interurban and long-distance lines be run by the post, but the local exchanges be left to municipal administration. The above reflections on the present municipal situation with respect to administrative deficiencies seem to preclude that course. But even should the administrative capacity of our municipalities be restored, as foreign and many home examples indicate they shall be, yet there are grave institutional and objective reasons why the wire service should be completely postalized instead of, as suggested, being partly municipalized. It is the same thing as proposing that the mail trains and the rural delivery should be in the hands of the Government, but that the local post office should be run by the mayor. The examples of all the world are against such a method.

Some of the reasons for this postal solidarity in phone administration in countries like England, Switzerland, and Germany, possessing full-fledged local governing institutions like our own, but exempt from the inefficiency charges we must bear here, are not unlikely the following:

First. Wastes of personnel service in maintaining and management of distinct institutions. Thus during breakdowns of the wires in storms local and long-distance men can be concentrated for immediate relief, if there be but one management.

Second. The postal institution articulates with and embraces all varieties of the population, whether massed in cities, towns, villages, or individual homes. The municipal institution, on the other hand, is limited to a corporate area, while many towns and villages have no administrative machinery and no means of supplying it, whatever the cost.

Third. The postal system by virtue of its universality is able to standardize its rates and service by employing the principle of averages, and thus is able to universalize the service, extending it to points which, while generally necessary, might be locally unprofitable.

It is not perceived what municipal administration of the exchanges could offer in the way of advantages over the postal method, and no such arguments have been presented. Its advocates are probably wholly influenced by the doctrinal view which deprecates all appreciation of Federal activity where local action is possible. But the makers of the Constitution, even in their day, strongly impressed as they were with a preference for local authority, plainly distinguished the function of communication as dominatingly Federal in its character and so treated it in their grant of powers. There does not seem to be any claim that the Federal discharge of the full postal function of communication would throw the Federal and the State and local governments out of equilibrium. The amount of Federal expenditures is probably much exceeded by the combined municipal, county, and State expenditures. In 1912, the latest data, the Federal expenditures were less than 40 per cent of the whole public expenditures, a disparity which is likely to have continuous growth as the local governments take up the much-needed road improvements of the future—a field they might occupy to much greater advantage and a field likely to fully tax their financial resources.

Mr. Chairman, I am only too conscious of the extreme advantage I have taken of the courtesy of the House, and now wish to conclude with a hurried summary of the leading features of the discussion. To be brief, the investigation discloses that our telegraphic rates are the highest among 20 countries, running from 25 cents to \$1, while in other countries they average about 12 cents, or a cent a word. The result of these abnormal rates is that we rank but ninth as telegraph users, with one and one-tenth telegrams per person to our credit per annum, while in New Zealand, with the 12-cent rate and our price and wage levels, the use of the telegraph reaches as high as eight telegrams per person.

Against these conditions it appears that our postal rates average lower than other countries, and that the number of letters here—101 per person—is the highest in the world.

The telegraph companies seem to be lacking in institutional economy or efficiency. The operation of sending a telegram is loaded down with 74 incidental services and processes, not less than 50 of which would be replaced by affixing the postage stamp. Notwithstanding they have the greatest business per office, yet their daily product is less than 10 telegrams per employee, even less than that of New Zealand, which has less than one-third the business per telegraph office. The American inefficiency is further exaggerated by the duplication of telegraph offices in all the important towns and cities, and the denial of the service at many thousand necessary points.

denial of the service at many thousand necessary points.

A striking feature is the discovery that the telegraph service is a relatively declining institution, and that it would be unwise now to postalize it alone and as a single service. For 10 years in England the number of telegrams has been actually stationary. To take over the telegraph lines alone and operate them merely as telegraph lines might result in postal bankruptcy. Separated from the telephone, they are not now surely self-sustaining as mere telegraphs. Because you would rather talk than write to a person, you use the telephone rather than the telegram, if the rates permit. In Germany, where both telegraph and telephone rates are normal, there are five times as many toll or long-distance conversations as there are telegrams, and even in the United States from two and one-half to three times as many. There would be no advantage in taking over the telegraph lines; the investigation makes this clear.

But our toll and long-distance rates compare with those of other countries even less favorably than do our telegraph rates. The average interurban receipt in Germany is but 4 cents; here it averages 20 cents. The long-distance rates here are made on a scale of 6 mills a mile per three-minute conversation, as against an average charge of about 7 mills a mile received by the railways for transporting a ton of freight. The average charge on the Continent for a 300-mile talk is 30 cents; here it is \$1.80, or six times as great. It is not unfair, or inaccurate, to say that the American interurban telephone rates are the scandal of public-service rates the world over. The American telephone monopoly takes the thirteenth place only among 17 countries with regard to the lowness of these rates.

With respect to local telephone exchange rates, we have three main divisions—the farmers' lines, which cost the average subscriber about a half cent a call; the independents, which cost a little over 1 cent a call, but usually with the half service permitted by telephone competition; and the local rates of the Bell monopoly, which average a little more than 2 (2.10) cents per call, or just twice the average charge in other countries. While our postal rates give us the first rank in lowness of charges, this company ranks but fourteenth among 16 countries with its local charges, and we are one of three countries where the charge per local call exceeds the letter-postage rate; the other 13 countries giving a much lower charge per phone call than their letter rates.

The subscribers' rates in American cities, compared with continental cities, are about three times as high. For example, New York, where 5,400 calls, about 15 per day, under a measured service tariff cost more than the four unlimited yearly rates of London, Paris, Berlin, and Stockholm together. For like services, Baltimore people pay more than the rates for London and Paris combined, and Washington pays as much as the five cities of Amsterdam, Rotterdam, Auckland, Tokyo, and Copenhagen combined. In postal-telephone countries the local toll fariffs tend to run about one-half the charge for a letter, while here it runs with the street car fare, and sometimes exceeds it, when it is three times the letter rate.

While competition does not supply a remedy because it divides the service and necessitates the payment for two phones, yet it throws an interesting side light on the tendency of a private monopoly to jack up the rates. Thus of 60 of the great American cities, 24 averaging 342,486 in population, pay an average annual phone rate of \$53 under competition; while the other 36 cities, averaging but 188,629 in population, without competition, pay an average rate of \$81. Since competition can only augment the total cost of operation it is apparent how private monopoly and high rates go hand in hand.

Telephone development has reached its substantial limits in

Telephone development has reached its substantial limits in the United States under private capital with the extension of the service to the very profitable office and well-to-do home traffic. To extend it to the homes of the masses, as the public roads and postal service now are extended, the postal agency is necessary. If the telephone lines are postalized, both the telephone and telegraph business can be done over them, as in other countries, where a telegram and a conversation go over the same wire at the same time. It will be unnecessary to take over the telegraph lines here (capitalized at \$240,000,000), as both kinds of communication can be handled on the telephone wires, which exceed the telegraph wires in mileage and geographical distribution.

The telegraph lines would have to be substantially reconstructed to add a telephone business to them, while the addition of the telegraph instruments to the telephone wires may be accomplished at a negligible total cost. This circumstance

shows the weakness of private monopoly. Instead of duplicating the telegraph network with a separate toll and long-distance system as the American Telephone & Telegraph Co. has done, the postal telegraph countries have made the one network serve for both functions, by articulating the telegraphic with the telephone exchanges.

The cost of acquiring the telephone networks is indicated as something less than \$900,000,000, for which it is proposed to issue 3 per cent bonds, payable in 50 years. It is calculated that the postal system by superimposing the telegraph service on the telephone lines at half present telegraph rates may net some fifty millions annually from that traffic alone, which with the present profits of the telephones, and after the deduction of interest on the bonds and depreciation, would supply the department with a large surplus for extensions, and so forth.

The telephone rates should be worked out experimentally by the Post Office Department in a few years, with the assured prospect of ultimately securing telephone and telegraph rates, like our letter rates, as low as those abroad. That is, rates about half those now obtaining for the telegraph and local telephone services, and about one-fourth those charged for the long-distance telephone conversation. Our other postal rates, including the highly profitable parcel-post rates, have been made as low as in other countries, and the indications are that like results can be obtained for the wire service when postalized.

The suggestion that the interurban and long-distance lines alone be postalized and the telephone exchanges be left to the municipalities is found to be unsound. The postal system can finance and operate the exchanges the more economically and efficiently, and the divorcement of the exchanges from the interurban and long-distance lines would necessitate the maintenance of two personnels at substantially increased cost. It would be like divorcing the local post offices from the Post Office Department and turning them over to the mayors to run. The towns and cities have enough to do if they give proper attention to those utilities which are distinctly local. Moreover, the farms and countryside villages which are without local administrative governments would not be reached by a municipal service.

The financing of the acquisition and the valuations of the properties would cover several years; and while the properties should be taken at one time with their personnel and systematized, the payments for them would have to await the final valuations by the Interstate Commerce Commission, the Treasurer paying the owners 4 per cent interest quarterly during the interim. The financing would thus be decentralized into as many payments as there are distinct legal ownerships. It is not thought this financing would involve difficulties seriously greater than those of the Panama Canal. Switzerland has recently successfully financed the purchase of her railways, amounting to about \$50 per capita, while the telephone acquisition here would be less than \$10.

With respect to management, it is found that our postal system is highly efficient. It ranks next to the highest-Belgiumamong 16 countries, and perhaps is actually in advance of her. Our product per average postal employee in 1912 was over 60,000 mail pieces per man, as compared with Germany at 37,000 and France at 34,000, countries which rank eighth and tenth, respectively, in postal efficiency. In the matter of telegrams handled per employee our companies are outranked by New Zealand, notwithstanding the concentration of the telegraph business in a relatively few offices here. The Bell telephone monopoly ranks but ninth in operative efficiency among 16 countries. In 1912 it handled 58,000 telephone calls per employee, as against 149,000 per employee in Norway. This is mainly because its abnormal rates condemn the operative plant to comparative idleness-its interurban lines show but 8 cent of utilization as against 19 per cent in Germany—while the number of operators engaged in maintenance and other services remain the same, whether the phones are actively or but sparingly used. The postal system with normal rates might easily double the Bell efficiency in number of calls per employee, and the independents do better it by nearly 50 per cent on account of their lower rates and consequent higher utilization of plant and personnel. With the number of calls thus doubled, the expense per call would be practically reduced one-half, and it may thus be seen what the postal motive could accomplish in rate reduction without substantial increase of expense. This illustrates the natural infirmities of private monopoly, which is without a motive to double the service even where expenses and profits will remain the same.

Such, sir, are the results of a business and economical survey of the field of communication by electricity. In the domain of public morals the lesson is not different. The perversion of the laws of public and private financiering, by which public governments have been disinherited of their normal functions, has led to such corruption and demoralization—of the function-aries giving and the alien claimants receiving the despoiled inheritance—that cities like New York with its street railways, Philadelphia with its gas works, and San Francisco with its telephones, have shamed the scions of Roman corruption in their most dishonorable days. The policy of weakening these

governments by alienating their functions to ambitious private finance has made them despised and attractive only to such weak political creatures as see opportunity for individual enrichment. Compare them, sir, with the proud cities of other lands, undespolled of their rightful attributes of public services and whose public position gives become prestign and respect ice and where public position gives honor, prestige, and respect.

TABLE A .- Unlimited service.

Country.	Exclusive.	Each of 2 parties.	Per additional party.1	Number of sub- scribers.	Population.	Distance from exchange in miles.	Area of free service.
Denmark:							
1. Zealand (Seeland) and Amac Isles.						\$1.24 per additional 0.062 mile	
	1 1824.00	*817.40			555, 400	0.75	
(a) Copenhagen	37.36					1	
(b) Outside—	410, 20			THE PARTY			
ii	410.70 13.40						City. Radius of 12.5 miles.
2. Moen Island	16.00				14,100		Tractius of Last IIII109.
Stege City	10.70				2,500		
Laaland and Falster Islands Fyen Island	20.00 33.50				105,000		Entire system.
City	\$12.00-14.75						Only city.
. 5. Langeland Island	16.00				19,000		
6. Aero Island	{ 210.70 16.00	}			*11,000		MOTOR TOUR TRANSPORT
7. Jutland district					1,198,500		Physics in the state of
(a) City (b) City and suburbs	9.25						City.
8. Veile	17.40 9.25				16,200		City and suburbs.
Veile and suburbs	17.40				10,200		City. City and suburbs.
9. Samso Islands	16.00						SPECIAL PROPERTY.
10. Bornholm Island	16.00				41,000		
Paris system	77.20		6\$9.65			Old city limits	Pelescinones in
Lyon system	57.90		67.72				Tell winding
Other systems and places	{ 28.95 28.60		67, 72 7, 72		8	In all other cases subscribers for unlimited service pay cost of connection at the rate of \$2.90 or \$3.86, respectively, per 328 feet of single or double line in sir; 3 times that amount for underground line.	
	19.04			10 50		3.10 miles; \$1.20 per additional 0.062 mile.	Local, adjoining, ar such neighborin places as do not pe a higher fee than ti place of origin of ti call, \$4.78 per add tional apparatus i the same establishment; \$7.14 outsid of it.
	23.80			100			places as do not pa
Germany	28.55 33.32			200 500			place of origin of th
Germany	35.70	73553		1,000			call, \$4.76 per add
	38.08			5,000			tional apparatus i
	40.46 42.84			20,000			ment; \$7.14 outsid
Great Britain:				20,000			of it.
London	82.75					2 miles	London system.
Budapest	57.90						is the many that the
Budapest and suburbs Other cities	69.48 23.16		***************************************				Standard Standard
Other cities and suburbs	46.32						
Province-							Inches the second second
Same district	11.58 23.16					***************************************	
Connection with city	27.79						THE RESERVE OF THE PARTY OF THE
Inter-Province—							
Border districts	27.79		***************************************			ri 97 miles ner additional a rea	
Italy	12 38.60	**********	*************			[1.87 miles; per additional 0.122 mile, \$1.16 or (underground) \$1.55 is al-	Local system.
The market of the latest of th	13 57.90					lowed to be charged.	
	34.00 28.00	25.00 22.00				Class A. B. C. D. city. Out of city \$1	Local, adjoining, an
Japan	25.00	19.00				is added and the cost of connection to city limits.	suburbs.
Luxemburg	19.00	16.00				Local. Within 0.93 mile from main line, subject to charge of cost of con-	Entire duchy.
Netherlands:	as dis on					nection.	
I. Government networks—	14.00		EN HINE			0.21 miles man 0.000 mile havend	Entire naturale
AlphanBergen	14.00 14.00			*********	13,091	0.31 mile; per 0.062 mile beyond \$1.20 up to 3.10 miles	Entire network. Do.
Boskoop	14.00					82 up to 3.72 miles	Do.
Culenborg	14.00				g 799	\$2.80 up to 4.34 miles	Do. Do.
Eukhinzen	14.00 14.00		***************************************		6,733 6,746	\$3.60 up to 4.96 miles \$4.40 up to 5.58 miles	Do. Do.
Gorinchem	14.00				11,879	\$5.20 up to 6.20 miles	Do.
Harlingen	14.00				10,308	\$6 beyond 6.20 miles	Do.
Heerenveen	14.00 14.00	**********					Do. Do.
Lochem					3,979		Do.
Neuzen.	14.00						Do.
Noordwyk Rozendaal	14.00 14.00				11,311		Do. Do.

TABLE A .- Unlimited service-Continued.

Country.	Exclusive.	Each of 2 parties.	Per additional party.	Number of sub- scribers.	Population.	Distance from exchange in miles.	Area of free service
Vetherlands—Continued.							
I. Government networks—Con. Winterswyk	\$14.00				9, 879		Entire network.
Zandvoort	14.00						Do.
Zierikzee	20, 00		***************************************			3.10 miles	Do. Do.
Stillegorn and Sassen- beim.							
Nymegen	18.00				55, 828	do	Do.
Rheden 1	20.00						Do.
II. Commercial networks— Amsterdam	36.00				566, 200		Do.
Apeldoorn						1.55 miles; per additional 0.062 mile up	Do.
		1		-		to 4.65 miles, 60 cents; beyond, 80 cents.	
Armhem	18.00				64,000	Out of commune, \$40	Do.
Assen	16.00			********	12, 900	out of city, \$1.	Do.
Doesburg					4,500 6,600	Local. Per 0.62 mile out of city, \$1.20.	Do. Do.
Edam	20.00				0,000	1.24 miles	Do.
Eindhoven	14.00				57,000	0. 93 mile	Do.
Enschede	20.00				34, 200	Local	Do. Do.
ague (The)	26.00	2 \$16,00			271,300	Same in Voorburg and Ryswick. Out-	Do.
						side of these cities, \$2 per additional 0.062 mile, with minimum of \$32 exclusive; \$20 each of 2 parties; \$15.40 each of 3; \$13 each of 4; the rate per 0.062 mile for parties being \$1, 68 cents, and 50 cents, respectively.	
clmond					14,800 19,246	Per 0.62 mile out of city, \$1.20 Per 0.062 mile out of city, 80 cents	Do. Do.
ampen (commune)	22.00					0.76 mile; per 0.62 mile in addition, 80	Do.
atwyk	18.00					cents. Out of commune 40 cents per 0.062 mile.	Do.
agstricht	16,00				37,500	Per 0.62 mile out of city, \$1.20	Do.
leppel	20.00				11,000	1.864 miles. Beyond 1.884 miles. Per 0.62 out of city,	Do. Do.
		and the second second		200000000000000000000000000000000000000		\$1.20.	1 5 5 5 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
ldenzaal	16.00					Per 0.062 mile out of city, 60 cents	Do. Do.
Do	18.00					0.62 mile. Beyond 0.62 mile; per 0.62 mile out of	Do.
heuen	10.00			The same of the sa	6,000	city, \$1.20. 0.155 mile from city hall. Others 24 to	Do.
meden						80 cents per 0.062 mile from exchange.	Do.
otterdam	3 26.00				417, 900		Do.
Doliedrecht	20.00				9,892	Central part of commune. Per addi-	Do. Do.
						Central part of commune. Per addi- tional 0.062 mile, \$1.20 0.31 mile; peradditional 0.62 mile, \$1.60. Per 0.62 mile out of city, \$1.20.	
neekeulo	16.00				17,100	Per 0.62 mile out of city, \$1.20	Do. Do.
Vagenmgen	14.00				9,600	1 1.864 miles	Do.
Do	20.00					2.485 miles	Do. Do.
Do	18.00				3,000	0.155 mile from city hall. Others 24 to	Do.
Vinschoten	16.00				9,700	0.155 mile from city hall. Others 24 to 80 cents per 0.062 mile from exchange. 0.466 mile. Per additional 0.062 mile,	Do.
		120000000000000000000000000000000000000				\$1.20.	
Voerden	18.00					0.155 mile from city hall. Others 24 to 80 cents per 0.062 mile from exchange.	Do.
Vew Zealand: Private	24. 35	17 00	5 914 60			1 mile	Do.
Business		17.00 21.87	19.47			1 mile	DO.
If service continuous	34.05	26.74	21.34			Parties: ½ mile per party	
Trondhjem	6\$18.76 7 18.00		886.43 99.11		45, 228	0.93 mile	Bow Favor
orway: Trondhjem	7 13. 40		8 5. 36 9 6. 70		9,300	City	
			8 4. 29 9 5. 36			0. 62 mile	The Service
Farsund	0 10.72		84.29 95.36		1,500	City	
Vogs Levangor	6 10.72 6 10.72 6 8.04		8 4. 29 9 5. 36 8 6. 43 9 9. 11		7,700 1,977	0. 62 mile	- District No.
Bvdo	6 13.40 7 10.72		84.29 95.36		4,300	City	HE WILLIAM
Larvík			84.29 95.36 86.70 99.38		10,151	0.62 mile	
			10 5.00			1.33 to 2 miles	Do.
Akerman 12	6 37. 50			154 288	32,470 42,186		
Balaklava	6 62.50			7	2,347		
Balakovo 12	6 15.00 7 37.50			124			
Bar 12			***************************************	40 37	13, 434		
Bausk 12	630.00 737.50			221 128			1 - 37 60 11 - 30
Druskeniki 12	6 15.00			22			THE LESS
Ekaterinoslav				1,701	156, 511	•	Editor L
Friedrichstadt 12	6 20.00			57 32			FIRE ENEWS
Gatshina	17.50 37.50			360	11,557		
GourzoufJacobstadt 12	20.00			26 64	2,168		
	30, 00 11 37, 50			276	80 108		E 1 2 2 2 2 1 1 1 1 1
Jitomir	30, 00 4 37, 50			3,991	40, 135 206, 315		18 - 1 - 1 - 17
Kamenetz-Pod	30, 00 11 37, 50			J. J. OUA			1 - 3 12 2
Kamenetz-Pod. Kharkov. Khvalinsk.	25.00 11 30.00			62	22,042		
Kamenetz-Pod Kharkov Khyalinsk Kishinev	25.00 ¹¹ 30.00 30.00 ¹¹ 37.50			891	127, 487		
Kamenetz-Pod Kharkov Khvalinsk Kishinev Kodinzovo Koreiz	25.00 ¹¹ 30.00 30.00 ¹¹ 37.50 52.50 60.00				127, 487		
Kamenetz-Pod Kharkov Khvalinsk Kishinev Kodinzovo	25. 00 11 30. 00 30. 00 11 37. 50 52. 50			891	127, 487		

The central office being Duren and branches at Steeg and Velp.

Each of 3 parties, \$12; each of 4 parties, \$11.

Home.

Business.

Up to 6.

Double line.

⁷ Single line.
8 Same building.
9 Different building.
10 If in the same building.
11 The higher rates are for collective service.
12 Private company under concession.

TABLE A .- Unlimited service-Continued.

Country.	Exclusive.	Each of 2 parties.	Per additional party.	Number of sub- scribers.	Population.	Distance from exchange in miles.	Area of free service.
Russia—Continued. Moghilev-Pod¹ Mo(g)hilev Moscow, district of: Moscow¹ Odessa¹ Riga¹ Riga¹ Royno¹ St. Pefersburg¹ Warsaw¹ Sweden.	32,00 ² 51.00 25.00 ² 36.00 26.00 ² 37.50 12.50 25.00 ² 36.00 31.00 ² 45.00			6,842 8,876 4 261 46,842 28,935	53,718 25,141 1,468,563 520,000 318,400 7,964 1,907,700 771,000		

TABLE B .- Limited service.

		Bas	sal annual ch	arge.	Additional charges for service.					
Country.	Exclusive.	Number free calls		Each of—		Per	Number	Number		Charge per call
	Zatilisive.	included.	2 parties.	3 parties,	4 parties.	additional party.	calls per party.	calls.	Amount.	(esti- mated).
ustralia	\$14.60	None.	\$12.17			\$9.74	None.	4,000		\$0.01
	17.05	None.	13.37			11.00	None.	14,000	f	.00
	19.50 23.00	None.	14.60 16.00			12.17	None.	1,000	l	
ustria	24.00	3,000	16.00		10.00		2,400 3,000			None.
	30.00	6,000	16.00		10.00		6,000			None.
	36.00	12,000	16.00		10.00		12,000			None.
	26.00	2 2,400	18.00		11.00		2,400			None.
	29.00	3,000	18.00		11.00	********	3,000			None.
	36.00 43.00	6,000 12,000	18.00 18.00		11.00 11.00		6,000 12,000			None.
	29.00	2 2, 400	20.00		12.00		2,400			None.
	34.00	3,000	20.00		12.00		3,000			None.
	43.00	6,000	20.00		12.00		6,000			None.
	52.00	12,000	20.00		12.00		12,000			None.
	34.00	2,400	24.00		14.00 14.00		2,400			None.
	40.00 52.00	3,000 6,000	24.00 24.00		14.00		3,000 6,000			None.
	64.00	12,000	24.00		14.00		12,000			None.
	40.00	2 2, 400	29.00		17.00		2,400			None.
	48.00	3,000	29.00		17.00		3,000			None.
	64.00	6,000	29.00		17.00		6,000			None.
	80.00	12,000	29.00		17.00		12,000			None.
	48.00	2 2,400	36.00		20.00 20.00		2,400 3,000			None.
	60. 00 80. 00	3,000 6,000	36.00 36.00		20.00		6,000			None.
	100.00	12,000	36.00		20.00		12,000			None.
								1,200 2,000	\$7.72 11.58	
alalam	21.23	None.						3,000 4,500	15.44	4 1 3
elgium	23.16 25.09	None.			*********			6,000	20, 27 25, 09	· · · · · · · ·
	20.00	avoire.						8,000 10,000	30. 88 34. 74	
Denmark (business);	20.00	F 000		0.72	*0 70		4 400	11,200		THE !
Copenhagen. Fyen Island	32.00 18.75	5,000 1,200						100	1.75	.02
Fyen City	12.00-14.75	1,200						100	1.34	.02
First year	19.30	None.	1				100	6 85	100	1 .01
Second year		None.	J			5 5.79				.01
Third year	11.58 7.72	None.								01
ermany	19.04	400	2		de la constant		Tanker State		an action area	.01
	22.60	400								.01
	25.18	400								.01
	27.56	400						*********		.011
reat Britain:				the state of				1		6.02
London County Out of London County, but in London	10 24.55 10 19.45	None. None.	11 14.60	\$9.74	9.74	Up to 10, 9.74	}			7.04 8.02
talus 12				m sines		PICKET!	STATE OF THE PARTY			9.01
taly: 12 First year	19.30	None.				Ministration in				.009
Thereafter	11.58	None.								.009
Sorway						8.04				
Christianiawitzerland:	21.44	6,000			•••••	10.72		Per 1,000	2.68	
First year	19.30	None.						*********		.009
Second year	13.50	None.			*********					.009
A Met Chiter	7.72	None.	**********				**********	**********		+ 000

¹ Private company under concession.

² The higher rates are for collective service.

³ The maxim; m for business is \$21.44 for the first 5 years; thereafter, \$16.08. Entry fee for business, \$13.40. Installation contract is 5 years in all cases. Extra apparatus in appt's (minimum, 10 apparatus); 15 cr. (\$4.02) per apparatus.

Above.
 Residence only.
 Business houses can subscribe only to two-party lines.
 Per additional.
 Only in the same establishment.
 In London County.

[†] Outside.

\$ Same exchange.

\$ With other exchange.

\$ Minimum amount for calls, \$14.60.

If Minimum annual amount for calls, \$12.17.

These measured service rates may be enforced by Government.

TABLE B .- Limited service-Continued.

				A	dditional charges for service.	
Country.	Total cost per call, including basal charge.	Additional apparatus.	Population.	Number of subscribers.	Area.	Distance from exchange.
Australia		(1)	10,000 100,000 2 100,000		5-mile radius	2 miles. Per additional † mile: Exclusive \$2.40; per party, 60 cents.
Austria.		1	(-100,000	200	Network	
				200	do	Do.
				200	do	Do.
				200	do	Do.
	**********			500	do	
				500	do	Do.
				500 500	do	Do.
				2,000	do	Do. 1.25 miles.
				2,000	do	Do.
				2,000	do	Do.
				2,000	do	Do.
				5,000	do	1.86 miles.
				5,000	do	Do.
				5,000	do	Do.
				20,000	do	Do. 2.50 miles
				20,000	do	Do.
				20,000	do	Do.
				20,000	do	Do.
				2 20,000	do	3.73 miles.
		The second second second			do	Do.
					do	Do.
	*********		**********	1,000	do	Do. (1.864 miles.
Belgium		\$4.83-\$5.75		10,000	18.64 miles, in some cases 28 miles from exchange.	Do. Do.
Denmark (business): Copenhagen					Island	1.24 miles. Per additional 0.062 mile, \$0.
Fyen Island					Network	to \$1.
Fyen City					City	
France: First year	1000	E 70	3 00 000			
Second year		5. 79 5. 79	3 80,000			
Third year		5.79	* 80,000			0.62 mile.
Thereafter		5.79	\$ 80,000			
		1 12		f 1,000	Barrier M. Harris	3.10 miles.
	I I I I	-		5,000		Do.
Germany		44.76		10,000		Do.
		B Colors		\$ 10,000		Do.
Great Britain: London County	1					2 miles
Out o' Lendon County, but in London	1		***********			2.111103
Italy: \$ First year	2 - 1	4 8 EU 6 E		14		1.864 miles.
Thereafter			***************************************	*********		Do.
Norway, Christiania						0.93 mile.
Switzerland:						
First year	}					1.21 miles.

1 Same as parties.
2 Above.
3 Maximum.
4 In the same establishment only.
6 Per additional.
6 These measured service rates may be enforced.
(In nonlucrative Government offices (L.e., other than raffway, gas, electricity, etc.) the \$7.72 fee from beginning.)

TABLE C .- Long-distance or interurban rates.

	Aust (see 1	ralia note).	Belgin 3 mir	m, per	3 min-	minutes.	minutes.		minutes.1	minutes.				New Z unit min	ealand, of 3 utes.			Swed 3 mi	en, per nutes.	0
	First 3 min- utes.	Per additional 3 minutes.	Single calls.	Monthly con- tract.	Denmark, per utes.	France, per 3 m	Germany, per 3	Great Britain.	Hungary, per 3	Italy, per 3 min	Japan.	Luxemburg.2	Netherlands.	First.	Per additional.	Norway.	Russia.	Day.	Night.	Switzenland van
5 5 5 5	\$0.04 .06 .08 .12 .16 .16 .16 .24	\$0.04 .06 .05 .10 .12 .12 .12 .12 .18	\$0.10 14 .14 .14	\$0.026- .064 .039- .096	\$0.067 { .0938 .0938 .0938 .0938 .0938 .0938	* 80. 05	\$0.047 .06 .06 .06 .12 .12 .12 .12 .12 .12	\$0.12 .24 .24		\$0.04 .06 .06 .06 .05 .096 .096 .096 .096 .096 .096	\$0.025 .025 .05 .075 .075 .10 .10 .125 .125 .125 .125 .125 .125		\$0.08	4 \$0.06 		\$0.0268 .04 .04 .04 .067 .067 .067 .067 .067 .067 .067 .0938 .0938 .0938 .0938	\$0.05 .075 .075 .075 .15 .15 .15 .15 .15 .15	\$0.04		8

¹ Flat rate of \$0.30.

2 Between subscribers, free; nonsubscriber called subscriber, \$0.05 per 3 minutes; other calls, \$0.10 for first 3 minutes, \$0.05 per additional 3 minutes.

2 Between subscribers, free; nonsubscriber called subscriber, \$0.05 per 3 minutes; other calls, \$0.10 for first 3 minutes, \$0.05 per additional 3 minutes.

2 \$0.05 per 50 miles air distance between capitals of departments in which the terminals are located; night rate three-fifths (by subscription, two-fifths) of day rate

4 Subscriber only.

TABLE C .- Long-distance or interurban rates-Continued.

	Aust (see r		Belgiu 3 mir	m, per nutes.	3 min-	3 minutes.	3 minutes.		minutes	minutes.				uni	ealand, of 3 utes.			Swed 3 mi	en per inutes.	
First 3 min-	3 ites.	Per additional 3 minutes.	Single calls.	Monthly con- tract.	Denmark, per utes.	France, per 3 m	Germany, per 3	Great Britain.	Hungary, per 3	Italy, per 3 min	Japan.	Luxemburg.	Netherlands.	First.	Per additional.	Norway.	Russin.	Day.	Night.	
5	\$0.24	80.18	\$0.14)	\$0.039-	(\$0.134		\$0.24	\$0.24		\$0.193	80.15			\$0.18	\$0.06	\$0.134	\$3.25	\$0.08	\$0.04	
2	.24	.18	.14	.096	. 134		. 24	. 24		.193	.15			.18	.06	. 134	.25	.08	.01	167
	. 24	. 18	.14	.000	.134		. 24	. 24		.193	.15			.18	.06	.131	.25	.08	.04	
- 1	.32	.24	.14		.134		. 24	. 24		. 193	.175			.24	.08	.131	. 25	.08	.04	400
	.32	. 24			.134		. 24	. 24		.193	.175			.24	.08	.134	. 25	.08	.04	Mil.
	. 32	.24			. 134		. 24	.36		. 193	.175			.24	. 08	. 134	.25	.08	. 04	
	.32	.24			. 134		.24	. 36		. 193	. 20			.24	. 08	. 134	,25	. 03	.04	
	. 32	.24			.201		.24	. 36		. 193	.20			24	.08	.20	.25	.08	.04	
-	.44	. 32		******	.201		.24	. 36		. 193	. 20			. 36	.12	.20	.25	. 08	.04	III.
1	. 44	. 32			. 201		. 24	.36		. 193	. 225			.36	. 12	.20	.25	. 08	.04	1
3	.44	. 32		******	. 268		.24	.48		. 193	.25			.36	. 12	. 20	.25	. 08	.04	100
	.44	. 32			.268		.24	.48		. 193	. 25			. 36	. 12	.20	.25	. 08	.04	1
	. 44	. 32			. 268		. 24	.48		. 193	.275			. 36	. 12	.20	.50	. 08	.04	
3	. 56	. 42		******	. 268	*******	.24	.48		. 193	.30			. 48	. 16	.20	.50	.08	.04	1
	.56	.42			.268		.24	.48		. 29	. 325			.48	. 16	. 268	.50	. 134	. 08	
-	. 56	. 42			. 268		. 24	. 60		. 29	. 35			.48	. 16	. 268	.50	. 134	. 08	
	. 56	. 42			. 268		.24	. 60		. 29	. 375			.48	. 16	. 268	. 50	. 134	. 03	1.
	. 56	, 42			. 402		.24	. 60		. 29	.40			.48	. 16	. 268	. 50	. 134	. 08	100
3	. 68	. 50			. 402		.24	. 60		.29	. 425					. 268	.50	. 134	. 08	
31	. 68	. 50			. 402		.24	.96		. 29	. 45		*******		******	. 268	. 50	. 134	. 08	1.
	. 68	. 50			. 402		.24	.96		.29	.475					. 268	.50	. 134	. 03	
	. 68	.50			. 402		.24	.96		.29	.50				1.04	. 268	.50	. 134	.08	10
	. 68	.50					. 24	.96		,29	.50					.268	.50	.134	.08	10
	. 80	.50					.24	.96		******	.50					. 335	.50	. 134	. 08	
	. 80	.00			*******		.24	1.08		******	.50				******	. 335	.50	. 134	.08	1.
	.92	. 68					.36	1.08			. 625				******	. 335	.50	. 134	.08	-
	.92	.68					.36	1.08			. 625			1 00		. 335	.50	. 134	.08	100
	1.04	.78					.36	1.32			. 625						. 77	. 134	.08	1.
	1.04	.78					.36	1.32			.75						.77	.20		100
		******					.36	1.32	*******		.75						.77	.20		100
	******							1.44	*******	******	005						********	******	******	1-
	******						.36	1.56			1.00		*******				.77	.20	******	100
							.36				1.00							.268	. 134	100
	******						.36											.268	. 134	100
	******										1.125 1.25								******	150
	******	******						******			1.20						*******	. 335	******	1.
	******	******		******	*******		*******		*******		*******	*******	*******	0.00000000		D. D. C. C. C. C. C.	*******	.40	.20	1.
		******	******	(050	590	2 00 50						******	*******	*****		100000000000000000000000000000000000000		. 469	.268	1.
d	istance	22566	\$0.193	1 .002	. 536	\$ \$0.58 4 .35	.48	Sinch St	10000000000000000000000000000000000000	.385	1.375		\$0.12	22262		.402	PURSUITA LINE	.536	-268	

¹ Per additional 50 miles. ² Six minutes via telegraph circuits.

Note.-Press rate per 5 minutes about 65 per cent of public rate per 3 minutes.

Sources of Information. DOMESTIC.

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FOREIGN. Holcombe, Public Ownership of Telephone in Europe. La Journal Telegraphique et Telephonique, volumes 1 to 35. Postal reports, Great Britain. Postal reports, New Zealand. Statistical reports, Union Postale Universelle, Berne.

The Clerk read as follows:

The Clerk read as follows:

Northeast. Second Street, end of present pavement to V Street, grade and improve, \$5,200;

Northwest. Harvard Street, from Avenue of the Presidents eastward to end of pavement, pave, \$4,000;

Northwest. Allison Street, Eighth Street to Ninth Street, and Eighth Street, Webster to Allison Streets, grade and improve, \$5,200.

Northwest. Newton Place, Park Place to alley west of Warder Street, grade and improve, \$3,000;

Northwest. Jefferson Street, Seventh Street to Ninth Street, grade and improve, \$5,100;

Northwest. Jefferson Street, Seventh Street to Columbia Road, grade and improve, \$7,200;

Northwest. Fifteenth Street, Euclid Street to Eighteenth Street, grade and improve, \$1,800;

Northwest. Shepherd Street, Avenue of the Presidents to Piney Branch Road, grade and improve, \$5,500;

Northwest. Davenport Street, Wisconsin Avenue to Howard Street, grade and improve, \$5,000;

In all, \$85,500.

Mr. Chairman, I offer the following committee

Mr. SISSON. Mr. Chairman, I offer the following committee

amendment again.

The CHAIRMAN. The gentleman from Mississippi offers an amendment, which the Clerk will report.
The Clerk read as follows:

On page 22, after line 24, insert:
"Hereafter the street designated as 'The Avenue of the Presidents' shall be known and designated as 'Sixteenth Street,' in accordance with the original plans of the city of Washington."

Day.

The CHAIRMAN. The question is on agreeing to the amend-

The amendment was agreed to.

Mr. SMITH of Maryland. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Maryland offers au amendment, which the Clerk will report.

The Clerk read as follows:

Amend, on page 22, after line 6, by adding the following: "Northeast, Hunt Place, Deane Avenue, and Grant Street, fr nesota Avenue to Division Avenue, grade and improve, \$14,400.

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. MANN. Mr. Chairman, I reserve a point of order on that. Mr. PAGE of North Carolina. If the gentleman is going to make a point of order-

Mr. MANN. I reserve a point of order. I could not understand what the amendment was. May we have it reported again?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The amendment was again reported.

Mr. MANN. I shall not make a point of order against it. Mr. PAGE of North Carolina. Mr. Chairman, I am constrained to make the point of order that the amendment comes too late. The paragraph has been completed, and the total has been read.

The CHAIRMAN. The Chair would call the gentleman's attention to the rule which requires the reading of the paragraph to be concluded.

Mr. PAGE of North Carolina. The item at the end of the

That is the point I made,

Mr. MANN. Mr. Chairman, I do not think the point of order is good, for two reasons. The first reason is it is not within the power of the committee to strike out some other item. And the second is, the law is that where the totals are not the same as some of the items, the items control, and not the total. And I presume that would apply in this case.

Mr. PAGE of North Carolina. I desire, also, to call the attention of the Chair to the fact that other business has intervened since the reading of the last item relating to streets. A committee amendment was offered by the gentleman from Mississippi [Mr. Sisson] changing the name of a street in the city of Washington.

Mr. MANN. It came at the end of the street business

Mr. PAGE of North Carolina. It was reported after the paragraph was read.

Mr. MANN. The amendment was reported to come in on

page 22, after line-

Mr. PAGE of North Carolina. The gentleman is mistaken. Mr. MANN. How does the amendment read?

Mr. PAGE of North Carolina. The one that was adopted?

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

On page 22, after line 24, insert: "Hereafter the street designated"—

And so forth.

Mr. MANN. Then read the amendment that is pending.

The Clerk read as follows:

On page 22, after line 6, add the following:

Mr. MANN. Of course, we had passed that place.

Mr. SISSON. The gentleman from Illinois, of course, understands after we had read the total of \$85,500, I then offered an amendment in reference to the change of the name of a street. Mr. MANN. Of course, we had passed that part of the bill.

The amendment is now too late.

Mr. SISSON. The amendment has passed that line and

comes too late.

Mr. PAGE of North Carolina. The thing that I was calling to the attention of the Chair was that the committee amendment was offered at the end of line 23, on page 22.

Mr. MANN. Well, we passed over line 6 some time ago. We

can not go back to it except by unanimous consent.

The CHAIRMAN. The Chair finds on examination that each of these two lines here, containing separate items, constitutes a paragraph within the meaning of the rule, and the point of

order would be well taken. The Clerk will read.

Mr. FOWLER. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. FOWLER. Where a paragraph consisting of many items and punctuated as this paragraph is, I ask the Chair, as a we reach the conclusion? That would be on page 33, after the words "abutment, \$30,500."

The CHAIRMAN. The Chair will state to the gentleman that that is an entirely independent proposition, and it carries its

own appropriation.

Mr. FOWLER. That would be after the words "in all, \$35,500." That is the conclusion of the whole paragraph, Mr. Chairman, as I understand it.

Mr. PAGE of North Carolina. So it is; but if the gentleman

will permit-

Mr. MANN. Mr. Chairman, it has always been held that each one of these paragraphs is a paragraph regardless of the

Mr. FOWLER. Mr. Chairman, just the reverse was held during the entire Sixty-second Congress, and I challenge the gentleman to find one instance in which the ruling of the Chair was

to the contrary.

Mr. MANN. Well, Mr. Chairman, I could find many instances where the practice was to the contrary. I have never heard of anyone raising the question, I think, except possibly in connection with the agricultural appropriation bill, where a great many items concerning forest reserves appeared. They are all treated as separate paragraphs, and they are separate paragraphs. That is a matter of grammatical construction, and I appeal to my colleague that he must know, as a matter of construction, that each of these is a separate paragraph.

Mr. FOWLER. Yes; but, Mr. Chairman, where an appropriation seeks to provide for several items in which they are placed as only fragments of a paragraph it has been the unbroken custom, or was during the Sixty-second Congress, to hold that it took all of those fragments to constitute the paragraph, and repeated rulings were had during the Sixty-second Congress to

that effect.

The CHAIRMAN. The Chair is informed that on a section of the bill containing a number of independent items, each giving a separate and distinct subject matter, amendments are in order at the conclusion of the reading of each separate item, such as we find on page 23, and in accordance with that information the Chair sustains the point of order at present.

Mr. MANN. The Chair is right.

Mr. FOWLER. The Chair is wrong.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

The cierk read as follows:

The authority given the Commissioners of the District of Columbia in the act making appropriations for the expenses of the District of Columbia approved March 2, 1907, to make such changes in the lines of the curb of Pennsylvania Avenue and its intersecting streets in connection with their resurfacing as they may consider necessary and advisable is made applicable to such other streets and avenues as may be improved under appropriations contained in this act: Provided, That no such change shall be made unless there shall result therefrom a decrease in the cost of the improvement.

Mr. JOHNSON of Kentucky. Mr. Chairman, I reserve a

point of order on that.

The CHAIRMAN. The gentleman from Kentucky reserves. a point of order.

Mr. JOHNSON of Kentucky. I would like to inquire of the gentleman from North Carolina as to whether or not this provision would authorize the purchase of new curbing or stones, as it did when the work was done on Pennsylvania Avenue?

I am advised-I do not know whether correctly so or notthat under a provision like this real good curbing was taken up and thrown away and curbing from somewhere else brought in. The gentleman from Georgia [Mr. Howard] lodged some complaint with the Committee on the District of Columbia re-lating to it, alleging that there was discrimination against one concern offering the stone. As the matter has come up, I would like to know what expense can be incurred under this item.

Mr. PAGE of North Carolina. My understanding of the expense that may be incurred under this item, I will say to the gentleman, is that authority was placed with the commissioners to narrow a street at certain points, as originally given on Pennsylvania Avenue, the purpose and necessity of it being at certain points in the city to protect the line of shade trees by the curb where the present line could not do so. But I can not conceive any authority for the purchase of curbing.

Mr. JOHNSON of Kentucky. I do not recall the exact wording of the District appropriation bill last year, as to that part of it, but the curbing was taken up there last year and put back in the same place, but with new granite. The only damage done to the trees was done by the steam engine which hoisted out the blocks that were there, and putting back others, by burning the trees. I think the blocks were put back in the

same place.

Mr. PAGE of North Carolina. I can not throw any light on that; but I will say to the gentleman that this provision is in the same language as the last appropriation bill, and the commissioners stated, in connection with it, that they desired it chiefly to protect the shade trees in the work of making the street grades conform one with another.

Mr. JOHNSON of Kentucky. The gentleman from North Carolina, then, interprets it that it provides only for straight-

ening?

Mr. PAGE of North Carolina. Yes. I call the gentleman's attention to the proviso in this paragraph. A limitation is placed there in this language:

That no such change shall be made unless there shall result there-from a decrease in the cost of the improvement.

Mr. JOHNSON of Kentucky. Very well, Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The gentleman from Kentucky withdraws

the point of order.

Mr. MONDELL. Mr. Chairman, I offer an amendment.
The CHAIRMAN. The gentleman from Wyoming offers an amendment which the Clerk will report.

Mr. MONDELL. It comes in at the end of line 5 on page 24. The Clerk read as follows:

Mr. MONDELL. It comes in at the end of line 5 on page 24. The Clerk read as follows:

Amend by adding at the end of line 5, page 24, the following:

"For constructing a suitable viaduct and bridge to carry Benning Road over the tracks of the Philadelphia, Baltimore & Washington Railroad Co., and of the Baltimore & Ohio Railroad Co., In accordance with plans approved by the Commissioners of the District of Columbia, to be available until expended, \$110,000.

"And the commissioners are hereby authorized to make the necessary expenditures for the construction of said viaduct and bridge and approaches under the like conditions prescribed for the expenditure of the appropriation for a subway and bridge at Cedar Street, contained in the act of May 18, 1910, making appropriations for the expenses of the District of Columbia for the fiscal year 1911: Provided, That the cost of constructing said viaduct and bridge within the limits of the rights of way of said Philadelphia, Baltimore & Washington Railroad Co. and the Baltimore & Ohio Railroad Co. shall be borne and paid, half by said railroad companies in proportion to the widths of their respective rights of way and half by the United States and the District of Columbia, as provided in section 10 of an act entitled 'An act to provide for a union railroad station in the District of Columbia, and for other purposes,' approved February 28, 1903, and said sums shall be paid by said companies to the Treasurer of the United States, one half to the credit of the District of Columbia and the other half to the credit of the United States, and the same shall be valid and subsisting liens against the franchises and property of said Philadelphia, Baltimore & Washington Railroad Co., and the Baltimore & Ohio Railroad Co., respectively, and shall be a legal indebtedness of said companies in favor of the District of Columbia, and the said lien or liens may be enforced in the States as aforesaid, and the said lien or liens may be enforced in the

name of the District of Columbia by bill in equity brought by the commissioners of said District in the supreme court of said District, or by any other lawful proceedings against the said Philadelphia, Baltimore & Washington Railroad Co. or said Baltimore & Ohio Railroad Co., or both, and any relocation in the line or change in the grade of the tracks of the Washington Railway & Electric Co. necessary to permit the completion in accordance with approved plans of the viaduct and bridge and approaches herein provided for shall be made by and at the cost of said railway company, and in the event of said railway company falling or refusing to do such work the same shall be done by the Commissioners of the District of Columbia, the cost to be paid from the appropriation for said bridge and viaduct and collected from said street railway company in the manner provided for in section 3 of 'An act providing a permanent form of government for the District of Columbia,' approved June 11, 1878, and paid into the Treasury, one-half to the credit of the United States and one-half to the credit of the District of Columbia."

Mr. PAGE of North Carolina Mr. Chairman I make a point

Mr. PAGE of North Carolina. Mr. Chairman, I make a point of order against the amendment.

Mr. MONDELL. Will the gentleman withhold his point of

Mr. PAGE of North Carolina. I want to be courteous to the How much time does the gentleman desire?

Mr. MONDELL. About two minutes.

Mr. PAGE of North Carolina. I will withhold the point of order for two minutes.

Mr. MONDELL. Mr. Chairman, I think the item is subject to a point of order, although there is some question in regard to that. However, I desire to call to the attention of the com-mittee this needed improvement. It is one of the improvements estimated for by the Commissioners of the District of Columbia.

It is very important that these five tracks of the Pennsylvania Railroad and the Baltimore & Ohio Railroad be covered by a viaduct, as the crossing is quite dangerous in its present shape. It should be remarked that this Benning Road is the principal highway to the District of Columbia from a very large section of Maryland. The State of Maryland has built a fine concrete highway extending, I think, some 60 or 70 miles into Maryland, which connects with Benning Road. In fact, there are two fine highways in Maryland that are reached from Benning Road. These fine Maryland highways are entitled to consideration by the authorities of the District of Columbia.

It is not only in the interest of the people of the District that this improvement should be made, and we not only owe it to them to make them, but we owe it to the progressive spirit that has been shown by the State of Maryland in the building of splendid highways to connect with this city. We should not require the people who travel over those highways to cross over five tracks of these two railroads in entering the District of Columbia.

Mr. PAGE of North Carolina. Mr. Chairman, in reply to what the gentleman from Wyoming [Mr. MONDELL] has said, I shall not undertake to argue the point of order. The gentleman did not argue it, but conceded it, as I understand.

This item has been included in the estimates forwarded to Congress during the last three Congresses, if not more. It proposes to construct a viaduct over these railroad tracks, and in each instance it has been proposed that the railway company shall pay only half of the cost of the bridge over their right of way. In the first instance, this has no place upon this bill. is a matter of legislation that ought to go to the legislative committee of the District, and upon that I have based my point of order.

But if the legislation was to come upon this floor, as one Member of Congress I should insist that the railroad companies should bear the whole cost of the work, where the construction of the viaduct means vastly more than the mere construction across the right of way.

In insist on my point of order.

Mr. MONDELL. Will the gentleman yield for just one state-

Mr. PAGE of North Carolina. Certainly.

Mr. MONDELL. Does not the statement just made by the gentleman emphasize the importance of having the committee which has jurisdiction over these matters take them up and bring in legislation that will be fair, equitable, and just, so that the House can pass upon it?

Mr. PAGE of North Carolina. I will say to the gentleman, that I am not a member of the Committee on the District of Columbia, and it is for them to decide what they will consider and what they will report.

Mr. MONDELL. The statement made by the gentleman from North Carolina emphasizes the importance of this improvement which the District needs and is asking for, but which the Committee on the District of Columbia, which has jurisdiction of it, refuses to give any attention to. The crossing is dangerous and should be made safe. I hope the District Committee will give the subject favorable consideration.

The CHAIRMAN. The Chair sustains the point of order. The Clerk will read.

The Clerk read as follows:

Highway Bridge across Potomac River: Draw operators—2 at \$1,020 cach, 2 at \$720 each; 4 watchmen, at \$600 each; labor, \$1,500; lighting, power, and miscellaneous supplies, and expenses of every kind necessarily incident to the operation and maintenance of the bridge and approaches, \$8,620; in all, \$16,000.

Mr. FOWLER. Mr. Chairman, I reserve a point of order against the paragraph.

The CHAIRMAN. The gentleman from Illinois reserves a point of order.

Mr. MONDELL. Mr. Chairman, I offer the following amend-

The CHAIRMAN. The gentleman from Wyoming offers an amendment which the Clerk will report.

The Clerk read as follows:

On page 25, after line 2, insert: "For surfacing with asphalt the roadway of approaches on both sides of the Highway Bridge, \$30,000."

Mr. PAGE of North Carolina. I reserve a point of order against the amendment.

Mr. FOWLER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman from Illinois will state his point of order.

Mr. FOWLER. When a point of order is made against a paragraph, can any further proceedings be had with reference to the paragraph in the way of amendment until the point of order is settled?

The CHAIRMAN. There can not. Does the gentleman from

Illinois make his point of order?

Mr. FOWLER. The question I desire to ask of the gentleman in charge of the bill is this: On page 24, line 23, the bill provides for two drawbridge operators at \$1,020 and one at \$720. I want to ask the gentleman why there should be an increase of one at a salary of \$720?

Mr. PAGE of North Carolina. I think I can make an explanation that will be satisfactory to the gentleman from Illinois; at any rate, it was satisfactory to the subcommittee. The testimony before the committee showed that these men were required to work, on account of the lack of a sufficient number, 12 hours a day, Sundays included. If we gave them another man, it would not only shorten the hours but it would give them a little leisure on Sunday.

Mr. FOWLER. Would it give each a Sunday alternating? Mr. PAGE of North Carolina. That is the understanding

of the committee.

Mr. FOWLER. Was that the prime object in making this addition to the appropriation? Mr. PAGE of North Carolina. I do not know that it was the

prime object, but it was one of the two. Mr. FOWLER. The other was the shortening of hours?

Mr. PAGE of North Carolina. And the other was giving these men some relief on Sunday.

Mr. FOWLER. That is a very worthy object, and I with-

draw the point of order, Mr. Chairman.

Mr. PAGE of North Carolina. Mr. Chairman, I withdraw the point of order against the amendment, because I am willing to concede that it is not subject to a point of order.

Mr. MONDELL. Mr. Chairman, I do not desire to detain the House; the only desire I have is to bring this matter before the committee. This proposes to repave the approaches on each side of the Highway Bridge, which the commissioners say are very badly worn and need improvement. I hope the committee will approve the amendment.

The CHAIRMAN (Mr. BEALL of Texas). The question is on the amendment offered by the gentleman from Wyoming.

The question was taken; and on a division (demanded by Mr. Page of North Carolina) there were-yeas 10, nays 15.

So the amendment was lost, The Clerk read as follows:

For completion of the construction of a bridge across Rock Creek on the lines of Pennsylvania Avenue, in accordance with plans approved by the Commissioners of the District of Columbia, \$135,000.

Mr. FOWLER. Mr. Chairman, I caught from the reading of the Clerk that the appropriation was \$125,000. I may have been mistaken, but I desire to know whether it is \$135,000 or

The CLERK. One hundred and thirty-five thousand dollars.

The Clerk read as follows:

Rock Creek main interceptor: For continuing construction of the Rock Creek main interceptor from P Street to Military Road, \$40,000.

Mr. REED. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I received a communication recently from a man in my district who subscribes himself as one of my constituents, and he wishes to send a protest, which I desire to

have printed in the RECORD. I asked unanimous consent this morning for the purpose of extending my remarks in the Record and publishing this letter, but objection was made. I should be very glad to print it in the Record now, without reading, if I can have consent, and if not I will read it in my own time.

Mr. MANN. Mr. Chairman, I make the point of order that the gentleman is not talking to the question before the House. If the gentleman wishes to print a short letter in the RECORD, I have no objection. The gentleman can not get around his unanimous-consent proposition by taking the floor in the fiveminute debate.

Mr. REED. The gentleman from Illinois objected to my unanimous-consent request this morning, and I hope he will withdraw it.

Mr. MANN. I objected because I had no idea what the gentleman wanted to put in the RECORD, whether it was a book or a set of books or a short article.

Mr. REED. The gentleman knew that it was not a set of ooks. I made my position plain by stating to him on the books. floor of the House

Mr. MANN. I beg the gentleman's pardon, but he did not make himself clear, because the gentleman was interrupted by somebody.

Mr. REED. This is a simple letter that I wish to put in the RECORD.

Mr. MANN. I have no objection at all.

Mr. REED. I thought perhaps the gentleman did not understand it.

Mr. MANN. I have no objection to the gentleman's inserting the letter in the RECORD.

The CHAIRMAN. The gentleman from New Hampshire asks unanimous consent to print in the RECORD a letter from one of his constituents. Is there objection?

There was no objection. The letter is as follows:

There was no objection.
The letter is as follows:

As one of your constituents, I wish to send you a protest. It is to this effect:
Some of the speeches made against the Democratic administration last week at the annual meeting of the Civil Service League, at Boston, were unfair and undiscriminating. Even the better of them failed to see the full significance of the iast election. Every speaker saw nothing more than a change of Republican officeholder; and from this point of view, every dismissal of Republican and the installation of Democrat was the sign of a bad and deteriorating Government.

Now, from a central point of view, was there no deeper significance than that? Just a Republican going out and a Democrat coming in? Nothing more?

In my own fight, I fought for not only a change of men, but for a change of principle; not only for a change of name, but a fresh polley and procedure.

In any own fight, I fought for not only a change of men, but for a change of principle; not only for a change of name, but a fresh polley and procedure.

In the constant of the contract of the contract of New Hampshire and elsewhere—meant anything, it expressed a protest against the wide gap Republican politics and procedure had made between all economic machinery and humanity. It meant a deep protest against the absolute rule of gold. It meant at least a fighting chance for the golden rule in economics, politics, and social ethics.

The election was a definite recognition that modern economic problems were the old problems of chattel slavery appearing in a new face. That the new freedom "implied as great an emancipation as any ever made, and that each one had the same right to himself and herself that any man or woman has."

If this fundamental shifting in national politics is true, what becomes of principles under absolute and rigid civil service? Has civil service the right to demand only correct penmanship, statistical accuracy, prompt office hours, etc."

The Hon, ELHBU Roor has a right to his view has well as machinery.

If he said thus as reported, could she have been saved by the most perfect civil service, all other things being as they were?

Was not Greece's decline caused by what once caused modern Denmark's decline? England's civil service is pretty good; but why is it not checking her decline? Will Germany's ultimate decline be checked by a simple rigid civil service?

In Rome the growth of militarism brought about a decay of what is fundamental to every nation—agriculture. Small holdings were swallowed up by large estates. These were worked with slave labor. The peasant farmers went to the cities. There was better pay, shorter hours, greater social appeal to him and his family. Commercial and industrial work was held in contempt by the Roman.

Will civil service remedy these modern conditions in our country, in Denmark, Germany, Belgium, etc.? Will an undisturbed diplomatic corps bring the remedy?

Denmark's wonderful upswing out of the depressing military and economic conditions came out of a line of men and principles that were radically opposed by the civil-service interests of Copenhagen. It came about by finding efficient men with an efficient principle and an efficient procedure.

And this is the combination we so sorely need to day—not, on the

And this is the combination we so sorely need to day—not on the low and paltry basis of spoils to the victor, but that the political and economic faith of just men may be made perfect.

Sincerely,

LEWIS H. BUCKSHORN.

CHICHESTER, N. H.

The Clerk read as follows:

Bathing beach: Superintendent, \$600; watchman, \$480; temporary services, supplies, and maintenance, \$2,250; for repairs to buildings, pools, and upkeep of grounds, \$1,500, to be immediately available; in all, \$4,830.

Mr. JOHNSON of Kentucky. Mr. Chairman, I make a point of order against the paragraph. I send to the desk volume 26 of the United States Statutes at Large and ask the Chair to refer to page 490, and there he will find that there is an authorization for the District of Columbia to maintain a bathing beach-

Mr. PAGE of North Carolina. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is sustained.
Mr. MONDELL. Mr. Chairman, I offer the following amendment.

On page 27, after line 15, insert the following:

"For bathing beach on the shore of the tidal basin in Potomac Park, including buildings, wharves, boardwalks, cribs, floats, and appurtenances, \$66,000.

"For bathing beach on the shore of the Eastern Branch or Anacostia River, including buildings, wharves, boardwalks, cribs, floats, and appurtenances, \$21,000."

Mr. PAGE of North Carolina. Mr. Chairman, against that I

reserve a point of order.

Mr. MONDELL. Mr. Chairman, this amendment is subject to a point of order if the item in the bill that went out is subject to a point of order. I want to ask the gentleman from North Carolina a question in regard to that item that just went out on a point of order.

Is it not true that no expenditure can be made by the Commissioners of the District of Columbia except by authorization of Congress

Mr. PAGE of North Carolina. I think that is true.

Mr. MONDELL. And is it not also true that there is a general law which provides that so far as bathing beaches are

concerned the sum total shall be paid by the District?

Mr. PAGE of North Carolina. The gentleman is arguing to

Mr. PAGE of North Carolina. The gentleman is arguing to the gentleman from North Carolina a question relating directly to the point of order which he should argue to the Chair.

Mr. MONDELL. But the Chair decided the point of order so quickly that I did not have an opportunity to do so.

Mr. PAGE of North Carolina. The Chair decided it because I conceded the point of order. The whole matter was thrashed out over a year ago. All of the precedents were brought out and a decision was rendered. This item went out on a point of order, and I see no use of spending an hour of time in arguing the question again.

Mr. MONDELL. I do not care to take the time of the com-

Mr. MONDELL. I do not care to take the time of the committee to argue the matter, if that is the situation, but it seems to me very extraordinary, in view of the fact that this expenditure can only be made by an act of Congress, that the committee has no authority to authorize this expenditure. Otherwise how can the District maintain these bathing beaches?

Mr. SISSON. Mr. Chairman, I will state to the gentleman that the law provides that all expense of bathing beaches shall

be borne by the District of Columbia. This item is not under the half and half plan. When the item was up in Congress last year quite a good deal of time was consumed in discussion, and the Chair decided it was subject to a point of order, and

it went out of the bill.

Mr. MONDELL. In other words, that there can be no appropriation made for bathing beaches.

Mr. SISSON. Not under the present rules of the House by

an appropriation committee.

Mr. MANN, Mr. Chairman, will the gentleman from Wyoming yield?

Mr. MONDELL. Certainly.

Mr. MANN. Does the gentleman suppose that the Democratic Party would provide for bathing beaches if it could be avoided? Mr. PAGE of North Carolina. Oh, we do not need them as

much as other people do.

Mr. SISSON. I will say to the gentleman that the committee has provided them in the bill, but they have been stricken out

on a point of order. They think they do not need them, and hence Mr. MANN.

they never make use of it.

Mr. MONDELL. Mr. Chairman, I have never thought the great unwashed, however much they may be entitled to that designation, would object to other people taking a bath if they had the disposition to do so. This proposition is to allow the youths of the District to take a bath occasionally and to learn to swim. The items that I have offered are clearly subject to a point of order, because they are new items. They provide for new construction, and I offer this item simply to emphasize this fact, that here is another project—I think the ninth or tenth that I have offered, and I have 8 or 10 more-all of very great importance to the people of the District of Columbia, that ought to be passed upon, that ought to be provided for. In the meantime the committee that has charge of these matters, to wit, the District Committee, seems to spend all of its time in endeavoring to put further burdens upon the District, and when not doing that complaining of criticisms aimed at them by the newspapers and the citizens of the District on account of their neglect to do constructive things and an everlasting insistence on doing destructive things. We can not provide for these bathing beaches, the Chair holds, and the District Committee refuses to do so. I want to remind my friend from North Carolina that he stated here the other day that the subcommittee had approved of this item.

Mr. PAGE of North Carolina. As individuals, yes; but not a committee. I said the members of the subcommittee indias a committee. vidually approved this item. We did not as a subcommittee. No judgment was expressed, because we did not consider it as a committee. My statement was that the individual members of that committee favored the establishment of these bathing

beaches. I would like to be properly quoted.

Mr. MONDELL. The individual members approved it, and then Mr. Buttinsky, with a physician, with a large microscope, and a much larger imagination, came in with the discovery of bugs in the Potomac water, and that gave the individual members of the subcommittee an excuse for not doing that which their judgment approved.

PAGE of North Carolina. Will the gentleman pardon me? He tried to put that same word in my mouth the other

-a reason, not an excuse.

Mr. MONDELL. Really, does the gentleman mean to say that that was a reason?

Mr. PAGE of North Carolina. I do not hesitate to say that so far as this gentleman is concerned that was the reason.

Mr. MONDELL. Then there is another matter for the District Committee to consider. Will they consider it?

The CHAIRMAN. The time of the gentleman from Wyoming

has expired. Does the gentleman from North Carolina make the point of order? Mr. PAGE of North Carolina. Mr. Chairman, I make the

point of order.

The CHAIRMAN. The point of order is sustained. The Clerk read as follows:

For the purchase and installation of a new 25-ton railroad scale, to be immediately available, \$1,200.

Mr. MONDELL. Mr. Chairman, a moment ago, on the motion of the chairman of the District Committee, the only item contained in this bill giving the young people of the District of Columbia an opportunity to bathe under proper supervision and regulation was stricken from the bill, and yet there are gentlemen who wonder why it is that the newspapers in the District of Columbia and some of the citizens of the District criticize Members of Congress because of their attitude toward the District of Columbia. I doubt if there is a city in the Union of any considerable size that has not more bathing pools and public bathing beaches than the District of Columbia, the capital of the Nation, this great and beautiful city; and yet a Member of the House, charged by appointment with the duty of giving consideration to the needs of the District, feels it is his duty to strike from this bill an appropriation of \$4,800, the only appropriation made in the bill for the maintenance of these entirely inadequate facilities they now have. The committee having charge of these matters refuses, declines, or neglects to make any additional provision whatsover whereby the youths of visions preceded by the word "hereafter," and when so inserted,

the District can learn to swim and can occasionally get a bath in the open under proper supervision; and the chairman of that committee is instrumental in striking from the bill the small sum now in it for maintenance of the bathing beach. And yet gentlemen wonder that the people of the District do not approve the kind of treatment they give them. For one, I am surprised at the moderation displayed by the people and papers of the District.

The Clerk read as follows:

For salaries: Clerk (stenographer and typewriter), \$900; supervisor, \$2,500; to be employed not exceeding 10 months—13 directors of playgrounds or recreation centers at \$65 per month each, assistant director at \$60 per month; to be employed not exceeding 7 months—2 assistant directors at \$60 per month each, assistant director at \$60 per month; to be employed not exceeding 3 months—assistant director at \$60 per month, 13 assistants at \$45 per month each; watchmen to be employed not exceeding 12 months—12 (including 1 for recreation grounds in Rock Creek Park) at \$45 per month each; general utility man at \$60 per month for 4 months; in all, \$22,595.

In all, for playgrounds, \$31,595, which sum shall be paid wholly out of the revenues of the District of Columbia.

Mr. PAGE of North Carolina. Mr. Chairman, I desire to offer an amendment to correct the totals.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

On page 28, line 15, strike out "\$22,595" and insert in lieu thereof "\$22,295"; and, on page 28, in line 16, strike out "\$31,595" and insert in lieu thereof "\$31,295."

The question was taken, and the amendment was agreed to. Mr. SIMS. Mr. Chairman, will the gentleman yield for just a question?

Mr. PAGE of North Carolina. I yield.

Mr. SIMS. Does this playgrounds appropriation come wholly out of the revenues of the District?

Mr. PAGE of North Carolina. Yes; it is so stated in the text

of the report.

Mr. SIMS. Does not the gentleman think he may be violating the act of 1878 by making any charge wholly on the people of the District of Columbia?

Mr. PAGE of North Carolina. The gentleman whom the gentleman from Tennessee is now addressing did not perpetrate this great outrage, but it was written in the law in the establishment of these playgrounds by the House of Representatives and we felt we should follow those directions

Mr. SIMS. I knew the gentleman had a very high regard for not only the constitution of the District of Columbia, but for all constitutions, and I did not know whether he had done this

insidiously or not.

Mr. PAGE of North Carolina. I assure the gentleman I did

Mr. SIMS. There was nothing insidious about it?

Mr. PAGE of North Carolina. No. Mr. MANN. Mr. Chairman, I move to strike out the last ord. I notice in the current law in reference to the absence of members of the staff of the playgrounds it authorizes some one to fill their places. Why is that left out of this bill? Mr. PAGE of North Carolina. I did not quite catch what the

gentleman said.

Mr. MANN. The current law provides that in case of any unauthorized absence or disability of any member of the play grounds staff the salary during such absence or disability shall be available to pay substitute employees during such absence.

Mr. PAGE of North Carolina. I will say to the gentleman it

is permanent law.

Mr. MANN. I will say to the gentleman it is not permanent

Mr. PAGE of North Carolina. Well, it was so considered by your committee.

our committee.

Mr. MANN. I am very sorry they so considered it.

Mr. PAGE of North Carolina. The courts have very often held, if I am not mistaken, that the use of the word "hereafter" made it permanent. That language is in the last bill.

Mr. MANN. The word "hereafter" is not used here. The

form used is the form that has always been used merely for

current law

Mr. PAGE of North Carolina. That is not a limitation, I will say to the gentleman, on the amount of money that is carried in this bill or in the last bill, and therefore our construction was that it was permanent law, and it is perfectly useless

to carry it, as it effected no real purpose.

Mr. MANN. Well, the ruling of the comptroller for many years—I do not know what the new comptroller may rule—but the ruling of the comptroller for many years was that a provision of this sort inserted in an appropriation bill only applied to the fiscal year for which the appropriation was made. Now, in recent years we have been in the habit of inserting such propreceded by the word "hereafter," the ruling of the comptroller has been that that made it permanent law. Now, I grant you that it is a very fine-hair distinction, and yet it is a distinction made that comptrollers for years have followed, because Congress itself has made that distinction right along.

Mr. PAGE of North Carolina. Mr. Chairman, I confess to the gentleman that the point is so finely drawn that I fail to grasp it, and I have not that familiarity with the decision of

the comptroller-

Mr. MANN. The gentleman will readily see that it is often desirable for Congress to put a provision in the law, maybe as a matter of experiment, which is only applicable for the fiscal year for which the appropriation is made, and nobody will object to it, whereas, if you put it in as a permanent law, a point of order would be made, and for years the House has followed that rule.

Mr. PAGE of North Carolina. I will ask the gentleman if that has not been true in those instances where a limitation was intended?

Mr. MANN. Oh, no; it is not confined to that at all.

Mr. FOSTER. May I ask my colleague a question? Mr. PAGE of North Carolina. It is a matter about which I

have personally no pride of opinion.

Mr. MANN. I understand.

Mr. PAGE of North Carolina. And it was a matter that was unanimously agreed to in committee; we may have been mis-taken about it.

Mr. MANN. I say very frankly, if it should be the ruling that a provision like this would be permanent law, I would make a point of order, when nobody knows what it would be. have made that a practice for years, the House being perfectly willing to let a provision go in when it was only for the fiscal year which it would not write as permanent law after a trial.

Mr. PAGE of North Carolina. If the gentleman will allow me, I find here that in case of the unauthorized absence or disability of any member of the playground staff the salary during such absence or disability shall be available to pay substitute employees during the fiscal year. That is the language that appeared in the last appropriation bill.

Mr. MANN. Yes; I just read the language. Mr. PAGE of North Carolina. The view of your committee was that it became permanent law, that it was not necessary to write it into the paragraph every time this appropriation was made, and that it would not affect in the slightest degree the

appropriations herein made by its omission.

Mr. MANN. Of course, if it is permanent law, it does not need to be ever written in again, but under the rulings of the comptroller it is not permanent law. It is a provision put in for the fiscal year in connection with the appropriation and was not intended as permanent law. The gentleman who had charge of the bill last year did not believe it was permanent law. If the gentleman wants to make it permanent law, if I was in his place, I would offer it again, with "hereafter" written in, in order to make it permanent law.

Mr. PAGE of North Carolina. I can not say that I do desire to make it permanent law. It is one of those matters that the committee could pass upon from time to time, if it cared to. But the decision of the comptroller, with which the gentleman is familiar, was not brought to the attention of this committee. The gentleman cites that decision, but I have not seen it, although, of course, I am ready to accept the statement made by the gentleman, as I have great confidence in his judgment.

Mr. MANN. I will not take the trouble to cite it, but the next time one of these items is offered in an appropriation bill I shall make the point of order, and let that side of the House produce the decision, on the ground that it is not permanent law. I have read the decision, and a number of them on that

subject

Mr. STAFFORD. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Wisconsin [Mr. Staf-FORD] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Insert as a new paragraph, after line 17, page 28, the following: "For music at Sunday sacred concerts at the public parks and squares, \$10,000."

Mr. PAGE of North Carolina. Mr. Chairman, I make a point of order on that.

Mr. STAFFORD. I hope the gentleman will reserve it.

Mr. PAGE of North Carolina. How long does the gentleman want?

Mr. STAFFORD. Several minutes.

Mr. PAGE of North Carolina. I will reserve the point of order for five minutes.

Mr. STAFFORD. Mr. Chairman, several years ago, when the District bill was under consideration, I proposed a similar amendment to that which is presented here to-day. I had hoped in the intervening time that some action would have been taken by the committee at the suggestion of the District Commissioners, but up to the present time, after scanning the hearings as closely as one can, I can find no recommendation for providing music in the public parks for the denizens of this District who are obliged to spend the sultry summer months in the city of Washington. We have had recommendations from the new commissioners in favor of fish wharves, municipal bathing establishments, and municipal boarding houses, and all that character of municipal reform, but no word of recommendation providing music for the people of the District, which so many other cities of the size of Washington provide for their people.

Mr. MONDELL. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. I will yield for a question.
Mr. MONDELL. What encouragement is there for the commissioners to ask for more when they can not get any of the

things they do ask for?

Mr. STAFFORD. I should at least think that these commissioners, if they are acquainted with the practices of other cities of the size of Washington, would have incorporated in their program of reform some little item like this of \$10,000 to prowide music for the people of Washington on Sunday.

Mr. MONDELL. They should have done so.

Mr. STAFFORD. In all seriousness I appeal to the commit-

tee to allow the paltry sum of \$10,000 to be provided.

We are regaled here on occasions once a week by the Marine Band with a discourse of about an hour er an hour and a half, only to find most of these same musicians hurrying away from the Capitol grounds in order to provide rag-time music out here in a suburban resort maintained for the benefit of a street railway company. But no provision whatsoever is made to develop the æsthetic sense of the people of the District, so far as music is concerned, on Sunday.

Those Members who come from the large cities will appreciate the benefit of such a provision as this. I see before me several Representatives from the city of Philadelphia, where in their Fairmount Park are provided concerts on Sunday, so as to give the working classes of Philadelphia the benefit of sacred and popu-Why should not the people of Washington have the same privileges? In my own city within the last few years we have adopted the Sunday music program, and thousands of people flock to our public parks to enjoy themselves on Sunday afternoon. It takes them out of their homes and gives them a little diversion. But where are these prisoners working for the Government in the departments, who serve six days in the week, year in and year out, able to find any recreation except, perhaps, to take a car ride out to Great Falls or to the Zoo, with no opportunities to hear music except by paying a large fee at our theaters? Why should not provision be made so that our publicpaid bands, such as the Marine Band and the battalion bands, could furnish a little entertainment in a popular way for the benefit of the clerks and other residents of the District?

I hope the chairman of the committee will not insist upon his point of order. If he does, then I hope that this suggestion that I have made will be sufficient to call the matter to the attention of the commissioners and also to the attention of the people of the District, so that next year when this bill comes up for consideration it will contain a provision for Sunday concerts, such as those given to the people of other cities, for the uplift, benefit, and recreation of the people.

Mr. SISSON. Mr. Chairman, I make a point of order against The CHAIRMAN. The Chair sustains the point of order, and

the Clerk will read.

Mr. MONDELL. Mr. Chairman, I offer an amendment. The CHAIRMAN. The gentleman from Wyoming offers an amendment, which the Clerk will report.

The Clerk read as follows:

On page 28, line 2, insert: "For the equipment of new playground in Tennallytown, on property owned by the District, \$1,000."

Mr. FITZGERALD. Mr. Chairman, I make the point of order that that part of the bill has been passed.

The CHAIRMAN. The Clerk will conclude the reading of the

The Clerk read as follows:

For purchase of new site occupied by Mount Pleasant playground, \$60,000.

Mr. FITZGERALD. Mr. Chairman, I make a point of order against that.

Mr. MONDELL. Will the gentleman reserve his point of order for just a minute?

Mr. FITZGERALD. Oh, yes.

Mr. MONDELLL. Mr. Chairman, playgrounds are purchased and maintained in the District of Columbia entirely at the expense of the people of the District. Let us bear that in mind. Uncle Sam does not pay a cent. The much-talked-of half-and-half plan does not apply. The people of the District desire to buy a playground in the northwest, on Park Road, that is now being used as a playground by the sufferance of the owner. The children of that entire district are likely to be compelled to leave that playground any day because the owner wants to use the property

If this bill becomes a law as it now stands, the people of the District of Columbia will have \$1,500,000 left over and above

paying one-half of all of the items carried in the bill.

Under the provisions of section 8 of this bill that money is to go into the Treasury, is to be confiscated, and the people of the District are not to be allowed to spend \$61,000 of their own money for the purchase of playgrounds for their own children. It is not the fault of the Committee on Appropriations. The Committee on Appropriations has no authority to purchase new playgrounds. This is subject to a point of order. But there is a committee that has jurisdiction, the chairman of which committee made a motion just a few minutes ago to strike out the only appropriation contained in this bill for the maintenance of bathing beaches-a little, measly \$4,500. That committee has jurisdiction to carry out the will of the people of the District, to provide playgrounds for their children, and it has not done This morning we heard some of the gentlemen complain and wax indignant because it is said that some people of the District have suggested-it is not clear whether they suggested it or not-that they might call to the attention of their constituents at home the attitude of these gentlemen toward the District. The people of the District of Columbia, whose town council we are, have the right to appeal to our constituents and say: "We do not think the men you have elected and sent here are treating the District of Columbia fairly. We do not think they are fair Representatives when they refuse to allow the erection or maintenance of bathing beaches, when they refuse to allow the people of the District of Columbia to spend their own money to buy grounds on which children can play. We do not think your Representative should refuse to allow the building of needed public-comfort stations."

For my part, I think gentlemen are overtender when they resent that kind of criticism. It is legitimate criticism, and in my district it would be effective criticism. It would be effective, in my opinion, in any part of the country. I do not believe any district in the country would justify its Representative in opposing appropriations for bathing beaches, opposing the establishment of more bathing beaches, opposing appropriations for needed public-comfort stations, opposing appropriations for playgrounds and the maintenance of playgrounds, to be paid for out of the funds belonging to the people of this District.

Mr. SISSON. I make a point of order.
The CHAIRMAN. The Chair sustains the point of order and The CHAIRMAN. the Clerk will read.

The Clerk read as follows:

ELECTRICAL DEPARTMENT.

ELECTRICAL DEPARTMENT.

Electrical engineer, \$2,500; assistant electrical engineer, \$2,000; 4 electrical inspectors, at \$1,200 each; inspector, \$1,000; electricaln. \$1,200; 2 draftsmen, at \$1,000 each; 3 telegraph operators, at \$1,000 each; 4 inspectors, at \$900 each; expert repairman, \$960; 3 repairmen, at \$900 each; telephone operators—3 at \$720 each, 4 at \$540 each, 1 \$450; electrical inspectors—1 \$2,000, 1 \$1,800, 1 \$1,350; cable splicer, \$1,200; assistant cable splicer, \$620; clerks—1 \$1,400, 1 \$1,200, 2 at \$1,125 each, 1 \$1,050, 1 \$750; assistant repairmen—1 \$620, 2 at \$540 each; laborers—1 \$630, 2 at \$540 each, 1 \$460, 2 at \$400 each; storekeeper, \$875; in all, \$47,695.

Mr. FOWLER. Mr. Chairman, I reserve a point of order against the paragraph.

The gentleman from Illinois reserves a The CHAIRMAN.

point of order against the paragraph.

Mr. FOWLER. In line 5, on page 29, there is an increase of

one electrical inspector-an increase from three to four.

Mr. SISSON. That was because of the increased number of moving-picture shows that have to be inspected and looked after, and for that reason the committee thought the increase in the employees was necessary.

Mr. FOWLER. Will that result in a diminution in these vulgar and ungainly scenes that are carried on here in the city

in what are called the nickelodeons or movies?

Mr. SISSON. These inspectors look after the electrical appliances of the moving-picture shows. If those electrical appliances were not inspected, it might endanger the lives of the people who attend them. This has nothing to do with the censoring of moving pictures. They are here, and it is necessary that those electrical appliances be inspected.

Mr. FOWLER. Is the new man to look after the movies? Mr. SISSON. To inspect the electrical appliances generally throughout the city; but owing to the great number of movingpicture shows an increase in the way of inspectors is neces As I recall the testimony, it was that the number of places

needing inspection has about doubled within the last two years, so we gave them this one additional employee.

FOWLER. In line 8, on the same page, you have an additional inspector at \$900.

Mr. SISSON. That is a mere change of designation. Mr. FOWLER. Your bill carries four, whereas the

Your bill carries four, whereas the current law carries only three.

Mr. SISSON. I have not referred to the hearings since the gentleman raised the question, but my recollection is that there is only one additional employee in this department.

Mr. FOWLER. According to your bill there are two increases,

one at \$1,200 and the other at \$900.

Mr. SISSON. I think the gentleman is mistaken. It is a mere change of designation.

Mr. PAGE of North Carolina. The present law carries four repair men and this bill carries three. It is simply a change in the designation or title.

Mr. FOWLER. I know you carry only three, whereas last year there were four.

Mr. PAGE of North Carolina. There is only one increase,

and that is the inspector.

Mr. MONDELL. Mr. Chairman, I ask unanimous consent to return to line 20 on page 28. I had an amendment prepared, but my attention was distracted for the moment and I did not have the opportunity to offer it.

The CHAIRMAN. The gentleman asks unanimous consent to return to page 28, line 20. Is there objection?

Mr. FOSTER. I should like to know what the amendment is? Let the amendment be read first.

Mr. MONDELL. It is an amendment for two public convenience stations

Mr. FOSTER. I should like to have the amendment read. The CHAIRMAN. If there be no objection, the Clerk will report the amendment for information.

The Clerk read as follows:

On page 28, after line 20, insert:
"For public convenience station at Fifteenth and H Streets, including site, \$11,000.
"For public convenience station on Wisconsin Avenue and M Street, including site, \$20,000."

Mr. SISSON. Mr. Chairman, I object to the unanimous con-

Mr. JOHNSON of Kentucky. Mr. Chairman, I make a point of order

The CHAIRMAN. Objection is heard. The Clerk will read. Mr. STAFFORD. I move to strike out the last word.

Mr. PAGE of North Carolina. The last word of the amendment of the gentleman from Wyoming?

Mr. STAFFORD. No; the last word of the paragraph just

The CHAIRMAN. The gentleman from Wisconsin moves to

strike out the last word. Mr. STAFFORD. I do not move to strike out something that

is nonexistent.

I would like to inquire of the chairman of the committee concerning the convenience stations. I have noticed, on my walks from the hotel to the Capitol, that in Franklin Square and Judiciary Park there are in course of erection some shacks that look as if they were intended for comfort stations. the chairman inform the committee whether these beautiful parks are to be defiled and disfigured by these erections?

Mr. PAGE of North Carolina. I can inform the gentleman that neither the former District bill nor does this bill carry any appropriation for the construction of public-convenience The District appropriation bill does not treat with stations. those at all; it is another bill coming from the Appropriations Committee which makes these provisions,

Mr. STAFFORD. The sundry civil bill?

Mr. PAGE of North Carolina. There are three or four public-service stations in the course of erection, and we provide for

the maintenance of a part of those.

Mr. MONDELL. Mr. Chairman, the amendment that I offered for the purchase of ground and the erection of two public-convenience stations is in line with the estimates made by the Commissioners of the District of Columbia. The commissioners very earnestly urged upon the committee the importance of these two stations. They called attention to the fact that they were proposed to be erected in sections of the city where a large number of people frequently congregated and there were no

public-convenience stations in the neighborhood. The chairman of the Committee on the District of Columbia made the point of order against the amendment, but the Chair did not rule because the committee refused to allow me to go back to the point where the amendment was germane to the bill. I now desire to ask the chairman of the Committee on the District of Columbia whether his committee, which has jurisdiction, intends to take up for consideration the important question as to whether the people of the District of Columbia shall have these public-convenience stations which he declines to allow to be provided for on this bill.

Mr. JOHNSON of Kentucky. Mr. Chairman, in answer to the gentleman, I will say that I do not know whether such a bill is before the committee or not; but if it is before the committee, or if it comes before the committee, I shall do as I always have done—bring it to the attention of the committee.

Mr. MONDELL. It is a good, long time since any bill was brought to the attention of Congress providing for any new construction in the District of Columbia, or providing for new facilities for the people. We had hoped, in the absence of action by the committee having jurisdiction in matters of legislation, that these items might be provided for on an appropria-tion bill. It seems, however, that the people who are threat-ened with confiscation of a million and a half dollars of their own money raised by taxation are to be refused the ordinary conveniences that any civilized community is entitled to and ought to have, and which decency requires they should have.

The Clerk read as follows:

The Clerk read as ioliows:

Lighting: For purchase, installation, and maintenance of public lamps, lamp-posts, street designations, lanterns, and fixtures of all kinds on streets, avenues, roads, alleys, and public spaces, and for all necessary expenses in connection therewith, including rental of stables and storerooms, this sum to be expended in accordance with the provisions of sections 7 and 8 of the act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ended June 30, 1912, approved March 2, 1911, and with the provisions of the act for the same purpose for the fiscal year ending June 30, 1913, approved June 26, 1912, and other laws applicable thereto, livery and extra labor, \$395,000.

Mr. CURRY. Mr. Chairman, I rise to put a question to the gentleman from North Carolina, in charge of the bill, for information. I would like to ask the chairman of the commit-tee how he arrives at the item of \$395,000 for lighting, and what are the rates charged in the District by the electrical, power, and gas companies for electric lights and gas lights?

Mr. PAGE of North Carolina. The rates for lights are estab-

lished by law. It is a fixed charge and therefore it is a matter of computation based upon the number of lights that the commissioners are going to use and the rates fixed by law.

Mr. CURRY. I supposed that these rates were fixed by the commissioners. Does the gentleman know what those rates are? Mr. PAGE of North Carolina. The rates are not uniform, because there are various kinds of lights used; there is a schedule of those lights, and as soon as it can be found I will give it

to the gentleman.

Mr. CURRY. Mr. Chairman, that answers my question. Mr. PAGE of North Carolina. I will put the schedule in the

By the act of June 26, 1913, it is provided: "Sec. 7. During the fiscal year 1913 no more than the following rates shall be paid for lighting avenues, streets, roads, alleys, and public spaces. "For mantle gas lamps of 60 candlepower, \$18.40 per lamp per

spaces.

"For mantle gas lamps of 60 candlepower, \$18.40 per lamp per annum.

"For mantle gas lamps of not less than 120 candlepower, \$27 per lamp per annum.

"For street designation lamps, using flat-flame burners, consuming not more than 2½ cubic feet of gas per hour, or 8-candlepower incandescent electric lamps, with posts and lanterns furnished by the District of Columbia, \$10 per lamp per annum.

"For 40-candlepower, 50-watt, incandescent electric lamps on overhead wires, \$15 per lamp per annum.

"For 40-candlepower, 50-watt, incandescent electric lamps on underground wires, \$19.50 per lamp per annum.

"For 60-candlepower, 75-watt, incandescent electric lamps on overhead wires, \$17.50 per lamp per annum.

"For 60-candlepower, 75-watt, incandescent electric lamps on underground wires, \$23 per lamp per annum.

"For 80-candlepower, 100-watt, incandescent electric lamps on underground wires, \$26 per lamp per annum.

"For 150-candlepower, 125-watt, incandescent electric lamps on underground wires, \$26.50 per lamp per annum.

"For 150-candlepower, 125-watt, incandescent electric lamps on underground wires, \$36.50 per lamp per annum.

"For 200-candlepower, 250-watt, incandescent electric lamps on underground wires, \$46.50 per lamp per annum.

"For 4-glower Nernst lamps on underground wires, \$52.50 per lamp per annum.

"For 4-glower Nernst lamps on underground wires, \$52.50 per lamp per annum.

"For 6.6-ampere, 528-watt, direct-current, series-inclosed arc lamps, \$80 per lamp per annum.

"For 5-ampere, 550-watt, direct-current, multiple-inclosed arc lamps, \$80 per lamp per annum.

"For 6.6-ampere, 520-watt magnetite, or other arc lamps of equal illuminating value acceptable to the Commissioners of the District of Columbia, on overhead wires, \$59 per lamp per annum.

"For 4-ampere, 320-watt magnetite, or other arc lamps of equal illuminating value acceptable to the Commissioners of the District of Columbia, on underground wires, \$72.50 per lamp per annum.

"For 6.6-ampere, 500-watt magnetite, or other arc lamps of equal illuminating value acceptable to the Commissioners of the District of Columbia, on overhead wires, \$84 per lamp per annum.

"For 6.6-ampere, 500-watt magnetite, or other arc lamps of equal illuminating value acceptable to the Commissioners of the District of Columbia, on underground wires, \$97.50 per lamp per annum.

"For flame arc lamps, 500-watt, General Electric type, or other arc lamps of equal illuminating value acceptable to the Commissioners of the District of Columbia, \$150 per lamp per annum."

The Clerk read as follows:

For erection of a house for the assistant to the overseer at Great Falls, Md., including purchase of necessary materials not now on hand, the work to be done by the present force of men engaged on the Washington Aqueduct when their services can be spared from other work, \$1,000.

Mr. MANN. Mr. Chairman, to that paragraph I reserve a point of order. Is it intended that this house that is to be erected for the assistant overseer shall be erected by carpenters or masons now in the employ of the Government, or by Tom, Dick, and Harry?

Mr. PAGE of North Carolina. The statement was made be-fore the committee that the house would be built by a force

now employed in that service.

Mr. MANN. What are they doing?

Mr. PAGE of North Carolina. I do not know that I can tell the gentleman just what they are doing. It is a force that they will use in a new employment for the erection of the house.

The statement was made by the officer in charge that they had now not only a large part of the material, but that they could erect it by men already employed, provided this small appropriation was given for the purpose of assembling the material and buying a slight amount of other material for the construction of the house,
Mr. MANN. I suppose this is to be a frame house?
Mr. PAGE of North Carolina. Yes.

Mr. MANN. Do they have carpenters employed with nothing else to do, or is this house to be built without the aid of carpenters?

Mr. PAGE of North Carolina. They have carpenters, I think. Mr. PAGE of North Carolina. They have carpenters, I think. There is a force at work, under a provision of law, building an extension of the Conduit Road to Great Falls. They have not only laborers, who are constructing the road, but they have carpenters, who are building bridges and doing various and sundry other things

Mr. MANN. Mr. Chairman, I should suppose that the laborers would not be the proper people to build a house, and I am not sure that the bridge constructors would be. I do not see why the Government, if it is going to build a house, should not permit the employment of the regular carpenters.

Mr. PAGE of North Carolina. The language provided here

was the suggestion of the man who wanted to build the house, that he wanted no additional employment, and the committee felt inclined to comply with his request. That is all I have to say about that. If the gentleman cares to put it out, very well. It is about the cheapest residence, I think, I have known to

be estimated for.

Mr. MANN. I would rather pay more and have it constructed by proper union carpenter labor than to have it built

by men engaged in paving a street.

Mr. PAGE of North Carolina. I will say, so far as I am concerned, that there is a responsible officer of the Army of the United States in charge of this work, and I think this committee will agree that they are not men who, as a rule, do things badly. They do things well usually, and I had all conthings badly. They do things well usually, and I had all confidence, and I have yet, that, under the direction of this particular gentleman having charge, this house will be properly constructed.

Mr. MANN. And yet the gentleman knows that it is the duty of the Army officers, at least in their opinion, to get the work done just as cheaply as possible, regardless of who does it.

Mr. PAGE of North Carolina. So long as it is done well. Mr. MANN. And in most cases we have insisted that the wages paid to men doing this kind of work should be commensurate with the ordinary wages paid in that particular locality for that kind of work, which, in the main, is the union scale of wages. The proposition here is to build a house which may be knocked together by some men engaged in repairing a street. If that is to be the rule of the Government all around, I will have to put up with it, but I do not believe in it. I make the point of order against the language in lines 16 and 17, page 32: The work to be done by the present force of men engaged on the Washington Aqueduct, when their services can be spared from other

The CHAIRMAN. The gentleman from Illinois makes the point of order, and the point of order is sustained.

Mr. MONDELL. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 32, after line 18, insert as a new paragraph the following:

"Great Falls water and power project: For continuing the work of increasing the water supply of the District and the development in concection therewith of water power from the Great Falls of the Potomac, \$1,000,000."

Mr. SISSON. Mr. Chairman, on that I make the point of order.

Mr. MONDELL. Mr. Chairman, will the gentleman reserve

the point of order?

Mr. SISSON. How long does the gentleman desire?

Mr. MONDELL. Five minutes.
Mr. SISSON. I will reserve the point of order for five min-

Mr. MONDELL. Mr. Chairman, this is the only amendment that I have offered or that I shall offer that was not estimated by the Commissioners of the District. The Engineer Commissioner of the District, in speaking of this Great Falls waterpower project, said:

I was very sorry not to be able to include in the estimates that were submitted any estimate for the furtherance of the Great Falls power project, but after we got through with our estimates and added them up we found it would be impossible to include the item of \$1,000,000 asked for as the District's share of the money required for the furtherance of that project.

At the time that statement was made the estimates before the committee amounted to the full amount of the anticipated revenues of the District, but the items as reported will leave a million and a half dollars of the revenues of the District over and above the amount required to meet one-half of the expenditures contemplated; so that it is entirely possible to appropriate this million dollars which the commissioners would have estimated and still have quite a sum remaining from the revenues of the District. Last year the District bill contained an item providing for a report on this water-power project at the Great Falls of the Potomac. That report has been made and was before the committee and was given some consideration. It contemplates a project that will cost in the neighborhood of \$15,000,000, and it is suggested or was proposed in the preparation of the plans and estimates that the District should pay \$2,000,000 or \$2,500,-000 as its share of the expenditure for an increased water supply

Mr. Chairman, it is a curious commentary, on the lack of proper conservation in the East as compared with the West, that here, almost in sight of the Dome of the Capitol, is one of the greatest water powers in the country going to waste, going to waste in the center of a country with a great population, with two cities easily within reach of electric wires, with a combined population of nearly a million people.

We are burning in this Capital City hundreds of thousands of tons of anthracite coal every year, taking that much from the store of the anthracite of the Nation that could be saved if we would harness the Potomac at the Great Falls.

Mr. CURRY. Will the gentleman yield for a question?

Mr. MONDELL. I will be glad to do so.

Mr. CURRY. Does not the gentleman think that if that were done the cost of light and power of Washington and the sur-

rounding country would be cut nearly in two

Mr. MONDELL. I think that has been the experience of other communities, particularly communities in the State of the gentleman who has just spoken, California, where they have progressed in developments of this sort in a way ought to shame the people of all this eastern country and Members of Congress, who are in the position, and have been for years, to provide for the development of this great power here at Great Falls and have neglected to do so. Why, gentlemen are much worried about our water power in the West; they are tremendously fearful that out there where we have declared that the water belongs to all the people and can not become private property The CHAIRMAN. Th

The time of the gentleman has expired. Mr. MONDELL. May I have just one minute more, Mr.

Chairman? The CHAIRMAN. The gentleman from Wyoming asks unanimous consent to proceed for one minute. Is there objection? [After a pause.] The Chair hears none.

Mr. L'ONDELL. Many gentlemen are very fearful lest out West there shall be a monopoly in water, which in fact can not occur by reason of public ownership of water, a situation under which a monopoly is practically impossible. At the same time which a monopoly is practically impossible. At the same they entirely neglect to urge the development of one of the greatest water powers in the country right Lere within sight of the Capitol, in the midst of a densely populated and highly developed country. In the meantime we are depleting by hundreds of thousands of tons annually the limited store of anthracite coal in the country and leaving that great power to

go to waste. I hope that the committee having charge of these matters, inasmuch as the Committee on Appropriations can not do it, will find time in the midst of its efforts to prevent the people of the District of Columbia from criticizing their attitude, in their efforts to smother criticism and prevent it being made, I hope that in the midst of these activities they will also find time for some constructive legislation relative to

will also find time for some constructive legislation relative to the utilization of the Great Falls of the Potomac. Mr. SISSON. Mr. Chairman, I make the point of order. The CHAIRMAN. The gentleman from Mississippi makes the point of order and the Chair sustains the point of order.

The Clerk read as follows:

The Clerk read as follows:

Longevity pay: Longevity pay for director of intermediate instruction, supervising principals, supervisor of manual training, principals of normal, high, and manual training high schools, principals of grade manual training schools, heads of departments, director and assistant director of primary instruction, directors and assistant directors of drawing, physical culture, music, domestic science, domestic art, and kindergartens, teachers, clerks, librarians and clerks, and librarians to be paid in strict conformity with the provisions of the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the board of education of the District of Columbia," approved June 20, 1906, as amended by the acts approved May 26, 1908, May 18, 1910, and June 26, 1912, \$400,000.

Mr. SISSON. Mr. Chairman, I offer the following committee amendment

The CHAIRMAN. The Clerk will report the amendment. The Clerk read as follows:

On page 35, after line 12, insert: "No teacher or other person employed in the public schools of the District of Columbia receiving a base pay of \$1,190 or more per annum under the act approved May 26, 1908, shall receive or be entitled to any longevity pay under said act."

Mr. SISSON. The purpose of that amendment is this Mr. MONDELL. Mr. Chairman, if it is not too late, I desire to reserve the point of order.

Mr. SISSON. Mr. Chairman, I make the point of order the gentleman is too late with his point of order.

Mr. MONDELL. I desire to reserve the point of order, Mr. Chairman

Mr. SISSON. I have no objection to the gentleman reserving the point of order, because I think it is clearly in order under the Holman rule. Now, Mr. Chairman, there is no question about this being in order and your committee thought that they were entirely reasonable in limiting the longevity pay to those teachers who were receiving less than \$1,190. It was in the minds of the committee that we would fix it at \$1,200, and it just happened in calculating the longevity pay on the basis of the law when they get above \$1,190 they may be transferred to the next higher class; therefore, under the present longevity law a teacher receiving \$1,190 would be transferred to the next higher class. It is unnecessary for me to state more than this, that your committee found that as best could be estimated last year \$75,000 had been appropriated for longevity pay to cover that year, but a deficiency of thirty-odd thousand dollars was necessary, because, as it was stated by the chairman of this committee, it was utterly impossible for anyone to figure it until the year is over what the longevity pay will be. Some of these teachers under this present longevity pay receive as high as \$1,600, \$1,700, and on up to \$1,800. Some teachers receiving \$2,400 continue to receive longevity pay until they reach the sum of \$3,000.

Now, the pay of teachers in the District of Columbia is vastly in excess of that, on the average, of any other city in the United States and, so far as we know, in the world. committee thought that when a teacher in any of the classes of teachers below \$1,190 should receive the longevity pay up to that time, the District of Columbia and the United States Government were more than kind to the teachers in fixing salaries. In other words, in round numbers, for the work rendered it is something over, taking the school months, \$125 and more.

Mr. MONDELL. Will the gentleman yield for a question?

Mr. SISSON. I will.
Mr. MONDELL. What is the law in regard to longevity? Mr. SISSON. There is quite a good deal of it. The provision of law in reference to the matter is that teachers of class or law in reference to the matter is that teachers of class 1 and class 2 shall receive an annual increase of salary of \$25 for four years. That is, each year for four years there shall be added to their salary \$25 until the maximum is reached. The teachers of class 3 shall receive an annual increase of salary of \$25 for 10 years, or until the maximum is reached. Beginning with a period of 10 years, they would receive \$25 increase, the next \$50, the next \$75, and the next \$100, and so forth, to the end of the next year. And at the end of the so forth, to the end of the next year. And at the end of the time the school board would have a right to reclassify the teachers. In class B, \$30 for 10 years until the maximum was The same rule would apply there as indicated in the class I have just mentioned. In class 5 an increase of salary

of \$40 for 10 years until the maximum is reached. The teachers of any class shall receive an annual increase for eight years. Teachers in group A of class 6, after the probationary year, shall receive an annual increase of salary of \$100 for eight years, in group B of \$100 for three years.

Now, the school board, and everybody connected with the matter will tell you, it is an impossibility to tell exactly what the longevity pay will be during the current fiscal year, for this reason: A teacher may be transferred from one of the high salaries to a lower place, and a new teacher may be employed at a very low salary. So during the year various changes may be made affecting the longevity pay. But your committee thought when teachers received \$1,190 they were receiving practically twice what teachers received throughout the States. For the average of a teacher is from \$50 to \$60 a month, and in some of the States a teacher in the grades gets about \$70 a

Mr. BRYAN. Has the gentleman investigated the conditions out in the State of Washington, when he says the average pay

Mr. SISSON. I will say to the gentleman that our inquiries were not extended to the country districts of that entire State, but as to the cities. I do not remember that any investigation was made in reference to a teacher in your State.

Mr. BRYAN. I am quite confident the gentleman is in error when he states the maximum of that kind is in force in the city of Seattle.

Mr. SISSON. What is the average?

Mr. BRYAN. I do not know. I have not figured it out.

I do not understand, unless the gentleman has Mr. SISSON. made an investigation, how he can controvert what I have said. But the gentleman will find that the teachers in the grades throughout the States do not receive \$1,190. They do not receive it in the cities. Some of the principals and some of the teachers who have higher positions, such as advisory positions, receive, of course, larger salaries than that.

The CHAIRMAN. The time of the gentleman has expired. Mr. MANN. Mr. Chairman, I ask unanimous consent that the gentleman have five minutes more.

Mr. SISSON. I do not know that I will consume five minutes

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the gentleman from Mississippi have five minutes more. Is there objection?

There was no objection.

Mr. SISSON. Now I will yield to the gentleman from Illinois.

Mr. MANN. I was going to ask the gentleman if he could tell what the usual salary is here for teachers in the primary grades and each intermediate grade to the higher grades

Mr. SISSON. The great many classes of longevity pay get

Mr. SISSON. The great many classes of longevity pay get mixed up, but the basic salary—

Mr. MANN. I do not care anything about that.

Mr. SISSON. Now, the basic salary—

Mr. MANN. I do not care anything about that. That would not convey any information to my mind that a mathematical calculation could be based upon. Is the gentleman able to state what the average salary of these teachers is now, including the longevity pay?

Mr. SISSON. Well, this is in class 1, I will say to the gentleman. I can not answer any more accurately than this.

Mr. MANN. "Class 1" does not mean anything to me there.

Mr. MANN. "Class 1" does not mean anything to me there. Mr. SISSON. The first year it is \$500, the next \$525, the next year \$550, and the next year \$575. The next year, I believe, it is \$600, and then they get an increase for 10 years of \$25 a year.

Mr. MANN. If I should ask the gentleman what is the usual salary of a clerk in Washington, I am sure he would not say they enter the service at \$600.

Mr. SISSON. There are difficulties in the matter.

Mr. MANN. I acknowledge there are difficulties. I did not know whether the gentleman could answer or not.

Mr. SISSON. It would be necessary to take an average, of course; it would be necessary to get the teachers in certain classes and average their pay; it would be necessary to add those classes up and divide the total by the number of classes. did not do that on account of the large number of teachers here.

Mr. ROBERTS of Massachusetts. Mr. Chairman, will the gentleman yield to me for a question?

The CHAIRMAN. Does the gentleman yield?

Mr. SISSON. Certainly.

Mr. ROBERTS of Massachusetts. Can the gentleman tell the committee how many teachers would have their salaries reduced if his amendment were adopted?

Mr. SISSON. I do not know how many teachers' salaries would be reduced, but no teacher in the classes except those

that are above \$1,190. Those that are above \$1,190 would cease, of course, to receive longevity pay. All those at \$1,190 or under it would receive the longevity pay under the law.

Mr. ROBERTS of Massachusetts. What I want the gentleman to answer is this: Is it not a fact, if the gentleman's amendment were adopted, that those in the \$1,190 grade would go back to the basic pay?

Mr. SISSON. No; they would go back to \$1,190. It would

not affect their status at all.

Mr. ROBERTS of Massachusetts. They would then lose compensation over what they are now getting?

Mr. SISSON. Suppose they were of a class that goes on increasing. Suppose they received \$1,500. If that amendment is adopted, they not having reached the class of \$1,500, they would, of course, drop back to \$1,190.

Mr. ROBERTS of Massachusetts. Mr. Chairman, as I understood the gentleman to say in reading the longevity increases of the different classes, class 6 gets an increase of \$40 a year for 10 years?

Mr. SISSON.

Mr. ROBERTS of Massachusetts. So that at the end of 10 years, assuming the basic pay to be \$1,000, as set forth in the bill now under consideration, these teachers would get \$1,400 after 10 years of service.

I want to ask the gentleman this: If his amendment is adopted, will it not automatically drop those teachers who are getting, say, \$1,360 a year by reason of longevity pay back to

Mr. SISSON. No, sir.

Mr. ROBERTS of Massachusetts. How could it be otherwise?

Mr. SISSON. This amendment would not make any change in any salary below \$1,190.

Mr. ROBERTS of Massachusetts. Does the gentleman mean it would not change any basic salary or any actual salary re-ceived by reason of longevity pay? There is the crux of the whole thing

Mr. SISSON. The pay would run up until they got \$1,190, and if they had gone beyond \$1,190 it would not cease, because under this amendment they would receive longevity pay up to

.190. There is no question about that. Mr. ROBERTS of Massachusetts. I am taking the case of a \$1,000 teacher who starts at the basic pay of \$1,000. In a little over two years' time that teacher under present conditions would be getting \$1,120. But it would take practically six years for that teacher to exceed the \$1,190 minimum that the gentleman proposes to establish.

Mr. SISSON. No; because in that class of \$1,000 as basic pay-in class 6 they start at a thousand dollars-they would receive \$40 extra a year for 10 years, so that in 5 years their salary would be \$1,100.

Mr. ROBERTS of Massachusetts. It ought to be \$1,200 in

five years

Mr. SISSON. Yes.

Mr. ROBERTS of Massachusetts. What I want to emphasize is this: That teacher has received this longevity pay for five years and is now getting \$1,200? Mr. SISSON. Yes.

Mr. ROBERTS of Massachusetts. Is not the whole purpose and purport of the gentleman's amendment to drop that teacher back to \$1,190?

Mr. SISSON.

Mr. ROBERTS of Massachusetts. Now, if you are going to cut off this longevity pay entirely, do you not really drop that teacher back to \$1,000?

The CHAIRMAN. The time of the gentleman from Missis-

sippi has expired.

Mr. SISSON. Oh, not at all. That does not affect the salary of a single teacher.

Mr. Chairman, I will ask for two minutes more in order to put in the six classes.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent to proceed for two minutes more. Is there objection?

There was no objection.

Mr. WILLIS. Will the gentleman allow me to ask him a question?

Mr. SISSON. Certainly.
Mr. WILLIS. Did I understand that by the gentleman's amendment he proposes to limit longevity pay to those who receive less than \$1,190 per year?

Mr. SISSON. That is the purpose of the committee.

Mr. WILLIS. Can the gentleman define this in terms of

grade-that is, in what grades the teachers receive less than \$1,190 per year? I do not know anything about the classes.

Mr. SISSON. Yes; it is fixed by law, and I will say to the gentleman that it is not fixed by grades that the teacher occupies in the schools. It is fixed by the length of service.

Mr. WILLIS. By length of service alone?

Mr. SISSON. For instance, supposing a teacher under this longevity pay received \$2,000. Suppose that teacher went out of the service; suppose that teacher died. They would put in a teacher receiving \$500 or \$600 in the other teacher's place.

Mr. WILLIS. The grade has nothing to do with it? Mr. SISSON. No; except the grade under the longevity-pay law. Under class 1 the basis of calculation is \$500. In class 2 it is \$600. In class 3 it is \$650, and in class 4 it is \$800. In class 5 it is \$950, and in class 6 it is \$1,000. In the first 10 years the teacher receives \$1,800.

Mr. Chairman, I will ask that there be printed in the RECORD this entire schedule which I have marked, taken from the hear-

ings, on page 228:

Class 1.	Class 2.	Class 3.	Class 4.	Class 5.	Class 6.
\$500	\$600	\$650	\$800	\$950	\$1,000)
525	625	675	830	990	1,000
550	650	700	860	1.030	1,100
575	675	725	890	1,070	1,200
600	700	750	920	1,110	1.300
March William	as estimated in the same	775	950	1,150	1,300 Group A.
		800	980	1,190	1,500
		825	1,010	1,230	1,600
		850	1,040	1,270	1,700
		875	1,070	1,310	1,800)
		900	1,100	1,350	Sales Siles and the sales and the
					1.900)
					2,000
					2,000 Group B.
					2,200

Now, your committee finds that the great number of teachers in the District would fall in classes 1, 2, 3, 4, and 5, and, except those who have been in class 5 seven years, none of them would be affected by it. Therefore it does not affect those teachers who are receiving smaller salaries. It only affects those who are receiving these high salaries. Feeling this way about it, that if we did not put some limitation somewhere, there is no telling just exactly what the teachers' pay roll in the District of Columbia will be, and we have placed this limita-

The CHAIRMAN. The time of the gentleman has again ex-

Mr. SISSON. The thing is going on now with geometrical progression. They are transferred from the lower classes to the higher classes, and the amount of longevity pay is rapidly increasing and is becoming a great burden; and I doubt whether Congress at the time it adopted the longevity-pay law realized exactly how it would add to the expenses of the schools during each fiscal year, and that is the reason your committee have offered this amendment.

Mr. MURRAY of Massachusetts. Mr. Chairman, I am not familiar with the peculiarities that may have crept into this longevity-pay system that has been established in the District of Columbia; but I am impelled to speak upon this subject because of some reflection that I have recently given on the subject of the relation of the public school and its teachers in our country to the business of the Government of this country.

I am very clear in my own mind, at least, that no action should be taken by this body nor by any governmental body the effect of which is to discourage the activity and zeal of public-school teachers in their daily work. [Applause.] We live in the days when the entire tendency of the times is to put the burden of the responsibility of government squarely on the people who are governed. We live in a time when direct nominations of President and Vice President are advocated. We live in a time when direct nominations and election of Senators of the United States have come to be the rule. We live in a time when the initiative and referendum are preached on every stump in every State in the Union, and I have wondered how these things will work out in the practical solution of the problem unless we have annually recruited to our electorate wise young men and wise young women who have been trained in the public schools of the country under leadership that is good and valuable and practical. [Applause.]

The proposition of the gentleman from Mississippi [Mr. Sis-

son] on behalf of his committee is to cut down the salaries of some of the teachers in the District of Columbia. He shakes his head, but the concrete illustrations that were put to him in the course of the interruptions led him to say in one breath that only a few teachers would be cut down, but in the next breath he said that the teachers who are now in grades below

\$1,190 will have no hope of arriving by longevity of service at these higher salaries of \$1,800 a year.

Mr. SISSON. Will the gentleman permit an interruption? Mr. MURRAY of Massachusetts. Certainly.

Mr. SISSON. If the gentleman will permit me to correct him, it simply means that no teacher who is paid more than \$1,190 a year will receive longevity pay. If they are transferred to these positions which pay \$1,500 or \$1,800 a year, they will not get any longevity pay. It does not mean that anyone's salary is reduced, but it simply means that the salary will not automatically increase beyond \$1,190 by operation of the longevity law

Mr. MURRAY of Massachusetts. Is it not the purpose of the gentleman's amendment to save an amount estimated at \$75,000

year out of the salaries of school-teachers?
Mr. SISSON. No; it will not do that.
Mr. MURRAY of Massachusetts. What will it do?
Mr. SISSON. It is difficult to figure just what amount it will save, just as it is difficult to figure what the deficiency will be when we make the appropriation.

Mr. MURRAY of Massachusetts. How much do you estimate

it will save?

Mr. SISSON. That is a very difficult matter to estimate.
Mr. MURRAY of Massachusetts. Of course it is difficult, and therefore I can not guess it. What is the gentleman's guess?

Mr. SISSON. It is difficult to state, for the simple reason

that I can not tell you how many teachers will arrive by longevity at the point where this amendment will operate upon their salaries

Mr. MURRAY of Massachusetts. Will it save anything?

Mr. SISSON. Unquestionably it will.
Mr. MURRAY of Massachusetts. About how much?

Mr. SISSON. I can not tell you how much. Mr. MURRAY of Massachusetts. Then, Mr. Chairman, declining to yield further, I will say that I do not want—
Mr. SISSON. I do not want the gentleman to get a false im-

pression that it reduces salaries.

Mr. MURRAY of Massachusetts. How are you going to save in any other way?

Mr. SISSON. It prevents teachers being advanced automatically beyond \$1,190, irrespective of their merits, irrespective of whether they are rendering good service, irrespective of whether they are good teachers or not, simply for longevity service, if they are not discharged.

Mr. MURRAY of Massachusetts. Let us see what it will do. There is now a positive statute providing for longevity pay for the teachers in the District of Columbia, and declaring that they shall have automatic promotion year after year in some variable amount based on amount of salary and length of service.

That is fundamental, and it is true. Who are the District of Columbia teachers, Mr. Chairman, that they were powerful and able enough to get written into the statute law of the United States such a provision? Are they men and women bound together with the great vote of the populace behind Oh, no. Are they men and women possessed of tremendous influence with the gentleman from Mississippi and men like him that they could have a special privilege written into the laws? What is the history of this legislation? Who are the people for whose benefit it was written? They are people who have demonstrated by the character of the service that they have given, not by any tremendous influence they could bring to the support of this proposition, or any proposition. that they were entitled to have a longevity-pay system written

If it was a product of a long campaign carried on in every congressional district in the country, if it was the result of a systematic effort in the gentleman's district and the district that I represent, I might look at this proposition in a way very different from the kind of consideration that I give to it. this longevity-pay legislation must by the very nature of the persons in whose interests it has been operating be solely because a good case was made out before Congress in favor of it.

Now, the gentleman says it will save some money, but he does not know how much. If there is going to be a saving it must come out of the salaries of the men and women who are teaching. It is not enough to say that the teachers are paid more than the teachers are paid in Boston or Winona, Miss. It may be that the salaries paid in Boston are much too low.

I believe that the amendment of the gentleman from Missisippi is unwise, because it will be a positive discouragement

to those whom we should encourage.

We can not have good public schools without good public-school teachers; and we can neither attract nor retain good

public-school teachers by legislating along in lines of my colleague's amendment to reduce teachers' salaries. [Applause.]

Mr. ROBERTS of Massachusetts. Mr. Chairman, as I gather from this bill by a hasty perusal there will be something like 200 or 300 teachers affected by the proposed amendment of the gentleman from Mississippi. How much they will suffer in reduction I am not able to state, and the gentleman does not seem to be able to tell us.

But I want to say in connection with this effort to reduce the salaries of the teachers in the District that I have some knowledge and familiarity with the school system, and I have given it some thought and investigation. I find from personal inspection and knowledge that we have teachers in certain grades in this District who are splendid teachers for that grade. They should be continued in that grade as long as they have the ability to serve as teachers. In other words, some men and women are temperamentally better fitted to teach kindergarten classes than advanced grades in school. They get along better with the little children and are able to bring out what is in them better than in children of advanced years.

Now, under this system of longevity pay the whole effort of the teachers of this District is directed to getting an advance in the class, getting into the higher grades. Why? they get more compensation. It is not a question of whether the teacher is fitted for the first or the sixth grade work, it is a question of getting in an advanced grade and getting higher pay, and so their efforts are all bent to being promoted, instead of having the salaries so arranged that they will be getting an increased salary by length of service in the line of work which they are best fitted to perform.

The gentleman from Mississippi advances as one of his arguments that it only affects the higher-paid teachers; that it does

not affect those that get less than \$1,190 a year. I want to ask the gentleman if he does not think that a man or a woman drawing a higher salary, many married with families to support, are feeling the high cost of living as much as the teachers in the lower grades, as much as all of us? Why should not these teachers receive a fair compensation based on the length of their service? We want to keep our teachers. When we have a good teacher, we want that teacher to remain. The gentleman may recall that because of an inadequate salary paid in the District of Columbia we have lost our superintendent of schools. Mr. Davidson, considered the best man in his line in the whole United States. Is it any benefit to the school system of the District of Columbia to lose such a valuable man as that because we can not pay an adequate salary, and is it not a fair presumption that we have-and I know we have-many teachers in the District drawing over \$1,190 who are most valuable teachers; is it not a fair presumption that if they lose the increase of salary by longevity that they will go elsewhere? I say to the gentlemen of the House that the school system of this District can not afford to lose the services of the splendid,

excellent, effective teachers such as we now have. Mr. SISSON. Will the gentleman yield?

Mr. ROBERTS of Massachusetts. I will.

Mr. SISSON. I want to say to the gentleman that the superintendent of schools and the principals are not affected at all. Their salaries are fixed by law at a specific sum. Your committee did not have that in mind at all.

Mr. ROBERTS of Massachusetts. I brought in the superintendent's salary to show that, as compared with some of the cities of this country, we are paying an inadequate salary to the superintendent; and if we are paying an inadequate salary to the superintendent, is it not fair to presume that the teachers, some of them at least, are underpaid?

Now, I have in mind a case of a teacher in the District whose health has broken from the tremendous strain under

which she has been working by reason of her duties.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. SHARP rose.

Mr. PAGE of North Carolina. Mr. Chairman, before the gentleman from Ohio [Mr. Sharp] proceeds, I ask unanimous consent that debate on the pending paragraph and the amendment be closed at half past 4.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that debate on the pending amendment be

closed at 4.30 o'clock. Is there objection?

Mr. MANN. Mr. Chairman, reserving the right to object, the gentleman from Ohio [Mr. Sharp] desires five minutes, the gentleman from Washington [Mr. Bryan] desires five minutes, and I want five minutes. Of course we are all friends of the teachers.

Mr. PAGE of North Carolina. Mr. Chairman, I ask unanimous consent that debate may close in 30 minutes

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that debate on the pending paragraph and amendment thereto close in 30 minutes. Is there objection?

Mr. MANN. With the understanding that out of that the gentleman from Ohio [Mr. Sharp] gets five minutes, the gentleman rom Washington [Mr. BRYAN] five minutes, the gentleman from Ohio five minutes.

Mr. PAGE of North Carolina. That disposes of how many

minutes on the gentleman's side?

Mr. MANN. Twenty minutes, including myself and the gen-Mr. MANN. Twenty minutes tleman from Ohio [Mr. Sharp].

Mr. PAGE of North Carolina. And 10 minutes remaining

Mr. MANN. Yes.

Mr. PAGE of North Carolina. Is there objection?

There was no objection.

Mr. SHARP. Mr. Chairman, the gentleman from Massachusetts [Mr. Murray] a few moments ago stated that the situation was such that evidently whatever raise in salary had been granted to the school-teachers of the District in the past must have come from genuine merit, without any pull on their part. It was not my intention to say anything upon this amendment or on this bill as it applies to teachers, but to merely ask him a question. Unfortunately his time elapsed before I could do that, so that I did not get the opportunity to put this thought before the House. He touched upon a point that has been very suggestive in my study of the subject of salaries paid to schoolteachers, and it is this: We have in this country a well-organized labor force, a great labor organization, whose claims I have from time to time supported by my vote and voice, because I have recognized the inherent principle of justice and right in that organization to combine, within reasonable limits, to get better recognition and better pay. The result has been—and I think they are willing to agree to that fact—that they have been enabled thereby to considerably increase the rate of wages paid to their membership since the organization was effected. I have no complaint to make of that, because, as I have said, I think it is just, and certainly, with the increased cost of living, absolutely necessary. But when you come to consider our teachers—those poorly paid semipublic servants—and see how utterly impossible and ineffectual it is for that great body of useful citizens, men and women, to organize for such a purpose, then you commence to realize the helplessness of their position. This condition, in answer to the question of the gentleman from Massachusetts, is largely responsible for the poorly paid teachers whom we have to-day.

In scanning the provisions of this bill I find that whereas it provides for the payment of something like 1,750 teachers in the District, more than two out of three get not to exceed \$800 a year, and many of them are paid less than \$700 a year. seems to me to be a very good illustration of the unfair and ungenerous treatment of this most important class of workers, to whom we intrust for their care and training our most valued of earthly possessions—our own children. It means that whereas we paid an average-grade teacher 8 or 10 years ago what we thought to be a fair sum in consideration of his or her services, placing it at, we will say, \$800, we are to-day, if not literally and actually, at least figuratively, and to all intents and purposes, paying those teachers at the present time not 800 American dollars of their former value, but 800 Mexican dollars—60-cent dollars, if you please—in so far as their purchasing power is concerned. We too often confound the worth of a big, round silver piece with its denominational value as stamped on its face by the Government or our paper bill with a similar value. These are only mediums of exchange; they have little or no intrinsic value. If we should suddenly be cast upon some desert or uninhabited island we could not eat that silver or that paper money; they would, indeed, be of very little service to us. It is the amount of food, clothing, and rent that the dollar, whether silver or paper, stands for that possesses a real significance. If of these necessaries of life our dollar of to-day will buy but two-thirds as much as it formerly did, is not that fact worthy of thought when these salaries are to be considered? That is an additional reason why we ought at this time, instead of planning deliberately a proposition that looks to saving money by reducing the appropriations for teachers' provided for in this bill, to rather increase them. I say boldly that if I could have it in my power I would increase horizon-tally the salaries not only of every well-tried and faithful teacher in this District, but of all such teachers throughout the broad lands of the United States, by a very considerable amount. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio has

Mr. WILLIS. Mr. Chairman, I do not know that I shall occupy all the time to which I am entitled. I simply want to say it seems to me, after having heard the rather technical explanation given by the gentleman from Mississippi [Mr. Sisson], that clearing that explanation of all its verbiage it simply amounts to this: That this is a proposition covered up to a greater or less extent, made to operate in a way which we can not very well understand, but which nevertheless, in effect, is simply this, that we are proposing to undertake to save a few dollars here, as the gentleman from Mississippi says, not by reducing the salaries of the teachers—oh, no; perish the thought—not by reducing salaries, he says, but he has worked out a method whereby it will not be possible to increase salaries. Now, the effect of that is just the same as it would be if we in cold blood adopted a proposition to reduce the salaries of teachers in the District of Columbia. Now, Mr. Chairman, I do not think that the finances of the Government at this time-we can not tell how they will be later on when the new Democratic tariff law gets further into operation—but I do not think at this time that the finances of this Government are in such desperate straits that it is necessary to undertake to economize by cutting off the income of the poorest paid public servants that we have now upon the pay roll. [Applause.] Now, the gentleman from Mississippi says this does not affect the teachers who receive low salaries; that this applies only to those who are richly paid. He says it applies only to those who get the princely sum of \$1,190 a year. Why, think of what a magnificent salary that is for a man to get to live in the great city of Washington with its high prices, who proposes to own his home and raise his family—\$1,190 a year! Why, gentlemen, they are veritable Croesuses who get any such income as that.

Mr. SISSON. Will the gentleman yield?

Mr. WILLIS. I yield to the gentleman for a question. Mr. SISSON. I want to read to the gentleman—

Mr. WILLIS. I hope the gentleman will not take up my

Mr. SISSON. I only desire to call his attention to one thing. When asked about how this law operated, and its incongruities, Commissioner Siddons said that in many instances a teacher would get under longevity pay more pay than the principal of the high school.

Well, Mr. Chairman, I do not object to that. Mr. WILLIS. That does not prove at all the salary of the teacher who does the actual work ought to be cut down. If the gentleman is not satisfied with the law governing the system of longevity pay, then he ought to use his great influence to have a general overhauling of that system, and not come in here during the consideration of an appropriation bill with a proposition which in effect cuts down the salary of the teachers.

Mr. SISSON. It might be a better method to vertically raise teachers who are receiving \$500, \$600, \$700, and \$800 rather than have the longevity pay to go to those teachers who are getting \$2,200, \$2,300, \$2,400, and \$2,500.

Mr. WILLIS. Possibly; but will the gentleman bring in a

bill to accomplish that purpose?

Mr. SISSON. If I were on the legislative committee I most assuredly would, but we have to write the amendment this way to come within the Holman rule and to come on this bill.

Mr. WILLIS. The gentleman evidently used all of his power on this committee to do exactly the reverse of the thing which he says he would do if on another committee. Here is the fact, shorn of all the gentleman's eloquent explanation. The fact is that the result of this amendment will be to reduce very materially the pay going to these school-teachers.

Mr. SISSON. Only to the teacher who receives more than

Mr. WILLIS. I have the gentleman's explanation, and his

explanation of it does not explain. The CHAIRMAN. The time of the gentleman has expired.

Mr. BRYAN. Mr. Chairman, it has just been stated that the teachers are underpaid. The proposition of the gentleman from Mississippi [Mr. Sisson], representing the committee that has charge of this bill, is to save money for the Government. billion-dollar Government is to be made to spend a little less than a billion dollars by taking a few hundred dollars out of the pockets of the underpaid but overworked teachers of the city of Washington. I believe that the responsibility that the teachers of the country bear certainly is as heavy, the work they do is as important, and the returns that they are expected to render are as great as any department of public work or private enterprise in this city or any other city. I do not be-lieve this Congress ought for one moment to put this limitation on the teachers' salaries. The sum of \$100 a month is con-

sidered to be such a munificent sum that the person who receives it ought not to participate in this longevity-pay arrangement by which his salary may be raised.

The intention is to save this money by taking it out of the salaries of the teachers. Its purpose is to reduce the salaries, notwithstanding the ingenious argument of the gentleman from Mississippi [Mr. Sisson]. It can have no other purpose, because you can not save money from salaries of teachers without reducing the pay of those teachers. It makes the amount they receive each month just so much less.

The public-school system of our country is a system that not only involves the expenditure of money, the keeping up of school buildings, but it involves the education, refinement, and, to a great extent, the health of all the children of the country. come here to Washington and bring our children, and we enter them into the schools. I have three children in school here, and I find they are being well cared for, and I do not think it is right for Congress to figure on reducing the pay of the teachers. We need the very best talent for teachers.

I remember that I taught school for one year down in the State of Louisiana and received \$45 a month for it. While that may have been more than I was entitled to, Mr. Chairman, for the services rendered, I submit it was not a sufficient amount to live upon. When the suggestion is made here that men and women of this country receive an average salary of about \$50 a month, and that amount ought to be taken as a fair pay, I submit that there is too little appreciation placed upon the school system.

In Washington the schools ought to be considered the most important part of the public work. There ought to be no thought of a false economy along that line. Now, take, for instance, the salaries of our secretaries. There is not a man here who has any kind of reason within him that does not know that \$125 a month for one of our secretaries is not sufficient to enable him to properly support himself and family here in Washington, if he has a family, and that it is very hard for them to live on any such sum as that. But these teachers have to support their families; they have to figure on laying up something for a rainy day and they have to look ahead. Their efficiency as teachers as well as their plans for the future are largely dependent on the amount of salary they receive.

Mr. SHARP. Will the gentleman yield for a question?

Mr. BRYAN. Yes; I will yield.

Mr. SHARP. Is not the gentleman aware of the fact that even with \$1,500 per year paid to your secretary, it represents twice the amount paid to at least 900 teachers under this bill?

Mr. BRYAN. Yes; that represents nearly twice the amount paid to the average teacher. It may be suggested that this amendment of the gentleman from Mississippi will not affect those who receive that low pay; but it will in the end affect them, because when talented persons enter into service as teachers they have a right to look ahead to emoluments in that office in the years to come, and they have a right to think, if they enter at low pay, that in years to come they will be entitled to advances, and longevity pay is one of the means of advancing their position.

The CHAIRMAN. The time of the gentleman from Washington [Mr. Bryan] has expired.

Mr. BRYAN. Mr. Chairman, I ask unanimous consent to extend my remarks, in order to cover some of the figures I mentioned a while ago.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MANN. Mr. Chairman, as I understand, the gentleman's amendment only cuts off longevity pay where what is called the basic salary, not including longevity, itself amounts to over \$1,190. I find that in this bill there are 1,769 teachers appropriated for, of which 49 only receive a base pay of more than \$1,190. Those are all supervisory teachers. The intermediate, the lower grades, and the grammar-school teachers are not affected by the amendment at all. There are 14 normal, high, and manual-training teachers who would be affected by the proposition. There are 12 heads of departments in the high and proposition. There are 12 heads of departments in the high and proposition. There are 6 manual-training schools who would be affected. There are 6 assistant directors of music, drawing, physical culture, and so forth, who would be affected. There is 1 assistant director of primary instruction and 6 assistant directors of music, drawing, physical culture, and so forth, who would be affected.

Now, I ask the gentleman, for information, if those are not the only ones that would be affected?

Mr. SISSON. I will state to the gentleman that if I caught his enumeration I think he has covered practically all who would be affected by this amendment.

Mr. MANN. I did not quite enumerate all of them, but there are 49 in the higher grades.

Mr. ROBERTS of Massachusetts. Will the gentleman pardon me a moment?

Mr. MANN. Yes, sir.

Mr. ROBERTS of Massachusetts. On page 34 there are mentioned 283 in group A of class 6, with a minimum salary of \$1,000 each. Under the law, if these teachers remain in the school 10 years, their salary can get up to \$1,400. So every one of these teachers may be affected by this amendment-

Mr. MANN. I did not yield for a speech.

Mr. ROBERTS of Massachusetts. I am pointing out instances to the gentleman where they would be affected.

Mr. MANN. The gentleman is making a speech. These teach-

ers are appropriated for on a basic salary of \$1,000 a year.

Mr. ROBERTS of Massachusetts. But the law gives them a

Mr. ROBERTS of Massachusetts. But the law gives that a longevity pay for 10 years.

Mr. MANN. The gentleman does not understand what the amendment is. That is the difficulty.

Mr. ROBERTS of Massachusetts. I think I understand the

amendment. Very well. Let me go on. The gentleman had Mr. MANN. his own time. The amendment affects only the pay where the base salary is over \$1,190.

Mr. ROBERTS of Massachusetts. It was not so stated in

the amendment.

Mr. MANN. The gentleman has not read the amendment. That is the difficulty with so many Members on the floor of this House who discuss things without knowing anything about them. I have read the amendment. The gentleman from Massachusetts ought to do it, and then he would know that that is the proposition. I do not favor it, although it does not affect the ordinary teachers, but affects only 49 out of 1,769. affects only the high-school teachers and the principals.

I do not see any reason why we could not pay the high-school teachers and the principals reasonable salaries. I do not believe in longevity as a proposition of itself, but I should hesi-

lieve in longevity as a proposition of itself, but I should hesitate about cutting off these salaries.

Mr. SISSON. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Illinois yield?

Mr. MANN. I have not the time. I should hesitate to cut off these salaries now, when there is no proper fixing of salaries. In addition to that, I suppose if it applied only to this appropriation they would have a claim. But here are principals who are now receiving \$2,000. In the case of the director of primary instruction, with \$1,800 base salary, with longevity pay, that would amount probably to several hundred dollars a year. I doubt the propriety of Congress attempting to cut those year. I doubt the propriety of Congress attempting to cut those salaries down without giving the board of education the power to pay commensurate salaries to those teachers.

The CHAIRMAN. The time of the gentleman from Illinois

has expired

Mr. PAGE of North Carolina. Mr. Chairman, it seems to me that a great deal of what has been said in this debate is based upon a misapprehension as to what the amendment offered by the gentleman from Mississippi [Mr. Sisson], for the committee, really is. It is certain that the gentleman from Massachusetts [Mr. Roberts] made his speech and based his whole argument upon a false assumption of what the amendment is. tleman from Illinois [Mr. MANN] has properly stated what the amendment is and who would be affected by the adoption of it.

The amendment provides that-

No teacher or other person employed in the public schools of the District of Columbia receiving a base pay of \$1,190 or more per annum under the act approved May 26, 1908, shall receive or be entitled to any longevity pay under said act.

It would affect only the salaries, so far as the longevity pay is concerned, of teachers employed at a basic pay greater than \$1,190 per annum.
Mr. MURRAY of Massachusetts. Mr. Chairman, will the gen-

tleman yield?
The CHAIRMAN. Does the gentleman yield?

Mr. PAGE of North Carolina. I yield. Mr. MURRAY of Massachusetts. Has not every teacher, even those teachers who are not in that grade, constantly before him or her the hope of getting into that grade?

Mr. PAGE of North Carolina. Certainly; and they are not affected when they get into it. There is no basic pay, except as

to about 20 or 30, that are above \$1,190 now.

Mr. MURRAY of Massachusetts. That is true; but has not

every teacher, even the newest teacher in the District, the hope of getting into that class which, though small in number, is to be actually affected by this legislation? Will not every teacher be affected by being excluded from the possibility of getting into

Mr. PAGE of North Carolina. Oh, I do not know that I can

answer the gentleman exactly, because I do not know the aspirations of the teachers in the classes.

Mr. MURRAY of Massachusetts. It is reasonable to suppose that the aspiration of all of them is to get the most pay.

Mr. PAGE of North Carolina. In reply to the gentleman from Massachusetts [Mr. MURRAY], and diverting a little from what I was going to say, I will state that the gentleman from Massachusetts awhile ago made the remark that this law was enacted and placed on the statute books without any great influence or influential body being brought to bear upon Members of Congress in its behalf; that here were a few hundred school-teachers in the District of Columbia without influence, and still this law has been placed upon the statute books. I want to ask the gentleman from Massachusetts if he seriously supposes that about 1,800 school-teachers in the city of Washington, a large proportion of them ladies, have no influence upon the membership of this body?

Mr. MURRAY of Massachusetts. They surely have no voting influence, and I restricted it to voting influence. Not one of

them has a vote.

Mr. PAGE of North Carolina. No; but sometimes there is influence that is very much greater than voting influence. [Ap-

Mr. MURRAY of Massachusetts. There was only one time in my life when I met that influence.

Mr. PAGE of North Carolina. Certainly every man has met it at least once, if he has gone very far along the journey of

Mr. Chairman, it appears in the hearings and in the estimates for this longevity pay, and all the estimates submitted for the conduct of the public schools in the city of Washington, that those estimates as made up by the school board came to the Committee on Appropriations without the crossing of a "t" or the dotting of an "i" by the Commissioners of the District of

In other words, the Commissioners of the District of Columbia did not exercise in the slightest degree their supervisory powers over these estimates. There was enough influence to reach even these gentlemen, and there is enough influence to

reach gentlemen in Congress.

I am not here to advocate any injury to the schools of the city of Washington, and I can say truthfully that the largest increase in appropriations made in the bill presented at this time is for the conduct of the public schools in the city of Washington. Your committee are not antagonistic to the school They are not antagonistic to the teachers who are employed in these schools; but they believe that the appropriation made here for longevity pay should be used for the teachers in the lower grades, who are receiving less than \$1,200 a year.
Mr. SHARP. Will the gentleman yield for information?

Mr. PAGE of North Carolina. Certainly.
Mr. SHARP. The gentleman refers to the largest increase in the bill as being for public schools. Is that increase for build-

ings or for pay?

Mr. PAGE of North Carolina. It is for both; for no increase in the pay of any one teacher, but for the increase under the longevity law and in the aggregate. For instance, the increase in this appropriation for longevity pay is very considerable, and there is an increase in the appropriation for the construction of new buildings and for the extension of school grounds; and it is the largest increase of any one item in the bill.

Mr. WILLIS. I understand that the gentleman believes in the principle of longevity pay. Now, what is the reason for drawing the line at the point indicated by this amendment? I

have heard no reason given by anyone.

Mr. PAGE of North Carolina. If the gentleman wants my personal opinion about longevity pay, I stated it here a few days ago on the floor of the House. So far as I am personally concerned I do not believe in the principle of longevity pay.

Mr. WILLIS. The committee does,

Mr. PAGE of North Carolina. The committee has followed the law in regard to longevity pay. I do not know the individual opinions of the members of the committee on the subject.

Mr. WILLIS. That is really not material to the question I want to ask the gentleman, which is. Why did the committee draw the line at this particular point? If it is a good principle, why apply it at one place and not at another?

Mr. PAGE of North Carolina. The law did that; we did not

do it.

Mr. WILLIS. No; but there is a limit of \$1,190. Mr. PAGE of North Carolina. They drew it at that amount because most of the teachers are below that sum and are not affected in the slightest degree. The committee believe that for these higher places the salaries ought to be fixed by law, at

what they are now or more, as the case may be.

Mr. Chairman, I do not care to prolong this discussion. I
presume every member of this committee has his mind thor-

oughly made up now as to how he is going to vote. Nothing that I could say would change it; and unless some other gentleman on this side of the House desires the remaining time, I ask for a vote.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Mississippi.

The affirmative vote was taken.

Mr. BRYAN. Mr. Chairman, a point of order. The point of order was reserved on this amendment. It seems to me this is exactly what is intended to be prohibited by the rule. It certainly is substantive legislation that is offered here to annul the existing law. Now, if in making this appropriation we can repeal the existing law as to longevity pay by inserting a provision that puts that law out of business, then we are certainly able to open up a wide range of legislation, and I submit that the amendment is out of order.

Mr. PAGE of North Carolina. In reply to the gentleman from Washington, I desire to say that the amendment is clearly in order under what is known as the Holman rule. It will unquestionably reduce expenses and reduce the amount of the bill. Mr. ROBERTS of Massachusetts. You can not tell how

Mr. MANN. The Chairman of the Committee of the Whole House on the state of the Union [Mr. HULL] made a ruling the other day which, it seems to me, is conclusive upon this propo-In ruling upon the amendment offered by the gentleman from Missouri [Mr. Borland] the other day, the Chair ruled that, while the committee, or a member of the committee by authorization of the committee, might offer an amendment to reduce expenditures or retrench expenses, a Member from the floor could not offer such an amendment unless it went further than that.

The Chair sustained the point of order, which I made, on the Borland amendment, on the ground that it was offered by an individual Member on the floor, as this is, without authority of the committee which has jurisdiction of the subject matter. Laying aside the question of the right of the District Committee to offer the amendment, the amendment must provide that it shall retrench expenditures by number and salary of the officers of the United States. These teachers are not officers of the United States. "By reduction of compensation of any person paid out of the Treasury of the United States." I do not think that they come within that view. Or "by reduction of the amount of money covered by the bill." Of course, it does not purport to reduce the amount of money covered by the bill.

Mr. SISSON. Mr. Chairman, if the Chair will examine the Holman rule, he will find that one provision is that it "reduces the salary of any person paid out of the Treasury of the United States." One-half of these salaries being paid out of the Treasury of the United States, therefore this is in order, not under the proviso but under the other portion of the Holman rule, under the rule itself. This is clearly within that rule. The estimates last year under the longevity pay were three hundred and some-odd thousand dollars. They were given \$375,000, and there was a deficit of \$37,000. This year's

estimate of longevity pay is that it will take \$462,035.

So your committee know that it does reduce the amount of money paid to persons drawing a salary out of the Treasury of the United States, and for that they were warranted in reporting this amendment, because these teachers receive one-half of their pay out of the Treasury of the United States, and the effect of the amendment would be that it would reduce the amount of money paid out of the Treasury to these teachers received under longevity pay where the amount they now receive is over \$1,190. The effect is a direct and immediate

reduction of the amount of money paid out of the Treasury.

Mr. STAFFORD. Mr. Chairman, in a lengthy decision delivered by the present occupant of the chair on the Borland amendment he pointed out that the amendment did not come within the three provisions of the first part of the Holman rule. I wish to take issue with the distinguished gentleman from Illinois [Mr. Mann] that the second provision of the first part which says "if it relates to the reduction of the compensation of any person paid out of the Treasury of the United States," does not bring these school-teachers within that provision. Certainly a part of the compensation of these school-teachers is paid out of the Treasury of the United States, half from the District and half from the Treasury; and, further, this amendment would come within the third class of the first provision by a reduction of the amount of money covered by the bill. The effect of this amendment will be to reduce the expenditures of the District as covered by the bill. I do not think there can be any question under the precedents of the House that this is clearly within the provision of the Holman rule.

Mr. BRYAN. Mr. Chairman, if this amendment provided some requirement as to the ages of the teachers, it might be said that it reduced expenditures, but nevertheless it would be substantive legislation and would be outside of the purview of this bill. It would be repealing a statute already fixing these matters.

The CHAIRMAN. The Chair is ready to rule. The point of order is made against the amendment on the ground that it does not meet the requirements of clause 2, Rule XXI. number of authorities are cited, both pro and con. others was a decision rendered during the early consideration of this bill relative to an amendment proposing to enact a system of taxation in this District against certain kinds of local benefits. That point of order was disposed of upon the theory that the amendment would establish by a comprehensive provision of law a system of assessments to be levied upon the owners of property abutting on streets that were improved by either of a number of different methods which the amend-

ment prescribed.

In view of the permanent character and comprehensive provisions of that amendment the Chair did hold that it in its very nature constituted a separate, substantive, permanent The pending amendment, the Chair thinks, is germane to the subject matter of the bill, or rather to the paragraph to which it is offered. He is also of the opinion that it complies with at least one of the requirements of clause 2, Rule XXI, Upon its face it proposes to eliminate from the longevity-pay law a certain class of those who otherwise would be beneficiaries of appropriations made by its authority, and thereby to reduce expenditures. The Chair thinks it does not come within the class of separate, substantive, permanent provisions of law, such as was involved in the amendment ruled on last Saturday, and fell under the proviso of clause 2, and therefore the point of order is overruled, and the question is on agreeing to the amendment

Mr. BRYAN. Mr. Chairman, I move to amend the amendment by the following, which I send to the Clerk's desk and ask to have read.

The Clerk read as follows:

Amend the pending amendment by striking out "\$1,190" and inserting "\$1,500."

The CHAIRMAN. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was rejected.

The CHAIRMAN. The question now is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. Sisson) there were—ayes 28, noes 72.
Mr. PAGE of North Carolina. Mr. Chairman, I demand

tellers.

The CHAIRMAN. The gentleman from North Carolina demands tellers. As many as are in favor of ordering tellers will rise and stand until counted. [After counting.] Eighteen Members have risen, not a sufficient number, and tellers are refused. The Clerk will read.

The Clerk read as follows:

Central High School and annex: Janitor, \$900; laborers-1, \$420; at \$360 each; in all, \$2,400.

Mr. DYER. Mr. Chairman, I move to strike out the last word. Do I understand that the pay provided for these people of \$420 and \$360 is for all of their time to be devoted to this work, or for only a portion of it?

Mr. PAGE of North Carolina. The hearings before the committee show that these people give only a few hours a day to

Mr. DYER. Mr. Chairman, I withdraw the pro forma amend-

The Clerk rend as follows:

The Clerk read as follows:

Medical inspectors: Thirteen medical inspectors of public schools, one of whom shall be a woman, two shall be dentists, and four shall be of the colored race, at \$500 cach; in all, \$6,500: Provided, That said inspectors shall be appointed by the commissioners only after competitive examination, and shall have had at least three years' experience in the practice of medicine or dentistry in the District of Columbia, and shall perform their duties under the direction of the health officer and according to rules formulated from time to time by him, which shall be subject to the approval of the board of education and the commissioners.

Mr. MANN. Mr. Chairman, I reserve the point of order on the paragraph. I ask the gentleman what is the object of the proviso in this bill, it already being in the current law?

Mr. PAGE of North Carolina. Because it refers to these

Mr. PAGE of North Carolina. Because it refers to these particular inspectors, and it is the limitation upon them and on this particular paragraph.

Mr. MANN. I withdraw the point of order, although it is subject to a point of order. It is not a limitation.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

A detailed statement of the expenditure of the appropriation made for purposes expressed in the foregoing paragraph shall be submitted to Congress in the Book of Estimates for the fiscal year 1916, and annually thereafter

Mr. MANN. Mr. Chairman, I reserve the point of order on the paragraph. What does the gentleman expect to get by the expression "detailed statements of the expenditures

Mr. PAGE of North Carolina. Mr. Chairman, heretofore in these appropriations for contingent and miscellaneous expenses and in the estimates, in addition to the appropriation made in a lump sum for the expense of repairs for the school buildings in the District of Columbia, there has come to be a large number of special items of special repairs in almost every bill. Your committee, in framing this bill, decided that it was a very much better practice to have the appropriations for these expenses made in one item, and they therefore disallowed the special items that were asked for, but increased this item by several thousand dollars above the estimate submitted to them by the commissioners. In reply to the gentleman's question I will say that I think the language of the proviso answers itself. A detailed statement would include the expenditure of money on each separate building that was repaired, the amount of money expended, and the nature of those repairs, in the aggregate, and explain how the entire appropriation of \$115,000 was expended.

Mr. MANN. The gentleman is aware that in recent years we have put in a great many provisions of this kind calling for detailed statements of expenditures. For instance, we require a statement of traveling expenditures. One department will make a report that will give the dates of persons traveling, another department leaves out the dates, and one department will put in what they were traveling for, while another leaves

that out entirely.

It is true that all of them in some way get at the items, though they do not take the trouble to give the details. In some of these detailed statements which we require in the Indian Service, what is called a detailed statement will contain nothing but the different Indian reservations, with practically no further information and that runs all through them until we have a mass of that stuff, or those of us who examine the reports, that in the main gives no information, and you have to look through them to find out that you can not find out anything about them.

Mr. PAGE of North Carolina. Let me ask the gentleman this: In spite of the justice in some degree of the criticism that he is making, and of the manner in which these statements are made, in compliance with provisions of this sort, does he not think that a distinct benefit comes from a provision of this kind, and from the statements made, even though they may be, from his point of view, imperfect statements?

Mr. MANN. I do think this, that where a department is required to make a detailed statement, the fear that some one will criticize what has been expended has a slight tendency at

least to prevent undue and improper expenditures.

Mr. PAGE of North Carolina. I agree with the gentleman. Mr. MANN. That may be the case here. I wish, however, that some one in the administration with authority, or by legislation, would provide a more uniform system of making these detailed statements.

Mr. PAGE of North Carolina. Well, I agree with the gentleman.

Mr. MANN. So they would cover somewhat the same ground

and be comparable one with the other.

Mr. PAGE of North Carolina. I agree with the gentleman there is need for some system being evolved by which there may be uniform detailed statements.

Mr. MANN. What the gentleman wants is to get out of this practically a statement of schools—

Mr. PAGE of North Carolina. Yes, sir; of school buildings. Mr. MANN. But the gentleman does not want a detailed statement of all the items?

Mr. PAGE of North Carolina. No; not necessarily. I do not imagine we will get that, because we do not enter upon too great detail; but we will get the exact expenditure on each school building.

Mr. MANN. I withdraw the point of order. Mr. PAGE of North Carolina. Mr. Chairman, in order that it may appear in the RECORD, not so much for the Committee of the Whole as for the persons who have charge of the expenditures of this lump-sum appropriation for the repair of school buildings in the District of Columbia, I desire to make a statement which, in my judgment, shows that there is some necessity for having a report made to the Congress as to the swept before his own door?

expenditures made from this lump-sum appropriation and from all other lump-sum appropriations.

In the estimates submitted to the committee or to the Congress there was one for thirty-odd thousand dollars for a building and the approaches to a school building that had been authorized, appropriated for, and constructed under a former bill. The evidence came out in the hearings that this particular school building had been constructed under a provision of the appropriation—I believe on Georgia Avenue—on a terrace 40 feet above the street level, and that the original appropriation was intended to complete the building entirely, and the approaches as well as the building. As a matter of fact, a condition exists by which the appropriation was all expended, and the building is 40 feet above the street level, with no provision made for getting to it except to climb up this embankment.

A little inquiry developed the fact that the original plan prepared by the municipal architect provided for the construction of the building as well as the approaches and the entire com-pletion within the appropriation. The style of architecture did not meet the approval of that recently created board of censors, the Fine Arts Commission, and they changed the style of that architecture from the dorie to the colonial. The result was that this change of architecture—as appears from the testimony in the hearings before this committee given by the municipal architect and others-did not improve in the slightest degree the school building; in fact, the direct testimony is that the style of architect under the direction of the Fine Arts Commission is vastly less desirable for a school building than the one originally planned, giving less light. Now, because of the interference or judgment of this Fine Arts Commission they find themselves \$32,000 short of completing the building for the proper use of the children of the District. We increased this sum for the purpose of allowing some sort of approach to be made to that building, in the hope that in the future the expenditure of money for the construction of public-school buildings, particularly when the amount asked for in the estimates is granted, that those in authority may get their contracts and construct the buildings so that they may be completed within the amount appropriated.

The Clerk read as follows:

For purchase and repair of tools, machinery, material, and books, and apparatus to be used in connection with instruction in manual training, and incidental expenses connected therewith, \$25,000.

Mr. BRYAN. Mr. Chairman, I move to strike out the last Now, we have here an \$85,000 appropriation for fuel, gas, electric light, and power, representing 4 per cent on over \$2,000,000. Mr. Chairman, it seems to me that this committee, which no doubt has been carefully considering questions involving the District of Columbia, its development, and its industrial welfare, ought to have considered up to this time something more on this subject of improving and obtaining some development of power out of the Great Falls, of which we have talked. It seems to me that this committee ought to feel censured every time it looks at an electric light until they do something toward the development of water power here in the District of Co-

Mr. PAGE of North Carolina. Will the gentleman yield?

Mr. BRYAN. Certainly.

Mr. PAGE of North Carolina. Does the gentleman know this committee reporting this bill has no power to legislate? Which is the gentleman lecturing, the present committee or some other?
Mr. BRYAN. If this committee has no power to consider

this proposition, and I understand they have a right to consider some of these constructive enterprises, as well as some of the appropriations for schools—
Mr. PAGE of North Carolina. I do not know where the

gentleman got his understanding.

Mr. BRYAN. Then the proper committee of this House ought to feel censured every time they look at the electric light, and this committee ought to become very active when it comes to an appropriation here for \$85,000 for these things, in view of the fact that these falls out here are unimproved and the immense power that is there ready to be generated, and realizing the fact that Congress is absolutely ignoring and paying no attention to it. Here in the District of Columbia we are compelled to pay

Mr. SISSON. How many times has the gentleman been be-fore the proper committee of this House urging this important

matter:

Mr. BRYAN. I may have been delaying it somewhat, but I

am getting busy now.

Mr. SISSON. Does not the gentleman think that he ought to adopt the rule that was adopted in Jerusalem, which was said to be the cleanest city in the world because every man

Mr. BRYAN. I am sweeping in front of my door now. Here we are paying every kind of price for electric current, and the complaint is made that there are no manufactories when we could just as easily afford effective power by a little development and a little expenditure of money, and I think the committee of this House which has that matter in charge ought to feel humiliated and ought to feel censured because such a matter as this is neglected.

Mr. MANN. Mr. Chairman, I would like to oppose the mo-tion. I do not think this is the time for serious consideration of an appropriation bill, anyhow, because of the temper the House is in now.

The gentleman from Washington [Mr. BRYAN] calls attention to the possibilities of water power at Great Falls, but his complaint is not as well founded as he thinks it is. I do not know whether the gentleman has ever visited the Great Falls or not. I would advise him to go there himself and look at the place. It is not a very simple proposition, by any means. It is a grave question in my mind whether you can construct a water power there at all under any circumstances; but whether you can or not, with the development of water power or the electrical power through water power, as it has been growing in the last few years, several years ago Congress undertook to investigate the subject at Great Falls. I do not think we have been derelict on that subject.

The use of electric power and water power had come to that point in the country where it attracted the attention of the bill to the Great Falls. A commission was appointed or engineers instructed—I have forgotten which—at some considerable expense, to investigate and make a report. I dare say the gentleman from Washington has not yet read the report.

Mr. BRYAN. Yes; I have. Mr. MANN. I am glad the gentleman from Washington has read it. If he has, he knows that report does not settle the matter-that it is not yet determined whether it will be possible to erect a dam at Great Falls or whether it is a practical propo-Now, that report has not been before Congress. committee of the House which ought to deal with it up to date has had no opportunity of passing upon the question; and the Committee on Appropriations, which ordinarily steals the jurisdiction of such matters, did not attempt to do it this year, and I suppose, for two reasons: First, they did not desire to enter into a controversy; second, they had not yet made up their minds as to whether it was a feasible proposition.

Mr. BRYAN. Will the gentleman yield?

Mr. MANN. Certainly.

Mr. BRYAN. Is it not a fact that a million dollars, or some such an amount asked for, has been cut off of the necessary

appropriation in order to cut expenditures?

Mr. MANN. It is possible the million dollars ought to be appropriated. I do not know. The commissioners, I believe, made an estimate, or threatened to make one, for \$1,000,000 And yet I do not believe that any business man who would have to expend his own money would endeavor to put it into this proposition until he had better reports than Congress has up to date. It may be there will be great power there, but since I have read the report of one of the doctors in the Public Health Service, an expert in his profession, that the water just below Great Falls, which is the clearest water in this part of the country, is so foul that a dirty boy dare not bathe in it, I am not so ready to accept expert opinions offhand without further knowledge. Undoubtedly, if it is possible we will develop water power at Great Falls, and then we will have light enough to go around—in this Hall perhaps. [Applause.] The CHAIRMAN. The Clerk will read,

The Clerk read as follows:

For utensils, material, and labor, for establishment and maintenance of school gardens, \$1,200.

Mr. WILLIS. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Ohio [Mr. WILLIS]

moves to strike out the last word.

Mr. WILLIS. The gentleman from North Carolina [Mr. PAGE] will remember that when we had this item up for discussion last year and the year before we had something of a heated controversy about it. I am not disposed to renew that controversy, but I want to ask the gentleman whether there were any representations made to the committee in the hearings concerning this item? I have looked over the hearings carefully and can not find anything about it. Was any statement made

Mr. WILLIS. Yes; the item just read?

Mr. WILLIS. Yes; the item just read?

Mr. Dage of North Carolina. The just read?

Mr. WILLIS. Yes; the item just read. I can not find anything concerning it. It is at the top of page 43, for school

gardens. I could not find anything in the hearings on the subject.

Mr. PAGE of North Carolina. I think there is nothing in the hearings touching that item.

Mr. WILLIS. This is the same as it was last year?

Mr. PAGE of North Carolina. Yes; this is the same as it was last year, and the same amount that was estimated for as being necessary to carry on the work already established. No change was asked of the committee, and we appropriated the same amount on the representation that that amount was

Mr. MANN. Mr. Chairman, may I ask the gentleman from Ohio a question?

Mr. WILLIS. Yes. Mr. MANN. If I recollect aright, last year my friend from Ohio said that unless this item was increased the work on the gardens would have to stop, and even the schools would have to be closed. [Laughter.] Was that the reason for the action of the House in not making the increase?

Mr. WILLIS. The memory of the gentleman is at fault with I did not say that the work would cease or espect to that. that the schools would be closed. I did say that the work could not be increased as much as I wanted it to be increased.

Mr. MANN. Well, I remember the gentleman moved me to

tears last year by what he said about it. [Laughter.] Mr. WILLIS. I feel very highly complimented by the suggestion that I was able to do such a thing as that. I withdraw

the amendment, Mr. Chairman. The CHAIRMAN. The pro forma amendment is withdrawn.

The Clerk will read.

The Clerk read as follows:

It shall not be lawful for any person employed under or in connection with the public schools of the District of Columbia to solicit or receive, or permit to be solicited or received, on any public-school premises, any subscription or donation of money or other thing of value from pupils enrolled in such public schools for presentation of testmonials or for any other purposes.

Mr. WILLIS. Mr. Chairman, I reserve a point of order on this paragraph just read.

The CHAIRMAN. The gentleman from Ohio [Mr. Willis] reserves a point of order on the paragraph.

Mr. WILLIS. I am willing that the gentleman from North

Carolina may make a statement. Mr. PAGE of North Carolina. Does the gentleman reserve it?

Mr. WILLIS. I reserve the point of order.

Mr. PAGE of North Carolina. And the purpose of the gentleman's reservation is that the chairman may make an explanation?

Mr. WILLIS. Decidedly, unless the gentleman wants me to

make the point of order.

Mr. PAGE of North Carolina. Mr. Chairman, your committee placed this paragraph in the appropriation bill because of evidence adduced in the hearings in relation to the solicitation of funds for various and sundry purposes from the children in the public schools of the city of Washington. We found that we had reached a place where it had become almost a nuicance. Solicitations were made for all sorts of charitable purposes, and there were constant collections and subscriptions among the school children, even of the grammar grades, for this purpose or that purpose or the other purpose, until there was great complaint, not only on the part of some of the children themselves, but also on the part of the parentc. so much of a nuisance that your committee felt that the charitable institutions or the Board of Charities of the city of Washington should take care of the cases of charity, and not poor children in the public schools.

Mr. COX. I see that the provision carries no penalty. How

do you propose to enforce it?

Mr. PAGE of North Carolina. There are many provisions of law that carry no penalty.

Mr. COX. How do you hope to enforce it?

Mr. PAGE of North Carolina. We hope that the expression of disapproval here will result in the discontinuance of this practice in the schools.

Mr. WILLIS. Mr. Chairman, I have listened to the gentleman's explanation and am in sympathy with the gentleman's purpose that he expresses as having been arrived at in the committee; but it seems that this amendment includes some things that the committee would not wish to include. I referred a moment ago to the school gardens. As the gentleman knows, a great deal of that work is carried on entirely outside of the appropriation that we make here. It is carried on largely by

the children themselves.

Mr. PAGE of North Carolina. By contributions made to it?

Mr. WILLIS. Yes. The children themselves make contributions. Now, as I read this language in this paragraph, no teacher could receive contributions, as they have been receiving them heretofore, for the purpose of buying fertilizer or seeds,

and so forth, to be used in these school gardens.

Mr. PAGE of North Carolina. They could not receive them if they were solicited or contributed upon the school grounds.

Mr. WILLIS. Does the gentleman think that is a wise provision—to make it necessary for the teachers to get the pupils off into an alley somewhere to solicit these contributions?

Mr. PAGE of North Carolina. No; and if the gentleman will permit, I think they ought not to get them off into an alley or elsewhere to solicit subscriptions, either in public or private, for any purpose. If the children in the school want to make a contribution, that is another matter, and that can be arranged.

Mr. WILLIS. But the language of this paragraph will abso-

lutely prohibit that, because it reads:

To solicit or receive.

So if a pupil should come to a teacher desiring to make a contribution for the school garden work, it could not be re-

ceived, probably.

Mr. PAGE of North Carolina. Let me suggest to the gentleman from Ohio that if we do not close the gap entirely we can not write this paragraph so as to close it at all; and if you permit certain of these activities under the language you write, you will permit all of them, and the abuses in the schools in

this regard will go on unabated.

Mr. WILLIS. Does not the gentleman think it would be perfectly safe to leave the regulation of a matter of this kind in the hands of the school board? Has not the school board already adopted regulations to prevent the taking up of sub-scriptions for the giving of testimonals to teachers? I am in-

formed that is the fact.

Mr. PAGE of North Carolina. This power is now vested in the school board.

Mr. WILLIS. Does not the gentleman think it is sufficient to

let the school board act in the premises

Mr. PAGE of North Carolina. In the light of some things that have taken place and of the abuses that have gone on in the schools in this matter I think not. I believe some other restriction ought to be placed upon them.

Mr. WILLIS. I have the greatest respect for the gentleman's opinion, but I think this amendment is too broad, and unless I get some further light on the subject I am disposed to

make the point of order.

Mr. PAGE of North Carolina. If the gentleman intends to do that. I wish he would do it at this point.

Mr. WILLIS. I will reserve it.
Mr. MANN. Will the gentleman yield for a question?

Mr. PAGE of North Carolina. Certainly.

Mr. MANN. Does the gentleman think this provision without a penalty clause attached to it would be at all effective?

Mr. PAGE of North Carolina. I think it would be to a cer-

tain degree; yes.

Mr. MANN. The gentleman knows that there is a provision of law now forbidding the raising of subscriptions in the depart-

Mr. PAGE of North Carolina. Yes.

Mr. MANN. And the gentleman knows that constantly the departments are engaged in raising subscriptions to give something to some retiring officer. I think the law provides that the person doing this shall be dismissed from the service, but I am sure no one has ever heard of anyone being dismissed from the service for that reason, and I am sure I never heard of anyone being discharged. One of the notable cases was that of the auditor of this District at one time.

Mr. PAGE of North Carolina. This committee had no desire to be so drastic about this matter as to write a penalty into the law, but we merely intended to give warning to these people, believing that they would heed the action of Congress in the matter, and that this practice that has grown up to a very great

extent in the schools would be discontinued.

Mr. MANN. If you are going to write a law that is not needed for people of ordinary ethical principles, you ought to write it so that it will have to be observed by those who do not have the finer sense.

Mr. PAGE of North Carolina. As a general principle, I agree with the gentleman, but in this particular item we thought it ought not to be so drastic.

Mr. WILLIS. I make the point of order.

The CHAIRMAN. The point of order is sustained.

Mr. PAGE of North Carolina. I offer the following amendment-

Mr. MANN. Oh, let us rise.

Mr. PAGE of North Carolina. Let us have this amendment read, and then I will move to rise.

The Clerk read as follows:

On page 44, after line 17, insert:

"No part of any money appropriated by this act shall be paid to any person employed under or in connection with the public schools of the District of Columbia who shall solicit or receive, or permit to be solicited or received on any public-school premises, any subscription or donation of money or other thing of value from pupils enrolled in such public schools for presentation of testimonials, or for any other purposes other than for the promotion of school athletics and commencement exercises of high schools."

Mr. WILLIS, I reserve a point of order on the amendment.

Mr. WILLIS. I reserve a point of order on the amendment, Mr. PAGE of North Carolina. Mr. Chairman, I ask for a ruling. This is a limitation on the expenditure of the money, and, to my mind, is clearly in order. It fixes the penalty, about which the gentleman from Illinois was concerned.

Mr. MANN. I understand the amendment the gentleman now offers excludes from the prohibition from raising money for the school athletics and commencement exercises for high school.

Mr. PAGE of North Carolina. Yes; and fixes the penalty that no part of the money shall be paid to anyone who violates the law.

Mr. WILLIS. Would not the gentleman include in the exceptions the school gardens? That is what I am seeking to protect.

Mr. PAGE of North Carolina. Yes; I will except that. Mr. Chairman, I ask unanimous consent to modify the amend-

ment by including in the exceptions "school gardens."

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to modify his objection by including in the exceptions school gardens. Is there objection?

There was no objection.

Mr. BRYAN. Will the gentleman yield for a question?

Mr. WILLIS. Mr. Chairman, I withdraw the point of order. Mr. McCOY. Mr. Chairman, I ask that this paragraph in the bill may be passed over until we can consider the amendment. It seems to me rather drastic that a school-teacher should be cut out of a month's salary because she permitted the boys to violate a law.

Mr. PAGE of North Carolina. Why, Mr. Chairman, complaint comes from one gentleman that there is no penalty attached to

it, and now from another that the penalty is drastic.

Mr. MANN. It seems we do not all agree.

Mr. PAGE of North Carolina. I think before the committee rises I would like to dispose of this amendment.

Mr. McCOY. Well, Mr. Chairman, I ask that it be passed

Mr. PAGE of North Carolina. The point of order has been withdrawn.

Mr. McCOY. I make the point of order.

Mr. PAGE of North Carolina. It is too late; there has been discussion of it.

Mr. McCOY. The point of order was reserved by the gentleman from Ohio [Mr. Willis].

Mr. PAGE of North Carolina. The point of order was made. Mr. WILLIS. I did not make it; the gentleman from New

Jersey was also reserving the point of order.

Mr. McCOY. The gentleman from Ohio reserved the point of order, and during that reservation the discussion took place. Now, if the gentleman from Ohio does not want to make the point of order, I do make it.

The CHAIRMAN. The Chair is under the impression that this is a limitation within the meaning of the rule, a limitation

on the appropriation.

Mr. McCOY. It is in the nature of creating a criminal offense and fixing a penalty. If that can be a limitation on the expenditure, it seems to me to be going a good ways.

The CHAIRMAN. The point of order is overruled.

Mr. BRYAN. Mr. Chairman-

The CHAIRMAN. Debate is exhausted on the amendment. Mr. LINTHICUM. Mr. Chairman, I demand the regular

Mr. MANN. Mr. Chairman, the amendment has just been held in order, and therefore debate can not be exhausted on it. Before that debate was proceeding by unanimous consent.

The CHAIRMAN. The point of order was reserved, and yet the merits of the question were discussed by gentlemen on the floor. The Chair will recognize the gentleman from Washington [Mr. BRYAN].

Mr. PAGE of North Carolina. Mr. Chairman, I ask that debate on this amendment may close in five minutes.

Mr. McCOY. Oh, make it 10 minutes. Mr. PAGE of North Carolina. I move, Mr. Chairman, that the committee do now rise.

Mr. BRYAN. But I have the floor, Mr. Chairman. The CHAIRMAN. The Chair has recognized the gentleman from Washington [Mr. BRYAN].

Mr. BRYAN. I am going to make this statement if it can be made.

Mr. MANN. The gentleman can get a chance when we go back into committee.

Mr. BRYAN. Mr. Chairman, the penalty provided here is extraordinary and-

Mr. HEFLIN. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it:

Mr. HEFLIN. Under the order of the House, the committee was to rise when the conference report on the currency bill

The CHAIRMAN. The gentleman from Washington has the floor, and the gentleman from Alabama can not interrupt him.
Mr. UNDERWOOD. Mr. Chairman, will the gentleman from Washington yield?
Mr. BRYAN. Yes; certainly.

Mr. UNDERWOOD. If the gentleman from Washington will allow me to make a suggestion, as soon as the gentleman from North Carolina has an opportunity he intends to move that the committee rise, so that the conference report on the currency bill can be perfected. I presume that the gentleman from Washington will prefer to make his remarks when the House goes back into the committee.

Mr. BRYAN. Very well, Mr. Chairman; I will yield the floor

with that understanding.

Mr. PAGE of North Carolina. Mr. Chairman, I move that the

committee do now rise.

The motion was agreed to; accordingly the committee determined to rise, and the Speaker having resumed the chair, Mr. HULL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 10523, the District of Columbia appropriation bill, and had come to no resolution thereon.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Tulley, one of its clerks, announced that the Senate had passed bills of the Senate of the following titles, in which the concurrence of the House of Representatives was requested:

S. 3192. An act waiving the age limit for appointment as cadet engineer in the Revenue-Cutter Service of the United

States in the case of John S. McKinney;

S. 1346. An act to authorize the Eastern Maine Railroad to construct, maintain, and operate a bridge without a draw across the Penobscot River between the cities of Bangor and Brewer, in the State of Maine; and

S. 1784. An act restoring to the public domain certain lands heretofore reserved for reservoir purposes at the headwaters

of the Mississippi River and tributaries.

The message also announced that the Senate had passed with amendments bills of the following titles, in which the concurrence of the House of Representatives was requested:

H. R. 1967. An act regulating the manufacture of smoking opium within the United States, and for other purposes; and H. R. 1966. An act to amend an act entitled "An act to pro-

hibit the importation and use of opium for other than medicinal purposes," approved February 9, 1909.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their ap-

propriate committees, as indicated below:

S. 3192. An act waiving the age limit for appointment as cadet engineer in the Revenue-Cutter Service of the United States in the case of John S. McKinney; to the Committee on Interstate and Foreign Commerce.

S. 1346. An act to authorize the Eastern Maine Railroad to construct, maintain, and operate a bridge without a draw across the Penobscot River between the cities of Bangor and Brewer, in the State of Maine; to the Committee on Interstate and Foreign Commerce.

S. 1784. An act restoring to the public domain lands hereto-fore reserved for reservoir purposes at the headwaters of the Mississippi River and tributaries; to the Committee on the Public Lands.

THE CURRENCY.

Mr. GLASS. Mr. Speaker, I present the conference report (H. Rept. 163) on the bill H. R. 7837, the currency bill, and, under the order of the House, I ask for its immediate consideration.

Mr. MURRAY of Oklahoma. Mr. Speaker, I desire to make point of order against the report.

The SPEAKER. What is the point of order?

Mr. MURRAY of Oklahoma. Upon the ground that the report is not in obedience to the instructions given by the House

The SPEAKER. The Chair can not pass upon that until he has read or heard read the conference report.

Mr. MURRAY of Oklahoma. I am making it, and desire to have the point of order pending.

Mr. UNDERWOOD. In what particular do the conferees fail to follow the instructions of the House?

Mr. MURRAY of Oklahoma. The point of order I make is that the conferees did not obey the instructions of the House in one particular, and that is in respect to loans on farm credits.

Mr. MANN. Mr. Speaker, I submit that is a matter that might affect the acceptance or rejection of the report and not a

point of order.

The SPEAKER. The Chair thinks that is correct. Of course when the conference report is read, and when it comes up for consideration, the gentleman from Oklahoma will have his rights. The Chair does not know what is in the report, and does not think that anyone else does except the conferees.

The Clerk will read the report.

The Clerk read as follows:

CONFERENCE REPORT (H. REPT. NO. 163).

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7837) to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment

as follows:

In lieu of the amendment proposed by the Senate insert the following:

Be it enacted, etc., That the short title of this act shall be the "Federal reserve act." Wherever the word "bank" is used in this act, the word shall be held to include State bank, banking association, and trust company, except where national banks or Federal reserve banks

are specifically referred to.

The terms "national bank" and "national banking association" used in this act shall be held to be synonymous and inter-changeable. The term "member bank" shall be held to mean any national bank, State bank, or bank or trust company which has become a member of one of the reserve banks created by this act. The term "board" shall be held to mean Federal reserve board; the term "district" shall be held to mean Federal reserve district; the term "reserve bank" shall be held to mean Federal reserve bank,

FEDERAL RESERVE DISTRICTS.

Sec. 2. As soon as practicable the Secretary of the Treasury, the Secretary of Agriculture and the Comptroller of the Currency, acting as "the reserve bank organization committee," shall designate not less than 8 nor more than 12 cities to be known as Federal reserve cities, and shall divide the conti-nental United States, excluding Alaska, into districts, each district to contain only one of such Federal reserve cities. The determination of said organization committee shall not be subject to review except by the Federal reserve board when organized: Provided, That the districts shall be apportioned with due regard to the convenience and customary course of business and shall not necessarily be coterminous with any State or States. The districts thus created may be readjusted and new districts may from time to time be created by the Federal reserve board, not to exceed 12 in all. Such districts shall be known as Federal reserve districts and may be designated by number. A majority of the organization committee shall constitute a quorum with authority to act.

Said organization committee shall be authorized to employ counsel and expert aid, to take testimony, to send for persons and papers, to administer oaths, and to make such investigation as may be deemed necessary by the said committee in determining the reserve districts and in designating the cities within such districts where such Federal reserve banks shall be severally located. The said committee shall supervise the organization in each of the cities designated of a Federal reserve bank, which shall include in its title the name of the city in which it is situated, as "Federal Reserve Bank of Chicago."

Under regulations to be prescribed by the organization committee, every national banking association in the United States is hereby required, and every eligible bank in the United States and every trust company within the District of Columbia, is hereby authorized to signify in writing, within 60 days after the passage of this act, its acceptance of the terms and provisions hereof. When the organization committee shall have designated the cities in which Federal reserve banks are to be organized, and fixed the geographical limits of the Federal re-serve districts, every national banking association within that district shall be required within 30 days after notice from the

organization committee, to subscribe to the capital stock of such Federal reserve bank in a sum equal to 6 per cent of the paid-up capital stock and surplus of such bank, one-sixth of the subscription to be payable on call of the organization committee or of the Federal reserve board, one-sixth within three months and one-sixth within six months thereafter, and the remainder of the subscription, or any part thereof, shall be subject to call when deemed necessary by the Federal reserve board, said payments to be in gold or gold certificates

The shareholders of every Federal reserve bank shall be held individually responsible, equally and ratably, and not one for another, for all contracts, debts, and engagements of such bank to the extent of the amount of their subscriptions to such stock at the par value thereof in addition to the amount subscribed, whether such subscriptions have been paid up in whole or in

part, under the provisions of this act.

Any national bank failing to signify its acceptance of the terms of this act within the 60 days aforesaid, shall cease to act as a reserve agent, upon 30 days' notice, to be given within the discretion of the said organization committee or of the Fed-

eral reserve board.

Should any national banking association in the United States now organized fail within one year after the passage of this act to become a member bank or fail to comply with any of the provisions of this act applicable thereto, all of the rights, privileges, and franchises of such association granted to it under the national-bank act, or under the provisions of this act, shall be thereby forfeited. Any noncompliance with or violation of this act shall, however, be determined and adjudged by any court of the United States of competent jurisdiction in a suit brought for that purpose in the district or territory in which such bank is located, under direction of the Federal reserve board, by the Comptroller of the Currency in his own name before the association shall be declared dissolved. In cases of such noncompliance or violation, other than the failure to become a member bank under the provisions of this act, every director who participated in or assented to the same shall be held liable in his personal or individual capacity for all damages which said bank, its shareholders, or any other person shall have sustained in consequence of such violation.

Such dissolution shall not take away or impair any remedy against such corporation, its stockholders or officers, for any liability or penalty which shall have been previously incurred.

Should the subscriptions by banks to the stock of said Federal reserve banks or any one or more of them be, in the judgment of the organization committee, insufficient to provide the amount of capital required therefor, then and in that event the said organization committee may, under conditions and regulations to be prescribed by it, offer to public subscription at par such an amount of stock in said Federal reserve banks, or any one or more of them, as said committee shall determine, subject to the same conditions as to payment and stock liability as provided for member banks.

No individual, copartnership, or corporation other than a member bank of its district shall be permitted to subscribe for or to hold at any time more than \$25,000 par value of stock in any Federal reserve bank. Such stock shall be known as public stock and may be transferred on the books of the Federal reserve bank by the chairman of the board of directors of such bank.

Should the total subscriptions by banks and the public to the stock of said Federal reserve banks or any one or more of them, be, in the judgment of the organization committee, insufficient to provide the amount of capital required therefor, then and in to provide the amount of capital required therefor, then and in that event the said organization committee shall allot to the United States such an amount of said stock as said committee shall determine. Said United States stock shall be paid for at par out of any money in the Treasury not otherwise appropriated, and shall be held by the Secretary of the Treasury and disposed of for the benefit of the United States in such manner, at such times, and at such price, not less than par, as the Secretary of the Treasury shall determine.

Stock not held by member banks shall not be entitled to vot-

ing power.

The Federal reserve board is hereby empowered to adopt and promulgate rules and regulations governing the transfers of

said stock.

No Federal reserve bank shall commence business with a subscribed capital less than \$4,000,000. The organization of reserve districts and Federal reserve cities shall not be construed as changing the present status of reserve cities and central reserve cities, except in so far as this act changes the amount of reserves that may be carried with approved reserve agents located therein. The organization committee shall have power to appoint such assistants and incur such expenses in carrying | limitations prescribed by this act.

out the provisions of this act as it shall deem necessary, and such expenses shall be payable by the Treasurer of the United States upon voucher approved by the Secretary of the Treasury, and the sum of \$100,000, or so much thereof as may be necessary, is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, for the payment of such expenses.

SEC. 3. Each Federal reserve bank shall establish branch banks within the Federal reserve district in which it is located and may do so in the district of any Federal reserve bank which may have been suspended. Such branches shall be operated by a board of directors under rules and regulations approved by the Federal reserve board. Directors of branch banks shall possess the same qualifications as directors of the Federal reserve banks. Four of said directors shall be selected by the reserve bank and three by the Federal reserve board, and they shall hold office during the pleasure, respectively, of the parent bank and the Federal reserve board. The reserve bank shall designate one of the directors as manager.

FEDERAL RESERVE BANKS.

SEC. 4. When the organization committee shall have established Federal reserve districts as provided in section 2 of this act, a certificate shall be filed with the Comptroller of the Currency showing the geographical limits of such districts and the Federal reserve city designated in each of such districts. Comptroller of the Currency shall thereupon cause to be forwarded to each national bank located in each district, and to such other banks declared to be eligible by the organization committee which may apply therefor, an application blank in form to be approved by the organization committee, which blank shall contain a resolution to be adopted by the board of directors of each bank executing such application, authorizing a subscription to the capital stock of the Federal reserve bank organizing in that district in accordance with the provisions of this act.

When the minimum amount of capital stock prescribed by this act for the organization of any Federal reserve bank shall have been subscribed and allotted, the organization committee shall designate any five banks of those whose applications have been received, to execute a certificate of organization, and thereupon the banks so designated shall, under their seals, make an organization certificate which shall specifically state the name of such Federal reserve bank, the territorial extent of the district over which the operations of such Federal reserve bank are to be carried on, the city and State in which said bank is to be located, the amount of capital stock and the number of shares into which the same is divided, the name and place of doing business of each bank executing such certificate, and of all banks which have subscribed to the capital stock of such Federal reserve bank and the number of shares subscribed by each, and the fact that the certificate is made to enable those banks executing same, and all banks which have subscribed or may thereafter subscribe to the capital stock of such Federal reserve bank, to avail themselves of the advantages of this act.

The said organization certificate shall be acknowledged before a judge of some court of record or notary public; and shall be, together with the acknowledgment thereof, authenticated by the seal of such court, or notary, transmitted to the Comptroller of the Currency, who shall file, record and carefully preserve

the same in his office.

Upon the filing of such certificate with the Comptroller of the Currency as aforesaid, the said Federal reserve bank shall become a body corporate and as such, and in the name designated in such organization certificate, shall have power-

First. To adopt and use a corporate seal.

Second. To have succession for a period of 20 years from its organization unless it is sooner dissolved by an act of Congress, or unless its franchise becomes forfeited by some violation of law.

Third. To make contracts.

Fourth. To sue and be sued, complain and defend, in any court of law or equity.

Fifth. To appoint by its board of directors, such officers and employees as are not otherwise provided for in this act, to define their duties, require bends of them and fix the penalty thereof, and to dismiss at pleasure such officers or employees.

Sixth. To prescribe by its board of directors, by-laws not inconsistent with law, regulating the manner in which its general business may be conducted, and the privileges granted to

it by law may be exercised and enjoyed.

Seventh. To exercise by its board of directors, or duly authorized officers or agents, all powers specifically granted by the provisions of this act and such incidental powers as shall be necessary to carry on the business of banking within the

Eighth. Upon deposit with the Treasurer of the United States of any bonds of the United States in the manner provided by existing law relating to national banks, to receive from the Comptroller of the Currency circulating notes in blank, registered and countersigned as provided by law, equal in amount to the par value of the bonds so deposited, such notes to be issued under the same conditions and provisions of law as relate to the issue of circulating notes of national banks secured by bonds of the United States bearing the circulating privilege, except that the issue of such notes shall not be limited to the capital stock of such Federal reserve bank.

But no Federal reserve bank shall transact any business except such as is incidental and necessarily preliminary to its organization until it has been authorized by the Comptroller of the Currency to commence business under the provisions of

this act.

Every Federal reserve bank shall be conducted under the su-

pervision and control of a board of directors.

The board of directors shall perform the duties usually appertaining to the office of directors of banking associations and

all such duties as are prescribed by law.

Said board shall administer the affairs of said bank fairly and impartially and without discrimination in favor of or against any member bank or banks and shall, subject to the provisions of law and the orders of the Federal reserve board, extend to each member bank such discounts, advancements and accommodations as may be safely and reasonably made with due regard for the claims and demands of other member

Such board of directors shall be selected as hereinafter specified and shall consist of nine members, holding office for three years, and divided into three classes, designated as classes A, B, and C.

Class A shall consist of three members, who shall be chosen by and be representative of the stock-holding banks.

Class B shall consist of three members, who at the time of

their election shall be actively engaged in their district in commerce, agriculture or some other industrial pursuit.

Class C shall consist of three members who shall be designated by the Federal reserve board. When the necessary subscriptions to the capital stock have been obtained for the organization of any Federal reserve bank, the Federal reserve board shall appoint the class C directors and shall designate one of such directors as chairman of the board to be selected. Pending the designation of such chairman, the organization committee shall exercise the powers and duties appertaining to the office of chairman in the organization of such Federal reserve bank.

No Senator or Representative in Congress shall be a member of the Federal reserve board or an officer or a director of a

Federal reserve bank.

No director of class B shall be an officer, director, or employee of any bank.

No director of class C shall be an officer, director, employee,

or stockholder of any bank.

Directors of class A and class B shall be chosen in the fol-

lowing manner:

The chairman of the board of directors of the Federal reserve bank of the district in which the bank is situated or, pending the appointment of such chairman, the organization committee shall classify the member banks of the district into three general groups or divisions. Each group shall contain as nearly as may be one-third of the aggregate number of the member banks of the district and shall consist, as nearly as may be, of banks of similar capitalization. The groups shall be designated by number by the chairman.

At a regularly called meeting of the board of directors of each member bank in the district it shall elect by ballot a district reserve elector and shall certify his name to the chair-man of the board of directors of the Federal reserve bank of the district. The chairman shall make lists of the district reserve electors thus named by banks in each of the aforesaid three groups and shall transmit one list to each elector in each

group.

Each member bank shall be permitted to nominate to the chairman one candidate for director of class A and one candidate for director of class B. The candidates so nominated shall be listed by the chairman, indicating by whom nominated, and a copy of said list shall, within 15 days after its pletion, be furnished by the chairman to each elector.

Every elector shall, within 15 days after the receipt of the said list, certify to the chairman his first, second, and other choices of a director of class A and class B, respectively, upon a preferential ballot, on a form furnished by the chairman of the board of directors of the Federal reserve bank of the dis-

trict. Each elector shall make a cross opposite the name of the first, second, and other choices for a director of class A and for a director of class B, but shall not vote more than one

choice for any one candidate.

Any candidate having a majority of all votes cast in the column of first choice shall be declared elected. If no candidate have a majority of all the votes in the first column, then there shall be added together the votes cast by the electors for such candidates in the second column and the votes cast for the several candidates in the first column. If any candidate then have a majority of the electors voting, by adding together the first and second choices, he shall be declared elected. If no candidate have a majority of electors voting when the first and second choices shall have been added, then the votes cast in the third column for other choices shall be added together in like manner, and the candidate then having the highest number of votes shall be declared elected. An immediate report of election shall be declared.

Class C directors shall be appointed by the Federal reserve board. They shall have been for at least two years residents of the district for which they are appointed, one of whom shall be designated by said board as chairman of the board of directors of the Federal reserve bank and as "Federal reserve agent." He shall be a person of tested banking experience; and in addition to his duties as chairman of the board of directors of the Federal reserve bank he shall be required to maintain under regulations to be established by the Federal reserve board a local office of said board on the premises of the Federal reserve bank. He shall make regular reports to the Federal reserve board, and shall act as its official representative for the performance of the functions conferred upon it by this act. He shall receive an annual compensation to be fixed by the Federal reserve board and paid monthly by the Federal reserve bank to which he is designated. One of the directors of class C, who shall be a person of tested banking experience, shall be appointed by the Federal reserve board as deputy chairman and deputy Federal reserve agent to exercise the powers of the chairman of the board and Federal reserve agent in case of absence or disability of his principal.

Directors of Federal reserve banks shall receive, in addition to any compensation otherwise provided, a reasonable allowance for necessary expenses in attending meetings of their respective boards, which amount shall be paid by the respective Federal reserve banks. Any compensation that may be provided by boards of directors of Federal reserve banks for directors, officers or employees shall be subject to the approval of the Federal

reserve board.

The reserve bank organization committee may, in organizing Federal reserve banks, call such meetings of bank directors in the several districts as may be necessary to carry out the purposes of this act, and may exercise the functions herein conferred upon the chairman of the board of directors of each Federal reserve bank pending the complete organization of such

At the first meeting of the full board of directors of each Federal reserve bank, it shall be the duty of the directors of classes A, B and C, respectively, to designate one of the members of each class whose term of office shall expire in one year from the 1st of January nearest to date of such meeting, one whose term of office shall expire at the end of two years from said date, and one whose term of office shall expire at the end of three years from said date. Thereafter every director of a Federal reserve bank chosen as hereinbefore provided shall hold office for a term of three years. Vacancies that may occur in the several classes of directors of Federal reserve banks may be filled in the manner provided for the original selection of such directors, such appointees to hold office for the unexpired terms of their predecessors.

STOCK ISSUES; INCREASE AND DECREASE OF CAPITAL.

SEC. 5. The capital stock of each Federal reserve bank shall be divided into shares of \$100 each. The outstanding capital stock shall be increased from time to time as member banks increase their capital stock and surplus or as additional banks become members, and may be decreased as member banks reduce their capital stock or surplus or cease to be members. Shares of the capital stock of Federal reserve banks owned by member banks shall not be transferred or hypothecated. When a member bank increases its capital stock or surplus, it shall thereupon subscribe for an additional amount of capital stock of the Federal reserve bank of its district equal to 6 per cent of the said increase, one-half of said subscription to be paid in the manner hereinbefore provided for original subscription, and one-half subject to call of the Federal reserve board. A bank applying for stock in a Federal reserve bank at any time after the organization thereof must subscribe for an amount of the capital

stock of the Federal reserve bank equal to 6 per cent of the paid-up capital stock and surplus of said applicant bank, paying therefor its par value plus one-half of 1 per cent a month from the period of the last dividend. When the capital stock of any Federal reserve bank shall have been increased either on account of the increase of capital stock of member banks or on account of the increase in the number of member banks, the board of directors shall cause to be executed a certificate to the Comptroller of the Currency showing the increase in capital stock, the amount paid in, and by whom paid. When a member bank reduces its capital stock it shall surrender a proportionate amount of its holdings in the capital of said Federal reserve bank, and when a member bank voluntarily liquidates it shall surrender all of its holdings of the capital stock of said Federal reserve bank and be released from its stock subscription not previously called. In either case the shares surrendered shall be canceled and the member bank shall receive in payment therefor, under regulations to be prescribed by the Federal reserve board, a sum equal to its cash-paid subscriptions on the shares surrendered and one-half of 1 per cent a month from the period of the last dividend, not to exceed the book value thereof, less any liability of such member bank to the Federal reserve

SEC. 6. If any member bank shall be declared insolvent and a receiver appointed therefor, the stock held by it in said Federal reserve bank shall be canceled, without impairment of its liability, and all cash-paid subscriptions on said stock, with one-half of 1 per cent per month from the period of last dividend, not to exceed the book value thereof, shall be first applied to all debts of the insolvent member bank to the Federal reserve bank, and the balance, if any, shall be paid to the receiver of the in-solvent bank. Whenever the capital stock of a Federal reserve bank is reduced, either on account of a reduction in capital stock of any member bank or of the liquidation or insolvency of such bank, the board of directors shall cause to be executed a certificate to the Comptroller of the Currency showing such reduction of capital stock and the amount repaid to such bank.

DIVISION OF EARNINGS.

Sec. 7. After all necessary expenses of a Federal reserve bank have been paid or provided for, the stockholders shall be entitled to receive an annual dividend of 6 per cent on the paid-in capital stock, which dividend shall be cumulative. After the aforesaid dividend claims have been fully met, all the net earnings shall be paid to the United States as a franchise tax, except that one-half of such net earnings shall be paid into a surplus fund until it shall amount to 40 per cent of the paid-in capital stock of such bank.

The net earnings derived by the United States from Federal reserve banks shall, in the discretion of the Secretary, be used to supplement the gold reserve held against outstanding United States notes, or shall be applied to the reduction of the outstanding bonded indebtedness of the United States under regulations to be prescribed by the Secretary of the Treasury. Should a Federal reserve bank be dissolved or go into liquidation, any surplus remaining, after the payment of all debts, dividend requirements as hereinbefore provided, and the par value of the stock, shall be paid to and become the property of the United States and shall be similarly applied.

Federal reserve banks, including the capital stock and surplus therein, and the income derived therefrom shall be exempt from Federal, State, and local taxation, except taxes upon real

Sec. 8. Section 5154, United States Revised Statutes, is hereby amended to read as follows:

Any bank incorporated by special law of any State or of the United States or organized under the general laws of any State or of the United States and having an unimpaired capital sufficient to entitle it to become a national banking association under the provisions of the existing laws may, by the vote of the shareholders owning not less than 51 per cent of the capital stock of such bank or banking association, with the approval of the Comptroller of the Currency be converted into a national banking association, with any name approved by the Comp-troller of the Currency: Provided, however, That said conversion shall not be in contravention of the State law. case the articles of association and organization certificate may be executed by a majority of the directors of the bank or banking institution, and the certificate shall declare that the owners of 51 per cent of the capital stock have authorized the directors to make such certificate and to change or convert the bank or banking institution into a national association. A majority of the directors, after executing the articles of association and the organization certificate, shall have power to execute all other papers and to do whatever may be required to make its organization perfect and complete as a national asssociation. The

shares of any such bank may continue to be for the same amount each as they were before the conversion, and the directors may continue to be directors of the association until others are elected or appointed in accordance with the provisions of the statutes of the United States. When the comptroller has given to such bank or banking association a certificate that the provisions of this act have been complied with, such bank or banking association, and all its stockholders, officers, and employees, shall have the same powers and privileges, and shall be subject to the same duties, liabilities, and regulations, in all respects, as shall have been prescribed by the Federal reserve act and by the national banking act for associations originally organized as national banking associations.

STATE BANKS AS MEMBERS.

Sec. 9. Any bank incorporated by special law of any State, or organized under the general laws of any State or of the United States, may make application to the reserve bank organization committee, pending organization, and thereafter to the Federal reserve board for the right to subscribe to the stock of the Federal reserve bank organized or to be organized within the Federal reserve district where the applicant is located. The organization committee or the Federal reserve board, under such rules and regulations as it may prescribe, subject to the provisions of this section, may permit the applying bank to become a stockholder in the Federal reserve bank of the district in which the applying bank is located. Whenever the organization committee or the Federal reserve board shall permit the applying bank to become a stockholder in the Federal reserve bank of the district, stock shall be issued and paid for under the rules and regulations in this act provided for national banks which become stockholders in Federal reserve banks.

The organization committee or the Federal reserve board shall establish by-laws for the general government of its conduct in acting upon applications made by the State banks and banking associations and trust companies for stock ownership in Federal reserve banks. Such by-laws shall require applying banks not organized under Federal law to comply with the reserve and capital requirements and to submit to the examination and regulations prescribed by the organization committee or by the Federal reserve board. No applying bank shall be admitted to membership in a Federal reserve bank unless it possesses a paid-up unimpaired capital sufficient to entitle it to become a national banking association in the place where it is situated, under the provisions of the national banking act.

Any bank becoming a member of a Federal reserve bank under the provisions of this section shall, in addition to the regulations and restrictions hereinbefore provided, be required to conform to the provisions of law imposed on the national banks respecting the limitation of liability which may be incurred by any person, firm, or corporation to such banks, the prohibition against making purchase of or loans on stock of such banks, and the withdrawal or impairment of capital, or the payment of unearned dividends, and to such rules and regulations as the Federal reserve board may, in pursuance thereof, prescribe.

Such banks, and the officers, agents, and employees thereof, shall also be subject to the provisions of and to the penalties prescribed by sections 5198, 5200, 5201, and 5208, and 5209 of the Revised Statutes. The member banks shall also be required to make reports of the conditions and of the payments of dividends to the comptroller, as provided in sections 5211 and 5212 of the Revised Statutes, and shall be subject to the penalties prescribed

by section 5213 for the failure to make such report.

If at any time it shall appear to the Federal reserve board that a member bank has failed to comply with the provisions of this section or the regulations of the Federal reserve board, it shall be within the power of the said board, after hearing, to require such bank to surrender its stock in the Federal reserve bank; upon such surrender the Federal reserve bank shall pay the cash-paid subscriptions to the said stock with interest at the rate of one-half of 1 per cent per month, computed from the last dividend, if earned, not to exceed the book value thereof, less any liability to said Federal reserve bank, except the subscription liability not previously called, which shall be can-celed, and said Federal reserve bank shall, upon notice from the Federal reserve board, be required to suspend said bank from further privileges of membership, and shall within 30 days of such notice cancel and retire its stock and make payment therefore in the manner herein provided. The Federal reserve board may restore membership upon due proof of compliance with the conditions imposed by this section.

FEDERAL RESERVE BOARD.

10. A Federal reserve board is hereby created which shall consist of seven members, including the Secretary of the Treasury and the Comptroller of the Currency, who shall be members ex officio, and five members appointed by the President of the United States, by and with the advice and consent of the Senate. In selecting the five appointive members of the Federal reserve board, not more than one of whom shall be selected from any one Federal reserve district, the President shall have due regard to a fair representation of the different commercial, industrial and 'geographical divisions of the coun-The five members of the Federal reserve board appointed by the President and confirmed as aforesaid shall devote their entire time to the business of the Federal reserve board and shall each receive an annual salary of \$12,000, payable monthly together with actual necessary traveling expenses, and the Comptroller of the Currency, as ex officio member of the Federal reserve board, shall, in addition to the salary now paid him as Comptroller of the Currency, receive the sum of \$7,000 annually for his services as a member of said board.

The members of said board, the Secretary of the Treasury, the Assistant Secretaries of the Treasury, and the Comptroller of the Currency shall be ineligible during the time they are in office and for 2 years thereafter to hold any office, position, or employment in any member bank. Of the five members thus appointed by the President at least two shall be persons experienced in banking or finance. One shall be designated by the President to serve for 2, one for 4, one for 6, one for 8, and one for 10 years, and thereafter each member so appointed shall serve for a term of 10 years unless sooner removed for cause by the President. Of the five persons thus appointed, one shall be designated by the President as governor and one as vice governor of the Federal reserve board. The governor of the Federal reserve board, subject to its supervision, shall be the active executive officer. The Secretary of the Treasury may assign offices in the Department of the Treasury for the use of the Federal reserve board. Each member of the Federal reserve board shall within 15 days after notice of appointment make and subscribe to the oath of office.

The Federal reserve board shall have power to levy semiannually upon the Federal reserve banks, in proportion to their capital stock and surplus, an assessment sufficient to pay its estimated expenses and the salaries of its members and employees for the half year succeeding the levying of such assessment, together with any deficit carried forward from the pre-

ceding half year, The first meeting of the Federal reserve board shall be held in Washington, D. C., as soon as may be after the passage of this act, at a date to be fixed by the reserve bank organization The Secretary of the Treasury shall be ex officio chairman of the Federal reserve board. No member of the Federal reserve board shall be an officer or director of any bank, banking institution, trust company, or Federal reserve bank nor hold stock in any bank, banking institution, or trust company; and before entering upon his duties as a member of the Federal reserve board he shall certify under oath to the Secretary of the Treasury that he has complied with this requirement. Whenever a vacancy shall occur, other than by expiration of term, among the five members of the Federal reserve board appointed by the President, as above provided, a successor shall be appointed by the President, with the advice and consent of the Senate, to fill such vacancy, and when appointed he shall hold office for the unexpired term of the member whose place he is selected to fill.

The President shall have power to fill all vacancies that may happen on the Federal reserve board during the recess of the Senate, by granting commissions which shall expire 30 days after the next session of the Senate convenes.

Nothing in this act contained shall be construed as taking away any powers heretofore vested by law in the Secretary of the Treasury which relate to the supervision, management, and control of the Treasury Department and bureaus under such department, and wherever any power vested by this act in the Federal reserve board or the Federal reserve agent appears to conflict with the powers of the Secretary of the Treasury, such powers shall be exercised subject to the supervision and control of the Secretary.

The Federal reserve board shall annually make a full report of its operations to the Speaker of the House of Representatives, who shall cause the same to be printed for the information of the Congress.

Section 324 of the Revised Statutes of the United States shall be amended so as to read as follows: There shall be in the Department of the Treasury a bureau charged with the execution of all laws passed by Congress relating to the issue and regulation of national currency secured by United States bonds, and, under the general supevision of the Federal reserve board, of all Federal reserve notes, the chief officer of which bureau shall be called the Comptroller of the Currency and shall perform his

duties under the general directions of the Secretary of the Treasury.

Sec. 11. The Federal reserve board shall be authorized and empowered:

(a) To examine at its discretion the accounts, books and affairs of each Federal reserve bank and of each member bank and to require such statements and report: as it may deem necessary. The said board shall publish once each week a statement showing the condition of each Federal reserve bank and a consolidated statement for all Federal reserve banks. Such statements shall show in detail the assets and liabilities of the Federal reserve banks, single and combined, and shall furnish full information regarding the character of the money held as reserve and the amount, nature and maturities of the paper and other investments owned or held by Federal reserve banks.

(b) To permit, or, on the affirmative vote of at least five members of the reserve board to require Federal reserve banks to rediscount the discounted paper of other Federal reserve banks at rates of interest to be fixed by the Federal reserve board.

(c) To suspend for a period not exceeding 30 days, and from time to time to renew such suspension for periods not exceeding 15 days, any reserve requirement specified in this act: Provided, That it shall establish a graduated tax upon the amounts by which the reserve requirements of this act may be permitted to fall below the level hereinafter specified: And provided further, That when the gold reserve held against Federal reserve notes falls below 40 per cent, the Federal reserve board shall establish a graduated tax of not more than 1 per cent per annum upon such deficiency until the reserves fall to 321 per cent, and when said reserve falls below 321 per cent, a tax at the rate increasingly of not less than 11 per cent per annum upon each 2½ per cent or fraction thereof that such reserve falls below 321 per cent. The tax shall be paid by the reserve bank, but the reserve bank shall add an amount equal to said tax to the rates of interest and discount fixed by the Federal reserve board.

(d) To supervise and regulate through the bureau under the charge of the Comptroller of the Currency the issue and retirement of Federal reserve notes, and to prescribe rules and regulations under which such notes may be delivered by the comptroller to the Federal reserve agents applying therefor.

(e) To add to the number of cities classified as reserve and central reserve cities under existing law in which national banking associations are subject to the reserve requirements set forth in section 20 of this act; or to reclassify existing reserve and central reserve cities or to terminate their designation as such.

(f) To suspend or remove any officer or director of any Federal reserve bank, the cause of such removal to be forthwith communicated in writing by the Federal reserve board to the removed officer or director and to said bank.

(g) To require the writing off of doubtful or worthless assets upon the books and balance sheets of Federal reserve banks.

(h) To suspend, for the violation of any of the provisions of this act, the operations of any Federal reserve bank, to take possession thereof, administer the same during the period of suspension, and, when deemed advisable, to liquidate or reorganize such bank.

(i) To require bonds of Federal reserve agents, to make regulations for the safeguarding of all collateral, bonds, Federal reserve notes, money or property of any kind deposited in the hands of such agents, and said board shall perform the duties, functions, or services specified in this act, and make all rules and regulations necessary to enable said board effectively to perform the same.

(j) To exercise general supervision over said Federal reserve banks.

(k) To grant by special permit to national banks applying therefor, when not in contravention of State or local law, the right to act as trustee, executor, administrator, or registrar of stocks and bonds under such rules and regulations as the said board may prescribe.

(1) To employ such attorneys, experts, assistants, clerks, or other employees as may be deemed necessary to conduct the business of the board. All salaries and fees shall be fixed in advance by said board and shall be paid in the same manner as the salaries of the members of said board. All such attorneys, experts, assistants, clerks, and other employees shall be appointed without regard to the provisions of the act of January 16, 1883 (vol. 22, U. S. Stat. L., p. 403), and amendments thereto, or any rule or regulation made in pursuance thereof: Provided, That nothing herein shall prevent the President from placing said employees in the classified service.

FEDERAL ADVISORY COUNCIL.

Sec. 12. There is hereby created a Federal advisory council, which shall consist of as many members as there are Federal reserve districts. Each Federal reserve bank by its board of

directors shall annually select from its own Federal reserve district one member of said council, who shall receive such compensation and allowances as may be fixed by his board of directors subject to the approval of the Federal reserve board. The meetings of said advisory council shall be held at Washington, D. C., at least four times each year, and oftener if called by the Federal reserve board. The council may in addition to the meetings above provided for hold such other meetings in Washington, D. C., or eisewhere, as it may deem necessary, may select its own officers and adopt its own methods of procedure, and a majority of its members shall constitute a quorum for the transaction of business. Vacancies in the council shall be filled by the respective reserve banks, and members selected to fill vacancies shall serve for the unexpired term.

The Federal advisory council shall have power, by itself or through its officers, (1) to confer directly with the Federal reserve board on general business conditions; (2) to make oral or written representations concerning matters within the jurisdiction of said board; (3) to call for information and to make recommendations in regard to discount rates, rediscount business, note issues, reserve conditions in the various districts, the purchase and sale of gold or securities by reserve banks, openmarket operations by said banks, and the general affairs of the reserve banking system.

POWERS OF FEDERAL RESERVE BANKS.

Sec. 13. Any Federal reserve bank may receive from any of its member banks, and from the United States, deposits of current funds in lawful money, national-bank notes, Federal reserve notes, or checks and drafts upon solvent member banks, payable upon presentation; or, solely for exchange purposes, may receive from other Federal reserve banks deposits of current funds in lawful money, national-bank notes, or checks and drafts upon solvent member or other Federal reserve banks,

payable upon presentation.

Upon the indorsement of any of its member banks, with a waiver of demand, notice and protest by such bank, any Federal reserve bank may discount notes, drafts, and bills of exchange arising out of actual commercial transactions; that is, notes, drafts, and bills of exchange issued or drawn for agricultural, industrial, or commercial purposes, or the proceeds of which have been used, or are to be used, for such purposes, the Federal reserve board to have the right to determine or define the character of the paper thus eligible for discount, within the meaning of this act. Nothing in this act contained shall be construed to prohibit such notes, drafts, and bills of exchange, secured by staple agricultural products, or other goods, wares, or merchandise from being eligible for such discount; but such definition shall not include notes, drafts, or bills covering merely investments or issued or drawn for the purpose of carrying or trading in stocks, bonds, or other investment securities, except bonds and notes of the Government of the United States. drafts, and bills admitted to discount under the terms of this paragraph must have a maturity at the time of discount of not more than 90 days: Provided, That notes, drafts, and bills drawn or issued for agricultural purposes or based on live stock and having a maturity not exceeding six months may be discounted in an amount to be limited to a percentage of the capital of the Federal reserve bank, to be ascertained and fixed by the Federal reserve board.

Any Federal reserve bank may discount acceptances which are based on the importation or exportation of goods and which have a maturity at time of discount of not more than three months, and indorsed by at least one member bank. The amount of acceptances so discounted shall at no time exceed one-half the paid-up capital stock and surplus of the bank for

which the rediscounts are made,

The aggregate of such notes and bills bearing the signature or indorsement of any one person, company, firm, or corporation rediscounted for any one bank shall at no time exceed 10 per cent of the unimpaired capital and surplus of said bank; but this restriction shall not apply to the discount of bills of exchange drawn in good faith against actually existing values.

Any member bank may accept drafts or bills of exchange drawn upon it and growing out of transactions involving the importation or exportation of goods having not more than six months sight to run; but no bank shall accept such bills to an amount equal at any time in the aggregate to more than one-

half its paid-up capital stock and surplus.

Section 5202 of the Revised Statutes of the United States is hereby amended so as to read as follows: No national banking association shall at any time be indebted, or in any way liable, to an amount exceeding the amount of its capital stock at such time actually paid in and remaining undiminished by losses or otherwise, except on account of demands of the nature following:

First. Notes of circulation,

Second. Moneys deposited with or collected by the association.

Third. Bills of exchange or drafts drawn against money actually on deposit to the credit of the association, or due thereto.

Fourth. Liabilities to the stockholders of the association for dividends and reserve profits.

Fifth Liabilities incurred under the provisions of the Federal reserve act

The rediscount by any Federal reserve bank of any bills receivable and of domestic and foreign bills of exchange, and of acceptances authorized by this act, shall be subject to such restrictions, limitations, and regulations as may be imposed by the Federal reserve board.

OPEN-MARKET OPERATIONS.

Sec. 14. Any Federal reserve bank may, under rules and regulations prescribed by the Federal reserve board, purchase and sell in the open market, at home or abroad, either from or to domestic or foreign banks, firms, corporations, or individuals, cable transfers and bankers' acceptances and bills of exchange of the kinds and maturities by this act made eligible for rediscount, with or without the indorsement of a member bank.

Every Federal reserve bank shall have power:

(a) To deal in gold coin and bullion at home or abroad, to make loans thereon, exchange Federal reserve notes for gold, gold coin, or gold certificates, and to contract for loans of gold coin or bullion, giving therefor, when necessary, acceptable security, including the hypothecation of United States bonds or other securities which Federal reserve banks are authorized to hold:

(b) To buy and sell, at home or abroad, bonds and notes of the United States, and bills, notes, revenue bonds, and warrants with a maturity from date of purchase of not exceeding six months, issued in anticipation of the collection of taxes or in anticipation of the receipt of assured revenues by any State, county, district, political subdivision, or municipality in the continental United States, including irrigation, drainage and reclamation districts, such purchases to be made in accordance with rules and regulations prescribed by the Federal reserve board:

(c) To purchase from member banks and to sell, with or without its indorsement, bills of exchange arising out of com-

mercial transactions, as hereinbefore defined;

(d) To establish from time to time, subject to review and determination of the Federal reserve board, rates of discount to be charged by the Federal reserve bank for each class of paper, which shall be fixed with a view of accommodating commerce and business:

(e) To establish accounts with other Federal reserve banks for exchange purposes and, with the consent of the Federal reserve board, to open and maintain banking accounts in foreign countries, appoint correspondents, and establish agencies in such countries wheresoever it may deem best for the purpose of purchasing, selling, and collecting bills of exchange, and to buy and sell with or without its indorsement, through such correspondents or agencies, bills of exchange arising out of actual commercial transactions which have not more than 90 days to run and which bear the signature of two or more responsible parties.

GOVERNMENT DEPOSITS.

SEC. 15. The moneys held in the general fund of the Treasury, except the 5 per cent fund for the redemption of outstanding national-bank notes and the funds provided in this act for the redemption of Federal reserve notes may, upon the direction of the Secretary of the Treasury, be deposited in Federal reserve banks, which banks, when required by the Secretary of the Treasury, shall act as fiscal agents of the United States; and the revenues of the Government or any part thereof may be deposited in such banks and disbursements may be made by checks drawn against such deposits.

No public funds of the Philippine Islands, or of the postal savings, or any Government funds, shall be deposited in the continental United States in any bank not belonging to the system established by this act: Provided, however, That nothing in this act shall be construed to deny the right of the Secretary of the

Treasury to use member banks as depositories.

NOTE ISSUES.

SEC. 16. Federal reserve notes, to be issued at the discretion of the Federal reserve board for the purpose of making advances to Federal reserve banks through the Federal reserve agents as hereinafter set forth and for no other purpose, are hereby authorized. The said notes shall be obligations of the United States and shall be receivable by all national and member banks and Federal reserve banks and for all taxes, customs, and other public dues. They shall be redeemed in gold on

demand at the Treasury Department of the United States, in the city of Washington, D. C., or in gold or lawful money at any Federal reserve bank.

Any Federal reserve bank may make application to the local Federal reserve agent for such amount of the Federal reserve notes hereinbefore provided for as it may require. Such application shall be accompanied with a tender to the local Federal reserve agent of collateral in amount equal to the sum of the Federal reserve notes thus applied for and issued pursuant to such application. The collateral security thus offered shall be notes and bills, accepted for rediscount under the provisions of section 13 of this act, and the Federal reserve agent shall each day notify the Federal reserve board of all issues and withdrawals of Federal reserve notes to and by the Federal reserve bank to which he is accredited. The said Federal reserve board may at any time call upon a Federal reserve bank for additional security to protect the Federal reserve notes is sued to it.

Every Federal reserve bank shall maintain reserves in gold or lawful money of not less than 35 per cent against its deposits and reserves in gold of not less than 40 per cent against its Federal reserve notes in actual circulation, and not offset by gold or lawful money deposited with the Federal reserve agent. Notes so paid out shall bear upon their faces a distinctive letter and serial number, which shall be assigned by the Federal reserve board to each Federal reserve bank. Whenever Federal reserve notes issued through one Federal reserve bank shall be received by another Federal reserve bank they shall be promptly returned for credit or redemption to the Federal reserve bank though which they were originally issued. No Federal reserve bank shall pay out notes issued through another under penalty of a tax of 10 per cent upon the face value of notes so paid out. Notes presented for redemption at the Treasury of the United States shall be paid out of the redemption fund and returned to the Federal reserve banks through which they were originally issued, and thereupon such Federal reserve bank shall, upon de mand of the Secretary of the Treasury, reimburse such redemption fund in lawful money or, if such Federal reserve notes have been redeemed by the Treasurer in gold or gold certificates, then such funds shall be reimbursed to the extent deemed necessary by the Secretary of the Treasury in gold or gold certificates. and such Federal reserve bank shall, so long as any of its Federal reserve notes remain outstanding, maintain with the Treasurer in gold an amount sufficient in the judgment of the Secretary to provide for all redemptions to be made by the Treasurer. Federal reserve notes received by the Treasury, otherwise than for redemption, may be exchanged for gold out of the redemption fund hereinafter provided and returned to the reserve bank through which they were originally issued, or they may be returned to such bank for the credit of the United States. Federal reserve notes unfit for circulation shall be returned by the Federal reserve agents to the Comptroller of the Currency for cancellation and destruction.

The Federal reserve board shall require each Federal reserve bank to maintain on deposit in the Treasury of the United States a sum in gold sufficient in the judgment of the Secretary of the Treasury for the redemption of the Federal reserve notes issued to such bank, but in no event less than 5 per cent; but such deposit of gold shall be counted and included as part of the 40 per cent reserve hereinbefore required. The board shall have the right, acting through the Federal reserve agent, to grant in whole or in part or to reject entirely the application of any Federal reserve bank for Federal reserve notes; but to the extent that such application may be granted the Federal reserve board shall, through its local Federal reserve agent, supply Federal reserve notes to the bank so applying, and such bank shall be charged with the amount of such notes and shall pay such rate of interest on said amount as may be established by the Federal reserve board, and the amount of such Federal reserve notes so issued to any such bank shall, upon delivery, together with such notes of such Federal reserve bank as may be issued under section 18 of this act upon security of United States 2 per cent Government bonds, become a first and paramount lien on all the assets of such bank.

Any Federal reserve bank may at any time reduce its liability for outstanding Federal reserve notes by depositing, with the Federal reserve agent, its Federal reserve notes, gold, gold certificates, or lawful money of the United States. Federal reserve notes so deposited shall not be reissued, except upon compliance with the conditions of an original issue.

The Federal reserve agent shall hold such gold, gold certificates, or lawful money available exclusively for exchange for the outstanding Federal reserve notes when offered by the reserve bank of which he is a director. Upon the request of the Secretary of the Treasury the Federal reserve board shall re-

quire the Federal reserve agent to transmit so much of said gold to the Treasury of the United States as may be required for the exclusive purpose of the redemption of such notes.

Any Federal reserve bank may at its discretion withdraw collateral deposited with the local Federal reserve agent for the protection of its Federal reserve notes deposited with it and shall at the same time substitute therefor other like collateral of equal amount with the approval of the Federal reserve agent under regulations to be prescribed by the Federal reserve board.

In order to furnish suitable notes for circulation as Federal reserve notes, the Comptroller of the Currency shall, under the direction of the Secretary of the Treasury, cause plates and dies to be engraved in the best manner to guard against counterfeits and fraudulent alterations, and shall have printed therefrom and numbered such quantities of such notes of the denominations of \$5, \$10, \$20, \$50, \$100, as may be required to supply the Federal reserve banks. Such notes shall be in form and tenor as directed by the Secretary of the Treasury under the provisions of this act and shall bear the distinctive numbers of the several Federal reserve banks through which they are issued.

When such notes have been prepared, they shall be deposited in the Treasury, or in the subtreasury or mint of the United States nearest the place of business of each Federal reserve bank and shall be held for the use of such bank subject to the order of the Comptroller of the Currency for their delivery, as provided by this act.

The plates and dies to be procured by the Comptroller of the Currency for the printing of such circulating notes shall remain under his control and direction, and the expenses necessarily incurred in executing the laws relating to the procuring of such notes, and all other expenses incidental to their issue and retirement, shall be paid by the Federal reserve banks, and the Federal reserve board shall include in its estimate of expenses levied against the Federal reserve banks a sufficient amount to cover the expenses herein provided for.

The examination of plates, dies, bed pieces, etc., and regulations relating to such examination of plates, dies, etc., of national-bank notes provided for in section 5174 Revised Statutes, is hereby extended to include notes herein provided for.

Any appropriation heretofore made out of the general funds of the Treasury for engraving plates and dies, the purchase of distinctive paper, or to cover any other expense in connection with the printing of national-bank notes or notes provided for by the act of May 30, 1908, and any distinctive paper that may be on hand at the time of the passage of this act may be used in the discretion of the Secretary for the purposes of this act, and should the appropriations heretofore made be insufficient to meet the requirements of this act in addition to circulating notes provided for by existing law, the Secretary is hereby authorized to use so much of any funds in the Treasury not otherwise appropriated for the purpose of furnishing the notes aforesaid: Provided, however, That nothing in this section contained shall be construed as exempting national banks or Federal reserve banks from their liability to reimburse the United States for any expenses incurred in printing and issuing circulating

Every Federal reserve bank shall receive on deposit at par from member banks or from Federal reserve banks checks and drafts drawn upon any of its depositors, and when remitted by a Federal reserve bank, checks and drafts drawn by any depositor in any other Federal reserve bank or member bank upon funds to the credit of said depositor in said reserve bank or member bank. Nothing herein contained shall be construed as prohibiting a member bank from charging its actual expense incurred in collecting and remitting funds, or for exchange sold to its patrons. The Federal reserve board shall, by rule, fix the charges to be collected by the member banks from its patrons whose checks are cleared through the Federal reserve bank and the charge which may be imposed for the service of clearing or collection rendered by the Federal reserve bank.

The Federal reserve board shall make and promulgate from time to time regulations governing the transfer of funds and charges therefor among Federal reserve banks and their branches, and may at its discretion exercise the functions of a clearing house for such Federal reserve banks, or may designate a Federal reserve bank to exercise such functions, and may also require each such bank to exercise the functions of a clearing house for its member banks.

Sec. 17. So much of the provisions of section 5159 of the Revised Statutes of the United States and section 4 of the act of June 20, 1874, and section 8 of the act of July 12, 1882, and of any other provisions of existing statutes as require that before any national banking association shall be authorized to com-

mence banking business it shall transfer and deliver to the Treasurer of the United States a stated amount of United States registered bonds is hereby repealed.

REFUNDING BONDS.

SEC. 18. After two years from the passage of this act, and at any time during a period of 20 years thereafter, any member bank desiring to retire the whole or any part of its circulating notes, may file with the Treasurer of the United States an application to sell for its account, at par and accrued interest, United

States bonds securing circulation to be retired.

The Treasurer shall, at the end of each quarterly period, furnish the Federal reserve board with a list of such applications, and the Federal reserve board may, in its discretion, require the Federal reserve banks to purchase such bonds from the banks whose applications have been filed with the Treasurer at least 10 days before the end of any quarterly period at which the Federal reserve board may direct the purchase to be made: Provided, That Federal reserve banks shall not be permitted to purchase an amount to exceed \$25,000,000 of such bonds in any one year, and which amount shall include bonds acquired under section 4 of this act by the Federal reserve bank: Provided further, That the Federal reserve board shall allot to each Federal reserve bank such proportion of such bonds as the capital and surplus of such bank shall bear to the aggregate capital and surplus of all the Federal reserve banks.

Upon notice from the Treasurer of the amount of bonds so sold for its account, each member bank shall duly assign and transfer, in writing, such bonds to the Federal reserve bank purchasing the same, and such Federal reserve bank shall, thereupon, deposit lawful money with the Treasurer of the United States for the purchase price of such bonds, and the Treasurer shall pay to the member bank selling such bonds any balance due after deducting a sufficient sum to redeem its outstanding notes secured by such bonds, which notes shall be canceled and

permanently retired when redeemed.

The Federal reserve banks purchasing such bonds shall be permitted to take out an amount of circulating notes equal to

the par value of such bonds.

Upon the deposit with the Treasurer of the United States of bonds so purchased, or any bonds with the circulating privilege acquired under section 4 of this act, any Federal reserve bank making such deposit in the manner provided by existing law, shall be entitled to receive from the Comptroller of the Currency circulating notes in blank, registered and countersigned as provided by law, equal in amount to the par value of the bonds so deposited. Such notes shall be the obligations of the Federal reserve bank procuring the same, and shall be in form prescribed by the Secretary of the Treasury, and to the same tenor and effect as national-bank notes now provided by law. They shall be issued and redeemed under the same terms and conditions as national-bank notes except that they shall no be limited to the amount of the capital stock of the Federal reserve bank issuing them.

Upon application of any Federal reserve bank, approved by the Federal reserve board, the Secretary of the Treasury may issue, in exchange for United States 2 per cent gold bonds bearing the circulation privilege, but against which no circulation is outstanding, 1-year gold notes of the United States without the circulation privilege, to an amount not to exceed one-half of the 2 per cent bonds so tendered for exchange, and 30-year 3 per cent gold bonds without the circulation privilege for the remainder of the 2 per cent bonds so tendered: Provided, That at the time of such exchange the Federal reserve bank obtaining such 1-year gold notes shall enter into an obligation with the Secretary of the Treasury binding itself to purchase from the United States for gold at the maturity of such 1-year notes, an amount equal to those delivered in exchange for such bonds, if so requested by the Secretary, and at each maturity of 1-year notes so purchased by such Federal reserve bank, to purchase from the United States such an amount of 1-year notes as the Secretary may tender to such bank, not to exceed the amount issued to such bank in the first instance, in exchange for the 2 per cent United States gold bonds; said obligation to purchase at maturity such notes shall continue in force for a period not to exceed 30 years.

For the purpose of making the exchange herein provided for, the Secretary of the Treasury is authorized to issue at par Treasury notes in coupon or registered form as he may pre-scribe in denominations of \$100, or any multiple thereof, bearing interest at the rate of 3 per cent per annum, payable quarterly, such Treasury notes to be payable not more than 1 year from the date of their issue in gold coin of the present standard value, and to be exempt as to principal and interest from the payment of all taxes and duties of the United States except as provided by this act, as well as from taxes in any form

by or under State, municipal, or local authorities. And for the same purpose, the Secretary is authorized and empowered to issue United States gold bonds at par, bearing 3 per cent interest payable 30 years from date of issue, such bonds to be of the same general tenor and effect and to be issued under the same general terms and conditions as the United States 3 per cent bonds without the circulation privilege now issued and outstanding.

Upon application of any Federal reserve bank, approved by the Federal reserve board, the Secretary may issue at par such 3 per cent bonds in exchange for the 1-year gold notes herein

provided for.

BANK RESERVES.

SEC. 19. Demand deposits within the meaning of this act shall comprise all deposits payable within 30 days, and time deposits shall comprise all deposits payable after 30 days, and all savings accounts and certificates of deposit which are subject to

ont less than 30 days' notice before payment.

When the Secretary of the Treasury shall have officially announced, in such manner as he may elect, the establishment of a Federal reserve bank in any district, every subscribing member bank shall establish and maintain reserves as follows:

(a) A bank not in a reserve or central reserve city as now or hereafter defined shall hold and maintain reserves equal to 12 per cent of the aggregate amount of its demand deposits and 5 per cent of its time deposits, as follows: In its vaults for a period of 36 months after said date five-

twelfths thereof and permanently thereafter four-twelfths.

In the Federal reserve bank of its district, for a period of 12 months after said date, two-twelfths, and for each succeeding 6 months an additional one-twelfth, until five-twelfths have been so deposited, which shall be the amount permanently required.

For a period of 36 months after said date the balance of the reserves may be held in its own vaults, or in the Federal reserve bank, or in national banks in reserve or central reserve cities as now defined by law.

After said 36 months' period said reserves, other than those hereinbefore required to be held in the vaults of the member bank and in the Federal reserve bank, shall be held in the vaults of the member bank or in the Federal reserve bank, or in both, at the option of the member bank.

(b) A bank in a reserve city, as now or hereafter defined, shall hold and maintain reserves equal to 15 per cent of the aggregate amount of its demand deposits and 5 per cent of its time deposits, as follows:

In its vaults for a period of 36 months after said date sixfifteenths thereof, and permanently thereafter five-fifteenths.

In the Federal reserve bank of its district for a period of 12 months after the date aforesaid at least three-fifteenths, and for each succeeding 6 months an additional one-fifteenth, until six-fifteenths have been so deposited, which shall be the amount permanently required.

For a period of 36 months after said date the balance of the reserves may be held in its own vaults, or in the Federal reserve bank, or in national banks in reserve or central reserve

cities as now defined by law.

After said 36 months' period all of said reserves, except those hereinbefore required to be held permanently in the vaults of the member bank and in the Federal reserve bank, shall be held in its vaults or in the Federal reserve bank, or in both, at the option of the member bank.

(c) A bank in a central reserve city, as now or hereafter defined, shall hold and maintain a reserve equal to 18 per cent of the aggregate amount of its demand deposits and 5 per cent of

its time deposits, as follows:

In its vaults six-eighteenths thereof. In the Federal reserve bank seven-eighteenths.

The balance of said reserves shall be held in its own vaults or in the Federal reserve bank, at its option.

Any Federal reserve bank may receive from the member banks as reserves, not exceeding one-half of each installment, eligible paper as described in section 14 properly indorsed and acceptable to the said reserve bank.

If a State bank or trust company is required by the law of its State to keep its reserves either in its own vaults or with another State bank or trust company, such reserve deposits so kept in such State bank or trust company shall be construed, within the meaning of this section, as if they were reserve deposits in a national bank in a reserve or central reserve city for a period of three years after the Secretary of the Treasury shall have officially announced the establishment of a Federal reserve bank in the district in which such State bank or trust company is situate. Except as thus provided, no member bank shall keep on deposit with any nonmember bank a sum in excess of 10 per cent of its own paid-up capital and surplus. No member bank shall act as the medium or agent of a nonmember bank in applying for or receiving discounts from a Federal reserve bank under the provisions of this act except by permission of the Federal reserve board.

The reserve carried by a member bank with a Federal reserve bank may, under the regulations and subject to such penalties as may be prescribed by the Federal reserve board, be checked against and withdrawn by such member bank for the purpose of meeting existing liabilities: Provided, however, That no bank shall at any time make new loans or shall pay any dividends unless and until the total reserve required by law is fully restored.

In estimating the reserves required by this act, the net balance of amounts due to and from other banks shall be taken as the basis for ascertaining the deposits against which reserves shall be determined. Balances in reserve banks due to member banks shall, to the extent herein provided, be counted as reserve

National banks located in Alaska or outside the continental United States may remain nonmember banks, and shall in that event maintain reserves and comply with all the conditions now provided by law regulating them; or said banks, except in the Philippine Islands, may, with the consent of the reserve board, become member banks of any one of the reserve districts, and shall, in that event, take stock, maintain reserves, and be subject to all the other provisions of this act.

SEC. 20. So much of sections 2 and 3 of the act of June 20, 1874, entitled "An act fixing the amount of United States notes, providing for a redistribution of the national-bank currency, and for other purposes," as provides that the fund deposited by any national banking association with the Treasurer of the United States for the redemption of its notes shall be counted as a part of its lawful reserve as provided in the act aforesaid, is hereby repealed. And from and after the passage of this act such fund of 5 per cent shall in no case be counted by any national banking association as a part of its lawful reserve. BANK EXAMINATIONS.

Sec. 21. Section 5240, United States Revised Statutes, is

amended to read as follows:

The Comptroller of the Currency, with the approval of the Secretary of the Treasury, shall appoint examiners who shall examine every member bank at least twice in each calendar year and oftener if considered necessary: Provided, however, That the Federal reserve board may authorize examination by the State authorities to be accepted in the case of State banks and trust companies and may at any time direct the holding of a special examination of State banks or trust companics that are stockholders in any Federal reserve bank. The examiner making the examination of any national bank, or of any other member bank, shall have power to make a thorough examination of all the affairs of the bank and in doing so he shall have power to administer oaths and to examine any of the officers and agents thereof under oath and shall make a full and detailed report of the condition of said bank to the Comptroller

of the Currency.

The Federal reserve board, upon the recommendation of the Comptroller of the Currency, shall fix the salaries of all bank examiners and make report thereof to Congress. of the examinations herein provided for shall be assessed by the Comptroller of the Currency upon the banks examined in proportion to assets or resources held by the banks upon the

dates of examination of the various banks.

In addition to the examinations made and conducted by the Comptroller of the Currency, every Federal reserve bank may, with the approval of the Federal reserve agent or the Federal reserve board, provide for special examination of member banks within its district. The expense of such examinations shall be borne by the bank examined. Such examinations shall be so conducted as to inform the Federal reserve bank of the condition of its member banks and of the lines of credit which are being extended by them. Every Federal reserve bank shall at all times furnish to the Federal reserve board such information as may be demanded concerning the condition of any member bank within the district of the said Federal reserve bank.

No bank shall be subject to any visitatorial powers other than such as are authorized by law, or vested in the courts of justice or such as shall be or shall have been exercised or directed by Congress, or by either House thereof or by any committee of

Congress or of either House duly authorized.

The Federal reserve board shall, at least once each year, order an examination of each Federal reserve bank, and upon joint application of 10 mcmber banks the Federal reserve board shall order a special examination and report of the condition of any Federal reserve bank.

Sec. 22. No member bank or any officer, director, or employee thereof shall hereafter make any loan or grant any

gratuity to any bank examiner. Any bank officer, director, or employee violating this provision shall be deemed guilty of a misdemeanor and shall be imprisoned not exceeding one year or fined not more than \$5,000, or both; and may be fined a further sum equal to the money so loaned or gratuity given. Any examiner accepting a loan or gratuity from any bank examined by him or from an officer, director, or employee thereof shall be deemed guilty of a misdemeanor and shall be imprisoned not exceeding one year or fined not more than \$5.000, or both; and may be fined a further sum equal to the money so loaned or gratuity given; and shall forever thereafter be disqualified from holding office as a national-bank examiner. No national-bank examiner shall perform any other service for compensation while holding such office for any bank or officer, director, or employee thereof.

Other than the usual salary or director's fee paid to any officer, director, or employee of a member bank and other than a reasonable fee paid by said bank to such officer, director, or employee for services rendered to such bank, no officer, director, employee, or attorney of a member bank shall be a beneficiary of or receive, directly or indirectly, any fee, commission, gift, or other consideration for or in connection with any transaction or business of the bank. No examiner, public or private, shall disclose the names of borrowers or the collateral for loans of a member bank to other than the proper officers of such bank without first having obtained the express permission in writing from the Comptroller of the Currency, or from the board of directors of such bank, except when ordered to do so by a court of competent jurisdiction, or by direction of the Congress of the United States. or of either House thereof, or any committee of Congress or of either House duly authorized. Any person violating any provision of this section shall be punished by a fine of not exceeding \$5,000 or by imprisonment not exceeding one year, or both.

Except as provided in existing laws, this provision shall not take effect until 60 days after the passage of this act.

Sec. 23. The stockholders of every national banking association shall be held individually responsible for all contracts, debts, and engagements of such association, each to the amount of his stock therein, at the par value thereof in addition to the amount invested in such stock. The stockholders in any national banking association who shall have transferred their shares or registered the transfer thereof within 60 days next before the date of the failure of such association to meet its obligations, or with knowledge of such impending failure, shall be liable to the same extent as if they had made no such transfer, to the extent that the subsequent transferee fails to meet such liability; but this provision shall not be construed to affect in any way any recourse which such shareholders might otherwise have against those in whose names such shares are registered at the time of such failure.

LOANS ON FARM LANDS.

Sec. 24. Any national banking association not situated in a central reserve city may make loans secured by improved and unencumbered farm land, situated within its Federal reserve district, but no such loan shall be made for a longer time than five years, nor for an amount exceeding 50 per cent of the actual value of the property offered as security. Any such bank may make such loans in an aggregate sum equal to 25 per cent of its capital and surplus or to one-third of its time deposits; and such banks may continue hereafter as heretofore to receive time deposits and to pay interest on the same.

The Federal reserve board shall have power from time to time to add to the list of cities in which national banks shall not be permitted to make loans secured upon real estate in the manner described in this section.

FOREIGN BRANCHES.

Sec. 25. Any national banking association possessing a capital and surplus of \$1,000,000 or more may file application with the Federal reserve board, upon such conditions and under such regulations as may be prescribed by the said board, for the purpose of securing authority to establish branches in foreign countries or dependencies of the United States for the furtherance of the foreign commerce of the United States, and to act, if required to do so, as fiscal agents of the United States. application shall specify, in addition to the name and capital of the banking association filing it, the place or places where the banking operations proposed are to be carried on, and the amount of capital set aside for the conduct of its foreign business. The Federal reserve board shall have power to approve or to reject such application if, in its judgment, the amount of capital proposed to be set aside for the conduct of foreign business is inadequate, or if for other reasons the granting of such application is deemed inexpedient.

Every national banking association which shall receive authority to establish foreign branches shall be required at all times to furnish information concerning the condition of such branches to the Comptroller of the Currency upon demand, and the Federal reserve board may order special examinations of the said foreign branches at such time or times as it may deem best. Every such national banking association shall conduct the accounts of each foreign branch independently of the accounts of other foreign branches established by it and of its home office, and shall at the end of each fiscal period transfer to its general ledger the profit or loss accruing at each branch as a separate

Sec. 26. All provisions of law inconsistent with or super-seded by any of the provisions of this act are to that extent and to that extent only hereby repealed: *Provided*, Nothing in this act contained shall be construed to repeal the parity pro-vision or provisions contained in an act approved March 14, 1900, entitled "An act to define and fix the standard of value, to maintain the parity of all forms of money issued or coined by the United States, to refund the public debt, and for other purposes," and the Secretary of the Treasury may for the purpose of maintaining such parity and to strengthen the gold reserve, borrow gold on the security of United States bonds authorized by section 2 of the act last referred to or for oneyear gold notes bearing interest at a rate of not to exceed 3 per cent per annum, or sell the same if necessary to obtain gold. When the funds of the Treasury on hand justify, he may purchase and retire such outstanding bonds and notes

Sec. 27. The provisions of the act of May 30, 1908, authorizing national currency associations, the issue of additional nationalbank circulation, and creating a National Monetary Commission, which expires by limitation under the terms of such act on the 30th day of June, 1914, are hereby extended to June 30, 1915, and sections 5153, 5172, 5191, and 5214 of the Revised Statutes of the United States, which were amended by the act of May 30, 1908, are hereby reenacted to read as such sections read prior to May 30, 1908, subject to such amendments or modifications as are prescribed in this act: Provided, however, That section 9 of the act first referred to in this section is hereby amended so as to change the tax rates fixed in said act by making the portion applicable thereto read as follows:

National banking associations having circulating notes se-cured otherwise than by bonds of the United States, shall pay for the first three months a tax at the rate of 3 per cent per annum upon the average amount of such of their notes in circulation as are based upon the deposit of such securities, and afterwards an additional tax rate of one-half of 1 per cent per annum for each month until a tax of 6 per cent per annum is reached, and thereafter such tax of 6 per cent per annum upon the average amount of such notes.

SEC. 28. Section 5143 of the Revised Statutes is hereby amended and reenacted to read as follows: Any association formed under this title may, by the vote of shareholders owning two-thirds of its capital stock, reduce its capital to any sum not below the amount required by this title to authorize the formation of associations; but no such reduction shall be allowable which will reduce the capital of the association below the amount required for its outstanding circulation, nor shall any reduction be made until the amount of the proposed reduction has been reported to the Comptroller of the Currency and such reduction has been approved by the said Comptroller of the Currency and by the Federal reserve board, or by the organiza-tion committee pending the organization of the Federal reserve board.

Sec. 29. If any clause, sentence, paragraph, or part of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered.

SEC. 30. The right to amend, alter, or repeal this act is hereby expressly reserved.

> CARTER GLASS, CHARLES A. KORBLY. Managers on the part of the House.

ROBT. L. OWEN, J. A. O'GORMAN, JAS. A. REED, ATLEE POMERENE, J. F. SHAFROTH, HENRY F. HOLLIS, Managers on the part of the Senate. The statement is as follows:

STATEMENT.

The managers on the part of the House at the conference on the disagreeing vote of the two Houses on the amendment of the Senate to the bill H. R. 7837, entitled "An act to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes," submit the following statement:

The House receded from its disagreement to the amendment of the Senate to the House bill with certain amendments, which are more specifically shown in Senate Document No. 335, Sixty-third Congress, second session, a copy of which is attached hereto and which shows the House bill as it passed the House of Representatives, as amended by the Senate, and as agreed to in conference. The column in this document containing the bill as agreed to in conference shows by brackets and bold-face type that portion of the Senate amendment which was stricken out and the parts inserted by the House managers, respectively.

CARTER GLASS, CHARLES A. KORBLY, Managers on the part of the House.

The SPEAKER. The gentleman from Virginia is recognized for an hour.

Mr. HAYES. Mr. Speaker, I would like, if we can, to have some unanimous-consent agreement about the time for debate.

Mr. GLASS. Mr. Speaker, I was not present on the floor of the House, but I understood there was a unanimous-consent

The SPEAKER. The unanimous agreement was that debate was to be for two hours.

Mr. MANN. Not less than two hours.

The SPEAKER. At least two hours, one-half the time to be

controlled by the gentleman from Virginia——
Mr. MANN. Mr. Speaker, there was no formal agreement; it was a gentleman's agreement.

Mr. HAYES. I would suggest to the gentleman from Virginia we have 2 hours and 20 minutes' debate.

Mr. GLASS. An hour and ten minutes on each side? Mr. HAYES. I would suggest the gentleman from Virginia control 1 hour and have 1 hour to be controlled by myself and

20 minutes by the gentleman from Minnesota.

Mr. GARRETT of Tennessee. Mr. Speaker, that can not

I merely suggest it.

Mr. MANN. Make it an hour and twenty minutes on a side. Mr. GLASS. Mr. Speaker, I would like to have it understood that the Senate is in session to-night waiting for this bill, and it is very important to get it over there.

Mr. MANN. I take it it would be impossible to pass this bill in the House before 10 o'clock or after 10 o'clock

Mr. HAYES. Two hours and twenty minutes would let us come to a vote about 9 o'clock-

Mr. MANN. It would be after 10 o'clock to pass it, and I think the Senate will not wait to dispose of it to-night.

Mr. GLASS. An hour and twenty minutes to a side. Mr. MANN. That would be an hour to Mr. HAYES, 20 minutes to Mr. LINDBERGH, and an hour and twenty minutes to the gentleman from Virginia, to be divided as he may wish.

Mr. GLASS. That is satisfactory to me.

Mr. HAYES. All right.

Mr. GLASS. Then, Mr. Speaker, I ask unanimous consent that debate be limited to 2 hours and 40 minutes, 1 hour and 20 minutes to be controlled by the chairman of the Banking and Currency Committee and 1 hour by the senior Republican of the committee and 20 minutes by the gentleman from Min-

The SPEAKER. The gentleman from Virginia [Mr. Glass] asks unanimous consent that this debate shall be limited to 2 hours and 40 minutes, an hour and twenty minutes to be controlled by him, 1 hour by the gentleman from California [Mr. HAYES], and 20 minutes by the gentleman from Minnesota [Mr. Lind-BERGH]. Is there objection?

Mr. FOWLER. Mr. Speaker, reserving the right to object, I

desire to inquire what arrangement will be made for extending remarks in the RECORD?

Mr. MANN. It has been granted to everybody.

Mr. RAGSDALE, Five days in which leave is granted to extend remarks.

The SPEAKER. Is there objection? [After a pause.] Chair hears none, and the Clerk will read the statement.

Mr. MANN. Does not that include that at the end of that time the previous question is ordered?

Mr. GLASS. And at the end of which time the previous ques-

tion be considered as ordered.

The SPEAKER. Part of the gentleman's request is that at the end of this time the previous question shall be considered as ordered. Is there objection? [After a pause.] The Chair hears none.

Mr. COOPER. Mr. Speaker, I would like to ask the gentle-man a question. Does the report as read by the Clerk contain correction of errors in this conference report as printed?

Mr. GLASS. Yes; the report read by the Clerk is the report of the committee corrected.

Mr. COOPER. There are some errors, more or less. I find several.

Mr. GLASS. There are some immaterial errors in the printed report in the print that some Members seem to have obtained, I do not know where.

Mr. COOPER. Well, there are some, possibly not very mate-

rial; but there are some errors, more or less. For instance—Mr. GLASS. I do not know what print the gentleman from Wisconsin has, but the report as read at the desk is the correct conference report.

Mr. COOPER. Well, for instance, I will call the gentleman's

attention to this, page 15, class C:

Directors shall be appointed by the Federal reserve board. They shall have been for at least two years residents of the district for which they are appointed, one of whom shall be designated by said board—

And so forth. That is not at all correct that way.

Mr. GLASS. From this point of vantage I rather imagine the
print the gentleman from Wisconsin [Mr. Cooper] has is not an authentic bill as reported by the conference committee.

Mr. COOPER. And on page 12 it says:

Such board of directors shall be selected as hereinafter specified and shall consist of nine members, holding office "or" three years, and divided into three "lasses."

The last word must mean "classes." Mr. GLASS. The gentleman evidently has a misprint of the

Mr. NORTON. The gentleman from Wisconsin apparently is reading from Senate Document No. 335.

Mr. GARRETT of Tennessee. Mr. Speaker, I demand the regular order.

Mr. MORGAN of Oklahoma. Mr. Speaker, a parliamentary inquiry

The SPEAKER. The gentleman will state it.

Mr. MORGAN of Oklahoma. I would like to know if the unanimous consent, as suggested by the Speaker, includes that after the debate the previous question shall be considered as ordered? I did not understand that as a part of the proposition.

The SPEAKER. The Chair wishes that the gentleman would

speak a little louder.

Mr. MORGAN of Oklahoma. I desire to know if after the expiration of this general debate the previous question will be considered as ordered?

The SPEAKER. Yes, sir.
Mr. MORGAN of Oklahoma. I did not so understand that.

The SPEAKER. The gentleman from Virginia [Mr. Glass] left that out at first, and then the gentleman from Illinois [Mr. Mann], I think it was, jogged his memory, and he stated that as a supplementary part of his request. The Chair put the question, and stated that the gentleman from Virginia had inadvertently left it out of the original proposition.

Mr. MORGAN of Oklahoma. Mr. Speaker, at that time I did

not have any opportunity to object.

The SPEAKER. Why not? Mr. MORGAN of Oklahoma. Because I did not understand that the Speaker put it again after he made that second suggestion.

The SPEAKER. The Chair undoubtedly did.

Mr. MORGAN of Oklahoma. Mr. Speaker, I desire to ask if, after the previous question is considered as ordered, there will be any opportunity or it will be in order to make a motion to recommit?

Mr. MANN. That is in order.

The SPEAKER. Undoubtedly it would. The same rule applies to a conference report in that regard as applies to a bill. The Clerk will read the statement.

Mr. MANN. Mr. Speaker, the rules do not require the statement to be read. The report has been read and the statement can only be read in somebody's time.

Mr. GLASS. Mr. Speaker, I ask unanimous consent that the report be not read.

The SPEAKER. Is there objection?

There was no objection,

The SPEAKER. The gentleman from Virginia [Mr. GLASS] is recognized for 1 hour and 20 minutes [applause], and the House will be in order.

Mr. MANN. Mr. Speaker, I wish the gentleman from Virginia would ask that the statement be printed in the RECORD.

Mr. GLASS. Mr. Speaker, I ask that the statement be printed in the RECORD

The SPEAKER. The gentleman wishes both the statement and the report in the RECORD?

Mr. GLASS. Yes.

The SPEAKER. The gentleman from Virginia [Mr. GLASS] asks that both the report and the statement be printed in the RECORD. Is there objection. [After a pause.] The Chair hears

[Mr. GLASS addressed the House. See Appendix.]

Mr. MANN. The gentleman has that right already.
Mr. GLASS. Mr. Speaker, I reserve the balance of my time.
The SPEAKER. The gentleman from California [Mr. HAYES] is recognized for one hour.

Mr. HAYES. Mr. Speaker, in the short time which I can consume in justice to my colleagues who desire to speak, it would be impossible for me to discuss in any adequate way this great and important measure now before us.

When the bill was first before the House I discussed at some length certain features of it to which I objected, and I shall not now undertake to cover the same ground that I then cov-I first desire to call the attention of the House to the fact that the Senate has not seen fit, and the conferees since have not seen fit, to remove from this bill the provision which makes the Government of the United States primarily liable upon the notes that it is proposed to issue through the regional reserve banks.

Probably all of the people of the United States who have not studied this measure carefully, suppose these notes are to be bank notes, something similar to the national-bank currency we When they come to understand that these notes are now have. not primarily bank notes at all, but the notes of the Government of the United States, I want to say to my friends on the other side of the aisle that the people of the United States will hold them to account for creating such a currency. This feature will rise to plague them for many years to come, just as the free-silver proposition for which they stood in times gone by, has risen to plague them. Having loaned the credit of the Government of the United States to the bankers of the country for their purposes, and incidentally for the purposes of the public, how are my Democratic friends to resist the appeal of the cotton growers and the farmers to the Government to lend them its credit in order to enable them to grow, harvest, and market the products of the soil?

Mr. WINGO. Mr. Speaker, will the gentleman yield?
Mr. HAYES. Certainly.
Mr. WINGO. The gentleman, as I understand, condemns these notes, which he calls Government notes, and as I recall in his argument before, he did not want to put this strain upon

Mr. HAYES. Yes. That was one of the reasons.

Mr. WINGO. That being true, how does the gentleman reconcile the provisions which he and his party associates are responsible for being in the bill, as now reported in the conference report, which puts the burden of gold redemption on the Government and yet permits these banks to redeem in chips and whipstocks?

Mr. HAYES. I deny that I and my party associates on the committee or in this House are responsible for that provision. If it had been left to me, I would make the burden of maintaining these notes and of redeeming them solely and entirely the duty of the banks.

Mr. WINGO. As the bill left the House it required both the Government and the banks to redeem in gold or lawful money.

Mr. HAYES. Yes, Mr. WINGO. Has the gentleman ever heard of any banker or of any Member of the other branch of this Congress debating this bill, or has he read of any man wanting or demanding the redemption features the gentleman is now reporting and standing for in this conference report? If so, will the gentleman give his name?

Mr. HAYES. I will say, in reply, that when the bill was up before I thought I made myself perfectly clear, that it was my opinion that it was not sound to require the Government to redeem these notes; that the burden of redemption should be placed entirely upon the banks; and that the credit of the Government should not under any circumstances be involved.

Mr. WINGO. I beg the gentleman's pardon. I understood

that he had approved that,

Mr. HAYES. No; I never did, and I do not now. Mr. Speaker, I started out to ask my Democratic brethren how they are to resist the demand of the cotton grower and the agriculturist of the country for permission to borrow the credit of the United States in order to help them out as the Government is now about to help out the banking interests of the country? They can not resist it. If the credit of the Government is to be loaned for the benefit of one interest in the country, then why not for the benefit of other interests in the country? And of all the unsound and wild-eyed ideas or propositions for inflating the currency, the idea of loaning the credit of the Government in the form of notes for the purpose of growing, harvesting, and marketing the products of the soil is the most unsound and the most wild eyed, according to my judgment.

Mr. PLATT. Mr. Speaker, will the gentleman yield for a

question?

Mr. HAYES. Certainly.

Mr. PLATT. From what I understood the gentleman to say a moment ago in answer to a question from the gentleman from Arkansas, I inferred the gentleman meant to imply that the Republican conferees had not been admitted to the conference.

Mr. HAYES. Mr. Speaker, the facts in regard to that are these, and I think the House is entitled to them: The gentlemen representing the majority of the House on the conference committee invited the representative of the minority into the conference upon this bill from the beginning, and we were in conference until the conferees met with the Senate conferees. Since that time the minority members of the conference committee on the part of the House and on the part of the Senate have not taken part in the conference at all until the final act, when it was moved to report the bill. I desire to relieve the conferees on the part of the House representing the majority from any narrowness or partisanship in this regard. The responsibility rests solely with the Senate.

Mr. MURDOCK rose.
The SPEAKER. Does the gentleman from California yield to the gentleman from Kansas?

Mr. HAYES. I do for a question.

Mr. MURDOCK. Does the gentleman mean to say that in the conference which lasted through the night, or until 3 o'clock in the morning, he was excluded?

Mr. HAYES. I do.

Mr. MURDOCK. May I ask the gentleman how long the conference at which he was present lasted?

Mr. HAYES. Probably 15 or 20 minutes— Mr. KORBLY. That is wrong. Mr. HAYES. I am talking about the conference with the Senate.

Mr. GLASS. I will answer that.

The SPEAKER. To whom does the gentleman yield?

Mr. HAYES. I do not yield at all.

Mr. GLASS. Mr. Speaker, if I may be permitted to answer

The SPEAKER. The gentleman declines to yield.

Mr. HAYES. I will yield to the gentleman to make a state-

Mr. GLASS. I do not want to make a statement, except I want to answer the inquiry. It lasted for some time after the minority conferees left the committee room of their own volition.

Mr. MURDOCK. I wish the gentleman would confine that charge to the Republican minority. The Progressives had no representation upon that conference, and they would have stayed, I will say to the gentleman.

Mr. HAYES. I want to state, Mr. Speaker, the fact is that the representatives of the minority remained in the conference until a motion had been made and carried to report the conference report which we now have before us.

Mr. KORBLY. Oh, Mr. Speaker—
The SPEAKER. Does the gentleman from California yield? Mr. HAYES. I will not yield further, I can not yield to permit this controversy and consume my time. The fact is as have stated it.

GLASS. Mr. Speaker—
Does the

The SPEAKER. Does the gentleman yield to the gentleman from Virginia?

Mr. HAYES. I yield to my colleague, of course.

Mr. GLASS. My colleague does not want a misstatement of facts to go into the RECORD and thereby be attributed to him, I

Mr. HAYES. I certainly do not.

Mr. GLASS. I want to be fair, and say to the House that the majority conferees invited the minority conferees repeatedly and almost appealingly to offer any suggestion or any amendment that they might have in mind [laughter on the Republican side], and they declined to do it.

Mr. HAYES. It would be according to fact to say that the minority were asked to make any suggestion they chose to make, yes; but, to use a very homely expression, the members of the minority felt as though they had not only been spit upon but had had it rubbed in after the majority had made up their minds and come to their agreement upon all points and had their conference report printed in the form in which it has been now presented to us here. Why, it would have been a farce for us to go there to make any suggestion or offer any amendment. [Applause on the Republican side.] We had more important business to attend to.

Mr. BUTLER. The gentleman says it was printed?

Mr. HAYES. Certainly; it was printed before we were called in.

The SPEAKER. The Chair will suggest to Members that they should not from their seats inject remarks into a speech a gentleman is making. It is a bad habit. [Applause.]

Mr. HAYES. I regret to inject this matter into the Record. I want to say, further, in regard to this bill that this bill is defective, seriously and fundamentally defective, by reason of the way in which it treats extension of credit upon farm loans. Of course, the provision that is now incorporated in the bill is only a gold brick to the farmer. Only a small percentage of the capital stock of the smaller banks in the country can be loaned to farmers, and this is only permissive; it is not mandatory, of No banker in control of a commercial bank would be fit for his position if he loaned any amount out of his assets on farm mortgages on five years' time. No commercial bank of any kind will do this, so it will prove to be nothing but a gold brick thrown for political reasons to the agriculturists of the United States to make them think that there is something in this bill that will take care of their interests.

Now, when the House passed the bill it had a provision in it which, if it had remained, would have been of vast benefit to the agricultural interests of the country by providing that any national bank in the United States could establish a savings department under the rules and regulations by which well-conducted savings banks in the United States are run. If that measure had been incorporated in the bill, hundreds of millions of dollars would have been available to the farmers of the United States that might safely and properly be loaned to them upon long-time mortgages. [Applause on the Republican side.] But as it is, no such provision has been incorporated in the bill. Section 27 of the House bill, which provided for such a department, has been stricken from it.

I have here a telegram, which is typical of hundreds of telegrams and letters which I have received from bankers and business men all over the State of California. It is as follows:

I hope you will do all possible to give national banks the right to have savings accounts upon obtaining the permission of the Comptroller of the Currency. The farm-loan features of the new act will be absolutely useless here unless the above is incorporated, as national banks are now prohibited the use of the word "savings." Would like to see the act complete, so the national banks in smaller places can transact all kinds of proper banking business.

ALDEN ANDERSON,
President Capital National Bank, Sacramento, Cal.

Now, that is the attitude, so far as I know, of all the business men of California. I doubt not it would be the attitude of all business men of the United States, or nearly all of them, if they could be consulted.

But I must not consume too much time. I can merely sug-

gest things that I think are defective in this bill.

Another thing in this bill which I think is a great mistake is a new provision that has been incorporated in it by the conferees, and that is the provision throwing upon the regional reserve banks the sole burden of redeeming, or, rather, refunding the 2 per cent bonds. I supposed that the chief purpose of the establishment of these regional reserve banks was to make liquid, to consolidate, and keep for the use of the commercial interests of the country the reserves from all the banks in the United States, and yet here is a provision incorporated by the conferees that permits the Federal reserve board to require the Federal reserve banks, in proportion to their capital stock, to take over and purchase with their assets \$25,000,000 of 2 per cent bonds a year for 20 years. Thus \$500,000,000 of what are supposed to be quick assets in the regional reserve banks may be swallowed up by purchasing low interest bearing bonds of the United States. This will greatly weaken this system and prevent it from performing the functions which it ought to perform and which this law, as it passed the House, intended it should perform.

Will the gentleman yield? R. Will the gentleman from California yield The SPEAKER. to the gentleman from Arkansas?

Mr. WINGO. I want to ask a question for information.

Mr. HAYES. All right.

Mr. WINGO. In view of your statement as to reserve banks, I will ask if this provision does not go in the bill according to the conference report print:

The Federal reserve banks purchasing such bonds shall be permitted take out an amount of circulating notes equal to the par value of

Mr. HAYES. I will come to that in a minute. In order to relieve these Federal reserve banks of the burden, the proposition incorporated in the bill is that they can use the bonds for circulation just as the national banks now use them, which means that the circulating privilege by that much will be taken from the national banks and transferred to the Federal reserve banks.

One of the avowed purposes of this measure is to do away with national-bank circulation, because it is secured by United States bonds, and therefore inflexible and inelastic; and yet this bill as it comes before us not only continues, so far as it can, all the national-bank circulation, but it makes it possible to increase it. This bill in its present form, so far from retiring the national-bank currency, only adds to our circulation a new kind of note. But I can not spend time on that, as the time which I reserved for myself has already expired. I only desire to call the attention of the House to one or two other things.

Mr. WINGO. Will the gentleman yield further? The SPEAKER. Does the gentleman from California yield

to the gentleman from Arkansas?

Mr. HAYES. I must decline. I would be glad to do so, but I can not. Among other things I regard as fundamental is the provision, stricken out of the House bill, which provided that not more than two of the members of the reserve board should belong to any one political party, making that board a nonpartisan one. That provision was stricken out by the Senate, and the conferees have agreed that it should remain out; so that now it is left to the discretion of the President of the United States to appoint all of the members of this board of his own political faith if he so wills. I should be glad to see that provision remain in the bill, because it would make this board nonpartisan like the Interstate Commerce Commission, and as such it would command vastly more confidence and respect from the people of the United States than any partisan body could, and could therefore accomplish its purpose much more effectively and certainly.

Now, in conclusion, the fundamental defects of this bill to which I have adverted, and others to which I could refer if I had time, are all there, I have no doubt, because of the fact that this measure has been framed and considered in a partisan way. Practically all measures in this House except tariff bills are not considered in committee nor in the House on partisan lines. After exhaustive discussion by both minority and majority, the measures are settled and all questions relating thereto upon their merits. In the preparation and consideration of this bill political considerations and political arguments have had in some instances, I am satisfied, much more weight than the arguments that went to the merits of the various propositions. I regret that this great measure is to go forth from the Congress of the United States with these unsound and dangerous provisions in it, when, if there had been this nonpartisan consideration in its preparation and in its passage through the House and the Senate, most or all of them would have been eliminated from the bill. [Applause on the Republican side.]

The SPEAKER. The gentleman from California used 22

minutes and reserves the balance of his time.

Mr. HAYES. Yes. I reserve the balance of my time. now yield five minutes to my colleague, the gentleman from Maine [Mr. GUERNSEY].

The SPEAKER. The gentleman from Maine [Mr. GUERNSEY] is recognized for five minutes.

Mr. GUERNSEY. Mr. Speaker and gentlemen of the House, I shall not take all of the time that has been allotted to me. As I have already stated at length in the remarks which I addressed to the House on a former occasion some of my objections to the measure as it was then reported to the House. One of my chief objections has been eliminated from the bill. Other objections that I raised on that occasion still continue in the measure, although I think as a whole the measure has been greatly improved by the work of the Senate and the conferees.

I am opposed to the principle of Government issue of the

currency provided in this legislation. That objectionable feature is still retained in the bill. I believed it is unwise as well as unnecessary, if these bills are to be amply secured, as it is contended that they are, by gold and other assets, they should be bank notes as well as bank issued, which this measure provides for.

Another objection that I had was to the fact that the Federal board, to whom the Government is to delegate more power than

was ever before delegated to any board created by the Federal Government, will be a board that may be composed wholly of members of one political party and will have the appearance of being a political board. That objectionable feature is retained in the bill. I believe it to be an important objection, since this board, if this bill goes into effect and accomplishes what it is expected to accomplish, will exercise control over a majority of the banking of the United States; otherwise the bill will be an utter failure. If the bill does succeed, and the board does exercise control over a majority of the banking of the United States, it should certainly be above any suspicion of political bias or

Further, I believe this to be an inflation measure, the only question being the extent of the inflation. Therefore, for the reasons I have stated, I shall now vote against the adoption of the conference report and this measure, as I formerly voted against the bill in the House last September. [Applause on the Republican side.]

The SPEAKER. The gentleman has used four minutes and yields back one.

Mr. HAYES. Mr. Speaker, I now yield five minutes to the gentleman from Wisconsin [Mr. LENROOT].

The SPEAKER. The gentleman from Wisconsin [Mr. Len-ROOT] is recognized for five minutes.

Mr. LENROOT. Mr. Speaker, I believe that it is admitted by all that the bill now before us is an improvement over the House bill, and I believe it to be an improvement over the Senate bill. I shall vote for the adoption of this conference report. [Applause on the Democratic side.]

I shall do so, Mr. Speaker, because the bill as agreed upon establishes the policy of public control over the finances of this country by a Federal board similar to the control that is now exercised over the interstate commerce of the country through the Interstate Commerce Commission. [Applause on the Democratic side.]

Additional reasons, Mr. Speaker, why I shall vote for the conference report are because the bill takes the reserves of the banks of the country that are now piled up in the city of New York and used to aid stock speculation upon the New York Stock Exchange and distributes those reserves back to the different parts of the country from whence they came [applause on the Democratic side]; because those reserves under this bill can no longer be used to aid in stock and bond transactions, but must be used for commercial purposes to meet the commercial needs of the country.

In addition to that, the bill provides for an elasticity of currency that, in my opinion, will meet the needs of different parts of the country during the seasons of the year when crops

Another reason is that, notwithstanding what the gentleman from California [Mr. Hayes] has said, it does provide substantial assistance to the farmers of this country in the making of farm loans.

And, last of all, Mr. Speaker, I will vote for it because when this bill is put into operation, in my judgment, it will insure against purely financial panies in this country, such as occurred in 1907. [Applause.] It will not, in my judgment, prevent industrial panics, such as may be confronting us as a result of the tariff legislation enacted by the Democratic majority, but, so far as pure manipulation of finance is concerned, it will, in

my judgment, be an absolute preventive.

Now, Mr. Speaker, it is feared in some quarters that the financial interests which now control the banking interests of this country will continue to control these Federal reserve banks. But, Mr. Speaker, that is not possible, unless we assume that those financial interests will control the Federal reserve board, because under this bill that board has the right to remove every director and every official of every Federal reserve And unless we can trust the President of the United States to appoint and the Senate of the United States to confirm men who are above and beyond the influence and control of special interests-if we can not trust them to do that-then legislation upon this or any other subject relating to great industrial and economic problems is absolutely futile. [Applause.] The Congress of the United States may enact legislation as perfect as human wisdom can devise, and yet, after all, the efficacy of that legislation must depend upon how it is administered by the administrative side of the Government. I believe we can trust the President of the United States to appoint a Federal reserve board that shall be absolutely free from the control of special interests.

So, upon the whole, Mr. Speaker, though there are many defects in this bill, its benefits so far outweigh those defects that

I shall gladly cast my vote for it.

So far as the admittedly beneficial features of the bill are concerned, it has the support of Republicans and Progressives as well as Democrats. Had it not been for the partisan means by which this bill was put through this House and the Senate many of its defects would have been removed. So far as the good features of this bill are concerned, you on the other side are not able to assume the entire credit for the bill; but so far as its defects are concerned, which could have been remedied, and would have been remedied had it been treated in a nonpartisan way, you on the Democratic side must assume the responsibility for those defects. [Applause on the Republican

Mr. GLASS. Mr. Speaker, I yield five minutes to my col-

league from South Carolina, Mr. RAGSDALE.

Mr. RAGSDALE. Mr. Speaker, a few short months ago I was asked to take my place with those who were writing this currency bill. Many of the provisions that we find in the bill at this time were met with strong disapproval at the time they were offered by me in the committee. Then I was denounced as a rebel and insurgent. When we went into the caucus we found there limited approval of loans secured by farm products and improved lands, and now, to-day, it seems to me that we have before us a currency bill that we can all safely hand to the people of the United States and say the power of the Money Trust is broken and that the people have come into their own. [Applause on the Democratic side.] I have been one of those who fought against some features of this bill, but, as a gentleman who has preceded me has well said, the benefits to be derived from the bill far exceed the evils, and the people of the Southland, whom the gentleman from California [Mr. HAYES] has so unnecessarily criticized for the benefits we receive, look upon it as a very godsend to us that at last the cotton growers of America are recognized in this currency system. [Applause on the Democratic side.]

Why should the cotton growers be barred from the benefits? Why should the agriculturists be barred from the benefits of a financial system? Do we not produce that which feeds and clothes the world? Do not the products that we grow help to sustain the balance of trade with other countries? Why then should our products be outlawed and the right of credit be denied to us? Ah, Mr. Speaker, the Republican Party have grown so accustomed to denying any rights to the agricultural people on everything and heaping unjust burdens on us in tariff laws that they welcome this last opportunity to hurl another

stone at them. [Applause on the Democratic side.]

Mr. Speaker, the gentleman from California [Mr. HAYES] says there is no system here by which money may be loaned on lands. If he will turn to section 24 of the bill, it is provided there that any money received on time and on which interest is paid may be loaned for five years directly on land, the loans based either on capital and surplus or time deposits. What is a savings bank? Is it not a bank that receives time deposits and pays interest on them? Does not this bill specifically prowide for their entrance into the system? Does it not provide that that money may be loaned under the system? Why then is the gentleman from California [Mr. Haves] so disturbed? Why is it that he never offered anything by way of relief along this line, but merely contents himself with trying now to muddy the water?

Mr. HAYES. Mr. Speaker-

Mr. RAGSDALE. I have but five minutes. The gentleman

has plenty of time to answer.

Mr. Speaker, the time has come, and it has been written into this statute for the first time in this country, that farm lands are a basis for credit in America, and that the owners of them who produce the wealth of this country shall share in that financial system which everything in this country goes to support and sustain. The time is here when farm products are a basis of credit and subject to rediscount in the national reserve banks of America, and the men on whose shoulders rest the feeding of the masses now have some recognition at the hands of the Nation through the Democratic Party. [Applause.]

I want to congratulate the chairman of this committee [Mr. GLASS] that, with the Senate and the Democrats of this committee, we have been enabled to hand to this country a bill of which we can go home and say to our people, "At last we have given you a system by which you shall control and take charge of the financial system of this country." [Applause.] [Applause.]

The SPEAKER. The gentleman has used four minutes and

vields back one minute.

committee of conference it is the best currency measure which has been written upon the statute books since this Government began. [Applause.] It is not only a great credit and honor to the House of Representatives, in which it originated, but also to the Committee on Banking and Currency of this House, to whose arduous labors is due in chief part the satisfactory form in which it is now presented.

But it is also a most striking evidence of the high patriotic purpose and unswerving fidelity to party pledges upon the part of the leader of the party in power, the President of the United [Applause on the Democratic side.] Before he was nominated he pointed out the evils which this bill will correct. When he became the candidate of the party he promised this boon to the American people, and he has now the high and great satisfaction of knowing that his party has followed him loyally in the redemption of that pledge. And I am particularly happy to believe that it is the last and absolutely final refutation of the time-worn slander that the Democratic Party is a

party of criticism and negation without constructive ability. [Applause on the Democratic side.]

I can not hope, in the short time at my disposal, to discuss this measure in any detail, but I want to say to my friend the gentleman from Wisconsin that I take issue with him upon one vital feature of his remarks. I believe that this bill when it becomes a law will do much to prevent the return of industrial panies in this country, as well as financial panies. I am content to know that when this bill shall become a law it will mean that every business man who has an asset of value to hypothecate in order to receive credit for the advance and promotion of his business will be able to secure that credit in a competitive market. I am glad to believe that under this law competition will not be all in front of the bank counter, but that we will have competition behind the bank counter amongst the banks as well.

I base that upon one feature of this bill, which, to my mind, will prove most beneficial to the country—a reduction in the amount of reserve required to be kept by the member banks throughout the country. For the credit which the bank can extend is measured by the amount of demand liabilities, and the amount of demand liabilities in any system where a percentage of liabilities is required by law to be kept as reserve is irrevocably bound by the reserve it must keep. By the reduction of that required amount in this bill the amount of new credit which may be extended to business will be so very considerable that we will have almost a guarantee of times of prosperity, of promotion and advancement of production in all lines of business endeavor in this country. [Applause.]
Mr. HAYES. Mr. Speaker, I wish the gentleman from Min-

nesota would use some of his time.

Mr. LINDBERGH. Mr. Speaker, I yield 10 minutes to the

gentleman from Kansas [Mr. MUBDOCK].

Mr. MURDOCK. Mr. Speaker, I voted for this bill when it passed the House and I shall vote for the conference report. [Applause.] I support this measure because I believe that it jostles out of a deep rut the present antiquated currency sys-[Applause.]

But I do not blind myself to the fact that this measure will not be effectual as a remedy for a great national evil-the concentrated control of credit. I believe that the conservatism with which this measure was drawn and the haste which has latterly characterized its consideration is more significant than the measure itself, for the method of its consideration indicates plainly the fear that has seized the minds of the Democratic leaders and which from the start has weakened this leg-

In the last eight months I have seen the mental attitude of the Democratic leaders here change from a seemingly bold attitude of desiring to serve the people into a mental attitude of trying to divert national disaster.

Mr. FITZGERALD. What is the answer? Mr. MURDOCK. The answer is this. There is-

Mr. MURRAY of Massachusetts. Will the gentleman yield? The SPEAKER. Will the gentleman from Kansas yield to

the gentleman from Massachusetts?

Mr. MURDOCK. I will not. The answer is this: There is no panic in this country—not yet. [Applause on the Democratic side.] There are no hard times-not yet. When the tariff bill passed the House the gentleman from Alabama [Mr. Underwood] issued an uncompromising warning to the manufacturers of this country that if they, to discredit the new revi-Mr. GLASS. I yield five minutes to the gentleman from Pennsylvania [Mr. PALMER].

Mr. PALMER. Mr. Speaker, this banking and currency bill as it passed the House was a good bill. As it passed the Senate it was in many respects a better bill, and as it comes from the The Democratic revision of the tariff seen this night in perspective is not as drastic as it seemed to many on the day it passed. In many respects it was not a drastic revision, but it was a

foolish revision in the manner of it.

One year ago and a little over the Democratic leadership, in the day of probation before the country, revised the tariff one schedule at a time, which would have applied a revision gradually and safely. This year, in their arrogance, they slammed down on the business of this country in an omnibus bill 4,000 readjustments, and what followed? There was disorder in business; there was disquietude. What immediately followed the disorder and disquietude in business? The special interests in this land, the mention of whom you men land at mockingly to-night, seized the opportunity. They are no mean enemy. They fight all the time. And when the disorder in business followed the omnibus revision of the tariff, Wall Street was watching and Wall Street acted.

In July the interests began to restrict credits in this Nation. Do you doubt it? Then ask your Secretary of the Treasury. By September Wall Street had begun to manipulate the price of Government 2 percents. Do you doubt it? Then ask your Secretary of the Treasury.

For the last six months the special interests have been taking away from the markets their support. Do you doubt it? Ask any man who studies the stock market. All over this country the word went out to the minions of the special interests to spread the poison of pessimism; they have been trying to talk business to death, and every man within the sound of my voice knows it. Is it true? You know it is true, on this side of the House, and you have a lively suspicion of it on the other side. They have saturated the air with distrust. They have been dictating the very terms that the Democratic leadership is thinking and acting in, and there has gone up will ain the last four months everywhere one grand chorus of calamity on the part of the men that the special interests control. [Applause.] And there has been put out over the country, and I say it with regret, for it has found its echo here, a certain senseless, Godless, merciless partisan habit of thought upon the part of the Republican leadership, which has led them to show hope of party prosperity coming through national disaster. [Applause on the Democratic side.]

Mr. Speaker, I want to say to this House, and the next year's events will bear me out, that the Money Trust has not passed. The Democratic leadership in the hour when it should have fought, faltered. In a situation controlled by special privilege, confidence is always an essential to prosperity, and special privilege, unchallenged in this country and undestroyed, can destroy confidence; and special privilege has been busy in the last six months. Your Democratic Pujo committee brought in specific remedy after remedy which, if adopted, would have met fairly and squarely, face to face, the great enemy of this Nation, the Money Trust. But you rejected the specific remedies of the Pujo committee, chief among them the prohibition of interlocking directorates. You Democrats voted that provision down in caucus, you voted it down in the Committee of the Whole, you defeated it upon record vote in the House, and it was defeated

in the Senate.

I say to you as one American talking to others, you can not afford to palter with this enemy. He is yours, as well as he is mine. He will not cease fighting at some gentle love-tap, at some timid compromise, at some half-way measure, at some half-baked enactment. "Be slow of entrance to a quarrel, but being in bear it so the opposed may beware of you." In this You allowed the special bill you rejected specific remedies. interests by pretended dissatisfaction with the measure to bring about a sham battle, and the sham battle was for the purpose of diverting you people from the real remedy, and they diverted you. The Wall Street bluff has worked. You struck a weak half blow, and time will show that you have lost. could have struck a full blow and you would have won. [Applause.]

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. GLASS. Mr. Speaker, I yield to my colleague, the gen-

tleman from Kansas [Mr. Neeley].

Mr. NEELEY of Kansas. Mr. Speaker, I have had occasion to indorse some of the splendid sentiments of the gentleman who just left the floor; but he, like some of the balance of us, gets overenthusiastic at times and hypercritical at others, so that he loses the balance and the poise he might otherwise have. He says this bill was framed in haste, forgetting that for over seven months it has received the earnest and careful consideration of the Banking and Currency Committee of this House and for nearly six months the consideration of the same committee in the Senate. True it is that it has not taken the Democrats

as long to revise the currency as it did the Republicans to revise the tariff; but we have now all but completed the job and here present in seven months the sum total of our endeavors, so perfect in the whole that the gentleman from Kansas [Mr. MURDOCK], representing as he does the leadership of an opposition party, pledges his support to the work that has

been achieved. [Applause on the Democratic side.] While we are passing it might be well to call attention to the

fact that when the Aldrich-Vreeland bill, which this substitutes, was presented to the entire Banking and Currency Committee, where it was then pending, the Democratic membership of that committee were denied the privilege of having a copy of the bill, and the party to which the gentleman then belonged reported the bill without the Democratic membership of the committee ever having seen or read it. When the bill was reported to the House for passage a rule was brought in from Committee on Rules limiting debate to four hours on a bill that none but the Republican members of the Banking and Currency Committee had ever read, and it was an objection by the now chairman of the Banking and Currency Committee that brought a printed copy of that bill before the House for the first time. It came fresh from the printer, green and wet, and was rushed through under the rule, practically without considera-

tion and without amendment.

I know this bill is not perfect, and I hope that before the end of this Congress it will be amended by placing in it an adequate bank-guaranty law. It ought to have been in this bill. When we made our fight in the committee the four gentlemen who were denominated insurgents, Filipinos, obstructionists, recalcitrants, fought for a decent bank-guaranty law. We opposed then, as we did in the caucus, the consolidation of banks and the granting of the savings-bank privilege to institutions already too powerful. We contended then, as we did in the caucus, for a provision prohibiting the interlocking of directors, so broad in its scope as to force competition between groups now allied for their own selfish purposes. We contended with all the power at our command for six-months agricultural paper; we contended for the extension of the privilege of making farm loans by national banks from nine months to five years; and we fought to lay the foundation for a comprehensive farm-loan plan. Had the things we contended for then been accepted upon the part of the Banking and Currency Committee or by this House there would have been but one change made in this bill as it now comes from the conference committee, and that the guaranty of bank deposits. Then, instead of the Senate taking the credit for presenting a bill favoring the recognition of agricultural credits, this House would have received the whole and entire credit for the first recognition of the agriculturist in currency legislation since this Government was established. The gentleman is mistaken, however, when he says that the interlocking-directorate proposition is dead and that the Pujo committee recommendations are buried. A motion was made in the Democratic caucus to send my interlocking-directorate amendment to the Judiciary Committee, and it was sent there with specific instructions and directions to report a bill preventing interlocking directors, not only between banking institutions, but between all industrial corporations; and when this has been done the Pujo committee and the Stanley committee may well join in singing the doxology, for they have

not been in vain. [Applause.]
The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. HAYES. Mr. Speaker, I yield five minutes to the gentle-

man from Pennsylvania [Mr. Moore]. [Applause.]

Mr. MOORE. Mr. Speaker, Andrew Jackson, a Democrat, destroyed the second Bank of the United States, which was located in my district in Philadelphia, because it was a central bank presumed to be under the control of one man. Andrew Jackson wanted to decentralize the banks and succeeded in doing so, to the great distress of the country. Andrew Jacksons who have brought in this bill would make the original Andrew Jackson turn in his grave. Why? Because in the name of "popular rule" they have built up a banking system more firmly centralized under the authority of one man than the United States Bank was under Nicholas Biddle. The President of the United States now becomes the absolute dictator of the finances of the country. He appoints a controlling board of seven men, all of whom may belong to his political party, although it is in the minority. His Secretary of the Treasury, under his direction, is to rule supreme whenever differences of opinion arise between himself and the Federal reserve board. And only one member of that board is to pass out of office while the President is in office.

Could the authority of one man be made more absolute than that? And by what "popular rule" is this brought about?



The Democratic caucus considers a bill in secret session for several months. The Representatives of a majority of the people have no voice in its preparation. It is brought into the House and passed in a day. The Senate receives the bill, and the Democratic Representatives ponder over it for months. It is forced through the Senate and returns to the House so changed in form that even the Democratic committee chairman of the House declares that if passed it will result in a veritable "saturnalia of inflation." In 40 minutes, less time than it takes to read the bill, the House is allowed to consider if. Then it goes to conference. And the people whose money is at stake are "in the saddle" and "popular rule" is supreme. Let us see.

The Senate appoints nine conferees to meet three conferees of the House and adjust the differences between the two bodies. When they get into action, the nine "popular-rule" Senate conferees are boiled down to six Democrats. The three "popularconferees of the House are reduced to two Democrats. All Republicans are excluded from the conference. rule" now rests with the six Senators and the two little giants of the House-the gentleman from Virginia [Mr. Glass] and the gentleman from Indiana [Mr. KORBLY].

Mr. GLASS. We confess. Mr. MOORE. You are entitled to do so.

The bill is now brought back to the House in a 58-page document in triple columns and a 30-page closely printed report, which the House is to accept after two hours' discussion in order that the President and the Members may go off on their holiday vacations. And what is the principal change we are to vote upon after the two hours' discussion? On page 24 of the comparative print we find that "popular rule" in the steelbound Democratic conference has restored to the President, as one of his Federal reserve board, the Comptroller of the Currency, whom he was in danger of losing under the Senate bill. Only one of the seven members of the Federal reserve board will go out of office during the President's term. Will the six others stand by the President and his Secretary of the Treasury against any order given by the President? If he plays politics to perpetuate his power, will they resist him?

Therefore the popular rule which Andrew Jackson strove for against the rule of Nicholas Biddle, of the United States Bank, is overthrown by the Democratic Party and the President becomes the absolute dictator of the public and private resources of the country which find their way into the national banks under the new system. Such tremendous power for good or ill was never granted to any President, nor has so great an inducement to perpetuate the power of any party been vouch-

safed to any man in the history of this country.

This bill, apart from its many danger points and imperfec-tions, is a travesty upon Democracy's so-called "popular rule." It is a confession of dictation and absolutism the like of which has no parallel in American annals.

Mr. HAYES. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. Platt].

Mr. PLATT. Mr. Speaker, it has been well said by the gentleman from Virginia [Mr. GLASS] and by others that this is a great measure—one of the greatest measures that has passed this House of Representatives and the Congress of the United States for a long time. I want to congratulate my Democratic friends for the large measure of success they have attained in making the measure largely a good measure, but at the same time I want to point out to them that they are enacting this great measure with some very serious defects, and with a certain amount of fear and trembling, under the party lash and under threat from the President that there would be no Christmas dinners unless it was passed at once. And yet what have you done, gentlemen? You are passing a great measure which the Democratic Party is going to take credit for and on the end of it you are extending a Republican measure which you have condemned in most unmeasured terms on the floor of this House, There is nothing you have condemned more roundly and vehemently than the Vreeland-Aldrich law. It has been cursed from one end of this Hall to the other by gentlemen on the other side of the House, and yet this bill extends it for one year because our Democratic friends are afraid this bill may not be panic proof.

Mr. GLASS. May I interrupt my colleague?

Mr. PLATT. Certainly.

Mr. GLASS. Is it not fair to state that while we are extending the Vreeland-Aldrich Act we are amending it so as to make it available to the people of the country? We reduce the tax, so the people may get the currency should they need it. [Applause on the Democratic side.]

have very much condemned, but you found it necessary to put it into this bill.

As a Republican measure it was not operative; as a Democratic measure it may be operative. [Ap-

plause on the Democratic side.]

Mr. PLATT. Well, I hope it will not be needed, but there is good deal in this bill based on the Vreeland-Aldrich bill besides, and that is one trouble with it. [Laughter.] The currency feature of this bill is a scheme whereby the United States issues notes for the banks. It provides for a currency made to loan to the banks at a low rate of interest, and that appears as a tremendous special privilege given to privately controlled banking institutions. Other organizations of the country, like the farmers and workingmen, will ask why, if the United States can issue its Treasury notes to loan to banks at one-half of 1 per cent interest, it can not issue notes to loan to them at 2 per cent. And it is a perfectly logical conclusion that is going to give you a whole lot of trouble. I agree with everything that my colleague the gentleman from California [Mr. HAYES] has said-that the notes issued under this bill ought to be bank The banks are to keep the reserves and can redeem them, but for some reason unknown, or perhaps not entirely unknown, you have characterized these notes as Government notes when really they are practically bank notes and-

Mr. GLASS. I will ask the gentleman if, under the nationalbank act, a distinctly Republican measure, you have not been loaning currency to the banks for 50 years on their collateral, while not loaning to farmers? [Applause on the Democratic

Mr. PLATT. No; we have not. We have been depositing money and taking security for it. You can call that a loan if you want to, but it is a deposit. Under this bill the Government lends its notes to the banks at a low rate of interest and the banks loan the same notes to the people at a high rate of interest, and this is a special privilege.

Mr. KORBLY. Is it not a fact that the banks put up 140 per cent of security to get these borrowed notes you speak of? Mr. PLATT. I think they are secured sufficiently. with the gentleman from Virginia and the gentleman from Indiana, in that the notes are probably secure, but you have got to explain from now on what business they have to read as Government notes when they ought to be bank notes standing on the security of good banking and a sufficient reserve. [Ap-

The SPEAKER. The time of the gentleman from New York

has expired.

The gentleman from Minnesota [Mr. LINDBERGH] is recognized.

Mr. LINDBERGH. Mr. Speaker, I am mindful of a picture in life. It is that of the school children of to-day, throughout all parts of this country, being taught the principles of conservation-told that it is not their generation alone to conserve for, but that they must build for all the future as well; told to conserve the forests, the minerals, the waters, the soils, and all the things required for the use of humanity. This is being taught in all the schools and the homes. For example:

Nevis is a small village located in one of nature's beautiful parks in northern Minnesota. In the early summer I accepted an invitation to address the people at a fair which was held at Nevis last October. You Democrats issued one of your caucus decrees to put the House out of work just previous, therefore I was able to comply with my promise. I went straight from

Washington to Nevis

Soon after my arrival at Nevis Prof. R. M. Washburn, of the State university, who was at Nevis to lecture in the interest of farming, seized me by the arm. The professor was aglow with enthusiasm and requested me to follow him. I could understand that some grand object lesson was in store. Sure enough, he led me to a hall and had me stand where I could overlook an exhibit of agricultural and horticultural products, and also various kinds of needlework, drawings, and other industrial products of the people there. "This," he said, "is one of many fairs that I have attended. Behold this exhibit."

It was, indeed, a beautiful sight to anyone who would associate all that he saw there, in all its relations to the world as well as to the people there. "See," said Mr. Washburn, "the school children's exhibit. What does that suggest to you along the conservation line?" Mr. Washburn looked like a mountain of comprehension, and it was plain that he expected me to rise to the importance of the suggestion. He was not a mere enthusiast. He knew that there was more than appeared on the surface. He knew the difference between the rearing of children in the country and rearing them in the great cities. He suggested some of these differences—all favorable to the chil-Mr. PIATT. Oh, I admit you are making it more available, suggested some of these differences—all favorable to the chilbut at the same time it is a Republican measure which you dren on the farms and in the villages. They will have the best

of it in the coming struggle for the settlement of the great

The village folks, joined by their neighbor farmers, had collected together the evidences of the intelligence and thrift of the exhibitors and the productivity and adaptability of the climate and soils for certain agricultural and horticultural products. It was, of course, not the first such exhibit that I had seen, but just then, direct from the Nation's Capital and the doings of Congress, the importance of what had been suggested to me and my own observations along the lines of human industry everywhere, linked in their relations directly and indirectly with the acts of Congress, made an extraordinary and vivid impression on my mind.

Is all this to make humanity more prosperous and happy? If it were so, it would be well, for above all things it is important to conserve to men and women the products that result from their intelligence and industry. That is the hope of the world. But that kind of conservation has been almost wholly neglected. Congress appropriates more to protect the hogs, cattle, and dumb animals than it does to preserve satisfactory conditions among the people.

The things that are taking place at Nevis in a way are taking place in the agricultural districts everywhere. It is being supplemented in the factories, in the mines, on the railways, and in the various industries where people are working to produce the necessaries of life. To conserve these people and their children in health, prosperity, and happiness is the real conservation problem—to conserve the products of their own energy for their own use, and not for the purpose of giving it to pay interest on credit supported by themselves, but paid to bankers and others. That is the real problem that is before Congress in the consideration of the currency bill, but the currency bill falls in this respect. It simply gives the bankers the privilege of extending credits to charge the people interest on, while the Government is to support it.

I doubt that any Member would intentionally wrong the people, but it is known that the Money Trust is adroit in its plans to defeat those who dare to oppose it. Members who oppose it are subject to all kinds of attempts to injure their reputation back in their districts. The trusts control some of the newspapers and have them and other agents at work. These libel, slander, and hatch up all sorts of schemes in the hopes to start the people themselves to making unfavorable comments about Members whom the trusts wish to remove from Congress. But the people have discovered this and are not often fooled by them. So now the Money Trust has supplementary schemes, and try them out with some success in molding legislation. This scheme has been to make the people believe that the trusts are opposed to the very thing that the trusts favor. It is assumed that the people will favor what the trusts openly claim to be against. Smoothly the Money Trust has played a game of fake opposition to allay the suspicions of the public while it put through Congress its plan to shape this new bill. Members have voted for it who never would have done so if they did not believe the people wanted it. One of the shrewdest things that has occurred in connection with this bill was a speech made within the walls of this Capitol by a very distinguished person in opposition to the bill. I believe that speech to have been made for the very purpose of giving it a better chance to pass.

The new law will create inflation whenever the trusts want inflation. It may not do so immediately, but the trusts want a period of inflation, because all the stocks they hold have gone down, because the people got suspicious of them in the investigations and refused to buy. They have been dropping for a long time. Now, if the trusts can get another period of inflation, they figure they can unload the stocks on the people at high prices during the excitement and then bring on a panic and buy them back at low prices. Formerly they worked the stocks up and down several times a year to fleece the people, but the people have been keeping out of stocks for a while. Excitement, it is hoped by the trusts, will bring them back.

Several in both House and Senate voted against this bill because their votes were not necessary to carry it. But if it stood in danger of losing, like the 23 Democrats who a few sessions since came to the rescue of the standpat Republicans to save as much of the gag rules as possible, here too, I repeat, if it were necessary to save from defeat this Money Trust bill, there would be a sacred and trusted "23," so to term it, on hand to help pass the bill.

This act establishes the most gigantic trust on earth, such as the Cherman Antitrust Act would dissolve if Congress did not by this act expressly create what by that act it prohibited. When the President signs this act the invisible government by the money power, proven "o exist by the Money Trust investigation, will be legalized.

The bill establishes regional banks to be owned by the other banks. The United States Treasury collects taxes from the people. These it will deposit in the regional banks, but will get interest or at least very little. These banks will be controlled by nine directors—three of them selected by the Federal Reserve Board and six by the banks. That will give the banks full control, with the privilege of the three other directors to look on and see how slick they will do it. It will work out in about this way: All the taxes collected from the people by the United States officers will be deposited in the regional banks. Those of the people who have any money will deposit it in the local banks. The people who are compelled to borrow will go to the local banks and borrow that money. It will be the same money that their neighbors and their be-loved Government, the United States, deposited in the banks. They will give their notes for these loans to the local banks. The local banks will send the notes to the regional banks which they own. 'The regional banks will take them to the people's Government, the United States, and have some more money printed. This the local banks will get. This may be loaned to manufacturers, merchants, etc., and their notes taken, and these notes again may be sent to the regional banks to go through the same process to get some more money from the United States-and so on the endless chain will continue. is the financial end of it. Then comes the domestic. Of course we all know, and I shall explain the process later, that all this interest is added to the price of the things we buy, or if we are the original producer, subtracted from the things we sell, or in case we are wageworkers it is subtracted from our wages or made up by extra hours of work. The consequence is that the farmer's wife, the wageworker's wife, and others' wives who are not supported by the usury system, are compelled to work long, long days in their domestic toil, and their daughters are sent to be the servants of the usurers, and their husbands are kept in the field, at the bench, or other place of toil, all to pay the usury that has been supported by the old system and enlarged on by this new fraud. When I hear politicians talk about a progressive administration, and then review this bill, which is to be a Christmas gift to the Money Trust, I pity the innocent children all over this land-defenseless they are, but the burden created by this act in lieu of a promise for liberation from the false old system that has made 94,000,000 people industrial slaves, is a shame that should make the administration seek its own oblivion.

The trusts may have temporary prosperity by reason of this act. They control the banking interests. This is a great grant to the banks, immensely more than they had a right to expect even from a subservient Congress. But their triumph is the loss of the people. The people may not know it immediately, but the day of reckoning is only a few years removed. The trusts will soon realize that they have gone too far even for their own good. This act places the jackscrew and the vise completely within their hands, and the squeezing process which they will apply to force the last bit of energy from the toilers to enrich the wealthy will go to the point of maddening the people.

Since there is no hope to stop this Congress from passing this bill, I shall discuss a few of the principles involved and the ways and means for the people to make a declaration of independence to relieve themselves from the money power. This they will be able to do by taking control of Congress.

The bill is of such far-reaching injustice that I feel it my duty, preliminary to considering some fundamental principles involved, to make some observations on the system that has made it possible to prevent Members of Congress from preparing a good bill and forcing a vote upon it.

The Money Trust caused the 1907 panic, and thereby forced Congress to create a National Monetary Commission, which drew a bill in the interests of the Money Trust, but Congress did not dare to pass the bill as coming from that Commission. The main features of that bill, however, were copied into this bill. In 1912 I made a speech predicting that that would be done, and, further, that the Money Trust would cause a money stringency in order to force its bill through Congress. All this has now taken place. This bill is passed by Congress as a Christmas present to the Money Trust.

The political cowardice existing in this Capitol will prevent adequate reform until the people themselves realize more fully the burden that is placed on them by the interest, dividends, rents, and profits allowed by law, and collected by banks and others who control centralized wealth.

The money power overawes the legislative and executive forces of the Nation and of the States. I have seen these forces exerted during the different stages of this bill. It has convinced me that the people can secure no help from Congress until public sentiment is directed to a specific bill in the people's interests. There has been a strong sentiment for reform, but it has not been directed to a specific remedy, and, therefore, the Money Trust has taken advantage of the sentiment, and under disguise has put forward its own bill—the bill that is about to become a law. Had the people presented a bill and demanded Congress to pass it, Congress would not dare to pass this bill as a Christmas present to the Money Trust.

Even the House bill was a vicious bill, and I so stated it be-

fore, but it could hardly be worse than the old law. It might be better, but the Senate amendments have completely legalized a gigantic trust and reenacted the old Aldrich-Vreeland emergency currency act of 1908. It shows how persistent the trusts are to control those in power. The Democrats here then, and many of them are still in Congress, all voted against that bill, and now when in power all of the Democratic Senators and all but two of the Democratic Representatives in the House

The grandiloquent attempt is being made to make the people believe that the control of the money system is being taken out of the banks and placed in the Government. There never was a more deceptive attempt than this. The people are principally interested in how to get money when they need it and what it will cost them. This bill empowers the banks to get more money on the credit of the people so as to collect more interest.

Those who tell you that the Federal reserve board has like powers with reference to finances that the Interstate Commerce Commission has with reference to railway transportation either try to deceive or are ignorant on that point. There is this vital, and it is a vital, difference: The Interstate Commerce Commission can regulate rates to be charged shippers, but the Federal reserve board have no power whatever to regulate the rates of

interest that bankers may charge borrowers of money.

This is the Aldrich bill in disguise, the difference being that by this bill the Government issues the money, whereas by the Aldrich bill the issue was to be controlled by the banks. should be deceived by that change, however, for by this bill the Government can let no one but the banks have the money. It is optional with them whether they will take it or not. If they do, they will control it without limit. Wall Street will control the money as easily through this bill as they have heretofore. It makes no difference that the money can not be secured from the Government on stocks and paper based on stock gambling, for the Wall Street banks have enough commercial and other discountable paper to borrow on, and when they get the money they can and will loan it direct to the stock gamblers, to be used to exploit the people. I do not believe that any intelligent person is simple enough to not know that what I state is the exact truth. You will be surprised to see how quickly the special interests will accept this bill. There will be no delay about that. They may not prefend it, but it will be done just the same. This is merely one of several installments of bills that are to be used as promises to the people to fool them. They will be told that the next one will cure defects. And when the next one comes, then it will be the next after that, and so it will continue till the people look into the matter themselves. It is all a pretense for the purpose of making the people believe that good things are coming, and in the meantime the millionaires will have gotten more millions at the people's expense.

In view of the conditions that I have in part described and shall further discuss, I am convinced that the greatest pros-pects for reform is for the people themselves to frame concrete measures and present them to Congress and demand their adoption. If it is left to Congress to draft bills, they will be drafted in the interest of the Money Trust as the present bill has been. The people have much more to gain from their own work than They are paying for all the things that they generally realize. are being done, and they have the opportunity, if they will avail themselves of it, to so organize that they may secure the fruits of their own industry, instead of letting the parasites enjoy it. Men and women should not drudge as they do. that is necessary for them to avoid it is to so govern that they

enjoy the results from their own energy.

BORROWERS FORCED TO APPLY TO THE MONEY TRUST.

I challenge any Member to show how any person can get money under this bill without going to a bank for it, and I also challenge any Member to show me one syllable in the bill that will regulate the bank in the least in the amount of interest that it will charge. The power of the banks has been increased to expand credits and collect interest from the people for their

stockholders on the credit of the Government. But inasmuch as there is no way to make Members who are subservient to the bosses remedy a fraud on the people, I shall first observe the system of politics that has made it possible to perpetrate the plan. I do this with the hope of interesting the people to arise in their own behalf.

Barnum, the great showman and entertainer of children, small as well as those grown up, is said to have said something like

The American people love to be humbugged.

Plainly, intelligent observers can see that Congressmen know that if Barnum said that, he erred. Senators and Representatives know that the American people hate to be humbugged. That may be inferred, because they take infinite pains to conceal the fact that Congress is the greatest of humbugs. hear much about Wall Street fleecing the lambs, but that is not a "patchin" in comparison with what the Senators and Representatives humbug the voters. The people have spotted Wall Street and do not trust it. We expect Wall Street to cheat, Wall Streeters have not taken an oath to serve the people, but Senators and Representatives have. Wall Streeters could not cheat us if Senators and Representatives did not make a humbug of Congress.

THE FARCE OF PARTY CONTROL IN CONGRESS.

The division of Congress into political parties is a crime. No intelligent person who has been here long doubts that the present main object of the bosses in the political parties is to get office and to grant special favors at the people's expense.

The party of Abraham Lincoln was created because there was a division of opinion as to whether this country should be slave or not. That could be settled only by a strong party. it was settled there was no further occasion for a division among the people. All the political problems now existing are economic and should be settled on the basis of business judg-

It is contrary to the plain interests of the people and of government itself to have the bosses fence the people into various political pastures to oppose each other. There are now no conflicting interests except those fostered by a division of the

people into political parties.

The people, individually and collectively, should use every means possible to destroy the existing boss system. Individually and collectively they may have to work within one party to destroy government by other parties as well as to prevent government by the party within which they work. If the existing machinery is bad and is the only thing left that we can use, and it is required to destroy the false structure, it should be used.

Congress was not originally a humbug, but it developed into one by reason of its division into political parties. The Republican Party was not originally a humbug, but political bosses got control after the slavery problem was settled and its administration became a humbug, and for that reason it met defeat. The Democratic Party was not originally a humbug, but in that, too, the bosses got control and its administration developed into a humbug and is one now, and for that reason should be defeated. The Progressive Party did not start as a humbug, but if it should obtain power and undertake as a party to govern the Nation its administration would develop into a humbug, the same as the other parties while in power did.

My colleague from Iowa [Mr. Wood], chairman of the national Republican congressional committee, is one of the best Members in this House and is independent and progressive. The December Reflector publishes an article by Mr. Wood, disclosing that he (using his language)

Believes that the American people, when they register their will at the polls, are actuated by a desire either to continue existing conditions or remedy unsatisfactory ones—

And that-

when their judgment is adverse to the Republican administration, it behooves our party-

Meaning the Republican-

to determine the underlying reasons for the change and apply the necessary correctives.

Mr. Wood's statement is additional evidence of what I claim as a reason why no party should control Congress. What he points out as the reason for the people registering their disapproval is continually happening because of party government in Congress and in legislatures.

The people can not by that system register their wants.

They can only vote to negative what has been, if they think that a different vote will not get still worse results, and some-times they are willing to take a long chance. They vote to eliminate the worst of the existing evils. That is what party government amounts to. That is not affirmative government by the people, but it is negative. It will take the people very much longer to get their rights that way than by a more direct control—that is, government by Congress itself. Each district should be responsible for its own Member and hold him responsible to the district instead of letting him be bound and gagged by a political party boss.

This is inherently a National Government, and that is why party government is unsuccessful in dealing with the economic problems. We have changed from one party to the other, and the uncertainty that is created makes harder times. If we had a people's Congress, there would be stability. We could then solve the economic problems in the interest of all the people. There would be continuous improvement.

In most cases political parties have had their origin for good cause. I hold no brief against any party operating in its proper place. In fact, parties may be of great service. But I hold a brief from my constituency to register the strongest protest and opposition that I can against any party usurping the powers of Congress

I have watched the operations of false government by party that make Senators and Representatives who subordinate themselves to party rule practice perjury and treason galore. In some cases their wrongful acts are hidden and screened by rules and practices adopted in order to enable them to do that. But in other cases they believe, if done in the party name, it will be forgiven—even approved by a partisan constituency—and in those cases Members proceed boldly, as if to do a thing in the name of a party is justified, however much it conflicts with the people's rights.

CAUCUS IN CONGRESS IS CONSPIRACY.

The caucus crime is one of the methods used. The people are told that the caucus is justified when it begets better legislation. The bosses are very careful not to explain that the caucus is resorted to principally to prevent legislation most favorable to the people. Of course the bosses know that some improvement will be forced, and they resort to the caucus to keep it as little as they think the people will accept without giving the bosses trouble. The caucus keeps it at the least.

The correct name for a caucus is "conspiracy." The con-

The correct name for a caucus is "conspiracy." The conspiracy here is to usurp the powers of Congress and do as little for the people as it is thought the people will accept. I have been fighting the caucus system and the secret meetings of committees ever since I came to Congress. When I began the standpat press poked fun and ridicule at me for doing that. The whole country is now fighting to kill "king caucus." Even Collier's Weekly, which ordinarily supports the Democrats, mildly criticizes them by publishing in a 1913 number the following:

The caucus system, even in the form in which the Democratic Party is now using it, is doomed and will not last beyond the present session. It is against the present spirit, and it is not consistent with present-day ethics and politics.

It is not enough to destroy the caucus conspiracy, however. Party government is practically the same thing as caucus government. I fought party government from my first entry into Congress. I believe I am the ploneer in the fight. Among others, Collier's Weekly again said in September, 1913:

With the beginning of the coming session the power of the caucus will be a thing of the past. As soon as this happens there may very well come a break-up in the parties, which is the necessary preliminary to a new line-up in the United States—a normal division between men whose minds and interests are conservative and those whose minds and interests are liberal.

Collier's Weekly, however, did not correctly estimate the Democratic bosses in Congress, for the Democratic Senators in this now regular session held caucuses to regulate the currency bill that should pass the Senate.

SECRET MEETINGS TO DECEIVE PUBLIC,

I introduced a resolution myself in the House Banking and Currency Committee to have all its meetings open to the public, so that the public would know what was being done by the committee. The liberal press supported it, the stand-pat press opposed it; but it got publicity both ways, and the majority of the committee did not dare to make a record against the public demand. So my resolution passed. But note what was done to evade it. The Democratic members, who were in the majority, called no more meetings of the Banking and Currency Committee until they had held numerous secret meetings and fixed up a bill, and then they called a meeting of the Banking and Currency Committee, which was simply to report it to the House. Minor amendments were allowed. Four that I offered were accepted, and I think an equal number offered by my colleague, Mr. Smith, of my own State, and three or four others. But all the amendments of vital importance were voted down

on the express statement made by more than one member of the committee that he could not vote for an amendment not consistent with the Democratic caucus.

That is the way these secret meetings and secret caucuses work to defraud the people by preventing the best kind of legislation.

POLITICAL PATRONAGE.

The political bosses maintain their position by patronage. The Democratic and Republican Party bosses have been equally guilty in using patronage as a means to bribe. It costs the bosses nothing, as the people pay the salary of all appointees, and the bosses use them to carry on their campaigns to fool the voters.

Any new party that is actually progressive and any old party becoming actually progressive will advocate that public appointive offices be distributed in the proportion of the respective numerical strength of the parties. Any official who is progressive and honest in his administration, if he has appointments to make, will, so far as possible, distribute them amongst the several parties in the proportion of their voting. That would insure freedom, remove prejudice, create a wise and natural checking for efficiency, and give general respect. To practice that would change this from a factional government, as it is now, to a people's government.

This is not a mere academic problem. I wish to explain what sort of a deal so-called party government has given the people.

FORMER GREAT ADVANTAGES SACRIFICED.

There was a time within the generation of those now governing that the conditions in this country promised the people exceedingly good results. Conditions originally were all right. But under party government, officered by men long in Congress, and some of them still here, we have been getting into more and more difficulty. There is a very serious dissatisfaction, justly so, among the people. They have been deprived of the results that the advantages originally promised them.

Consider conditions as they were and then the results. While the political parties started with things in excellent shape, and while some of the men then and still in office had a chance to conserve to the public the natural advantages, things went wrong. They did not so much as file a protest, because they wanted to "stand in" so they could appoint their supporters postmasters or to some other office that the people pay salaries to. Instead of the people now possessing the natural advantages the trusts have gotten and capitalized them, and the salaries of patronage officials are paid out of the people's daily earnings.

WHY LONGER TRUST THOSE WHO FAILED?

How can we expect the same system and the same men that failed to conserve the advantages that the public so recently had are going to rise to the present emergency to reinvest the people with their sacrificed advantages? The problems were simple when they took charge, but now they are complex. If the public is made to believe that the political parties and the men who have run the ship of state on to the rocks can be trusted because they profess to be progressives, after the votes are counted, but never were progressive before, then our children are to be pitied for the results that would come from the credulity of their parents.

The stockholders of the Hartford & New England Railway Co., when they found the company in trouble and its resources squandered, discharged the officers. The company is now doing better. It would profit the people to put the politicians and bosses and the political parties out of Congress. They have squandered the Nation's resources.

Men and parties who are forced to become progressives, or to say that they are, because the voters have demanded progress before the officeholders and the party bosses have seen the necessity, can not be depended upon to see any necessity for further progress until the voters force it. They may still further delay progress by caucus-secret committee meetings and rules fixed to screen the boss system. Many of those who were stand-patters when the progressive movement began and now pretend to be progressive are solely so for the purpose of stopping the progressive movement from materializing into full benefits.

Let us review some of the advantages that we had and that have been lost or impaired by party government administered by political bosses, some of whom are still in office and are trying their utmost to keep the political parties in control of Congress

The people did own the lands and the minerals. Congress gave half of the lands and practically all of the minerals to corporations, or left the way open for them to acquire the

minerals. Congress allowed speculators to secure the Government's most valuable forests.

Congress permitted the valuable patents and patentable inventions to be monopolized, so as to give a monopoly of their use.

Congress permitted transportation companies to establish systems of discrimination favoring certain individuals and localities, thus causing some individuals to acquire colossal fortunes and some communities to grow to unuatural proportions, all at the expense of an economic general system that would be favorable to the public.

Congress permitted private individuals to monopolize the telephone and the telegraph, two great service instruments that

the public should own.

Congress has permitted many other valuable instruments and conditions to become controlled by special interests. But of them all none is so important as those needed for the mediums of exchange—the telegraph and the telephone, to communicate i formation; the railways and the waterways, to facilitate the physical exchange and the travel; and the money, for the adjustment of accounts.

These that I mention and some others are con'rolled as special privileges by a few persons. They were acquired either by grant of Congress or because of the negligence of Congress. The public was rich in resources, but its wealth has been Watered stock has been issued by the special privileges. The public is charged compound interest and profits on what it originally owned, but lost through the negligence of Congress. That is one of the results of "caucus government" by bosses in the name of parties.

The greatest crime of Congress is its currency system. The

schemiest legislative crime of all the ages is perpetrated by this new banking and currency bill. The caucus and the party bosses again operated and prevented the people getting the benefit of their own Government. The subject of banking and currency can be simplified by a few preliminary observations.

A FEW HINTS ON THE COST OF LIVING.

Why did Congress create an expensive commission to consist of outsiders, which by its expense makes living cost more, when there were 200 more Members in the House than are necessary?
This commission can not inform Congress of anything about

the cost of living that the Members themselves can not ascertain from observation of facts that are occurring daily under their very eyes. Congressmen draw high salaries. not the commission created from their own number? It would save the people paying additional expenses to tell Congress what any intelligent person can ascertain by watching daily occurrences.

Why does Congress create boards, commissions, and committees from the outside to advise it on matters that Members themselves can ascertain from work that should be done by their own excessive membership? These boards, committees, and commissions are created in order to pay off political debts, thereby increasing the cost of living, and also for the purpose of giving Congress excuses to delay needed legislation. Most of the Congressmen never read the reports. In fact, many of the reports are not worth reading. Is it any wonder that the public lost its respect for Congress? No intelligent person can review its acts and respect it.

The cost of living will keep going up as long as the laws of nature are violated by uneconomic practices. We must pay the

I knew a farmer who owned his land, with modest but good buildings and improvements, out of debt, and getting along very well, but had no money. He decided to build a fine new house and barn, and buy an automobile. He mortgaged his farm to secure He employed men to do that part of the work that he and his family could not do. He boarded them. Thereafter he had an annual interest to pay. The mortgage is still on. His cost of living is increased because of high interest, but his farm yields him no more income than if the venture had not been undertaken. Many farmers, and modest citizens in towns, give mortgages with the same result.

The same principle applies to the human family as a whole as applies to the individual. The people are working at many things-building great cities, railway systems, public buildings, monuments, etc., as well as harbors, canal systems, and other things too numerous to mention them all. These are of a permanent character; some of them are expected to last thousands of years. The people are also working to manufacture all sorts of things to entertain the rich and to satisfy their whims, things that ordinary people have no means to enjoy. Notable among these are high-priced automobiles, summer homes, yachts, and other special contrivances.

In New York City are found examples of the most extravagant. Other large cities copy so far as they are able. railroad terminals in New York City alone cost \$200,000,000; office buildings there by the hundreds cost from \$3,000,0000 to \$25,000,000 each; bridges, tunnels, and underground railways alone cost over \$1,000,000,000. These are only a few of the many things there, but they show the scale of expenses. takes armies of men and women to do the work. Other armies, so to speak, are required to supply the contrivances exclusively for the rich and idle.

We have seen that a farmer increased the cost of his living by building a new house and barn, buying an automobile, and forth. That principle applies with much greater force to the building of great cities, and all the things required in them, and the systems of railways and all the other things. Immense debts are created on which the people generally are paying the interest. It is not necessary to the intelligent to enumerate in detail more than a few things. I discussed the high cost of living more in detail on the following dates: April 21, 1910; February 27, 1912; August 1, 1912; reported in the Congres-

SIONAL RECORD.

SPENDTHRIFT GOVERNMENT.

No one reasonably objects to paying taxes when he gets full value in a necessary service. The objection is to spendthrift government. The Census Bureau has issued a late statement showing the cost of governing the cities to be about \$1,000,000,000 annually. No one farm product would pay for this. It would take more than all the profit from the raising of corn, wheat, oats, and cotton to pay it.

It costs \$35,000,000 to run Boston for one year, equal to about \$50 per capita; that is over \$225 for each of its families. takes about \$4.35 per week out of the wages of the head of the family. That is for the city expenses alone. In the country districts there too we find spendthrift government. In addition there is a spendthrift State government that adds still more to the cost. Then comes the United States with an annual expense exceeding \$1,000,000,000 annually. The cost of government is constantly increasing. I mention Boston merely to give a concrete example. It is the same in other cities.

Who is paying all this cost, which surely exceeds \$500 per family, on the average, in the whole United States? The farmer, the wage earner, and people generally who earn their living—these, the voters, do they realize that they are paying for spendthrift government? Are they figuring that because their direct taxes may be only a few dollars, and some of them none, that they escape the tax? I hope none is so deluded. Furthermore, does anyone working for less than \$500 think that he can not be taxed even to exceed that sum? I hope no

one is so ignorant as to think that.

There are many ways to collect taxes indirectly, whether it be fair or dishonest. One is to make the laborer, whether it be on the farm, in the shop, on the railway, or other place, do longer day's work; one is to pay them less for the time than they earn, or, in case of a farmer, less for the product of his farm than it is worth; another is to add it to the cost of the things they must buy—that is, to the rents, the grocery, the clothing, and other bills. It all comes in some form; if not in direct taxes, it is concealed in the lower wages paid, or in extra hours of labor for which nothing is paid, or, in case it is a farmer or other plain producer selling commodities to the middle men, it is subtracted from the price.

It is not the property owner alone who pays the taxes due to extravagant government. The owner passes the tax along to be paid by the working people, wherever and whatever they may be doing. The vast expenditure being made in national armaments, on canals, in great buildings, and so forth, and in duplicating systems of railways, and all the other great expense is also passed along to be paid by the plain people. Go into any of the ultrafine hotels on any evening and see the enormous extravagance of guests. It goes on in thousands of hotels. The plain people work to pay all that. It all goes to jacking up the cost of living.

I quote the following paragraphs from a speech and resolution of mine in a previous Congress. It is to show that the toilers are not benefited by excessive construction:

House resolution 636.

House resolution 636.

Whereas it is among the declared purposes of our Government to establish justice and insure domestic tranquillity and to promote the general welfare; and

Whereas there is a persistent and irrepressible economic conflict now everywhere manifest in the economies of production and distribution between those who own the principal means, appliances, and materials of socialized production and distribution, on the one hand, and the smaller owner and those who perform the social service, manual and mental, on the other, and since said conflict, unless soon

reconciled, threatens to overthrow all social order; Therefore, among other important facts relating to the some, it is important to know—it is important facts relating to the some, it is important to know—it capitalistic wealth for speculative and remote future use is so great that in its production and maintenance it robs the industrial forces engaged and consumes the material resources required to produce the count there is now insufficient production and distribution of the chings necessary to supply the common needs, and therefore most people are in want of many of the actual necessaries. This condition other countries and by the construction of systems of canals, rall-ways, buildings, and other permanent structures, many of which are other countries and by the construction of systems of canals, rall-ways, buildings, and other permanent structures, many of which are the promotion of industries with the main purpose of supplying the necessaries for the people's use, convenience, and well-being. The people's energies and the material substances are being thus used to recrete from the material resources, and is supplemented by the great wealth that labor adds, but it is controlled by a few individuals whose direct purpose is to use it as a basis on which to collect interest whose direct purpose is to use it as a basis on which to collect interest whose direct purpose is to use it as a basis on which to collect interest whose direct purpose is to use it as a basis on which to collect interest whose direct purpose is to use it as a basis on which to collect interest whose direct purpose is to use it as a basis on which to collect interest and the state of the products when he sells, parily by increasing the price of the necessaries of the flat much growed the product profits regardless of the service to be secured.

It is a some of the natural resources and energies are employed to produce profits regardless of the necessaries of the flat much property in the store of the product when the product we have a supp

wanton extravagance

(e) That it is a fact that corporations have been organized to overcome some of the disorders that have been common in business. But these, in most cases, are trusts, and operate for extremely selfish purposes. The public derives little benefit from their existence, but on the contrary in some cases is actually injured. The trusts have been able to systematize and practice economy in the cost of production and distribution, but, since they are monopolies, the public has not had a proper advantage from their formation. On the contrary the trusts have used the monopoly to reduce prices when they buy from the original producers and increase them when they sell to the consumer. They build up colossal fortunes—commonly called vested capital—for the individuals who control them. On these fortunes the public is charged annual compound interest, rent, and dividends. Experience teaches the managers of the trusts that they may cooperate to their mutual business profit, and therefore there is a

community of interest between them. But there is no community of interest between the trusts and the public except in the sense that there is a community of interest between the farmer and his team or between the farmer and hi

there is a community of interest between the farmer and his team of there is a community of interest between the farmer and his team.

(f) That it is a fact that in this country there are natural conditions, resources, and advantages sufficient to satisfy and supply every human need under economically governed use and application of our industrial forces in their development. People have the intelligence required to bring about better conditions if they will make the effort. The problem is to direct things in a way to prevent waste of energy and resources in the production of things unnecessary and to exert more energy in the production of the necessaries, and otherwise reconcile the present industrial conflict in a manner which will bring about a reasonable adjustment.

My purpose is to show that we can not accomplish improvement in either the cost or the advantages of living as long as the present money standard and its application under the present system, or that proposed by the President's new bill, is or will be in operation. That system is responsible for our economic troubles. The trusts, the tariff, and the various other troubles of which complaint is made, are fathered by the false money system.

The special interests and the politicians are making all sorts of complicated and mysterious arguments to deceive the people. If the people knew that their Government, which through their own apathy they permit to be run by political charlatans, was operated on a plan that makes it certain that only a few out of more than 95,000,000 inhabitants can be successful in the degree that the natural conditions justify, they would rise in their power and do for themselves that which the present Congress fails to do for them.

We have been told by the "select" and by the "special interests" and by that portion of the press and news agencies "kept" by the "special interests" and by officeholders that

this is the grandest Government in the world.

A lot of poor governments—this might be a mighty poor Government and still be the best of them all. It ought to be the best, because it has had the best opportunity. It is the best, but that notwithstanding, the results show that it is a mighty poorly governed country.

THE GOVERNMENT SHOULD CONTROL THE MONEY.

The banks have been granted the special privilege of distributing the money, and they charge as much as they wish. The President's new bill gives the bankers even greater powers than they had under the old laws. Heretofore they could get bank notes only on the debt of the United States. Under the new bill they can get United States Treasury notes on my notes, on your notes, and on everybody's notes except the farmers' notes secured on the farms that feed us all.

The farmers' secured notes will not be accepted under the President's bill. It is not because the farmers were forgotten. I introduced an amendment making farmers' notes secured by real estate mortgages, having no more than 180 days' maturity, eligible to secure United States Treasury notes on, but the committee said that the Democratic caucus had refused that,

so the Democrats voted it down.

What is the fundamental basis of the new bill? It is the same as the old law and practice. It is that gold shall continue a as the old law and practice. It is that gold shall continue a special property on which the people shall, whether they wish it or not, gamble. It is that property shall be preserved as having greater potential force than the human family. I submit herewith a table of interest that is supported by the system—the old system—and given greater power by the President's new system, because that permits inflation of credit for the banks to collect interest on. The following table, compiled by a former Librarian of Congress, shows the growth of \$1, by compounding interest annually in advance in the manner. compounding interest annually in advance in the manner of the banks. One dollar loaned for 100 years would grow as follows:

That shows the potential power of the dollar as the country is now organized. No human being can compete with it. Nothing can compete with the dollar except \$2, and nothing with \$2 except \$3, and so on up, the greater the sum the greater the cinch. The bankers control it. We have no vacation of 100 years to get a hundred years' effect. That system has been in operation under a somewhat smaller expansion of credit than that promised by the new bill for over 100 years. It has been in operation on a large scale for the last 25 years in this country, and by reason of it we find the people of the United States classified with regard to their income and financial status, as follows:

Number of the class.	Persons engaged.	Average income.	Aggregate income.	Number in each class, including their families.
0	37, 815, 000 126, 000 178, 000 53, 009 24, 500 10, 500 21, 000 8, 500 2, 500 550 350 100	\$601 4,500 7,500 12,500 17,500 22,500 37,500 75,000 175,000 375,000 1,500,000	\$22, 725, 590, 000 567, 090, 000 1, 385, 000, 000 632, 500, 000 236, 250, 000 787, 500, 000 637, 500, 000 437, 590, 000 206, 250, 000 262, 500, 000 150, 000, 000	94,537,500 315,000 445,000 132,500 61,250 26,250 52,500 21,250 6,250 1,375 875 250
	38, 240, 000		28, 426, 440, 000	95,600,000

Nos. 8, 9, 10, 11, and 12 in my table comprise 10,000 persons whose incomes in their respective classes average from \$75,000 per annum to \$1,500,000, with a total income of \$1,693,750,000 per annum. This income is not for personal services rendered but is the increment from "vested property." Assuming that the sum is 6 per cent on a capitalization, it is supported by approximately \$17,000,000,000 capital. Interest compounded annually at 6 per cent on the bankers' plan doubles the principal in less than 11 years. In 33 years the capital of the 10,000 persons, without any further activity on their part than to reinvest the interest, would give them \$136,000,000,000, or a little more than the present valuation of all the property in the United States.

WHO CAN ESCAPE?

The people in class 1, in the table I present, have already been reduced to about the lowest extremity. There are over 94,000,000 of these people. Now and then one from this class makes a lucky strike, or by sheer force of some extraordinary kind is able to get out of it and into one of the other classes. Under the system he must oppress the class from which he emerges, or else reduce one or more in the other classes to this class. A few such there are and will continue to be, but the total of the underpaid and overworked will increase instead of diminish as long as the system works the interest, dividend, rent, and profit game exhibited by the interest table quoted.

As between the several classes whose incomes average from \$4,500 per annum to \$1,500,000 their number will be reduced. Many of the less wealthy will, by the very nature of the system, be reduced to a class with lower incomes. Of course, some high salaries are paid to managers that come from the lower paid classes, but those are the exceptions and do not prevent the process of the system reducing the plain people to the position of industrial slaves that they are now.

WE ARE NOT WITHOUT HOPE, HOWEVER.

The people have yet left to themselves political liberty, and when they have come to a realization of the hopeless struggle that they make while the present system prevails, they will throw off the yoke and adopt their own system for their own use instead of as at present being governed by the bankers' system for the bankers' use.

I pass now to a consideration of the false and shameful act of this Congress in giving to the bankers the monopoly of the distribution of money. They have been given the exclusive control without limit as to the charges that may be made to borrowers.

WHAT THE FARMER GETS.

The President's message contains words of encouragement for financial aid to farmers, but it only reads well, for the bill supported by the President "is the proof of the pudding," in that the farmers get the smallest crumb. Let us investigate.

I represent a district 60 per cent farmers, with 12 of the best counties in Minnesota. On September 4, 1912, that district had 33 national banks, with \$1,614,050 capital and surplus and \$9,319,405 deposits. Farmers own stock in these banks. The exact amount belonging to farmers deposited in these banks is not known.

More than half of the wealth in the district belongs to the farmers. They undoubtedly at least own half of the \$9,319,405 deposits, or \$4,659,000. The President's bill permits these national banks to loan on the security of the land that grew the products that were sold for the \$4,659,000 only a "sum equal to 25 per cent of their capital and surplus." That is, \$437,525 is all that the farmers can borrow of their own money on the best security in the world.

The other \$4,211,475 in the 33 banks belonging to farmers may be loaned to "Tom, Dick, and Harry," whoever and wherever they may be, just so that it is not on farm loans. The farmers in that district have more than ten times greater deposits in the national banks than the President's bill permits the banks to loan on the farmers' best security. That is rank injustice and discrimination against the farmers, and it is aggravated by the fact that the banks may, and to a great extent do, loan these deposits to speculators who exploit the farmers and others with their own money. That is so in all agricultural districts.

The bankers are not to blame. They are forced to adjust to the way business evolutes under the law. I am not complaining of the bankers. Were I a banker I would be compelled to do business in the same way that they are doing. The people shall have to blame themselves for not electing a better Congress.

What benefit, if any, do the farmers get from their share of the deposits? In the district I represent farmers have about \$4,250,000 more deposits in the banks than the President's bill will allow the banks to loan to the farmers on their improved land. After allowing for the reserve more than \$3,500,000 of this may be loaned to corporations and others than farmers in business or speculation.

The farmers who have deposited in the banks would be benefited if the banks were permitted to loan the deposits to neighbor farmers instead of to speculators. Estimating that the farmers get an average of 2 per cent interest on their deposits, it nets them \$85,000 on the \$4,250,000. Some get 4 per cent, but many get none. No interest is paid on open accounts. Estimating that the banks get 7 per cent on the \$3,500,000 that they loan, it would give them \$245,000, a net profit over the cost equal to \$160,000.

The whole \$245,000 is charged back to the people on the price of the goods and services that the money goes into. The farmers themselves practically pay all of it, because I have taken into account only one-half of the deposits, while the farmers must buy for 60 per cent of the population.

A subcommittee is framing a bill for a system of farm credits and loans. Ordinarily it is not fair to assume in advance that

A subcommittee is framing a bill for a system of farm credits and loans. Ordinarily it is not fair to assume in advance that an insufficient bill will be the result, but in view of all previous legislation, and especially the new bill, I give it as my opinion that it will be framed up as "sop to the farmers." It will not be what the farming interests merit.

FARMERS HAVE NO SPECIAL PRIVILEGE, BUT BANKS HAVE.

It is true, as the President stated in his message, that "the farmers, of course, ask and should be given no special privilege." The farmers never have had a special privilege and probably never will ask for one. But the President's bill does contain a special privilege to the bankers. No such great special privilege was ever before extended.

The President's bill directs all the money into the control of the banks—the money loaners. It will be used by them to exploit the borrowers and users of money. If not enough can be collected into these centers, then the Government will print more to place there. The banks and special centers will get the exclusive control of all the stocks of money. They will form the greatest trust in the world. The bill does not limit the charge that the banks can make borrowers.

I hope that the public may soon take as much interest in banking and currency legislation as the bankers do, for the public is just as much interested and the importance to the public is as much greater as the number of people constituting the public exceeds that of the bankers. Congress can only be forced by public opinion. Until it is, it will legislate in favor of the banks and against the people.

INVESTIGATE CONGRESS.

When the public once becomes aware of the fact that Congress is to blame for the economic ills that make of the people industrial slaves, there will be an investigation of Congress by the voters. That will get to the bottom long before the investigation of the trusts by Congress will. Trusts have been prosecuted, but the cost of living is not going down. Certainly not. The trusts add the costs to the price of goods they sell or the service they render. The people pay for the goods they buy and the services they receive. The costs of the prosecution as well as that of the defense is added. But still under our present system it is necessary to prosecute in some cases.

THE MONEY LOANERS' MONOPOLY.

The banks are now the only practical depositories for money. The Government by a most ingenious system is to direct all funds into bank control. It will also issue money to the banks and no one else. The banks are to be the exclusive distributors, with no limit on the charges that may be made to borrowers.

The commodity gold is made a legal tender and the standard of value—the final redemption. As long as those conditions continue, there is no remedy for the present economic evils.

The Government should issue and distribute sound money its own, not gold. Gold is not a true measure of value nor sound as a legal tender, because prices do not fairly adjust under the gold standard. I realize that there is such fear among Members lest they be marked for defeat by the money power that they run for cover the moment the gold standard is attacked.

We now have the gold standard. It is unsound. The results show it. I shall give concrete examples: The New York Times Annalist, September 8, 1913, states:

The cotton crop of 1912-13 is 14,167,115 bales, a decrease under that of 1911-12 of 1,971,311 bales.

The total value of the large crop, measured by the gold standard, was much less than the value of the small crop, measured by the same gold standard. Here is what the Annalist said about that:

The value of the crop (1912-13), including seed, is placed at \$998,-425,059, against \$937,280,764 (for 1911-12 crop), and attention is called to the fact that for a crop embracing 1,971,311 bales less cotton and 893,000 tons less seed, the South received \$61,000,000 more money.

That is the way the gold standard works. It is the gamblers' standard. But let us take another concrete example. I quote this time from the Minneapolis (Minn.) Press, which keeps well informed on the wheat market as any in the world. Here is what was published last November.

Daily News, Washington Bureau,
Washington, November 14.

Although the wheat farmers of the United States raised 23,000,000
bushels of wheat more this year than they did a year ago, their crop
is worth \$32,000,000 less, according to the Crop Reporting Board of
the Bureau of Statistics of the United States Department of Agriculture.

The figures preserved above the

The figures prepared show this in spite of the fact that the wheat this year weighs out three-tenths of a pound to the bushel heavier than a year ago and more than a half a pound better than the 10-year average.

I could multiply examples of this kind by the hundred to show that the gold standard is the gamblers' and speculators' standard and not a true standard. The farmers have in the last 20 years been cheated out of billions of dollars by this false standard. On this subject I quote the following from my minority report made to the House:

GOLD STANDARD RESPONSIBLE FOR MANY OF THE SOCIAL EVILS.

minority report made to the House:

GOLD STANDARD RESPONSIBLE FOR MANY OF THE SOCIAL EVILS.

On March 14, 1900, after an adroit campaign carried on by the special interests covering a considerable period, Congress passed an act which called for the permanent establishment of the so-called "gold basis" for all of our money. Since then there have been new inventions made for mining gold which make the available amount more plentiful, with the result that the "gold basis" is puzzling the Money Trust. But there is a still further complication, and that is that the people are becoming familiar with the fallacy of the "gold standard," and they are becoming dissatisfied in proportion to their understanding of its bad effects.

The dollar is worth less now than it was in 1900; that is, it will buy less. That fact, particularly, does not satisfy the creditor class. They have had enormous interest returns, but they have lost a part of that advantage because of the depreciation of the purchasing power of the dollar. To a greater or less extent all of the people are dissatisfied with it; many for selfsh reasons; and they only desire a remedy to be adopted which will help them alone, but there are fewer of these than there are of those who seek a reform which will better the conditions of all.

We have seen many comments in the press lately in regard to a plan devised by Prof. Irving Fisher, of Yale University. Mr. Fisher is no doubt an honest and earnest worker who is trying to reform the gold standard. He has arrived at the inevitable conclusion that every capable student must finally adopt, and that is that the present gold standard is not the standard by which we can secure honest money. Prof. Fisher has given a most thorough analysis of the production and supply of gold and shown quite extensively the effect of its present use as a money standard upon the prices of commodities. I have given below a synopsis of his plan as stated in the Boston News Bureau of December 28, 1912. It is as follows:

"The following is Prof.

bullion is worth.

"The very principle of intercontrovertibility with gold bullion which we now employ could be used to maintain the proposed standardized dollar. The Government would buy and sell gold bullion just as it does at present, but not at an artificially and immutably fixed price.

"At present the gold miner sells his gold to the mint, receiving \$1 in (say) gold certificates for each 25.8 grains of gold, while on the other hand the jeweler or exporter buys gold of the Government, paying \$1 of certificates for every 25.8 grains of gold. By thus standing ready to either buy or sell gold on these terms (\$1 for 25.8 grains), the Government maintains exact parity of value between the dollar and the 25.8 grains of gold. Thus the 25.8 grains of gold bullion is the virtual dollar.

"The same mechanism could evidently be employed to keep the dollar equivalent to more or less than 25.8 grains of gold, as decided upon from time to time.

"The change in the virtual dollar (bullion weight of gold intercontrovertible with the dollar) would be made periodically, or once a month, not by guesswork or at anybody's discretion, but according to an exact criterion. This exact criterion is found in the now familiar 'index number,' which tells us whether the general level of price is, at any time, higher or lower than it was. Thus, if in any month the index number was 1 per cent above par, the virtual dollar would be increased 1 per cent. Thus the dollar would be 'compensated' for the loss in the purchasing power of each grain of gold by increasing the number of grains which virtually make the dollar."

Prof. Fisher has performed a great service to his country and to the world by discrediting the gold standard so convincingly. When a man of his prominence and ability has the courage to state his beliefs, the more timid of those holding like views of which there are many, ought to take an active part in supporting the indictment of the gold standard.

While the professor has clearly indicted the gold standard and con-

more timid of those holding like views of which there are many, ought to take an active part in supporting the indictment of the gold standard.

While the professor has clearly indicted the gold standard and conclusively shown that it is a false one, I do not agree with the remedy that he proposes. Instead of proposing to abandon gold as a standard and relegating it to its natural place among the articles of commerce he advocates its reform and would still retain it as a standard by making the weight of the dollar variable and determining its value from time to time according to a commodities index. The professor is surely correct in his assumption that commodities have actual value worth considering in connection with the establishment of a true exchange system based upon the actual value of services and commodities. It is to be regretted that Prof. Fisher has complicated the conclusion he arrives at by continuing to consider the gold standard entitled to any greater recognition than is accredited to commodities in general. After proving its falsity he should have suggested the abandonment of the gold standard.

If we were compelled to change the weight of the dollar monthly, quarterly, or even annually, as we would have to do with a commodity dollar; if we tried to keep it of the same purchasing power all of the time, it would give us more trouble than we now have in changing the tariff schedules; but while Prof. Fisher has performed a world service in being instrumental in giving general publicity to the falsity of the gold standard, that publicity is pushed by the influence of selfish interests, because they are pleased with the remedy he proposes. If he had not proposed to standardize the gold dollar, his proof that it is not an honest mensure of value would have received no publicity greater than he himself and his friends and a few others could give to it. It would have been ridiculed if he had not proposed a remedy that sulted the interests, for the money sharks demand some measure that is favorable to

"TO ASK INTERNATIONAL GOLD-DOLLAR AGREEMENT.

"One of the features of the proposed currency legislation which will be considered by Congress is the initiation of a movement for an international agreement for the purpose of preventing the depreciation of the gold dollar.

"Such action has been suggested by eminent economists. It is widely held that the enormous increase in gold supply and the consequent depreciation of the gold dollar is the real cause of the high cost of living and high prices.

Not all of the articles appearing in the press directly discuss the gold standard, but many of them are adroitly written in order to impress the reader and prepare him to receive the information that the gold dollar is not now a good standard, but further designed to make the reader come to a wrong conclusion on the question of a remedy. When the first half of an argument is true, unless the reader is very careful it goes far toward making him believe that the second half is also true, and that is frequently the case, even when the conclusions are wholly erroneous, as long as the material is adroitly handled. That is where the danger comes in the discussion of the gold standard from the side of the special interests alone. Innumerable articles are now published, in fact the plan is systematically advertised for that very purpose. But there are other articles which are written and published in good faith, and in these there is no intention to deceive. An article was published in Collier's Weekly, also on the date of April 12, 1913, which I quote:

"THE DISCOURAGEMENT OF THRIFT.

"THE DISCOURAGEMENT OF THRIFT.

"The people of the United States have now saved up well over a hundred billions, as measured by current money standards. The aggregate is amazing, and, while the amount per capita is not large, nothing like it was ever known before in any country. This saving takes on many forms—the largest, of course, being in the rearing of children, which shows itself in the steady increase in the value of land. The next is ownership of enormous amounts of securities of railway and industrial companies and the like. Then probably comes life insurance. The savings in banks are relatively small. The increment in land values goes to much less than one-half of the population, even in theory, and a comparatively small number of people get the benefit which is made up of the efforts of all. The larger amount of the securities outstanding represents a more or less fixed value. While these securities and insurance obligations were being created the relative worth of the dollar has been rapidly declining. The forehanded folk who saved and loaned this money get for it an average return of less than 5 per cent, and if they received back the principal now it would buy of land or food one-third less than 12 or 15 years ago. This is a savage penalizing of

thrift. We believe that events will soon focus public attention upon this serious problem. The procedure of the insurance companies, which in part is enforced by law, is of special interest. The companies collect above \$600,000,000 annually from policyholders, and from this loan largely on long-time notes. They act simply as money brokers, but with this effect, that with the rapid depreciation of the currency in the last 15 years, they are now returning to their policyholders, on death claims or matured policles, relatively far less than the average amount of money which the policyholders have paid in. Roughly speaking, the policyholder has been paying in \$1 bils; he will bet back 66-cent pieces. Theoretically, the compounding of the interest on premiums ought to pay the companies' expenses and yield the policyholders a profit on the average payment. In point of fact, with the extravagance of the companies and the decline in the purchasing power of the dollar, there is a serious loss. This is not as it should be. A remedy might lie in a radical change of investment. A larger part of the insurance money is loaned directly or indirectly on land. Actual ownership of the land ought to be as safe as loans, and, if gold inflation is to continue, more profitable. It is something to think about."

Surely Collier's states the truth when it says that it is something to think about. We have indeed been buncoed long enough—so long that we ought to think about it seriously. It is up to Congress right now.

The Money Trust is satisfied with the new banking and currency bill, because it requires more gold, so now for a time they will not find it necessary to advertise the standardizing of the gold dollar.

The Money Trust is satisfied with the new banking and currency bill, because it requires more gold, so now for a time they will not find it necessary to advertise the standardizing of the gold dollar.

It because that the remedy is necessarily twofold: First, and concurrent the establishment of an enew system, the old system should be an emeded that some of its most serious administrative defects will be diminished. It should then serve as a vehicle for carrying out the equitable relations and obligations already existing as a result of the legitimate business based upon it.

Founded upon the natural demands of commerce and trade and divorced from personal favor or property preference. This new system should be the basis for the establishment of a permanently solid and equitable means of exchange. The Government, on being pald the cost of stamping, may properly stampth weight and quality on any commodity of commerce and left the sain exchange on a basis of its own intrinsic value. Anyone who demands in tentionally unfair to the rest of us, or ignorant. In most cases it is because the persons accept seeming facts without actually understanding the conditions which surround them. If the owner of gold, sliver, or other commodity desires to pay the Government the expense of the legal tender is simply to decrease the value of our labor and of our property—if we have any, unless we also possess gold enough to offset, which most of us do not labor that it has an intrinsic value which most of us do not be exchanged in the same way that it now it it can be used as a means of exchange without making it legal tender the outlet it is a convenient commodity to slive which most of us do not commerce and then it could be exchanged in the same way that it now it it is a convenient commodity to slive which most of us of the property—if we have any unless we also possess gold enough to offset, which most of used to be used as a means of exchange without making it legal tender. The Government same, it is a convenient to make the

The whole problem simply reduces itself to a question of how long will the people submit to remaining industrial slaves to the system. The gold owners ridicule flat greenbackers, yet they themselves are flatists. If they are not, why do they object to gold circulating on its own commercial merits? Why do they object to gold circulating on its own commercial merits? Why do they object to gold circulating on its own commercial merits? Why do they object to gold circulating on its own commercial merits? Why do they object to gold circulating on its own commercial merits? Why do they wish to coln it with any other designation than its weight and finenss and why force the people of take it as legal tender? They are inconsistent in claiming the color of t

"THE VICIOUS CIRCLE.

"THE VICIOUS CIRCLE.

"We harvested bumper crops last year, you remember. May wheat at Chicago is worth 10 cents a bushel less than a year ago; corn and oats about 15 cents less. Yet commodity prices, as a whole, have declined scarcely at all. The index number, which compounds the price of many leading articles, is almost as high as ever, which means the cost of living is still about at the top notch.

"The bumper crops stimulated trade in many lines, and that usually brings higher prices; while wheat went down, iron and steel products went up. What you saved on flour you lost on the pan to bake it in. And Wall Street echoes with complaints that investors, spurred on by higher cost of living, are demanding more interest, thereby raising the cost of manufacturing and transportation. This higher cost must be offset by higher prices, to overcome which investors must demand still more interest.

"Meanwhile labor, so to speak, chases its own tall, demanding higher wages, which result in higher prices that consume the increased wages, which naturally induces a demand for still higher wages that result in still higher prices."

Every farmer knows that a difference of 10 cents a bushel between the price a commodity brings in one year and the price it brings a different year is not uncommon, but the railways charge full price for shipping every bushel, and the larger the crop the more they get, while the farmer must handle the additional wheat and get less for it. A farming having the equivalent of 300 bushels of wheat to sell in a year when crops are generally abundant expects to receive a little less per bushel than he would receive per bushel for 270 bushels in a year when crops were not abundant, but he does not expect to give away the 30 bushels difference because he has more wheat than the year before. If that were to be the result, it would pay him, from his own individual financial standpoint, to burn up a part of his crop when it was abundant. In fact, the cotton farmers of the South started to do that a few ye

There should be no legal tender other than that issued by the Government of the control of the c

the Government would create no more "commodity" money either for itself or for the people, because it would not only be unjust to do so, but unnecessary and ridiculous. When anyone wishes commodities let them buy them as such.

Everybody knows that we must have money, and now the question arises as to what kind it shall be. "Honest money," of course, in stead of what we have now and are told is "sound money," whereas in truth it is the opposite of "honest money," and should have been named accordingly. We want a kind of money the buying and selling properties of which remain respectively constant. In other words, we want a kind of money that will buy the exact equivalent of what it cost us to get it. We want the kind of money that serves the same office among the people in their commercial and social relations with each other as the drafts and checks serve in the business transactions entered into by the bankers. We do not intend that the bankers shall have a better system for themselves than we have for ourselves. We expect to pay those whose duty it will be to help make the exchanges. The bankers will be able to give as effective and valuable service in this other up-to-date system as they have given us heretofore; but the past service has been altogether too expensive, and therefore not sufficiently effective. We have no prejudice to vent upon the bankers. As the system stands they serve the people generally the best they can. There are always, of course, a few isolated exceptions. But the time for us to do for ourselves what the bankers are doing for themselves is here and now, and we should hasten to adopt a system of exchange under which it will cost the people more to make their commercial exchanges between each other than it costs the banks to make exchanges between the bankers and their cash customers. It is just as simple for us as it is for them, and we have the indisputable right. We owe it to ourselves, to our children, and to all posterity to have an efficient, self-sustaining, and effective syste

The SPEAKER. The gentleman from California [Mr. Hayes] is recognized.

Mr. HAYES. Mr. 8 California [Mr. KAHN]. Mr. Speaker, I yield to my colleague from

The SPEAKER. The gentleman from California [Mr. Kahn] is recognized.

Mr. KAHN. Mr. Speaker, I can no more hope to convince the Democratic side of the error of their ways in 1 minute, or even in 10 minutes, than they could hope to convince the minority conferee on the part of the House from this Republican side of the House [Mr. HAYES] to agree to their bill in the few minutes they allotted to him.

But I want to call attention to the statement made by the distinguished chairman of the Committee on Banking and Currency in regard to the dangers that lurk in this bill so far as inflation is concerned. In his speech here this evening he said:

I want to say that the House has been rather bitterly assailed in another place, and the charge has been vehemently and recklessly made that it involves a vast amount of inflation. And yet it is a demonstrable fact that the House bill involved a far less amount of inflation than the Senate bill involved and an appreciable less amount than the bill reported from the conference committee involves.

In other words, it is admitted that there is more inflation in the pending measure than in the original House bill, and that bill was said to contain a very Saturnalia of inflation.

Mr. Chairman, we all know that inflation means ruin to the

business interests, the farming interests, the mining interests, and all of the great industrial interests of the United States. [Applause on the Republican side.]

Oh, we have been regaled this evening with many siren songs. We have been told how this measure will revive the business of the country, how it will stimulate enterprise, how it will prove a genuine blessing to the teeming millions that inhabit our glorious Republic. These songs have a familiar sound. I remember that similar songs were sung during the closing hours of the discussion on the Underwood tariff law.

Despite the fact that the increase in the cost of living was a world-wide movement, causing universal complaint on the part of the masses in every civilized country in the world, many Democratic spellbinders led the people of this country to believe that a reduction of the tariff on foodstuffs would cause a corresponding reduction in the high cost of living. Perhaps the wish was father to the assertion. But we all know that there has been no reduction in the price of foodstuffs, and that, if anything, there has been an increase since the new law went into effect. It is a matter of deep regret that notwithstanding the glowing word pictures of happiness, prosperity, and contentment that were painted by the leaders of the Democratic majority in this House in the early days of last October, those pictures have not been developed into actualities. There is no use trying to deceive the country. There are more idle men throughout the Union to-day than at any time within the last 15 years. In the far West free soup houses have had to be erected for the feeding of the unemployed. History seems to be repeating itself. The distressing scenes of 1893, 1894, 1895, and 1296 are being reenacted, notwithstanding the reassuring utterances of the Democratic theorists on tariff legislation. The masses are learning, if they have not learned already, that skilled mechanics in the United States, earning \$4 and \$5 per day, can not compete with the foreign skilled mechanic who earns a maximum of a dollar and a half a day for similar work. They have learned that your prosperity songs on the Underwood tariff were pure "bunk"; they will show their just resentment at the polls next November.

And it is my firm belief that this new "Federal reserve act' will prove equally abortive so far as creating prosperity is concerned. My colleague [Mr. Hayes], the ranking Republican member of the Committee on Banking and Currency, in his able address pointed out a number of serious defects in the conference measure. Other Members have pointed out other defects; it is not necessary to repeat them at this time. I believe that the earning capacity of the smaller national banks will be seriously curtailed under some of the provisions of this bill, and that in consequence a great many of these small banks will re-

turn to the State bank systems.

But it is undoubtedly a work of supererogation to point out the defects of the proposed legislation. This bill is not a financial plan. It is a makeshift that will disappoint even its own sponsors. But, of course, nothing that we who are opposed to this measure in its present form can say or do will deter you of the majority from enacting it into law. The edict has gone forth that it must be passed. The ukase of your leader in the White House has been issued and you will obey the demand. But you will find that this gilded product of the Democratic majority will prove to be Dead Sea fruit. It will not create confidence in your ability to originate constructive legislation. It will not restore the business prosperity of this country which your tariff law has shattered, and it will prove a sore disappointment and an unhappy delusion to the ex-pectant farming, mining, manufacturing, and industrial interests of the United States,

Mr. GLASS. Mr. Speaker, I yield to my colleague from Ala-

bama [Mr. Heflin]. [Applause.]
The SPEAKER. The gentlemen from Alabama [Mr. Heflin]

is recognized. [Applause.]

Mr. HEFLIN. Mr. Speaker, this is a time for rejoicing. In the outset I want to pay a tribute to the great Democrat who sits in the White House at this time. [Applause on the Democratic side.] Controlled by no power and intimidated by no class, he is bending his energies and employing his great talent to enforce the laws of justice and do that which will bring about the greatest good to the greatest number. [Applause on the Democratic side.] Since he took the oath of office in March he has been at his post of duty laboring in the interest of his people; and, Mr. Speaker, no President in my day has devoted himself so earnestly to the public duty and given himself up so completely to the demands of his high office as has this great Democrat, Woodrow Wilson. [Applause on the Democratic

He has wrought mightily for the American people. Under the masterful leadership of Oscar W. Underwood he has reduced the tariff tax and revised the most obnoxions tariff system that ever burdened a free people. [Applause on the Democratic side.] Under the splendid leadership of that genius from Virginia, Carter Glass, chairman of the Committee on Banking and Currency, he has secured the passage of a banking and currency law that will wonderfully bless and benefit the American people. [Applause on the Democratic side.]

The big bosses of monopoly have been unable to terrorize or

intimidate this great leader of our party. They have even, in their madness and desperation, threatened to produce a panic, and those who represent them on that side of the House have traveled the country over like a sleuthhound trying to scent a

[Laughter.]

Mr. Speaker, just when the shackles of burdensome taxation are stricken from the limbs of the masses, and just when the avil genius of an oppressive banking system is driven from the temple of American finance, these dethroned and mutilated old leaders of the Republican Party are growling in concert around the Nation's Capital in an effort to produce a panic. They would sacrifice the prosperity of their country upon the altar of political necessity. [Applause on the Democratic side.] They would barter the welfare of the Nation for the return of political power. [Applause on the Democratic side.] For patriotism, pluck, intelligence, and industry and for boundless wealth America is unparalleled among the nations of the earth. ances like dewdrops from a lion's mane. And let me say to the gentlemen on the other side who are trying to scare up a panic no committee of dethroned bosses, no conspiring coterie of calamity howlers, can impede the progress of this Democratic administration, as it bears a liberated people to the mountain summit of the new freedom. [Applause on the Democratic Away with these prophets of evil!

Mr. Speaker, a little lull or temporary pause in the business activity of America is but a bubble on the surface when you consider the industry, enterprise, and boundless wealth of these United States. If there has been a ripple upon the surface of business activity, it has been caused by those who do not wish to relinquish their power to pillage and plunder the American people. [Applause on the Democratic side.]

I have faith in American institutions. I believe in the American people. And, Mr. Speaker, I predict that, following the passage of the tariff law and the banking and currency I believe in the law, we will enter upon an era of prosperity the like of which this country has never seen before. [Applause on the Demo-cratic side.] When the newspapers are carrying the news of business activity, of good crops, and general prosperity, the gentleman from Illinois [Mr. Mann] blinks his eyes and murmurs mournfully of an imaginary panic. But, Mr. Speaker, in all the length and breadth of our country there is no panic. [Applause on the Democratic side.] The gentleman from Illinois scans the newspapers day after day with the hope of finding signs of a panic. Instead of calling the attention of the House to what the New York Commercial has said about dry-House to what the New York Commercial has said about dry-goods houses in the Middle West doing more business than ever before, that the American shoe trade is breaking all previous records, and that the export of American cotton goods gained over last year's trade by over 2,000,000 yards, and that the textile trade of America is better than last year; and, Mr. Speaker, instead of reading to the House what the Philadel-phia Record of December 17 said about the monthly statements of grass earnings of railroads showing an increase over last of gross earnings of railroads, showing an increase over last year in every month from February up to and including November this year, he is hunting out the prepared specials of calamity howlers, and he howls and howls over these.

He reminds me of the fellow that Senator James told about. He had lost an eye and he said to the surgeon, "Doc, I have just naturally got to have another eye, and I don't want any glass eye. I want a flesh eye." The doctor said. "I can put a cat's eye in for you." The man said, "All right, just so I can see with it." So the surgeon very skillfully transplanted the cat's eye in the place of the one the man had lost. In about three months the surgeon saw his patient and said, "Bill, how is your eye?" Bill replied, "Well, Doc, it is all right, I guess. The only objection I have got to it is, the darned thing is always looking for crickets and mice." [Laughter and applause

on the Democratic side.]

The gentleman from Illinois refuses to be comforted. He is exceedingly hard to please. With the American crop worth \$200,000,000 more than last year, with the noise of ceaseless business activity all around him, with the hum of wheels and the roar of industry all about him, and evidences of prosperity confronting him wherever he goes, the gentleman from Illinois sounds a discordant note and refuses to join in the jubilee of American progress, and refuses to partake of the feast of American prosperity.

Mr. Speaker, he reminds me of another story: On one occasion a dyspeptic preacher went home with a member of his sion a dyspeptic preacher went nome with a member of his church for dinner. The good wife had prepared a feast fit for the gods. There was fried chicken, round robust biscuits, red ham swimming in red gravy, and the finest coffee that ever flowed from a spout. The good lady was justly proud of what she had spread before the parson. Bud, the 9-year-old son, with fork in hand, was just ready to do battle with the good things before him, when his mother said, "Parson, won't you have some of the chicken?" to their surprise and the utter bewilder-ment of Bud, the parson said, "No; I never eat chicken." The good lady said, "Parson, have a piece of ham." But the parson said, "No; I dare not eat ham." Bud dropped his fork. The good lady said, "Won't you have a biscuit?" and the parson said, "Did you use soda in the composition of those biscuits?" She said, "Yes." Then the parson said, "I can not eat biscuits made with soda." Bud, in wide-eyed astonishment, looked at his mother and said, with anger and earnestness, "Ma, maybe the darned old fool would suck a raw egg." [Prolonged laughter and applause.]

Mr. Speaker, let the calamity howlers howl. Let the croakers triotism, pluck, intelligence, and industry and for boundless wealth America is unparalleled among the nations of the earth. With a treasure house of inexhaustible resources and untiring energy, this Republic can shake off temporary business disturblic. [Applause on the Democratic side.] With the passage of this legislation American industry and enterprise will take on new life. Men in all the walks of life will have a chance in the struggle for existence. Bossism, ring rule, and special privi-lege are stricken down in the temple of the people. Let the American people, in the dawning of this new day, with heads erect and light on all their faces, rejoice and exclaim:

The pale horse and his rider are cast into the sea. All praise to Democracy, the people are free!

[Applause on the Democratic side.]

The SPEAKER. The gentleman has used eight minutes, and yields back two.

Mr. HAYES. Mr. Speaker, I yield to the gentleman from

Oklahoma [Mr. Morgan]. [Applause on the Republican side.]
Mr. MORGAN of Oklahoma. Mr. Speaker, we are about to
take a final vote on House bill 7837—the new banking and
currency measure. I have concluded that I shall not vote for I want to give some of the reasons why I shall not this bill.

do so.

This bill was introduced in the House August 29, 1913. passed the House September 18, 1913. The House had it under consideration just 20 days. The bill went to the Senate, where it was under consideration for more than three months. The Senate amended the House bill in many important particulars.
When the bill came back to the House, by an overwhelming vote the House refused to concur in the Senate amendments. A conference committee was appointed, composed of conferees from both the Senate and the House. That committee has agreed upon a report, and that report is now before this House, and if agreed to will settle for many years to come what shall be the banking and currency systems of this country.

1. NO PROTECTION TO DEPOSITORS.

My first objection to this bill is that it contains no provision for the protection of the depositors in the national After four months of consideration a Democratic administration and a Democratic Congress enacts a measure to reform our banking and currency system, with no provision whatever to safeguard the thousands of millions of dollars, which the people, under our system of business, are compelled to deposit in these banks. To my mind this is a fatal defect in the pro-

When this bill first came before the House the provisions relating to the division of the profits of the reserve banks were as follows: First, the member banks were allowed 5 per cent cumulative dividends on their stock in these reserve banks; second, the reserve banks were allowed to accumulate a surplus of 20 per cent on their capital stock; third, 60 per cent of the remaining profits went to the Government to pay off the bonded debt and 40 per cent to the member banks, according to their

average deposits in the reserve banks.

was not satisfied with these provisions for the disposition of the earnings of these reserve banks. I concluded that after allowing for reasonable dividends to the bankers who furnish the capital and for the accumulation of a reasonable surplus to add to the financial strength of the reserve banks that all additional earnings of the banks should be devoted to some great national purpose, which would confer benefits and advantages upon the great masses of the people, whose wealth after all was the main capital of the banks and whose contributions in the way of interest and other charges constituted all the earnings of these banks.

To show what I said relative to the distribution of the earnings of the reserve banks I quote from the Congressional

RECORD of September 15, 1913, as follows:

RECORD of September 15, 1913, as follows:

Mr. Morgan of Oklahoma, Mr. Chairman, I would ask the chairman of the Banking and Currency Committee how much profit in the 20 years during the existence of these banks he estimates will come to the Government of the United States?

Mr. Glass, Mr. Chairman, in answer to that inquiry, of course I would simply be giving the conjecture of the chairman. I would state that the report of the Monetary Commission estimated that the Government's share of the earnings of the proposed banking institutions would be from five and a half to seven millions of dollars.

Mr. Morgan of Oklahoma. For the 20 years?

Mr. Glass. Per annum.

Mr. Morgan of Oklahoma. Five million dollars per annum for 20 years would make \$100,000,000.

Mr. Chairman, I do not think that the bonded indebtedness of the United States is so large as to be any burden upon this great Government. If my memory is correct, the entire national debt amounts to only about two and a half billions of dollars. That is less than the national debt of any other great country in the world.

Mr. Murddock, I think that the national debt is less than a billion.

Mr. Murddock, I think that the national debt is less than a billion.

Mr. Morgan of Oklahoma, I included the entire public debt. The interest-bearing debt is less than a billion dollars. It is very small compared with what other nations owe. It is not a burden; it is a plaything, because under the splendid financial control of Republican rule for the last 25 years (applause) we have so managed affairs of this country that our national debt is comparatively nothing. Now, it seems to me in all candor that this great fund ought to be appropriated to some great national purpose. Where do the profits come from? They all come from the great mass of the people. These banks

will make nething only so far as they get the money through interest and other charges from the great mass of the people. It seems to me that when you shall inaugurate this great measure, designed to give a better currency and a better banking system, that the profits therefrom ought to be rolled back to the people from whom the profits were

Mr. LINDBERGH. Will the gentleman yield for a question?
Mr. Morgan of Oklahoma. I will.
Mr. LINDBERGH. Why collect an unjust tax at all?
Mr. Morgan of Oklahoma well, I am not in favor of collecting an unjust tax, but if the Government is to derive a direct profit—amounting to from five to seven millions of dollars annually—a profit that must come through interest paid by the people it would seem almost a crime to use this money to pay our national debt. Money to pay the national debt should come through the regular channels of taxation, and I solemily protest against the National Government using any of the profits derived from the Federal reserve banks to pay the public debt. If the Government proposes to appropriate any of the profits of the Federal reserve banks, let the money be solemnly dedicated to some great national purpose that will contribute to the general welfare of the country.

I then offered an amendment to provide a fund to protect depositors in the member banks, and to show what my amendment was and the discussion thereon, I quote from the same page of the Congressional Record, as follows:

ment was and the discussion thereon, I quote from the same page of the Congressional Record, as follows:

Mr. Morgan of Oklahoma. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

"Amend, on page 14, by striking out all in line 2 after the word bank' and by striking out all of lines 3, 4, 5, and 6, and inserting in lieu thereof the following: "All earnings derived by the United States from Federal reserve banks shall constitute a fund to protect the depositors from loss from the failure of any member bank, under such provisions as Congress may hereafter enact." as you do not want to give this money for public highways and other great purposes, I thought perhaps you might use it for another purpose. I find in the Democratic platform of 1908 these words:

"We pledge ourselves to legislation under which national banks shall be required to establish a guaranty fund for the prompt payment of the depositors of any insolvent national bank under an equitable system which shall be available to all State banking institutions wishing to use it.

Now these are the words in the Democratic platform. I do not see has been affirmed.

Mr. Stoan. Will the gentleman yield for a question?

Mr. Morgan of Oklahoma. I yield to the gentleman.

Mr. Stoan. Will the stitunor platform.

Mr. Morgan of Oklahoma. I yield to the gentleman.

Mr. Stoan. Will saltimore platform.

Mr. Morgan of Oklahoma. Well, I will have to leave that to some not included in the Baitimore platform.

Mr. Morgan of Oklahoma. Well, I will have to leave that to some body better posted than I am on that subject. In so far as I am individually concerned, long before Oklahoma and the system of guarantee in the principle of guaranteeing bank deposits. The 15.000.000 depositors in the banks are certainly as much entitled to protection as a few owners. There have been considerable criticisms of the system of bank deposits should be made and entered the theory of the system of bank deposits of the people of Oklahoma. People of Oklahoma are thoroughly co

Under the rule of the House under which the bill was then being considered I had but five minutes to present the matter. But even if I had had unlimited time my amendment would have been defeated, because the Democratic membership of this House were bound by caucus rule to vote down all amendments offered. But I feel that my efforts were not in vain. My amendment suggested an idea; it served to call the attention of Members of the House and Senate to the proposition. When the bill went to the Senate the matter was discussed before the Senate Committee on Banking and Currency. This committee divided in its report to the Senate on the House bill. The section of the committee consisting of Senator Hirchcock (Democrat) and Senators Nelson, Bristow, Crawford, McLean, and Weeks (Republicans) reported a bill which contains a splendid provision relating to the guaranty of bank deposits. This provision is as follows:

DIVISION OF EARNINGS.

SEC. 7. That after the payment of all necessary expenses and taxes, including its share of the expenses of the Federal reserve board, the stockholders of each Federal reserve bank shall be entitled to receive an annual dividend of 5 per cent on the paid-in capital stock, which dividend shall be cumulative. Net earnings over and above expenses and the aforesaid dividend shall be applied as follows: Twenty-five per cent of such net earnings to be carried to a surplus fund until such fund shall amount to 20 per cent of the paid-in capital stock of such reserve bank, and 37½ per cent of said net earnings shall be set aside in a trust fund to be known as the depositors' insurance fund and shall be used for the payment of the depositors of insolvent member banks under rules and regulations made by the board.

Later, the Democratic Senators held a caucus and, according to press reports, agreed to report a similar provision. This was done, and so section 7 of the bill as it comes from a Democratic Senate contains the following provision:

DIVISION OF EARNINGS.

After all necessary expenses of a Federal reserve bank have been paid or provided for, the stockholders shall be entitled to receive an annual dividend of 6 per cent on the paid-in capital stock, which dividend shall be cumulative. One-half of the net earnings, after the aforesaid dividend claims have been fully met, shall be paid into a surplus fund until such fund shall amount to 40 per cent of the paid-in capital stock of such bank, and of the remaining one-half, 50 per cent shall be paid to the United States as a franchise tax, and 50 per cent shall be paid to the United States as a trustee for the benefit of depositors in all failed member banks in the United States and failed member trust companies in the District of Columbia, the money to be kept in and losses from failures to be paid from it as a depositors insurance fund under a division of the Treasury to be constituted and managed under such regulations as may be prescribed by the Secretary of the Treasury. Treasury.

2. DISCRIMINATION AGAINST THE PUBLIC.

The provision regulating the ownership of the stock in the reserve banks discriminates in favor of the banks and against

This bill creates not less than 8 and not more than 12 reserve banks, as shall be decided by the organization committee. country is to be divided into as many districts as there shall be reserve banks. There will be one of these banks located in each district. These reserve banks are, generally speaking, banker's banks, as individuals are not allowed to deposit money therein or borrow money therefrom. Every reserve bank must have at least \$4,000,000 capital. The first question arises is, Who shall be allowed to own stock in these banks? As the bill was introduced in the House it provided that only banks should be allowed to own the stock therein. It at once occurred to me that this was granting a special privilege to the banks, which I did this was granting a special privilege to the banks, which I did not approve, and that the people generally should be allowed the privilege to subscribe to this bank stock. I, therefor, offered an amendment giving individuals in each district the right to become the owner of this stock. To show my effort to prevent what I regarded as an injustice to the people I will quote from the Congressional Record just what took place. The Congressional Record plate the following. SIONAL RECORD of September 15, 1913, shows the following:

SIONAL RECORD of September 15, 1913, shows the following:

Mr. Morgan of Oklahoma. I offer an amendment.

The Chairman. The gentleman from Oklahoma [Mr. Morgan] offers an amendment, which the Clerk will report.

The Clerk read as follows:

"On page 3, after the word 'Provided,' in line 10, amend by inserting a new paragraph as follows:

"'Any person residing within a given district may subscribe to the capital stock of the Federal reserve bank of that district at any time under such rules and regulations as shall be prescribed by the Federal reserve board, and said board shall have the power to prescribe the terms and conditions upon which such stock may be surrendered for cancellation and to determine the amount of stock that will be subject to individual subscription."

Mr. Morgan of Oklahoma. Mr. Chairman, of course I do not profess to be an expert upon banking and currency; but, so far as I can see, there is no reason why an individual should not be allowed, if he desires, to subscribe to this stock. Under the provisions of this bill every national bank is required to subscribe to this stock, and State banks may, by the consent of the reserve board, subscribe. I notice in the report of the bankers' conference recently held in Chicago that the bankers apparently do not desire to subscribe, at least to the extent required in this bill, because they ask that the bill be amended so that they be required to subscribe only 10 per cent instead of 20 per cent of their unimpaired capital. I think the committee in its report estimates that under the provisions of this bill there will be about \$100,000,000 of capital subscribed. In other words, even the national banks, many of them, may not accept the provisions of this bill and may change to State banks. There is some question, as I understand it, as to whether or not there will be a sufficient number of banks subscribe to get the required capital.

If the Federal reserve bank is a bad thing, I do not believe we ought

there will be a sufficient number of banks subscribe to get the required capital.

If the Federal reserve bank is a bad thing, I do not believe we ought to compel the national banks to subscribe to the stock. On the other hand, if it is a good thing, I do not believe we should allow the national banks to monopolize the stock in these Federal reserve banks.

We have heard much and very often from the other side of the House about equal opportunities to all and special privileges to none. Under the provisions of this bill, in allowing no one except banks to subscribe to this stock, are you not giving them a special privilege that is granted only to the bankers of the United States?

Mr. Chairman, I believe in most localities there is some prejudice against banking institutions. Banks are to a large extent monopolies. They have special privileges, and they thrive off the people's money.

They control the interest rates to a large extent and can make their profits largely what they desire. Now, as I have said, in the minds of many people there is a prejudice against banks. A large part of this grows out of the fact that bankers are so few in number and that they have these special privileges. So I think there would be at least two benefits from this amendment. It would strengthen the system by enlarging the capital. It would give these banks more financial strength, more capital.

Second, I think another benefit would be that it would popularize this system with the great masses of the people. I believe one of the defects in all our great corporations in this country, including the banks, is that there are so few people interested in them.

The CHAIRMAN. The time of the gentleman has expired.

Mr. Morgan of Oklahoma. Mr. Chairman, I ask for five minutes

The CHAIRMAN. The time of the gentleman has expired.

Mr. Morgan of Oklahoma. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that he may proceed for five minutes. Is there objection?

There was no objection.

Mr. Morgan of Oklahoma. Mr. Chairman, I believe it would be a wise policy hereafter, when banks are organized, to compel the organizers to open their books to popular subscription, so that the great masses of the people with small means might be allowed to take stock in the bank and receive some of the profits, instead of allowing one, two, three, four, or five men in a community to organize the bank, receive the deposits of the people, and add to their dividends and their profits until their stock becomes worth two or three times the amount they have invested in it, largely derived from profits on the money of the people. So I say it would popularize banks if you would allow the people to subscribe to this stock.

Mr. Murdock. Will the gentleman yield?

Mr. Murdock. Has the gentleman looked into this situation enough to know whether the investment would not be. under the provisions of the bill, a very profitable one?

Mr. Morgan of Oklahoma. Yes; that is what I was coming to. Under this bill the banks are allowed 5 per cent dividend upon the stock subscribed, and in addition to that, after the 20 per cent surplus is allowed, the bankers get 40 per cent of the balance, and this stock is exempted from all National, State, and local taxation.

We organized postal savings banks, and we allow the poor people 2 per cent interest on their deposits. I think we have \$25,000,000 of their money in the postal savings banks, and we allow the provisional postal savings banks, and we allow the report I have, there are \$4,500,000,000 in the savings banks of this country. I presume the depositors do not get on an average over 3 per cent on those savings. Why not allow men who have money in our savings banks—the 10,000,000 persons who have \$4.500,000,000 in the

As the Congressional Record shows, my amendment was voted down, but my effort was not entirely in vain, for the Senate took the question up, and after careful consideration of the matter one-half of the members of the Senate Committee on Banking and Currency, including Senator HITCHCOCK, Democrat, and all the Republican Senators on the committee, reported in favor of an amendment to the House bill allowing the public to subscribe to capital of the reserve banks. The amendment reported by Senator HITCHCOCK and the Republican Senators was as follows:

There shall be allotted to every national bank within a Federal reserve district, of the capital stock of the Federal reserve bank of such district, a sum equal to 6 per cent of the fully paid-up capital stock and surplus of such national bank, which stock so allotted shall be underwritten by said bank and for a period of 60 days after allotment be offered for subscription at par to the public at large, but no more than 100 shares shall be allowed to be subscribed for or held by any person, firm, or corporation, and all of the allotted stock not subscribed for and taken by the public shall immediately be subscribed for and taken by the national bank to which the same was in the first instance allotted. The preparation, allotment, subscription to, and sale of stock shall be under the control of the board, which in case of oversubscription shall give preference to the smaller subscriptions.

This is not all. The bill as it comes to us to-day in the form that it will become a law contains a provision, which in a limited and restricted way recognizes the policy I advocated in the House of public ownership of stock in the reserve banks, and I was the only one in the House who proposed such a proposition. The provision in the bill is as follows:

Should the subscriptions by banks to the stock of said Federal reserve banks, or any one or more of them, be, in the judgment of the organization committee, insufficient to provide the amount of capital required therefor, then and in that event the said organization committee may, under conditions and regulations to be prescribed by it, offer to public subscription at par such an amount of stock in said Federal reserve banks, or any one or more of them, as said committee shall determine, subject to the same conditions as to payment and stock liability as provided for member banks.

This provision is not what it should be, but it is an indorsement of the principle embodied in the amendment I offered in the House. It is not giving the people what they should have, but it recognizes the soundness of the proposition which I was the first to advocate.

3. NO FARM-CREDIT PROVISION.

There is no provision in the bill authorizing the formation of farm-credit associations to insure the farmers more available

capital and lower interest.

When this bill first came before the House I was disappointed that no provision was incorporated in the bill to authorize the formation of farm-credit associations to insure lower interest to the farmers and more available capital for the development of agriculture.

I made an effort to secure a proper amendment along this line. To show what I did and what I said I again refer to the CONGRESSIONAL RECORD of September 17, 1913.

Mr. Morgan of Oklahoma. Mr. Chairman, I offer the following amend

ment.
The Chairman. The Clerk will report the amendment.
The Clerk read as follows:
"Amend, on page 48, by adding after the word 'years,' in line 25, the following as a new section:
"NATIONAL RUBAL BANKS.

"Sec, 27a. That the reserve-bank organization committee mentioned in section 2 of this act is hereby authorized and directed to organize a system of national rural banks, to include local and State rural banks, and this national rural banks of the United States, under the laws pertaining to the organization of national banks in so far as they may be applicable, and until further legislation by Congress the said organization committee, with the approval of the President, is authorized to make all necessary rules and regulations for the organization, control, and management of said banks, having in view that the purpose of organizing a system of rural national banks is to provide the farmers of the United States with better credit, cheaper interest, and larger capital with which to develop the agriculture of the United States."

Mr. Glass. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in five minutes.

The Chairman, The gentleman from Virginia asks unanimous consent that all debate on this section and all amendments thereto close in five minutes. Is there objection?

Mr. Mann, The gentleman from North Dakota [Mr. Young] desires to offer an amendment.

The Chairman, Is there objection? [After a pause.] The Chair hears none.

Mr. Glass, I will say in 10 minutes.

The Chairman, Is there objection? [After a pause.] The Chair hears none.

Mr. Morgan of Oklahoma. Mr. Chairman, I have offered this amendment with a view to emphasizing my interest in establishing a better system of rural credits in the United States. Perhaps four-fifths of my constituents are farmers, and the State which I have the honor in part to represent largely consists of farmers. Perhaps 1,100,000 of our people reside upon the farm, but it is not simply in the interest of the farmers and the people of Oklahoma but in the interest of all the people of the United States that I am anxious, and at the very earliest time possible, that we shall have a better system of rural credits for the farmers of the United States. It is said that the farmers of the United States we something like \$5,000,000,000 and pay something like \$500,000,000 and pay something like \$500,000,000 and pay something like \$500,000,000 and pay non-half of all the wealth produced in the United States very year is produced by the farmer. While manufacturing products amount in one year to about twenty-one billion, the manufacturers use about \$12,000,000,000 worth of material, and the net wealth added by all our manufacturing would be only equal to the net wealth added to the Nation by the farmers of this country. If I had any criticism to offer, which I shall not offer, upon the majority of this House it would be this, that when you enact a reform in a currency system and banking system of this country you should have taken along with it a system of rural credits.

In my indyment there is more of an emercency for a better rural

that when you enact a reform in a currency system and banking system of this country you should have taken along with it a system of rural credits.

In my judgment there is more of an emergency for a better rural credit in this country than there is for a better system of banking or better system of currency. The very strength and greatness in this country depend upon agriculture. You are providing a currency for merchants, for manufacturers, for business men, for bankers, for speculators, for capitalists, taking care of this great class and letting the farmers go. It seems to me you are putting the cart before the horse, and that the first thing you should care for would be the great agricultural interests of this country.

I do not care to detain the committee. Here is a great bill prepared with great ability, upon which you have put great thought and great learning. You had the assistance of experts. It might be likened to and said to be a great edifice, a great financial structure, a magnificent building of finance and money and currency, but it seems to me, then, that when you get through with that you will undertake rural credits; you must make the rural credit system a mere "lean-to" to this magnificent structure that you have erected for the benefit of the manufacturing, commercial, and banking interests of the country. On the other hand, the rural credit system, the banks for the farmers of this country, the banks to promote the agricultural interests of this country, ought to be the very corner stone of our financial structure. [Applause on the Republican side.]

The Chairman, The question is on the amendment offered by the gentleman from Oklahoma [Mr. Morgan].

The committee divided; and there were—ayes 22, noes 97.

So the amendment was rejected.

I am especially grateful that in line with my suggestion for

I am especially grateful that in line with my suggestion for a better system of rural credit the Senate amended the House bill, and the amendment is included in the report of the conference committee now before us, permitting national banks to make loans on farm lands for a period five years to an amount equal to 25 per cent of their capital, or equal to one-third of their time deposits. I gladly give credit to the party in power for even this slight recognition of the claims of 6,500,000 farmers. But all farmers will recognize that this provision will be of only insignificant assistance to the farmers, because for long-time loans farmers can not afford to pay the interest rates which the average national bank must have for short-time

4. DISCRIMINATION AGAINST THE PUBLIC.

This conference report, which is the final form in which this bill is to become a law, retains Senate amendments favorable to the bankers, but excludes amendments favorable to the public.

Under the provisions of the House bill the banks were allowed only 5 per cent cumulative dividends on the stock they own in the reserve banks. But the bill now allows the banks 6 per cent. If the total capital stock of these reserve banks shall aggregate \$100,000,000, 1 per cent added to the annual dividends will make the banks \$1,000,000 additional profit every year. More than this, the House bill permitted the reserve banks to accumulate a surplus of 20 per cent, but the bill as it now stands allows the reserve banks to retain a 40 per cent surplus before any profits go to the Government. You have added 20 per cent to the dividends of the member banks and 100 per cent to the amount of surplus the reserve banks are allowed to appropriate from the earnings of these banks. By this change in the House bill you have added probably a million of dollars annually to the dividends of our national banks and other member banks, but you have stricken out from the Senate amendments the provision which set aside a portion of the profits of these great reserve banks as a fund to insure the deposits which the people place in these banks. Again, the House bill required the national banks to subscribe 20 per cent of their capital to the newly created reserve banks. But under the provisions of the bill as it comes from the conference committee the national banks are required to subscribe only 6 per cent of their capital stock and surplus to the reserve banks, half of which is to be paid within six months and the balance not until called for by the central board at Washington.

In other words, this bill now is far more favorable to the banks than the House bill and less favorable to the poeple.

CONCLUSION.

Now, Mr. Speaker, I have made proper effort to perfect this bill along lines which I regarded as important to the people. But my amendments have been voted down, my suggestions have not been heeded. The majority in this House has turned a deaf ear to my warnings. But the voters of this country will hold the majority responsible for its acts. The people, who pass judgment upon all we do here, will at the first opportunity condemn you for not adequately protecting their rights and punish you to the extent of their power for betraying their interests.

Mr. MURDOCK. Mr. Speaker, the gentleman from Minnesota [Mr. Lindbergh] is momentarily absent, and I ask leave to yield to the gentleman from Pennsylvania [Mr. TEMPLE].

[Applause.

Mr. TEMPLE. Mr. Speaker, three months ago, when the currency bill passed the House, I did not vote for it. I said at the time that there were grave defects in the bill which threatened to interfere with the safe working of a plan which, in many respects, was in harmony at once with sound economic theory and with the banking experience of the world. I expressed the hope that after the bill had passed through the other House and had been reported from the conferees I might then be able to vote for it. I now find that the bill, which was materially amended in the Senate and still further modified in conference. is in many respects a new bill. It has, of course, a great deal of the old material in it, as the old bill contained a great deal of the material furnished by the report of the Monetary Commission. I find it arranged in what I believe to be a better I find some of the dangers of the old bill eliminated. order. If I had time I should like to analyze it in detail, but I shall not undertake to do so at any considerable length. I should like, however, to call attention very briefly to the more important changes, which, in my judgment, will greatly improve the banking and currency system proposed in the original bill.

The organization of the Federal reserve board has been materially changed. As the bill passed the House it provided that this board, which is to control the whole system, should be composed of the Comptroller of the Currency, two members of the Cabinet, and four other members appointed by the President. Of the four appointive members not more than two were to be members of any one political party. The very mention of political parties in this connection suggested partisan control. If one party should go out of power and another come in, the incoming President would find two members of his own political party—appointed because they were members of that party—on the Federal reserve board. Upon appointing his Cabinet he would have two more, immediately giving the incoming party four votes out of the seven in control of the banking system of the country.

Two changes in the bill have rendered such a condition extremely improbable, if not impossible. In the first place, the amended bill makes no provision for appointing men or excluding men because they belong to this or that political party,

The members of the Federal reserve board ought to be appointed, and under this bill may be appointed, with as little thought of party control as are the justices of the Supreme Court. In the second place, the amended bill provides that only one member of the Cabinet, instead of two, shall be a member of the Federal reserve board. There are to be five appointive members, each appointed for 10 years, instead of four with eight year terms. An incoming President will not have immediate control. In fact, he will be three years in office before he will appoint four out of the seven members, and unless he should appoint a Comptroller of the Currency he will appoint during his whole term only three out of the seven members. This change in the bill practically takes the Federal reserve system out of politics.

In addition to this the powers of the Federal reserve board have been limited, as pointed out by the gentleman from Virginia [Mr. Glass]. To compel one Federal reserve bank to rediscount the discounted paper of another will now require five affirmative votes in the Federal reserve board, instead of merely requiring the presence of five members who, as I understand the original bill, might consent to such compulsory re-discounting merely by refraining from a vote against the

In other respects also the powers of the board are limited by the amended bill. It can not, as provided in the House bill, remove at pleasure the officers of the Federal reserve banks nor the directors of class B, except for cause stated in writing.

The bill in its new form provides for a sounder currency than when it passed the House. It then required that the new bank notes should be supported by a reserve of 331 per cent in gold Now, that reserve must be 40 per cent in or lawful money. In its old form the bill made no provision for redeeming the notes in gold. The present bill makes them redeemable in gold at the Treasury of the United States. It would be better still if the issuing banks, as well as the Treasury, were compelled to redeem them in gold instead of gold or lawful money, but the provision for any redemption in gold is a decided improvement. The bill in its new form also by inserting two or three brief clauses defines somewhat more clearly the commercial paper eligible for rediscount, and thereby adds somewhat to the not too secure safeguards against inflation.

Other changes in the bill make it more just and equitable

toward small banks. Instead of requiring member banks to invest 20 per cent of their capital in the stock of the Federal reserve banks, the bill, as it now stands, requires the investment of 6 per cent of the capital and surplus. The rights and privileges of such State banks and trust companies as may apply for membership in the new system are not left wholly undefined, as they were in the unamended House bill. Last of all, the bill is very considerably improved by a provision to take care, at least in part, of the 2 per cent bonds which are now the basis

of bank-note circulation.

I believe that the Senate improved the House bill and that the Senate bill was decidedly improved in conference. Doubtless time will bring out defects in the bill that will call for correction, but the currency it provides will vary in quantity as the volume of business rises and falls. The medium of exchange will have a real relation to the volume of exchanges. It is a better bill than it was, and I expect to vote for it.

Mr. GLASS. Mr. Speaker, how much time have I remaining? The SPEAKER. The gentleman from Virginia has 28 min-

utes and the gentleman from California 13 minutes.

Mr. GLASS. Mr. Speake Alabama [Mr. Underwood]. Mr. Speaker, I yield to the gentleman from

Mr. UNDERWOOD. Mr. Speaker, I desire to congratulate the members of the Banking and Currency Committee of this House and of the Senate on accomplishing a result that many Congresses and many committees have attempted in the last 20 years and failed in. More than 20 years ago there was pending in this House a bill known as the Carlisle currency bill that sought to bring about a rational and reasonable currency reform. That bill was followed by what was known as the Walker bill when Mr. Reed was Speaker of this House. That bill also met its fate; and later on the bill known as the Fowler bill was reported to the House only to go down to defeat.

Many of the principles that are contained in this bill were principles of the bills that I have mentioned, but all of them failed, in my judgment, for one fundamental reason. Each of the bills that sought reform, to revise the inefficient currency system that we now have on the statute books, sought to do so by giving the great banking interests of this country the control of the currency system of the country. The American people were opposed to placing the money of the country in the hands of the discount bankers of America. It was natural

that they should. A large majority of the people are borrowers of money, but few are lenders of money, and it was not natural to require that the men who are compelled to borrow money should put in the hands of the men who loaned the money the power to control the finances of the Government.

The great banking system of England is often referred to as a bankers' control system. That system has been the evolution of many years, and yet our relatives across the water were wise enough in establishing the control of the Bank of England to make it a part of their system that the discount banker, or the man who lends money, shall not control the issue of that money or the expansion of the money. [Applause.]

The Bank of England, which is a bankers' bank, has not a member on its board of directors who is a discount banker. The Bank of England is controlled by the great merchant classes of England, the borrowers of money and not the lenders of

The rock on which our friends on the Republican side have broken when they have attempted to pass their monetary legislation through this House in the last 16 years has been the fact that they have attempted to put the control of the system that they advocated in the hands of the men who loan the money and not in the hands of the representatives of the people who

borrow the money. [Applause.]

Therefore I congratulate the wisdom of this committee in recognizing that fact and in the beginning establishing a Government control of this system that would represent the borrowers of money and enable the people of America to secure the medium of exchange at reasonable rates of interest at all times. I think that that is probably the greatest reform that has been worked out in this bill, and yet a reform that will not endanger any banking interest; for were this Federal reserve board that is organized for the purpose of protecting the rights of the American people to be so drastic in its management of this system or so unwise as to abandon the field of safe banking it would but wreck the system and injure the people that it is supposed to represent. Therefore I believe that this board will carefully and safely manage this system, not only in the interest of the American people and low interest rates, but also will have the wisdom to see that the great banking interests of the country are properly safeguarded and protected. We have heard in recent years of a Money Trust.

ficult to define what a Money Trust is or where it exists, but we do know that there has been at various times a control of the surplus money of this country in the hands of a few men, and that has largely grown out of the fact that the law upon the statute books forced the reserves of this country, or a great majority of them, to go to one great city in America, to be assembled in banks that you could count on the fingers of your two hands, and necessarily that brought about the con-

trol of our financial system by a few men.

One of the great reforms accomplished in the bill is the taking of the reserves out of the reserve centers and scattering them to at least eight regional reserve banks, possibly more, placing them in banks that will be under governmental supervision, where the country bank or the local bank would be assured in time of stress and time of peril of being able to vitalize and utilize its reserves that are held for emergency purposes

The other great reform, and one that has been needed in this country for a half century, is in the fact that at last we are to have a currency that will respond to the business needs of the country. We are to have an elastic currency that will enable the people of this country, when money is demanded to transact business, to go to the machinery that is provided by this bill, to go to an institution that is authorized by law to give them the currency that the business needs of the country demand and to retire it when it is no longer needed in cir-

The difficulty which the great business men of the country have labored under for many years has been that they have had to go hand in hand to the owner of money and ask as a privilege to transact business. This bill provides a machinery by which legitimate business needs may have the money with which to transact business as a matter of right and not as a

matter of privilege.

With these reforms written on the statute books, I have a firm conviction that the great banking interests of the country will accept this bill, that it will be a real boon to the people of the United States, that it will relieve any stringence that may exist in monetary circles to-day, that it will oil the wheels of commerce, that it will promote business enterprise and encourage business development. I believe that the era of dull times and inactivity of business will pass away to-morrow, when the President of the United States signs this bill. [Applause on the Democratic side.] I believe that the passage of this bill carries to the American people a promise of prosperity, business success, employment for labor, and better times throughout the country. There is no better time when we could put this great measure on the statute books than the day before that day which marks the celebration of the coming of the Prince of Peace. [Applause.] There is no better time on which the great party to which we owe allegiance could send forth this message of prosperity and good will to the great business interests of the country, to the man who toils in the mine, who works in the field, than the opening of a new year—a new year that will proclaim for the American people an expansion of business ideas, which will undo the fetters of commerce, which will add to the development of our commerce beyond the seas, and which, in my judgment, will not only bring commercial and business success but will write next November at the polls a verdict in favor of the party to which we owe allegiance, because we have fulfilled our pledges and we have kept the faith. [Applause on the Democratic side.]

Mr. HAYES. Mr. Speaker, I yield to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Speaker, I would suggest to my friend from Alabama [Mr. Heflin] that a man does not need a glass eve to see the mice and crickets in this measure, the perils and pitfalls it contains. I can not in three minutes catalogue, much less discuss, the many fundamental and fatal features of the One of them is that provision which places upon the American people the enormous burden that ought to be borne by the bankers of final responsibility for the redemption of the notes that are to be issued. Another is the provision of the bill under which the organization, the Federal board, that is to control all the banking credit of the country may be a purely partisan board, and is likely to be such. Another is the provision under which that board, so constituted, has such vast powers that it becomes in effect a great partisan, political, central banking institution. So much for some of the faults of commis-One of the fundamental errors of omission is the fact that there is no adequate provision in the bill for the retirement of notes, and, therefore, there is a serious threat and danger of inflation. Another, that it does not adequately provide for farm loans, in that there is absent from the bill a provision contained in the bill when it passed the House for savings departments in national banks.

These and many more reasons are all sufficient to justify a vote against the bill. But there are other reasons, Mr. Chairman. The question of the currency is a nonpartisan one and it should be so treated, but the majority willed to treat it as a partisan question. They took it into a secret and binding caucus, which, by confessions of men on the other side, was largely controlled by the President and members of his Cabinet. It came to the floor with every Member on that side caucus bound, and not a vote has been or will be taken in this House on this bill which reflects the free and untrammeled action of Members on that side. It follows, therefore, that a vote for this bill is not only a vote in favor of all the faults and defects of the measure, but it is also an indorsement and approval of all of the vicious and unjustifiable partisan methods of consideration, which are largely responsible for the faults of the measure.

The SPEAKER. The time of the gentleman has expired.
Mr. HAYES. Mr. Speaker, I yield to the gentleman from
North Dakota [Mr. Norton].

Mr. NORTON. Mr. Speaker, I am confident that it is most pleasing to almost every man in this Chamber that after many long and tiresome days, weeks, and months of preparation, discussion, and debate this epoch-making legislation is to be given to the country. I wish to take this opportunity to express to the members of the Committee on Banking and Currency who during all these long months past have so unsparingly in and out of season devoted their time and best efforts to the construction of this legislation my congratulations on the final conclusion of their work. I think that it is only fair to say that the members of this committee have done a great service to this House and to the country.

The approval of this measure by Congress and by the President and the complete success of its provisions in the business and commercial life of the Nation, I trust, will be the rich and proud reward of these gentlemen, and especially of the able chairman of the committee, for their fidelity to the duties in this great work intrusted to them by this House. [Applause.]

this great work intrusted to them by this House. [Applause.]
I have no hesitancy in saying that in my judgment this bill in its present form is a better bill than when it passed this House three months ago. And had free and open discussion and con-

sideration of this bill been permitted on the floor of this House, and had not the free will and action of many Members on the majority side been restrained and stifled by the indefensible secret-caucus system employed by that side of the House, the bill would go to the country affording more real relief and benefit to those who toll in field and shop than it will bring to them in its present form. I want to say now that I intend to support this measure. [Applause.] I intend to support this measure. [Applause.] I intend to support this measure of the banking business of the country in the keeping of the people of the country and takes this control away from the money barons of the country. I intend to support this bill because I believe that under its provisions the banking business of the country will in the future be conducted in a way more to serve and accommodate the people and the business of the people of the country, rather than, as it is now, largely conducted to serve primarily as an instrument and means of greed and profit for bank officials and bank stockholders.

I am much pleased that the bill, in its present form, contains more liberal provisions for the country banks and for those engaged in agricultural pursuits than it contained when it was first sent from this House to the Senate. And I am particularly gratified to find that the Senate has seen fit to adopt an amendment to the bill similar to the amendment I offered in the House of Representatives on September 16, extending the time of the maturity of notes which may be rediscounted from 90 days to 6 months. This amendment unquestionably makes the measure of more genuine service to the farmers of the North, the South, the East, and the West. But I hope that this Congress will not rest its labor and its effort in this direction with this amendment or with this bill, but that this measure will soon be supplemented by legislation providing for and establishing a system of rural credit banks, so much needed in this country to-day, and concerning which I expect to have the privilege of addressing this House at another time.

In view of the fact that for several years past all of the leading political parties have agreed that our banking and currency system has been outgrown and is unsuited for the business and commercial needs of our country, and have promised, through their party platforms, the enactment of a better system, I was very much amused in listening to the gentleman from Alabama [Mr. Heflin] who first spoke. His argument reminds me very much of those old-time Mother Hubbard dresses—it covered so much and touched so little. [Laughter and applause.] The gentleman, in his partisan enthusiasm and in his exuberant oratory, forgets the fact that this legislation is not at all solely due to the Democratic Party. The real work, culminating in this legislation, was initiated long before his party had its present majority in this House.

The National Monetary Commission, which builded the real foundation for this measure, was provided for by the act of May 30, 1908. This commission expended nearly \$300,000 in studying and making comparisons of the different banking and currency systems of the leading nations of the world, and made its most exhaustive and valuable report and recommendations to the Sixty-second Congress. No one can honestly and fairly contend that this House and this Congress in framing this legislation has not made much and good use of the work done and the report made by the National Monetary Commission, and profited greatly from the debates and discussions of this subject in the Sixty-second Congress. A large majority of the Republican Members of this House in this Congress have at all times been just as honest and just as desirous as Members on the Democratic side to place upon our statute books the best possible banking and currency legislation that can now be devised by the best intelligence and experience of our country. Thus it ill becomes anyone on that side to now seem to forget the origin and real first effective work done toward the final accomplishment of this legislation.

While gentlemen here may differ as to the wisdom and ultimate success of particular features of this legislation, nevertheless there comes a time when patriotism overshadows partisanism, and I am confident that I now voice the sentiment of practically every man in this Chamber when I say it is my wish and hope that when this great legislation goes to the country to-morrow the predictions made a few moments ago by the leader of that side, the gentleman from Alabama [Mr. Underwood), and those made on Saturday by the cheerful and charming Speaker of this House, will come to pass and the whole country will prosper, bloom, and blossom roselike under its influence and its effect. [Applause.]

Mr. HAYES. Mr. Speaker, I yield to the gentleman from Ohio [Mr. WILLIS].

Mr. WILLIS. Mr. Speaker, I have listened with a great deal of interest to the prophecies and rhapsodies coming from the other side of the Chamber, but the difficulty about those prophecies is that the prophets do not agree. The gentleman from Pennsylvania [Mr. Palmer] said a little while ago that when this bill passed this House it was a good bill, and then when it passed the Senate it was a better bill, and yet standing right there at the reading desk just a few hours ago the gentleman from Virginia [Mr. Glass], in charge of this bill, said that when it passed the Senate not only was it not a better bill but the enactment of it into law would have been a "calamity" and would have resulted, to quote his exact words, "in a perfect saturnalia of inflation." Mr. Speaker, I believe the chairman was stating the truth with reference to this legislation.

Section 16 of this bill contains enough unsound financial provisions to bring industrial and financial calamity upon the country; or, as the chairman of the Committee on Banking and Currency has stated, sufficient to lead "to a perfect saturnalia of inflation," as he so eloquently and aptly described when referring to the provisions of the Senate bill. It is to be observed that the essential provisions of section 16 remain in the conference report substantially as they were in the bill passed by the Senate. This section 16 as it stands in the conference report in part is as follows:

Sec. 16. Federal reserve notes, to be issued at the discretion of the Federal reserve board for the purpose of making advances to Federal reserve banks through the Federal reserve agents as hereinafter set forth and for no other purpose, are hereby authorized. The said notes shall be obligations of the United States, and shall be receivable by all national and member banks and Federal reserve banks and for all taxes, customs, and other public dues. They shall be redeemed in gold on demand at the Treasury Department of the United States, in the city of Washington, D. C., or in gold or lawful money at any Federal reserve bank.

There are at least four provisions in the portion of the section quoted which are fraught with the gravest consequences to the financial prosperity of the country. First, it is stated that these notes are to be issued "at the discretion of the Federal reserve board." It will be seen by referring to section 10 that this Federal reserve board is a partisan organization. In the bill which passed the House it was provided that not more than one of the four appointive members of the Federal reserve board should be selected from any one Federal reserve district, and not more than two of them should be of the same political It should be noticed that this provision relative to a bipartisan board has been stricken out of the House bill, and in the measure that is now before the House it is provided that the Federal reserve board shall consist of five members to be appointed by the President of the United States, by and with the advice and consent of the Senate, with two additional members in the persons of the Secretary of the Treasury and the Comptroller of the Currency. From this provision of the proposed law it is quite evident that all seven members of the Federal reserve board will be members of the same political party. At any rate, there is nothing in the law to prevent it, and it is not overstating the case to say that as this law must be interpreted in view of the action of the Senate in striking out the provision in the House bill which provided that not more than two of the appointive members should be of the same political party, it is clear that the purpose of the legislation now proposed to be enacted is to make this Federal reserve board a partisan organization.

Now, then, considering section 10 in connection with section 16, let us see what results we obtain. Here we have a board of seven men, all appointed by the President and undoubtedly all of the same political party. Now, what power have they under the terms of section 16? Quoting again from this section, it is found that Federal reserve notes are to be issued "at the discretion of the Federal reserve board." So far as this proposed legislation is concerned, there is absolutely no limitation upon the amount of notes which may be issued. Herein resides the possibility of inflation. Of course it is admitted that provision is made for a reserve fund of 40 per cent, together with the commercial paper put up as collateral, but I submit this, Mr. Speaker, that it is unwise, unsound, and will prove to be disastrous legislation to give to any board such immense power over the control of the circulating medium of this country as is contemplated in the portion of section 16 which I have just quoted. There ought to be in this bill somewhere a positive limitation upon the amount of circulating medium which can be issued. To omit such a salutary provision is to invite the financial disaster which has always followed in the wake of an inflated paper circulation. It certainly is a most interesting coincidence that now, as always in the past, in the face of threat-

ening financial disaster—when news is coming in from every quarter of the closing down of mills, of the organization of the armies of the unemployed, of the actions of various municipalities in taking emergency steps to furnish employment to workingmen now out of employment but who heretofore have been busily employed in the mills and factories and mines—at such a time, in the face of an undoubted industrial lethargy, it seems most peculiar that the party in control of the Government should resort to the same measure to which it has always resorted under such occasions, namely, that of inflation of the currency.

What we want in this country at the present moment is not more paper money, but more busy mills. Not more importation of foreign products, but better production at home at better wages, with better protection for our own farmers, our own laborers, and our own markets. Not inflated credit, but more men at work here in America at good wages to furnish a market for the farmers' products. The resort to such financial nostrums as are illustrated by this bill will be only a temporary stimulant and in the end will work much harm to the producers of the country. This, then, is my first serious objection to this bill—that it puts into the hands of seven men appointed for political purposes the power to say what the amount of the circulating medium of this country shall be. The financial life of our people is too great a stake to rest upon the mere edict of any such body of men, however able and distinguished they may be.

In the second place it is provided in this section 16 that "said notes shall be obligations of the United States." I object to this provision, Mr. Speaker, because there is no good reason why these notes which are to be issued to the Federal reserve banks and are to be circulated by them for their profit should not be the obligations of the banks instead of the obligation of the United States. These few lines of section 16 disclose the whole purpose of this legislation. Shorn of its verbiage it amounts simply to this: That the credit of the United States is to be loaned to a certain special class for the benefit of that class. Is there any good reason why the credit of the great Government of the United States should be loaned to these Federal reserve banks which would not apply equally, well to other classes and business organizations of this country? If the Government of the United States is to go into the business of loaning its credit to various persons, corporations, and associations, why should it not loan it to the farmers and workingmen of the country as well as to certain special

favorites known as Federal reserve banks?

In my judgment the provision which undertakes to saddle the obligation of redeeming these notes upon the Government of the United States, thus making them in fact direct obligations of the Federal Government, is entirely unjustifiable. I believe that if the American people understood that the effect of this legislation was to saddle upon their shoulders the obligation of redeeming the notes issued by this Federal reserve board to Federal reserve banks they would rise up almost to a man and oppose this legislation. Since these notes are to be issued to the Federal reserve banks for the profit of those organizations they ought to be the obligations of those banks. It ought to be the duty of the banks to redeem the notes. No such obligation and no such duty should rest upon the shoulders of the Government of the United States.

It is provided in the third place, in section 16, that those notes so issued "shall be receivable for all taxes, customs, and other public dues." By this it means that the Federal Government, while assuming greater obligations and greater burdens, is deprived of the only source of gold revenue which it has. In other words, while the financial burden of the Federal Government is increased, its ability to carry that burden and discharge that obligation is decreased. It surely can not be maintained that this is sound financial legislation.

In the fourth place, it is provided that while these notes of the Federal reserve banks shall be redeemable "in gold on demand at the Treasury Department of the United States in the city of Washington, D. C.," that they may be redeemed "in gold or lawful money" at any Federal reserve bank. Why this distinction? If the notes are to be made redeemable in gold at the hands of the Government of the United States, why should not the Federal reserve banks, for whose benefit and profit the notes are to be issued, at the same time be required to redeem their obligations in gold? But they are given the special privilege of redeeming their notes in "gold or in lawful money." It seems to me, Mr. Speaker, that these four objections lodged against section 16 are insuperable. If we enact such legislation as is provided in this section, we are flying in the face of all the facts of the financial history of this country and of the rest of the civil-

Early in the discussion of this measure we heard much about the important provisions that were to be inserted in it for the benefit of the farmers of the country. In other words, a system of farm loans and cooperative credits was to be installed. And yet we find that the body at the other end of the Capitol has stricken out the provisions in the House bill relative to savings department by national banks, and although section 24 has been inserted, giving authority to such banks to make farm loans for a period of five years, the section is couched in such terms that when considered in connection with other provisions of the pro-posed law it is very doubtful whether the farmer will receive any benefits whatever, notwithstanding the much-heralded accommodation which was to be extended to him through the mediumship of farm loans.

This bill accomplishes practically nothing for the benefit of the farmers and the laborers, the real producers of the country, but is framed in the interest of the special few. It certainly can not be claimed that the slight problematical and merely speculative benefits which may accrue to the masses of the people will be a sufficient recompense for the immense burden which they must assume in becoming responsible for the redemption of all this paper money which is to be issued at the discretion of the Federal reserve board. It is the same old story. When the tariff bill was pending we were told that the farmer and producer were to be benefited, and yet, as a matter of fact, when the legislation was finally enacted it appeared that substantially everything which the farmer produced was put upon the free list or else the rates were greatly reduced, put upon the free list or else the rates were greatly reduced, and yet he was still required to buy in a market that in some instances was highly protected. The laborer, who was to enjoy immense benefits under this tariff legislation, finds himself thrown out of work, his hours of labor greatly reduced, or his wages cut down. So in this proposed legislation, which was widely heralded as a panacea for the real or fancied industrial and financial evils of the Republic, it appears that the farmers and wage earners of the country receive practically no benefit from it and vot at the same time they are compelled to bear from it, and yet at the same time they are compelled to bear the towering burden of becoming responsible for the redemption of this great volume of notes to be issued by the Federal reserve board to the Federal reserve banks for the benefit of those

Mr. Speaker, this debate seems to have been seized upon as an oportunity for gentlemen to explain their position who have been reported in the press as stating heretofore that they would vote against this bill. The gentleman from South Carolina and the gentleman from Kansas [Mr. NEELEY] were reported in the newspapers as being loud in their pronouncement they would never support such legislation as is indicated in this measure

Mr. NEELEY of Kansas. Mr. Speaker

The SPEAKER. Does the gentleman from Ohio yield? Mr. WILLIS. I regret that I have not time to yield to my

Mr. NEELEY of Kansas. That is a misstatement.
Mr. WILLIS. And now we come to the final stage, and those gentlemen crawl in under the flap of the tent and propose to support this bill. I shall not support this bill, Mr. Speaker, because it represents a rejuvenation and a revivification of the ideas of inflation and unsound finance that were shot to death in the campaign of 1896. [Applause on the Republican side.] am further opposed to this bill, Mr. Speaker, not only because there rests in it the possibility of dangerous inflation, but also for another reason I have not time fully to discuss, and that is because it illustrates the policy of the party in power to strike down and stab to death the nonpartisan civil service of this

I have already called attention to the fact that the Federal reserve board is a political organization, all seven of its members, so far as this legislation is concerned, being of the same political party, the board not being a fair bipartisan one, as was provided in the bill as it passed the House, requiring that not more than two of the members should be of the same political party. In order that there may be no question upon this point I quote the following from section 11 of the original House bill:

Of the four members thus appointed by the President not more than two shall be of the same political party, and at least one of whom shall be a person experienced in banking.

This salutary provision is stricken out in the pending bill, and section 10 provides, in part, as follows:

Sec. 10. A Federal reserve board is hereby created, which shall consist of seven members, including the Secretary of the Treasury and the Comptroller of the Currency, who shall be members ex officio, and five members appointed by the President of the United States, by and with the advice and consent of the Senate.

From this it can be clearly seen that, so far as the pending bill is concerned, the Federal reserve board is to be a partisan organization, and when it is considered that this board has the financial destiny of the Republic in its hands it can readily be seen how questionable is the wisdom of reposing such vast authority, without limitation, in the hands of a board all of whose members may be of one political faith. It is uureasonable and unfair, and, in my judgment, when the people understand it

they will not approve it.

If there is any place in the Government service where the governmental employees ought to be under civil-service rules, it surely would be in the case of employees who are conducting a great banking enterprise such as is proposed in this bill. The great banking enterprise such as is proposed in this bill. The thing which ought to count in the public service is efficiency, not political opinion. Yet it will be seen by referring to the fifth paragraph of section 4, which states the powers of the Federal reserve bank, that it has full authority to appoint employees without any regard whatever to civil-service requirements. So far as this proposed legislation provides, there need be no examination-appointments can be made solely because of political preference. Furthermore, the Federal reserve banks have complete authority to dismiss at pleasure any of their employees. The paragraph to which I have referred is as follows:

Fifth. To appoint by its board of directors such officers and employees * * as are not otherwise provided for in this act, to define their duties, require bonds of them and fix the penalty thereof, and to dismiss at pleasure such officers or employees.

But if such power is unwise, undesirable, and dangerous in the management of the affairs of Federal reserve banks, it surely is much more unwise and much more dangerous when given and exercised as a power of the great Federal reserve Subsection (m) of section 12 in the original print or subsection (1) in the present bill is as follows:

Subsection (1) in the present bill is as follows:

Subsec. (1). To employ such attorneys, experts, assistants. clerks, or other employees as may be deemed necessary to conduct the business of the board. All salaries and fees shall be fixed in advance by said board and shall be paid in the same manner as the salaries of the members of said board. All such attorneys, experts, assistants, clerks, and other employees shall be appointed without regard to the provisions of the act of January 16, 1883 (vol. 22, U. S. Stat. L., p. 403), and amendments thereto, or any rule or regulation made in pursuance

From this it will be seen that all the immense force of clerks and employees under the control of the Federal reserve board are to be appointed and removed absolutely without reference to merit. Why should not these employees be under the civil service? Why should these positions be parceled out as prizes to hungry office seekers? Why in this great financial institution should not all the employees be under the protecting arm of the civil service? There can be no satisfactory answer to these questions. The fact is, as illustrated by this legislation, as by other legislation recently had, that the purpose of the present administration seems to be to destroy the competitive civil-service system so far as possible. Even in the collection of the income tax, where special skill would be required, and where, if any place, the rules of the civil service ought to apply, yet there, even, appointments are to be made as reward for political services. The provisions of this original section (m) have excited much comment in the country, and as expressing the attitude of thoughtful, patriotic men who are giving attention to the subject of nonpartisan civil service I insert here a letter from the National Civil Service Reform League:

NATIONAL CIVIL SERVICE REFORM LEAGUE, New York, December 20, 1913.

To the Members of the House of Representatives:

To the Members of the House of Representatives:

On behalf of the National Civil Service Reform League, I earnestly urge that paragraph M of section 11 of the pending currency bill be eliminated.

This is the section which provides that all employees of the Federal reserve board be appointed without complying with the requirements of the civil-service law. It is true that this plan was modified by an amendment that it shall not prevent the President from placing such employees in the classified service. It is sufficient to say as to this that its effect is deceptive. According to the earlier provisions of paragraph M, appointments must be made without regard to the civil-service law or any rule or regulation under it, so that the mere inclusion of the employees in the classified service may be quite ineffective.

The facts are that the Senate, by an eleventh-hour amendment, has attempted to deprive the President of authority to order that the employees of the board shall be appointed through examination. These subordinate places are all to be treated, initially at least, as unclassified offices. The effect is only to subject the administration of the new act to the most serious menace possible, namely, the influences of partisan politics in the entire organization of the subordinates of the board. It will be impossible to keep these influences out if the places are in the unclassified service. Everyone knows this to be true. The adoption of the amendment, in other words, will expose the new currency and banking system of the country to the corrupting and extravagant influences of the spoils system. Nothing could be more surely fatal to the success of the spoils system. Nothing could be more surely fatal to the success of the spoils system than this, as the history of the old United States Bank clearly shows.

For the great majority, if not, in fact, for all, of the places not the slightest difficulty will be encountered in securing efficient men of prac-

tical experience without political ties and obligations through examinations conducted by the Civil Service Commission, with the aid of the experts which it can employ. If any exceptions are necessary, it would be within the President's power to make such exceptions by Executive order under the civil service law. This power to classify offices or put them in the unclassified service should be left to the President, as has been the practice under the civil service law for 30 years.

For these reasons the league therefore urges that if an opportunity is given you register your opposition to this dangerous provision and vote against its adoption by the House.

Respectfully, yours,

Respectfully, yours,

Respectfully.

ROBERT W. BELCHER, Secretary.

These prominent citizens who sent this letter understand, and the country generally will soon understand, that legislation of this character will undermine and finally destroy the merit system and bring about a return of the times when "to the victor belong the spoils."

If you note it, gentlemen, in this bill all the employees proposed to be appointed are to be appointed not upon merit as shown by examination under civil-service rules, but for political reasons. I am opposed to such legislation and shall vote against this bill. [Applause on the Republican side.]

Mr. HAYES. Mr. Speaker, I ask the gentleman from Virginia [Mr. Glass] if he is going to close with one speech? I have but one more speaker.

Mr. GLASS. Mr. Speaker, I yield five minutes to my col-

league from New York [Mr. FITZGERALD].

The SPEAKER. The gentleman from New York [Mr. Fitz-

GERALD] is recognized for five minutes. [Applause.]

Mr. FITZGERALD. Mr. Speaker, I join with many upon both sides of the House in congratulating the members of the Committee on Banking and Currency upon the happy ending of their labors. I share with many of those gentlemen who find it possible to support this bill the pleasure they enjoy, because, in their opinion, it takes from the community which I represent the possibility of accumulating moneys there for purely

sent the possibility of accumulating moneys there for purely speculative and reckless gambling purposes.

The great metropolis of this country is represented in this House by 22 Members of Congress. Twenty of them are Democrats, one a Republican, and one a member of the Progressive Party. It is a community of nearly 5,000,000 people. Sixty-five per cent of our imports come through its port. A large percentage of the commodities going from this country pass through its port. That metropolis has an annual budget of almost \$200,000,000. It has a funded debt of \$300,000,000,

greater than the public debt of the United States.

Its manufactures exceed the manufactures of the New England States, and recent statistics of the Bureau of the Census disclose that the increase alone in manufactures during the past five year in the city of New York exceed the total manufactures of the city of Philadelphia five years ago. Its building operations aggregate \$200,000,000 annually. It is the great financial and commercial center of the New World, and it nec-It is the great essarily requires and demands a very great amount of capital for the legitimate trade and business that is there carried on. Speculative moneys have undoubtedly been used in the city of New York, and pyramiding has taken place. If reserves which should have been retained in . ther portions of the country have been sent there and enabled such speculative transactions to have been indulged in, it has not been entirely the fault of the banking interests of the city of New York, but such conditions are due just as much to the men controlling banking throughout the United States, who found it profitable to send their reserves to New York for investment, practically as call loans, and to receive 2 per cent interest on such money, knowing all the time that it could only be used for call loans in the speculative market. Whatever benefits the commerce and the business of the entire country naturally benefits and helps our great community; whatever is an injury to legitimate enterprise and business and commerce in the United States, injures and hurts the commerce and prosperity of the great financial metropolis of the country.

The 20 Democratic Representatives from the city of New York and the 33 Democratic Representatives from the entire State of New York join with the rest of their Democratic brethren in rejoicing and congratulation that, after years of effort, after years of helplessness and inability on the part of others, it has been the privilege of the Democratic Party, under the lead of a great Democratic President, to enact a banking and currency bill that not only meets universal commendation from members of our own party, that not only has the approval of the business and financial interests of the United States, but is welcomed and acclaimed by the spokesmen of the Progressive Party and by the more intelligent members of the Republican

Party. [Loud applause on the Democratic side.]
The SPEAKER. The time of the gentleman from New York [Mr. FITZGERALD] has expired.

Mr. HAYES. Mr. Speaker, I now-yield the balance of my time to the gentleman from Illinois [Mr. Mann]. [Applause.] The SPEAKER. The gentleman from Illinois [Mr. Mann] is

recognized for four minutes.

Mr. MANN. Mr. Speaker, I know how distasteful it is to the other side of the House to have the truth told at this time. [Laughter on the Democratic side.] We have now had Democratic control in the country for a little more than nine months. That control has already cast its malign influence over two great countries. Mexico-[Laughter on the Democratic side.]

The SPEAKER. The House will be in order.

Mr. MANN. Mexico lies prostrate and bleeding, and the only response which it receives is laughter on the Democratic side of the House. America lies prostrate, its men out of employment, its factories closed, its industries without orders, its stocks depreciated, its money boarded, with men everywhere seeking employment, and millions of them out of employment now. And what do you offer? You offer the same thing which has always been offered in every case of hard times. You propose to revive business by inflating the currency, with no method provided for the redemption of the notes issued except voluntarily. There never has been a time in the history of our country when hard times struck the country that you people did not propose an inflation of the currency.

We said when you passed the tariff bill that talk would not determine its results. We left it to the proof. You now, in mad haste to inflate the currency, admit the bad results which come from your tariff bill, and the only man in the House who has not heard of the conditions in the country is the distinguished Speaker of the House. [Laughter on the Republican side.]

Talk here will not affect the result. After passing one bill, which has failed, you now stake your chances on reviving the industries of the country through the inflation of its currency. That scheme in the history of the world has never proven successful, and the rule will not be varied now.

We accept the challenge of the gentleman from Alabama [Mr. UNDERWOOD] and will note the result in the November elections, when this side of the House will again have an unwieldy ma-[Applause on the Republican side.]

The SPEAKER. The gentleman from Virginia [Mr. Glass] has three minutes left.

Mr. GLASS. Mr. Speaker, in the three minutes remaining of this discussion I want to make a reference to the charge that this currency bill embodies dangerous inflation, and to remark that it comes with exceeding ill grace from that side of the House.

When this bill was under consideration in another branch of the Congress the same charge was brought by a distinguished Republican Senator, and the amount of inflation that he figured out was \$1,800,000,000. Two days thereafter he had to admit that he had made a miscalculation of \$500,000,000 in that simple sum! [Applause on the Democratic side.] The Republican Party was committed to the Aldrich scheme of currency revision. but intelligent, practical bankers exposed the fact that it embraced possibilities of inflation amounting to \$6,000,000,000! [Applause on the Democratic side.] Then we were treated just now to the one-minute gush of the Wyoming geyser. [Laughter on the Democratic side.] He is still "harping on my daughter," and talking about "caucus rule," and the exclusion of the Republican conferees, forgetting the fact that when the Vreeland-Aldrich bill was passed by a Republican Congress the Democratic conferees were excluded. I remember that fact distinctly. because I was one of them. I was not admitted to the room until Senator Aldrich on the one side and Representative Vreeland on the other had completed the draft of the bill. Then I was asked in and had it handed over to me. [Laughter on the Democratic side. l

Then, again, they talk about the political aspects of the proposition-political appointees on the board-when, as a matter of fact, the only measure proposed by Republican Senators as a substitute for this measure contemplated turning the entire reserve-banking business of the country over to politics. [Applause on the Democratic side.]

The SPEAKER. The time of the gentleman from Virginia

has expired. All time has expired, and the question is on agree-

ing to the conference report.

Mr. GLASS. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The gentleman from Virginia [Mr. GLASS]
demands the yeas and nays. Those in favor of taking the vote by yeas and nays will rise and stand until they are counted. [After counting.] Evidently a sufficient number have arisen, and the Clerk will call the roll. Those in favor of agreeing to the conference report will answer "yea"; those opposed will answer "nay." and there were-yeas 298, nays 60,

8-298.
Key, Ohio
Kless, Pa.
Kindel
Kinkaid, Nebr.
Kinkead, N. J.
Kirkpatrick
Kitchin
Konop
Korbly
Lafferty

Lafferty La Follette Lazaro Lee, Ga.

Levy Lewis, Md.

Lieb Lindquist Linthicum

Logue Logue Lonergan McAndrews McClellan McCoy McDermott McGillicuddy McKellar

McKellar MacDonald

Maguire, Nebr. Mahan

Mannhan
Mapes
Metz
Miller
Miller
Mitchell
Montague
Morgan, La.
Morrison
Moss. W. Va.
Murdock
Murray, Mass.
Murray, Okla.
Neeley, Kans.
Neely, Kans.
Neely, Kans.
Neely, W. Va.
O'Brien

not voting 76,	n was taken; and as follows:	t there w
		-298.
Abercrombie	Donohoe	Key, Ohio
Adamson	Donovan	Kless, Pa. Kindel
Aiken	Dooling	Kindel
Ansberry	Doolittle	Kinkaid, N Kinkead, 1
Ashbrook	Doremus	Kirkpatric
Aswell Bailey	Doughton Dupré	Kitchin
Baker	Eagan	Konop
Baltz	Edwards	Korbly
Barkley	Esch	Lafferty
Barnhart	Evans Faison	La Follett Lazaro
Barton	Faison	Lazaro
Bathrick	Falconer Farr	Lee, Ga. Lenroot
Beakes	Fergusson	
Ball Cal	Ferris	Lesher
Beall, Tex. Bell, Cal. Bell, Ga.	Fields	Lever Levy Lewis, Md
Booher	Finley	Lewis, Md
Borland	PHZZEFRIG	Lieb
Bowdle	FitzHenry	Lindquist
Bremner	Flood, Va. Floyd, Ark.	Linthicun
Brockson	Floyd, Ark.	Lloyd Lobeck
Brodbeck	Foster Fowler	Loneck
Brown, N. Y. Brown, W. Va. Bruckner	Francis	Logue Lonergan
Bruckner	Frear	McAndrey
Brumhangh	Gard	McAndrey McClellan McCoy McDermo
Brumbaugh Bryan Buchanan, Ill. Buchanan, Tex.	Gard Garner	McCov
Buchanan, Ill.	Garrett, Tenn. Garrett, Tex.	McDermo
Buchanan, Tex.	Garrett, Tex.	McGimcu
Bulkley	George	McKellar
Burgess	Gilmore Glass	MacDonal
Burke, S. Dak.	Glass	Maguire,
Burnett	Godwin, N. C.	Mahan
Burnett Byrnes, S. C. Byrns, Tenn.	Goeke Goldfogle	Manahan
Candles Miss	Gordon	Mapes Metz
Candler, Miss.	Gorman	Miller
Caraway	Goulden	Mitchell
Caraway Carew Carlin	Graham, Ill.	Montague
Carlin	Gray	Morgan, I
Carter	Gregg	Morrison
Casey	Griffin	Morrison Moss, W.
Chandler, N. Y.	Gudger	Murdock Murray, M Murray, O Neeley, K Neely, W.
Church Clancy Clark, Fla, Claypool Clayton	Hamill .	Murray, A
Clancy	Hamlin	Murray, C
Clark, Fla,	Hardwick Hardy	Neeley, K
Claypoot	Harrison	
Cline	Hart	Nolan, J.
Coady	Haugen	Norton
Collier Connelly, Kans, Connolly, Iowa	Hav	Norton O'Brien
Connelly, Kans,	Hayden	Oglesby O'Hair
Connolly, Iowa	Heffin	O'Hair
Cours	Helgesen	Oldfield
Cooper	Helvering	O'Shaune
Covington Cox	Hensley Hill	Padgett Page, N. O Palmer
Cox		Page, N. C
Cramton Crisp	Holland Houston	Park
Crosser	Howard	Patten N
Cullop	Hughes, Ga.	Patten, N Peters, M Phelan Post
Curry	Hughes, Ga. Hulings	Phelan
Dale	Hull	Post
Davenport	Humphreys, Miss.	Quin
Davis	Hull Humphreys, Miss. Igoe	Ragsdale
Decker		Ramey
Deitrick	Johnson, Ky.	Raker Rauch
Dent	Johnson, S. C.	Rauen
Dershem	Keating Keller Mich	Rayburn
Dickinson	Johnson, Ky. Johnson, S. C. Keating Kelley, Mich. Kelly, Pa.	Reed Rollly Co
Dies Difenderfer	Kennedy, Conn.	Reilly, Co Reilly, W
Dillon	Kent	Riordan
Dixon	Kettner	Riordan Rotherme
		8-60.
	NAX	5-00.

Anderson Austin Bartholdt Browne, Wis. Browning Butler Callaway Danforth Dyer French Gardner Good Green, Iowa Greene, Mass. Greene, Vt. Calder Campbell

Cantrill Carr

Cary Copley Curley Driscoll

Dunn Eagle Edmonds Elder Estopinal Fairchild

Adair Ainey Alexander Allen Anthony Avis Barchfeld Bartlett Blackmon Borchers Britten Broussard Burke, Pa. Burke, Wis.

Rainey Raker Rauch Rayburn Reed Reilly, Conn. Reilly, Wis. Riordan Rothermel NAYS-60. Griest
Guernsey
Hamilton, Mich.
Hamilton, N. Y.
Hawley
Hayes
Howell
Howell
Johnson, Utah
Johnson, Wash.
Kahn
Keister
Kennedy, R. I.
Langley
Lewis, Pa.
Lindberg
McGuire, Okla.
McJaughlin
Mann
Mondell
Moore
Humphrey, Wash,
Korster
Patton, Pa.
Payne
Platt
Prouty
NOT VOTING—76. NOT VOTING-76.

Fess Fordney Gallagher Gerry Gillett Gittins Goodwin, Ark. Graham, Pa. Hammond Helm Henry Hinebaugh Hobson Hoxworth

Rubey Rucker Rupley Russell Sabath Saunders Scully Seldomridge Sharp Sinnott Small Smith, J. M. C. Smith, Md. Smith, Minn. Smith, Saml. W. Smith, Tex. Sparkman Stafford Stanley Stedman Stedman Stephens, Cal. Stephens, Miss. Stephens, Nebr. Stephens, Tex. Stevens, Minn. Stevens, N. H. Stone Stout Stone
Stout
Summers
Sutherland
Taggart
Talbott, Md.
Talcott, N. Y.
Tayenner
Taylor, Ala.
Taylor, Ark.
Taylor, Colo.
Taylor, N. Y.
Temple
Ten Eyck
Thacher
Thomas
Thompson, Okla.
Thomson, Ill.
Townsend
Treadway
Tribble
Tuttle
Underwood
Walker
Walsh
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Watson
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Watson
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Whaley
Whitacre
White
Williams
Wilson, Fla.
Wilson, N. Y. Wilson, N. 1. Wingo Woodruff Young, N. Dak. Young, Tex. The Speaker

Roberts, Mass. Rogers Scott Slemp Smith, Idaho Steenerson Switzer Switzer Towner Vare Volstead Wallin Willis Winslow Witherspoon Woods

Hughes, W. Va. Hughes, W. Va.
Jones
Kennedy, Iowa
Knowland, J. R.
Kreider
Lee, Pa.
L'Engle
Loft
McKenzie
Madden
Maher
Martin
Merritt
Moon Moss, Ind. Mott O'Leary Paige, Mass. Peters, Me. Richardson Roberts, Nev. Sells Slayden Smith, N. Y. Stringer Vaughan Peterson Plumley Porter Pou Powers Shackleford The SPEAKER. The Clerk will call my name.

The Clerk called the name of Mr. CLARK of Missouri, and he voted in the affirmative.

So the conference report was agreed to. The Clerk announced the following pairs:

On this vote:

Mr. HENRY (for conference report) with Mr. GRAHAM of Pennsylvania (against).

Br. Burke of Wisconsin (for conference report) with Mr.

PLUMLEY (against).

Mr. Lee of Pennsylvania (for conference report) with Mr. McKenzie (against).

Mr. Moon (for conference report) with Mr. Burke of Pennsylvania (against).

Mr. SLAYDEN (for conference report) with Mr. EDMONDS (against)

Mr. VAUGHAN (for conference report) with Mr. KENNEDY of Iowa (against).

Mr. HINEBAUGH (for conference report) with Mr. Powers (against).

Mr. Care (for conference report) with Mr. Madden (against). Mr. L'ENGLE (for conference report) with Mr. BARCHFELD (against)

Mr. Walters (for conference report) with Mr. Shreve (against).

Mr. Goodwin of Arkansas (for conference report) with Mr. Peters of Maine (against).

Mr. Maher (for conference report) with Mr. Calder (against). Mr. ALLEN (for conference report) with Mr. Paige of Massachusetts (against).

Mr. ADAIR (for conference report) with Mr. ANTHONY (against).

Mr. Blackmon (for conference report) with Mr. Avis (against).

For the session:

Mr. Hobson with Mr. FAIRCHILD.

Until further notice:

Mr. Pou with Mr. GILLETT.

Mr. Pou with Mr. Gillett.
Mr. Bartlett with Mr. Merritt.
Mr. Dale with Mr. Martin.
Mr. Alexander with Mr. Dunn.
Mr. Cantrill with Mr. Approximately

Mr. DRISCOLL with Mr. BRITTON.

Mr. ESTOPINAL with Mr. CAMPBELL. Mr. GALLAGHER with Mr. COPLEY. Mr. ELDER with Mr. CARY.

Mr. HAMMOND with Mr. FORDNEY. Mr. HELM with Mr. Fess.

Mr. Hoxworth with Mr. Hughes of West Virginia. Mr. Jones with Mr. J. R. Knowland. Mr. Moss of Indiana with Mr. Kreider. Mr. Peterson with Mr. Mott.

Mr. SHACKLEFORD with Mr. PORTER.
Mr. SMITH of New York with Mr. Roberts of Nevada.
Mr. STRINGER with Mr. SELLS.
The SPEAKER. While the Clerk is figuring up the vote the Chair desires to announce that it requires a quorum to be present when the bill is signed.

Mr. MANN. Theoretically.

The SPEAKER. Theoretically, but the Chair does not want to take any chances.

Mr. MANN. I am sure that no one would raise the question. The result of the vote was then announced as above recorded. [Applause.]

On motion of Mr. GLASS, a motion to reconsider the vote whereby the conference report was agreed to was laid on the

Mr. GLASS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk concurrent resolution of the Senate No. 12, providing for the printing of the act.

The SPEAKER. The gentleman from Virginia asks unanimous consent for the present consideration of Senate resolution 12, which the Clerk will report.

The Clerk read as follows:

Senate concurrent resolution 12.

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of Congress 80,000 copies of the Federal reserve act in pamphlet form, to be apportioned as follows: Thirty-five thousand copies for the use of the House of Representatives, 20,000 copies for the use of the Senate, 5,000 copies for the use of the Committee on Banking and Currency of the Senate, 5,000 copies for the

use of the Committee on Banking and Currency of the House, 5,000 copies for the use of the document room of the Senate, and 10,000 copies for the use of the document room of the House.

The SPEAKER. Is there objection to the present considera-on of this resolution? [After a pause.] The Chair hears tion of this resolution? [After a pause.] The Ch none. The question is on concurring in the resolution.

Mr. MANN. Mr. Speaker, I notice that the resolution provides for 80,000 copies—35,000 for the use of the House and 20,000 for the use of the Senate. In all these resolutions it is customary, and I think entirely proper, to give the House twice as many copies as is given to the Senate. I suggest to the gentleman from Virginia that he have the resolution amended so as to make it 85,000 copies, of which 40,000 copies shall be for the use of the House instead of 35,000 copies

Mr. GLASS. Mr. Speaker, I move that that amendment be

incorporated in the resolution,

The SPEAKER. The gentleman from Virginia moves to amend the resolution by making the whole number 85,000 copies, of which 40,000 shall be for the use of the House.

The amendment was agreed to.

The concurrent resolution as amended was agreed to.

CHANGE OF REFERENCE.

By unanimous consent, the Committee on Appropriations was discharged from further consideration of the bill (H. R. 10405) to promote the erection of a memorial in conjunction with the celebration of the centenary of the Battle of Plattsburg during the year 1914, in commemoration of the one hundredth anniversary of McDonough's victory in the naval battle fought in the War of 1812, the last naval engagement between English-speaking people, and the same was referred to the Committee on the Library.

HOUR OF MEETING TO-MORROW.

Mr. UNDERWOOD. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 2.30 o'clock to-morrow afternoon.

Mr. FITZGERALD. Why not come in at the usual hour?

We want to finish the District bill.

Mr. MANN. I hope the gentleman from New York will not object to that. We can not finish the District bill to-morrow. Members will be getting ready to go home to-morrow, and it will be impossible to finish it. I do not think that we will make any progress by meeting at 12 o'clock.

Mr. UNDERWOOD. Mr. Speaker, I renew my request.

The SPEAKER. The gentleman from Alabama asks unanimous consent that when the House adjourns to-day it adjourn to meet at 2.30 p. m. to-morrow. Is there objection?

There was no objection.

ADJOURNMENT OVER THE HOLIDAYS.

Mr. UNDERWOOD. Mr. Speaker, I desire to move the adoption of the privileged resolution which I send to the Clerk's

The Clerk read as follows:

House concurrent resolution 26,

Resolved, That when the two Houses adjourn December 23, 1913, they stand adjourned until 12 o'clock meridian on Monday, January 12, 1914.

Mr. MANN. Mr. Speaker, I think that the date for the reassembling of Congress would be altogether too late, except for one thing. I think we can afford, under the circumstances, to take this long adjournment in order to give the President a chance to get a rest, which I think he needs.

The SPEAKER. The question is on agreeing to the concur-I think we can afford, under the circumstances, to

rent resolution.

The concurrent resolution was agreed to.

THE LATE REPRESENTATIVE PEPPER.

Mr. HAUGEN. Mr. Speaker, I have the solemn duty to announce to the House the death this morning of Mr. I. S. PEPPER, a Member of the House of Representatives from the State of Iowa. Thus ends the life of a worthy young man, with years of useful, patriotic service, and universally loved and respected. At some future time I shall ask that a day be set aside that proper respect may be paid to his memory.

I now offer the following resolutions, which I send to the desk and ask to have read.

The Clerk read as follows:

House resolution 359.

House resolution 359.

Resolved, That the House has heard with profound sorrow of the death of Hon. I. S. PEFFER, a Representative from the State of Iowa; Resolved, That a committee of 18 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral;

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House;

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The SPEAKER. The question is on agreeing to the resolutions

The resolutions were agreed to.

The Chair announced the following committee: Messrs, Con-NOLLY OF IOWA, KIRKPATRICK, LLOYD, DOOLITTLE, ASHBROOK, TAVENNER, RUSSELL, LOBECK, THOMAS, BUCHANAN OF Illinois, HAUGEN, KENNEDY of Iowa, Good, PROUTY, TOWNER, WOODS, SLOAN, and SLEMP

The Clerk read as follows:

Resolved. That as a further mark of respect this House do now

The SPEAKER. The question is on agreeing to the resolu-

The resolution was agreed to; and accordingly (at 10 o'clock and 59 minutes p. m.) the House adjourned until to-morrow, Tuesday, December 23, 1913, at 2 o'clock and 30 minutes p. m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. WEBB, from the Committee on the Judiciary, to which was referred the bill (H. R. 6143) relating to the maintenance of actions for death on the high seas and other navigable waters, reported the same with amendment, accompanied by a report (No. 160), which said bill and report were referred to the House Calendar.

Mr. CLAYTON, from the Committee on the Judiciary, to which was referred the bill (H. R. 4545) to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, reported the same without amendment, accompanied by a report (No. 162), which said bill and report were referred to the House Calendar.

Mr. FERRIS, from the Committee on the Public Lands, to which was referred the bill (H. R. 10258) authorizing the Secretary of the Interior to sell to the city of Lawton, Okla., a tract of land to be used for watershed and water-supply purposes, reported the same with amendment, accompanied by a report (No. 159), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. RAKER, from the Committee on the Public Lands, to which was referred the bill (H. R. 11006) authorizing the disposal of a portion of the Fort Bidwell Indian School, Cal., reported the same without amendment, accompanied by a report (No. 161), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 5866) granting a pension to Henry P. Niebuhr, and the same was referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HAMILTON of Michigan: A bill (H. R. 11169) providing for the erection of a public building at the city of St. Joseph, Mich.; to the Committee on Public Buildings and Grounds.

By Mr. HOWARD: A bill (H. R. 11170) to divest the shipment of garden, agricultural, grass, and other seeds used in agricultural or horicultural pursuits of their interstate character, and to provide penalty for adulteration, misbranding, or fraud in the sale thereof; to the Committee on Agriculture.

By Mr. STEPHENS of Texas: A bill (H. R. 11171) to authorize and empower the Secretary of the Interior to grant rights of way, permits, or licenses, across or on Indian reservations, Indian lands, and Indian allotments, and for other purposes;

to the Committee on Indian Affairs.

By Mr. HUMPHREY of Washington: A bill (H. R. 11172) making an appropriation for aids to navigation in Alaska; to

the Committee on Appropriations.

By Mr. GOULDEN: A bill (H. R. 11173) to appropriate \$500,000 for the improvement of East River, New York Harbor, and for the removal of certain ledges and shoals in said harbor; to the Committee on Rivers and Harbors.

By Mr. LINTHICUM: A bill (H. R. 11174) providing for the appropriation of a sum of money for the erection at Fort McHenry of a monument and flagstaff to Francis Scott Key and a memorial hall to the defenders of the Nation in the War of 1812, and the erection of a monument upon the North Point battle field, and for the necessary alterations in the buildings and grounds in connection therewith; to the Committee on the Library.

By Mr. TALCOTT of New York: A bill (H. R. 11175) to amend section 1754 of the Revised Statutes of the United States; to the Committee on Reform in the Civil Service.

By Mr. BELL of Georgia: A bill (H. R. 11176) authorizing and directing the Secretary of Agriculture to conduct experiments in the cultivation of apple trees and apples and to establish an experiment station at Cornelia, Habersham County, Ga.; to the Committee on Agriculture.

By Mr. FRENCH: A bill (H. R. 11177) providing for the improvement of the Clarks Fork River in Idaho; to the Com-

mittee on Rivers and Harbors.

By Mr. RAKER: A bill (H. R. 11178) to establish a standard box for apples, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LOGUE: A bill (H. R. 11179) authorizing the Secretary of State to extend invitation to foreign countries to send delegates to the Fourth International Congress on Home Education; to the Committee on Foreign Affairs.

By Mr. GOODWIN of Arkansas: A bill (H. R. 11281) providing for the purchase or construction of vessels for saving life and property on the Mississippi and Ohio Rivers and their tributaries during flood times; to the Committee on Interstate and Foreign Commerce.

By Mr. SAUNDERS: A bill (H. R. 11232) to erect a statue of Maj. George Waller at Martinsville, Henry County, Va.; to

the Committee on the Library.

By Mr. HARDY: A bill (H. R. 11233) to provide for the purchase of a site and erection of a public building at Teague, Tex.; to the Committee on Public Buildings and Grounds.

By Mr. GARNER: Resolution (H. Res. 357) authorizing the appointment of an additional telephone operator; to the Com-

mittee on Accounts.

By Mr. PROUTY: Resolution (H. Res. 358) providing for an investigation of the truth of an article published in the Washington Times under date of December 20, 1913, relating to an alleged "Nation-wide fight on Crisp bill backers"; to the Committee on Rules.

By Mr. SABATH: Joint resolution (H. J. Res. 180) for the appointment of a committee to investigate the various systems of old-age pensions and annuities; to the Committee on Rules.

By Mr. HAY: Joint resolution (H. J. Res. 181) authorizing the loan of tents and camp equipage to military colleges and schools; to the Committee on Military Affairs.

By Mr. PARK: Joint resolution (H. J. Res. 182) proposing an

amendment to the Constitution of the United States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AINEY: A bill (H. R. 11180) granting a pension to John Cary; to the Committee on Invalid Pensions.

By Mr. BROWNE of Wisconsin: A bill (H. R. 11181) granting an increase of pension to Warren Shingler; to the Committee on Invalid Pensions.

By Mr. BROWNING: A bill (H. R. 11182) to correct the military record of John H. Hoagland; to the Committee on

Military Affairs.

By Mr. BURKE of South Dakota: A bill (H. R. 11183) granting an increase of pension to William H. Mather; to the Committee on Invalid Pensions,

By Mr. BURNETT: A bill (H. R. 11184) granting a pension to Nancy Bates; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11185) granting a pension to Thomas D. Smith; to the Committee on Pensions.

Also, a bill (H. R. 11186) granting an increase of pension to G. T. Kennamer; to the Committee on Invalid Pensions.

By Mr. CANTRILL: A bill (H. R. 11187) granting a pension

By Mr. CANTRILE: A bill (H. R. 11187) granting a pension to Louis G. Hatton; to the Committee on Pensions.

By Mr. CARY: A bill (H. R. 11188) granting a pension to William Clark; to the Committee on Pensions.

By Mr. CLANCY: A bill (H. R. 11189) for the relief of Liston H. Pearce; to the Committee on Military Affairs.

By Mr. CLARK of Missouri: A bill (H. R. 11190) granting an increase of pension to Robert N. Scott; to the Committee on Invalid Pensions,

By Mr. CLAYPOOL: A bill (H. R. 11191) granting a pension to Sarah Catharine Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11192) granting an increase of pension to John H. Shepherd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11193) granting a pension to Louisa C. Younkers; to the Committee on Invalid Pensions.

By Mr. CULLOP: A bill (H. R. 11194) granting an increase of pension to Elias Lloyd; to the Committee on Invalid Pen-

By Mr. DAVENPORT: A bill (H. R. 11195) granting an increase of pension to William Galke; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11196) granting an increase of pension to Nelson S. Russell; to the Committee on Invalid Pensions.

By Mr. DOOLITTLE: A bill (H. R. 11197) for the relief of William Grimsley; to the Committee on Military Affairs.

By Mr. EAGAN: A bill (H. R. 11198) granting a pension to

Ellen King; to the Committee on Invalid Pensions.

By Mr. FERRIS: A bill (H. R. 11199) for the relief of Joe T. White; to the Committee on Claims.

By Mr. FIELDS: A bill (H. R. 11200) granting an increase

of pension to Malinda J. Lytle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11201) granting an increase of pension to George W. Rudy; to the Committee on Invalid Pensions.

By Mr. HAMILL: A bill (H. R. 11202) granting a pension to Christiana E. Higgins; to the Committee on Invalid Pensions. Also, a bill (H. R. 11203) granting a pension to Bridget Mal-

ley; to the Committee on Pensions. Also, a bill (H. R. 11204) granting an increase of pension to

Patrick O'Donohue; to the Committee on Invalid Pensions. By Mr. KREIDER: A bill (H. R. 11205) granting a pension to Emma E. Kipple; to the Committee on Invalid Pensions.

By Mr. LANGLEY: A bill (H. R. 11206) granting an increase of pension to Spurlock Adkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11207) granting an increase of pension to William H. Swords; to the Committee on Invalid Pensions.

By Mr. MONTAGUE: A bill (H. R. 11208) for relief of the legal representatives of Jacob S. Atlee, deceased; to the Committee on War Claims,
By Mr. MOORE: A bill (H. R. 11209) granting a pension to

Eugene F. Clements; to the Committee on Pensions.

By Mr. MORRISON: A bill (H. R. 11210) granting an increase of pension to Ellis H. Scott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11211) granting a pension to Adelia Chad-

rick; to the Committee on Invalid Pensions.

By Mr. MOSS of West Virginia: A bill (H. R. 11212) granting an increase of pension to Emma P. Feldner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11213) granting an increase of pension to Mahala Stevens; to the Committee on Invalid Pensions.

By Mr. MURRAY of Massachusetts; A bill (H. R. 11214) to remove the charge of desertion from the record of Philip Mc-Laughlin; to the Committee on Military Affairs.

By Mr. O'HAIR: A bill (H. R. 11215) granting a pension to James Phillips; to the Committee on Invalid Pensions.

By Mr. OLDFIELD: A bill (H. R. 11216) granting a pension to Luther Butler Austin; to the Committee on Pensions.

By Mr. RAKER: A bill (H. R. 11217) for the relief of Andrew M. Dunlop; to the Committee on Claims.

By Mr. ROTHERMEL: A bill (H. R. 11218) for the relief of the Doremus Machine Co.; to the Committee on Claims.

By Mr. ROUSE: A bill (H. R. 11219) granting a pension to William R. Leonard; to the Committee on Pensions.

By Mr. RUSSELL: A bill (H. R. 11220) granting an increase of pension to Christopher S. Alvord; to the Committee on Inva-

Also, a bill (H. R. 11221) granting an increase of pension to

John Lynn; to the Committee on Invalid Pensions. By Mr. STAFFORD: A bill (H. R. 11222) granting a pension to Anna M. Fox; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11223) granting a pension to Elizabeth Putzear; to the Committee on Pensions.

By Mr. STEPHENS of California: A bill (H. R. 11224) granting an increase of pension to Llewellyn A. Cole; to the Committee on Pensions.

By Mr. STEPHENS of Mississippi: A bill (H. R. 11225) granting a pension to Rosa Carter; to the Committee on Pen-

By Mr. TEN EYCK: A bill (H. R. 11226) for the relief of John P. Vander Volgen; to the Committee on Military Affairs.

Also, a bill (H. R. 11227) granting a pension to Elizabeth S. Atkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11228) granting an increase of pension to Merritt D. En Earl; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11229) granting an increase of pension to Phineas Barnum; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11230) granting an increase of pension to Frederick Baker; to the Committee on Invalid Pensions.

By Mr. BEALL of Texas: A bill (H. R. 11234) for the relief of the estate of Nathan Renwick, deceased; to the Committee on War Claims.

By Mr. DICKINSON: A bill (H. R. 11235) granting a pension to Carrie Powell; to the Committee on Invalid Pensions.

By Mr. DIXON: A bill (H. R. 11236) granting an increase

By Mr. DIXON: A bill (H. R. 11236) granting an increase of pension to William N. Barnett; to the Committee on Invalid Pensions.

By Mr. HARDY; A bill (H. R. 11237) for the retirement of James C. Gunn, first lieutenant, Philippine Scouts; to the Committee on Military Affairs.

mittee on Military Affairs.

By Mr. RUBEY: A bill (H. R. 11238) granting a pension to Matilda Proe; to the Committee on Invalid Pensions.

By Mr. RUCKER: A bill (H. R. 11239) granting a pension to Sarah Irene McClelland; to the Committee on Invalid Pensions.

By Mr. TAVENNER: A bill (H. R. 11240) granting a pension to Harriett A. Turnbull; to the Committee on Pensions.

By Mr. THOMSON of Illinois: A bill (H. R. 11241) authorizing the Secretary of War to give A. R. Paton the grade of second lieutenant of Infantry; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Petition of employees on the ships of the Clyde and Mallory Cos., protesting against the passage of the seamen's bill in its present form; to the Committee on the Merchant Marine and Fisheries.

By Mr. BOWDLE: Petition of the National Housewives' Cooperative League of Cincinnati, Ohio, favoring the passage of legislation to control the distribution of beef, butter, eggs, etc., imported under the new tariff law; to the Committee on Ways and Means.

By Mr. CANDLER of Mississippi: Petitions of citizens of the first congressional district of Mississippi, favoring the passage of the Lindquist pure-fabric law; to the Committee on Interstate and Foreign Commerce.

By Mr. CLANCY: Petition of business men of Cazenevia, Brewerton, Skaneateles, Marcellus, Cortland, Homer, Baldwinsville, Tuily, New Woodstock, De Ruyter, Marathon, McGraw, Fayetteville, Manlius, and Truxton, all in the State of New York, in support of the bill (H. R. 5308) to provide for a tax upon all persons, firms, or corporations engaged in interstate mall-order business, and for other purposes; to the Committee on Ways and Means.

By Mr. DALE: Petition of the National Civil Service Reform League, protesting against paragraph M, section 11, of the currency bill, relative to the employees of the Federal reserve board; to the Committee on Banking and Currency.

Also, petition of G. L. Lerch, of Buffalo, N. Y., favoring the passage of House bill 1872, relative to placing on the pension roll the survivors of the early Indian wars; to the Committee on Ways and Means.

Also, petition of the Woman's Christian Temperance Union of the State of New York, favoring the passage of House joint resolution 168, proposing an amendment to the Constitution of the United States relative to sale, etc., of intoxicating liquors; to the Committee on the Judiciary.

By Mr. EAGAN: Petition of Mr. William Shippen, of Hoboken, N. J., and John E. Moore Co., of New York City, protesting against the passage of the seamen's bill in its present form; to the Committee on the Merchant Marine and Fisherics.

the Committee on the Merchant Marine and Fisheries.

By Mr. EDWARDS: Petition of the Philadelphia Board of Trade, protesting against the passage of the seamen's bill; to the Committee on the Merchant Marine and Fisheries.

By Mr. FARR: Petition of Pennsylvania Association Opposed to Woman Suffrage, Philadelphia, Pa., protesting against the passage of legislation to appoint a congressional committee on woman suffrage; to the Committee on the Judiciary.

Also, petition of the Employers' Association of the Philadelphia Navy Yard and the Greater Philadelphia League, both favoring the passage of legislation to establish a new dry dock at Philadelphia, Ph.: to the Committee on Naval Affairs

at Philadelphia, Pa.; to the Committee on Naval Affairs.

By Mr. FRANCIS: Petition of the National Rural Letter Carriers, at Evansville, Ind., favoring the passage of legislation for Federal and State maintenance of post roads and other legislation; to the Committee on the Post Office and Past Roads.

Federal and State maintenance of post roads and other legislation; to the Committee on the Post Office and Post Roads. By Mr. GALLAGHER: Petition of Amalgamated Sheet Metal Workers' Union, of Chicago, Ill., favoring the passage of the

seamen's bill; to the Committee on the Merchant Marine and Fisheries,

By Mr. GARNER; Petition of the Port Lavaco Commercial Club, of Port Lavaco, Tex., favoring an appropriation for the improvement of the Navidad and Lavaco Rivers; to the Committee on Rivers and Harbors.

Also, petitions of sundry citizens of the State of Texas, favoring the passage of House bill 5308, relative to mail-order houses; to the Committee on Ways and Means.

By Mr. GILMORE: Memorial of the Dedham Board of Selectmen, of Dedham, Mass., favoring the Boston Navy Yard for the building of a supply ship for increase of the Navy; to the Committee on Naval Affairs.

By Mr. GRIEST: Petition of citizens of the ninth Pennsylvania congressional district, favoring the passage of legislation establishing an old-age pension system; to the Committee on Pensions.

By Mr. HAMILTON of New York: Petition of Dunkirk Merchants' Exchange of the city of Dunkirk, N. Y., favoring the passage of legislation for flood control of the lower Mississippi River Valley; to the Committee on Rivers and Harbors.

By Mr. LAFFERTY: Petition of citizens of the third congressional district of Oregon, favoring the passage of the Lindquist pure fabric and leather bill, providing for the labeling of all fabrics and leather goods; to the Committee on Interstate and Foreign Commerce.

Also, petition of the International Alliance of Theatrical Stage Employees of Portland, Oreg., favoring the passage of House bill 1873, relative to improving the condition of labor; to the Committee on the Judiciary.

By Mr. LONERGAN: Petition of the National Rural Letter Carriers' Association, favoring certain changes in the postal laws; to the Committee on the Post Office and Post Roads.

Also, petition of the Taylor-Atkins Paper Co., of Burnside, Conn., protesting against amending the present law to provide for a review of decisions of the United States Court of Appeals by the Supreme Court; to the Committee on the Judiciary.

by the Supreme Court; to the Committee on the Judiciary.

By Mr. MAHER: Petitions of the directors of the Washington Board of Trade, the Chamber of Commerce, and Retail Merchants' Association, protesting against any change in the half-and-fraif principle of the act of 1878; to the Committee on the District of Columbia.

Also, petition of the National German-American Alliance of the State of New York, protesting against the literacy test in the immigration bill; to the Committee on Immigration and Naturalization.

Also, petition of the Maritime Association of the Port of New York, protesting against the passage of the seamen's bill; to the Committee on the Merchant Marine and Fisheries.

By Mr. MARTIN: Petition of Blackhills District Union No. 12, favoring the passage of the McDonald and Keating resolution, relative to Colorado and Michigan investigation; to the Committee on the Judiciary.

Also, petition of citizens of Lead, S. Dak., protesting against the passage of H. R. 8814; to the Committee on the Judiciary.

By Mr. RAKER: Petition of H. J. Hammond, C. R. Behle, and A. C. Rosenberger, of Sacramento, Cal., favoring the passage of H. R. 9292, to classify the salaries of veterinary inspectors, meat inspectors, etc.: to the Committee on Agriculture.

meat inspectors, etc.; to the Committee on Agriculture.

By Mr. SABATH: Petition of Local Union No. 1, International Association of Bridge and Structural Iron Workers, of Chicago, Ill., favoring the passage of the seamen's bill; to the Committee on the Merchant Marine and Fisheries.

Also, memorial of the Chicago Peace Society, approving international agreement for the suspension of the building of battle-ships; to the Committee on Naval Affairs.

Also, petition of Cotton Belt Lodge No. 204, Brotherhood of Locomotive Firemen and Engineers, Jonesboro, Ark., favoring the passage of House bill 101, relative to electric headlights on road engines; to the Committee on Interstate and Foreign Commerce.

By Mr. SCULLY: Petitions of citizens of Atlantic Highlands, Sen Bright, Highlands, Pleasant Bay, and Red Bank, in the State of New Jersey, protesting against the passage of the seamen's bill; to the Committee on the Merchant Marine and Fisherios.

By Mr. UNDERHILL: Petitions of the directors of the Washington Board of Trade, the Chamber of Commerce, and the Retail Merchants' Association, protesting against any change in the act of 1878, especially the portion of the half-and-half system; to the Committee on the District of Columbia.

Also, petition of the National Civil Service Reform League,

Also, petition of the National Civil Service Reform League, New York, N. Y., protesting against the appointing of all the employees of the Federal reserve board without the requirements of the civil-service law; to the Committee on Banking and Currency.

SENATE.

Tuesday, December 23, 1913.

The Senate met at 10 o'clock a. m.

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the

following prayer:

Thanks be unto God for his unspeakable gifts. track of the years there lingers the sweet music of an angel song, and its blessed ministry has never died out of the human heart. It has come at this time into the lives of little children and speaks with its blessed message of hope to the heart of our common humanity. It has come with its refining influence into the Christian home. We bless God that it inspires us all to a likeness to Him, who gave Himself that we might be rich.

We bless God to-day that with the recurring seasons the message comes back to us from Thee, unfolding Thy glory, inspiring us with the ideals of the life of a perfect manhood, giving to us a spirit of helpfulness and brotherliness.

We pray that the spirit of the Christmas time may enter into the hearts of these Thy servants, inspiring, enlightening, cheering them in the discharge of all their sacred obligations.

We ask for Christ's sake. Amen,
The Journal of yesterday's proceedings was read and approved. Mr. President, I suggest the absence of a Mr. SMOOT.

The VICE PRESIDENT. The Secretary will call the roll. The Secretary called the roll, and the following Senators an-

swered to their names:

Brady Gronna Myers Shively Bristow Hollis Nelson Simmons	
Bryan James Overman Smith, S.	
Burton Johnson Owen Smoot	
Catron Jones Page Sutherlan	1
Chamberlain Kenyon Perkins Thomas	
Clapp La Follette Ransdell Thompson	
Clark, Wyo. Lane Robinson Townsend	
Dillingham Lea Shafroth Warren	
Gallinger Martin, Va. Sheppard Weeks	
Goff Martine, N. J. Sherman Works	

Mr. BRYAN. My colleague [Mr. Fletcher] is unavoidably absent. He is paired with the Senator from Wyoming [Mr. WARREN]

Mr. MARTINE of New Jersey. My colleague [Mr. Hughes]

is absent on official business.

Mr. RANSDELL. The senior Senator from Louisiana [Mr. THORNTON] is unavoidably absent. I ask that this announcement may stand for the day. He is paired with the Senator from South Dakota [Mr. Sterling].

Mr. WEEKS. I wish to state that my colleague [Mr. Lodge] is absent on account of illness. This statement may stand for

Mr. GALLINGER. I desire to announce that the junior Senator from Maine [Mr. BURLEIGH] is absent on account of

The VICE PRESIDENT. Forty-four Senators are present.

The Secretary will call the roll of absentees.

The Secretary called the names of absent Senators, and Mr. REED and Mr. SMITH of Georgia answered to their names when called.

Mr. KERN and Mr. POMERENE entered the Chamber and answered to their names

The VICE PRESIDENT. Forty-eight Senators have answered to the roll call. There is a quorum present.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had agreed to the concurrent resolution of the Senate (S. Con. Res. 12) providing for the printing of 80,000 copies of the Federal reserve act in pamphlet form, etc., with amendments, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED.

The message also announced that the Speaker of the House had signed the enrolled bill (H. R. 11003) to provide for expenses of representatives of the United States at the International Maritime Conference for Safety of Life at Sea, and it was thereupon signed by the Vice President.

CONFERENCE REPORT-BANKING AND CURRENCY.

The VICE PRESIDENT. In accordance with the unanimousconsent agreement, the Chair lays before the Senate the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7837) to provide for the establishment of Federal reserve banks, for furnishing an elastic currency, affording means of rediscounting commercial paper, and to establish a more effective inquiry?

supervision of banking in the United States, and for other

Mr. GALLINGER. Mr. President, ordinarily a conference report ought to be read, but I ask unanimous consent in this case that the reading of the report be dispensed with, as it is in print.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the reading of the report is dispensed with.

Mr. BRISTOW. Mr. President, the conferees who particlpated in the conference on this bill have made certain changes in the bill, some of which I think are bad.

Mr. LA FOLLETTE. Mr. President, would it disturb the Senator if I should ask him a question?
The VICE PRESIDENT. Does the Senator from Kansas

yield to the Senator from Wisconsin?

Mr. BRISTOW. I do.

Mr. LA FOLLETTE. Would it disturb the Senator to inform us who did participate in this conference and whether

any Senator declined to participate?

Mr. BRISTOW. As to those who participated in the conference I am not advised. I was a member of the committee of conference appointed by the President of the Senate, but I had no knowledge as to the meeting of the conferees until after the report as it is before us had been made, printed, and placed upon the desks of Senators. I was then notified by the chairman of the committee that there would be a meeting of the committee of conference at 4 o'clock, two hours after this report of the committee of conference of the two Houses of Congress on the bill (H. R. 7837) to provide for the establishment of Federal reserve banks, for furnishing an elastic currency, affording means of rediscounting commercial paper, and to establish a more effective supervision of banking in the United States, and for other purposes, had been placed upon my desk. I, in company with the Senator from Minnesota [Mr. Nelson]. visited the room where we were invited to appear. We found the chairman of the committee and the Democratic members of the committee of conference there, and were given to understand that they had perfected the conference report. We were then invited to express our opinion of it, but I preferred to express my opinion where it might appear in the RECORD, rather than in the privacy of the committee room, and that I shall undertake to do this morning.

I see this report is signed by the Democratic members of the committee. Of course, I did not sign it because I was not invited to sign it, and I should not have done so, anyway, for I did not know at the time the report was prepared what it contained, and I had had no opportunity of ascertaining what it

contained.

The first important change made in the bill by the conferees-and I am merely going to call attention to the important changes—is found on page 4, where an organization committee is provided for, consisting of the Secretary of the Treasury, the Secretary of Agriculture, and the Comptroller of the Currency.

Mr. TOWNSEND. Mr. President, does the Senator from Kansas know whether the bill which is now on our desks is the

report of the conference committee?

Mr. BRISTOW. I suppose it is. Document No. 335 says: "As agreed to in conference" and "as passed by the House." That is exactly the same document and the same number as the one which was laid on our desks yesterday afternoon.

Mr. GALLINGER. Will the Senator permit me? Mr. TOWNSEND. I want to finish my ques

I want to finish my question, if the Senator from New Hampshire will permit.

Mr. GALLINGER. Very well. Mr. TOWNSEND. I want to ask the Senator from Oklahoma whether this large document here [exhibiting] contains the correct report of the conferees?

Mr. OWEN. There is a second print marked on the "Comparative print," which contains the last changes made by the conferees and agreed to. I suppose the Senator has that in his hand. There were two of those prints, and this latter contains the various changes that were made. After the first preliminary draft was printed for use, the Democratic members of the conference committee met, went over the bill, and reconciled their differences so far as they could. Then, as chairman, I summoned a meeting of the conferees at 4 o'clock, as the Senator from Kansas [Mr. Bristow] has stated, but the Republican members suggested that it was offensive to them for the Democrats to have previously met and done this work, and so they withdrew from the conference without being willing to remain, although we urged them to do so and to express their opinions about any changes they would like to have made.

Mr. BURTON. Will the Senator from Oklahoma yield to an

Mr. OWEN. Yes; I yield. Mr. BURTON. Is there any substantial difference in this print and the first print, or are the changes merely of phraseol-

Mr. OWEN. Yes; there is a change in the salary of the Comptroller of the Currency, for instance, changing it from \$5,000 to \$7,000 additional, so as to make it equal with that of the other members of the board.

Mr. BURTON. I do not now wish to take up the time of the Senator from Kansas [Mr. Barstow], but at a later time I may ask for an explanation of the changes that have been made.

Mr. BRISTOW. Mr. President, the first important change to which I desire to call the attention of the Senate is the creation of an organization committee, consisting of the Secretary of the Treasury, the Comptroller of the Currency, and the Secretary of Agriculture. This committee will organize this Federal banking system and prepare it for the possession, I suppose, of the Federal board which is afterwards to be appointed. Since the bill provides also that the Comptroller of the Currency shall be a member of the Federal board, it simply authorizes a committee, consisting of the Secretary of the Treasury and the comptroller, two members of the board, and the Secretary of Agriculture, who is not ex officio to be a member of the board, to organize the system. It is a political committee pure and simple, consisting of political officers of the administration, to take charge of this great Federal banking system and organize it; and it will be organized, of course, along political lines, as evidently is intended by the nature of the organization committee which is created. It is one of the astounding things that this measure, which we were told some two months ago was not to be political in any sense of the word, should have developed into a strictly partisan political institution, its organization to be perfected by the political party that holds Andrew Jackson as one of its patron saints. I should like to invite any historian to point to any political inconsistency on the part of any political organization in the history of free government that is any more striking than for the party of Andrew Jackson to put upon this country such a political banking machine as has been created by this bill.

Then, on page 8 of this conference report, is found another interesting change. It is well known to the Senate that those of us who supported the Hitchcock bill sought to provide for the ownership of the stock of the regional banks by the public and the control of the regional bank by a board of directors, a majority of whom should be appointed by the Federal board or by the President. We sought to have public ownership of the stock and Government control of the banks. That bill the Senate refused to accept, and it created a banking system the stock of which is to be owned by the banks and controlled by the banks. There was a provision placed in the bill as it passed the Senate which would enable the public to take any stock that the banks did not want. If the banks refused to subscribe, then the public might have the opportunity. The House provision also permitted the directors of class C to represent on the board of the regional banks the public stockholders. I want to read that provision as it passed the Senate:

Stock not held by member banks shall not be entitled to voting power in the hands of its holders, but the voting power thereon shall be vested in and be exercised solely by the class C directors of the Federal reserve bank in which said stock may be held, and who shall be designated as "voting trustees." The voting power on said public stock shall be limited to one vote for each \$15,000 par value thereof, fractional amounts not to be considered. The voting trustees shall exercise the same powers as member banks in voting for class A and class B directors

Now, I want to read it as the conference committee agreed upon it, and I should like the attention of every Senator:

Stock not held by member banks shall not be entitled to voting

If the stock is not taken by the banks and is sold to the public, then that stock has no representative, has no voting power upon the regional bank board, and the board elected by the banks that do participate, whether five banks or a thousand banks, have absolute control of the regional banks.

Mr. GALLINGER. Of the stock?

Mr. GALLINGER. Of the stock?
Mr. BRISTOW. Of the banks and of the stock also.
Mr. WORKS. Mr. President—
Mr. BRISTOW. The public might own a majority of the stock of a regional bank, but still the banks would have absolute power, and the stock owned by the public has no representative power, and the stock owned by the Covernment can not set tion. The directors appointed by the Government can not act as its trustees in voting it, for the provision covering that has been stricken out. They will have no voice whatever in electing the directors. The few banks that might participate will control the whole thing. Now I yield to the Senator from California.

Mr. WORKS. I was about to suggest to the Senator from Kansas, after his statement that the public had no representation or voting power upon the board, that they have no representation or voting power as stockholders, but the Senator has

since covered that point.

Mr. BRISTOW. Yes; why the conferees should have taken from the three Government directors the power to act as trustees for the public and why they should refuse to permit them to have a voice as such trustees in electing the board of directors for the regional banks I suppose the conferees will explain. It seems to me like a device to enlarge the power of the banks in control of the regional board, if such an enlargement was necessary

Mr. GALLINGER. Mr. President, lest the conferees should forget to make this explanation, would the Senator ask for an

explanation now? It is a very important matter.

Mr. BRISTOW. I should like an explanation. I very glad to have the chairman explain it, if he will.

Mr. OWEN. Mr. President, I shall be pleased to have the Senator repeat the question.

Mr. BRISTOW. Well, I should like an explanation as to why, on page 8, the language in the first bracket of the conference agreement was stricken from the bill?

Mr. OWEN. It was assumed by the conferees that practically there would be little or none of the stock taken by the public, but that it would be taken by the banks, and that the complication of having a director of class C exercising voting powers in one of the three groups of banks into which they are to be classified would involve considerable difficulty and complications that had better be avoided, since, in any contingency, the general interests of the country were protected by the three directors of class C, by the Government-appointed chairman and Federal reserve agent, and by the power given the Federal reserve board to remove any and all of the directors and any and all of the officers of the banks.

Mr. BRISTOW. That may be satisfactory to some people, but it is not to me.

Mr. OWEN. Mr. President, I will advise the Senator that it was satisfactory to the conferees for the two Houses.

Mr. BRISTOW. Yes; I infer that it was or it would not

have been agreed to. Anything that increases the power of the banks and takes from the people representation seems to be entirely satisfactory to the conferees, as other changes in the bill clearly demonstrate.

I desire, now, to call attention to another change, and I especially invite the attention of the Senator from Wisconsin [Mr. LA FOLLETTE] to it. It is found on page 12 of this book. It is in the amendment which the Senator offered and which was accepted by the Senate. As offered by the Senator from Wisconsin, it reads as follows:

No Senator or Representative in Congress shall be a member of the Federal reserve board, a director of a Federal reserve bank, or an officer or director of any member bank.

As revised by the conferees, it reads as follows:

No Senator or Representative in Congress shall be a member of the Federal reserve board or an officer or a director of a Federal reserve bank.

This leaves Members of Congress to be officers and directors in the member banks. Of course, no Member of Congress would be appointed to the Federal reserve board or as a director in any of the regional banks. The evil which the Senator from Wisconsin sought to reach was to prevent Members of Congress from becoming interested in the system and becoming directors and officers of the member banks of the system. Of course, the Senator will readily see that the vital part of that amendment has been cut out. I may comment on that a little later.
Mr. CATRON. Mr. President, will the Senator permit an

interruption before he passes from that point?

Mr. BRISTOW. Yes. Mr. CATRON. Is it not true that all the national banks which go into the arrangement will have to have as much capital and surplus as \$183,500 before they can have a vote that is enough to make up the \$15,000 to be allowed to vote, and that

that will cut out all of the small banks?

Mr. BRISTOW. No; if that change was made by the conferees, it slipped my attention. My understanding is that the provision permitting each bank to have one vote was retained.

Is not that correct?

Mr. OWEN. Each bank has one vote, and only one vote, whether it is a large bank or a small bank.

Mr. BRISTOW. Under the bill as it passed the Senate, the public had a right to one vote for each \$15,000 of stock which the public owned, and that was taken away by the conferees.

No director of class B or of class C shall be an officer, director, employee, or stockholder of any bank.

That has been changed also—and I call the attention of the Senator from Wisconsin to this—so that it reads now:

No director of class B shall be an officer, director, or employee of any No director of class C shall be an officer, director, employee, or stock-holder of any bank.

The bill as it passed the Senate provided that none of the directors of the regional banks should be directors in member banks. That has been cut out, however; and there is no reason now why a director of the City National Bank of New York, or the Chase National Bank, or the First National Bank of Muskogee, Okla., or any other place, should not be one of the directors of the regional banks. That is a new idea that seems

to have been born in conference, because it was in neither bill.

Now we come to the division of earnings. I wish to pass that for the present, however, and call attention to some other

things, and return to that.

On page 30, in the civil-service provision, a very interesting change has been made. I call attention to the last part of the paragraph. A number of minor changes have been made, but I will call attention now to the last one.

This is the way it read as it passed the Senate:

All such attorneys, experts, assistants, clerks, and other employees to be appointed without regard to the provisions of the act of January 6, 1883 (22 Rev. Stats., 403).

The change is as follows:

All such attorneys, experts, assistants, clerks, and other employees shall be appointed without regard.

And so forth.

I do not know what different construction might be put upon that language. Instead of "all to be appointed," this emphasizes it and says that they "shall be appointed" without regard to the provisions of this act, and so forth. So I suppose the President would not have the power, as it was alleged he would have when the debate was on in the Senate, to apply the civil-service rules to these persons if he saw fit. The question was directly asked and the answer made that the President could apply the rules. I think it was the Senator from Washington [Mr. Jones] who offered an amendment on that point. That amendment also seems to have been lost in conference.

Mr. GALLINGER. No; that is in the bill.

Mr. JONES. The amendment I proposed, and which was adopted, is contained in the conference report.

Mr. BRISTOW. It is? All right. I had overlooked it, then.
Mr. JONES. Yes; that part of it was retained.
Mr. BURTON. It was omitted from the print of yesterday,
but it is in the print of to-day.

Mr. BRISTOW. It was not in the print that was handed me. Mr. POMERENE. Mr. President, if the Senator will remember, I called his attention personally to that matter.

Mr. BRISTOW. I do remember it now. It had slipped my

Mr. POMERENE. It was simply a misprint that caused it

to be omitted in the printing.

Mr. BRISTOW. But the significant change is that it is now provided that these employees "shall be appointed" without regard to the civil service. They were not even willing to trust the President. They were afraid that possibly, in some spasm of virtue, he might order the civil-service rules applied to the selection of these appointees.

Mr. POMERENE. Mr. President—
The PRESIDING OFFICER (Mr. SMITH of Georgia in the Does the Senator from Kansas yield to the Senator from Ohio?

Mr. BRISTOW. I do. Mr. POMERENE. Do

Does not the Senator recognize the fact that this is simply changing the grammar of the sentence? It

All such attorneys * * * to be appointed.

The infinitive is stricken out, and the word "shall" is inserted, which is the only change. It does not change the meaning of it one whit.

Mr. BRISTOW. It may not. When the language says that the President shall not appoint them under the provisions of that law, I think it is more specific, and more of a command that he shall not do it, than it was in the other form.

Mr. POMERENE. Assuming that to be so, Mr. President, the amendment proposed by the Senator from Washington [Mr. Jones] is there, which gives the President full power to cover all of these places into the civil service.

Mr. BRISTOW. After they are appointed. Mr. POMERENE. Oh, yes.

Mr. BRISTOW. Not to appoint them under the civil service, but to cover them into the civil service after they are appointed. Mr. POMERENE. No; and the Senator has not been a

stranger to that practice here in the past.

Mr. BRISTOW. Oh, well, it does not make very much difference as to what has happened in the past.

Mr. POMERENE. Of course not.

Mr. BRISTOW. The method by which the civil-service law

has been extended, as the Senator from Ohio knows, has been by Executive order. It began when the law was first enacted, and every President from that time down to the present has extended the civil service except the present President. I do not think he has extended it any. He has been exempting, but

not extending, as I remember.

Mr. POMERENE. And it has nearly always been extended at the close of the President's term, after his own official friends

were in office

Mr. BRISTOW. That has been the practice of the Presidents.

Mr. POMERENE. Yes.
Mr. BRISTOW. I am not defending it. I never have defended it. It has been the uniform practice, and I have not blamed the Presidents so much as I have blamed Congress. There is little criticism to be offered as to the Executive in regard to the administration of the civil-service law. The fault has been more with Congress than with the Executive. The importunity of politicians and Members of Congress has been such that Presidents have hesitated to cover into the civil service the officers that were appointed from members of the political party to which they were opposed.

Now, I wish to call attention to a change on page 33. It re-

lates to the accepting of drafts or bills of exchange. I should like to know why this alteration has been made. I will read it:

Any member bank may accept drafts or bills of exchange drawn upon it and growing out of transactions involving the importation, exportation, or domestic shipment of goods having not more than six months sight to run.

The words "or domestic shipment" have been cut out, so that member banks now can accept drafts and bills of exchange only for the exportation or importation of goods, and not for domestic shipment.

I should like to know why the dealer in foreign merchandise, whether he is importing it or exporting it, is given an advantage over the dealer in domestic merchandise on exactly the same kind of paper. Perhaps some member of the committee of conference can explain that. If so, I should like to hear it.

I will inquire of the chairman why he exempts or strikes out, on page 33, in the paragraph next to the bottom, the words "or domestic shipment," leaving these bills of exchange only on for-

eign shipments?

Mr. OWEN. I will say to the Senator from Kansas that the chairman yielded with very great reluctance on this point, because he had a very strong opinion in favor of it, and had caused it to be put in the bill in the first instance.

The reason it was struck out was, by the demand of the House, or the argument which was made against its remaining in by the House conferees was, that small banks were apt to abuse the right of selling their credit in the way of acceptances by accepting domestic bills in default of any accommodation they could extend at the time because of their then resources. It was said that in that way they might abuse their credit, and that it would be difficult to keep a record of the sale of ac-

Mr. BRISTOW. It seems to me that could have been controlled by limiting the amount of paper which such banks could accept.

Mr. OWEN. It was limited in the bill. Nevertheless it was struck out.

Mr. BRISTOW. The effect of striking that out, as the Senator knows, is that a bank may deal in acceptances on imported merchandise, but not on domestic-manufactured merchandise.

Mr. OWEN. Yes; and I made the argument the Senator is now making in favor of it. I caused it to be put in the bill in the first instance, and insisted upon its remaining in the bill, but it was struck out by the House conferees because they said it would cause inflation of credit. I disagreed with them, and I agree with the Senator from Kansas that it ought to have remained in.

Mr. BRISTOW. Of course it is a manifest favor to the foreign producer of merchandise as against the domestic producer. I feel that it is a very great injustice to our domestic producers, and I concur in the opinion expressed by the chairman as to that. That is one of the things that I think I should have insisted on if I had been permitted to participate in the conference.

Mr. OWEN. The Senator ought not to say that he was not allowed to participate in the conference, because the Senator had the work which was performed by the Democratic members submitted to him at 1 o'clock on yesterday, at the very first moment we could have a print of it, so as to give him an opportunity of seeing what changes were contemplated. Then the Senator was invited to express his opinion upon any of those changes; but he declined to do so, and withdrew from the conference without permitting the differences in the proposed conference report to be submitted to him for signature.

Mr. BRISTOW. Two hours after the report had been printed and circulated in both Houses and was on the desk of every Member of the Senate and of the House, I, as a member of the committee of conference, was invited to appear and state, to gentlemen who had made up their minds what they were going to stand for, what I thought about it. And, as I said before

Mr. OWEN. The Senator is mistaken in saying that the conference report was printed, because the conference report was not printed. What he mistook for the conference report was a printed preliminary draft made for the purpose of saving time, showing what the Democrats thought would be advisable in reconciling the differences between the Houses. It was not the final actual conference report, and had not been signed. It was simply a preliminary draft made by the Democrats of the committee, and was put in print for common convenience of examination by all interested. The Senator knows that perfectly well.

Mr. BRISTOW. Yes; I know that that-

Mr. OWEN. So that Senators could have an opportunity to examine it.

Mr. GALLINGER. Mr. President-

Mr. BRISTOW. I yield to the Senator from New Hampshire. Mr. GALLINGER. I will ask the Senator from Kansas whether or not, when he was invited to appear before certain gentlemen after this report had been printed, the conferees on the part of the House were present?

Mr. BRISTOW. Yes.

Yes.

Mr. GALLINGER. They were?
Mr. BRISTOW. They were there, and we were invited to express our opinions.

Mr. OWEN. I again insist that the Record should not show that that was after the report had been printed, because the actual report had not been printed.

Mr. BRISTOW. Well, the pamphlet I have on my desk is entitled "Report of the committee of conference of the two Houses," and that was on my desk two hours before.

Mr. OWEN. The Senator is referring now to a document

that was not on his desk.

Mr. BRISTOW. I beg the Senator's pardon.
Mr. OWEN. All right.
Mr. BRISTOW. I am referring to a document that was on my desk on December 22, and was placed here at 2 p. m.
Mr. OWEN. Then the Senator is not referring to the print

of the conference report, because that is not the print of the conference report.

Mr. BRISTOW. I am reading what it says, "Report of the committee of conference of the two Houses.

Mr. OWEN. I know the Senator is reading what it says, but I am talking about the actual fact.

Mr. TOWNSEND. May I ask the Senator a question?
Mr. BRISTOW. I yield for that purpose.
Mr. TOWNSEND. Had or had not the conferees agreed to this report when they invited the Republican members in?

Mr. OWEN. They had not. Mr. TOWNSEND. Does the Senator mean that it was open at that time to any change the Republican conferees might have suggested?

Mr. OWEN. Yes; and it was explained to them, and they were invited to suggest changes, and they declined.

Mr. CLARK of Wyoming. The print which I have, which was laid upon the desks of Senators yesterday, supposedly with the concurrence of the committee, has three columns to it.

Mr. CLARK of Wyoming. The first column is "House bill," the second column the bill as "Passed by Senate," and the third the "Conference agreement." Of course, it was not a report, because it had not been made to the House, but I took it to be what it said it was, an agreement of the conferees as to what they would report to the Houses.

Mr. OWEN. I will say to the Senator that the first print repeated word for word in the third column the action of the Senate before the Democratic members even met. Then the Democratic members went over it and suggested changes, and after they had made suggested changes it was printed the second time, Monday forenoon. Copies were given Senators Bris-Tow, Nelson, and Weeks at 1 p. m. Monday. Then all the conferees of the two Houses were called in, at 4 p. m. Monday, and they were publicly and courteously invited to suggest whatever changes they desired, and the Republican conferees declined to make any suggestions, but chose to regard it as something of an affront in not having been invited in in the first place to the

Democratic caucus on Sunday.

Or ADK of Wyoming. This print of the bill was certainly not made before the time the Senator from Kansas said they were invited in. This print which I hold in my hand is a print which was laid on the desk later. But the print which I hold in my hand has a column headed "Conference agreement."

Mr. OWEN. I will say to the Senator that that was done for the purpose of saving time. The first print of the document he has in his hand had no interlineations whatever in the Senate bill, but showed, first, the House bill; second, the House bill as amended in the Senate; and, third column, the unchanged Senate bill ready for amendment by conferees. It was done for the convenience of the printers, so that when changes were made in conference they would not have to reset the whole matter, but could quickly make inserts in column 3.

Mr. CLARK of Wyoming. It seems to me we are wasting a

lot of time and a lot of money in printing.

Mr. WILLIAMS. Mr. President— Mr. BRISTOW. I yield to the Senator, and then I must hurry on.
Mr. WILLIAMS. I ask permission out of order to introduce

a bill.

The PRESIDING OFFICER. The Chair is obliged to rule that that is in violation of the consent agreement.

Mr. GRONNA. Mr. President-Mr. BRISTOW. I yield to th I yield to the Senator from North Dakota, and then I must decline to yield further. Other Senators want to occupy time.

Mr. GRONNA. I am very much interested in the paragraph which the Senator from Kansas has just been discussing in reference to acceptances.

Mr. WILLIAMS. Do I understand that unanimous consent was refused for the introduction of the bill?

The PRESIDING OFFICER. The Chair rules that under the unanimous-consent agreement consent can not be given; that it would be a violation of the existing unanimous-consent agree-

Mr. WILLIAMS. I do not care to argue that question with the Chair now, because it would interrupt the Senator from Kansas, but some day I will convince the Chair that the Chair has ruled wrong

The PRESIDING OFFICER. For the present the Chair

believes he ruled properly.

Mr. BRISTOW. I yield to the Senator from North Dakota.

Mr. GRONNA. I want to ask the Senator from Kansas a question, as I am very much interested in this particular paragraph, which relates to acceptances of drafts and bills of ex-As I understand the paragraph, acceptances can be made only for shipments of goods that may have been im-

ported or exported.

Mr. BRISTOW. That is right.

Mr. GRONNA. Is it not true that if in 1907 domestic bills or acceptances could have been employed, about \$100,000,000 of drafts would have been used in that way? This forecloses the right of the farmer or the agricultural class to have their drafts drawn against bills of lading of their grain and their

stock? Are they not excluded from this regional bank?
Mr. BRISTOW. Yes.
Mr. GRONNA. That is another gross discrimination in favor of the exporter and against the domestic shippers of this

Mr. BRISTOW. The packing house can take advantage of these acceptances; the banks can accept for any exportation of products, but the shipper of cattle to a domestic packing house or the shipper of grain or cotton to a domestic mill is barred from the privilege of having his drafts accepted, and so in the case of the mill shipping to a customer. It is a discrimination in favor of the exporter and against domestic trade. I think it is an infamous thing.

Referring to the participation of the conferees, I do not care to haggle about that, but a conference means that the conferees of the two Houses shall meet and discuss a measure and come to an agreement as to its provisions if they can.

Mr. GALLINGER. A full and free conference.

Mr. BRISTOW. A full and free conference. It is the unbroken precedent of the Senate that members of both political parties represented on the conference committee shall participate.

Mr. OWEN. Mr. President-

Mr. BRISTOW. I will yield in just a minute. This is a violation of the unbroken precedent, and I think it was because the chairman of the committee believed that the Republican conferees might vote with members of the Democratic conference, and thereby probably put in or take out of the bill some of

his pet measures. Because of that, I have been told he refused to sit in the conference that was held with the Republican members present.

Mr. OWEN. Mr. President, the Senator from Kansas has no justification in supposing that the majority party can not or would not act in unison and as a unit in conference. If the Senator thinks that he, representing an opposition party, can split the Democratic Party at his convenience and change the policy of the majority of the Democratic Party in this body, he is mistaken. He tried to do it in the Banking and Currency Committee and he failed. He was not permitted to try it in the conferences of the Democrats of the Senate, and we had good reason in excluding in the preliminary consideration of this bill the Senator from Kansas, because we did not want a "debating society" in lieu of a conference.

Mr. BRISTOW. Yes; I will get to that pretty soon. There are some things in this bill which the Senator from Kansas was for that the Senator from Oklahoma is against. The President of the Senate appointed the Senator from Minnesota and the Senator from Kansas as members of the committee of conference and the Senator from Oklahoma had no right, either in morals or so far as the membership of this body is concerned, to exclude him from a full and free conference in that room, whenever the bill was under consideration. I believe it was done because the Senator from Oklahoma knows that he could not control the vote of the Senator from Kansas any more than he could control the votes of all the Members on the Democratic side in the interest of certain great banking concerns which have had a part in the framing of the provisions of

Mr. OWEN. Mr. President, I deeply feel my recent affiliation with the big business interests of the country, and I appreciate the complete reform of the Republican Senators, who have had for years the opportunity of giving this country relief against big business and have never done it, and who have not only been affiliated with big business, but have been receiving campaign funds ad libitum from those very interests.

Mr. BRISTOW. The Senator from Oklahoma, who has assumed such virtue in the years that are passed, who has denounced the Aldrich bill, has accepted its most offensive provisions and covered them with a mask to deceive the American people, and he knows it.

I now come to the insurance of deposits. Before I take that up I will refer to the provision on page 42, which requires the Federal reserve bank to receive on deposit at par from member banks or from Federal reserve banks checks and drafts, and so forth. That will come as a severe blow to the small country banker, who has so violently protested against that provision.

Now, I want to take up section 7. Every provision in this bill that was in the interest of the banks has been retained. The provisions that were stricken out were provisions in the interest of the public. I call the attention of the Senate to the colloquy with the Senator from Oklahoma on the last day that the bill was before the Senate in regard to the insurance of bank deposits. It will be remembered that I read an article from the New York Sun, in which it was said that Secretary McAdoo had been revising this bill, and that one of the things he decided upon that should go out was the provision for the insurance of deposits. The Senator from Oklahoma, after some ance of deposits. The Senator from Oklahoma, after some equivocation, finally said that there was no agreement that it should go out, but declined to say that it would be held in.

I want to speak just a few words about the insurance of deposits. It has been attacked upon this floor with great violence.

A provision was placed in the bill which was ineffective, but it recognized a principle. It would have been of advantage at least to some parts of the United States.

The present postal savings bank is simply a scheme or a system very largely for the insurance of deposits. The Government takes the money from the people and pays 2 per cent interest on it. The day that it is deposited in a post office an officer goes across the street and deposits it in a bank, and the bank pays the Government 2½ per cent. The postal savings-bank system was instituted for the purpose of giving the people who were afraid of banks a safe place to put their money. They had onfidence in the Government, but not in the banks.

Mr. THOMAS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kansas

yield to the Senator from Colorado?

Mr. BRISTOW. I do.

Mr. THOMAS. I think the Senator can go a step further and say that the purpose of the pending bill is to insure bank notes or notes of issue.

out of hiding; that such money would be deposited in the post offices, where those who are skeptical as to the safety of banks would have no doubt about its safety. It has resulted in bringing out something over \$30,000,000 that has been deposited

in our post offices.

As I said, the same day this money is taken by the postmaster and deposited with a bank the bank pays the Government 2½ per cent; that is, the Government insures the safety of that fund to the depositor and charges him one-half of 1 per cent-for it. If there is any Senator here who can deny that proposition, I should like to have him do it now. It is nothing in the world but an insurance of the money to the depositor that it will be returned. The Government does not use it. Probably one-thirtieth of the amount that has been deposited has been invested in bonds, but the amount is comparatively insignificant. The postal savings system, as we have it now, is an insurance of deposits, for which the Government charges one-half of 1 per cent; yet we are told it is unsafe to take a part of the profits of a regional bank and insure depositors in the member banks against loss.

The fight that has been waged here against depositors' insurance is an unjustifiable assault upon as sound an economic principle as ever was woven into the statutes of the United

States. It ought to have been in this bill.

The Senator from Oklahoma can preserve the features in this bill that add to the profits of the bank of which he is one of the owners, but he lets go out the only provision that would insure the safety of the funds of the people who deposit in those banks.

Mr. OWEN. Mr. President—
The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Oklahoma?

Mr. BRISTOW. I do.

Mr. OWEN. The Senator from Kansas goes far in attempting to impugn the motives of a brother Senator. He violates the Senate rules in doing that. I shall not dignify the intimation of the Senator with any answer. It does not deserve an answer. I have for years advocated a guaranty fund or an insurance fund for bank deposits. I spoke in this Chamber five years ago in favor of it. The House committee is preparing a special bill on the plan of insuring bank deposits. have a subcommittee expressly charged with that duty. They expect to bring out a perfected bill and one that is not so imperfectly drawn as this proposed use of a part of the funds which are earned by the Federal reserve banks. I should expect to assist in perfecting a measure of that kind, but I remind the Senator from Kansas, while he invokes the gods to witness as to the perfidy and wickedness of the Senator from Oklahoma, every single member of the Kansas delegation who voted at all voted for this measure in the House. The Senator thinks he represents Kansas. Not a single member of the Kansas delegation voted against this measure in the House.

Mr. BRISTOW. I regret very much that is the case. Mr. OWEN. Six of them were for it and two were absent. Mr. BRISTOW. I regret very much that the Representatives from Kansas should have so voted. I think if they had been thoroughly advised none of them would have voted for it, except those who do not profess to be free and independent from the dominion of a caucus.

Mr. REED. Mr. President-

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Missouri?

Mr. BRISTOW. I will for a moment, but I must get through. am taking more time than I ought to take.

Very well; I will take a few moments after the Senator is through.

Mr. SHAFROTH. I should like just to say in a minute that during the conference consideration the Senator from Oklahoma insisted three or four times upon this amendment being in. It was denied by the House conferees. They made the claim that they were going to have a perfected system. The action of the Senator from Oklahoma was absolutely loyal to the provision which the Senator from Kansas is referring to.

Mr. REED. Mr. President, that is what I rose to say, exactly, and I would have said it in stronger terms than my friend from Colorado has said it. I only make a remark now because I want to emphasize what he said. Since I have the floor, let me say that this was practically a last-ditch proposition on the part of the Senate, and it came to a point where, manifestly, there would be a disagreement reported and the passage of the entire measure delayed unless there should be a

yielding.

Mr. BRISTOW. Yes; that is true. The argument that was made for the postal savings bank was that it would bring money process of preparation, indeed it is almost, if not quite, pre-

pared, developing a plan that will create a real fund. Even if such a plan did not exist, we have the power to inaugurate such a plan; and even if neither proposition were true, it still remains that if the Representatives of the House absolutely refused to yield and we had the choice of delaying or defeating the entire bill or yielding this matter, it would have been better for the country, of course, to yield upon the principle that if you can not get entire relief, you had better have some relief than

othing. The criticism of my friend from Kansas— Mr. BRISTOW. Mr. President, I beg the Senator from Missouri to remember that the time for discussion is limited to-day,

and I shall have to ask him to speak in his own time.

Mr. REED. I did not know that. Let me finish this sentence, and I am through. The criticism of the Senator from Kansas upon the chairman of the committee is not justified by

any fact which occurred in conference. Mr. BRISTOW. Mr. President, it may be satisfactory to the Senator from Missouri, in whose sincerity of purpose I have confidence, so far as this proposition is concerned, to say that "we will let this go out of the bill and we shall provide for it in different legislation." Since I have been in the Senate that has been one of the methods of defeating legislation. Now is the opportunity; now is the accepted time; now we had the provision in the bill. If it were desired to perfect it, it would have been just as easy to perfect it now as it would have been to perfect other provisions in the bill. It was a provision

directly in the interest of the depositors of the banks.

I notice the Senator from Oklahoma did not yield the point that the interest to be paid on the stock which these same banks are made to hold should be 6 per cent instead of 5 per cent. The House provided that the dividend to be paid on the stock by the regional bank should be 5 per cent. The Senate increased that from 5 per cent to 6 per cent, and that provision remains in the bill. It was a provision of the Senate that gave the banks 1 per cent more, and the Senator from Massachusetts [Mr. Weeks], when he discussed the bill, declared that it meant throwing away by the United States Government a million dollars. I suggested on the last night when the bill was under consideration that we could take that million dollars and create a depositors' insurance fund, which would be of value to the depositors in the banks throughout the United States. Oh, no; that suggestion could not be accepted. Those who drew the bill in the interest of the national banks preferred to put that million dollars into the coffers of the banks instead of putting it into a trust fund to insure the money of the depositors in the banks.

You may say, "We will legislate on this subject in the future." Yes, possibly; but now is the time. nture." Yes, possibly; but now is the time.

Mr. OWEN. Will the Senator from Kansa

Will the Senator from Kansas yield to me? Mr. BRISTOW. I shall have to let the Senator from Oklahoma answer in his own time. I want to read an extract from the Congressional Record, on page 4719, of September 5:

the Congressional Record, on page 4719, of September 5;

Mr. Williams. I want merely to read a part of Jefferson's Manual which relates to a direct personal interest, not to the general interest of consumers. I am interested in beef because i am a consumer of it;

"Where the private interests of a Member are concerned in a bill or question he is to withdraw. And where such an interest has appeared his voice has been disallowed, eyen after a division. In a case so contrary, not only to the laws of decency, but to the fundamental principle of the social compact, which denies to any man to be a judge in his own cause, it is for the honor of the House that this rule of immemorial observance should be strictly adhered to."

Then the Senator from Mississippi continued:

The Speakers of the House of Representatives and the presiding officers of the Senate have ruled that the Member's vote could not be excluded in his interest, because he himself was the judge of the fact as to whether he was personally and directly interested or not; that he must rely upon his own sense of honor and justice in determining that fact.

That was a quotation read and those were remarks made by the senior Senator from Mississippi when the tariff bill was under consideration and the Senator from Rhode Island [Mr. LIPPITT] was discussing it. An attack was made by a number of Senators on the other side upon the Senator from Rhode Island because he is interested in some cotton mills. alleged that the tariff on cotton was directly in his interest, While the tariff on a cotton fabric may be of general interest to the manufacturers of cotton fabrics throughout the country, it can not be located specifically and directly in the interests of a single manufacturer as personal legislation. owns a large interest in a bank and he votes for a provision which increases the earnings of that particular bank, does he not vote to increase his own personal fortune in a direct way and not in a general way such as would be the case under the tariff bill? I maintain that he does. When a Senator votes for a dividend of 6 per cent instead of a dividend of 5 per cent on stock in which he has a personal interest, it seems to me that is coming in direct violation of the rule which Jefferson's Manual lays down; it is far more direct than any vote could be on a tariff schedule; yet the indignation of some Senators in this Chamber against some other Senators who have voted on general schedules has been very great.

I now want to read a clipping which has been handed me,

which is as follows:

OWEN INVESTS IN NEW BANK-SENATOR WILL BE BIG STOCKHOLDER OF ST. LOUIS INSTITUTION.

St. Louis institution.

Senator Robert L. Ower, chairman of the Senate Committee on Banking and Currency, last night confirmed a report that he is to be a large stockholder in a national bank now being organized in St. Louis. The head of this institution will be the Rev. Dr. J. T. H. Johnston, president of the Reserve National Bank of Kansas City.

The new institution will absorb a number of other St. Louis banking concerns, among them the German Savings Institute and the Commonwealth Trust Co., the latter being one of the influential financial concerns of that city.

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My allegation is that this bill has been drawn in the interests of the banks; that the Senator from Oklahoma, as the chairman of the committee, is largely interested in banks; that the profits which will accrue to those banks directly will add to his personal fortune; that he has voted to increase the dividends on the stock of the regional banks, which will be paid to the member banks, from 5 per cent to 6 per cent; that he has voted against permitting the public to hold the stock of these regional banks and has insisted that it shall be held by the member banks; and that he has voted against giving the Government the control of the regional banks and in favor of the banks controlling the regional banks, and it is for him to say whether he has violated the rule laid down in Jefferson's Manual.

In closing I desire to say that this bill contains a concentration of power that has never been lodged in any Federal officer since the Government was established. It puts in the hands of the Secretary of the Treasury and his subordinate officer, the Comptroller of the Currency, a power over the banking and currency affars of this Nation greater than has ever been held by any man in the history of any civilized nation over the bank-

ing and currency of that nation.

Where are we coming to in the centralization of power? The Attorney General by a statement sends up the stock of corporations, the aggregate capitalization of which is more than \$500,000,000, approximately 10 per cent in a single day. By his action he can decrease the value of that stock to-morrow in the same amount. When you take the power which the Attorney General assumes under the laws and add to that the power that this bill places in the Secretary of the Treasury, you are providing a centralization of power that Alexander Hamilton would have blushed with shame to have suggested, and yet this is done by a political party that holds up Thomas Jefferson as its patron saint. Ah, you may pursue this course and deceive the American people for a time, but it will be for a limited time, and for a limited time only.

Mr. OWEN. Mr. President, it will only take me a moment to answer the Senator from Kansas [Mr. Bristow]. Twenty-four years ago I did establish a little bank down in Oklahoma the First National Bank of Muskogee. I had stock in it then; I have stock in it now, and I shall keep it until I die. I am proud of that little bank; it has done a good work in its sphere. The suggestion of the Senator from Kansas that my action in connection with this bill is moved in any degree by my possession of that stock is not only ridiculous but absolutely false,

and the Senator knows it is false.

The suggestion made by the Senator from Kansas that 5 per cent on \$100,000,000-which would abstract \$5,000,000 from this system-is less expensive to the general public and more advantageous to the banks than 6 per cent on \$50,000,000-which would abstract \$3,000,000 from the system-is mere foolishness. There is a difference in favor of the 6 per cent on \$50,000,000 over 5 per cent on the \$100,000,000 of \$2,000,000 in favor of the general public.

The banks of the Southwest do not regard a 6 per cent inestment as a valuable investment. They lend money at 8 and 10 per cent; they are doing it now, and they have no difficulty in placing money at 8 per cent on excellent security. gestion of the Senator does no credit either to his judgment or to his heart.

Mr. REED. Mr. President, I shall occupy the floor but a moment, because the time is limited and I understand, under the arrangement which has been made, all of the time has been assigned to the other side of the Chamber except about an hour.

I said in part when permitted to interrupt the Senator from Kansas [Mr. Bristow] that the Senate conferees had contended for the so-called guaranty, or insurance, provision of this bill until it became manifest that a disagreement would result. A disagreement would of course have delayed the final passage of this bill and possibly would have imperiled its passage at

We were therefore put to the answer of this question: Shall we have a bill containing many benefits, have it pass, have the business of the country go on uninterrupted and unimpeded by the present condition of uncertainty, or shall we insist upon retaining in the bill a provision which all admit was imperfect and experimental, but nevertheless a provision which would have recognized the principle of bank insurance? Under those conditions we yielded. The House, through its conferees, stated to us that it was their fixed purpose to prepare and bring in a bill which would work out a consistent, harmonious, and effec-tive plan for the insurance of bank deposits. Under those conditions it would have been a foolish thing for the Senate to have insisted and longer delayed the passage of this bill. Now, be-cause we did that, the Senator from Kansas indulges in what parliamentary custom, usage, and rules forbid me from properly characterizing in this body.

We have had a lot of mock heroics and vociferous fulmination

about this bill being drawn in the interest of the banks. Cou-pled with that are two claims. One is that by compelling the banks to take the stock of this system we have perpetrated a wrong and an outrage upon the banks and compelled them willy-nilly to subscribe to this capital stock, and that by so doing we have almost invaded their constitutional rights, if, indeed, we have not quite done so, and taken their property without due process of law. Having thus claimed that a wrong is being imposed upon the banks when we ask them to take this stock, and having exhausted the language of vituperation against us because of that, out of the same mouth and from the same lips and within 15 minutes' time we find ourselves denounced because we have not given the public the great benefits it would derive

from the purchase of this same stock. Mr. BRISTOW. Mr. President-

Mr. REED. Just wait until I conclude this sentence. I have heard those two arguments from that side of the Chamber, first from one man and then from another, and it can not be that they are both true. It can not be that it is a great outrage upon the banks to ask them to take this stock, and at the same time that it would be a great blessing to the public to permit it to take the same stock. Consistency is a jewel that seems to be getting very rare in this debate.

Mr. BRISTOW. Mr. President The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Kansas?

I yield.

Mr. BRISTOW. The Senator, of course, does not mean to misrepresent me, I know; but he never heard me say it was doing an injustice to the banks to compel them to take this He may have heard other Senators say so.

Mr. REED. I do not mean to do an injustice to the Senator I am dealing with the general line of the debate. Mr. BRISTOW. The reason I interrupted the Senator was that he said "from the same lips." I never have contended that. I have heard it from the same lips. I am not

replying especially to the Senator from Kansas.

Mr. President, the next claim that is made is that we are in some way imposing a burden upon commerce by permitting a 6 per cent dividend upon \$50,000,000 of stock, but that we would be conferring a great benefit upon commerce by levying a 5 per cent dividend upon \$100,000,000 of stock. already been answered. It answers itself.

The truth about the matter is that there is no occasion for anybody to go into heroics over this matter at all. The truth about the matter is that this bill is intended to strengthen our banking system. Nobody has ever claimed anything else. If the plan works as its authors hope, as everybody hopes who is more of a patriot than he is of a partisan, more of a lover of his country than he is of the success of his party, the truth of the matter is that the bill will probably benefit the banks by removing from them the great menace that is constantly present of paules and of constriction of credits at the very moment when credits ought not to be constricted. The other truth that goes with it as a corollary is that by removing this menace from the banks we at the same time remove the menace from the

A panic first strikes the bank, but within the next succeeding moment it strikes the depositor of the bank; it strikes the borrower from the bank; it strikes the business of the country, and it goes on down and strikes the man who digs in the trench and who toils in the mine. A sound financial system is essential to a sound business system, and a sound business system is essential to a sound industrial system, and all are essential to

the happiness of a people.

Mr. President, I do not intend to follow this line of discus-

Senator from Kansas. The bill before us does not differ in any great essential from the bill that he himself signed. The personal attack upon the chairman of the committee is a regrettable thing, and is about as far-fetched as it would be to charge a sinister and selfish motive to the Senator from Kansas because at some time he may borrow money from a bank or he may have a newspaper that borrows money from a bank. That would not be a proper charge to make; and the Senator from Kansas ought to withdraw the statement he made here upon the

Mr. NELSON. Mr. President, it is not my intention at this time to enter into any discussion of the merits of the bill as agreed upon in conference. I only intend to refer to some other matters of a peculiar and revolutionary character in connection

with the bill.

When the pending bill came to the Senate on the 18th of September last, it was understood, and was so indicated on the other side of the Chamber, that it was to be treated as a measure of legislation that concerned the welfare of the people of the entire country, high and low, rich and poor, Republicans, Democrats, Socialists, Populists, or whatever might be their political or social affiliations, and that we were to consider it in a purely nonpartisan spirit. Whatever motive may have actuated other Senators in that respect, so far as I am concerned I considered the bill in that spirit from first to last. Strangely enough, however, we were hampered from time to time while we were carefully considering the bill. I attended all the hearings of the committee from the 18th of September on, except during one solitary week at the beginning, when I was necessarily compelled to be absent. Notwithstanding the close attention which was being given to the measure we were from time to time threatened with a caucus unless we moved more rapidly and made certain changes in the bill.

Senators all know the result. A disagreement arose in the committee on one or two vital propositions, when it divided into two sections, and each section of six made a separate report. The report made by the members of the committee headed by the Senator from Oklahoma [Mr. Owen] was afterwards submitted to a Democratic caucus or conference. The bill reported by the section of the committee with which I acted was not

submitted to any conference.

I need not go into what transpired in reference to the passage of the bill. I can only say that after the bill was passed a request for a conference with the House of Representatives was made by this body, and acceded to by the other legislative body. According to parliamentary usage, the bill was put into conference; but, as a matter of parliamentary law, there has been no conference on the bill.

When a bill is referred to a committee of conference, if there are no restrictions in connection with the reference, if there is no provision or resolution limiting the operations of the committee, it has been understood from time immemorial, from the beginning of our system of parliamentary law, that such a conference should be a full, fair, and free conference, open to all

the members of the committee.

What are the facts in this case? When the conferees met, the Republican members were not permitted to be present. want to acquit the Members of the House; I want to do full justice to them. The conference committee of the House, headed by Mr. Glass, took their Republican associate with them, and were willing to confer with the Republican members of the conference committee of the Senate. Objection was made to that course, however. The objection came from the six Democratic conferees on the part of the Senate. They saw fit to exclude us from a full, fair, and free conference on this bill, such as has always been customary.

Mr. President, I have served in four different legislative bodies in my day, and I have never before had such an experience as that I have just undergone. I have served in this body for 18 years; I have been at the head of two important committees; and in my legislative conduct I have always aimed to treat Senators on both sides of the Chamber fairly and honestly, without discrimination. I do not think any Democrat who has served with me can say that as a member of any committee or as chairman of any committee I have ever discriminated against Democrats. I have always accorded to them the same fair treatment in all matters of legislation that I have given to any of my Republican colleagues.

The conference was ordered on last Saturday. cratic members of the conference committee met that afternoon or evening; they met again on Sunday morning, and continued in session until 3 or 4 o'clock on Monday morning. They had There was no occasion for this kind of an attack by the come to an agreement among themselves, and their report was

printed. The Republican members were never consulted or invited to the conference.

About 10 o'clock yesterday morning I received a telephonic message from the chairman of the committee asking me to meet with them. I went over to his room a few minutes after that time, between half past 10 and 11 o'clock. I found the chairman of the committee there and the Senator from Missouri [Mr. Reed]. I said, "I suppose you have agreed to your conference report?" "Yes; we have." "There is nothing for us to do, then?" "No." I walked out. I heard nothing more. Then afterwards, between 12 and 2 o'clock, the chairman of the committee called me out of the Chamber and handed me the printed conference report which I hold in my hand, and said, "I wish you would look this over." Subsequently, at 4 o'clock, we were summoned before the committee. After the Democratic members had had a conference over the bill, lasting from Saturday noon until Monday morning at 3 or 4 o'clock, we were called up, just as a criminal is called up after a verdict of conviction against him has been found, and asked what we had to say as to why sentence of the Democrats should not be pronounced upon us. [Laughter.] We were called before the committee at 4 o'clock, and they said, "Here is what we have agreed upon. What have you to say as to why this Democratic sentence should not be pronounced upon you?

What could we say? A poor culprit knows, under such circumstances, that it is idle for him to enter into any dispute with the judge. He might as well sit down and keep quiet, and that is what we did. It was pure mummery; and yet, in the face of these bald facts, the chairman of the committee has the audacity to come here and say that we were given an oppor-If he calls that an opportunity, I hope the Senator from Oklahoma will live to have such opportunities in the

future. [Laughter.]

Mr. President, I feel that this was an insult and an indignity offered to the Republican members of the conference committee. When the President of the Senate appointed three Republican conferees it meant, under parliamentary law, that we were to be permitted to cooperate and to act with the other members of the committee. By your conduct, Senators, you have not only insulted us and piled injury upon insult by calling us before your committee after you had agreed, but you have disfranchised the States we represent. You may have humiliated me by the course you have pursued, you may have belittled me, but what is more, you have belittled and disfranchised the great State of Minnesota, which I have the honor in part to represent,

When the President of the Senate appointed me one of the members of the conference committee I was appointed as a Senator from the State of Minnesota. Under the Constitution my mandate was as strong, my power of attorney was as comprehensive as that of the Senator from Oklahoma or of any other Senator in this body. I wish to say to the Senator from Oklahoma that the State of Minnesota, however unworthy its representative may be, is at least entitled to as much consideration in this Chamber as the States of Oklahoma, Colorado, and New Hampshire; and we hope by and by to be as big as the

State of Ohio. [Laughter.]

These are the bald facts in the case. What do they lead to Mr. President? They lead to a new parliamentary rule inflicted upon us by the Democrats. Whenever your President or you see fit to label a measure a party measure, whether it be a matter of rural credits, antitrust legislation, railroad legislation, or what not, and hold a party caucus over it, treat it purely as a party question, and ignore us, not only on regular committees but on committees of conference as well, you have established a rule that none but you are entitled to legislate for this country, you have established a rule that States which send Republicans here are not entitled to any consideration. By the conduct of the six Democratic conferees you have, as I have said, not only insulted Republican members of the committee, but in that respect you have disfranchised the State of Minnesota, the State of Kansas, and the State of South Dakota, States equal to your States under the Constitution, whose representatives in this body were appointed as members of the conference committee.

I have heard a good deal said about the commission of the Democratic Party to legislate. They may have a great com-mission, for all I know; but under the Constitution of the United States we are all here on a footing of equality; we are here as representatives of great States, entitled to equal consideration. When you fail to give us fair and equal consideration, you to that extent disfranchise the great States we represent.

So far as I am concerned, I never felt so humiliated in all my legislative experience as I feel on this occasion. My humilia- jority reached a vote. What it cared about was what the

tion, however, is a small matter, a personal matter, compared with the humiliation and indignity inflicted upon the great State of Minnesota in the disfranchising of its representative in this body.

I shall go home to my people in Minnesota and tell them that the Democratic Party have adopted a new gospel here; that whenever they have a piece of legislation they desire to put through they will label it "party legislation"; that after that has been done it is to be passed by caucus rule; and if it gets into conference Republicans are not to have any consideration, and you in Minnesota are to be forever disfranchised.

Mr. WILLIAMS. Mr. President—
Mr. NELSON. I decline to yield to the Senator from Mississippi. I like the Senator from Mississippi, but he must take the same medicine that his Democratic conferees have given me on this occasion

Mr. WILLIAMS. I beg the Senator's pardon; I had no intention of interrupting him at all. I thought the Senator was

sitting down.

Mr. NELSON. Mr. President, it is "a long road that has no turning." "The mills of God grind slowly, yet they grind exceeding small." I have seen two Democratic administrations come and go during my legislative career. I have seen another one come, and I think I shall live to see that go, too. ter.] I think, M1. President, that bye and bye a greater day will dawn for the Republic, when this Democratic legislative tyranny that has been inflicted upon us at this session will be something that even the Democrats will be as ashamed of as they are ashamed of some of their actions in the past.

Mr. President, knowing that other Senators desire to speak on this question, I do not feel warranted in occupying more time

on this occasion.

Mr. WILLIAMS. Mr. President, it is strange that a Republican Senator with 18 years of memory should still have such a short memory. The Senator says it is a long road that has no turn. I appreciate that. We finally got to the turning of

this particularly long road.

All of the Senator's talk reminds me of the experience of an old negro woman down in Greenwood, Miss. Her mistress had company unexpectedly and sent her husband out to get old Aunt Martha, the cook, and to get her at once. Her husband found old Aunt Martha on the street with a brickbat in her hand and indulging in a lot of rather extreme language. "Aunt Martha, what is the matter?" She said, "Well, some poor white trash just come along here with one of them new machines that run without any horses, and come mighty near running over me. If I could have got this brickbat in time I would have stove in his brains." Thereupon the master said, Well, your mistress wants you to come, and to come rapidly; you must help her out; she wants you to come in five or six minutes." She said, "How do you expect me to get way out She said, "How do you expect me to get way out there in five or six minutes?" He said, "I will carry you out in my auto." He put her in. The old darky looked a little out of place at first, but finally surrendered herself to the luxurious cushions. After a while there came crossing the road a colored man who did not hurry a bit. The old woman said, "Run right on. He has no business at all crossing the road in front of our car, anyhow." [Laughter.]

That is the way I feel. We went through the same experi-

That is the way I feel. We went through the same experience at the other end of this Capitol, for I remember when Tom Reed was Speaker, and I remember when he used to say to Benton McMillin in that inimitable New England drawl of his, "Mac, get the other Democrats together; we are about to perpetrate another outrage; and we want you to witness it.'

Then later on I served over there in the capacity of minority leader, a place with much name and little power, as many have learned before me and since. Joe Cannon was then Speaker, and Joe Cannon would say, in the language of Tom Reed, Sharp, the Republican Party, responsible for the legislation, is about to perpetrate another outrage. Put your hand on the Democrats and bring them in, so you may know what it is be-forehand." Sometimes they would give us 20 minutes to talk Sometimes they would give us 20 minutes to talk. Once they did not give us even any time at all.

This is a part of the experience in the House of Representatives as given by a distinguished Congressman there in reply "one-minute gush of the Wyoming geyser," something like

this Kansas geyser. He said:

That is, the Wyoming geyser-

is still "harping on my daughter" and talking about "caucus rule."

By the way, I found out, when I was in the minority in the House, that the country did not care much about how

majority did, and as long as the Republican Party enacted legislation that the country approved of nobody did anything except smile at us when we talked about caucus rule and all that

He is still "harping on my daughter" and talking about "caucus rule" and the exclusion of the Republican conferees, forgetting the fact that when the Vreeland-Aldrich bill was passed by a Republican Congress the Democratic conferees were excluded.

I remember that fact distinctly, because I was one of them. I was not admitted to the room until Senator Aldrich on one side and Representative Vreeland on the other had completed the draft of the bill. Then I was asked in and had it handed over to me.

Now, the country is going to judge us by what we are doing. If this is a good bill, a sound bill, and will accrue to the prosperity of this country, the country will stand up and call us blessed. If we have made a mistake, the country will rise up

and call us accursed. That is all there is to it.

Of course, I should feel sorry if I had ever had anything to do with anything that might have hurt the feelings of the genial Senator from Minnesota [Mr. Nelson]. I would rather have seen anything in the world done than to have seen him left in a frame of mind where he felt hurt in any way. But the public business must be attended to, and this difference between the two Houses, which was a difference between Democrats in the two Houses, had to be settled. The Senator from Minnesota knows as well as I do that the presence of others there would not have done anything except to delay the final settlement.

This country does not carry on legislation by States, not even in the Senate. There was a time when my ancestors contended that it ought, but that time has passed. We carry on legislation by majorities, a majority representing the Nation. This majority here and now is responsible for this legislation, and if it permitted others to twist the bill awry and put into it things that were not consistent with its purpose, it would be we who would be blamed and not the men who put it in there.

I ask the Senator from Minnesota—genial, good natured, sweetly dispositioned as he always has been—to let his mind run back a few years, and it may be that he can understand that there not only is always a turning to a long road, but that this particular long road is a Republican long road that has had a Democratic turn; and I hope the country will some day feel

Mr. NEWLANDS. Mr. President, I think this bill has been much improved in conference. It has been improved with reference to those provisions which have been claimed as likely to tend to inflation, among them the provision permitting Federal reserve notes to be kept in the reserves of banks, mere promises to pay instead of basic money.

Another was the provision regarding keeping out national-bank notes. It is obvious that as the basic money of the country and of the world increases, as it has been increasing for the past 20 years, it is the duty of every nation having out any considerable amount of uncovered paper money to gradually cover it with basic money or else to retire it. Otherwise, during a period of expansion of the basic money, the uncovered paper money will remain out for purposes of inflation.

Mr. President, a country suffering from inflation is like a man suffering from a spree, more stimulant is constantly required until the breakdown comes. We find that a country which is passing through a period of inflation is constantly demanding more inflation as the cure of existing conditions. Twenty years ago we were suffering from a contraction of the basic money of the world, caused by the diminished output of gold, and also caused by the elimination of silver. To-day we are suffering from an inflation of the basic money of the world caused by an enormously increased production of gold and an inflation of credits resting upon this basic money, which in this country alone have trebled in quantity, increased to the extent of about 300 per cent. On the other hand, the population in 20 years has increased only 30 or 40 per cent. This is the cause of the high cost of living. I think, therefore, the conference committee is to be commended for having stricken out the two provisions that point to a further inflation.

I think it unfortunate, however, that when the provision allowing the Federal reserve banks to be counted as the reserve of banks was stricken out a provision was not inserted giving the reserve board power to give State banks not now up to the requirements of this law an extension of time in order to come within these requirements. We all know that the average reserves of the national-bank notes are 3 or 4 per cent above the requirements of this act, whilst the reserves of the State banks are 3 or 4 per cent below the requirements of this act. It is important that the State banks should come in immediately. I regard it as a misfortunte that provision has not been made

for the immediate coming in of the State banks without requiring of them immediate compliance with this statute as to their reserves.

I regret also that the committee did not strike out the phrase "not more than 12," thus permitting the organization committee to designate not less than 8 cities to be known as Federal reserve cities without limitation as to the maximum. I believe that whilst 8 may be sufficient in the first instance, the number ought to be gradually increased, increased beyond 12, and increased finally in such way as to give a reserve city to each State, organizing each State into a reserve district composed of the State and the National banks of that State as member banks.

I believe if we should pursue that system by a constant evolution we would eventually have a reservoir at Washington in which would be deposited a considerable part of the funds of the reserve banks required by this law to be turned over by the member banks to them, and that thus we would have a great central reservoir at Washington from which money could be supplied directly to any reserve bank that might be under stress without going through the formula of calling upon one reserve bank to aid another reserve bank, with possible protest against and delay in such a procedure.

Mr. President, I do not know whether this bill gives the power of recommendation to the reserve board. It is possible that they may make their recommendations to Congress without such a provision, but I have always regarded such a power in the interstate-commerce act as one of the most important of its provisions, for it is under the recommendations of the Interstate Commerce Commission and the result of long and practical experience that we have been enabled thus far by a gradual process to perfect that act. All the recommendations of that commission are gradually being complied with, though many of them have been much delayed. The last one, one which they had been pressing for years, relates to the valuation of railroads.

Regarding the stock, I regret that the provision compelling a subscription of stock was not stricken out. I believe that sufficient capital is furnished to all the reserve banks by the deposit of a third of the reserves of the member banks required by this law.

If all the State and National banks come in under this union, the reserve banks will have \$500,000,000 of reserve money. That money they could use most effectively in the rediscounting of notes held by the member banks in any section of the country where there is a panic or a stringency; and it will be all the capital that will be required, when you take into consideration the fact that the Government itself will have some \$200,000,000 of funds which it can loan to the reserve banks or deposit in them and also has the extraordinary power of issuing these reserve notes for the purpose of rediscount.

I think it is a misfortune that we should regard these reserve associations as banks organized for profit. I think if you regard that as one of their functions, they are likely to be led into error. I believe that if they will be regarded as banks of profit, there will be a constant temptation to keep the reserve notes out and also to keep these reserves employed in rediscounts.

The merit of this whole system is that it establishes emergency reservoirs, and the benefit to be received from this act is that after the reservoirs are drawn upon to meet an emergency the funds withdrawn are gradually restored with a view to meet another emergency; otherwise, if they are left out after the emergency is over they are out for purposes of inflation. More than that, the moneys will not then be in the reservoirs to meet another emergency.

It seems to me just as absurd to make these reserve banks banks of profit as it would be to expect profit from our fire department through the employment of its horses in drayage and trucking and the employment of the firemen in the ordinary vocations. The purpose of a fire department is to be on hand with its engines and its men and its apparatus in order to meet a great emergency, and we expect, of course, those engines and the men and the apparatus to be idle except when the emergency is on. If we were to permit these men to be employed in other vocations they would not be on hand to meet the emergency. So, if we employ the funds in these reserve banks and loan them out during ordinary times when there is no press or stringency, it will simply be depriving them of all capacity to relieve when the emergency comes.

I hope that the result of the recommendations of the reserve board with this feature of profit making will be absolutely eliminated in the future, and I hope that by process of evolution and changes in the law we will have a reserve bank in each State and a central organization at Washington which can aid them all.

Mr. THOMAS. Mr. President, I have been greatly disappointed that the conference committee struck from the bill that part of section 7 which was designed to create an insurance fund for the benefit of depositors in failed member banks. My disappointment is modified in some degree by the assurances which are given by members of the Senate conference committee that it is the intention of the Banking and Currency Committees of both Houses in their codification of the banking laws to present a more mature and better designed system of depositors' insurance.

I have, however, some skepticism as to the possibility of the accomplishment of this much-desired purpose during the days of the present Congress. I hope that my fears may not be realized; but it is extremely difficult, when so much legislation is pressing upon our attention and demanded by the country, to focus the business of the National Legislature more than once upon the same subject during the same Congress. However, I am obliged to accept this assurance for what it may be worth and to indulge the hope that before we shall have adjourned for the summer we shall have perfected this measure by crystallizing into legislation this very important principle.

I have given it much study and consideration. It may be that my conclusions about it are entirely wrong; it may be that I have no adequate conception of the principle involved; but the more I have considered it the more I am convinced that it is an absolute essential to any complete and desirable system of banking. Every argument which I have heard against it can be made with equal propriety against the great principle of insur-

ance as applied to human affairs in all departments of business. I am unable to draw a mental distinction between the idea of guaranteeing or insuring the money of an individual when it is deposited in a bank, which is a quasi public institution, and the idea of insuring his property against destruction by fire or his family against that loss and deprivation which might otherwise come through his death.

Mr. President, as a man's property and family are the foundation of his cares, his apprehensions, and his ambitions, so also are the collective deposits of the average man the founda-

tion of our entire structure of banking and currency.

It is true, as has been stated here several times, Mr. President, that the primary purpose of this measure is to strengthen, enlarge, and perfect our banking system; but surely that embraces both the wisdom and the duty of safeguarding the man who deposits his money in these institutions as far as possible against the danger of loss. Senators have been extremely solicitous on both sides of this Chamber lest the issuance of notes by the Federal reserve banks should in some manner be affected by a lack of security, lest their value should decline because of their volume, lest the money of the United States should be brought into disrepute through some failure to provide against every possible contingency leading to that result; all of which, Mr. President, receives and has received my unqualified approval. I can imagine no duty higher than that which is imposed upon the legislator when framing measures concerning the circulating medium of his country than to safeguard it against every possible peril.

But, Mr. President, I regret that I have not heard more concern expressed for the man and the woman who, earning a little surplus money, are obliged to place it in the banks, whereby it becomes a part of the general deposits. They are the great body of the people, the small depositors, upon whose collective funds a first lien is imposed by this law for securing and safeguarding the currency issues therein provided for. Surely there should be a second lien, or if not a second lien, then some provision whereby these deposits may also be safeguarded to their owners, who intrust sometimes their all to the keeping of these great banking institutions.

Mr. President, in saying this I cast no reflection whatever upon the solvency or the integrity of our banking system or upon the high standing and character of bankers as a class; but we know that, so long as human nature remains unchanged, there will be failures and insolvencies in banking as in other lines of business; that so long as human nature is unchanged, in the business of banking, as in every other pursuit of man, individuals will embark in that business whose selfishness, whose dishonesty, whose ambitions, and whose temptations will interfere with the exercise of their duties with an eye single to the security and welfare of those who trust in them. These are the men, Mr. President, in every department of business and of life against whom all restrictive legislation is aimed. Experience teaches us that so long as these unchangeable conditions exist so long will there be failures, insolvencies, misappropriations of funds, and misapplications of deposits, followed by that eternal law in human affairs which imposes the consequences of

every man's wrongdoing more heavily upon the innocent creature

than upon the guilty offender.

The Government of the United States, the States of the Union, municipalities everywhere require security for their deposits, no matter how solvent the depositaries may be. is a wise practice, one which finds universal approval as gards public funds, even from those who deny and denounce its attempted application to the custody of private funds. There is not a bank in the United States which has an employee, however honest, capable, and conscientious, who is not required to give a bond to his institution indemnifying it against possible loss in consequence of his employment; yet such is the contradiction of human nature that the very men who recognize and apply this rule in other transactions denounce as unwise, as wrong in principle, and as socialistic in practice the proposition to throw the same safeguards around the deposits of that class of people which can least afford to lose them, upon the plea that it may result in the introduction of unscrupulous practices and the embarkation of dishonest individuals in the banking business, when both are so obviously possible that the public fund and the small employee are alike bonded for the general security.

So we have finally framed this measure, Mr. President, after committee labors and public debates and joint conference, after long and anxious consideration, by excepting from its terms this most salutary principle, which, in the form in which it has been introduced in the bill, was certainly of the most innocuc s character as it affected the banks and their resources. It required the payment by no individual bank, by no banking corporation, of a single dime for the purpose; it simply provided that a part of the profits to be made by these Federal reserve banks, after the dividend provided by law had been paid, after the surplus had been taken care of, should be used as a fund for the payment of depositors of banks belonging to the system which might become insolvent.

Mr. President, I can not understand why our Senate conferees, all of whom I believe are favorable to the principle, and most of whom voted for the amendment upon this floor, should have yielded for any purpose or for any consideration to the House demand for its excision. Tell me that the House demanded it! Why, that is no reason. The conferees of the other House naturally stood for the bill which had passed that body. Why should not those who represented us upon that body have been equally insistent, equally obdurate, equally obstinate? I concede that there must be compromise wherever there is a serious division of opinion, which must ultimate in some common ground, or constructive legislation may be doomed to failure; but I can not escape the conviction that two men, Members of the other body, at the other end of this building, by their successful insistence upon having their own way, have become the ultimate authors of this legislation,

We have heard a good deal about ca .cus domination from our friends upon the other side, and have been reminded of the fact that a majority of a majority, which is a minority of the whole, has been conspicuous in the legislation of this session; but. Mr. President, we are now face to face with a more obvious and indubitable fact, that two men, Members of the majority party of the House of Representatives, have dictated the character and elements of this bill, to whose insistence the six representatives of this body finally surrendered what seems to be a vital element to its completeness, tempered only by the assurance that it will become the subject of legislation in the near future.

The conclusion which I draw from this result is, that our Federal legislation, in its final analysis, is the legislation, not of the Senate and of the House of Representatives, not of the committees of the Senate and of the House, but of the majority, members of the conference committees of the two bodies, tempered largely by the staying powers and persistency of the most positive and dominating. And so this great measure is practically the result of the insistence of two determined men against what I believe to be the collective majority opinion and wish of the Members of both Houses as to this feature of it.

Mr. President, it is my impression also that the near approach of the Christmas holidays and the desire of Senators and of Members to get away from here and go back to their homes and their families has had something to do with the surrender of some of its vital provisions. Ah, Mr. President, I feel quite as strongly as any Member of this Chamber the ties of home and of family and the sentiments which prompt their reunion with the holiday season; but I am also conscious that we are sent here to legislate for 100,000,000 people upon subjects which they have defined and determined on. We have been engaged in considering perhaps the most important measure of this or

any other administration, a measure upon which hangs not only the hopes and the future of a mighty Republic, but a measure upon which the Democratic Party must stand or fall before the country, a measure which may determine its entire future, a measure which, to my mind, is of more supreme importance in its ultimate consequences to the Nation than all the tariff bills that have been drawn and enacted since the day when the Constitution of the United States was formally adopted. So believing, I think it might have been better for a little while to have cast aside our ordinary desires, to have forgotten Yuletide and the prattle of children, and to have devoted further time, if necessary—and I am not one of those who have been complaining of the amount of time consumed in the consideration of this measure, either in committee or elsewhere—to the end that when it finally evolved from the Congress of the United States and was carried to the President for his approval it would embody in principle and in phraseology as nearly as possible every element seemingly essential to its complete and unquestioned success.

I do not, Mr. President, by this mean to be understood as prophesying disaster to this bill; far from it. With all its imperfections, as I view it, it is a great and needed improvement upon existing conditions. I have both hope and faith in its immediate and ultimate favorable operation. I firmly believe that the banks, the people, and the Government, recognizing it as the best measure presently obtainable, will do what they can in mutual cooperation to make it successful in practical application to all the busy affairs of a busy Nation. Consequently, notwithstanding the fact that this, one of its chiefest and most important features, has been eliminated, I recognize that under all the circumstances it is our duty to accept it,

and then get behind it and make it effective.

Mr. President, I should not have taken the time of this body to say a word upon this subject at this late hour if it were not for the fact that in a modest way I have been somewhat conspicuous in my advocacy of what is called the guaranty principle in the State from which I hail. There it became a vital political issue away back in the campaign of 1908, when the party to which I belong pledged itself unreservedly to the enactment of such a measure, and largely upon the strength of that pledge the State of Colorado for the first time went completely and unreservedly Democratic. The government and affairs of the Commonwealth were placed in the hands of that party, but, charged with every obligation of party faith, the legislature turned its back upon this with some other equally insistent pledges, ignored both the wishes and the welfare of the people, and failed to enact their pledges into legislation. It resulted in a schism which threatened at one time the supremacy of the organization, and which found expression two years ago in a reaffirmation of this principle, followed by a second triumph and betrayal. What I had to say at home about the manner in which the people's confidence was obtained and then betrayed by my party has made it wholly impossible for me to remain silent upon this floor, in view of the action of the conference committee in striking the insurance feature from the bill.

In conclusion I want to say that I shall do all I can, in season and out of season, upon this floor and elsewhere, for a national depositors' guaranty fund. When the Banking and Currency Committee shall make its report, embodying the principle of an insurance of deposits in banks coming into the new system, I shall see to it, as far as I can, that it is crystallized into national legislation and becomes a permanent feature of the

banking policy of the United States.

And, Mr. President, I am satisfied that the time will come very soon thereafter when every banking institution now opposing this idea, as they opposed the establishment of the Postal Savings System, as their conservatism prompts them to oppose every and any change from the old ways, will perceive through the increasing confidence of the public in banking institutions and by the consequent increase of their deposits through the establishment of a feeling of security and confidence, that this is not only a salutary measure for the depositor himself but for those who receive the money of the depositors as well. In its practical operation but a few months will elapse before this system, as the Postal Savings Bank system now is recognized to be, will be hailed as one of those salutary and necessary improvements which benefit all sorts and conditions of men alike, but most of all those who have so long opposed it.

Therefore, Mr. President, while yielding, because I must and

Therefore, Mr. President, while yielding, because I must and under protest, to the final conclusion of the conference committee, I certainly hope that my friends on this side of the Chamber, when we come to a codification of our banking laws, will realize the vast importance of caring for the needs and inviting the confidence of the depositors, of keeping constantly in view the luterests and the welfare of the men and the women who con-

stitute the earners of this Nation, and whose little hoards in the banks mean all that stands between them and want when employment ceases and the real struggle for existence begins.

Mr. ASHURST. Mr. President, I wish to occupy only a moment of the time of the Senate, and I would not occupy even that much time were it not that I feel it incumbent upon me to express my regret that one of the most salutary reforms contained in the pending measure as it passed the Senate, and one which the Nation demands, has been eliminated by the action of the conferees.

The Senator from Minnesota [Mr. Clapp] the other evening said he would like to draw a picture of three controlling six; but Le might have drawn a picture of two controlling six, because I observe that the report is signed by two conferees on the part of the House of Representative and six on the part of the Senate, and that the provision requiring an insurance fund to guarantee the depositors in failed banks has been stricken from the bill.

I wish to read a short excerpt which I have just clipped from Collier's Weekly, as follows:

A deposit-guarantee fund exists now in four States. The plan is working well. In 10 years it will be universal. A national guaranty fund might easily draw out a billion dollars of real money, not flat money, now hoarded or buried, and add this real money to the banking strength of the country. Why should a united Democratic Congress, with a Democratic President—a combination that conceivably might not occur again in 20 years—fumble this golden opportunity?

My Democratic brethren, if we again "fumble" an opportunity, such as we have upon this occasion, it will be more than 20 years before we shall get another. I approve the bill generally, and trust that a bill guaranteeing deposits will be en-

acted into a law at an early date.

Mr. TOWNSEND. Mr. President, I have not heretofore occupied much of the time of the Senate in discussing this bill. I have known that debate was useless. I declined the opportunity that was given me to become a member of the Committee on Banking and Currency because it would have been necessary, in order to accept that place, that I should have been relieved from membership on the Committee on Indian Affairs, in whose work I am deeply interested and with which I had some familiarity. I desire now, just for a moment, to state briefly why I have not supported the bill and can not now support the conference report.

I believe that this measure is born of a political emergency, an emergency created by the Democratic administration. I am a partisan; I believe in political parties, and that parties in power should assume the responsibility for legislation. I have never had any fault to find with that doctrine; but I also believe that parties should be founded upon principle. I do not believe in parties that are established and maintained simply for political spoils. I do not think it is a proper course for a party to pursue to enact legislation affecting the great interests of the country, without due regard as to whether such legislation is right or wrong, in order to meet a political emergency.

I charge that this bill is a political measure, and one which does not meet the honest, uncoerced approval of a majority of this Senate. The best proof of that statement is the testimony of the Senators on the other side of this Chamber, who have repeatedly risen in their seats and found fault with it and suggested changes, which could have been made if such Senators had exercised their free will and honest judgment. The most conspicuous example, possibly, is the senior Senator from Nevada [Mr. Newlands], who seems to have very profound convictions on matters proposed for legislation; but his gentle, loyal political mind surrenders to the party caucus on every occasion, and I can easily imagine the amount of suffering that that Senator has endured during the consideration of this measure and of the tariff bill.

I have stated that I believed this was a matter of political emergency. If it were not a political measure, having been made so by a seeming necessity, there is not a doubt in the mind of a single Senator in this Chamber that we would have had a different bill from the one now before us; we would have had a bill founded upon the needs of the country, and it would not be the one that we are now considering. This measure was framed and will be enacted into law at a time and under conditions when good financial legislation could not well be secured. The tariff bill has just passed and its results are not working out to the satisfaction of its makers. Something must be done to relieve that situation, and the currency bill is brought forward. It is well calculated to obscure the legitimate effects of the tariff. Something new and equally disturbing is now pushed to the fore, and neither the tariff nor currency bill can be tried on its merits.

Whether it is expressed or not, it is believed by its advocates that this measure will make money easy. Unless it unduly inflates the currency it will certainly have failed as a political emergency measure. It is true that a number of years ago—18 or 20 years ago—the demand was for more money. Prices were low and it was said that we could not have good prices without more money; and yet at this time, when the claim is made that things are too high, thereby showing by the same rule that there is a redundancy of money, it is proposed to pass a law for political purposes which will make money more plentiful, without regard to its quality. Under existing conditions if such a result follows it will be a mistake. Such a law can not be passed and the country still maintain that stable prosperity, that sure progress which it has enjoyed and ought to continue to enjoy

cught to continue to enjoy.

Furthermore, the bill is passed at a time when the country is disturbed over conditions not directly connected with banking and currency, but with the relations between capital and labor, with propositions to control the great trust question, with unsettled conditions of industry generally, with new schemes involving a reorganization of the Government itself, some of which questions have had their birth in the minds of ambitious and sensational politicians operating for political revenue only, at a time when legislators have been overworked throughout a long year's sessions. Under those conditions the public mind, as represented in the Senate, at least, is not in the most judicial frame for passing upon legislation which should endure during many years to come.

I think that this bill creates a political machine—one of the greatest political machines that has ever been created by legislation. Mr. President, the modern cry has been against political machines, and yet under the sanction of law it is proposed to create one whose possible baneful effects may control the finances of our country.

I referred a moment ago to the fact that the condition of the country is peculiar. The Democratic Party is in power, to be sure—in power not by the will of the majority of the people but because of a division among the opposition. One of the leading characters, perhaps the dominant character, in this administration is a man whose ideas on finance, whatever else we may say of him, have not been considered sound. I assume that not even a majority of the majority approve those ideas now. That his idea is to have more money there can be no question; and I am fearful that, inasmuch as it is possible to create a political board, one will be created; and, having created such a board and given it unlimited power, lodging in it great discretion as to the issue of currency, having given it the power to appoint all the employees of the system, we will have a machine which, it seems to me, it is unwise in every particular to create.

It is undoubtedly true that there are some features of this bill which are good, but I submit that the 25 per cent bad, to which the Senator from Massachusetts [Mr. Weeks] referred, is sufficient to vitiate it all. I do not believe that the existing law is 25 per cent bad. That law provides for emergency currency and is good enough until we can get together in a non-partisan manner and enact a law which will not be dictated by the ambitions of politicians or by the necessities of a political party in trouble. Every candid Senator will admit, if he consults his honest convictions, that we could have had not only a better bill than the one before us but a good one if partisan politics had been eliminated and an honest effort made to get the best.

I said it was a bad time to pass this law. We have just passed the tariff bill. We now propose to pass a currency bill. Suppose, for argument's sake, that the country shall go "wrong," as we use the term, suppose that conditions shall not be what they ought to be, to what cause are we going to charge that condition?

Some of us insist that because these bad conditions had begun before this law was enacted they are due to the tariff; other gentlemen will insist, possibly, that they are due to the currency legislation. Where are we going for the remedy and where are we going to apply it when we think we have found it—to the tariff or to the currency, or to both? Must the next Congress, in its efforts to bring relief, revise both the tariff and the currency laws? It has seemed to me that with the emergency currency law which is now on the statute books we could well have tried out one of these great experiments at a time. Then we would have known exactly the cause of the trouble, if trouble should exist.

So, Mr. President, believing, as I do, that this bill is not carefully framed, believing that it is possible under it—nay, probable under it—to inflate the currency to such an extent as to bring disaster to the country, believing that it is framed upon partisan lines for political purposes and that a currency bill

should not be a partisan measure, believing that instead of restoring order it will add to existing confusion, I have felt it my duty to vote against it in the past, and I shall feel it my duty to vote against this conference report.

Mr. LEWIS. Mr. President, how much time is there yet undisposed of on this side for those sustaining the report?

The PRESIDING OFFICER (Mr. SAULSBURY in the chair). The Chair is informed that there has been no division of time whatever.

Mr. LEWIS. Mr. President, I am conscious of the ability of the members of the Committee on Banking and Currency to discuss the merits of this measure to a degree so much superior to anything I contribute that I will not trespass upon that field. Nor, sir, would I mar the effect, certainly the success, of any discussion they may offer upon the correctness of this measure. I shall intrude myself upon the Senate for a few moments to indulge one or two observations that have suggested themselves to me as I have listened to the eminent Senator from Michigan [Mr. Townsend] and the able Senator from Kansas [Mr. Bristow].

I came into the Chamber this moment when the very enthusiastic and energetic senior Senator from Kansas was, with his usual vehemence and always admirable declamation, pouring out his invective upon those who were the creators of this bill. He expressed with unqualified malediction his prophecy as to the ruinous effect of its operation. Then, when he was followed by the versatile Senator from Michigan, it became evident to my mind that these eminent Senators really are haunted with the specter that there is in the distance somewhere, not now to be located, some danger, and they wish to cry out against it that they may get credit for sounding the alarm. Though they do not see it, yet they would have the country understand that it is approaching. They do not exactly understand in what form it is stealing upon us, but they wish to have the country understand that whatever it is, they wish to be held as having "spied it first" and to have early disclaimed responsibility for it.

The philosophy of these distinguished Senators seems to be compiled and expressed in that famous quatrain that has come lately to us from the humorous poet in the phrase:

I never saw a purple cow;
I never want to see one;
But I will tell you, anyhow,
I'd rather see than be one,

[Laughter.]

I will say to the distinguished Senators that with all the "bulls" they may perpetrate upon the Senate they need have no fear of being impaled upon the horns of this imaginary purple cow which somewhere upon the road is supposed to collide with their vehicle of progress.

The able Senator from Kansas seems to have an idea that a very great machine called centralization is quite on the way to disturb the democracy of this country. But the distinguished Senator from Kansas did not hesitate, in his very able addresses, to propose to the Senate the creation of a single central bank in the United States of America, with a single head, with a single body, with various arms—arms truly of Briareus, eyes of Argus, and strength of Hercules—that could, with all the force of ancient and modern power, grip the Republic in a single hand and tyranny of centralism—an institution that would only relax its control whenever to do so served the political uses of the political party in power or crush the Nation when it declined to yield to its dictates. Yet this is the able Senator who inveighs against this bill for fear for what he says is centralism.

My learned friend from Kansas has not hesitated to give his approval in the past to all that system of government that has turned over to the Federal power as against the local homerule or State government those instrumentalities that centralize all power in the Federal Government under the theory or designation of a Republican Party domination. The conscience of the wrong of all this that has lately come upon him as against centralization seems to be a new birth and a new baptism. I would welcome him to the creed, and likewise to the conversion, but I would rather see it in acts of performance than in mere

profession of words.

What is the grievance of the able Senator from Kansas? It is that in this bill there are some elements to which he can not give his accord.

Will the distinguished Senator from Kansas certify to his country that with the platform of his party demanding that there shall be currency reform, and having demanded it in the last eight gatherings—certainly in the last four national conventions—that the Republican Party shall, as far as he is concerned, make the declaration but shall do nothing toward its performance; and that when something is done by the Democracy it shall be defeated, however filled with blessings, however

faithful to its promises, however full in its relief, merely because it comes from the Democracy?

Surely that can not be the sentiment of a patriot; and that the distinguished Senator from Kansas is patriotic we are ready to concede.

The objection lies solely and wholly, if I do not misunderstand him, in the creed of his saying, in effect, "Either the scheme I present or none. The country may be in want, but it will take the bread I improvise or none. It may thirst upon the road, but it will take water from my cup or it shall thirst to its death. It shall continue in all its distress unless it takes its remedy in nostrums from my hand. If it shall not bear the credit of my name, my distinction, and my authorship, then be it the House bill or the bill from the Senate house which may tender remedy-in the language of Mercutio to Montague and Capulet, I

shall cry out 'A plague upon both your houses.'"

This may in certain regions of this country go for statesmanship, but with the small wisdom that I am able to summon up I can but impute to it a temporary political expediency which

will not serve an enduring or ennobling use.

When I saw my learned friend from Kansas turn from his past faith; leave off the pursuit of his old hope, and colleague with those Senators on the other side whom for days and days in the last two years he has been holding up to the execration of his country; when I recalled his past, that when he sought the votes of Kansas at any time successfully, he got them by crying out the names of Gallinger, Root, and Penrose, and by the names of this Mephistophelian trinity was enabled to win the approval of Kansas and the restoration of himself to the confidence of the people; I was pained to note that upon the very first opportunity coming to him he was found casting his vote with these gentlemen, with these eminent Senators, according to the views they possess, these which had for so long been denounced by him as the source of all public danger. President, I could not help but conclude that the Senator had awakened to a fancy that there had come a time when there must be a change in his course. That if there is to be a hope in Kansas, his hope must be anchored there with the accursed and condemned of yore. That he had made a mistake in assuming that his past course had profit or political return, and that now he must return to the black mansion where ruled the tyrant

I remember, Mr. President, that somewhere in the sacred songs we hear in the revival services there is something that goes like this:

There is a fountain filled with blood Drawn from Immanuel's veins; And sinners plunged beneath that flood Lose all their guilty stains.

Mr. President, I fancy I can hear the distinguished Senator from Kansas in his new conversion improvising and paraphrasing that, in its application to these distinguished Senators, men whom heretofore he has so indicted before the country, his new chant to be:

There is a fountain filled with gold Drawn from corporate veins; And if I can be gathered into its fold I may lose my Progressive stains.

[Laughter.]

Truly, the distinguished Senator from Kansas may take to himself what consolation this new religion may afford him, and ultimately he may feel that he will have his reward. But now he turns to these singed and ancient forbears of the party against which heretofore he has cried out so greatly, but with whom he now allies himself at the moment of his emergency, when he approaches a conflict in Kansas in which by their aid he thinks he has much to hope, but, I fear, little to gain. The Senator possibly now feels that from these only he has his succor, and possibly he turns to them now as he once clung in ancient faith; and in the language of that sweet and gentle admonition of Ruth to Naomi, we can hear him again exclaim to "Penrose, Gallinger, and Root":

Entreat me not to leave thee nor from following after thee, for wherever thou goest I will go, wherever thou stayest I will stay, and wherever thou liest [laughter] there, too, will I lie [laughter] and be buried also.

[Laughter.]

And, Mr. President, I dare say when these new redeemed gods of Belial come to speak of the Senator in the future they will no longer refer, to him contemptuously as the "long hair." He will no longer be designated as one who has gone wrong, and as an "anarchist"—no, no! I deplore the suggestion that rises within me. It will be none of these. It will no longer be, "the brave Bristow from dauntless Kansas." No longer will it be "the independent Joseph Bristow"-alas, oh, no! In recognition of the contrite position he has taken at their

altar, of the worship he has poured out at their throne hereafter, he shall be accepted in full faith and designated as "St. Joseph, our long-lost brother." [Laughter.]

Mr. President, out of the sense of esteem and sweet affection I have borne the distinguished Senator from Kansas because of what I felt to be his pure motives, I regret to see this departure and this surrender. Hereafter these devils of contrivance these three Senators named-which have been held up by him to the execrations of this country, are no longer to be regarded as enemies. They are now the heroes of the salvation of the Nation. They are now the exemplars of divinity. They are the sole trinity of pure progress and virtue for the future, as far as the vote of the distinguished Senator from Kansas can certify. There he will be no longer astray, though for some years out of the fold, shivering like the naked beast of burden, seeing the provender distributed to others who were saddled and bridled-he prefers to turn to where he can be ridden and driven by those whom he hopes can drive him safe to a distance just beyond which to what in navigation would be called a harbor and in politics would be termed a refuge.

Mr. President, out of my regard for him I call him back. In the language of the philosopher poet, I cry to him:

Behold your host, noble scholar and student.
Look you! that no longer you should roam;
But to the glory of your fame,
To the honor of your name,
Turn about and come home.

The Senator from Michigan [Mr. Townsend], ever pleasing to me-sir, there is no man who rises upon his feet here who, I assert, contributes more of sincerity, of sweeter eloquence, more accurate diction, or more delightful rhetoric than the able Senator from Michigan-what says the able Senator from Michigan from his point of view? He exclaims that there will be a panic from this bill.

Mr. President, I have not seen a measure proposed here on the floor of the Senate from the Democracy that some distinguished Senator on the other side has not found it convenient to rise in his place to summon the American country to view the fire that is being lighted; the incendiary hand that is lighting it, and the desolation that is just ahead, because some measure of legislation has come from the Democracy. Says the Senator: "This is a political bill!"

What does my distinguished friend expect in a political government? The bill, I desire to say to the Senator from Michigan, for two months and a half was before the Senate under the able leadership of the leader of this side and under the conscientious cooperation of them all, each and all of us endeavours to make it a population and propolitical bill. What side oring to make it a nonpartisan and nonpolitical bill. What aid did we get from the distinguished Senator from Michigan? That committee duties may have called him away justifying his absence, I will not deny; but the roll call will indicate an absence more profitable to the committee he was serving than to the Senate. Then I ask, What aid did the Democracy get in seeking to make this a nonpolitical measure? What encouragement from the distinguished Senator's colleagues? None. Where was the cooperation of those who should have come to the Democracy to aid it in carrying out the will of the people as expressed at the ballot box or in platforms? It was absent. Where was the effort on the part of the distinguished Senators on the other side to rescue the measure from the air of politics, in order to give it a business air and a nonpolitical character, that the country might obtain relief from it as ordered by both platforms-theirs and ours? The answer is, There was none.

Why? Because eminent Senators such as the distinguished

Senator from Michigan feared that in the natural result of affairs some credit might fall to the opposite political party, and rather than have that small credit come to the Democracy they would defeat to the people the great benefit that would

go to the country.

Then what was left? The Democracy, after long indulging the able Senators on the other side, calling them, sir, without hope, because the effort had been a failure, was compelled to take its resort to the only course left, that it might carry out the will of the people. This was under party organization, by the Democratic Party-that party that had been designated at the ballot box to carry out the reliefs for which the people had voted.

The learned Senator is right. The bill is political, political to the extent that it voices the political ideas of the people of this country, political in that it expresses in legislation the platform of the Democracy and that it now speaks the hopes of the Democracy for the welfare of the country. To that extent alone is it political.

Says my friend, "It will bring about machine control." Well, that there may be 10 or 12 men who may have a small control of the organization of the financial system—as all things must

be controlled-I will concede. But where was the voice of the able Senator or his colleagues when, under an earlier organiza-tion, one man, the Comptroller of the Currency, had the control? Under the Aldrich-Vreeland bill, presented here in a preceding Congress, while the Republican administration was in power, shall it not be recalled that centralization there rested in three men, and they under no control of the Government at all, if I may read the English language?

All things must be guided, honorable sir. To some men each system must be intrusted. The people have intrusted to us the administration and given to the Democracy the power to exe-Then to those must be intrusted the bill passed cute their will.

by the legislative body.

But my friend, the able Senator from Michigan, still, in the words of Polonius "harps upon my daughter." He recalls, no doubt, his support of the resolution of the able Senator from Kansas [Mr. Bristow] that sought to condemn the Secretary of State at a time when it was assumed that the Secretary of State, Mr. Bryan, was giving some of his time to public discourses before the country. The dual combination of the fervent, impulsive, and generous Senator from Kansas and the calm, philosophic didactician from Michigan is always found whenever the name of Bryan is suggested or the possibility is opportune of some voice against him where he can not speak for himself.

Says the learned Senator: "There is the hand of Bryan upon this currency." I do not know whether the learned Senator from Michigan contrived that from his brain or whether it was born from a certain fatuous fetish worship I have observed on the Republican side of the Senate, that whenever the senior Senator from New York [Mr. Root] arises and says a perfeetly evident thing in an extraordinary manner, yet with much hesitancy, as if he were in doubt himself about it [laughter], promptly there arise upon his side his generous worshipers, and lighting their tapers before his shrine cry out: "Me, too! Correct you are, noble sage, reverend philosopher—how true!" Promptly upon the assertion by that sage that upon this bill were the marks of what he termed, if I recall his expression, the "heresies twice repudiated before the country," whatever he meant by it—referring to the Secretary of State—trusting as the distinguished Senator from New York did that he might arouse some old prejudice that had previously prevailed, awaken some fear; light some alarm—the able Senator from Michigan, ever alert and ever conscientious under ordinary conditions, likewise rises in his place, and, if I may use the barnyard illustration, when the great Shanghai crowed, the lesser brood flapped their wings and cock-a-doodle dood. [Laughter.]

Has it come to this, that able Senators of respectability and

conceded capacity can find no other argument against measures than to seek to revive old and ancient differences long since disposed of, and that when the country is once again united, when we are in harmony, when the ridges that once divided us, the chasms that once separated us are all closed up and we are again seeking the common good, the common welfare, to give peace, prosperity, and happiness to a united people in our com-

mon country?

Sir, since it pleases my able friend to conjure confusion by the name of Bryan, therefore reflecting an imaginary cloud upon the Democracy because he was its leader; I invite him to recall what has been the effect of the teachings of Democracy when this man was its standard bearer. Where are those denunciations against the position taken on the election of Senators by the vote of the people? The eminent Senator was the first afterwards. when the public were aroused to the justice of it, to cast his vote in affirmance of the doctrines which were preached and those which were advanced by the gentleman he now condemns.

Where was this doctrine, sir, of primary election, by which the people should express themselves directly at the ballot box, condemned on the part of eminent Senators on the other side as being in violation of the Constitution, anarchistic, socialistic, revolutionary, contravening every doctrine of common sense and patriotism—where? Why, adopted by the vote of the distinguished Senator from Michigan and his colleagues. One after another the reforms proposed by the Democracy when the present Secretary of State was its leader have been espoused in the platforms of one wing of the Republican Party, designated as Progressives, and adopted, whenever there was a hope or desire of success, by the other, called the Republicans.

If the distinguished Senator from Michigan will pause to reflect, there will be borne in upon his mind that the great people outside of this Chamber are not deluded. They are conscious of the great issues. The Democracy has been placed in power. It received its mandates from the ballot box. One of them was to wrest the money control from those who had abused it, and to place it in the hands of those who would I

administer it to its honor, while they gave life and opportunity and prosperity to the great mass of the people.

The measure has received its birth from the Democracy. there be any amendation or changes necessary to perfect its life, they will come in due time, and in due and proper way, from the hands of those to whom the people have intrusted the subject. The Scnators need have no fear. That duty will not be shirked. It will not be abandoned. It will never be sur-

There is before this country a united Democracy. She stands upon the principle of the constitutional right of every citizen, however situate. Her doctrine is, Sovereign citizenship to the humblest man; equal rights to the poorest citizen. There she rests herself to-day, and rejoicing in her reunion, she says to her fellow mankind, paraphrasing Philip of Falconbridge in King John:

Now that our princes are come home again, Come the three corners of the world in arms, And we shall shock them. For naught can make us rue, If Democracy to itself do rest but true.

Mr. TOWNSEND. Mr. President, I shall not attempt to present many facts to disturb the picturesque Senator from

Mr. LEWIS. I can not hear the Senator. I can not afford to lose anything he says. May I ask for order for the Senator?

Mr. TOWNSEND. I merely wish to call attention to one matter to which he referred, which might be taken seriously, although I doubt it.

The Senator stated that if the junior Senator from Michigan had been present in the Senate, he might have assisted in framing this bill. That, of course, is a part of the humor of the speech of the Senator. As if any Republican Senator would have been permitted to assist in that work! The fact is that while I was away during some of the time the Committee on Banking and Currency were considering this bill, and nothing was before the Senate, I was away under the order of the Senate with the junior Senator from Arkansas [Mr. Robinson] on the work of the Senate.

I doubt if any man has been in the Senate more than I have been during my term of office. I am always in my seat. I am here when the other side of the Senate Chamber is practically vacant. I try to attend to the duties of my office. If the distinguished Republican Senators who are members of the committee were unable to impress themselves upon the committee, I do not know what I could have done sitting here in the Senate when the bill was not before us.

Mr. SHAFROTH. Mr. President, I regret very much that there has been criticism on the part of the Senator from Minnesota [Mr. Nelson] and the Senator from Kansas [Mr. Bristow] as to the action of the conferees with respect to this bill. They seem to ignore the fact that every tariff bill that ever has been passed has been the result of conference; and not only that, but conferees have been appointed at the end of whose meetings the members of the opposite party were not permitted to appear and to consider the matter.

I wish to say that the Senators who have been criticizing the procedure stand in high esteem on the part of every member of the conference committee, but their action has been precipitated

Mr. BRISTOW. Mr. President, will the Senator yield to me to correct a statement? I understood him to say that every tariff bill had been conducted in the same way in conference. I challenge the statement, and I do not believe he can point to a single tariff bill in connection with which a conference has been held in this way.

Mr. SHAFROTH. I asked several Senators if that was not

I know the last tariff bill was passed in that way.

Mr. BRISTOW. Yes; but that is the only one.
Mr. SHAFROTH. If it was not done previously, it was just

due to the fact that they had such an overwhelming majority that it was not necessary to bring together the members of the party with relation to it.

Mr. SMOOT. Mr. President, I simply wish to say that the

Senator is mistaken, as far as the Senate is concerned, when he makes the statement.

Mr. SHAFROTH. I know it has been done in almost every instance in the House.

Mr. SMOOT. I know nothing about the House. I am speaking of the Senate. I do know that the statement is incorrect, so far as the Senate is concerned.

Mr. WILLIAMS. If the Senator will pardon me a moment, while I can not lay my hand on it now, my recollection is that the late Senator from Virginia, John W. Daniel, made a speech upon the floor of this Chamber in which he said that he and the other senatorial conferees were not invited in, except at the

very last moment, to be told what had been done, in connection

with the Payne-Aldrich bill. That is my recollection.

Mr. SMOOT. The Senator from Mississippi, I think, is mistaken. The Senator from Virginia, Mr. Daniel, complained of the fact that the hearings upon the bill were held in the pres ence of the majority of the committee, and without the minority being present, and that they were called in after the bill was completed; but he never complained that that was the case in relation to the conferees.

Mr. WILLIAMS. I may be mistaken, but that is my recollec-

tion. I will try to hunt it up. Mr. OWEN. Mr. President-

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Oklahoma?

Mr. SHAFROTH. I do.

Mr. OWEN. I wish to call the attention of the Senate to the Record, on page 4783, August 2, 1909, after Senator Daniel complained of the action of the majority of the committee of conference, when Senator Aldrich used these words:

I may say, in passing, that I was one of the managers on the part of the Senate on the act of 1894. The Democratic members of the conference committee never invited me to be present at a meeting. I never attended a meeting of the conference committee, and I never expected to. I supposed that the gentlemen who were responsible for the legislation of 1894 would prepare that bill and agree, if they could, with the Members of the House of Representatives as to what its terms should be

Senator Aldrich then says:

When the conference upon this bill was appointed I, within an hour, called a meeting of all the managers. I stated to those gentlemen that we expected to proceed in the usual course, and that the Republican managers on the part of the Senate and of the House would come to an agreement as to the terms of their report.

And that is what they did do. They signed their report. That is shown here in the RECORD.

Mr. WILLIAMS. I am correct about Senator Daniel complaining there because he was not called into conference?

Mr. OWEN. You are.

Mr. WILLIAMS. I thought I was.

Mr. SMOOT. I remember very well the statement of the Senator from Virginia, Mr. Daniel, and I know the statement he did make was that the Republican Members met for the discussion of the bill before the members of the committee were called in.

Mr. SHAFROTH. Mr. President, the chairman of the Banking and Currency Committee of the House last night said when the Aldrich-Vreeland bill was brought before the consideration of the Committee on Banking and Currency, although he was the ranking Democratic member, he was denied any access what-ever to the consideration of it in the conference.

Mr. WEEKS. Mr. President—
The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Massachusetts?

Mr. SHAFROTH. Yes, sir.

Mr. WEEKS. I should like to correct that statement made by the chairman of the House Committee on Banking and Cur-He has forgotten what really happened. In the first rency. He has forgotten what really happened. In the first place, he was not the ranking Democratic member of the Banking and Currency Committee of the House. In the second place, I was one of the conferees on that bill, and Democratic Senators and Democratic Members were present and took part in the consideration of the report in conference.

Mr. SHAFROTH. All I know is the statement of the gentle-

Mr. WEEKS. His statement is wrong, and it should not be quoted by the Senator from Colorado.

Mr. SHAFROTH. The chairman of the Banking and Currency Committee of the House last night made that statement.

Mr. President-

Mr. SHAFROTH. I yield to the Senator from Nebraska.

Mr. NORRIS. To my mind if there is something wrong, and I believe there is, in the conferees of one party not calling in the members of the conference committee who belong to the other party, does it help the matter any for one party to cite the precedent of another? I should like to ask the Senator from Colorado if Senator Aldrich, on the bill that has been talked about here, did exactly what the Democrats are doing now, in refusing the other conferees any consideration, does he think the precedent set by Senator Aldrich is a sufficient justification for

the action of the present Democratic conferees?

Mr. SHAFROTH. Mr. President, I will say in reply that whenever a question that is before the Senate or the House partakes of the nature of a political question it is almost indis-pensable that there should be conferences of the Members of the Senate of that political party which favors it. It may be said that this is not a political question, but we know that it is.

We know that the most violent differences of political parties have occurred upon the very question of currency and banking. We know that in the platforms of the parties, nearly every time the conventions of the respective parties meet, there is always something containing an outline of the view of the party upon this question.

Mr. NORRIS. Mr. President-

Mr. SHAFROTH. I would rather not yield unless the Senator requests it specially.

Mr. NORRIS. I will not interrupt the Senator unless he wants me to do so.

Mr. SHAFROTH. In this case we met for the purpose of considering the bill, and we found from the conditions before we got into conference that there were irreconcilable differences, differences that did partake of a political nature. The Democratic platform contained a provision condemning a central bank, and yet every Republican member upon that conference announced that he was in favor of a central bank and would take just as few banks as he possibly could, in order to make it come as near to that ideal as he could. I have no criticism to make of that view. It is natural that they should have that view. It is in the line of centralization, and we have their arguments for it, and there are some good arguments. But here was a proposition that came right up against the Democratic platform, and yet to say that did not naturally come from political difference is to ignore language.

Mr. GALLINGER. If the Senator will permit me Mr. SHAFROTH. I yield to the Senator from New Hampshire.

Mr. GALLINGER. The question of one central bank was not submitted to the conference at all. It could not be submitted to it.

I say when they expressed themselves they Mr. SHAFROTH. favored it. I am talking about the situation that has grown up. We have the authority for that. We find that the question then came as to whether we should have four or whether we should have eight or more reserve banks. We found as a result of that that there was a sharp division, the Republicans being upon one side of that question. Then we found that other differences arose. We found that they were willing absolutely, in our minds, to destroy this bill. The bill had been introduced as a measure of a bank for banks, and it was the object and purpose of the measure as voiced by the Democratic sentiment that it should be a bank of banks, and whenever you attempted to take away the directorate it could not be a bank of banks. Therefore, in our judgment, if a single bank should ever come into it, thereby the whole scheme of currency and of bank reform would have been destroyed.

Mr. GALLINGER. Will the Senator permit one further sug-

gestion?

Mr. SHAFROTH. Yes, sir. Mr. GALLINGER. The Se

The Senator from Colorado surely was not afraid that three Republicans would outvote the six Demo-

cratic members of the conference committee?

Mr. SHAFROTH. I am describing what occurred in full. It was not the conference committee, but I want to lead up to the situation, and I wish to show our position in relation to the Here were differences that were marked, differences that absolutely would change directly opposite to the policy which had been thought to be best in the framing of the bill in the first instance. As a result it was manifest that we could not meet as a full committee and perfect the bill. ator from Nebraska [Mr. HITCHCOCK] recognized this difference and said the parting of the ways has come. There was pending at that time the very question whether we should have four or whether we should have eight or more regional banks, and also. I presume, we had considered the question as to whether it should be a bank of banks. At least there had been

a great expression upon the matter. Mr. WILLIAMS. Mr. President-Mr. WILLIAMS.

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Mississippi?

Mr. SHAFROTH. I do; but I can not make an argument when I am constantly interrupted. I yield to the Senator.

Mr. WILLIAMS. In the interests of historic truth, it is so

seldom that the Senator from Utah, as a matter of fact, fails in his memory as to what occurred on this floor that I wish to read a few things that Senator Daniel did say. He said:

I have three times called the attention of this body-

That is, the Senate-

I have three times called the attention of this body to the fact that conferees of the Senate—three in number—have been hindered, impeded, thwarted, and overturned in their efforts to discharge their duties to you as honest representatives and to the country which they respect and desire faithfully to serve.

That is, the conferees now; not the hearings upon the bill. He further said:

The Senate did me the honor—and it is one that I profoundly appreciate, although I fear it was much more earned by the length of my service than by any abilities that could be fifly attributed to me—to include my name in the appointment of the following Senators as the conferees on this immense tariff bill.

Then he names the Senators.

I desire to say to you, Senators, that I have done the best I could in my feeble way to exercise the duties which you under the law saw fit to impose upon me,

Still further, he says:

A solemn and honorary bond had been entered into by word of mouth tween the chairman of the conference committee and the Democratic afterees that they would be called as soon as the bill was ready to

Now, that was all Daniel hoped for, all he expected, all he demanded.

demanded.

With a view, of course, to their voting for or against it.

I will state here, as I have previously stated in the Senate, that we were so called after the bill was first recommended by the conferees, and it was in pursuance of a right then recognized and of a practice then performed. Accordingly, on that morning at 10 o'clock, in pursuance of that agreement and that understanding, the Senator from Texas and myself reported ourselves at the conference committee in the annex. In the chair sat the chairman, the Senator from Michigan [Mr. Burrows] sat on his right flank, the Senator from Pennsylvania [Mr. Penrose] near by, and I noticed the Senator from Maine [Mr. Hale], and the Senator from Illinois [Mr. Cullom] also there. The question was asked, "Gentlemen, are you ready to submit the bill to us?" "No; there are five or six things in the bill as to which we have not reached a conclusion."

I came over to the Capitol Friday morning, and I stayed here all day until just before 5 o'clock that I might be in reach of the call of the committee, who intimated that they might be ready that afternoon. When I went from here I went down to the annex—right by them. The day sped. The chairman of the committee—whether he had signed the report or not I do not know at the moment—went out, where I had a short time perhaps preceded him, where we expected the Wrights to fly their aeroplane. I did not know until the next day that that committee, which was in default of a faithful and honorable promise to me and my associates, had reported to the House.

Whether the Senator from Virginia was right or wrong, I

was right in saying he had made the complaint.

Mr. SMOOT. Mr. President, I do not want to take the time of the Senator from Colorado, but from the RECORD read I see that the Senator from Virginia not only spoke of the hearings before the bill was reported to the Senate but also of the conference as well. I admit my memory was at fault as to the

Mr. WILLIAMS. I am always delighted to find the Senator from Utah wrong about his recollection of a fact which took place in the body of the Senate. I gleaned that from the news-

papers, and I was certain I was right.

Mr. SMOOT. I will say that I never in my life nor will I ever as long as I am a Senator make a statement on the floor of the Senate that I do not believe is absolutely correct. think this is about the only time that I was ever mistaken, and in this I was only partly mistaken, because the Senator from Virginia referred both to the hearings and to the conference report, and as I remembered he referred only to the

Mr. OWEN. Mr. President, I call for the regular order.

The PRESIDING OFFICER. The Senator from Colorado

will proceed.

Mr. SHAFROTH. As I was saying, here was a committee that met for the purpose of considering this bill and to settle the differences that existed, which had developed through the hearings and during the consideration after the hearings. was manifest that no bill could be agreed upon while there were Senators upon one side and Senators upon the other. We could have voted until doomsday, and if we had waited until somebody yielded we never could have reported it. It must be remembered also that some of the Republican

Members were very violently opposed to this bill. The Senator from Kansas [Mr. Bristow] said upon one occasion that it was the most iniquitous bill he had ever read in his life. When you meet under those circumstances you must expect that Senators will justify themselves in voting for anything in order to defeat a bill. We regarded not that they intended it that way, but that it would result in that way; that whenever they attempted to deviate this bill from the very foundation of it, from the very elements that entered into it, making it not a banker's bank, there could be but one result, and that result would be the destruction of the bill, because the bankers would never come into it under any other circumstances.

That being the case, what was it natural to do with those who believed one way? It was just as the Senator from Nebraska said—the time of the parting of the ways had come. Of necessity there was a line between the Democrats and

the Republicans, and necessarily there must be cooperation among the Republicans as well as among the Democrats. That made the justification, and it made a clear necessary condition that must arise in the consideration of a bill.

Mr. President, following that we had a conference and that conference agreed upon a bill. The Republicans criticized the Democratic conference, but nevertheless we could frame nothing without that conference. That course was absolutely indispensable if we wanted any bill at all.

Of course the discussion occurred upon the floor of the Senate. Then the conferees were appointed. I have no doubt but what every man who was appointed upon that conference committee regarded that this would be the way in which, in the first place, the bill would be considered by the members of the conference committee of the Senate and House. First, the Democratic conferees would discuss the matter and then the Republican members of the conference committee would be asked to come in and make any suggestion. That was done, and as has been described by the Senator from Oklahoma, there was no suggestion offered.

That must inevitably be the rule. They naturally said that we had made up our minds on it, and they did not care to do it. But that of necessity must be the rule wherever you have a political measure or a question that political platforms have

divided upon.

Now, then, I refer to what Mr. GLASS said in his argument before the House of Representatives last evening. I want to call attention to the exact language he used, because he described the situation. He says:

Then we were treated just now to the one-minute gush of the Wyoming geyser. [Laughter on the Democratic side.] He is still "harping on my daughter," and talking about "caucus rule," and the exclusion of the Republican conferees, forgetting the fact that when the Vreeland-Aldrich bill was passed by a Republican Congress the Democratic conferees were excluded. I remember that fact distinctly, because I was one of them. I was not admitted to the room until Senator Aldrich on the one side and Representative Vreeland on the other had completed the draft of the bill. Then I was asked in and had it handed over to me. [Laughter on the Democratic side.]

That is the testimony as to what occurred in the conference between the Senate and House as to the form of the bill.

The Senator from Michigan [Mr. Townsend] attempts to make out that Mr. Bryan is at the bottom of this bill and that it is a complete surrender to his views concerning banking and currency. Yet we only an hour ago heard the Senator from Kansas [Mr. Bristow] say that we had absolutely surrendered to the banks in this matter. I take it that when there comes from one side of the Chamber a condemnation of the bill because it represents the views of William Jennings Bryan and then from the same side of the Chamber, and both the men voting together upon every question, we hear that it is an absolute surrender to the banks, there is something of an inconsistent nature in the propositions that are made there.

The conferees, as well as the members of the Senate Committee on Banking and Currency, have tried to make this a good workable bill. We found that people had fundamental ideas that would not agree with ours. We found that they were voting that way, and voting solidly. As a result, it caused this difference. It necessitated a conference committee, and that the members upon one side should get together and arrange the matter and in every way perfect the bill according to their

If we had differed on immaterial or inconsequential matters it would have been different, but when you strike the very foundation of the bill, with an attempt to change it from a bankers' bank into one of a different kind, which, in our judgment, would absolutely have destroyed the bill, of course there is no use saying that modifications or changes could be made; their work would delay a report or produce a deadlock in conference.

Now, I want to say simply this, that there has been an attack made upon the chairman of the Committee on Banking and Cur-I think it is as unfounded and improper as any attack could be made. There are items in the bill that are in some instances in favor of State banks and sometimes against State banks, sometimes in favor of national banks and sometimes against them. I defy any man to point out the action of the chairman of this committee in ever having a line of conduct in his votes that would indicate he is favoring any bank he may be connected with. There are various things that he might be interested in, if you are going to attempt to show relations that are so remote as that a person being a director or a stockholder in some small bank, he is controlling in any manner all the credits of the country.

We find, in the first place, the question of the Federal reserve board. It has not a banker on it. Did you find the Senator from Oklahoma voting in favor of the bill—in favor of putting any banker on the Federal reserve board? Oh, no; you found that he was absolutely insistent upon the fact that there should not be any banker upon the Federal reserve board. Yet, according to the statement made by the Senator from Kansas, you might expect that he was going to frame a bill here in the interests of his own little bank in one of the towns in Oklahoma, and that, therefore, he would vote in favor of anything which would aid or assist that bank. Is that a fair imputation? Is there anything that should receive the indorsement of anybody in a statement of that knd?

Now, you have heard the declamations made upon the other side in favor of not forcing the banks into this system. It is said that it ought to be sufficiently attractive for them to come into the system. That has been urged repeatedly by Member after Member upon the other side of this Chamber. Yet did you hear the Senator from Oklahoma, either before the bill was framed or after it was framed by the committee, or on the floor of the Senate, uttering one word in favor of making it so attractive that the banks would come in voluntarily? Yet from the inferences which are to be gathered, because the Senator from Oklahoma owns a little stock or a little bank down in Oklahoma, he would subjugate his judgment in order to advance his private interests. We do not see that that criticism can possibly be considered seriously by anyone.

Mr. President, I have been informed that we are probably taking more time than we ought to take on this side, and therefore I will not go into an analysis of this matter with relation to the Senator from Oklahoma any further. I merely want to say that the purpose and object of the bill is to create a discount market, to mobilize the reserves, and to establish an elastic currency. That is what the bill does, and I am satisfied that it will meet with the approval of the American people.

Mr. GALLINGER. Mr. President, I propose to take but a few minutes in this discussion.

For myself, Mr. President, I have been here, as some of you know, a long time. It has been my privilege to serve on a great many committees of conference, and I have never yet served on a committee of conference where the entire membership of the conferees on the part of the Senate were not called into consultation at the very beginning. If that rule has been departed from, either in the past or in the present instance, it is a very unfortunate circumstance. The matter of a conference was established in the very first Congress that was held in this country, and the theory that was then laid down—and I assume almost all Senators are familiar with it—applies to-day as much as it did at that time.

On the 15th of April following, this committee reported that they "had conferred on the business with a committee of the House of Representatives for that purpose appointed"; whereupon it was "Resolved, That in every case of an amendment to a bill agreed to in one House and dissented to in the other, if either House shall request a conference and appoint a committee for that purpose, and the other House shall also appoint a committee to confer, such committee shall, at a convenient time, to be agreed on by their chairman—

This relates to their first meeting-

meet in the conference chamber and state to each other verbally or in writing, as either shall choose, the reasons of their respective Houses for and against the amendment, and confer freely thereon,

I recall the fact, Mr. President, that this morning in debate the Senator from Oklahoma [Mr. Owen] suggested that they did not want much discussion in the committee of conference, and for that reason they excluded at least one member of the minority. But in establishing this committee of conference in the early days of the Republic, it was distinctly stated that they were to meet and either verbally or in writing express their individual views, with the purpose, of course, of influencing the decision.

I remember very well when William J. McDonald, formerly Chief Clerk in the Senate, sat at that desk. He was a distinguished parliamentarian, as had been his father before him, who had occupied the same position. I have somewhere in my possession a little book that Mr. McDonald prepared and had printed, entitled "Questions of Order, and Decisions Thereon." I notice that the Acting Secretary has it in his hand. In that little book Mr. McDonald laid down this principle:

The importance of providing for the settlement of disagreements between the two Houses caused them thus, at a very early period, to adopt this rule, the object of which was to facilitate and to expedite legislation. * * * The concluding sentence of this rule says that the conferees "shall meet in the conference chamber and state to each other verbally or in writing, as either shall choose, the reasons of their respective Houses for and against the amendment, and confer freely thereon." That is to say, all conferences between the two Houses under this rule shall be free conferences. Not merely that there shall be free discussion in the conference chamber, but that the result of the conference shall be the free judgment of the conferees, and not one prescribed in advance, or in any way anticipated or shaped by the separate action of either House.

I notice in Gilfry's Precedents, "Decisions on points of order," and so forth, there is a mass of information on this subject which it would be well for all of us to read and, so far as possible, retain in our memory. On page 211 attention is called to a statement by the late Speaker Reed, which is to my mind an important contribution to this question:

A conference, as now conducted by legislative bodies in the United States, is what is known as a full and free conference. Speaker Reed, in his Manual of Parliamentary Law, chapter 15, section 242, gives a clear and concise definition, as follows: "A free conference is one where the conferees meet and present not only the reasons of each House, but such arguments and reasons and persuasions as seem suitable to each member of the committee. Instead of being confined to reasons adopted by either House, each member may present his own. A conference may therefore be a free conference, though each House may have instructed its members and limited them to the terms of the agreement. This method of conference is the only one known to our parliamentary law; at least it is the only one now in practice. When two legislative bodies in this country have a conference it is a free conference."

Mr. President, as I said in the beginning, if the Senate has departed from the rule laid down by Speaker Reed, by Mr. McDonald, and by Thomas Jefferson, because that matter is discussed in Jefferson's Manual, and is in the habit of not calling in all the conferees at the initial meeting of the committee of conference, it is an unfortunate condition, and it ought not to be sanctioned.

In the present instance, there were upon the part of the Senate six Democrats and three Republicans on this conference committee. It is just possible, it has been suggested to me, that it might have happened that two of the Democratic members might have joined the three Republican members and controlled that conference committee, so far as the Senate was concerned, on one or two somewhat important points. It is inconceivable to me, from what is laid down in the books and always insisted upon as a full and free conference, that the voice of those three Republican members should have been excluded. It was not such a conference, and, if I had my way, Mr. President, I would add an additional rule to our code of rules, providing that in the meetings of conference committees the entire membership of the committee shall be invited not only to the initial meeting, but to all other meetings of the committee. It is unfair. If the Republicans have practiced it in the past, they did something that they ought not to have done. Our Democratic friends, practicing it on this occasion, did an injustice both to themselves, to the minority on the conference committee, and to the Senate itself.

I submit, Mr. President, that while there is no remedy for what has occurred, I think this debate may be of some use to the Senate if it emphasizes the fact that we have no right to say that a question is a political question when it is submitted to conference. It is in the possession of the committee of conference, and not in the possession of a portion of that committee who can reach conclusions that may correct or not correct and exclude from consideration and conference, because they have the power to do it, the minority members of that committee. I regret it was done in this instance. I apprehend had it been done otherwise the result would have been the same; I apprehend we would have had precisely the same bill before us in the conference report we have now; but it would have saved a great deal of unnecessary friction and would have at least not added another precedent to what I conceive to be an extremely bad practice, because it is in violation of every parliamentary rule that I have ever read on the subject of conference committees.

Mr. WEEKS. Mr. President, the Senator from Illinois [Mr. Lewis], who has just addressed the Senate, is always entertaining, and he is a consistent defender of his party. His motto might well be "My party, right or wrong." What he has said as to the Senator from Michigan [Mr. Townsend] has been replied to by that Senator, and heaven knows I would not think of defending the Senator from Kansas [Mr. Bristow] in his presence.

The Senator from Illinois, however, is not entirely consistent when he chides the Republican Party for its inaction or its inactivity in connection with banking and currency legislation. Everything that has been done for 50 years to correct or to better our financial system has been done by the Republican Party, and invariably it has been done against the united opposition of the Democratic Party. Every Democrat in Congress voted against the national banking act. Democrats then in Congress or those who are now Democrats were responsible for continuing the greenbacks until they had cost the country, by the estimate of those competent to judge, \$500,000,000 by keeping out a depreciated currency 14 years after it should have been retired.

The Democratic Party—or a large portion of the Democratic Party—were responsible for the doctrine of the free and un-

limited coinage of silver on the basis of 16 to 1, which cost the

country inestimable amounts.

The Democratic Party voted unanimously against the establishment of the gold standard in 1900, and voted as unani-mously against the passage of the Aldrich-Vreeland bill in

I have referred to the Aldrich-Vreeland bill before, not that I consider it in any sense a piece of legislation which is technically perfect, but it is on the statute books, and if there had been necessity for its use I believe it would have furnished the country with sufficient currency to have bridged over the kind of a panic that we had in 1907.

All this legislation has been enacted by the Republican Party, and, I repeat, it has been done against the united and insistent opposition of the Democratic Party. So I think it is hardly just to criticize the Republican Party for what it has not done, even if it is admitted that its record is not entirely clear.

In addition to that the Republican Party has been the means, through the Montary Commission, of agitating this question, of causing it to be publicly discussed, of increasing the public's knowledge of the question to such a degree that this legislation is now possible; and very much of the bill on which we are now going to vote has been taken bodily from the report of the Monetary Commission. So it can hardly be said that that part of the work of the Republican Party has not been justified in

the eyes of the opposition.

A Senator on the other side has quoted the chairman of the Committee on Banking and Currency of the other House in regard to conferences or caucuses. I will make the general statement, Mr. President, that there never has been an instance in the history of this Government when all Members appointed by the presiding officers of the respective bodies over which they presided have not taken part in conferences, except on tariff legislation. The tariff is an entirely different matter from the ordinary questions which come before Congress. There are people who talk of taking the tariff entirely out of politics, and yet the tariff is the very essence of division between political parties. There may be some reason-I think, myself, there is some reason-why a tariff conference and a tariff bill should be adopted and passed on by members of the political party which is responsible for the legislation; but that does not apply to legislation of this character.

At the expense of taking a little time, and possibly of reiteration. I want to call the attention of the Senate to just what has been done, because the people of this country, as their opinions are voiced through the press, have said time and again during the last six months that this legislation should be entirely removed from any political complications. Has that been done by the Democratic Party, whether the legislation is good, bad, or indifferent? I say, not at all. In the other House the bill was considered by the Democrats of the Committee on Banking and Currency sitting as a separate body, no Republican member of the committee being admitted for any purpose or reason. The bill was taken directly into the House, where it was reported, and was sent to a Democratic conference. The Democratic conference or caucus reported the bill, and after a day or two of debate the bill was passed as it came from the conference,

That is the history of the bill in the other House, and yet Democrats will say, "What did you do with the Aldrich-Vreeland bill? Did you give more time to debate in the House?" say no; the time was less when the Aldrich-Vreeland bill came into the House, but the circumstances were entirely different. Congress had been in session six months; there had been a consistent attempt to get legislation through the regular channels and in the ordinary way, and there had been a failure to do so. The session of Congress was approaching its end: It was necessary that legislation should be had, and therefore the-usual method of bringing in a rule limiting debate was adopted; but the circumstances were entirely different, as I have said.

This bill came over to the Senate. Has it been considered in the Senate as a nonpartisan proposition? I submit to Senators that it has not been, in any sense. Hearings were given by the entire committee, and I think the hearings were given against the judgment of some of the majority on that committee; but there is no one to-day who questions the value of those hearings. The bill is much better than it was when it came from the other The bill, in my judgment, is better to-day than it was when it passed the Senate, although in two or three respects I think it was, not improved in conference. It was, however, improved in other respects sufficiently so, it seems to me, that on the whole it is a better bill.

The bill, after having been acted on for some time in the full Committee on Banking and Currency of the Senate, was taken into a Democratic conference, and an agreement was made and action taken which should have been taken after it had been senting the other House was not permitted to be present, neither

demonstrated in this body that the bill could not pass without summary caucus action.

What is the result? The result is that we have in this bill some propositions which not even two-thirds, and in two or three cases only a small majority, of the Democrats themselves are in favor of. If every Democrat were voting his own judgment, as every Republican in this body has voted his judgment, several of these propositions would go out of the bill.

The Senator from Illinois chides the Senator from Kansas because he has not voted against his party on all propositions. When more than one Democrat will show the independent spirit which the Senator from Kansas has shown in the pastwhen one Democrat will do that-then we may properly say that there is some reason for the criticism which the Senator from Illinois has made of the Senator from Kansas.

As a matter of fact, however, Democrats know that some of the propositions which are in this bill were passed in their caucus or their conference by one majority, by three majority, or four majority, or five majority, and that in every one of those cases the Republicans in this body are opposed to the majority of the majority in their caucus action; in other words, if a free and untrammeled vote were taken here, I think that nearly three-fourths of the Members of this body would vote against some of the provisions to be incorporated in the bill. That is the fault of the caucus action.

I am one of those who believes that the majority party is responsible for legislation. In the final analysis there is nothing to do but for the majority to take the bit in its own mouth and go ahead, perfect, and pass legislation. I believe in that; but the majority in this body has not proceeded along those The majority took that course before any debate had been held in the Senate, before determining whether the bill could be improved on the floor of the Senate as it might have been, it has taken that action in an unprecedented way, and I believe that whatever the result of the legislation will be, the country will not approve of the course which it has taken.

Mr. BRISTOW. Mr. President—
The VICE PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Kansas?

Mr. WEEKS. Yes. Mr. BRISTOW. Mr. President, my name has been heard a good many times in the debate.

Mr. WEEKS. I beg the Senator's pardon for using it.

Mr. BRISTOW. Not at all. My name has been used in connection with some remarks made by the Senator from Illinois [Mr. Lewis], remarks which I thought of but little consequence, and therefore paid no attention to them; but I desire to say, since the Senator from Massachusetts has referred to the matter, that my votes here have been controlled by my judgment as to what were the merits of the particular proposition for which I was voting. I have been interested in what I voted for a great deal more than with whom I voted. Whenever any matter comes up which appeals favorably to my judgment and my conscience I vote for it; I care not whether one man may vote with me or against me if I am voting for what I believe is the right

Mr. WEEKS. Mr. President, just one word about this conference. As I said a moment ago-I think I referred to it-it has been stated that when the Aldrich-Vreeland bill was in conference, Democratic Members of the Senate and of the House were not present during the conference. That statement is based on what was said in a speech made by a gentleman from Virginia last night in the other House. I doubt the propriety of quoting Members of the other body on this floor; I doubt the but so long as that has been done, I want to say that I was a member of that conference committee, and I remember perfectly what took place. The then Senator from Virginia, Mr. Daniel, was a member of that conference committee and was present. The senior member of that committee in the other House at that time was the gentleman from Louisiana, Mr. Pujo, who was present at the conference. I do not recall that the present chairman of the committee was present, but two members of the minority were and took part in the deliberations of the conference. I remember the incident so clearly that there can not be any doubt about it. I am sure when the gentleman from Virginia looks up the facts, he will find that that is the case, and that the gentleman from Louisiana, who was then the senior minority member of the committee, if he were present would substantiate the statement which I am making.

In this case it is true that the members of the House conference committee wished to act as the representatives of that body, Republicans and Democrats alike, and their doing so was opposed by the Senate Democrats on the conference committee. So the Republican member of the conference committee reprewere the three Republican Senators who had been appointed by the presiding officer of this body as a part of the conference. I state once more that in the history of this Government there never has been such an instance except in the consideration of partisan tariff legislation, and it is an entirely unjustifiable course, even if it were supposed that there could not have been obtained an agreement on some matters as promptly as has been the case.

Now, I want to refer for just a moment to the provisions of this bill which I think are distinctly worse than they were when the bill left the Senate. One of them is the provision for collecting checks drawn on member banks. As the bill passed the Senate it provided for the collection of checks drawn on reserve banks and member banks by other reserve banks at par, but it provided that checks drawn on member banks by individuals or corporations or firms should be collected after making a reasonable and suitable charge for the service. It is a fact that a large part of the earnings of banks, especially of country banks, comes from collection and exchange business. One witness from the South before the Banking and Currency Committee stated that of his \$48,000 total earnings, \$20,000 came from this item alone; and it is true that without exception, those who appeared before our committee stated that they believed it right and proper that they should be allowed to continue to enjoy reasonable earnings from this banking process. Under this bill they can not enjoy any earnings whatever from that source, because all checks and drafts drawn on reserve banks by member banks must be collected at par, and provision is made that member banks may collect checks or drafts drawn by indi-viduals or firms, but can only charge the cost of the collection for so doing; in other words, the earnings of every bank in this country, and especially of the country banks, are going to be materially crippled as a result of this provision.

I object, Mr. President, to the provision for the organization That brings in another political phase which of this system. should have been left out of this bill. As it is now, we are going to have this system organized by the Secretary of the Treasury. the Secretary of Agriculture, and the Comptroller of the Currency, if one is ever appointed. That is a political body, pure and simple; and you can not divorce it from politics under any circumstances. The Hitchcock provision of the bill which was brought in here provided that the reserve board should consist of nine, including the Secretary of the Treasury, and that those nine gentlemen should organize this system. That seemed a reasonable method of procedure, because it was to administer the system, and therefore it seemed right that they should organize it. The provision adopted by the Senate was that the Secretary of the Treasury and two members of the reserve board, to be appointed, should constitute the organization com-That in itself was somewhat worse, I think, than the provision which we brought in; and yet it was distinctly preferable to the provision in the conference report.

I submit to the Senate that the adoption of this method of organizing the board is going to throw a suspicion of political influence around the most important part of the whole system we are establishing. If we are not going to have politics removed from it, if there is going to be a suspicion in the minds of the people of this country that this is going to be a political machine, manipulated by anybody or by any party, then its usefulness will be very largely impaired, if not destroyed, at the very beginning. I can not too strongly enter my protest against this method—and I am fearful that it has been in the minds of those in control from the very beginning that this method should be adopted—of organizing this great non-partisan business system, which should be of the greatest advantage to the people of the country, and will be if properly administered.

Mr. OWEN and Mr. LEWIS addressed the Chair.

The VICE PRESIDENT. The Senator from Oklahoma.

Mr. OWEN. Mr. President, the Democratic members of the conference committee have been criticized very severely for a violation of the precedents in meeting together and dealing unjustly with the minority members of this committee. I think it is only just and fair to say that the precedents justify the action we have taken. That practice was followed in the tariff bill of 1894 as well as in the later tariff bill of 1897. In connection with the tariff bill of 1909, when Senator Daniel complained against the conference committee, Senator Aldrich, giving the reasons why the Republicans met together to adjust their differences between themselves, said:

I think I can safely say that if the committee had followed his suggestion—

That is, that all should meet together—
a year from now would have found us without a bill reported.

And with regard to the facts of the conference of August 2, 1909, Senator Aldrich said:

When the conference upon this bill was appointed I, within an hour, called a meeting of all the managers. I stated to those gentlemen that we expected to proceed in the usual course and that the Republican managers on the part of the Senate and of the House would come to an agreement as to the terms of their report, and that when they had agreed I would call the full conference together and submit it to them, and that that meeting should be held 24 hours, at least, before the bill was reported to Congress.

Mr. President, the House acted on Saturday. The Democratic members of the conference committee on the part of the Senate met and immediately undertook to reconcile their differences with the Democratic conferees of the House. They worked until half past 4 o'clock Monday morning, at which time there was sent to the printer a preliminary draft of the conference report, subject to further correction and consideration before it should be finally completed and submitted. At the same time there was ordered to be printed for the Senate a first edition of this preliminary draft of the report of the committee of conference. In that first report we had reconciled most of the differences between the Democratic members of the conference committee of the Senate and of the House, but had not then completely reconciled all differences.

At 4.30 o'clock on Monday morning the Printing Office was given the data and at 7 o'clock a. m. the copy was prepared and at 1 p. m. the preliminary draft was printed in three parallel columns. As soon as we got the copy from the printers—1 p. m.—we immediately served the Republican members with copies and explained what work we had done and asked them to go over the items and see to what extent the adjustment of the points of difference was agreeable or objectionable to them. That was about 1 o'clock—some time shortly after 1, to the best of my recollection. Therefore, until 4 o'clock there was about three hours for the Republican members of the conference committee to examine the work which had been done as a preliminary matter by the Democratic members of the conference committee.

The Senator from Ohio was under the impression that there were no changes made after that. He is mistaken about that. In the second edition of the amended bill printed for the use of the conferees—the first print was not a report, but only a preliminary draft—changes were made on pages 4, 5, 7, 8, 9, 10, 12, 13, 14, 15, 16, 17, 18, 22, 24, 26, 27, 28, and 29. The second edition of that print shows that those changes were made after all the conferees, Democrats and Republicans, had their meeting.

The full meeting of the conferees was called at 4 o'clock, and they were all present, except Senator CRAWFORD, who had gone The Republican conferees who for three hours had had the print showing what the Democratic conferees had been able to accomplish, were then invited to express themselves with regard to any of these items, but they felt offended because they had not been taken into consultation in the preliminary work and alleged that they had been treated with some indig-In point of fact, no indignity whatever was done them or intended to be done. It was believed that we would make time by having the Democratic members come together and reconcile their differences without the interference of their political opponents; and it was expected that the Democrats would stand together as party members and not permit the Republican conferees to control the matter in conference any more than the Democrats had intended or expected to permit the minority members of the Committee on Banking and Currency to control and write this legislation in the Banking and

Currency Committee by cooperating with one Democrat.

There is a party obligation resting upon the Democracy. They are in honor bound to deliver to the country a release from the intolerable conditions which have so long prevailed in this country under Republican and plutocratic rule. I am not willing to charge those intolerable conditions to any one party alone. I rather think they have grown up out of commercial and financial conditions for which perhaps no single individual can be held responsible; yet the Democratic Party, in its great desire to improve conditions, made certain great and serious promises to the country and that party can only carry out its pledges to the Nation by cooperating as a party and by strict party organization.

I realize the difficulty of caucus action. I have myself advocated having a stenographer in the conference or caucus of the Democrats, so that there might be complete publicity. We have been repeatedly reproached with secret, underhand caucus action, as if there were a secret possible in a party caucus. Where 50 men gather together there is no possible secrecy. We talk about the secrecy in the Senate in executive session, and yet everybody knows that whatever is done in executive session is announced in the public press the next morning. We have tried from time to time to prevent exposure of that

kind on the theory that the proceedings in executive sessions should be secret. It is a mere farce and a mockery.

Mr. GALLINGER. Mr. President-Mr. OWEN. I yield to the Senator.

Mr. GALLINGER. Just one question. I noticed that the Senator from Oklahoma said that the Democratic members did not propose to permit the Republican members of the conference committee to control the action of the conferees. will ask the Senator this question: Supposing those three Republican members held the same views that two of the Democratic members did on the matter of insuring deposits, does not the Senator think that those five men in that conference ought to have had their way on that particular point?

Mr. OWEN. I will say to the Senator that the six members of the conference committee representing the Senate were in favor of the matter to which the Senator refers, but the House absolutely refused to agree. I will say further to the Senator, answering the spirit of his question, that if there were two Democrats on the conference committee representing the Democrats of the Senate I would regard it as party perfidy on the part of one of them to vote with the Republicans to turn down

his colleagues.

Mr. GALLINGER. Then a conference is of no consequence at all, if its members are not to be permitted to express their views and vote their views. I have always supposed the rule to be that it is necessary to have a majority of the conferees of each House to agree upon a report, and I had always supposed, if three Republicans chanced to agree with three Democrats in a conference committee of nine, that they ought to have

their way.

Mr. OWEN. I do not understand that to be the practice; I do not think that is the practice in a matter of this kind. may be true with regard to some immaterial matters, but not in the case of a great bill of this kind, which has been made a matter of party action by the Republicans as well as by the Democrats, because the Republicans all lined up practically unanimously against it in the Senate, as well as in the comstood together in the committee as a solid mittee. They stood together in the committee as a solid phalanx and made it a political matter by their own action. In the first case the chairman of the committee attempted to prevent this matter being treated in a partisan way and thought it was possible to do so, but he found it was impossible to do it; and when he ascertained that to be a fact, he did the only thing remaining for him to do-he treated it as a party matter. He was completely justified in doing so, because there was no other way in which to get adequate results and to represent the sentiment of the Democratic Party in this country.

Mr. GALLINGER. Mr. President, let me make this suggestion: The Senate passed upon certain very important matters that have been eliminated from the bill as it comes from the conference. Suppose that three Republican Senators and two Democrats on that conference committee had stood for that provision which the Senate put in, does not the Senator think that

they ought to have had that privilege?

Mr. OWEN. They might in that contingency have referred the matter back to the Senate again, but the representatives of the party in power should act together and not permit the representatives of the minority to divide their councils.

Mr. GALLINGER. Oh, well, I do not see why they should

Mr. OWEN. They should because the House refused to agree to the matter to which the Senator is referring, and if the Senate conferees did not yield, there remained nothing but a disagreement reported back to the Senate.

Mr. GALLINGER. Of course, then, a disagreement would have to have been reported, which is a very common thing in

connection with conference reports.

Mr. OWEN. However we may argue this matter and indulge in rhetoric and in suggestions for and against across the aisle, I think it at last comes down to the question that under our present form of government, where we are moving under party organizations, there is no escape from party responsibility and the plain common-sense duty of the party to act through its organization in the management of matters for which the party feels a party responsibility. The Republicans have done that in the past and the Democrats are doing it now. I hope to see the day come when that may be obviated, and that day will come when Senators stand on this floor and represent in truth nothing but the wishes and the desires and the welfare of the people of this country; and it never will come until then.

Mr. GALLINGER. And the Senator thinks he is the only

one who does that, I presume.

The VICE PRESIDENT. The hour of 2 o'clock and 30 minutes having arrived, the question is, Shall the Senate agree to the report of the committee of conference?

Mr. NELSON. On that I call for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded

to call the roll.

Mr. GALLINGER (when Mr. BURLEIGH's name was called). The junior Senator from Maine [Mr. Burleigh] is detained from the Senate on account of illness.

Mr. CHAMBERLAIN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. which I transfer to the junior Senator from New OLIVER]

Jersey [Mr. Hughes] and will vote. I vote "yea."

Mr. CHILTON (when his name was called). I have a general pair with the junior Senator from Maryland [Mr. Jackson], but under the terms of it I am allowed to vote on the final passage of the bill and the conference report. I therefore vote

Mr. CLARK of Wyoming (when his name was called). have a general pair with the senior Senator from Missouri [Mr. STONE]. That Senator is absent because of severe illness. his absence I withhold my vote. If he were present, and if I

were at liberty to vote, I should vote "nay."

Mr. SHEPPARD (when Mr. Culberson's name was called). I wish to announce the necessary absence of my colleague, the senior Senator from Texas [Mr. Culberson]. He is paired with the senior Senator from Delaware [Mr. DU PONT]. If my colleague were present, he would vote "yea."

Mr. BRYAN (when Mr. FLETCHER's name was called). My colleague [Mr. Fletcher] is absent. He is paired with the junior Senator from Wyoming [Mr. WARREN]. If he were present, he would vote "yea."

Mr. MARTINE of New Jersey (when Mr. Hughes's name was My colleague [Mr. Hughes] is out of the city on official business.

Mr. LEA (when his name was called). I have a general pair with the senior Senator from South Dakota [Mr. Crawford], but as he voted for the bill I feel at liberty to vote on this roll call. I vote "yea."

Mr. WEEKS (when Mr. Lodge's name was called). Although I have done so before to-day, I wish to announce that my colleague [Mr. Lodge] is absent on account of illness, and that he has a general pair with the junior Senator from Georgia [Mr. SMITH

Mr. MYERS (when his name was called). I am paired with the junior Senator from Connecticut [Mr. McLean]. In his absence I withhold my vote, unless it should prove necessary in order to constitute a quorum. If at liberty to vote, I should

Mr. REED (when his name was called). I have a pair with the senior Senator from Michigan [Mr. SMITH]. I transfer that pair to the senior Senator from Louisiana [Mr. Thornton] and

will vote. I vote "yea."

At this time I desire to announce that my colleague [Mr. STONE | is unable to attend the Senate. He is confined to his room by illness, which has lasted now for several days. If he were present and at liberty to vote, he would vote " yea." his absence he is paired with the senior Senator from Wyoming [Mr. CLARK].

Mr. SAULSBURY (when his name was called). general pair with the junior Senator from Rhode Island [Mr. COLT], and in his absence withhold my vote. If at liberty to

vote, I should vote "yea."

Mr. WILLIAMS (when Mr. Shields's name was called). am requested to announce the necessary absence from the Chamber of the junior Senator from Tennessee [Mr. Shields], on account of illness.

Mr. SMITH of Arizona (when his name was called). before me a telegram from my pair, the senior Senator from New Mexico [Mr. Fall], in which he says that I am released from the pair on the final vote; and he wishes me further to announce that if he were present he would vote for this bill on its final passage. I vote "yea."

Mr. SMITH of Georgia (when his name was called). I have

a general pair with the senior Senator from Massachusetts [Mr. I transfer that pair to the senior Senator from South

Carolina [Mr. TILLMAN] and will vote. I vote "yea."
Mr. TOWNSEND (when the name of Mr. SMITH of Michigan was called). As has been stated by the junior Senator from Missouri [Mr. Reed], the senior Senator from Michigan [Mr. SMITH] is paired with the junior Senator from Missouri. If my colleague were present, he would vote "nay."

Mr. SUTHERLAND (when his name was called). paired with the senior Senator from Arkansas [Mr. Clarke], who, I understand, is absent. I transfer my pair to the junior Senator from Maine [Mr. Burleigh] and will vote. I vote

nay."

Mr. RANSDELL (when Mr. Thornton's name was called). The senior Senator from Louisiana [Mr. Thornton] is unavoidably absent. He has a general pair with the junior Senator from South Dakota [Mr. STERLING]. If present, he would vote 'vea.'

Mr. WARREN (when his name was called). I am paired with the senior Senator from Florida [Mr. Fletcher]. I transfer that pair to the junior Senator from Wisconsin [Mr. STEPHENSON) and will vote. I vote "nay."

Mr. WILLIAMS (when his name was called). I have a pair with the senior Senator from Pennsylvania [Mr. Penrose]. I transfer that pair to the junior Senator from Tennessee [Mr. SHIELDS] and will vote. I vote "yea."

The roll call having been concluded, the result was announced-yeas 43, nays 25, as follows:

	YE	AS-43.	
Ashurst Pacon Bankhead Bryan Chilton Gore Hitracock Hollis James Johnson	Jones Kern Lane Lea Lewis Martin, Va. Martine, N. J. Newlands Norris O'Gorman Overman	Owen Pittman Poindexter Pomerene Ransdell Reed Robinson Shafroth Sheppard Shively Simmons VS—25.	Smith, Ariz. Smith, Ga. Smith, Md. Smith, S. C. Swanson Thomas Thompson Vardaman Weeks Williams
Borah Bradley Brandegee Bristow Burton Catron	Clapp Dillingham Gallinger Goff Gronna Kenyon La Follette	McCumber Nelson Page Perkins Root Sherman Smoot	Sutherland Townsend Warren Works
Burieigh Clark, Wyo. Clarke, Ark. Colt Crawford Culberson Cummins	du Pont Fall Fletcher Hughes Jackson Lippitt Lodge	McLean Myers Oliver Penrose Saulsbury Shields Smith, Mich.	Stephenson Sterling Stone Thornton Tillman Walsh

So the report of the committee of conference was agreed to.

COMPENSATION FOR INJURIES TO WORKMEN (S. DOC. NO. 336).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Labor, transmitting, in response to a resolution of the 22d instant, a report of the Commissioner of Labor Statistics in regard to the laws of the various States and the United States and of foreign countries providing systems of compensation for injuries to workers in their employment, which, with the accompanying papers, was referred to the Committee on Education and Labor and ordered to be printed.

NAVAL SUPPLY SHIP.

Mr. WEEKS presented resolutions passed by the Board of Aldermen of Melrose; of the Chamber of Commerce of Wor-cester; of the Board of Selectmen of Revere; and of Local Lodge No. 471, International Association of Machinists, of Lynn, all in the State of Massachusetts, favoring the construction of the proposed naval supply ship at the Boston Navy Yard, which were referred to the Committee on Naval Affairs.

BANKING AND CURRENCY.

Mr. OWEN. I have received two telegrams, one from the National Bank of Commerce, of Shawnee, Okla., and the other from the president of the Third National Bank of St. Louis, Mo., which I ask may be printed in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

SHAWNEE, OKLA., December 23, 1913.

Hon. Robert L. Owen, Washington, D. C.:

We congratulate you upon the masterful manner in which you have handled the currency bill and its passage. We heartly indorse the bill, and desire to join the system. Am wiring the comptroller to-day our application.

NATIONAL BANK OF COMMERCE

Sr. Louis, Mo., December 23, 1913.

Hon. ROBERT L. OWEN, Washington, D. C .:

Congratulations on passage of banking and currency bill. The Third National Bank of St. Louis will enter and assist in any way possible the organization and operation of the new system.

President Third National Bank of St. Louis. FEDERAL RESERVE ACT.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the concurrent resolu-tion of the Senate No. 12, providing for the printing of extra copies of the Federal reserve act, which were, in line 3, to strike out "eighty" and insert "eighty-five," and, in line 4, to strike out "thirty" and insert "forty."

Mr. OWEN. I move that the Senate concur in the amendments of the House of Representatives.

The motion was agreed to.

HOLIDAY RECESS.

Mr. MARTIN of Virginia. From the Committee on Appropriations I report back favorably without amendment the concurrent resolution of the House (H. Con. Res. 26) providing for a holiday recess, and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The Senator from Virginia asks unanimous consent for the present consideration of the resolution, which will be read.

The Secretary read the resolution; and there being no objection, the Senate proceeded to its consideration.

The VICE PRESIDENT. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

BRIDGE ACROSS BAYOU BARTHOLOMEW.

Mr. SHEPPARD. From the Committee on Commerce, I report back favorably, without amendment, the bill (H. R. 8142) to authorize the construction, maintenance, and operation of a bridge across the Bayou Bartholomew at or near Wilmot, Ark.,

and I ask for its present consideration.

The VICE PRESIDENT. The bill will be read for the information of the Senate.

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

Mr. CLARK of Wyoming. I simply wish to ask the Senator when this bill reached the Senate?

Mr. SHEPPARD. It reached the Senate on yesterday.

The bill was reported to the Senate without amendment, ordered to a third reading, was read the third time, and passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILLIAMS:

A bill (S. 3867) to found and maintain a mutual insurance fund for depositors in national banks, to be kept available in the United States Treasury and to be administered by a bureau in the Treasury Department, organized and regulated for that purpose; to the Committee on Banking and Currency.

By Mr. ROBINSON:

A bill (S. 3868) to make more efficient Indian administration, and for other purposes; to the Committee on Indian Affairs. By Mr. POINDEXTER:

A bill (S. 3869) to amend the military record of John Morrow; to the Committee on Military Affairs.

A bill (S. 3870) granting a pension to Clara A. Brown; A bill (S. 3871) granting a pension to John Leonard; and A bill (S. 3872) granting a pension to Emanuel Johns; to the Committee on Pensions.

By Mr. RANSDELL:

A bill (S. 3873) to prevent and punish the desecration, mutilation, or improper use of the flag of the United States of America; to the Committee on the Judiciary.

By Mr. SHIVELY:

A bill (S. 3874) to place on the retired list of the Army the names of the surviving officers who were mustered out under the provisions of the act of Congress approved July 15, 1870, in reduction of the Army; to the Committee on Military Affairs.

TRADE IN CHINA

Mr. POMERENE. I introduce a joint resolution and ask that it be referred to the Committee on Commerce, and, for the information of the Senate, I ask that it may be printed in the RECORD.

There being no objection, the joint resolution (S. J. Res. 94) to authorize the Secretary of Commerce to investigate the condition of trade in China for the purpose of determining the desirability of establishing there a permanent exposition of the products of the United States of America was read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

Be it resolved, etc., That the Secretary of Commerce is hereby authorized to investigate, by a commission of not more than three qualified persons, the condition of our trade with China, for the purpose of determining upon ways and means for its expansion and to particularly determine whether or not it would be desirable for the United States of America to establish and maintain there at some convenient commercial center a permanent exposition of the products of the field and industries of the United States on terms which might make the exposition self-sustaining when established.

Sec. 2. For the purposes aforesaid there is hereby appropriated and made available in the hands of said Secretary from money otherwise unappropriated in the Treasury of the United States of America the sum of \$20,000.

ACCOUNTS OF AUDITOR FOR DISTRICT SUPREME COURT.

Mr. MARTINE of New Jersey submitted the following resolution (S. Res. 239), which was read, considered by unanimous consent, and agreed to:

Resolved, That the Attorney General be, and hereby is, directed to secure, as far as possible, a report on the receipts and disbursements of all moneys received by the auditor for the Supreme Court of the District of Columbia since his incumbency in office.

That he shall assemble and transmit all data pertaining to the receipts and disbursements pertaining to his office, under oath, for use of the Senate, not later than January 12, 1914.

ENROLLED BILL SIGNED.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the Speaker of the House had signed the enrolled bill (H. R. 7837) to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes, and it was thereupon signed by the Vice President.

ADDRESS BY J. G. SCHMIDLAPP.

Mr. BURTON. I have a copy of an address delivered by Mr. J. G. Schmidlapp at a joint meeting of the Optimists' Club and the Commercial Club of Cincinnati, Ohio, giving some impressions of the economic conditions in Germany. I desire to have the address printed as a public document, and I ask that it be referred to the Committee on Printing for their consideration.

The VICE PRESIDENT. If there be no objection, that action will be taken.

INTERNATIONAL MONETARY CONFERENCE.

Mr. THOMAS. I desire to give notice that on January 12, 1914, after the routine morning business, I shall address the Senate on the joint resolution (S. J. Res. 89) proposing the appointment of five delegates to an international monetary conference, and making an appropriation therefor.

EXECUTIVE SESSION.

Mr. BACON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 1 hour and 15 minutes spent in executive session the doors were reopened.

DEATH OF REPRESENTATIVE PEPPER, OF IOWA

The VICE PRESIDENT. The Chair lays before the Senate resolutions of the House of Representatives, which will be read.

The Secretary read the resolutions (H. Res. 359), as follows:

IN THE HOUSE OF REPRESENTATIVES

Resolved, That the House has heard with profound sorrow of the death of Hon. I. S. Pepper, a Representative from the State of Iowa; Resolved, That a committee of 18 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral; Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House; Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Mr. KENYON. Mr. President, I offer the resolutions which I send to the desk and ask for their present consideration.

The resolutions (S. Res. 240) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with deep sorrow the announcement of the death of Hon. IRVIN ST. CLAIR PEPPER, late a Representative in Congress from the State of Iowa.

Resolved, That a committee of eight Senators be appointed by the Vice President to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of

The VICE PRESIDENT appointed under the second resolution as the committee on the part of the Senate Mr. Kenyon, Mr. Cummins, Mr. Brady, Mr. Jones, Mr. Reed, Mr. Lewis, Mr. THOMAS, and Mr. THOMPSON.

Mr. KENYON. Mr. President, I desire to give notice that at some future day I shall ask the Senate to consider resolutions on the life and public services of Representative Pepper.

The VICE PRESIDENT. The notice will be entered.

Mr. KENYON. I move, as a further mark of respect to the memory of the deceased, that the Senate do now adjourn.

The motion was unanimously agreed to; and (at 4 o'clock p. m.) the Senate adjourned, the adjournment being, under the concurrent resolution of the two Houses, until Monday, January 12, 1914, at 12 o'clock m.

NOMINATIONS.

Executive nominations received by the Senate December 23, 1913. SECRETARIES OF EMBASSIES.

Fred Morris Dearing, of Missouri, now secretary of the legation at Brussels, to be secretary of the embassy of the United States of America at Madrid, Spain, vice Gustave Scholle, nominated to be secretary of the legation at Habana.

Arthur Mason Jones, of New York, now secretary of the legation at Managua, to be second secretary of the embassy of the United States of America at St. Petersburg, Russia, vice Frederick A. Sterling, nominated to be second secretary of the legation at Peking.

Henry Coleman May, of the District of Columbia, lately secretary of the legation at Stockholm, to be second secretary of the embassy of the United States of America at Tokyo, Japan, vice Ralph B. Strassburger.

Arthur Hugh Frazier, of Pennsylvania, now second secretary of the embassy at Vienna, to be second secretary of the embassy of the United States of America at Paris, France, vice Sheldon Whitehouse, nominated to be secretary of the legation at Managua.

Thomas Hinckley, of the District of Columbia, now secretary of the legation and consul general at San Salvador, to be second Secretary of the embassy of the United States of America at Vienna, Austria, vice Arthur Hugh Frazier, nominated to be second secretary of the embassy at Paris.

George T. Summerlin, of Louisiana, now second secretary of the legation at Peking, to be second secretary of the embassy of the United States of America at Berlin, Germany, vice Willing Spencer, nominated to be secretary of the legation at Caracas.

SECRETARIES OF LEGATIONS.

James G. Bailey, of Kentucky, now secretary of the legation to the Netherlands and Luxemburg, to be secretary of the lega-tion of the United States of America at Lisbon, Portugal, vice William Whiting Andrews, nominated to be secretary of the legation at Berne.

Francis Munroe Endicott, of Massachusetts, now secretary of the legation at Christiania, to be secretary of the legation of the United States of America at San Jose, Costa Rica, vice M. Marshall Langhorne, nominated to be secretary of the legation to the Netherlands and Luxemburg.

Hugh S. Gibson, of California, now secretary of the legation at Habana, to be secretary of the legation of the United States of America at Brussels, Belgium, vice Fred Morris Dearing, nominated to be secretary of the embassy at Madrid.

Franklin Mott Gunther, of Virginia, now second secretary of the embassy at Rio de Janeiro, to be secretary of the legation of the United States of America at Christiania, Norway, vice Francis Munroe Endicott, nominated to be secretary of the legation at San Jose.

M. Marshall Langhorne, of Virginia, now secretary of the legation at San Jose, to be secretary of the legation of the United States of America to the Netherlands and Luxemburg, vice James G. Bailey, nominated to be secretary of the legation at Lisbon.

Gustave Scholle, of Minnesota, now secretary of the legation at Madrid, to be secretary of the legation of the United States of America at Habana, Cuba, vice Hugh S. Gibson, nominated to be secretary of the legation at Brussels.

Willing Spencer, of Pennsylvania, now second secretary of the embassy at Berlin, to be secretary of the legation of the United States of America at Caracas, Venezuela, vice Henry F. Tennant, nominated to be secretary of the legation and consul general at San Salvador.

William Whiting Andrews, of Ohio, now secretary of the legation at Lisbon, to be secretary of the legation of the United States of America at Berne, Switzerland, vice William Walker Smith, appointed secretary of the legation and consul general at Santo Domingo.

Sheldon Whitehouse, of New York, now second secretary of the embassy at Paris, to be secretary of the legation of the United States of America at Managua, Nicaragua, vice Arthur Mason Jones, nominated to be second secretary of the embassy at St. Petersburg.

Frederick A. Sterling, of Texas, now second secretary of the embassy at St. Petersburg, to be second secretary of the lega-tion of the United States of America at Peking, China, vice George T. Summerlin, nominated to be second secretary of the embassy at Berlin.

Henry F. Tennant, of New York, now secretary of the legation at Caracas, to be secretary of the legation and consul general of the United States of America at San Salvador, Salvador, vice Thomas Hinckley, nominated to be second secretary of the embassy at Vienna.

INTERSTATE COMMERCE COMMISSIONER.

Judson C. Clements, of Georgia, to be an Interstate Commerce Commissioner for a term of seven years from January 1, 1914. (Reappointment.)

UNITED STATES ATTORNEY.

Stuart W. Walker, of West Virginia, to be United States attorney for the northern district of West Virginia, vice H. Roy Waugh, whose term will expire January 5, 1914.

POSTMASTER.

VIRGINIA.

James A. Lawson to be postmaster at Danville, Va., in place of Frank D. Lumpkin. Incumbent's commission expired December 14, 1912.

CONFIRMATIONS.

Executive nominations confirmed by the Senate December 23, 1913

INTERSTATE COMMERCE COMMISSIONER.

Judson C. Clements to be an Interstate Commerce Commissioner. COLLECTOR OF INTERNAL REVENUE.

Fred C. Kirkendall to be collector of internal revenue for the ninth district of Pennsylvania.

RECEIVER OF PUBLIC MONEYS.

H. Clay Sharkey to be receiver of public moneys at Jackson, Miss.

REGISTER OF THE LAND OFFICE.

William F. Cummins to be register of the land office at Jackson, Miss.

UNITED STATES ATTORNEY.

Stuart W. Walker to be United States attorney for the northern district of West Virginia.

UNITED STATES MARSHALS.

W. T. Dortch to be United States marshal for the eastern dis-

trict of North Carolina. Charles A. Webb to be United States marshal for the western district of North Carolina.

POSTMASTERS.

ARIZONA.

A. T. Pancrazi, Yuma.

KANSAS.

R. E. Stotts, Garden City.

MISSISSIPPI.

Thomas P. Barr, Jackson.

MISSOURI.

Robert H. Williams, Louisiana.

NEW MEXICO.

L. Pascual Martinez, Taos.

NORTH CAROLINA.

Louis G. Daniels, Newbern. R. S. Montgomery, Reidsville, John R. Swann, Marshall.

OHIO.

Homer Gard, Hamilton. George B. Snyder, Youngstown.

HOUSE OF REPRESENTATIVES.

Tuesday, December 23, 1913.

The House met at 2.30 o'clock p. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the fol-

lowing prayer:

We thank Thee, our Father in heaven, for the star which guided the Magi to the little Child cradled in His mother's arms in the stable of an inn, whose advent had been heralded by the angelic host praising God and saying, "Glory to God in the highest, and on earth peace, good will toward men"; a star prognostic of that light which the little Child subsequently gave to the world in a heavenly Father which has been slowly solidifying the race into one family; the Child who, as the carpenter's son, dignified honest toil and illustrated in His sublime life and character the possibility of perfected manhood and brought to light life and immortality. We thank Thee for the Christmas-tide which awakens the better angels of our nature and thrills

peace; that Thy kingdom may come and Thy will be done through the love which came into the world nineteen hundred years ago. Take us to our several homes full of the Christmas spirit, that we may carry light to those who sit in darkness, cheer to those who are disconsolate, hope to those who are in despair, help to the poor and needy, the widow, the orphan, and those down and out; that we may feast our souls on the good we have contributed to others. In the Christ spirit. Amen. The Journal of the proceedings of yesterday was read and ap-

RECESS.

Mr. UNDERWOOD. Mr. Speaker, I ask unanimous consent that the House stand in recess until 3 o'clock.

The SPEAKER. The gentleman from Alabama asks unanimous consent that the House stand in recess until 3 o'clock. Is there objection? [After a pause.] The Chair hears none, and consequently the House is in recess until 3 o'clock.

AFTER RECESS.

The recess having expired, the House was called to order by the Speaker.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Tulley, one of its clerks, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7837) to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes.

ENROLLED BILL SIGNED.

Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 7837. An act to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other pur-

THE CURRENCY.

Mr. GRAY. Mr. Speaker, while I am now and always have been opposed to the national-bank currency system, I do not believe that there is any foundation for the sudden face about of the Wall Street bankers and their charge that this currency is inflexible, inelastic, cumbersome, unworkable, and incapable of adaptation to meet the varying demands of business. I do not accept this sudden cry of alarm and the danger from the national-bank currency coming from the special financial inter-ests as made in good faith or for a sincere purpose. I do not believe our national-bank currency is of itself dangerous and fruitful of disaster. I do not believe that this system, which only but yesterday was lauded by these same men as the best system in the world, has undergone this sudden transformation and become to-day the worst system in the world. I do not believe that this system which has stood for a half century without disclosing the dire effects now charged against it has developed in the twinkling of an eye an inherent danger and a menace to busines

I am convinced that this sudden change of front, this attack upon the national-bank currency, begun in 1906, and the panic of 1907 following that attack, were all in pursuance of a deliberate plan and conspiracy to discredit the national-bank currency that there might be reared upon its ruins a central autocratic bank under private control, and were made to create public opinion to sustain and secure the passage of the Aldrich currency bill.

I want it understood that I give no credit to these charges. I am not opposing the national-bank currency upon these grounds, but upon the grounds that the issue of public currency, the control of its volume, and the direction of its distribution among the people are vital public functions, directly affecting the general welfare and prosperity, and as such should be exercised only by the people themselves through the instrumentality of government.

This is a supreme moment to the people of this Nation. It is the only time within a half century when it has been possible to restore to them the control of their money. Heretofore all attempts at such restoration have been opposed and defeated by the adroit claim that the national-bank currency was the soundest, most stable, and the best in the world; but the world anew with the angelic chorus. Grant, O most merciful Father, that it may sound on till every battleship and implement of war shall be beaten into plowshares and pruning hooks
and nations shall have learned the art of living together in now the breastworks of the money power has been thrown down for an assault upon the many small and dependent bankers—to wrest from them the right to issue and control the of a few manipulating financiers. The opportunity is ours for the people to reclaim their own, and when this bill becomes a law to-day, by the signature of the President, the dream of 50 years of financial freedom and independence will have become actual and a full realization.

ADJOURNMENT RESOLUTION.

Mr. UNDERWOOD. Mr. Speaker, there is no further business to transact to-day, but we can not determine until the Senate has passed the Christmas resolution and has messaged it back, and I ask unanimous consent that the House stand in recess for five minutes.

The SPEAKER. The gentleman from Alabama asks unanimous consent that the House stand in recess for five minutes. Is there objection? [After a pause.] The Chair hears none.

AFTER RECESS.

The recess having expired, the House was called to order by the Speaker.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message, in writing, from the President of the United States was communicated to the House of Representatives by Mr. Latta, one of his secretaries, who also informed the House of Representatives that the President had approved and signed joint resolution of the following title:

On December 22, 1913:

H. J. Res. 165. Joint resolution for recognition of the services of the late David Du B. Gaillard, lieutenant colonel, Corps of Engineers, United States Army, as a member of the Isthmian Canal Commission, and for the relief of Mrs. Katherine Davis

SESSION LAWS OF THE TERRITORY OF ALASKA (H. DOC. NO. 508).

The SPEAKER laid before the House the following message from the President of the United States, which was read, referred to the Committee on Territories, and ordered to be printed, the accompanying documents having been sent to the Senate:

To the Senate and House of Representatives:

In accordance with section 20 of the act of Congress entitled "An act to create a legislative assembly in the Territory of Alaska, to confer legislative power thereon, and for other purposes," approved August 24, 1912, I transmit herewith a bound volume of the session laws, duly authenticated, containing the acts and resolutions of the first session of the 1913 Territorial Legislature of Alaska,

WOODROW WILSON.

THE WHITE HOUSE, December 22, 1913.

LEAVE TO PRINT.

Mr. LANGLEY rose.

The SPEAKER. For what purpose does the gentleman rise? Mr. LANGLEY. I rise to make an inquiry. On yesterday the gentleman from Alabama [Mr. Underwood] asked unanimous consent that all Members be permitted to extend their remarks in the RECORD for five days. I asked him at the time whether that meant five legislative days, and I understood him to indicate his assent to that. But the RECORD does not show it, and I desire to know whether that was the purpose of it. So many gentlemen are going away for Christmas that unless the privilege be granted for five legislative days they will not have any chance to prepare their remarks.

Mr. UNDERWOOD. Mr. Speaker, inasmuch as the Members of the House are going away for the holidays, I shall renew the

request of yesterday and ask that it be five legislative days.

The SPEAKER. The gentleman from Alabama [Mr. Underwood) asks unanimous consent that all Members may have five legislative days in which to extend their remarks on the currency bill. Is there objection?

Mr. MANN. Reserving the right to object, why should we pad the Congressional Record in that way with the effusions

written in the three weeks' vacation?

Mr. UNDERWOOD. Well, I will say to the gentleman from Illinois that I have always believed that it is a very proper thing for Members of this House to communicate to their constituents their views on the legislative questions that come before the House, and I do not think the habit of printing the speeches on actual legislative matters is a bad habit at all. do think the right of printing is sometimes abused by lugging in things that have nothing to do with the matters before the House. But here was a great bill that every man's constituency is interested in, and I think it is a very proper thing to allow every Member of the House who desires to do so to put in the RECORD his views, so that he may explain them to his constituents.

Mr. LANGLEY. That is what I want to do. The gentleman knows that the time allowed for debate was very limited, and a very large majority of gentlemen had no opportunity to say anything at all during the debate.

Mr. MANN. Most of them will stand better with their constituents if they are not given leave to print. [Laughter.]

Mr. LANGLEY. I would be willing to take my chances on

Mr. GARNER. Mr. Speaker, will the gentleman permit a suggestion?

Mr. MANN. Yes.

Mr. GARNER. If you allowed only five calendar days, they would have to print a Record when Congress was in recess.

They frequently do that.

Mr. GARNER. But that is not the best way of doing it.

Mr. MANN. I recently suggested to the Joint Committee on Printing that it correct or change the method of indexing the RECORD, so that it would be possible to find something in the index. Under the existing system the index is issued every two weeks, but the indexes do not carry over, and when you want to know whether or not something has been done and can not locate the date you have to go through a large number of indexes. While I think the Congressional Record is well indexed, yet no person who indexed anything could ever meet the mind of everybody else.

For instance, there was printed in the RECORD some time ago a cow illustration, printed by the distinguished Senator from South Carolina [Mr. TILLMAN], endeavoring to show to the people that the East had milked the cow at the expense of the West and South. I dare say there is not a Member of the House who could find that under the index. If you would look under "illustrations," you would not find it. If you would look under "cow," you would not find it. If you would look under "TILL-MAN," you would not find it. If you would look under "tariff," you would not find it. It would take some brilliant genius who would look under "allegorical cow," who would find it in the

Mr. LANGLEY. I will say to the gentleman from Illinois that I would like to put one of our famous blooded Kentucky horses in the RECORD, but I do not intend to do it.

Mr. MANN. Go on and do it, and use it. [Laughter.]

Mr. LANGLEY. I would confine myself to the subject under discussion. If we would fix the limit within which speeches can be printed from the 12th to the 16th, inclusive, that would meet the situation.

The SPEAKER. Nobody has objected to the request yet. Mr. LANGLEY. I know, but he was suggesting objections

I was waiting to see if the gentleman from Indiana [Mr. BARNHART] was here to protect the RECORD.

Mr. TAYLOR of Colorado. I should like to ask the gentleman from Illinois if he does not think we ought to have on the front page of the daily Congressional Record a brief index of the contents of each number? I introduced a resolution of that kind in the last Congress and again in this Congress, and it would seem to me that it would save the Members of the House and other readers of the Congressional Record a wonderful amount of time if we could have some clerk prepare a brief index, a very brief statement of what is in each daily RECORD, so that we could look at it and determine quickly what is in it.

Mr. MANN. You might have an index each day of the RECORD of the preceding day, and that might be satisfactory to some gentlemen. As for me, I read the RECORD every day, and do not need an index. I want to say that the Committee on Printing thought that the making of as perfect an index as we would like to have would be too expensive, and that it would cost in the neighborhood of \$150,000 in order to do it, and I think they made out a pretty strong case.

Mr. MURDOCK. I will ask the gentleman why it would not be practicable to index the RECORD on the day that the proceedings are had? Daily newspapers do it, and it would be a great

help to have it done.

Mr. TOWNSEND. I can suggest to the gentleman from Kansas that an index printed on the title-page could not be made up until every page of the RECORD was made up and page The gentleman knows that. CK. I know that is true. proofs taken.

Mr. MURDOCK.

Mr. TOWNSEND. Because such an index could be made

up only after page proofs were taken.

Mr. MURDOCK. The typographical difficulties of getting up an index in a brief space of time are not great. It is a very easy matter. It is done in most newspaper offices of the land at the time each day when they are the busiest. It ought to be done every morning as a convenience to Members of the House.

Mr. MANN. If you would keep the padding out of the Rec-

ORD, you would not need it.

Mr. TOWNSEND. In newspaper offices a schedule or dummy is kept, in morning offices, by the night editor and the night city editor, and it is determined by them in advance on what page each important story is to be run. The make-up man follows this schedule to a large extent, so that even before the last page is cast an index of the whole paper may be prepared from these schedules. This, of course, can not be done for the REC-ORD, because most of the matter must be run in the order it is reported, not as an editor or make-up man may wish.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. Underwood] that Members shall have five legislative days in which to print speeches in the REC-

ORD on the currency bill? There was no objection.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 7837. An act to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other pur-

H. R. 11003. An act to provide for expenses of representatives of the United States at the International Conference for Safety

of Life at Sea.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Tulley, one of its clerks, announced that the Senate had passed without amendment bill of the following title:

H. R. 8142. An act to authorize the construction, maintenance, and operation of a bridge across the Bayou Bartholomew at or

near Wilmot, Ark.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to the concur-rent resolution of the Senate No. 12 to print 80,000 copies of the Federal reserve act.

The message also announced that the Senate had passed bill of the following title, in which the concurrence of the House of

Representatives was requested; and

S. 3484. An act to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, being chapter 231 of Thirty-sixth Statutes at Large.

The message also announced that the President of the United States had approved and signed bill of the following title:

On December 22, 1913:

S. 2689. An act amending an act entitled "An act to increase the limit of cost of certain public buildings, to authorize the enlargement, extension, remodeling, or improvement of certain public buildings, to authorize the erection and completion of public buildings, to authorize the purchase of sites for public buildings, and for other purposes," approved March 4, 1913.

The message also announced that the Senate had passed

without amendment the following House concurrent resolution:

House concurrent resolution 26.

Resolved, That when the two Houses adjourn December 23, 1913, they stand adjourned until 12 o'clock meridian on Monday, January 12, 1914.

ADJOURNMENT.

Mr. UNDERWOOD. Mr. Speaker, I move that the House do

The motion was agreed to; accordingly (at 3 o'clock and 10 minutes p. m.) the House, under the order previously made, adjourned until Monday, January 12, 1914, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting a copy of a joint communication from the Secretary of Agriculture and the Postmaster General of the 19th instant, submitting an estimate of appropriation in the sum of \$1,000,000 for enforcing the provisions of the act approved August 24, 1912 (37 Stats., pp. 551, 553), for improving roads for Rural Delivery Service and for extending the benefits of such work to communities in which no work has as yet been undertaken (H. Doc. No. 509); to the Committee on Appropriations and

ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting estimates of urgent deficiencies in appropriations required by

that department for the services of the fiscal year ending June 30, 1914 (H. Doc. No. 512); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of the Treasury, submitting supplemental estimates of appropriations required for the Naval Establishment for the service of the fiscal year ending June 30, 1915 (H. Doc. No. 511); to the Committee on Naval Affairs and

ordered to be printed.

4. A letter from the assistant clerk of the Court of Claims, transmitting a certified copy of the findings of fact filed in the cause of Thomas B. Scott, administrator of the estate of Mary Scott, deceased (H. Doc. No. 510); to the Committee on War Claims and ordered to be printed.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows

A bill (H. R. 844) granting a pension to William A. Rappelye; Committee on Invalid Pensions discharged, and referred

to the Committee on Pensions.

A bill (H. R. 4172) granting an increase of pension to Rebecca M. Gaunt; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 8799) granting an increase of pension to Thomas M. Ranes; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 10321) granting an increase of pension to Charles B. Marshman; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials

were introduced and severally referred as follows:

By Mr. BARKLEY: A bill (H. R. 11242) to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, being chapter 231, Thirty-sixth Statutes at Large; to the Committee on the Judi-

Also, a bill (H. R. 11243) to amend an act entitled "An act relating to the liability of common carriers by railroad to their employees in certain cases," approved April 22, 1908; to the Committee on Interstate and Foreign Commerce.

By Mr. UNDERHILL: A bill (H. R. 11244) for the erection of a public building at Bath, N. Y.; to the Committee on Public

Buildings and Grounds.

By Mr. O'SHAUNESSY: A bill (H. R. 11245) extending to the port of Providence, R. I., the privileges of section 1 of the act approved June 10, 1880, governing the immediate transportation dutiable merchandise without appraisement; to the Committee on Ways and Means.

By Mr. STEPHENS of Nebraska: A bill (H. R. 11246) for the restoration of annuities to the Medawakanton and Wahpakoota (Santee) Sioux Indians, declared forfeited by the act of February 16, 1863; to the Committee on Indian Affairs.

By Mr. WICKERSHAM: A bill (H. R. 11247) to authorize the survey, platting, dedication, sale, and rental of the tide-

lands and the harbor area in front of and adjoining the town of Juneau, Alaska, and for other purposes; to the Committee on the Public Lands.

By Mr. BYRNS of Tennessee: A bill (H. R. 11248) creating a Fidelity Division in the Treasury Department, providing a bonding system for disbursing officers, and for other purposes con-

nected therewith; to the Committee on Appropriations.

By Mr. YOUNG of Texas: A bill (H. R. 11249) to enable the Secretary of Agriculture to acquire and diffuse among the people of the United States information looking to better markets for farm products; to the Committee on Agriculture.

By Mr. TAYLOR of New York: A bill (H. R. 11250) providing for the improvement of the harbor at Peekskill, N. Y.;

to the Committee on Rivers and Harbors. Also, a bill (H. R. 11251) providing for the survey of the harbor of Haverstraw, N. Y.; to the Committee on Rivers and

By Mr. FARR: A bill (H. R. 11252) to fix the number, status, and compensation of chaplains of the United States Navy; to the Committee on Naval Affairs.

By Mr. HAYDEN: A bill (H. R. 11253) authorizing the Secretary of the Interior to sell to the town of Tempe, Ariz., a tract of land containing road-making material; to the Committee on the Public Lands.

By Mr. NORTON: A bill (H. R. 11254) to increase the limit

of cost for the erection and completion of the United States

post-office building at Mandan, N. Dak.; to the Committee on

Public Buildings and Grounds.

By Mr. BUCHANAN of Illinois (by request): A bill (H. R. 11255) to terminate certain special privileges and advantages heretofore conferred by Congress and not disturb any existing right in money or property, but in the future to favor the United States Government, for the benefit of all the people equitably, to the same extent that Congress has by law in the past favored the members of the Money Trust exclusively; to the Committee

on Banking and Currency.

By Mr. ESTOPINAL: Resolution (H. Res. 360) to ascertain the rate of duty to be imposed upon Cuban sugar imported after March 1, 1914: to the Committee on Ways and Means.

By Mr. BOWDLE: Joint resolution (H. J. Res. 183) to au-

thorize the Secretary of Commerce to investigate the condition of trade in China for the purpose of determining the desirability of establishing there a permanent exposition of the products of the United States of America; to the Committee on

Interstate and Foreign Commerce.

By Mr. ADAMSON: Joint resolution (H. J. Res. 184) to suspend the provision exempting coastwise vessels from payment of tolls in the Panama Canal act, and for other purposes; to the

Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills were introduced and severally referred as follows:

By Mr. FOWLER: A bill (H. R. 11256) granting relief and an honorable discharge to Jacob Barger; to the Committee on Military Affairs.

By Mr. HAMILL: A bill (H. R. 11257) to compensate the Taylor Dredging Co.; to the Committee on Claims.

By Mr. HILL: A bill (H. R. 11258) granting an increase of

pension to Mollie E. Jenkins; to the Committee on Invalid

By Mr. KINKAID of Nebraska: A bill (H. R. 11259) granting an increase of pension to Joseph S. Wiley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11260) granting an increase of pension to

James C. Hudson; to the Committee on Pensions.

By Mr. O'HAIR: A bill (H. R. 11261) granting a pension to William W. Mullenix; to the Committee on Invalid Pensions. By Mr. PALMER: A bill (H. R. 11262) granting an increase

of pension to John H. Koenig; to the Committee on Invalid

By Mr. POST: A bill (H. R. 11263) granting an increase of ension to William D. Grove; to the Committee on Invalid

By Mr. RIORDAN: A bill (H. R. 11264) to remove the charge of desertion from the military record of John Delaney; to the Committee on Military Affairs.

Also, a bill (H. R. 11265) granting a pension to John De-

laney; to the Committee on Invalid Pensions.

By Mr. TAYLOR of New York; A bill (H. R. 11266) for the relief of the dependent widow of Charles Conklin; to the Com-By Mr. WHITE: A bill (H. R. 11267) granting a pension to Eliza J. Elliott; to the Committee on Invalid Pensions.

By Mr. WOODRUFF: A bill (H. R. 11268) granting an increase of pension to Louisa M. Buchanan; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. BOOHER: Petitions of Fred Marlatt, F. H. Oswald,

and 150 other citizens of Atchison County, Mo., favoring the passage of House bill 10080, known as the Lindquist bill; to the Committee on Interstate and Foreign Commerce.

By Mr. BRITTEN: Memorial of the Chicago Association of Commerce, in reference to the reclassifying of salaries of assistant postmasters and employees, the clerical grade of which is first and second classification; to the Committee on the Post Office and Post Roads.

By Mr. EAGAN: Petition of Capt. R. J. Barrett, of Hoboken, N. J., protesting against the passage of the seamen's bill; to the Committee on the Merchant Marine and Fisheries.

By Mr. FITZGERALD: Memorial of the Manufacturers and Business Men's Association of New York, relative to the incometax law; to the Committee on Ways and Means.

Also, memorial of Randall Highlands Citizens' Association of the District of Columbia, protesting against the removal of fire company; to the Committee on the District of Columbia.

Also, memorial of the New Jersey Bankers' Association, relative to the currency bill; to the Committee on Banking and Currency.

Also, memorial of the Washington Board of Trade, the Chamber of Commerce, and the Retail Merchants' Association, pro-testing against any change in the half-and-half principle of the act of 1878; to the Committee on the District of Columbia.

By Mr. GRIFFIN: Petitions of the directors of the Washington Board of Trade, the Chamber of Commerce, and the Retail Merchants' Association, protesting against any change in the half-and-half principle of the act of 1878; to the Committee on the District of Columbia.

By Mr. LEWIS of Maryland: Petition of sundry citizens of Frederick County, Md., favoring the passage of House bill 5308, relative to mail-order houses; to the Committee on Ways and Means.

By Mr. LINDQUIST (by request): Petition of citizens of the ninth district of the State of Missouri, favoring the passage of the Lindquist pure fabric and leather bill; to the Committee on Interstate and Foreign Commerce.

By Mr. LLOYD: Petition of sundry citizens of the first congressional district of the State of Missouri, favoring the passage of House bill 10080, to prohibit the misbranding of articles made from fabric, leather, rubber, etc.; to the Committee on Interstate and Foreign Commerce.

By Mr. TALBOTT of Maryland: Petition of business men of Aberdeen, Westminster, Havre de Grace, New Windsor, and Cockeyville, all in the State of Maryland, favoring the passage of House bill 5308, relative to mail-order houses; to the Committee on Ways and Means.

By Mr. THACHER: Memorial of sundry citizens of Boston, Mass., protesting against the segregation of colored clerks in the departments at Washington; to the Committee on the Dis-

trict of Columbia.

By Mr. UNDERHILL: Petition of the Hornell Chamber of Commerce, of Hornell, N. Y., favoring the application of the railroads for a reasonable increase in freight rates; to the Committee on Interstate and Foreign Commerce.

WILLIS. Petitions of sundry citizens of Alger. By Mr. Ada, and McGuffey, State of Ohio, favoring the passage of House bill 3508, relative to mail-order houses; to the Committee

on Ways and Means.

Also, petitions of sundry citizens of Belle Center and Findlay, Ohio, favoring the passage of a bill prohibiting the misbranding of articles made from fabric, leather, or rubber; to the Committee on Interstate and Foreign Commerce.

SENATE.

Monday, January 12, 1914.

The Senate met at 12 o'clock m. The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the

following prayer:

Almighty God, we come before Thee presenting ourselves as the objects of Thy tender mercy and of Thy constant care, made as we believe to receive revelations of Thyself, and with our highest function to give back into the heart of God selfrevelations in response to all the expressions of Thy love for us. Thou hast saved us with an everlasting salvation, and Thou dost permit us to place our soul and body upon Thine altar as a living sacrifice in expression of our sense of infinite gratitude to Thee.

Thou hast brought us to the beginning of a new year. Thou dost call us forth into the untrodden paths of the days and months before us. We desire to have our life adjusted to God, to have our lives God-centered, that there may be light along the pathway at every step that we take, in the sacred trust which Thou hast committed to us not only for our personal life but for this great Nation.

So may we be obedient to the will of God and keep in step with God's forward movement, that we may work out Thy divine program for us as a people. Let Thy blessings rest upon every Senator in this honorable body. Give them Thy personal comfort and guidance and blessing, and lead them in the discharge of their public duty according to Thine own gracious will. For Christ's sake. Amen.

HENRY CABOT LODGE, a Senator from the State of Massachu-

setts, appeared in his seat to-day.

The Journal of the proceedings of Tuesday, December 23, 1913, was read and approved.

THE COMMERCE COURT.

The VICE PRESIDENT laid before the Senate a communication from the Attorney General, transmitting a letter from the presiding judge of the United States Commerce Court calling attention to a typographical error in a statement of expenditures of the appropriations for the maintenance of the United States Commerce Court previously transmitted, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

WIND RIVER INDIAN RESERVATION (H. DOC. NO. 516).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, copies of reports received by the Commissioner of Indian Affairs from the superintendent of the Shoshone Indian School and the assistant engineer of the Shoshone irrigation project in Wyoming relative to the construction of roads and bridges on the Wind River Indian Reservation, etc., which, with the accompanying papers, was referred to the Committee on Indian Affairs and ordered to be printed.

TRAVEL OF EMPLOYEES OF LIBRARY OF CONGRESS (H. DOC. NO. 574).

The VICE PRESIDENT laid before the Senate a communication from the Librarian of Congress, transmitting, pursuant to law, a detailed statement of all expenses of attendance of officers or employees of the Library of Congress at meetings or conventions that have been incurred from June 30, 1913, to December 1, 1913, which, with the accompanying paper, was referred to the Committee on the Library and ordered to be

TRAVEL OF EMPLOYEES OF THE DISTRICT OF COLUMBIA (H. DOC. NO. 575).

The VICE PRESIDENT laid before the Senate a communication from the Commissioners of the District of Columbia, transmitting a report from the auditor of the District of Columbia showing expenses incurred and paid by the District of Columbia for certain of its employees in attending meetings of associations or conventions under authority of the commissioners from June 30 to December 1, 1913, which, with the accompanying paper, was referred to the Committee on the District of Columbia and ordered to be printed.

FINDINGS OF THE COURT OF CLAIMS.

The VICE PRESIDENT laid before the Senate communications from the assistant clerk of the Court of Claims, transmitting certified copies of the findings of fact and conclusions of law filed by the court in the following causes:

The cause of Mary L. Singleton, widow of William Singleton,

deceased, v. The United States (S. Doc. No. 348)

The cause of Lorenzo D. Jameson v. The United States (S.

Doc. No. 347); The cause of Sarah J. Whitson, widow of Ira K. Whitson, de-

ceased, v. The United States (S. Doc. No. 346);

The cause of Sarah E. Watson et al., heirs of Joseph E. Murphy, deceased, v. The United States (S. Doc. No. 345);

The cause of John R. Porter v. The United States (S. Doc. No. 345);

353);

The cause of Isabelle E. Bacon, one of the heirs of William R. Marsh, deceased, v. The United States (S. Doc. No. 343);

The cause of Joseph Benton McCue, son and sole heir of William B. McCue, deceased, v. The United States (S. Doc. No. 344);

The cause of Anna Voshell, widow (remarried) of Philemon Green, deceased, v. The United States (S. Doc. No. 350);

The cause of Carrie G. Legg and Fred J. Graves, children and sole heirs of Judson H. Graves, deceased, v. The United States (S. Doc. No. 349)

The cause of Therese Criswell, widow of Hanson Criswell, v.

The United States (S. Doc. No. 338);
The cause of Josephine M. Hensel, sister, and Charles B. Martin, brother, of Edwin B. Martin, deceased, v. The United States (S. Doc. No. 340);

The cause of William H. White v. The United States (S. Doc.

The cause of Alice Waggoner Burns, Rosa Waggoner Eccleston. George W. Waggoner, and Rena M. Waggoner, grandchi'dren and sole heirs of Hartwell L. Turner, deceased, v. The United States (S. Doc. No. 341);

The cause of St. James Protestant Episcopal Church, of Culpeper County, Va., v. The United States (S. Doc. No. 339);

The cause of J. H. Maratta, administrator of the estate of Caleb Maratta, deceased, v. The United States (S. Doc. No.

357);
The cause of Ambrose D. Vallandingham v. The United

States (S. Doc. No. 351);
The cause of Hosea E. West, Sarah Parnell, Simeon J. West, and Mary Hensley, heirs of H. West, deceased, v. The United States (S. Doc. No. 342);

The cause of the trustees of the Christian Church of Crab Orchard, Ky., v. The United States (S. Doc. No. 356);

The cause of Marion C. Thompson v. The United States (S. Doc. No. 354); and

The cause of the trustees of Porter Female Academy, of Williamson County, Tenn., v. The United States (S. Doc. No. 355).

The foregoing findings were, with the accompanying papers, referred to the Committee on Claims and ordered to be printed.

FRENCH SPOLIATION CLAIMS.

The VICE PRESIDENT laid before the Senate communication's from the assistant clerk of the Court of Claims, transmitting findings of fact and conclusions of law filed under the act of January 20, 1885, in the French spoliation claims set out in the annexed findings by the court relating to the following

The vessel sloop Eliza, Reuben McFarlane, master (H. Doc. No. 551);

The vessel ship Jefferson, William Freeman, master (H. Doc. No. 554);

The vessel schooner Bellona, Samuel Thomson, master (H. Doc. No. 546);

The vessel schooner John, Asher Cooke, master (H. Doc. No. 545);

The vessel ship Pigou, James Sinclair, master (H. Doc. No. 553);

The vessel schooner Gideon, Benjamin Lunt, master (H. Doc. No. 544);

The vessel brig Jay, Atkins, master (H. Doc. No. 529);

The vessel brig Sally, Paul Simpson, master (H. Doc. No.

The vessel schooner Mercury, James Stone, master (H. Doc. No. 543);

The vessel schooner Richmond, Solomon Steed, master (H. Doc. No. 542)

The vessel brig Esperanza, David Travers, master (H. Doc. No. 527);

The vessel ship Joseph, Henry W. Bool, master (H. Doc. No.

The vessel schooner Benevolence, John Ring, master (H. Doc. No. 541);

The vessel ship Diana, William Clark, master (H. Doc. No. 549):

The vessel schooner Two Friends, William Van Renselaer, master (H. Doc. No. 540);

The vessel schooner Adventure, John Compton, master (H. Doc. No. 539)

The vessel schooner \(\alpha tlantic, \) Joshua Bointon, master (H. Doz. No. 538);

The vessel schooner Lark, Robert Geiver, master (H. Doc. No.

The vessel sloop Eliza, Thomas Payne, master (H. Doc. No. 558)

The vessel brig Recovery, Isaac Isaacs, master (H. Doc. No. 526)

The vessel brig Pearl, Thomas Horton, master (H. Doc. No. 525);

The vessel schooner Molly Farlie, Thomas Williams, master (H. Doc. No. 536) The vessel brig Hiram, Grindal Gardner, master (H. Doc. No.

The vessel schooner Patriot, Abner Hammett, master (H. Doc.

No. 535); The vessel sloop Ranger, Isaac Judson, master (H. Doc. No. 557);

The vessel brig Industry, Benjamin Bowland, master (H. Doc. No. 523);

The vessel brig Luna, William Milbery, master (H. Doc. No. 522);

The vessel schooner Industry, John Waite, master (H. Doc. No. 534);

The vessel ship Commerce, Tobias Ham, master (H. Doc. No.

The vessel schooner Delight, Orlando Dana, master (H. Doc. No. 533);

The vessel ship Ann and Mary, Thomas Hunt, master (H. Doc. No. 552);

The vessel schooner Three Friends, Joseph Rutherford, master (H. Doc. No. 532); The vessel brig *Iris*, Farrand Clark, master (H. Doc. No. 521);

The vessel sloop Catharine, Hugh Peterson, master (H. Doc.

No. 555);
The vessel sloop Rising Sun, Jesse Betts, master (H. Doc. No. 556);

The vessel ship Polly, Adam Pervis, master (H. Doc. No. 547); and

The vessel schooner Chance, Ichabod Goodrich, master (H. Doc. No. 531).

The foregoing findings were, with the accompanying papers, referred to the Committee on Claims and ordered to be printed.

VESSEL BRIG "RENSALAER" (H. DOC. NO. 530).

The VICE PRESIDENT laid before the Senate a communication from the assistant clerk of the Court of Claims, transmitting the findings of fact and conclusions of law and opinion filed by the court under the act of January 20, 1885, in the French spoliation claims set out in the annexed findings and opinion by the court relating to the vessel brig Rensalaer, James Mitchell, master, which, with the accompanying paper, was referred to the Committee on Claims and ordered to be printed.

ENROLLED BILL SIGNED.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the Speaker of the House had signed the enrolled bill (H. R. S142) to authorize the construction, maintenance, and operation of a bridge across the Bayou Bartholomew, at or near Wilmot, Ark., and it was thereupon signed by the Vice President.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented a petition of the State Administrators of Vocational Education in conference in New York City, December 13, 1913, praying for the enactment of legislation authorizing the President to appoint a commission to consider the need and report a plan for national aid to vocational education, which was referred to the Committee on Agriculture and Forestry.

He also presented petitions of the Central Labor Union of Philadelphia, Pa.; of Branch 3, Socialist Body, Twenty-second Assembly District, of Kings County, N. Y.; of the Saugus Socialist Club, of Massachusetts; and of Vorhees Township, Branch No. 1, Socialist Party, of Gibbsboro, N. J.; and of the Socialist Party of Bay County, Mich., praying that an investigation be made into the conditions existing in the Michigan copper country, which were referred to the Committee on Education and Labor.

He also presented memorials of Andrew Jackson Branch American Continental League, of Cincinnati, Ohio; of Local Branch, American Continental League, of Rochester, N. Y.; of Matthew Thornton Branch, American Continental League, of Philadelphia, Pa.; of Jefferson Branch, American Continental League, of New Bedford, Mass.; of the Robert Emmet Literary Society, of Wilmerding, Pa.; of Washington Branch, American Continental League of Youngstown, Ohio; of George Washington Branch, American Continental League, of Pittsfield, Mass.; of Andrew Jackson Branch, American Continental League, of Wilmerding, Pa.; of the Jefferson Club of the Seventeenth Ward, of Brooklyn, N. Y.; of the Affiliated Branches of the American Continental League, of Pittsburgh, Pa.; of Abraham Lincoln Branch, American Continental League, of Brooklyn, N. Y.; of Commodore Perry Branch, American Continental League, of Jersey City, N. J.; of the United Irish American Societies of Greater New York; and of Thomas Jefferson Branch, American Continental League, of Philadelphia, Pa., remonstrating against an appropriation being made for the celebration of the so-called 100 years of peace among Englishspeaking peoples, which were referred to the Committee on Foreign Relations.

He also presented a petition of the National Convention of Insurance Commissioners, held at New York, N. Y., December 16, 1913, praying for the enactment of legislation providing for the testing and improvement of fire-retarding devices, which was referred to the Committee on Standards, Weights, and Measures.

Mr. OLIVER presented a petition of sundry citizens of Pittsburgh, Pa., praying for the enactment of legislation granting relief to persons who served in the United States Military Telegraph Corps during the Civil War, which was referred to the Committee on Pensions.

He also presented a memorial of the Commercial Club of Farrell, Pa., remonstrating against the proposed dissolution of the United States Steel Corporation, which was referred to the Committee on the Judiciary.

He also presented a petition of Local Union No. 1186, United Brotherhood of Carpenters and Joiners of America, of Pittsburgh, Pa., praying for the enactment of legislation to locate shipments of foodstuffs which have been held in cold storage, which was referred to the Committee on Interstate Commerce.

He also presented a memorial of the Produce Exchange of Philadelphia, Pa., remonstrating against the enactment of legislation to locate shipments of foodstuffs which have been held in cold storage, which was referred to the Committee on Interstate Commerce.

He also presented a petition of the Brotherhood of Locomotive Engineers, Order of Railway Conductors, Brotherhood of Locomotive Firemen and Enginemen, and the Brotherhood of Railroad Trainmen, assembled in joint union session at Freedom, Pa., praying for an investigation into the recent strike in the Calumet district, in Michigan, which was referred to the Committee on Education and Labor.

He also presented memorials of the Robert Emmet Literary Society, of Wilmerding; of the Andrew Jackson Branch, American Continental League, of Wilmerding; of the Thomas Jefferson Branch, American Continental League, of Philadelphia; of the Matthew Thornton Branch, American Continental League, of Philadelphia; and of the affiliated branches of the American Continental League of Pittsburgh, all in the State of Pennsylvania, remonstrating against an appropriation being made for the celebration of the so-called one handred years of peace among English-speaking peoples, which were referred to the Committee on Foreign Relations.

Mr. GALLINGER presented a petition of the Daughters of Liberty of Quincy, N. H., praying for the enactment of legislation providing an educational test for immigrants to this country, which was referred to the Committee on Immigration.

He also presented a petition of the Board of Trade of Berlin, N. H., praying for the enactment of legislation authorizing the Secretary of the Treasury to employ additional architectural aid in the construction of the public buildings of the country, which was referred to the Committee on Public Buildings and Grounds.

Mr. CLARK of Wyoming. On behalf of my colleague [Mr. Warren], who is necessarily absent, I present a memorial of sundry citizens of Wyoming, protesting against the passage of the so-called Sunday observance bill, which I move be referred to the Committee on the District of Columbia.

The motion was agreed to.

Mr. CLARK of Wyoming (for Mr. Warren) presented resolutions adopted by Local Union No. 905, of Reliance; of Local Union No. 2174, of Rock Springs; and of Local Union No. 2312, United Mine Workers of America, of Dietz, all in the State of Wyoming, favoring the appointment of a committee to make Federal investigation of the conditions in the copper-mining regions of the State of Michigan, which were referred to the Committee on Education and Labor.

He also (for Mr. Warren) presented resolutions adopted by Local Union No. 2293, district 22, United Mine Workers of America, of Rock Springs, Wyo., and of Local Union No. 2700, United Mine Workers of America, of Crosby, Wyo., favoring the enactment of legislation to make lawful certain agreements between employers and laborers and persons engaged in agriculture or horticulture and to limit the issuing of injunctions in certain cases, and for other purposes, which were referred to the Committee on the Judiciary.

Mr. HITCHCOCK presented a petition of sundry citizens of Hastings, Nebr., praying for the enactment of legislation to further restrict immigration, which was referred to the Committee on Immigration.

He also presented memorials of sundry citizens of Lincoln, Crawford, and Scotch View, all in the State of Nebraska, remonstrating against the enactment of legislation compelling the observation of Sunday as a day of rest in the District of Columbia, which were referred to the Committee on the District of Columbia.

Mr. MARTINE of New Jersey presented petitions of the mayor and common council and of the Board of Trade of Sea Bright, N. J., praying that an appropriation be made for the construction of a retaining wall or bulkhead to protect the shore front at that place, which were referred to the Committee on Appropriations.

Mr. JACKSON. I present a resolution adopted by the Educational Association of the Methodist Episcopal Church in annual session at Hackettstown, N. J., which I ask may be read.

There being no objection, the resolution was read and ordered to lie on the table, as follows:

HACKETTSTOWN, N. J., January 8, 1914.

The Educational Association of the Methodist Episcopal Church in annual session, representing about 70 universities, colleges, and higher schools in every part of the United States, respectfully request the appropriate committees of the Senate and House of Representatives in Congress assembled to include the provisions of the amendment to

Senate bill No. 3091, as offered by Senator Jackson, of Maryland, on December 13, 1913, thus guaranteeing an equitable division of the funds appropriated in the bill as between the races.

Resolved further, That we commend the stand of Senator Jackson in this particular.

J. R. HARKER,

President of the Association,

President of Woman's College, Jacksonville, III.

C. A. FULMER,

Secretary, Chancellor of Nebraska Wesleyan

University, Lincoln, Nebr.

Mr. BURTON presented a memorial of the Board of Trade of Dover, Ohio, remonstrating against the proposed dissolution and destruction of the United States Steel Corporation, which was referred to the Committee on the Judiciary.

He also presented a memorial of the board of directors of the Business Men's Clubs of Cincinnati, Ohio, remonstrating against the enactment of legislation providing for the legalization of trade unions and prohibiting injunctions in certain cases, which was referred to the Committee on the Judiciary.

He also presented a petition of the Ohio Valley Druggists'

Association, praying for the enactment of legislation recognizing and establishing the system of uniform prices on trademarked and branded goods, which was referred to the Committee on Manufactures.

He also presented a petition of sundry citizens of Dayton, Ohio, praying for the adoption of an amendment to the Constitution granting the right of suffrage to women, which was ordered to lie on the table.

He also presented a petition of sundry citizens of Marion Ohio, praying that the application of the railroads be granted for such reasonable increase of freight rates as may be necessary to cover the increased cost of operation brought about by the numerous demands made upon them, which was referred to the Committee on Interstate Commerce.

He also presented a memorial of sundry citizens of Van Wert, Ohio, remonstrating against the enactment of legislation annulling the civil-service status of assistant postmasters, which was referred to the Committee on Civil Service and Retrench-

He also presented a petition of the City Council of Columbus, Ohio, praying for the enactment of legislation authorizing the telegraph and telephone companies to be owned by the Government, which was referred to the Committee on the Judiciary.

Mr. NELSON presented a memorial of sundry citizens of Pennington County, Minn., remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which was referred to the Committee on the District of Columbia.

He also presented a petition of the Minneapolis Association of Credit Men, praying that an appropriation be made for the erection of levees along the Mississippi River for the protection from flood waters, which was referred to the Committee on Commerce.

He also presented petitions of the congregation of the Eden Prairie Presbyterian Church, of the Woman's Missionary Society of the First Presbyterian Church of Minneapolis, of the congregations of the Presbyterian Church of Bloomington, of the First Presbyterian Church of Minneapolis, of the Presbyterian congregations of Crystal Bay, Long Lake, and Maple Plain, all in the State of Minnesota, praying for the passage of the so-called antipolygamy bill, which were referred to the Committee on the Judiciary.

Mr. CHAMBERLAIN. I present resolutions adopted by the Seattle Rotary Club, of the State of Washington, which I ask may be printed in the RECORD.

There being no objection, the resolutions were ordered to lie on the table and to be printed in the RECORD, as follows:

Resolution from Seattle Rotary Club.

Resolution from Seattle Rotary Club.

Whereas Alaska is conceded to be a land of great but undeveloped resources; and Whereas first among these resources are vast fields of coal—anthracite, semibituminous, and bituminous—as good as any coal in the world and suitable for the use of the battleship fleet of the Navy of the United States; and

Whereas the coal now used by the Pacific Fleet is brought from the Atlantic to the Pacific coast around Cape Horn in foreign ships and at great expense; and

Whereas the opening of the Panama Canal and the coming expansion of the commerce of the United States on the Pacific Ocean and the more extended operations of the Navy on the waters of the Pacific Ocean will necessitate the assembling of vast quantities of coal for use not only in time of peace but as supply in preparation for possible war; and Whereas these fields are now owned by all the people and are now being opened up by the Department of Mines for the use of the Navy; and Whereas because of these facts the people of the Pacific coast are unanimous in agreeing that the first great necessity in the opening up and development of Alaska—the one thing which would be of the greatest material benefit not only to the people of Alaska and the Pacific coast but to the people of the whole country is the building and operation of a railroad to her great coal fields in order that the coal from the same may be made available for the battleships of our country as well as the commerce of the world; and that the second great

necessity is the continuation of such a railroad connecting one of her open ports with her great interior river systems and thus by adequate transportation provide the foundation upon which to develop her vast dormant mineral and agricultural possibilities for the benefit of the whole country: Therefore be it

of the whole country: Therefore be it

Resolved, That the Rotary Club of the city of Seattle does hereby indorse the plan of railroad construction in Alaska in general as embraced in the bills on this subject in the House of Representatives and the Senate of the United States which have already been recommended for passage, having received the approval of the Committee on Territorles in both the House and Senate, respectively, believing the plan so authorized to be such as all broad-minded men interested in the development of this country can approve.

Epitomized these bills authorize the appropriation of \$35,000,000 to \$40,000,000 for the building of railroads in Alaska under and by direction of the President of the United States. All details as to carrying out the same and the selection of routes, etc., are left to the President. The Interstate Commerce Commission is given authority over the roads when constructed. The appropriation for construction is to be repaid by a proportion of all moneys derived from the sale of public lands or from the coal or mineral therein contained or the timber thereon; be it further

Resolved. That the rotary clubs of the United States be requested to the contribution.

further Resolved. That the retary clubs of the United States be requested to take such favorable action in regard to the purpose of these resolutions as may be deemed advisable and to make such action known to all of the Members of Congress from their respective States.

WM. T. Perkins,

WM. T. PERKINS,
Chairman,
C. G. HEIFNER,
E. G. SHORROCK,
O. L. CHAPMAN,
Committee.
CLAUDE H. ECKART,
President.
W. A. GRAHAM, Jr.,
Secretary.

ALASKA

(From Seattle Rotary Club.)

ALASKA.

(From Seattle Rotary Club.)

The United States purchased Alaska from Russia in 1867, paying therefor \$7,200,000. Since that time the Government has expended approximately \$40,000,000 in administering a so-called government therand in the building of roads, aids to mavigation, etc., making a total expenditure for Alaska, including its purchase price, of approximately \$50,000,000. Due to the fortitude and courage of American pioneers, we have taken from the land and waters of Alaska products valued at approximately \$50,000,000. Song, tearing a bainnee in favor of Alaska of a proven approximately \$50,000,000. The total proven approximately approximately \$60,000,000, tearing a bainnee in favor of Alaska of a major was a subject of the control of the Alaska, who have made exhaustive reports on the taxast undeveloped resources of that Territory. It is known that the greatest fisherles of the world to-day are in Alaskan waters; it is known that both anthractic and bituminous coal exists there in quantity and quality equal to the great coal fields of Pennsylvania and West Virginia. Representatives of the Agricultural Department have grown wheat of the finest quality at the junction of the Tanana and Yukon Rivers, producing 50 are 64,000,000 acce.

Agricultural experts have estimated that there is a soll more productive and a climate more salubrious than may be found in Norway, Sweden, Denmark, or Finland, which countries are in practically the same latitude. These countries do not contain more than one-half the same agricultural and grazing grea that is found in Alaska, and yet they maintain a population of twelve to fifteen million people. About 12 years ago the Government purchased and sent to Alaska 1000 refudeer. These have increased in number until we now have fixed they maintain a population of twelve to fifteen million people. About 12 years ago the Government purchased and sent to Alaska 1000 refudeer. These have increased in number until we now have fixed by a fixed provided to the proper development

Mr. CHAMBERLAIN. I present resolutions adopted by the Chamber of Commerce of Cordova, Alaska, which I ask may be printed in the RECORD.

There being no objection, the resolutions were ordered to lie on the table and to be printed in the RECORD, as follows:

CORDOVA CHAMBER OF COMMERCE, Cordova, Alaska.

Whereas the unfortunate conditions which have existed in the Territory of Alaska during the past few years make it imperative that Government aid should be extended in the construction of railroads within the Territory, which would prove a stimulus to the development of the rich resources of the country;

And whereas a measure generally known as the Chamberlain-Wickersham bill, which provides for the expenditure of \$35,000,000 or \$40,000,000 for the purposes of railroad construction in Alaska has been favorably reported in the United States Senate and agreed to by the House Committee on Territories;

And whereas most of the Representatives in Congress from the Western States, as well as the commercial bodies of the Pacific coast, have given a willing, earnest, and vigorous support to the measure providing for railroad construction in Alaska: Therefore be it

*Resolved.** That the Cordova Chamber of Commerce cordially indorses

ing for railroad construction in Alaska: Therefore be it

Resolved, That the Cordova Chamber of Commerce cordially indorses
the bill referred to as being the most practicable means as an aid to the
development of the Territory, and commends in grateful appreciation
the efforts that have been put forth in support of this measure by the
Representatives in Congress and the commercial bodies of Seattle and
other cities; and be it further

Resolved, That the western Members of Congress be earnestly requested and urged to put forth every possible effort to secure the
passage of the Chamberlain-Wickersham bill during the early days of
the new session to begin on December 1, as the needs of Alaska are
imperative and present conditions deplorable.

H. A. SLATER, President,
NATHANAEL GREENE, Secretary.

Mr. CHAMBERLAIN presented a petition of sundry citizens of Portland, Oreg., praying for the enactment of legislation granting relief to persons who served in the United States Military Telegraph Corps during the Civil War, which was referred to the Committee on Pensions.

Mr. WEEKS presented a memorial of the Socialist Club of Saugus, Mass., remonstrating against the enactment of legislation to further restrict immigration, which was referred to the

Committee on Immigration.

He also presented a memorial of the Chamber of Commerce of Worcester, Mass., remonstrating against the adoption of certain provisions of the income-tax law, which was referred to the Committee on Finance.

He also presented a memorial of George Washington Branch, American Continental League, of Pittsfield, Mass., and a memorial of Jefferson Branch, American Continental League, of New Bedford, Mass., remonstrating against an appropriation being made for the so-called celebration of "One hundred years of peace among English-speaking peoples," which were referred to the Committee on Foreign Relations.

He also presented resolutions adopted by Local Union No. 229. Boot and Shoe Workers' Union, of Boston, and of the Central Labor Union of Springfield, all in the State of Massachusetts, praying for an investigation into the mining conditions of the copper districts in Michigan, which were referred to the Com-

mittee on Education and Labor.

He also presented a resolution adopted by the Massachusetts Association of Sealers of Weights and Measures, favoring the enactment of legislation providing for uniformity of weights and measures throughout the various States, which was referred to the Committee on Standards, Weights, and Measures.

He also presented resolutions of the national legislation committee of the Board of Trade of Springfield and of the Women's Educational and Industrial Union of Boston, all in the State of Massachusetts, favoring the passage of the so-called Lever agricultural extension bill, which were referred to the Commit-

tee on Agriculture and Forestry.

He also presented a resolution of the board of directors of Boston Credit Men's Association, favoring the enactment of legislation for the prevention of floods throughout the country,

which was referred to the Committee on Commerce.

He also presented petitions of sundry citizens of Massachusetts, favoring the enactment of legislation to make lawful certain agreements between employers and laborers, and persons engaged in agriculture or horticulture, and to limit the issuing of injunctions in certain cases, and for other purposes, which were referred to the Committee on the Judiciary

He also presented a memorial of sundry citizens of Athol, Mass., remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which was referred to the Committee on the

District of Columbia.

Mr. PERKINS presented a petition of General George A. Custer Council, No. 22, Junior Order United American Mechanics, of Oakland, Cal., praying for the enactment of legislation to further restrict immigration, which was referred to the Committee on Immigration.

He also presented a petition of the Board of Supervisors of Crescent City, Cal., praying that an appropriation be made for the construction and maintenance of a breakwater at that place, which was referred to the Committee on Commerce.

He also presented a petition of the Chamber of Commerce

of Los Angeles, Cal., praying that an appropriation be made for the construction of a breakwater and for the improvement of the harbor at Crescent City, in that State, which was referred

to the Committee on Commerce.

He also presented a petition of the Chamber of Commerce of San Francisco, Cal., praying for the enactment of legislation to provide for the registration of, with collectors of internal revenue, and to impose a special tax upon all persons who produce, import, manufacture, compound, deal in, dispense, sell, distribute, or give away opium or coca leaves, etc., which was referred to the Committee on Manufactures.

He also presented a petition of the Associated Chambers of Commerce of the Pacific Coast, praying for the reorganization of the United States Army, which was referred to the Com-

mittee on Military Affairs.

He also presented a petition of the California Branch of the American School Peace League, praying for the enactment of legislation providing for the suspension for one year of the naval construction program, which was referred to the Committee on Naval Affairs.

Mr. ROOT presented memorials of sundry citizens of New York, remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which were referred to the Committee on the

District of Columbia.

Mr. TOWNSEND presented memorials of sundry citizens of Holly, Battle Creek, Union City, Lansing, and Flint, all in the State of Michigan, remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which were referred to the Committee on the District of Columbia.

He also presented the petition of Rena L. Miner, president of the Michigan Department of Army Nurses of the Civil War, praying for the passage of the so-called Army nurse pension bill, which was referred to the Committee on Pensions.

Mr. NORRIS presented a petition of sundry citizens of Hastings, Nebr., praying for the enactment of legislation to further restrict immigration, which was referred to the Committee on Immigration.

Mr. McLEAN presented a petition of the Daughters of Liberty of Ansonia, Conn., praying for the enactment of legislation providing an educational test for immigrants to this country, which was referred to the Committee on Immigration.

He also presented a petition of the Federation of Women's Clubs of Connecticut, praying for the enactment of legislation authorizing Federal control of the water powers on the public domain, which was referred to the Committee on the Conservation of Natural Resources.

Mr. CLAPP presented a petition of the Minnesota Historical Society, praying that an appropriation be made for the erection of a monument to the memory of Lieut. William S. Cox, United States Navy, which was referred to the Committee on the Library

He also presented petitions of the Commercial Clubs of Thief River Falls, Roseau, Warroad, Roosevelt, International Falls, Spooner, and Baudette, all in the State of Minnesota, praying that an appropriation be made to aid in improvements, fire protection, and drainage of unentered Chippewa lands on the ceded Red Lake Reservation in Minnesota, which were referred to the Committee on Indian Affairs.

Mr. LODGE presented the memorial of William E. Bliss. C. E. Palmer, and 86 other citizens of Massachusetts remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which was referred to the Committee on the District of Columbia.

He also presented a resolution adopted by the Rural Letter Carriers' Association of Massachusetts, favoring an increase and the readjustment of the salaries of rural letter carriers, and recommending certain changes in that service, which was referred to the Committee on Post Offices and Post Roads.

He also presented memorials of George Washington Branch, American Continental League, of Pittsfield, and of Jefferson Branch, American Continental League, of New Bedford, all in the State of Massachusetts, remonstrating against an appropriation being made for the celebration of 100 years of peace with England, which were referred to the Committee on Foreign Relations.

He also presented a petition of the Massachusetts Association of Sealers of Weights and Measures, praying for the enact-

ment of legislation regulating weights and measures throughout the country, which was referred to the Committee on Standards. Weights, and Measures.

He also presented a petition of the Boot and Shoe Workers' Union of Boston, Mass., praying for an investigation of the mining conditions in Michigan, which was referred to the Com-

mittee on Education and Labor.

Mr. POINDEXTER presented a memorial of Liberty Grange, Patrons of Husbandry, of Yakima County, Wash., remonstrating against raising the embargo on potatoes, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Spokane County Rural Letter Carriers' Association of Washington, favoring the enactment of legislation increasing the salaries of rural letter carriers, which was referred to the Committee on Post Offices and Post Roads.

He also presented a petition of the Trades and Labor Council of North Yakima, Wash., praying for the passage of the so-called Alaska railroad bill, which was ordered to lie on the

He also presented a petition of sundry citizens of the State of Washington, praying for the enactment of legislation providing an educational test for immigrants to this country, which was

referred to the Committee on Immigration.

He also presented a petition of Spokane Camp, No. 2, Sons of Veterans, of Washington, praying for the enactment of legislation providing for an increase in the military and naval forces of the United States and for the preparation of boys in the high schools of the country for such purpose, which was referred to the Committee on Military Affairs.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as

A bill (S. 3875) to authorize the Secretary of Commerce to sell certain department publications and to provide for crediting the department's printing allotment with the proceeds; to the Committee on Printing.

A bill (S. 3876) to amend section 2322 of the Revised Statutes

of the United States, relating to mineral locations;

A bill (S. 3877) to amend an act entitled "An act relating to rights of way through certain parks, reservations, and other public lands," approved February 15, 1901;

A bill (8. 3878) to validate certain homestead entries; and A bill (8. 3879) to provide for a permanent supply of coal for the use of the United States Navy and other governmental purposes, to provide for the leasing of coal lands in the Territory of Alaska, and for other purposes; to the Committee on Public Lands.

A bill (S. 3880) to authorize agricultural entries on surplus coal lands in Indian reservations; to the Committee on Indian

A bill (S. 3881) to apply a portion of the proceeds of the sales of public lands to the endowment of schools or departments of mines and mining, and to regulate the expenditure thereof; to

the Committee on Mines and Mining.

A bill (S. 3882) pensioning the surviving officers and enlisted men of the Utah volunteers employed in the defense of the frontier settlements of the Territory of Utah against Indian depredations during the years from 1865 to 1868, inclusive, and for other purposes;

A bill (S. 3883) granting an increase of pension to Edmund T.

Hulaniski (with accompanying papers);
A bill (S. 3884) granting an increase of pension to William G.

Brown (with accompanying papers); and A bill (S. 3885) granting an increase of pension to Malinda Ann Miller (with accompanying papers); to the Committee on Pensions.

By Mr. LANE:

A bill (S. 3886) to repeal sections 2588, 2589, and 2590 of the Revised Statutes of the United States; to the Committee on Commerce.

By Mr. THOMPSON:
A bill (S. 3887) granting a pension to George W. Williams
A bill (S. 3887) granting a pension to George W. Williams (with accompanying papers); to the Committee on Pensions.

By Mr. CHAMBERLAIN:

A bill (S. 3888) for the construction of a dry dock on the Columbia River, Oreg.; to the Committee on Naval Affairs.

A bill (S. 3889) to regulate homestead entries in cases where persons otherwise entitled as heirs or devisees of a deceased applicant are disqualified by reason of allenage; and

A bill (S. 3890) providing for second homestead and desert-

land entries; to the Committee on Public Lands.

A bill (S. 3891) to increase the limit of cost for the erection and completion of the United States building at Pendleton, Oreg.; to the Committee on Public Buildings and Grounds.

A bill (S. 3892) for the relief of Charles G. Griffa; to the

Committee on Military Affairs.

A bill (S. 3893) for the relief of George N. Wolfe (with accompanying papers); and A bill (S. 3894) for the relief of William Fulton Hedges (with

accompanying papers); to the Committee on Claims.

By Mr. OWEN:
A bill (S. 3895) to prevent the use of the mails and of the telegraph and telephone in furtherance of fraudulent and harmful transactions on stock exchanges.

The VICE PRESIDENT. To what committee does the Sen-

ator from Oklahoma wish to have the bill referred? Mr. OWEN. The Committee on Banking and Currency.

Ought it not to go to the Committee on Inter-Mr. OLIVER.

state Commerce?

The VICE PRESIDENT. The Chair has been in the habit of complying with the request of the Senator who introduces a bill. In the opinion of the Chair, the bill should go to the Committee on Interstate Commerce, but it will be referred to the Committee on Banking and Currency, if that is the request of the Senator from Oklahoma.

Mr. OWEN. That is my request. The VICE PRESIDENT. It will be so referred.

By Mr. MARTINE of New Jersey:

A bill (S. 3896) granting a pension to Mary E. High (with accompanying papers); to the Committee on Pensions.

By Mr. MYERS:

A bill (S. 3897) authorizing the Great Northern Railway Co. to revise its line of railway adjacent to the Glacier National Park, in the State of Montana, and granting to the said railway company the right of way for its revised line in the said national Park; to the Committee on Public Lands.
A bill (S. 3898) to amend an act entitled "An act to provide

A bill (S. 3899) to liment an act entitled. An act to provide for the acquiring of rights of way by railroad companies through Indian reservations, Indian lands, and Indian allotments, and for other purposes," approved March 2, 1899; and

A bill (S. 3899) to provide for the acquiring of additional

lands by railroad companies through Indian reservations, Indian lands, and Indian allotments, and for other purposes; to the Committee on Indian Affairs.

A bill (S. 5900) granting an increase of pension to Malachi

Cordero; to the Committee on Pensions.

By Mr. HUGHES:

A bill (S. 3901) granting a pension to Thomas F. Keating;

A bill (S. 3902) granting a pension to James Hanna;

A bill (S. 3903) granting a pension to William R. Claxton; A bill (S. 3904) granting an increase of pension to Richard

De Groat;

A bill (S. 3905) granting a pension to Perdita McVean; A bill (S. 3906) granting a pension to Alexander M. Robert-

A bill (S. 3907) granting an increase of pension to James B.

Romaine; and
A bill (S. 3908) granting an increase of pension to William
H. Van Name; to the Committee on Pensions.
By Mr. GALLINGER:
A bill (S. 3909) for the relief of the heirs at law of Peter

Nodine; to the Committee on Claims.

A bill (S. 3910) granting an increase of pension to Alphonso

Maddocks (with accompanying papers); to the Committee on Pensions.

By Mr. OLIVER:
A bill (S. 3911) for the relief of the estate of David B. Landis, deceased, and the estate of Jacob F, Shenffer, deceased; to the Committee on Claims.

By Mr. McCUMBER:

A bill (S. 3912) granting an increase of pension to David

Keith (with accompanying papers);
A bill (S. 3913) granting an increase of pension to Marie L. Van Solen (with accompanying papers);

A bill (S. 3914) granting an increase of pension to John

Leary (with accompanying papers); and A bill (S. 3915) granting a pension to Catherine Holbrook (with accompanying papers); to the Committee on Pensions.

By Mr. LODGE:

A bill (S. 3916) authorizing the Treasury Department to test upon ships a device or devices for hoisting and lowering lifeboats at sea; to the Committee on Finance.

A bill (S. 3917) granting a pension to Evelina Sprague; A bill (S. 3918) granting an increase of pension to Sarah E. Chatfield (with accompanying paper);

A bill (S. 3919) granting an increase of pension to John Bow-

man (with accompanying papers); and

A bill (S. 3920) granting an increase of pension to Wilton G. Lewis (with accompanying papers); to the Committee on Pensions.

By Mr. WEEKS:

A bill (S. 3921) for the relief of Fred B. Balano; to the Committee on Claims.

By Mr. WEEKS (for Mr. SHERMAN):

A bill (S. 3922) to provide for the election by the qualified electors of the several political parties in the congressional districts and States of delegates, alternates, and national committeemen for the nomination of candidates for President and Vice President of the United States, and to regulate the respective national conventions; to the Committee on Privileges

By Mr. WORKS:

A bill (S. 3923) to provide for a tariff commission; to the

Committee on Finance.

A bill (S. 3924) to remove the charge of desertion from the military record of Elisha L. Bennett, jr.; to the Committee on Military Affairs.

A bill (S. 3925) for the relief of Teresa Girolami (with accom-

panying paper); to the Committee on Claims. By Mr. NELSON:

A bill (S. 3926) relating to the adjudication of homestead en-

tries in certain cases; to the Committee on Public Lands.

A bill (S. 3927) authorizing the appointment of Joseph Westesson, a professor of mathematics, with the rank of lieutenant, in the United States Navy, on the retired list; to the Committee on Naval Affairs.

A bill (S. 3928) granting a pension to Isabel Arneson; and A bill (S. 3929) granting an increase of pension to Harriett M. G. Crooks; to the Committee on Pensions.

By Mr. SMITH of Arizona:

A bill (S. 3930) to provide for investigation to ascertain the feasibility of the construction of a dam and irrigating ditches in the San Pedro Valley, State of Arizona; to the Committee on Irrigation and Reclamation of Arid Lands. By Mr. NORRIS:

A bill (S. 3931) providing for increasing the water supply of the city of Washington, for the building of a dam on the Potomac River to supply light and power for the use of the United States and the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. PERKINS:

A bill (S. 3932) to authorize the establishment of a light and fog-signal station at Point Vincente, Cal.; to the Committee on Commerce.

A bill (S. 3933) providing for the payment of certain claims of the State of California growing out of the Indian wars; to the Committee on Claims.

By Mr. POINDEXTER:

A bill (S. 3934) for the relief of W. A. Miller; to the Committee on Claims.

A bill (S. 3935) granting a pension to Fred T. Macomber; to the Committee on Pensions.

By Mr. OVERMAN:

A bill (S. 3936) to prohibit improper and corrupt lobbying and to regulate the employment of legislative counsel and agents; to the Committee on the Judiciary.

By Mr. McLEAN:

A bill (S. 3937) granting an increase of pension to Mary E.

Hubbell (with accompanying papers); and A bill (S. 3938) granting an increase of pension to Jennie E. Puffer (with accompanying papers); to the Committee on Pen-

A bill (S. 3939) authorizing the issuance of patent to the heirs of James Longmire; to the Committee on Public Lands.

A bill (S. 3940) granting a pension to John Simonsen (with accompanying papers); to the Committee on Pensions.

By Mr. CLAPP: A bill (S. 3941) for the relief of Omer D. Lewis; to the Committee on Indian Affairs.

A bill (S. 3942) granting an increase of pension to Thomas Stevens; to the Committee on Pensions.

By Mr. TOWNSEND:

A bill (S. 3943) granting a pension to Ida Gilhooly (with accompanying paper); to the Committee on Pensions.
By Mr. DILLINGHAM:

A bill (S. 3944) granting an increase of pension to William H. Goodwin (with accompanying papers); and

A bill (S. 3945) granting an increase of pension to George Clark (with accompanying papers); to the Committee on Pensions.

By Mr. STONE:

A bill (S. 3946) granting an increase of pension to Frank Kesler (with accompanying papers);

A bill (S. 3947) granting an increase of pension to John Lynn (with accompanying papers);

A bill (S. 3948) granting an increase of pension to Benton Braden (with accompanying paper); and

A bill (8. 3949) granting an increase of pension to Joseph Stall (with accompanying papers); to the Committee on Pensions.

By Mr. JAMES:

A bill (S. 3950) providing for the registration of designs for manufactured products; to the Committee on Patents.

By Mr. BORAH:

A bill (S. 3951) authorizing and legalizing the exchange of certain lands between the United States and the State of Idaho; to the Committee on Public Lands.

By Mr. REED:

A bill (S. 3952) granting an increase of pension to Simon B.

Rothchild (with accompanying papers);
A bill (S. 3953) granting an increase of pension to John C. Miller (with accompanying papers);

A bill (S. 3954) granting a pension to Eliza Clark (with accompanying papers); and

A bill (S. 3955) granting an increase of pension to Burden H. Barrett (with accompanying papers); to the Committee on Pensions.

By Mr. CLARK of Wyoming (by request): A bill (S. 3956) authorizing the purchase of lands chiefly valuable for timber and for the growth of timber in the State

of Wyoming; to the Committee on Public Lands.

By Mr. CHAMBERLAIN:

A joint resolution (S. J. Res. 95) providing for method of improving channels giving access to military reservations or fortifications (with accompanying paper); to the Committee on Commerce.

ROCK CREEK PARK.

Mr. LODGE. I submit an amendment proposing to appropriate \$5,000 for the removal of dead and down timber from the woods and streams of Rock Creek Park, in the District of Columbia, intended to be proposed by me to the District of Columbia appropriation bill. I ask that the amendment be printed and referred to the Committee on the District of Columbia, and I should be glad if the committee would give me an opportunity to be heard upon the amendment.

The VICE PRESIDENT. The amendment will be referred to the Committee on the District of Columbia and printed.

LANDS IN OREGON.

Mr. CHAMBERLAIN submitted an amendment intended to be proposed by him to the bill (S. 3343) granting to the State of Oregon certain lands claimed by the State of Oregon under an act of Congress approved September 28, 1850, and an act of Congress approved March 12, 1860, which was referred to the Committee on Public Lands and ordered to be printed.

AMENDMENTS TO RIVER AND HARBOR BILL,

Mr. CHAMBERLAIN submitted an amendment relative to an appropriation for the completion of the improvement at the mouth of the Columbia River, Oreg., etc., intended to be proposed by him to the river and harbor appropriation bill, which was referred to the Committee on Commerce and ordered to be printed.

He also submitted an amendment proposing to appropriate \$50,000 for the examination and survey of the Columbia and Snake Rivers, Oreg., Wash., and Idaho, with a view to the canalization of these streams between Celilo and the mouth of the Columbia and to Pittsburg Landing on the Snake River, etc., intended to be proposed by him to the river and harbor appropriation bill, which was referred to the Committee on Commerce and ordered to be printed.

He also submitted an amendment proposing to appropriate \$146,000 for continuing the improvement and completion of the north jetty of the Siuslaw River, Oreg., etc., intended to be proposed by him to the river and harbor appropriation bill, which was referred to the Committee on Commerce and ordered

to be printed.

HARBOR OF HAMBURG AND THE LOWER ELBE.

Mr. LANE. I present a paper, being a reply to instructions of the Department of State adopted October 4, 1913, relative to the harbor of Hamburg and the lower Elbe. I move that the paper be referred to the Committee on Commerce.

The motion was agreed to.

HOUR OF DAILY MEETING.

On motion of Mr. KERN, it was

Ordered, That the hour of the daily meeting of the Senate be 12 o'clock meridian until otherwise ordered.

THE UNITED STATES STEEL CORPORATION.

Mr. LANE. I submit a resolution, which I ask to have read. The resolution (S. Res. 241) was read, as follows:

Mr. LANE. I submit a resolution, which I ask to have read. The resolution (S. Res. 241) was read, as follows:

Resolved, That the Interstate Commerce Commission is hereby directed to conduct an examination and inquiry for the purpose of ascertaining whether there exist facts or evidence that in the opinion of the commission would justify the Government in instituting suits or legal proceedings for recovery of fines, penalties, or forfeitures from the United States Steel Corporation, its subsidiaries, or any common carrier because of unlawful rebates, offsets, and preferences received and accepted by the above-named corporation or its constituent companies within the last six years.

The Interstate Commerce Commission is hereby directed to hear all witnesses and testimony in pursuance of this resolution at open public hearings to be held before one or more members of the commission.

The Interstate Commerce Commission is hereby further directed to forthwith subpean and bring before it William H. Green, of Creighton, Nebr., to give testimony before said commission relative to unlawful rebates, offsets, or preferences received and accepted by the United States Steel Corporation and its subsidiary corporations from common carriers as aforesaid.

And should said William H. Green when before the commission name any other person or persons as having knowledge of facts or evidence showing payments of unlawful rebates, offsets, or preferences to said United States Steel Corporation or subsidiary thereof as aforesaid, then the Interstate Commerce Commission is hereby directed to forthwith subpean and examine before it any such person or persons: *Provided*, That nothing in this resolution shall be construed as affecting the discretion of the commission with respect to the taking of the testimony of any witness or causing such witness to produce books or papers when it appears that such witness is an employee, agent, officer, or director of the United States Steel Corporation, any subsidiary thereof, or of any common ca

Mr. LANE. I ask unanimous consent for the immediate consideration of the resolution.

Mr. GALLINGER. Let the resolution go over and be printed,

Mr. President.

Mr. CUMMINS. Mr. President, I think the resolution ought to be referred to the Committee on Interstate Commerce. Interstate Commerce Commission, as the Senator from Oregon [Mr. Lane] knows, is already overburdened with work, and I think that a proposition for such an inquiry as this ought to go before the Committee on Interstate Commerce in order that it may look into it and determine whether the matter involved is of sufficient importance to require the commission to investigate it.

Mr. LANE. Mr. President, I wish to say, for the information of the Senator from Iowa, that allegations are made in the resolution that such methods are being pursued in carrying on the business of the United States Steel Corporation, and I think it is a most excellent time right now to enter into an inquiry concerning it. I shall ask for the consideration of the matter at the hands of this body. I do not wish it tucked away in the Committee on Interstate Commerce in order to give the Interstate Commerce Commission time to clear up their work. That will take 8 or 10 years, as nearly as I can ascertain, if they keep up their present rate of progress; at any rate, it will require not less than three or four years,

which would be too long a delay.

The VICE PRESIDENT. There being objection to the present consideration, it will lie over until to-morrow.

Mr. LANE. I will call up the matter to-morrow.

CONDITIONS IN MINING DISTRICTS IN MICHIGAN.

Mr. ASHURST. I submit a resolution which I ask may be read and referred to the Committee on Education and Labor. The Secretary read the resolution (S. Res. 243), as follows:

The Secretary read the resolution (S. Res. 243), as follows:

Resolved, That the Senate Committee on Education and Labor is hereby directed to make a thorough and complete investigation of the conditions existing in the copper mines in the Calumet, Hancock, and South Range copper mining districts in the counties of Houghton, Keweenaw, and Ontonagon, Mich., for the purpose of ascertaining—

First. Full and accurate facts concerning the past history and present status of the relations of the employers and employees in the said copper mines in so far as the said history may have any direct or indirect relation to the existing labor troubles, and to this purpose and end said committee is authorized and directed to investigate and report as to the justice and reasonableness of the minimum wage demand of the employees in said district, the justice and reasonableness of an increase in the compensation of the employees, the reasonableness of an eight-hour day for underground employees, and the necessity and reasonableness of the employment of two men on all machine drills.

Second. The history of the organization of the various companies

Second. The history of the organization of the various companies or corporations owning or working copper mines in the said district; that is to say, the committee shall ascertain how much money was originally invested in the purchase and acquisition of the said copper

properties by the owners, the amount of the gross yield of the mines, and the value of the capital stock of the various corporations (operating copper mines) at the time of their incorporation and the market value of the capital stock of such corporations at the present time. The committee shall especially investigate the facts and report as to the amount of dividends and assessments of the said copper mines with the view especially of ascertaining the amount of the assessments levied by the Calumet & Hecla Mining Co. and the amount of money paid out as dividends by that company from its inception down to the present time.

money paid out as dividends by that company from its inception down to the present time.

Third. Whether or not any of the employers or employees in said district have declined to consent to a committee on arbitration to be appointed by the President of the United States and the governor of the State of Michigan, jointly, to which committee all matters in dispute might be submitted and by the findings of which committee all parties at interest should be bound.

Fourth. Whether or not any system of peonage is maintained in said copper-mining districts.

Fifth. Whether or not access to post offices is prevented; and if so, by whom.

Sixth. Whether or not the immigration laws of the United States.

Fourth. Whether or not any system of peonage is maintained in said copper-mining districts.

Fifth. Whether or not access to post offices is prevented; and if so, by whom.

Sixth. Whether or not the immigration laws of the United States are being or have been violated in the said copper-mining districts; and if so, by whom.

Seventh. Whether or not the Secretary of Labor or any other official or officials of the Government may be of service in the premises.

Eighth. Whether or not persons are being or have been convicted and punished in violation of the laws of the United States.

Ninth. Whether there exists or has existed a combination of coppermining companies in restraint of interstate commerce and trade for the purpose of advancing the price at which copper shall be sold to consumers in Michigan and other States, or for any other purpose.

Tenth. Investigate and report whether or not firearms, ammunition, and explosives have been imported into said State for the use of either party to the existing labor troubles, and the number, names, and general reputation of the men imported into said district to act as guards, deputy sheriffs, or in similar positions.

Eleventh. Investigate the efforts of the various labor organizations to unionize said copper mines, including demands made on employers, and the methods used to enforce said demands.

Twelfth. Whether or not the said copper-mining companies have attempted to induce the action of officials, judicial or otherwise, in said district, or have interfered with the administration of justice in said district, or have interfered with the administration of justice in said district, or any subcommittee thereof, is hereby empowered to sit and act during the session of Congress or of cither House thereof at such time and place as it may deem necessary; to require by subpema or otherwise the attendance of witnesses and the production of papers, books, and documents; to employ stenographers at a cost not exceeding \$1 per printed page; to take and make a record of ill epi

The VICE PRESIDENT. The resolution will be referred to the Committee to Audit and Control the Contingent Expenses of

Mr. TOWNSEND. Mr. President, I am sorry that the exigencies of politics outside of Michigan seem to make it necessary to present such a resolution at this time. I would be the last Member of this body to try to prevent a settlement of the unfortunate condition that exists in our State, and which has existed there since July last; and I certainly would not object to any effort being put forth which would result in securing justice

to the parties concerned. If Michigan is suffering from one thing more than another at this time, it is that from outside influences. The governor of Michigan has been doing his very best to adjust the unfortunate conditions in the copper country. The Department of Labor has made an investigation; the Department of Justice has sent a representative up into that country, who has not yet reported; the governer himself has been on the ground for several days, and his report is not yet out; a grand jury has been called, composed of men who were selected before the strike occurred; and that grand jury is still at work, at least its findings have not been submitted; yet it is proposed at this time to secure the passage of a resolution calling for an investigation by the Congress through a committee composed of men, possibly, in some instances, at least, who have already prejudged the situation. This resolution proposes things which no Senator on this floor believes Congress can take constitutional cognizance of or has any legal right to investigate. There is contained in the resolution a voluntary insult to the courts of our State, it being suggested that they have been improperly influenced.

To my mind, Mr. President, this resolution was not intended for and will not result in settling the disturbance in upper Michigan. If we could have an investigation that would be

fair and just, of all matters which Congress has any right to investigate, I would gladly support it, because the public lacks the facts involved in this distressing controversy. I do not believe that an investigation by a committee of Congress will help us any. I repeat, the resolution covers matters with which Congress has no right to deal. There are some statements made in the resolution which, if correct, would be subject to investi-gation by Congress. If it should be confined to those matters, and it is thought by the committee after a careful investigation that justice is going to be secured, and that that unsettled condition can be settled, I want the investigation; but, Mr. President, until a report has been made by the authorities of the State, who have been honestly and properly investigating this matter, it seems to me that the Congress ought not to intervene.

I deny that there is a State in this Union which has a higher regard for justice and right or that exerts more care in looking after the relative interests of all parties in all controversies

within its borders than Michigan.

I repeat, Mr. President, that I am sorry the exigencies of politics seem to make it necessary for outside influences to ask that something be done in Michigan. Unless it can be shown that there is some prospect of shedding some sunlight on this vexed question that will help us in Michigan and help the country to get at the exact truth of the situation Congress should not take this proposed action.

I ask, Mr. President, that the resolution be printed and go over, so that we can have a chance to look at it.

The VICE PRESIDENT. The resolution has been referred. to the Committee to Audit and Control the Contingent Expenses

Mr. LODGE. The question has not been put.

Mr. GALLINGER. It seems to me that under the rule it is competent for any Senator to object to the present consideraday and then any proper disposition can be made of it.

Mr. ASHURST. Mr. President, I did not ask for the immediate consideration of the resolution, and I trust no Senator

misheard me. I never thought of asking for the immediate

consideration of the resolution.

In reply to my friend the distinguished Senator from Michigan I am sorry he permitted himself to make what I deem to be the unjust observation that this resolution was prompted by political considerations or political expediency. The Senator political considerations or political expediency. from Michigan is a truthful man. He is a gentleman. If he has any evidence that this resolution has been prompted by political considerations or expediency now, in the Senate, is the time to produce his evidence or to admit that he was in error in saying such a thing.

I have very high regard for the Senator from Michigan, and he knows it. It misbecomes him to say that political considera-tions or political exigencies have prompted the introduction of

this resolution.

Sir, I represent, in part, the State of Arizona. In that State Sir, I represent, in part, the State of Arizona. In that state we do not believe that the mere interests of Arizona are all that should engage our attention. While I have no right to speak for my colleague, I believe, in fact I know, he shares my view that to promote the good of the Nation should be as much the duty of a Senator as to put forward the good of his own State.

If political expediency prompted this resolution, then, Mr. President, I am at least glad that something prompted the Senate of the United States to try in a calm, orderly way to ascertain the truth. If it be "political expediency" to ascertain the truth, then the epithet should be worn by myself. I deny that there is aught in the resolution that is other than the most strict parliamentary language. I regret the necessity which prompted the resolution, and I deny again that it is prompted by other than the desire to promote the public weal.

I say to the Senator from Michigan that it ill becomes him

to make and repeat, as he did, such an assertion.

Sir, I have received over 5,000 letters and telegrams on this subject from all parts of the United States, from statesmen, from writers, from business men, from lawyers, from laborers, from college men, from all classes of men all over the United States. I have this portfolio [exhibiting] full that I could put into the RECORD if I saw fit. I shall not do so, however. These communications urge me or somebody in a calm, sedate, and proper way to introduce a resolution asking an investigation of what we must admit is a deplorable situation in the State of Michigan. If the time unfortunately comes, as I trust it will not, when the same condition obtains in my own State, I shall be the first to ask for the light, he first to ask for the truth, and shall be the last to rise in my place and object to any committee of the Senate ascertaining the truth.

I shall not incorporate into the RECORD a long list of these letters and telegrams, but I shall read one telegram which I have just received from one of the most accurate, one of the most profound thinkers in the United States, Charles Edward Russell .

CHICAGO, ILL., January 11, 191h,

Hon, Henry F. Ashurst, United States Senate, Washington, D. C.:

United States Senate, Washington, D. C.:

Have just returned from investigation of copper miners' strike in Michigan. Situation clearly demands investigation by Congress. Lawlessness and oppression of armed guards, misuse of militia, violation of constitutional rights, killing of peaceable citizens, deportation, interference with interstate business require it. Because I know your profound sympathy with tollers and services for people, beg you to press this.

CHARLES EDWARD RUSSELL

I care not, so far as I am personally concerned, by what epithet the Senator from Michigan may choose to stigmatize my poor and weak efforts to obtain the truth; but if he believes he can shut off an investigation by characterizing it with an epithet or saying that it was prompted by political expediency, he does not show the wisdom and the judgment he usually shows.

Mr. LODGE. Mr. President, I understood the request made by the Senator from Arizona was for reference. The question

was on the reference of the resolution. The VICE PRESIDENT. It has been referred.

Mr. LODGE. It is my misfortune that I did not know it. I was waiting here to say a word with regard to it, and I was not conscious that it had been referred.

The VICE PRESIDENT. The resolution calls for the expenditure of money, and under the statute the Chair had referred it to the Committee to Audit and Control the Contingent

Expenses of the Senate.

Mr. LODGE. Certainly; I do not question the proper direction of the Chair as to the course it should take; but I think a resolution of that sort, under the rules, goes over for one day on the objection of any Senator. The Senator from Michigan was recognized as soon as the resolution was read, and asked that it go over and be printed. I was about to make the same request myself; for, as I listened to the reading of the resolution, which is a very long one, I gathered that there were in it some subjects undoubtedly within the jurisdiction of the Congress and others that, it seemed to me, clearly were not.

I do not think it is within our jurisdiction or is proper for us to enter upon an inquiry as to whether or not a State court Las been bought up. It seems to me hardly proper for us to undertake to pass upon the question whether a State has acted within its rights in the exercise of its police power.

For those reasons, it seems to me, that before the resolution takes the course which the Chair has properly designated we should have a right to look at it and consider whether or not it should be referred in its present form.

Mr. ASHURST. Mr. President, the distinguished Senator from Massachusetts said something about the State courts which I did not hear. Will he repeat his statement?

Mr. LODGE. I said there was a clause there which appeared

to me, as I heard it read, to call for an investigation of the State courts to see whether or not they had been bought up.

Mr. ASHURST. Mr. President, I am sorry the distinguished Senator could possibly put such a construction on the language. The resolution says nothing about anybody being "bought up" or "sold down." I am very sorry that impression has gotten out. It is absurd.

Mr. LODGE. Mr. President, I will read what I heard, and it seems to me to indicate that:

12. Whether or not the said copper-mining companies have attempted to influence the action of officials, judicial or otherwise, in said district, or have interfered with the administration of justice in said district.

If that does not mean improper interference with the State courts, I do not know what language does mean.

Mr. ASHURST. I will say to the distinguished Senator from

Massachusetts that the resolution does not use the harsh characterization which the Senator attributes to it. It does not say that anybody has been "bought up" or "sold down." I know that when the Senator reflects he must see the injustice which is done by saying on the floor of the Senate that the resolution

contains a suggestion that anybody has been "bought up."

Mr. LODGE. It is a proposition to investigate the State courts of Michigan and see whether or not they have been im-

properly influenced by anybody.

The VICE PRESIDENT. This is the state of the record, regardless of what Senators may say about it:

The Senator from Arizona requested that a resolution be read and referred to the proper committee. There was no objection. It was read. In view of the fact that it called for the expenditure of money, it has been referred to the Committee to Audit and Control the Contingent Expenses of the Senate. After that was done the point was made that the resolution, upon objection, should lie over one day under the rule. It came

after the reference.

The view of the Chair is that it is first the duty of the Committee to Audit and Control the Contingent Expenses of the Senate to say whether or not money shall be expended for any purpose. When the resolution comes back from that committee, it seems to the Chair, that will be the time to determine whether this resolution or an amended resolution shall be passed, or whether it shall be referred to some committee to determine what, if any, resolution shall be passed.

The Chair does not care anything about it, but that is the

state of the record.

Mr. SMOOT. Mr. President, I remember well hearing the Senator from Arizona state that he introduced the resolution and asked for its reference to the Committee on Education and Labor. I had no objection whatever to its going to that com-The resolution had not been read. We knew nothing about what was in the resolution. Of course, after the reading of the resolution the question should be considered whether it should go to that committee or some other committee.

I think the Chair was perfectly right in having the resolu-tion referred to the Committee to Audit and Control the Contingent Expenses of the Senate, provided no objection was made to it. Under the rules an objection carries it over for one day. To-morrow, when it comes up regularly and automatically at the close of the morning business, the Senate will decide as to

whether or not it shall make an amendment to it.

It seems to me an amendment should be made to the resolution before it goes to the Committee to Audit and Control the Contingent Expenses of the Senate, because after it goes there the committee only has the question to consider whether or not it shall authorize the expenditure of the money. A part of the committee may want to authorize the expenditure of the money for a certain portion of the resolution, but may not like to order the money spent for the whole of it.

Therefore, in my opinion, the resolution ought to be perfected in the Senate before it goes to the committee. The proper way to proceed would be to have it done at the present time, if there were not an objection raised, but there was an objection, which took it over until to-morrow, when it will come up auto-

matically before the Senate.

Mr. WILLIAMS. Mr. President, I wish to say that when a resolution upon a like subject was introduced, for the investigation of conditions in the West Virginia coal mines, the resolution was sent first to the Committee to Audit and Control the Contingent Expenses of the Senate, and that committee struck out of it those parts of the resolution which, in the opinion of the committee, were not subjects matter of Federal jurisdiction, and then authorized the expenditure of the money for the other purposes. In other words, it reported the resolution back to the Senate with an amendment, which was adopted. Then a resolution came from the Committee on Education and Labor, which at that time I thought was the same resolution that had come to us and had been corrected by us; and in that resolution there were restored certain features of the original resolution which did not relate to the subjects matter of Federal jurisdiction.

I mention this merely because it shows the danger that lies along the pathway. As a matter of fact, the Committee to Audit and Control the Contingent Expenses of the Senate never did favor the expenditure of money for certain purposes in connection with that investigation, and yet the money was expended

for those purposes.

I wish to give notice that in case this resolution goes to the Committee to Audit and Control the Contingent Expenses of the Senate, if we strike out of it such parts of it as we think are purely matters of State jurisdiction, and then if it comes back from any other committee to which it shall be subsequently referred-and it will have to be referred to some other committee, because we have no jurisdiction over anything except the

expenditure of money—we shall oppose it.

I think, therefore, it would be better if the resolution went to some other committee first, and then were referred to this committee, after it comes back, for it to consider the question as to the expenditure of the money out of the contingent fund.

Mr. SMOOT. Mr. President, in answer to the Senator I wish to say that it is my opinion that the Committee to Audit and Control the Contingent Expenses of the Senate has no right whatever to change a resolution when it is referred to the committee for the purpose of determining whether money shall be expended from the contingent fund of the Senate. The resolution ought to be perfected in the Senate before it goes to that he objected to the resolution being referred to the committee,

committee, and then the committee will have to pass upon the question whether they shall authorize the expenditure of money from the contingent fund of the Senate for the purpose of the investigation, if an investigation it may be.

Therefore it seems to me that the objection made here today carries the resolution over for one day. To-morrow, when it comes up automatically before the Senate, it should be perfected and then referred to the Committee to Audit and Control

the Contingent Expenses of the Senate.

Mr. WILLIAMS. I know no rule of the Senate, nor do I know any principle, that prevents the Committee to Audit and Control the Contingent Expenses of the Senate from amending a resolution which has been referred to it, just as any other committee does. When a resolution is referred there to expend certain moneys out of the contingent fund for a certain investigation, it seems to me it is clearly within the jurisdiction of the committee to determine that certain parts of the resolution do not present subjects of appropriate Federal investigation, and to strike those parts out of the resolution. any rate, that is the course we took in the other case, whether we had the right to do it or not, and I think that is the course that will be taken by the committee in the future.

Clearly we might conclude that there was a right, for example, to see whether interstate commerce had been interfered with or whether the administration of postal affairs had been interfered with, and to order money to be expended from the contingent fund for the purpose of investigating to see whether or not that was the case, whereas we would have no right to investigate to see whether John Smith had lawlessly slain John Jones, and we would not appropriate money out of the contingent fund of the Senate to investigate that case of

manslaughter.

Mr. SMOOT. Mr. President, in this particular case the Senator introducing the resolution does not want consideration of it until it is referred to the Committee on Education and Labor. Now, the Committee on Education and Labor wants to know, the Senate wants to know, whether the Committee to Audit and Control the Contingent Expenses of the Senate are willing to enter upon the investigation, and they have the resolution referred to them not under the rules of the Senate but under the law. The law requires that it shall go to that committee. If the committee decide that they want an investigation of this question they will report favorably to the Senate, and then the resolution will be referred to the Committee on Education and Labor according to the request made by the introducer of it.

Mr. WILLIAMS. Why can they not decide that they want the money expended for an investigation as to a part of the resolution which they deem a part of the business of the Senate and not as to other parts which they deem not to be parts of the business of the Senate?

Mr. BORAH. Mr. President, as I understand the status of the record, it is that the resolution has already been referred; that it was referred before objection was made.

Mr. TOWNSEND. It must have been referred before it was read, because I waited until the reading was through and got

the recognition of the Chair immediately after the reading. Mr. BORAH. My observation with reference to the West Virginia resolution is that it is not very material whether it proceeds first to the Committee to Audit and Control the Contingent Expenses of the Senate or whether it proceeds second to that committee, because it will be fought out in both places. Even if it is perfected in the minds of the Committee on Education and Labor, it will be reperfected by the Committee to Audit and Control the Contingent Expenses of the Senate, especially while the distinguished Senator from Mississippi [Mr. Williams] is the chairman of that committee, because he has certain views with reference to the question of State So you have to meet the question, and I think it very immaterial whether it goes to that committee first or goes to it second.

Mr. TOWNSEND. Mr. President, I do not wish to make any point on the matter referred to by the Vice President. I desire to state, however, I had not supposed that when a Senator rose to present a resolution, stating in presenting it where he wished to have it referred, that such request estopped any Sena-tor from asking, under Rule XIV, that the resolution be printed

and go over for a day.

The VICE PRESIDENT. May the Chair interrupt the Senator from Michigan?

Mr. TOWNSEND.

Certainly.

DENT. The Chair will ask the Senator The VICE PRESIDENT. from Michigan whether when he was on his feet the first time or whether it was not after it had been referred that the Senator from Michigan rose?

Mr. TOWNSEND. I asked in the course of my first remarks that it go over and be printed. I had not beard the Chair an-nounce that the resolution would be referred.

The VICE PRESIDENT. If it is the recollection of the Senator from Michigan that he asked that the resolution be printed and go over before the Chair referred it, the Chair having no pride of opinion, will withdraw the resolution from the Com-

mittee to Audit and Control the Contingent Expenses of the Senate and let it lie over until to-morrow. But that is not the

recollection of the Chair.

Mr. LODGE. I ask for the reading of the stenographer's notes where the Senator from Michigan objected.

Mr. GALLINGER. I think that is conceded.
Mr. TOWNSEND. Mr. President, I desire to be heard on that proposition further before I take my seat. I am confident that the Senator from Arizona presented this resolution, because he had been asked to present it. Of course, I believe he presented it because some people in Arizona asked him to present it, and that he thought, and honestly thought, it was his political duty to present the resolution.

Now, Mr. President, I am not claiming that there ought not to be an investigation of affairs in Michigan. I am not resisting any honest investigation of conditions in my State which are properly subject to investigation by Congress. Indeed, if I thought the truth of the strike situation could be obtained in no other way I would be even willing that the rights of Michigan might be invaded, for the exact truth is all-important. The trouble has continued so long because the real issue has been so confused and uncertain.

I have advocated since I have been a Member of Congress a measure providing for the investigation of such controversies. There is now pending before the Committee on Interstate Commerce a bill introduced by me providing that a commission may be appointed by the President which shall investigate these matters, and the results of such investigation would command the respect of the country. No investigation that shows itself to have been partisan or to have been made with the case prejudged by the character of the investigators would have any weight in settling the controversies. I believe that a properly informed public sentiment would settle this strike, and I repeat, I have asked in a bill that such a commission be appointed by the President of the United States. I have asked the chairman of the Committee on Interstate Commerce to call that bill up in order that such a commission might be created, whose duties it should be to go into these matters in detail and in such a way that the result would command the respect of the public.

I object to this particular resolution because I feel that no good could come from it and that conditions would be made worse instead of better. I object to it at this time because I want the authorities who have been investigating the disturb-ance to report, and I want them to have sufficient time to make You answer that this condition has been in existtheir report. ence a long time; that we have waited long enough. Oh, but Senators do not understand the complications that have existed there. I do not believe a majority of the Senators want to impeach the honor and integrity of the Democratic governor of Michigan. His record shows that he has been in sympathy with the toiling classes quite as much as with the other classes of our people. I do not believe any man who has carefully investigated this matter and understands Michigan's history wants to impeach the courts of our State. I do not believe Senators want to interfere with the work that is now being performed by the

grand jury in reference to this particular trouble.

It is for these reasons that I have asked that due care be taken before we complicate the situation and perhaps unduly prolong the strike. If you can by congressional action, if you can by investigation, throw on the subject more light than has been thrown on it, I have no objection to it. The people of Michigan have no objection to it. But such a commission should be unbiased by political or class prejudice. If we could get a report upon the commission bill that has been once reported to Congress and several times considered by congressional committees since I have been a Member here and have the measure enacted into law, this and other great controversies between capital and labor would be settled without such tremendous loss to the parties directly involved and to the people. Such a commission was created by President Roosevelt in the anthracite coal strike, and that without any authority of law, but he recognized the seriousness of the strike and appreciated that publicity of the truth was the sure and direct remedy. Its findings would command the respect of the country and end the strike. In fact, no such long-continued disturbance would occur if it was known

in advance that the exact truth would be disclosed. No wrong thing could stand the judgment of public opinion. By all means let us have light, and for the same reason let us not becloud an already bad situation.

THE TELEGRAPH AND TELEPHONE AS ADJUNCTS TO POSTAL SERVICE.

Mr. NORRIS. Mr. President, I submit a resolution and ask unanimous consent for its present consideration.

The VICE PRESIDENT. The Senator from Nebraska submits

resolution and asks unanimous consent for its present consideration. It will be read.

The resolution (S. Res. 242) was read, as follows:

The resolution (S. Res. 242) was read, as follows:

Resolved, That the Postmaster General be, and he is hereby, directed to send to the Senate the results of the investigation he has been making regarding Government ownership and control of means of communication with a view to the acquisition by the Government of the telegraph and telephone facilities, to be operated as an adjunct to the postal service, and that in connection therewith he send to the Senate all of the data and information that has been acquired by means of such investigation, together with a copy of all reports that have been made thereon by any committee or persons appointed by him for the purpose of making such investigation.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution? The Chair hears none, The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. BACON subsequently said: Mr. President, there was a resolution just adopted by the Senate, offered by the Senator from Nebraska [Mr. Norris], which I am somewhat inclined to think should go first for consideration to the Committee on Post Offices and Post Roads. The chairman of that committee is not now present. I therefore will not do more than enter a motion for a reconsideration, so that if the members of that committee should think it desirable they could make a motion

for a reconsideration.

The VICE PRESIDENT. The motion to reconsider will be noted.

PARITY OF EXCHANGE BETWEEN GOLD AND SILVER USING COUNTRIES.

Mr. THOMAS. Mr. President, I ask for the reading of Senate joint resolution No. 89.

The VICE PRESIDENT. The Secretary will read Senate joint resolution 89.

The Secretary read the joint resolution introduced by Mr. THOMAS December 13, 1913, as follows:

joint resolution (S. J. Res. 89) for the appointment of an international commission to fix a parity of exchange between gold and silver using countries.

Whereas the purpose of H. R. 7837 now under consideration in the Senate is to establish a permanent and satisfactory system of banking and currency equal at all times to the demands of the Nation's economic and commercial requirements; and Whereas a system of banking and currency to be thoroughly efficient must be adaptable as well to the needs of foreign and domestic trade; and

must be adaptable as well to the needs of foreign and domestic trade; and Whereas the recent growth of our foreign trade justifies the assurance of its rapid and continuous expansion; and Whereas the markets of the world include China, Japan, India, the Straits Settlements, Mexico, and South America, which countries embrace nearly two-thirds of the human race, and whose industrial and commercial affairs are transacted upon a silver basis, notwith-standing their nominal adoption of a gold standard; and Whereas changes in the gold price of silver bullion causes constant and sometimes violent fluctuation in exchanges between gold and silver using countries, seriously disturbing all current commercial transactions between them; and Whereas every fall in these exchanges operates as a bounty upon exports from silver-using countries, and imposes a burden upon imports to them from gold-using countries, thereby converting trade relations between them into a mere gamble in silver; and Whereas these conditions place the United States and other gold-standard countries at a great disadvantage in competition in agriculture and manufacturing industries, and have for years stimulated the transfer of such industries from gold-using countries to silver-using countries, where the price of wages and raw material have undergone no change during the past half century; and Whereas the efforts of Great Britain to overcome these evils in India by placing that great dependency upon a "gold-exchange basis," and by government coinage of the rupee, whose exchange value it has vainly sought to maintain by law, have resulted disastrously and caused a constantly increasing drainage of gold from England to India, where it disappears from the channels of trade and exchange; and

and
Whereas in consequence of such failure Great Britain has created a
royal commission, now sitting at Whitehall, to "inquire into the
measures taken by the Indian Government to maintain the exchange
value of the rupee in pursuance of, or supplementary to, the recommendations of the Indian currency committee of 1898; and whether
the existing practice in these matters is conducive to the interests
of India," thus indicating the gravity of trade and currency conditions, caused by the dislocation of exchanges and evidenced by the
partial destruction of India's foreign trade and her absorption of gold;

partial destruction of India's foreign trade and her absorption of gold; and
Whereas the problems submitted to said royal commission for solution are of common international concern, affecting their trade and menacing the gold reserves of all nations; and
Whereas no national system of banking and currency however sound can fully serve the people while international trade is subject to constant and violent fluctuations of international exchange: Therefore be it

Resolved, ctc., That the President be empowered to suggest to the Governments of Great Britain, Germany, and France the appointment of delegates by them and by the United States to an international conference to consider and recommend to their respective Governments a common plan and method by which a parity or fixity of exchange may be established between them and the silver-using nations of the world.

Resolved jurther, That when and as soon as any two of said Governments shall favorably respond, the President is hereby authorized to appoint delegates to such conference, not to exceed five in number, and who shall be empowered to represent the United States thereat, and who shall report to the President the result of their deliberations, with such recommendations as they shall deem essential to the accomplishment of the end desired.

Resolved further, That the sum of \$100,000, out of any money not otherwise appropriated, be appropriated to pay the expenses of the delegates so to be appointed by the President, the object which the pre-

Mr. THOMAS. Mr. President, the object which the preamble and resolutions just read are designed to subserve is the essential adjunct of every currency system in the civilized world. Until it shall have been attained they are alike inefficient in one of their most vital functions. Unless, therefore, leading com-mercial powers shall recognize this fact and by concert of action establish this object by cooperative agreement, their fiscal and commercial relations with Asiatic and South American communities must be exposed to the perils which spring from unsettled and fitful changes in the value of foreign money, perils which have been in operation for years, drastic in result and ominous in their portent. International trade is largely dependent for its success, and therefore for its healthy expansion. upon a reasonable and reliable parity or fixity of exchange between the nations. Without this it is largely speculative, being subject to the hazard of rise or fall in the relative value of money of one country expressed in terms of the money of another, changes in which must operate to the advantage of the country whose money occupies the lower end of the scale. The changes subsidize its exports in proportion as their fluctuations are great or small. They also penalize its imports and thus compel the domestic production of their principal elements.

Two-thirds of the world's inhabitants occupy the continents of Asia and South America. Within the past quarter of a century most, if not all, of the peoples of these continents have outwardly conformed to the monetary policies of the great manufacturing nations of the world by nominally adopting what is called the gold-exchange standard of values. Hitherto they were both legally and actually upon the silver standard. They are still, in fact, upon that standard, and will remain so. The settled customs of centuries and the needs of business have forced them to conform in practice to the old methods and the old system, notwithstanding their codes and statutes. Wages. contracts, and the innumerable small transactions of daily life go on as before. In Asia silver and in South America silver or paper are the medium through which these are expressed and discharged. And the nations which deal with them which covet their trade and seek their valuable markets must reckon with this fact, for it is a portentous one, affecting not our foreign commerce alone but our domestic, industrial, and political conditions as well.

I must here assure the Senate that I have no intention of discussing the old issue of bimetallism. I shall make no plea for the free coinage of silver. I shall neither frighten the timid nor beguile the tolerant by any appeal for a return to the money of the Constitution, for I know how useless and perhaps how tiresome that would be. Although I am as strong in my conviction of the virtues of the bimetallic standard as when I first espoused the doctrine, although bimetallism has by an unrepealed and therefore by an existing law been solemnly declared to be the policy of this Nation, I realize that for the time its day has passed and it must await the hour of its certain resurrection. And while I earnestly believe that the future will vindicate the mighty struggle of its advocates for its reestablishment in America, and that the inexorable needs of commercial intercourse among the nations will again lift the white metal to its rightful place as the twin monetary metal of the world, I know that in this age the United States will adhere to its prevailing standard and shape its financial legislation in harmony with the provisions of the act of 1908. I bow to this condition because I must. I therefore recognized and discharged my duty to the country by supporting the banking and currency bill.

Mr. President, the effort to place the economic development, the commerce, and the credits of both hemispheres upon a gold basis has been foredoomed to failure. The contracts and obligations of Europe and North America resting upon that metal are more than ten times the world's supply. They can never be more than ten times the world's supply. They can never be liquidated according to the terms of the bond unless the golden stores of nature to be hereafter discovered and appropriated shall multiply present production manyfold. And foreign com-merce is increasing at the rate of 7 per cent per annum, while the yearly output increases the world's gold supply but 3 per cent. To place that metal under our trade with Asia is as impossible as would be the attempt to transport an army of 50,000 men upon vessels with a maximum capacity of 10,000 men. course, it has become the sole money of international exchange, for it is the money of the manufacturing nations. But this supreme fact is the fundamental cause of the fluctuations in exchange, since the pressure upon gold is reflected in the price of all commodities, which now include the money of the trading nations. Bismarck long ago likened its limited supply to a blanket wholly insufficient to cover all seeking shelter under it, and whose struggles to possess it kept some of them continually bare. And whatever intensifies the struggle sends ex-change down, to the confusion of those whose trade balances are with the silver-using nations.

But, Mr. President, this conclusion emphasizes the importance of pointing to one of the evils, and the most formidable one. which has resulted from our discard of silver as primary money, and which urgently requires correction, for we must reason with the great fact that so long as silver, population considered, carries the major part of the world's commercial burdens-as a slave, perhaps, but carries them nevertheless-and so long as we trade with countries using that metal as their medium of domestic exchange, we in common with the other gold-using countries are directly and deeply concerned in steadying its value and promoting its efficiency at some predetermined ratio.

In 1897 President McKinley, recognizing this great truth, appointed the Wolcott Commission to deal with it by securing some measure of international cooperation with reference to it, a commission authorized by Congress and commanding the warm support of men like the late Senator Hoar. It came to nought, through the opposition of the Indian Viceroy, whose ill-timed counsel was permitted to override the approval of Lord Salisbury and Mr. Balfour.

In conveying to the French Chamber of Deputies the mis-carriage of this historic effort Mons, Meline said:

carriage of this historic effort Mons. Meline said:

Monometallists, unfortunately, can not wipe out the fact that there are 900,000,000 human beings who know only silver, use only silver, trade only with silver, and do not want gold. Facing these there are 400,000,000 of gold monometallists. It is true that they belong to the richest and most powerful nations who are the creditors of the universe; but these nations would be unwise if, intoxicated by their present power, they should despise their opponents, for these opponents, the silver countries, are young and vigorous. Their labor is cheap and they wait only for the hand of the engineer and the eye of the overseer. Nay; for they already have them.

If we add to these advantages those offered by the silver standard, which allows their selling their products in our markets at a low rate and acts as a protective barrier at home, favoring their development of their industries, we must not be surprised some day if we see the balance turn in their favor, to the great detriment of the nations now so proud of their gold standard. We are, unfortunately, powerless to decide this question single handed; it is a problem of international importance. No Government can solve it according to its own views; it can only urge the solution which it deems preferable.

Mr. President, the question has become more momentous with

Mr. President, the question has become more momentous with the passage of every year since these fateful words were ut-tered, and we have done nothing. In common with Great Britain and Germany, we have stood still while the evil has increased. Its causes are obvious, its progress inevitable.

It is a fact, Mr. President, that in China, Japan, and other silver-using countries the rate of wages and the value of raw material are constant, and are reckoned and paid in silver or its equivalent. Revolutions in the world's standards have not affected these conditions. The cost of a day's labor is the same as it was in 1870 and is paid in the same money. The value of oriental produce and raw material is practically the same and reckoned by the same standard. Stated conversely the purchasing power of the silver coin has persisted as to all transactions and commodities in these countries, although it has fallen in value when measured in gold. It is perfectly clear, therefore, that he who produces in China on a silver basis may sell in that he who produces in China on a silver basis may sell in the United States on a gold basis, exchanges his gold for silver, and reap a harvest of profit, gauged, however, by the rate of exchange then prevailing. The system operates as a bounty on exports, which increases with every fall in the gold value of silver, and decreases with every rise in that value. Silver de-pression means prosperity to the silver-using nations, and menaces in turn not the export trade of gold-using countries only, but their manufacturers as well, for the bounty which the silver-using country enjoys under these conditions places a corresponding embargo upon its imports, which requires it to supply them by producing them at home. And this is the competition and the only competition of cheap foreign labor with the labor of America which we may justly fear. It can not be neutralized by tariff laws, which do not even check it, for it proceeds from the dislocation of our exchanges with those of tions where cheap labor is abundant. And so it was inevitable that manufacturers for the oriental trade would be, as they have been forced to transplant many of their factories to Asia,

and that rival establishments should spring into existence not only to compete with them for the local markets, but to invade

those of England and the United States as well,

This is neither a new question nor a new condition. It is an old and a persistent one. It has long confronted us. It manifested itself as soon as its causes were developed. In 1892 the North Island of Hakodate, in Japan, advertised for bids for 1,500 tons of iron pipe for street mains. A British firm obtained the contract at 4 sovereigns per ton. At the rate of exchange then prevalent this cost the purchaser 28 of its silver dollars. In 1893 the preconcerted assault upon silver in the United States synchronized with England's closure of the Indian mints. Silver fell 9 pence an ounce within the month. In 1894 Hakodate advertised for bids for another 1,500 tons of iron pipes. The same British firm responded with the same bid. But now the exchange had fallen to 40 silver dollars for 4 sovereigns. Therefore Hakodate rejected all bids, erected her own foundry, supplied her own needs, and since then has become an exporter of iron pipes to China and India.

In 1894 the Yokohama Chamber of Commerce warned London

Every month of delay in monetary reform does not only a temporary but a permanent injury to the trade of all countries having a gold standard, as although the eventual righting of the silver question may check the further establishment of mills in Japan and China those already erected will remain keen competitors of the mills and factories of Lancashire and the wost, and there will be great difficulty in ever again getting back the trade now being diverted. Already under the influence of cheap silver a large proportion of the trade east of the Suez Canal is finding for itself new channels which will gradually be closed to western competition.

In 1903 Sir Thomas Jackson said to the Straits currency commission:

I was in Shanghal in 1867; then the only items of export were tea and silk. Now the low exchange has enabled them to export all sorts of things—hides, tallow, wax. In fact, in a ship of 6,000 tons you will find tea and silk not 5 per cent of the cargo. There are a hundred and one articles exported from China now that were impossible to export 30 years ago.

And one of my predecessors in this Chamber, Senator Teller, shortly afterwards said:

Five gold dollars or 1 sovereign used to purchase 3 taels only, and 3 taels then paid the wages for one day of 25 Chinese mill hands, while to-day 5 gold dollars buy 8 taels, and 8 taels a day pay a day's wage not to 25 but 60 Chinese mill hands; such is the nature of the protest which sums up our sliver philosophy.

In 1909 Tong Shoa Vi, first prime minister under the Republic, wrote:

In China fluctuations in exchange such as those of last year are of course very troublesome for our importing merchants; still no doubt last year's fall in silver greatly assists our mills and other manufacturing industries which might be damaged by the competition of imported foreign goods if the exchange rose. Thus the fall in exchange is even as an increasing tariff, but unlike a tariff our exports are not reduced, but, so to speak, subsidized.

A list of textile and metal factories and foundries now operating in China, India, and Japan, which have been erected since the great silver debacle of 1893, would be most interesting; but I have not had time to tabulate them. Mr. Moreton Frewen, who has devoted his great abilities to a study and solution of this mighty problem, says:

this mighty problem, says:

China, unable to buy our gold (exchange) and thus our iron and steel, for the first time in history erected for herself in Hankow great steel rolling mills, and commenced the export of pig iron in full cargoes. Han-yang is to-day selling high-grade pig iron f. o. b. for 16 taels a ton. Now, the gold price of 16 taels in 1873 was 5 guineas; in 1907 it was still £2 16s., and in 1908 only £1 18s. 6d. It is quite safe to say that no white labor in the world has ever produced pig iron of such good quality for any such gold price, and for this sinister genesis of a new industrial era in China, for which to-day the Panama Canalyawns, the conversion in exchange caused by the Simla silver operations in 1907 must be held directly responsible. A recent number of an American scientific periodical says; "Five years ago Japan and China boasted but two small steel plants. To-day these two plants are employing more persons than any steel company in the world, with the exception of the United States Steel Corporation, and one-third as many as the latter. These companies not only supply most of the needs of their own countries but recently captured a big order for the Philippines, in which American, British, and German firms were bidding."

A few years ago China began to export pig iron to Seattle and

A few years ago China began to export pig iron to Seattle and San Francisco at prices which American producers could barely afford to meet. They clamored for more protection, which they needed, but not by way of increased duties. They ascribed China's iron invasion to her cheap labor, which was true, but it was made efficient solely through the fall in our exchanges with that country. When this rises the invasion is checked and ceases if the rise be great, when the tide turns in the other direction. This is attested by the experiences of 1906 to 1908.

American merchants noticed in 1908 all down the Pacific coast that trade conditions with China between such ports as San Francisco, Portland, and Seattle had become suddenly reversel. Ships in 1906 and 1907 had been running west full and returning almost empty; but in 1908 they salled west empty to return with full cargoes of Chinese products, and especially pig iron. Let me instance the case of the great Oregon and Washington lumber interests. Good dressed lumber from Portland had cost the Shanghai buyer in 1907 \$30 gold per

thousand feet. At the exchange of 1907 this was 33 silver taels, but at the exchange of 1908 \$30 gold now cost the Shanghai buyer 48 taels, whereas he was able to buy similar lumber from the Manchuran mills in the Yalu River for 39 taels. These figures are, of course, equally applicable to the westbound exports of steel rails and cotton goods or wheat and flour.

So shrewd an observer of trade currents and conditions as James J. Hill could not fail to perceive this undesirable situation nor to discern its causes. It is not surprising, therefore, that he should have directed attention to it. Through the columns of the World's Work for January, 1910, under the caption of "A lost opportunity on the Pacific," he said:

As soon as capital is supplied to develop her native resources she (China) will furnish her own raw materials for manufacture, buying them in her own markets on the silver basis, and selling them abroad on the gold basis. This will enable her, as long as her own people are content to accept these low silver prices for material and labor, to cut our prices in two. Bar silver sells at about 52 cents per ounce in New York. On this basis the silver in a dollar is worth about 45 cents. The Chinese manufacturer who can pay his workman his low wage with silver worth its face and sell his product for gold that is convertible into silver at twice its face has an advantage which we can not ignore or escape.

Mr. Charles Denby, United States consul general at Shanghal, reported in 1908 that—

When silver is high, imports are increased; when silver falls, importations become unprofitable and heavy losses result upon goods in stock. Importing firms have found their legitimate trades seriously embarrassed during the past 12 months by the depreciation of silver. Fluctuations in value of local currency rulned hundreds of Chinese merchants who had dealings with foreigners. Normally this depreciation would have considerably stimulated the export trades.

The VICE PRESIDENT. Will the Senator from Colorado suspend for a moment? The morning hour having expired, the Chair lays before the Senate the unfinished business, which will be stated.

The Secretary. A bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes.

Mr. CHAMBERLAIN. I ask that the unfinished business be temporarily laid aside until the conclusion of the address of the Senator from Colorado, and that it be then taken up.

The VICE PRESIDENT. If there be no objection, the unfinished business will be temporarily laid aside, and the Senator from Colorado will proceed.

Mr. THOMAS. Mr. President, it is perhaps unprofitable to quote further from those who have written or reported upon this all-important subject, for the testimony is all one way. I must, however, refer to another of its many phases before proceeding to a discussion of possible remedies.

The steady level of wages in silver-using countries means their decrease in terms of gold. As gold rises in value when quoted in silver currency, the same amount of gold translated into silver increases in purchasing power in their labor markets. The effect of this condition in substituting silver-paid labor for gold-paid labor is nowhere more vividly illustrated than upon the Pacific marine, where the labor of the Orient has almost wholly supplanted that of the Occident. Mr. Kopsch, of Shanghai, says that—

Sliver-paid Chinese labor has driven every European sailor and fireman from the decks and stokeholds of foreign vessels plying on the coast of China, and the premium paid by gold countries to silver labor will crush the efforts of the machinist to rap the profit of his toil in the East just as it has vanquished the seaman.

All Americans deplore the decay and disappearance of our country's merchant marine, and all would unite in resort to every available method for its restoration. But it would be a melancholy satire upon our institutions and our policy if, when ships of commerce shall again fly the American ensign on every sea, their enginemen, their crews, and their coal heavers should consist of yellow men recruited from the exhaustless supplies of the Far East, to the exclusion of our own people, because they toil for a wage reckoned and paid in the coin which they and their ancestors have for centuries accepted as the unchanging symbol and standard of human values.

The problem will in the space of a few short months lie directly in our commercial pathway. It is the real yellow peril. The completion of the Panama Canal is vastly more than the greatest engineering achievement of the human race or the opening of a new highway for the commerce of the world. As Hugo said of Waterloo, "It is a change of front of the universe," It shrinks the earth into smaller compass and brings its races into closer contact. It will companion Atlantic lanes of travel with watery avenues of traffic across the illimitable expanses of the great. South Sea. The goal of American and European rivalries will be the markets that lie upon Asiatic shores. And these will be held by their own peoples as best they can. Long ago they perceived that to do this their counter invasion of our markets was indispensable. This will be as well their policy of the future as of the past. Panama cutting distance in twain is wholly

impartial. Her economic advantages are mutual. She brings us as near to Asia as she brings Asia near to us. And with dislocated exchanges whose fluctuations are but occasionally upward, how shall Europe and America overcome their handi-

The trouble-

Said the late Senator Jones, of Nevada, the greatest political economist of his day in public life, in a letter of May 5, 1908, to

is not now with our currency or yours, but is in the exchanges between the West and the Orient. This involves us in the most complex economic problem of our time. For if gold prices are to continue to rise—as too surely they will rise, and sliver prices to fall—what a crisis it is which looms ahead. There is nothing, it seems to me, stranger nor much sadder in history than the fact that public opinion has been so drugged and duped that it sees nothing in the exchanges with one-half of the human race excepting the price of the sliver bullion of Nevada.

On the 3d of December last the president of the United States Steel Corporation delivered an illuminating address in the city of Chicago upon the subject of export trade. His knowledge of the subject is much more comprehensive than mine. I was therefore pleased to note that he had been an observer of our trude relations with the Orient, and alive to the actual and latent competition which there confronts us. He says:

The remarkable ingenuity and adaptability of the Japanese and the enermous population and latent possibilities of China must be reckoned with in considering the future struggle for the trade of the world. In the products manufactured by Japan, actual competition with her in Asiatic markets, on which her ambition is particularly concentrated, enables one to realize the extent of her activities. Japan, aside from shipping one-third of her exports to the United States, now dominates the trade of China in piece goods, which formerly were largely obtained from Great Britain and America. Formerly Japan exported raw materials which they now buy and export in the form of manufactured goods, and are rapidly becoming, like Russia, an increasing factor in the business economies of the world, Japan's exports having increased from \$200,600,000 in 1908 to \$203,000,000 in 1912.

Mr. Farrell does not refer to the stimulus which falling exchanges have given this growing trade, but he is too intelligent an observer of modern economics and too closely identified with one of our greatest industries to have overlooked it. And all must perceive that Japan has within recent years become a great carrier nation. Her merchant marine, equipped with crews recruited from her own people and paid a silver wage that has not varied for a century, is visibly increasing. She will soon dominate the transportation of the Pacific, for she can do the work more cheaply than Great Britain and far more cheaply than we can. Is it patriotic, is it wise, is it even expedient to ignore these most obvious conditions and let them drift without some effort to correct them? Is national prejudice against an ancient money metal so strong, the opposition to its use so bigoted, that the commerce of a hemisphere is to be jeopardized, if not lost, because of it?

If so, let me remind my hearers that this is but half the prob-, for as water reaches its level, and as the nation which can sell the cheapest will outstrip its competitors in the race for commercial supremacy, so will our own markets become in time the prize of other lands upon whose wares we have placed a subsidy by outlawing their currency in the exchange of the world and then keeping it subject to all the contingencies which accompany the changing values of gold. Our ultimate stake may be the retention of what we have rather than the obtaining of what we desire. It would be a melancholy sequel to our construction of the Panama Canal if it should ultimately prove rather a portal for the incoming fleets of eastern commerce than an outlet for the distribution of our own.

Mr. President, it is fortunate for our purpose that this evil is not an unmixed one. The importers of the Far East suffer from its existence, and these are eager to aid in its avoidance. ments to America and Europe in trade balances and interest upon public and private debts held in Europe and America must be made in gold or its equivalent. These counter burdens are sometimes severe, while the uncertainty always surrounding exchange makes the subsidy it confers fitful and inconstant.

Hence we may be reasonably sure that Asia and South America and Mexico will welcome any solution of the problem which promises permanent and reasonably steady equilibrium.

The thoughtful students of this universal difficulty have been able to suggest but one effective remedy for it, and that has never been tried. I shall discuss it presently. Before doing so it is well to refer to one whose experimental stages I trust are over, and which instead of removing has vastly aggravated the evil. I allude to England's effort to establish the gold standard in India. That great dependency has been silver's standard of the contraries. She has absorbed it from the rereservoir of the centuries. She has absorbed it from the remotest periods, like a sponge absorbing water. She has held what she has received parting with practically none of her constantly accumulating store. She has been rightly called "the sink of silver." Her rupee is her standard of value, worth from a bitter experience that silver is not money in India,

nominally about 48 cents, or 11 to the sovereign. Until 1803 their coinage was free. Her people hoarded or melted them and transformed them into ornaments, always available for money in times of need. After 1803 and until the establishment of the recommendations of the Fowler committee of 1808 their hordes of silver, whether coined or melted, were still available for their needs. The Viceroy, in 1897, rejected the proposals of the Wolcott committee, because their first effect would be an intense disturbance of Indian trade and industry by the sudden rise in the rate of exchange, and that would kill India's export trade, "for the time at least." He would prefer the bounty which Indian exports then enjoyed through the cheapening of silver bullion to the substantial relief of all in-ternational trade. Great Britain accepted his conclusions, and then facing about in 1900 deprived India of that advantage by imposing the gold standard upon her people. To make that standard effective she determined upon governmental coinage of the rupee and upon a forced maintenance of its value at 15 to the sovereign. This appeared possible by regulating their coinage as the exigencies of trade and exchange required, by suspending their coinage entirely or by locking them up when seemingly redundant, and by imports of gold when needed through the exchange of rupees or rupee paper at that ratio. But silver continued to transact the business of the country. The Hindoo was joined to his kind of money and would not turn to some other. Mr. Dunbar, treasurer of the Bank of Bengal, has recently said that-

Gold currency in India is a wasteful and expensive luxury. There is any amount of funds in India. It is simply that rupees are locked up by the Government. We want rupees, and we can not import rupees; we can import sovereigns and "councils," but it is rupees we want, and they are locked up.

This policy did, however, give China and Japan the same advantage over India through the fall of its exchange which the three countries had theretofore enjoyed in common against Europe and the United States. The rupces beyond India were not 15 to the sovereign, but what the current gold value of silver was to the sovereign. And the exports of that unhappy country withered and dried up, with no compensating advan-

Such were conditions in February, 1910, when the Government as a last stimulus to its pallid experiment imposed a high tariff upon all imports of silver bullion to India. Let Mr. Frewen tell the consequences:

tariff upon all imports of silver bullion to India. Let Mr. Frewen tell the consequences:

For the financial year 1909, while the imports of gold into India had fallea off more than 8,000,000 sovereigns as compared with 1908, the import of silver, on the other hand, showed an increase for the year of over 17 per cent, and this albeit there was already a duty of 5 per cent on all imported silver. It was now evident that unless heroic measures were adopted to save the gold-exchange standard, the ineradicable preference of the natives for the metal of every Indian contract and obligation for hundreds of years would yet override the various orders in council at Simia. Therefore in February, 1916, the natives, who laid in times past drawn their trade balances in either of the two preclous netals, were informed that if they took payment in an onnes of gold they would receive an ounce of gold, but if in a hundred tolas of silver they must hand over to the sirkar 16 tolas. It is little wonder the great drain of gold to India set in. During the nineteenth century the proportions of the two metals imported were gold to silver as 1 to 31; last year the proportion of gold to silver had become 8 to 1, and the importation of silver had shrunk to negligible dimensions. During the two complete financial years which have elapsed since the imposition of the silver duties, India—including sums on deposit in London—has taken about 73,000,000 sovereigns of our gold, or at the rate of over 100,000 daily. Yet in spite of the warning of the native members of the viceroy's council, this silver tax, unprecedented in the whole world's history, has been persisted in. It had the inevitable and the foreseen result of discrediting silver with the natives, of checking the Indian absorption of the white metal—which absorption by raising the rate of tael exchange enables China to purchase our commodities—and, what is far more important, it set in motion to the hoards of India has the past two years were still evallable when and where needed, th

Mr. President, this unhappy juggling with Indian finances has resulted in the absorption by that country since 1900 of more than \$700,000,000 of gold from Europe, which is entirely lost to trade. The drain has increased abnormally since 1910, and will continue to so increase until Britain abandons her policy and recognizes the grave danger with which that policy menaces all the monetary systems of Europe. When the Fowler committee began its inquiries consols were at 111; they are now about 75. If Indian gold were available to commerce, if it there continued to circulate in the channels of trade, stimulating industry and promoting adventure, its translation to that country would not be a subject of universal solicitude. But the native is learning

although silver rupees are. And so he utilizes the latter for his business transactions, but hoards gold as he once hoarded silver. And when this substitution becomes universal in India and gold flows there as silver went there in the past, what will be the effect of the current upon that vast inverted pyramid of credits which finds its support upon the world's visible supply of the vellow metal?

It is not surprising that Great Britain, appalled by these conditions and by the certainty that this "financial hemorrhage" must under the existing régime continue, has appointed a commission to inquire into the measures taken to maintain the exchange value of the rupee and to ascertain whether the existing practice is conducive to the interests of India. It requires no royal commission to determine that it is not conducive to her own. Nor to the finances of the continental nations which because of it are most unsatisfactory.

Mr. President, this formidable Indian experiment has broken It is worse than a failure; it is a crime against the 400,000,000 people of her great dependency. It is more than a national failure, for it jeopardizes every gold reserve in Christendom, and thereby disturbs the foundations of credit everywhere. But it has demonstrated by the greatest financial object lesson of the century the hopeless inability of gold to do the monetary

work of all the world.

Surely a wise and enlightened statesmanship, recognizing this stupendous truth, should adjust the monetary systems of the nations to it. As gold must be the money of Europe and North America, and as silver must in practice be the money of the remainder of the world, and as commercial intercourse must and should always continue between them, a way should be found to establish some steadfast parity of exchange between them. The ratio is of secondary importance except as it must be a factor in the equation. Be it 16 to 1 or 32 to 1, let it be agreed upon between the nations, each contributing toward its steady and constant maintenance. This can be done. It must be done if international trade and commerce are to be conducted upon principles of universal application. And it must be done by international concert, since no nation, however

powerful, can alone accomplish the task.

In 1891, Mr. Goschen, an uncompromising gold monometallist, then chancellor of the exchequer in Lord Salisbury's Government, was moved by the financial crisis of 1890 to propose a solution of what was then in its ultimate analysis this identical problem, by the issuance of a limited number of small notes against silver, in compliance with the suggestion of the royal commission in 1888. He maintained that it would protect the gold reserve, absorb any surplus of unused silver, and thereby sustain its value at a steady level. He elaborated this proposal with his usual exhaustive ability. It was defeated by the bimetallists, who since then have perceived its wisdom and its availability, if utilized by the four great gold-using powers in concert, in placing silver exchange at a point where it can be maintained and thus relieve Asiatic and South American trade of its dangerous and speculative characteristics. At the same time this limited coinage will furnish a desirable and thoroughly safe additional currency, incapable of expansion, and readily adaptable to the innumerable small transactions of the people. Inflation would be impossible.

Mr. Frewen says:

Mr. Frewen says:

The world's annual production of silver may be reckoned at 230,000,000 ounces, of which, one year with another and irrespective of the price he pays, the consumption of the silversmith is about 140,000,000 ounces, a consumption which must tend to increase with the world's wealth and population. Thus not more than 90,000,000 ounces remain over for monetary use. Can this amount be safely and profitably taken off the market by a single buyer purchasing 7,500,000 ounces monthly at a fixed price on behalf of the four great partner nations? During the past 15 years the purchases of the Indian Government have averaged about 30,000,000 ounces a year, and the purchases of our own royal mint for our token silver currency, and to meet a rapidly increasing demand for silver currency in Central and West Africa, may be safely estimated at 15,000,000 ounces more. We may add to this an annual average demand for 10,000,000 ounces more for the new Straits dollars for the requirements of the Malay currency.

Mr. President, if Great Britain can do this, surely the United

Mr. President, if Great Britain can do this, surely the United States, France, and Germany could take care of the remaining 35,000,000 ounces per annum, were the silver-using nations to absorb none of it, a highly improbable contingency. But their demands upon the available supply are large and increasing. Moreover, such an arrangement would stimulate the demand for it everywhere, while India would resume her age-long accumulations of it. Its industrial consumption grows apace as well, and last year reached 65 per cent of the annual production. The gross production from 1905 to 1911 was 1,379,277,040 ounces, of which India, under the adverse conditions which I have discussed, consumed 708,133,300 ounces, or much more than 50 per cent. Under the proposed plan her gold may come out from its hiding places and quicken the currents of her commerce

with its abundant flood, and her drain of it from the hoards of Europe will cease, while consols rise and discounts fall.

It may be interesting in this connection to refer to some figures giving the production and the coinage of gold and silver for 1912 as given in the Report of the Director of the Mint, 1912, pages 250 and 251.

World's production of gold and silver, and coinage thereof, for 1896-1911.

\$27, 951, 733 Silver: ____ounces__ Production_____do___ __ounces__

Coinage value of silver coined____ Industries consume 62 per cent of this production, equaling 1,688,241,347 ounces. Deduct from production leaves apparently available for coinage needs but 1,034,728,568 ounces, or 898,454,754 ounces less than the actual coinage, an apparent contradiction, easily explained by extensive recoinages, on the one hand, and the use of coin silver in the industries, on the other.

Mr. President, this method of sustaining foreign exchanges may prove delusive, but I do not think so. It provides a service for what must prove a rapidly dwindling silver surplus, and thus destroys the primal cause of falling silver values. It equalizes the competitive commercial conditions of all countries, and establishes a safe and constant medium for all international transactions. It will make the ebb and flow of gold less frequent and quiet these apprehensions which any movement of it inevitably arouses. And it will relieve the toiler of the gold-standard countries from the dangerous and artificial advantage which the uncertain exchanges now prevailing gives to the laboring hordes of the more ancient silver-using civilizations, and which advantage must increase with the certain increase in the value of gold by the added burdens which every hour of delay imposes upon it.

And, Mr. President, our new monetary system, although carefully constructed upon the best models that time and experience can give, although well adapted to all the commercial and industrial affairs of the Nation and equal to every demand of British and continental commercial intercourse, will prove unequal to the ordeal of South American and oriental traffic while their exchanges are governed by the capricious and unreliable fluctuations of silver values. This is the one subject on which all international interests are identical, and the proper adjustment of which all international trade demands. Great Britain, Germany, France will welcome our initiative in seeking a cooperative solution of the difficulty, and the silver-using nations if they do not welcome will surely accept a result proceeding from the mutual conference of the four great nations of Christendom.

We begin the new year with two great schemes of legislation behind us, wrought into the statutes by the direction of the American people, whose government we now control. of these, carefully framed and exhaustively considered, has commanded instant and wide-spread approval. Those who opposed and those who advocated it are now alike its friends and supporters. It is designed to aid industry in all directions by coining current credit into money that stringencies might be overcome and panics avoided. It was fashioned in harmony with the Democratic platform declaration that "banks should exist for the accommodation of the public and not for the control of business" ; that commerce and manufactures released from the thraldom of high protection should be supplied with a safe and pliant method of financial equipment which its expanding energies will demand. This, Mr. President, has been done by the new banking and currency law, which I believe will stand the test of time and experience. It will prove an effective agency in quickening and sustaining our domestic commerce, and our commerce with Europe and Canada generally. But, Mr. President, in common with these countries it needs the supplemental stimulus of steady exchange with the remaining countries of the world. Without it our trade relations with them can be neither certain nor permanent. Exposed to the fitful rise and fall of their money values the commercial barometer will confound the calculations and mock the plans of men. We are upon the threshold of a new epoch in our material progress. We are girding our loins for the greatest economic race in history. ranged for it every preliminary save one. Realizing its vast and immediate importance shall we not assume the lead in arranging it as well? France has been ready and anxious to aid us in the task for many years. England is now alive to the necessity of action, and Germany's commercial activities assure us that she has not overlooked this great obstacle to eastern traffic.

They will welcome our initiative. Their common interest in the common handicap means speedy response, and response means speedy and effective cooperation. And when the world's exchange mediums shall have been adjusted and the last obstacle to an universal commerce shall have been removed each of the nations will have a fair field and need ask no favors.

Mr. President, I move that Senate joint resolution No. 89 be referred to the Committee on Finance.

The motion was agreed to.

RAILROADS IN ALASKA.

Mr. CHAMBERLAIN. I request that the unfinished business be now laid before the Senate.

The PRESIDING OFFICER (Mr. WALSH in the chair). Chair lays before the Senate the unfinished business, which is Senate bill 48.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes, which had been reported from the Committee on Territories with an amendment in the nature of a substitute.

Mr. CHAMBERLAIN. I ask unanimous consent that the formal reading of the bill be dispensed with, but that the bill be

printed in the RECORD.

The PRESIDING OFFICER. The Senator from Oregon asks that the formal reading of the bill be dispensed with and that it be printed in the RECORD. The Chair hears no objection, and the formal reading of the bill will be dispensed with.

The amendment reported by the Committee on Territories was to strike out all after the enacting clause and to insert:

the formal reading of the bill will be dispensed with.

The amendment reported by the Committee on Territories was to strike out all after the enacting clause and to insert:

That the President of the United States is hereby authorized and directed to cause to be located such main lines for railroads from mote the settlement of Alaska, develop its resources, and provide adequate and suitable tarnsportation for coal for the Army, Navy, and other Government services; of troops, arms, and munitions of war; of the mails, and for other Government and public uses, together with such branch lines, feeders, sidings, switches, and spurs as he may deem necessary; and when such line or lines are located he is hereby authorither on the contract of the services; of troops, arms, and spurs as he may deem necessary; and when such line or lines are located he is hereby authorither of the contract of lease, but no contract or lease shall be for a longer period than 10 years.

Sec. 2. That to enable the President may cause said road or roads to be operated by contract or lease, but no contract or lease shall be for a longer period than 10 years.

Sec. 2. That to enable the President for construct and operate the railroad or railroads and works appurtenant and necessary thereto, as trained or railroads and works appurtenant and necessary thereto, as the property of the contract of the location of said railroad lines and in the construction, completion, equipment, and operated to the United States Army, at his discretion, and likewise to employ any engineers in civil life, at his discretion, and such other persons as he may deem necessary for the proper and expeditious prosecution of said work. The duties, powers, and compensation of said road or confineers of the United States Army, at his discretion, and such other persons as he may deem necessary for the proper and expeditious prosecution of said work. The duties, powers, and compensation of said road or railroad said property of the property of the property of the property of

in such case the lines thus connected shall be operated as a through route with through rates upon a fair and reasonable apportionment of revenue and expenses.

SEC. 5. That the Secretary of the Treasury is hereby authorized to borrow, on the credit of the United States, from time to time, as the proceeds may be required to defray expenditures authorized by this act (such proceeds when received to be used only for the purpose of meeting such expenditure), the sum of \$40,000,000, or so much thereof as may be necessary, and to prepare and issue therefor coupon or registered bonds of the United States, in such form as he may prescribe and in denominations of \$20 or some multiple of that sum, redeemable in gold coin at the pleasure of the United States after 10 years from the date of their issue, and payable 30 years from such date, and bearing interest, payable quarterly in gold coin, at the rate of 3 per cent per annum,; and the bonds herein authorized shall be exempt from all taxes or duties of the United States as well as from taxation in any form by or under State, municipal, or local authority: Provided, That said bonds may be disposed of by the Secretary of the Treasury at not less than par, under such regulations as he may prescribe, giving to all the citizens of the United States an equal opportunity to subscribe therefor, but no commissions shall be allowed or paid thereon, and there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$1,000,000, to be used for carrying out the provisions of this act, including the expense of preparing, advertising, and issuing the bonds herein authorized, to continue available until expended: Provided, That so much of the said sum of \$1,000,000 as shall have been expended shall be reimbursed to the Treasury, to be known as the "Alaska railways redemption fund," into which shall be paid the net earnings of said railroad or railroads above maintenance charges and operating expenses; the said redemption fund, or any part thereof,

Mr. CHAMBERLAIN. It is amusing, Mr. President, in the light of latter-day investigations and knowledge, to read the discussions in Congress at the time the bill was pending for making an appropriation of \$7,200,000 in payment to Russia for her possessions in North America. This was the sum which the treaty, negotiated by Hon. W. H. Seward, Secretary of State, provided should be paid for these possessions, and opposition developed to the making of an appropriation to carry out the treaty stipulations. While Mr. Seward was commended in many quarters of the country for his foresight and statesmanship, he was roundly denounced in others for negotiating a treaty for the purchase of a territory which was practically unknown, and to the casual observer simply a frozen, barren wilderness. House bill 1096, making the necessary appropriation to carry out the treaty stipulations, was reported favorably to the House May 18, 1868, with a lengthy report signed by Hon. N. P. Banks for the committee, accompanied by the views of the minority in opposition. These documents show that patient and painstaking consideration was given to the bill, but it conclusively shows that neither the majority nor the minority of the committee knew anything at all about Alaska and its resources as compared with what we know of them to-day. In 50 years from now it will probably be said by those who come after us that we of the present day know as little about the real Alaska as did those who subscribed the reports mentioned.

The report discusses at length, from the information then at hand, the resources of Alaska, including agriculture, wood and timber, coal and other minerals, game, furs, and fisheries, laying particular stress upon the latter. But the report upon these subjects shows, in the light of present information, only slight knowledge of any of them, and the conclusion to favor the then pending measure was based rather upon considerations of public policy than the intrinsic worth of the country from a commercial standpoint. The report of the majority, who reported in favor of an appropriation for the purchase of Alaska, says in conclusion:

These statements upon the character of the territory acquired by the treaty are the results of personal observations made by perfectly reliable public officers and private citizens since the date of the purchase, representing different interests and different parts of the country, moving in different directions and by different courses through the territory by sea and land, and are presented without argument as a just representation of facts already known in support of the treaty.

I might say, incidentally, that I doubt very much if any American citizen up to that date had ever gone through any part of Alaska except, possibly, those portions of the Territory that skirt the Pacific Ocean and the Gulf.

The remarks preceding this part of the report upon the rights of the House in regard to the negotiation of treaties, which were orally presented to the committee, are embodied in the report at the suggestion of members who voted in the affirmative and negative on the final question of reporting the bill herewith presented.

The treaty adds an extended territory to the United States, the political jurisdiction of which will ultimately be indispensable to its peace and power.

It tends largely, directly, strongly, and immediately to the consolidation of the northern Pacific coast line as an American possession.

It creates an entirely new industrial interest of vast proportions on the Pacific, the results of which can not now he fully appreciated.

It makes telegraphic communication between the United States and the people of China, Asia, India, and Russia as simple and as feasible as that between New York and San Francisco.

It concentrates the power of Russia and extends that of this country, which together will soon span the entire globe north, and strengthens the mutual friendship and interests that have marked their career since the period when they together first challenged the attention of Europe as continental powers, and began their work of expansion and progression.

It adds greatly to the productive wealth of the country, It furnishes indispensable ports for American whalers and fishermen in the Pacific and Arctic Oceans

It furnishes a basis for explorations and discovery in the Arctic region.

region.

It incloses British Columbia within American jurisdiction south,

It incloses British Columbia within American jurisdiction south, west, and north.

It removes the danger of territorial or maritime jealousies and controversies to which the two countries that have been and ought to remain friends are constantly exposed.

It strengthens the military position of the Government.

For these and other reasons that might be presented, the committee reports to the House the following bill making an appropriation to carry the treaty into effect, with a recommendation that it be enacted into a law.

The Senate will observe that there is only one mention of the commercial value of Alaska to this country in this whole favorable report, and the report itself, taken as a whole, shows that there was very scant knowledge in the possession of the committee at the time the report was filed.

But the suggestion of the woeful lack of information as to the real value of this magnificent acquisition and of the contempt in which the country was held by many persons of that day and generation is disclosed by the discussion of the then pending measure by Hon. C. C. Washburn and Hon. George W. Morgan, the minority members of the committee, who concluded their lengthy statement, as follows:

cluded their lengthy statement, as follows:

The minority of the committee, baving considered the various questions involved and the evidence in regard to this country under consideration, are forced to the conclusion that the possession of the country is of no value to the Government of the United States; that it will be a source of weakness instead of power, and a constant annual expense for which there will be no adequate return; that it has no capacity as an agricultural country; that, so far as known, it has no value as a mineral country; that its timber is mostly confined to the narrow strip of country only 30 miles wide south of Mount St. Elias, and is generally of a poor quality and growing upon inaccessible mountains; that its fur trade is of insignificant value to us as a Nation, and will speedily come to an end; that the fisheries are of doubtful value, and that whatever the value of its fisheries, its fur trade, its timber, or its minerals, they were all open to the citizens of the United States under existing treaties; that the right to govern a nation or nations of savages in a climate unfit for the habitation of civilized men was not worthy of purchase; that the constitutional right of this House to refuse to appropriate the money was known to Russia at the time the treaty was negotiated, and there can be no charge of bad faith if that right is asserted. They therefore, report the following resolution:

*Resolved**. That it is inexpedient to appropriate money for the purchase of Russian America.

The bill finally passed and was approved July 25, 1868.

The bill finally passed and was approved July 25, 1868.

I have deemed it advisable to call attention to these reports, because they show not only the conflicting views of the then stat-men but also the lack of information as to the resources of Alaska, even after the purchase had been made and was about to be concluded by an appropriation of the purchase price. They reflect the views of some of our contemporaries who have given the subject no consideration and who still look upon Alaska as a mysterious midnight land, as barren and as worthless as the Arctic regions.

It will be my purpose in the discussion of the pending bill authorizing the construction of a railroad in Alaska to show the wonderful resources of this magnificent empire, what it has added to the wealth of our country, and what its future possi-bilities are with proper transportation facilities.

The same ignorance with refere ce to Alaska has been from time to time displayed as was displayed when the acquisition of the Oregon country was under consideration-a country from which have been carved the magnificent Commonwealths of Oregon, Washington, Idaho, Montana, and part of Wyoming. There were then distinguished men in both branches of Congress who insisted that this splendid country was only fit to be used as a place for the colonization of convicts and outlaws, just as there are men to-day who insist that Alaska is only a fit habitation for the grizzly bear and the fur-bearing seal, wholly useless for the uses of civilized man.

For nearly 30 years after the cession to the United States Alaska was almost entirely ignored by Congress. There were practically no laws for its government, no appropriations for its proper support, and nothing for its development. Almost nothing was done for the betterment of the condition of its citizens until about the time of the discovery of gold in paying

quantities, less than 20 years ago.

And then, when on the eve of a development which was calculated to astonish the world, that Government which had neg-

lected its people, which had looked upon it as a wilderness, which had done nothing for its advancement, either commercially or morally, by executive fiat, was compelled to throttle its opportunities by withdrawing nearly all of its resources from private acquisition and control, to protect them from exploitation and monopolization.

In order to show what was done in reference to withdrawals, I asked the Forestry Department to furnish me with a list of the withdrawals in Alaska. I do not wish to be understood as objecting to these withdrawals, because if they had not been made there is no question in the mind of anyone who has given the subject consideration that Alaska's magnificent resources, its copper, its coal, and nearly everything else, would now be in the control of a monopoly. The Alaska Syndicate, composed of the Guggenheims and the Morgans, would have had possession of Alaska just as they now practically control all the gateways to that rich Territory. But these are the withdrawais, and withdrawals made at a time when there were laws in force in Alaska which would have enabled individual enterprise and initiative and effort to have obtained possession of them, but they were being obtained at the expense of the people of this country and in favor of special interests.

Withdrawals in Alaska.

Rand, McNally & Co.'s Atlas gives the total area of Alaska as 590,884 square miles, or ______ 378, 165, 760 The Tongass National Forest embraces approximately _____ 15, 481, 000 The Chugach National Forest embraces approximately ____ 11, 267, 850

The above are the two withdrawals of known area of the greatest quantity of land reserved.

But that is not all.

The coal (November, 1906) and oil (November 3, 1910) withdrawals in Alaska are what are known as blanket withdrawals. They prevent the location and patenting of lands chiefly valuable for coal or oil wherever found. In addition to the coal and oil withdrawals there is another blanket withdrawal applicable to Alaska, which is known as the medicinal spring withdrawal (March 28, 1911). This last-named forbids the locating or appropriation and patenting of lands in Alaska surrounding mineral or medicinal springs. In none of these last three cases can a statement be made as to the approximate acreage, since it affects all lands in which these minerals or springs are found.

So by a blanket withdrawal the coal lands, which were one of the most valuable assets of the Territory, were withdrawn.

the most valuable assets of the Territory, were withdrawn.

In 1911 the President withdrew, upon the recommendation of the Secretary of the Interior, an area so that Congress might consider legislation looking to the construction of a Government-owned rallroad. The area withdrawn embraces an area of approximately 250,000 acres. The next largest withdrawals of which the acreage can be computed are those withdrawals for military and naval purposes in Alaska, to establish coaling stations, telegraph stations, forts, and so forth. The area of these lands is not known, but on August 4, 1911, the Secretary of War informed the Secretary of the Interior that the areas withdrawn at the request of that department were 22,366 acres. No withdrawns of consequence have since been made for military or naval purposes. The next group of consequence are the areas withdrawn for game, bird, and fish reservations. While the area of these is not known it is not very large. Then, also, there are lands withdrawn for the native Indians, for educational purposes of those Indians becaptiment, of Agriculture experiment station, and lighthouse revertions.

Many of these reservations overlap. For instance, the coal, oil, and medichnal springs reservations may be either within or without the boundaries of the national forests, as will also be found in the case of most of the military, naval, bird, game, and other reservations.

Except for the coal, oil, and mineral springs reservations, it is possible to compute at least the approximate area of all the others. It would require, however, at least a week's time to do this. The records in the case are all in the office of the Commissioner of the General Land Office.

So it will be seen, Mr. President, that there is practically nothing left to be acquired by private initiative either in the mining section, the coal or the oll section, or under any of the laws of this country.

Mr. ROBINSON. Will the Senator from Oregon yield for question?

Mr. CHAMBERLAIN. Certainly.

Mr. ROBINSON. Are all the withdrawals the Senator has described still in force?

Mr. CHAMBERLAIN. They are all still in force.

Mr. ROBINSON. Over what period of time do the withdrawals extend? How long do they run?

Mr. CHAMBERLAIN. The President may release them by proclamation at any time.

Mr. ROBINSON. How long have they been in force?

Mr. CHAMBERLAIN. Since 1906, practically.

Mr. THOMAS. I should like to ask the Senator from Oregon he can give an approximation of the total acreage of the withdrawals?

Mr. CHAMBERLAIN. The department itself says it can not furnish the information. It is pretty safe to state, I will say to the Senator, that practically everything that is of any value in Alaska has been withdrawn and that the United States owns 99 per cent of the Territory.

Mr. THOMAS. One can not locate even a glacier up there?

Mr. CHAMBERLAIN. Nothing. I believe the glaciers are

within forest reserves, generally speaking.

Notwithstanding all this, Alaska has been contributing more money to the arteries of commerce, Mr. President, than is being contributed to this country by the commerce of the Orient, the smaller countries in the east or the west, as I shall prove by statistics furnished by the Department of Commerce.

Alaska has a good homestead law and a good law for the acquisition of rights of way and the development of railways

by private corporations.

In order to get it before those who take any interest in the subject-and I assume all Senators will-I am going to ask that those laws be inserted in the RECORD. They show that the lack of development is not due to the fact that we have not the laws, because we have the best laws governing the subject, but because everything, by blanket and other withdrawals, has taken from acquisition by private capital or private initiative.

Now, Mr. President, I ask to have inserted in the RECORD the act approved May 14, 1898, extending the homestead laws and providing for right of way for railroads in the District of Alaska, and for other purposes. I also ask to have inserted the acts approved June 6, 1900, April 28, 1904, and May 28, 1908, for regulating the development of coal mines to show that the laws affecting Alaska are practically more generous in their terms than are the laws which govern the western part of this country

The PRESIDING OFFICER (Mr. Walsh in the chair). Permit the Chair to ask the Senator from Oregon if he desires to have this matter printed as an appendix to his remarks?

Mr. CHAMBERLAIN. If the Chair please, I will have them

inserted at this point.

The PRESIDING OFFICER. In the absence of objection it will be so ordered.

The matter referred to is as follows:

[Public, No. 95.]

An act extending the homestead laws and providing for right of way for railroads in the District of Alaska, and for other purposes.

An act extending the homestead laws and providing for right of way for railroads in the District of Alaska, and for other purposes.

Be it enacted, etc., That the homestead land laws of the United States and the rights incident thereto, including the right to enter surveyed or unsurveyed lands under provisions of law relating to the acquisition of title through soldiers additional homestead rights, are as may be made by the Decretor Alaska, subject to such regulations as may be made by the Decretor Alaska, subject to such regulations, as may be made by the Decretor Alaska, subject to such regulations, as may be made by the Decretor Alaska, subject to such regulations, as may be made by the Decretor Alaska, subject to such regulations, and the subject of Alaska shall be located within or taken from lands in said District: Provided, That no entry shall be allowed extending more than 80 rods along the shore of any navigable water, and along such shore a space of at least 80 rods shall be reserved from entry between all such claims, and that nothing herein contained shall be so construed as to authorize entries to be made, or title to be acquired, to the shore of any navigable waters within said District: And it is further provided, That no homestead shall exceed 80 acres in extent.

Sec. 2. That the right of way through the lands of the United States in the District of Alaska is hereby granted to any railroad company, duly organized ander the laws of any State or Territory or by the congress of the United States, which may hereafter file for record with the Secretary of the Interior a copy of its articles of incorporation, and due proofs of its organization under the same, to the extent of the congress of the United States adjacent to the line of said road, material, earth, stone, and timber necessary for the construction of said railroad; also the right to take for railroad uses, subject to the reservation of all minerals and coal therein, public lands adjacent to said right of way for station buildings, depots,

Sec. 3. That any railroad company whose right of way, or whose track or readsed upon such right of way, passes through any canyon, mes and occupancy of said canyon, pass, or defile for the purposes of its road, in common with the road first located, or the crossing of other canyon, pass, or defile and the road of the canyon, pass, or defile for the purposes of its road, in common with the road first located, or the crossing of other canyon, pass, or defile shall not cause the disuse of any tranway, wagon road, or other public highway mow located therein, nor prevent highway where such tranway, wagon road, or highway may be necessary for the public accommodation; and where any change in the location of the passage of such railroad through any canyon, pass, or defile, said railroad company shall, before entering upon the ground occupied by structors at its own expense in the most favorable location, and in as perfect a manner as the original road or tranway: *Procided,* That such expenses shall be equitably divided between any number of railroad that where the space is limited the United States district court shall require the road first constructed to allow any other railroad or transverse of the right to regulate the charges for freight, passengers, and the control of the con

attempted to be made possess written authority, signed by the Secretary of the Interior, authorizing the collection and specifying the rates of toll: *Provided**. That accurate printed copies of said written authority from the Secretary of the Interior, including toll, freight, and passenger charges thereby approved, shall be kept constantly and conspicuously posted at each station where toll is demanded or collected. And any person, corporation, or company collecting or attempting to collect toll without such written authority from the Secretary of the Interior, or falling of a misdemeanor, and on conviction thereof shall be fined for each offense not less than \$50 nor more than \$500, and in default of payment of such fine and costs of prosecution shall be imprisoned in shall have been paid.

That any person, corporation, or company qualified to construct a wagon road or tramway under the provisions of this act that may herefore have constructed not less than 1 of tramway at a cost of not less than \$500, shall have the prior right to apply for such right of way and for lands at stations and terminals and to obtain the same pursuant to the provisions of this act over and along the line hithert constructed or actually being improved by the applicant, including wharves connected therewith. That if any party to whom license has been granted to construct such wagon road or tramway shall, for the period of one year, fall, neglect, or refuse to omplete the momental party of the period of one year, fall, neglect, or refuse to omplete he had office shall be canceled, and the reservations of such lands for the purposes of said right of way shall cease and become null and void without further action. And if such road or tramway, and thereupon shall revert to the United States without further action or declaration, the notation of such uncompleted section upon the recorded with the Secretary of the Interior may prohibit the collection.

That all mortgages executed by any company acquiring a right of way under this act, up

the person, company, or corporation having been first in time in actual survey or construction, as the case may be, shall be deemed first in right.

SEC. 9. That the map and profile of definite location of such railroad, wagon road, or tramway, to be filed as hereinbefore provided, shall, when the line passes over surveyed lands, indicate the location of the road by reference to section or other established survey corners, and where such line passes over unsurveyed lands the location thereon shall be indicated by courses and distances and by references to natural objects and permanent monuments in such manner that the location of the road may be readily determined by reference to descriptions given in connection with said profile map.

SEC. 10. That any citizen of the United States 21 years of age, or any association of such citizens, or any corporation incorporate under the laws of the United States or of any State or Territory now authorized by law to hold lands in the Territories, hereafter in the possession of and occupying public lands in the District of Alaska in good faith for the purposes of trade, manufacture, or other productive industry, may each purchase one claim only not exceeding 80 acres of such land for any one person, association, or corporation, at \$2.50 per acre, upon submission of proof that said area embraces improvements of the claimant and is needed in the prosecution of such trade, manufacture, or other productive industry, such tract of land not to include mineral or coal lands, and ingress and egress shall be reserved to the public on the waters of all streams, whether navigable or otherwise: Provided, That no entry shall be allowed under this act on lands abutting on navigable water of more than 80 rods: Provided further, That there shall be reserved by the United States a space of 80 rods in width between tracts sold or entered under the provisions of this act on lands abutting on the water front to any citizen or association of citizens, or to any corporation incorporated under the

ated prior to January 21, 1898, by survey or otherwise, under sections 12 and 13 of the act approved March 3, 1891 (26 Stats. L., ch. 561), may be perfected and patented upon compliance with the provisions of said act, but subject to the requirements and provisions of this act except as to area, but in no case shall such entry extend along the water front for more than 160 rods: And provided further, That the Secretary of the Interior shall reserve for the use of the natives of Alaska suitable tracts of land along the water front of any stream, inlet, bay, or seashore for landing places for cances and other craft used by such natives: Provided, That the Annette, Pribilof Islands, and the islands leased or occupied for the propagation of foxes be excepted from the operation of this act.

That all affidavits, testimony, proofs, and other papers provided for by this act and by said act of March 3, 1891, or by any departmental or Executive regulation thereunder, by depasitions or otherwise, under commission from the register and receiver of the land office, which may have been or may hereafter be taken and sworn to anywhere in the United States, before any court, judge, or other officer authorized by law to administer an oath, shall be admitted in evidence as if taken before the register and receiver of the proper local land office. And thereafter such proof, together with a certified copy of the field notes and plat of the Strict of Alaska, and if such survey and plat shall be approved by him, certified copies thereof, together with the claimant's application to purchase, shall be filed in the office of the surveyor general of the District of Alaska, and if such survey and plat shall cause notice of such application to be published nearest the claim within the District of Alaska, and the explicant shall at the time of filling such field notes, plat, and application to purchase in the land office, as aforesaid, cause a copy of such plat, together with the application shall be kept posted in a conspicuous place on s

such claim until the final adjudication of the rights of the parties, and such patent shall then be issued in conformity with the final decree of the court.

Sec. 11. That the Secretary of the Interior, under such rules and regulations as he may prescribe, may cause to be appraised the timber or any part thereof upon public lands in the District of Alaska, and may from time to time sell so much thereof as he may deem proper for not less than the appraised value thereof, in such quantities to each purchaser as he shall prescribe, to be used in the District of Alaska, but not for export therefrom. And such sales shall at all times be limited to actual necessities for consumption in the District from year to year, and payments for such timber shall be made to the receiver of public moneys of the local land office of the land district in which said timber may be sold, under such rules and regulations as the Secretary of the Interior may prescribe, and the moneys arising therefrom shall be accounted for by the receiver of such land office to the Commissioner of the General Land Office in a separate account, and shall be covered into the Treasury. The Secretary of the Interior may permit, under regulations to be prescribed by him, the use of timber found upon the public lands in said District of Alaska by actual settlers, residents, individual miners, and prospectors for minerals, for firewood, fencing, buildings, mining, prospecting, and for domestic purposes, as may actually be needed by such persons for such purposes.

Sec. 12. That the President is authorized and empowered, in his discretion, by Executive order from time to time to establish or discontinue land districts in the District of Alaska, and to define, modify, or change the boundaries thereof, and designate or change the location of any land office therein; and he is also authorized and empowered in a district shall, during their respective terms of office, reside at the place designated for the land districts of Alaska shall each receive an annual sala

mulgate and enforce rules and regulations to carry this provision into effect.

SEC. 14. That under rules and regulations to be prescribed by the Secretary of the Treasury, the privilege of entering goods, wares, and merchandise in bond or of placing them in bonded warehouses at any of the ports in the District of Alaska, and of withdrawing the same for exportation to any place in British Columbia or the Northwest Territory without payment of duty. is hereby granted to the Government of the Dominion of Canada and its citizens or citizens of the United States and to persons who have declared their intention to become such whenever and so long as it shall appear to the satisfaction of the President of the United States, who shall ascertain and declare the fact by proclamation, that corresponding privileges have been and are being granted by the Government of the Dominion of Canada in respect of goods, wares, and merchandise passing through the territory of the Dominion of Canada to any point in the District of Alaska from any point in said District.

Approved, May 14, 1898.

[Public, No. 168.]

An act to extend the coal-land laws to the District of Alaska. Be it enacted, etc., That so much of the public-land laws of the United States are hereby extended to the District of Alaska as relate to coal lands, namely, sections 2347 to 2352, inclusive, of the Revised Statutes, Approved, June 6, 1900. [Public, No. 204.]

An act to amend an act entitled "An act to extend the coal-land laws to the District of Alaska," approved June 6, 1900.

An act to amend an act entitled "An act to extend the coal-land laws to the District of Alaska," approved June 6, 1900.

Be it enacted, etc., That any person or association of persons qualified to make entry under the coal-land laws of the United States, who shall have opened or improved a coal mine or coal mines on any of the unsurveyed public lands of the United States in the District of Alaska, may locate the lands upon which such mine or mines are situated, in rectangular tracts containing 40, 80, or 160 acres, with north and south boundary lines run according to the true meridian, by marking the four corners thereof with permanent monuments, so that the boundaries thereof may be readily and easily traced. And all such locators shall, within one year from the passage of this act, or within one year from making such location, file for record in the recording district, and with the register and receiver of the land district in which the lands are located or situated, a notice containing the name or names of the location or locators, the date of the location, the description of the lands located, and a reference to such natural objects or permanent monuments as will readily identify the same.

SEC. 2. That such locator or locators, or their assigns, who are citizens of the United States, shall receive a patent to the lands located by presenting, at any time within three years from the date of such notice, to the register and receiver of the land district in which the lands so located are situated an application therefor, accompanied by a United States deputy surveyor or a United States mineral surveyor duly approved by the surveyor general for the District of Alaska, and a payment of the sum of \$10 per acre for the lands applied for; but no such application shall be allowed until after the applicant has caused a notice of the presentation thereof, embracing a description of the lands, to have been published in a newspaper in the District of Alaska, and shall have caused copies of such notice, together with a c

made or title to be acquired to the shore of any navigable waters within said district.

Sec. 3. That during such period of posting and publication, or within six months thereafter, any person or association of persons having or asserting any adverse interest or claim to the tract of land or any part thereof sought to be purchased shall file in the land office where such application is pending, under oath, an adverse claim, setting forth the nature and extent thereof, and such adverse claimant shall, within 60 days after the filling of such adverse claim, begin an action to quiet title in a court of competent jurisdiction within the District of Alaska, and thereafter no patent shall issue for such claim until the final adjudication of the rights of the parties, and such patent shall then be issued in conformity with the final decree of such court therein.

Sec. 4. That all the provisions of the coal-land laws of the United States not in conflict with the provisions of this act shall continue and be in full force in the District of Alaska.

Approved, April 28, 1904.

[Public, No. 151; S. 6805.]

[Public, No. 151; S. 6805.]

Approved, April 28, 1904.

[Public, No. 151; S. 6805.]

An act to encourage the development of coal deposits in the Territory of Alaska.

Be it enacted, etc., That all persons, their heirs or assigns, who have in good faith personally or by an attorney in fact made locations of coal land in, the Territory of Alaska in their own interest, prior to November 12, 1906, or in accordance with circular of instructions issued by the Secretary of the Interior May 16, 1907, may consolidate their said claims or locations by including in a single claim, location, or purchase not to exceed 2,560 acres of contiguous lands, not exceeding in length twice the width of the tract thus consolidated; and for this purpose such persons, their heirs or assigns, may form associations or exprerations, who may perfect entry of and acquire title to such lands in accordance with his other provisions of law under which said locations were originally made: Provided, That no corporation shall be permitted to consolidate its claims under this act unless 75 per cent of its stock shall be held by personsequalified to enter coal lands in Alaska.

SEC. 2. That the United States shall at all times have the preference right to purchase so much of the product of any mine or mines opened upon the lands sold under the provisions of this act as may be necessary for the use of the Army and Navy, and at such reasonable and remunerative price as, may be fixed by the President; but the producers of any coal so purchased who may be dissatisfied with the price thus fixed shall have the right to prosecute spits against the United States in the Court of Claims for the recovery of any additional sum or sums they may claim as justly due upon such purchase.

SEC. 3. That if any of the lands or deposits purchased under the provisions of this act shall be owned, leased, trusted, possessed, or controlled by any device permanently, temporarily, directly, indirectly, tacitly, or in any manner whatsoever so that they form part of or in any way effect any combination, or

Mr. CHAMBERIAIN. I have dwelt briefly upon the opinions which Senators and Members of the House of Representatives formerly entertained with reference to Alaska, and I may say that the same opinion expressed by the minority when the bill for the payment of the purchase price was before the House of Representatives in 1868 is entertained by Members of the House to-day. I presume it would not be inappropriate for me to call the attention of the Senate to the report of the minority of the committee in the House of Representatives on a very similar bill in the House during this Congress, because while

we have knowledge upon the subject it does seem to me the minority report shows almost as entire a lack of comprehension of the subject for some reason or other as does the minority report printed nearly 50 years ago.

I have had furnished me by the Geological Survey a map, which is now hanging upon the wall of the Senate Chamber. which shows Alaska, and which may be consulted in connection

with the subject which I propose to discuss.

Seattle is 400 miles nearer to Eastport, Me., the easternmost point of the United States, than to Attu, the extreme western point of Alaska. The meridian of longitude passing through Attu also passes through New Zealand.

The coast line is 26,000 miles long. On the south coast

there are numerous deep, land-locked, ice-free harbors.

The total length of the navigable rivers is 6,000 miles. of these, the Yukon, is 1,500 miles long from the mouth to the Canadian boundary and is navigable by large steamers for 500 miles above that point. It drains an area of 200,000 square miles.

Alaska has an area of 570,390 square miles, of which 100,000 square miles are susceptible of agricultural use, tiliage, and grazing. Probably 30,000 square miles, or 5 per cent of the total area, can be made available for tillage farming.

Four-fifths of the possible tillable area is in the Central Plateau, of which the Tanana Valley offers the largest oppor-tunities for farming. The Cook Inlet region has 3,000 square miles of tillable land, the Copper River drainage 2.000 square miles, and there are 1,000 square miles on the south coast. including the southeastern and southwestern projections.

It is not to be understood that the land in these areas is of such character that every half section is a possible farm home. Excepting in the alluvial-deposit areas bordering the larger streams, the topography of the tillable land is hilly, and in selecting homesteads care must be taken to secure a favorable slope, so as to get the full advantage of exposure to the sun. Apart from the bottom land there are few half sections all of which may be tilled, and homesteads will not be joined one to another, as a rule, but will be separated by land unfit for

Alaskan soils have been formed largely from material produced by glacial action and from alluvial deposits. Gravels occur frequently, and these are often thinly covered with soil. Shallow lakes and lake beds abound, and in these latter the accumulation of partially decayed vegetation has been transformed into peat. Where the vegetation has fully decayed there is a rich black loam.

Because of the protecting coat of vegetation and the short melting season, the frost line in the soil lowers only a few feet during the summer, thus preventing the escape of the excess of soil moisture and, together with the low temperature, the decay of vegetation. This results in a very wet, mucky, and sour condition of the soil. Consequently much of the land, before it can be made to produce tillage crops, must be drained and cleared of the protecting coat of moss and other vegetation in order to permit the heat of the sun to lower the frost line. Lime is very generally needed as a corrective of the acidity of the soil.

Practically all of the tillable land in Alaska must be cleared

Practically all of the thindle land in Alaska must be cleared of a timber growth and of moss, at heavy cost.

The climate of Alaska varies greatly. Now, this is what I want to call the attention of the Senate to, because I think people generally are uninformed as to climatic conditions in Alaska. On the south coast the summers are cool and the winters mild, the mean annual temperature at Sitka being about that of Washington, D. C. Zero temperatures are the exception. Precipitation is heavy, and there is much cloudy weather that is not favorable to tillage farming, other than the growing of vegetables and grasses. The high mountains fronting the south coast intercept the moisture-laden clouds coming from the sea and cause the excessive precipitation at low levels and the permanent snow and ice fields at the higher levels.

The central plateau, consequently, has a much drier climate and a much greater range of temperature, with warmer summers and colder winters. The summers are short as to number of days, but with 18 to 20 hours of sunshine in each 24 hours during the growing season vegetation develops very rap-The winter temperatures are very low, but with dry, still air and clear weather much of the time, particularly in

the upper portion of the Yukon drainage.

Mr. President, I want to call attention briefly to the climatic and geographic conditions of Alaska, because, as I have already said, there is an opinion prevalent when Alaska is mentioned that it is of the Arctic region, and that we are not thinking of it in any other light than as a barren, frozen wilderness. I am going to call attention to a summary of the report on the Alaskan agricultural possibilities, and incidentally as to its climate and its geography.

Mr. President, I want to compare the climate of Alaska with the climate of other countries in the same latitude on the Continent of Europe, and in this connection to show the population and the production of Norway, Sweden, Finland, and the Russian Provinces of Archangel, Vologda, and Olonetz, on the Continent. All these latter countries lie between latitudes 58° and 70° north, and for the most part they are north of 60°, the approximate latitude of the northern reach of the Gulf of Alaska, so that they are practically in exactly the same latitude.

In Europe, within the above limits, are embraced over 985,000 square miles, or about 599,450,000 acres. Alaska, with its 570,390 square miles, or 365,049,000 acres, extends from latitude 54° 30′, in southeastern Alaska, to beyond 71° at Point Barrow, the farthest point north in Alaska. A study of the topography, climate, native plants, and so forth, shows that the conditions are not materially or essentially different in the two regions, whatever advantage there is in climate being probably slightly in favor of the European countries. In these countries of Europe more than 11,000,000 people are living, while the census of 1910 reports 64,356 as the population of Alaska, which seems to be an astounding comparison when it is taken into consideration that the European countries I have named are almost in exactly the same latitude, with conditions almost exactly the same.

Recent statistics show in the three countries and three Provinces in Europe which lie mostly north of 60° that 8,373,000 acres of land were producing cereals of all kinds, the total yield being: Wheat, 6,683,840 bushels; rye, 36,509,640 bushels; barley, 26,963,545 bushels; oats, 109,036,780 bushels. In addition, potatoes to the amount of 100,321,190 bushels and 7,871,119 tons of hay were reported. Live stock are returned for these countries as follows: Horses, 1,516,251; cattle, 6,110,476; sheep, 4,033,578; hogs, 1,484,124; goats, 368,021; and reindeer, 564,732.

The area reported under cultivation varies from less than 0.01 per cent in Archangel and 0.5 per cent in Norway to 4.1 per cent in Sweden. In Finland, Vologda, and Olonetz only about 1 per cent of the total area is in cultivation, as the term is commonly used. In nearly every country there are natural meadows of large extent used as pasture and for haymaking, so that the total under agricultural use is probably about double the figures quoted above. On a basis of 1 per cent of the total area available for crops and 2 per cent for crops, pasture, and haying there should be over 3,650,000 acres capable of cultivation, or 7,300,000 acres available for possible agricultural development in Alaska, pretty nearly as large as the area of the continent. In 1894 the Director of the United States Geological Survey, in a letter to the House Committee on Agriculture, estimated the area of tillable land in southeastern Alaska in the Cook Inlet country, the Alaskan Peninsula, and adjacent islands at from 3,000 to 5,000 square miles, or 2,000,000 to 3,000,000 acres. In 1900, after traveling repeatedly throughout Alaska and comparing estimates from various sources, Prof. C. C. Georgeson estimated the tillable and pasture land of Alaska at 100,000 square miles, or 64,000,000 acres. In 1910 Mr. J. W. Neal, who is in charge of the agricultural experiment station near Fairbanks, made a reconnoissance survey of the Tanana Valley, and he estimated the agricultural and grazing lands of that valley and the small valleys leading from it as about 15,000 square miles, or 9,700,000 acres, or more than the total area reported under crops in the specified countries of Europe.

With the same development of agriculture in Alaska as in Europe to supplement its mining, fisheries, and other industries, Alaska should support a population almost equal to that of Europe north of 60° latitude and a commerce of equal or greater importance.

I ask, Mr. President, that I may have printed as a part of my remarks the comparative area of the European countries with the latitude, the population, the total area, and the area cultivated in cereals, so that it may be used as a basis of comparison with reference to Alaska itself.

Mr. SMOOT. Mr. President, I should like to ask the Senator from Oregon if he means that he desires the matter printed in words, rather than in map form?

Mr. CHAMBERLAIN. I do not care to have it printed in map form, but simply in the form of a compilation of figures; that is all.

The PRESIDING OFFICER. In the absence of objection, permission to do so will be granted.

The matter referred to is as follows:

Cooperative area of some European countries.

	Latitude north.	Popula- tion.	Total area.	Area cult	
Norway	58° 30' to 70° 30' 56° 30' to 68° 60° to 70°	2,000,917 4,919,260 2,335,916	Acres. 76, 226, 000 101, 563, 000 82, 025, 000	Acres. 402,000 4,113,900 1,578,300	Per cent. 0.5 4.1 1.9
inces: Archangel Vologda Olonetz	62° to 70° 58° to 65° 60° to 64° 30′	413,500 1,565,800 422,200	208, 680, 320 99, 369, 600 31, 587, 200	162,200 1,656,930 359,770	.075 1.7 1.1

Mr. CHAMBERLAIN. I also desire to have printed the crop production in the same European countries, to which I have called attention, and which are in the same latitude as Alaska, during the several years beginning in 1905; and also the amount of live stock in those same countries in Europe for a period covering the years from 1906 to 1908.

The PRESIDING OFFICER. There being no objection, that

order will be made.

The matter referred to is as follows:

Crop production in some European countries.

	Wheat.	Rye	Barley.
	Bushels.	Bushels.	Bushels.
Norway (1905)	318,880	951,360	3, 357, 120
Sweden (1905)	5,769,520	16,929,120	13, 134, 000
Finland (1907)	147,000	11,661,000	5, 415, 000
Archangel (1909)	5,700	451,940	1, 395, 250
Vologda (1909)	431,640	5,037,700	3,053,409
Olonetz (1909)	11,100	1, 478, 520	608, 775
	Oats.	Potatoes.	Hay.
	Bushels.	Bushels.	Tons.
Norway (1905)	9, 562, 880	25, 033, 400	2,572,920
Sweden (1905)	65, 646, 860	50, 654, 730	3,361,390
Finland (1907)	21, 822, 000	19,836,000	0,001,000
Russian Provinces	21,000,000	20,000,000	
Archangel (1909)	226, 200	752, 880	295, 153
Vologda (1909)	9,567,110	2,923,140	1, 216, 482
	2, 211, 730	1, 121, 040	425, 174

Live stock in certain European countries.

	Horses.	Cattle.	Sheep.
Norway (1906) Sweden (1906) Finland (1906) Russian Provinces:	172, 468 566, 227 327, 817	1,094,101 2,628,982 1,491,264	1, 393, 488 1, 021, 727 904, 447
Archangel (1908) Vologda (1908) Olonetz (1908)	62,050 313,872 73,817	118, 675 622, 619 154, 835	133, 096 464, 138 116, 682
	Hogs.	Goats.	Reindeer.
Norway (1906) Sweden (1906) Finland (1906) Russian Provinces:	318, 556 878, 828 221, 072	296, 442 65, 300 6, 279	142, 623 288, 360 133, 749
Archangel (1908) Vologda (1908) Olonetz (1908)	253 60, 957 4, 458		

Mr. CHAMBERLAIN. Mr. President, because of the fact that Alaska is so little understood in so far as its agricultural resources are concerned, I am going to call attention to certain annual reports of Prof. C. C. Georgeson, special agent in charge of the Alaska agricultural experiment stations, to the Secretary of Agriculture, because I really believe that if the agricultural possibilities and the transportation situation of Alaska were thoroughly understood by the Senate, if Senators would give the subject the attention that some of the Senators who are on the Committee on Territories have done, they would be entirely satisfied as to the possibility of developing Alaska from an agricultural as well as from every other standpoint, if proper transportation facilities were afforded.

I want to say right in this connection—for I am going to discuss the transportation matter at length a little later on—that no man who has ever been in Alaska as a representative of the

Government, so far as I have been able to ascertain, whether from the Agricultural Department or from the Geological Survey, or whether we take the report of the Alaska Railway Commission-every one of them has come back to Congress and suggested, by reports and otherwise, the impossibility of the devel-opment of that country without the construction of railroads, and many of them have suggested that this construction ought to be undertaken by the Government.

Now, note that in his report for 1907, which I am about to read, Prof. Georgeson, who, as I have said, is special agent in charge of the Alaska agricultural experiment stations, as a representative of the Agricultural Department, says, at page 20:

representative of the Agricultural Department, says, at page 20:

It is self-evident that the interior of Alaska can not be settled by the class of people best suited to exploit and develop the latent agricultural capacity when it costs from \$200 to \$500 to move a ton of freight 100 miles inland from the port of debarkation, or more, in proportion to distance; when a seat in the stage from Valdez to Fairbanks costs \$150 and meals and sleeping quarters from \$5 to \$10 a day in addition; when sugar, salt, oatmeal, and other equally plain articles are 25 cents a pound, bacon 40 to 60 cents a pound, condensed milk 75 cents a can, and everything else in proportion. Only people with money, or at least with an assured income, can meet these conditions. The chief assets of pioneer farmers are a vigorous constitution and indomitable courage, but these alone will not pay freight, move families, procure equipments, or buy provisions. The class of people who homestead land do not as a rule have much money, and, taking into account the expenses which homesteaders in Alaska must incur, comparatively few can come here. Corporations and trading companies are not in business for philanthropic purposes; it is useless to look to them for reductions to settlers, although such a step would result to their advantage, since an increase in population would mean an increase in business. The Government alone can remedy these economic conditions, and it can do it by liberal encouragement of railroad building. building

That was in 1907, before the railroad commission was appointed and before President Taft or President Wilson or any of these distinguished gentlemen had discussed the subject in messages or otherwise.

Messages or otherwise.

Alaska is a large country. It will take at least three trunk lines to open up the valleys of the Copper, the Yukon, the Sushitna, and Kuskokwisi. The building of wagon roads, which the Government has begun, will prove of great benefit to the country. Improved transportation facilities are Alaska's greatest need. When these are provided the economic conditions which now bar settlement will gradually right themselves. Competition will bring down prices and the cost of living. Labor will be more plentiful; mines which it will not pay to work at present will be opened; resources now untouched will be exploited; business will increase; markets for farm produce will develop, and the country will be settled. Without improved transportation facilities the country will remain stagnant; only the richest mines can be worked, and the country will be deserted when these are exhausted.

In that same connection he discusses-and I intend to read what he says-the agricultural possibilities up there as disclosed by the experiment stations in Alaska.

Mr. GALLINGER. Mr. President, will the Senator permit me?

Mr. CHAMBERLAIN. Certainly.
Mr. GALLINGER. I have not kept in very close touch with
the development of Alaska, although my sympathies are very strongly in the direction of doing all that we can for that great country. Will the Senator kindly state for my information how many miles of railroad there are now in Alaska?

Mr. CHAMBERLAIN. I intended to take that up in regular I think it is something more than 500 miles. I will call attention in a few moments to the lines that are established to show how far apart they are, so as to show that they really do not develop the country nor supply its needs for transporta-

Mr. GALLINGER. What I was really in search of was information as to whether those lines of railway were built entirely by private capital?

Mr. CHAMBERLAIN. Entirely so; yes, sir.

Mr. GALLINGER. A further question which suggests itself to my mind is, May we not, without actually going into the matter of building railroads by the Government, adopt some policy of granting lands or other subsidies to private corporations to build those roads? Has that been considered or discussed?

Mr. CHAMBERLAIN. That has been considered; and I will say to the Senator that I am going to show a little further on that that has been the policy of this Government, not only in the development of the West and of the South, but practically in the development of the Philippines. The situation in Alaska, however, is sui generis. There is a country of vast possibilities, one-fifth as large as the whole continental country of the United States, 99 per cent of which is still owned by the United States.

Mr. GALLINGER. It has appealed to me very strongly in this connection that, as a matter of fact, the Government owns almost the entire Territory of Alaska.

Mr. CHAMBERLAIN. Absolutely.

Mr. GALLINGER. And that is about the only argument that has yet appealed to me in behalf of the Government building railroads in that Territory. I have been interested in seeing

what Canada is doing in the matter of railroad building. is, I suppose with some aid from the Imperial Government. constructing a great transcontinental line now from the Atlantic to the Pacific far north of the Canadian Pacific, through what has heretofore been an almost untrod wilderness.

Mr. CHAMBERLAIN. Yes, sir. Canada aids her railroads.
Mr. GALLINGER. And I have wondered whether some similar policy might not be adopted here which would relieve us from the necessity of going into Government ownership of railroads. I will say to the Senator-I have had a little private conversation with him for a few moments on this subject-that my mind is not foreclosed against this bill. I want very much to listen to the Senator, and hope I will be permitted to do so in his discussion of the question.

Mr. CHAMBERLAIN. I thank the Senator very much. Mr. GALLINGER. Of course, I am, as all Senators are, subject to be called out of the Chamber, when we can not refuse to go, but I very much want to hear the Senator's views on this

very important subject.

Mr. CHAMBERLAIN. I thank the Senator; and in connection with what the Senator has just said, I want to say that I intend to show a little later, in considering the efforts that this country has made and the policy it has adopted in the development of the western country, that the mammoth grants which have been made to the railroad companies have been really disastrous to our country, and that, too, when the United States itself did not own the adjacent territory, which was largely in the hands of individuals. Alaska, however, has received no support or assistance from the Government, except in the way of constructing trails and wagon roads. The United States owns all of its resources, and, as a business proposition, if for nothing else, the United States ought to develop its own property for the benefit of its own people.

Mr. GALLINGER. In that connection, Mr. President, if the Senator will permit, I will ask the Senator, who possesses a knowledge which I do not on this point, except as I read, is it not a fact that Canada is doing very much more for her northwestern territory, adjoining Alaska, than the United

States has done for Alaska?

Mr. CHAMBERIAIN. There is no doubt about that. Right there in that connection, Mr. President, I will say that there has been great complaint made, as the Senator knows, about our people going up into Saskatchewan, into Alberta, into Manitoba, and into other Canadian Provinces. The reason for that is that Canada is inviting through the instrumentality of her assisted railroads people into that country, while the United States, with just as fine a country immediately adjoining the Canadian Provinces, is absolutely neglecting everything that would tend to its development. If the United States would put forth half the energy that has been put forth in Canada for the development of her railways, we would find Alaska and its hundred thousand square miles of tillable area immediately settled by people of this country who are seeking an outlet, who are seeking homes, and who would be glad to have an opportunity to go there.
Mr. CUMMINS. Mr. President-

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Iowa?

Mr. CHAMBERLAIN. I yield to the Senator. Mr. CUMMINS. The suggestion of the Senator from New Hampshire [Mr. GALLINGER] opens up a very interesting retro-spect. I should like the Senator's opinion upon this proposition: Would it not have been easier for the United States to have built every railroad to which a land grant has been given and transferred the completed property, without any compensa-tion at all, than to have pursued the course we actually did pursue, namely, giving them great empires of land, which have turned out to be exceedingly valuable?

Mr. CHAMBERLAIN. There is no doubt about that, I will

say to the Senator.

Mr. CUMMINS. I hope we will not pursue that plan in Alaska. I myself would rather have the Government build the railroads there and give them away, if we do not care to operate them, than to give to private companies resources the value of which in the future will be almost beyond computation.

Mr. CHAMBERLAIN. I will say to the "enator that I intend to address myself to the policies which the United States has heretofore adopted with reference to railroad assistance, and he will find from the showing which I hope I shall be able to make that the United States might well have built all the railroads that it has assisted, given them over to the companies that built them, and have made money in the retention of the grants that were made, but I will call attention to that a little later on. I do not want to take up that question until I submit the question of the agricultural resources of Alaska, because, in the final analysis, much of the development of Alaska, rich as it is in mineral resources, w'll depend upon its possi-

bilities of agricultura! development.

Prof. Georgeson, who is a Dane, I believe, born in a country that is in almost the same latitude as Alaska, who has been up in Alaska for 8 or 10 years and who knows the conditions in his own country and in Alaska, representing the Agricultural Department, in his report of COS, at page S—I merely want to call attention briefly to this, for these reports are very interesting, because they discuss all of the different aspects of the possibilities of Alaska-says:

A few things have been demonstrated beyond a peradventure.

I might add here that evidence before some of the committees shows that, generally, where Norwegians or Swedes or Scandinavians go up into the Alaskan country and settle, they commence to make money as soon as they take up the land. Why? Because they understand the conditions, while an American settler who goes up there and undertakes to make money has first to become acclimated and to learn the conditions which prevail in that latitude.

A few things have been demonstrated beyond a peradventure. Perhaps the most important fact proved is that Alaska is an agricultural country. It is but a short time since this claim was discredited and treated with ridicule.

And it is treated with ridicule now, Mr. President, in many

quarters.

Another fact that has been proved is that cattle feed can be produced in any quantity; that is to say, while grains may be injured by frost in certain regions, they can always be grown to a stage at which they will make nutritious hay, and the native grasses can maintain live stock in excellent condition in summer, and they make good hay and silage for winter feed. Indeed, the silage from one species of grass, beach rye (Elymus mollis), proved on analysis to be equal to clover hay in nutritive qualities. Potatoes, cabbage, cauliflower, rhubarb, turnips, lettuce, and, in short, all the hardly vegetables can be grown to perfection up to and even within the Arctic Circle, as has been proved by thousands of settlers.

A legitimate question, and one which is frequently asked, is: Why, in view of the productive capacity of the country and with the prevailing high prices for farm produce, is Alaska not rapidly settled with farmers? The answer is that the economic conditions prevent settlement. Alaska can not be settled before railroads and wagon roads are built and transportation rates are reduced. Under present conditions but few farmers can afford to go to Alaska with their families, live stock, and equipment. The expense would equal the cost of a farm in the States.

the States.

The question of development always goes back to that question, Mr. President—the want of railroad facilities—because no man can move his family into that country and afterwards move the necessary supplies in there unless he is a man of independent means and fortune, and every one of the agents of the Government, no matter from what department, comes to the same conclusion, that the economic conditions in Alaska prevent settlement and development.

Mr. BORAH. Mr. President—
The PRESIDING OFFICER, Does the Senator from Oregon yield to the Senator from Idaho?

Mr. CHAMBERLAIN. I yield. Mr. BORAH. What is the condition of those agricultural lands with reference to being inside of a forest reserve or out-

Mr. CHAMBERLAIN. Well, I said a little while ago, before the Senator came in, that practically everything in Alaska is withdrawn; so that with a good homestead law and a good coal law it is impossible for men to go there and settle. That is one of the economic conditions that has been brought about in part

by these reservations.

Mr. BORAH. I only wish to say that we have in the United States proper a vast amount of land very close to the railroads States proper a vast amount of land very which has not been settled and will not be settled very quickly, which has not been settled and will not be settled very quickly, while I am thoroughly in sympathy with the view which the Senator is entertaining and expressing with reference to the necessity of transportation facilities in Alaska, there will have to be something else to stop the settlers of this country from going into

Canada besides railroads.

Mr. CHAMBERLAIN. I think the Senator is right, but I want to say that the Senator and I might disagree very radically about the propriety of the withdrawals in Alaska. I do not think President Roosevelt ever did anything that I approved of more heartily than his withdrawals in Alaska, because the conditions, as developed by the evidence that has been taken before both the Senate and the House committees, disclose that if President Roosevelt had not made those withdrawals in the first place, with the three or four gateways and the open ports in Alaska in the possession of the Alaskan Syndicate, every coal mine in Alaska would probably have been acquired by the same syndicate; every copper mine would have been secured, as now the most valuable copper mines are owned, by this particular syndicate; so that the only way of preserving that magnificent

Territory and saving its resources for the people of the United States hereafter was to withdraw it at that time.

Mr. BORAH. I am not criticizing Col. Roosevelt for anything that he did, especially for these withdrawals, but there ought to be a time when the Government could disclose sufficient virility in the way of legislation and statesmanship to

open up to the people these lands, which were withdrawn in order that the people might get the benefit of them.

Mr. CHAMBERLAIN. I am in hearty accord with the Sena-tor; but, as the Senator knows, as I know, and as the western people generally know, Alaska has been knocking at the doors of Congress for the last 15 years, asking for the enactment of some laws that would be practical for the development of her coal mines and to protect those mines from monopolistic control; but Congress has not done anything. Congress has practically refused to do anything. The Delegate from Alaska ever since he has been here has had some bill for the relief of Alaska, seeking to have some safe and sane legislation adopted for the development of the mineral resources of that country; and yet we have not done anything.

Mr. BORAH. That is just exactly what I understand.

Mr. SUTHERLAND. Mr. President—

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Utah?

Mr. CHAMBERLAIN. I yield to the Senator.
Mr. SUTHERLAND. I had understood that the coal lands in Alaska had been withdrawn and that some iceberg lands up there had been put into forest reserves; but do I understand the Senator to say that metalliferous lands have been withdrawn?

Mr. CHAMBERLAIN. Practically.
Mr. SUTHERLAND. Then the lands which are supposed to

contain deposits of gold——
Mr. CHAMBERLAIN. It is safe to say to the Senator that

practically everything has been withdrawn.

Mr. SUTHERLAND. I have not finished-that lands containing, or supposed to contain, deposits of gold and deposits of copper have been withdrawn from the prospector?

Mr. CHAMBERLAIN. I think they have within the reserves.
Mr. SUTHERLAND. Does the Senator approve of that? Does the Senator approve of withdrawing from the prospector lands supposed to contain precious and other metals?

Mr. CHAMBERLAIN. I will say to the Senator that so far as I am concerned I do not approve of wholesale withdrawals, except in the particular emergency to which I have referred, because it was the only way to save the resources

of Alaska to the people,

Now, I will call the Senator's attention to one thing, and then he will understand what I mean. If the Senator will take the trouble to look into the record, he will find that the Alaska syndicate built the Cordova & Northwestern Railroad up to its copper mine at Kennicott. After it had done that and had acquired the control of the richest copper mines in Alaska, it turned its attention to the Bering coal fields; and there is a contract in evidence in the Ballinger investigation which shows that the representatives of the Guggenheim interests entered into a contract with the representatives of the Cunningham claimants for the purpose of acquiring the coal mines in the Bering River district. That is the reason I say I approve of these withdrawals. If they had not been made, the United States would not have any interest in developing that country by railroad or by any other instrumentality.

Mr. SUTHERLAND. I am not saying anything about the withdrawal of the coal lands. I was simply speaking of the withdrawal of other lands. I venture to say to the Senator-from Oregon that if that policy had been pursued from the beginning in this country California would not have become the great gold-producing State that it was; the silver mines of Nevada never would have been opened; the lead and copper and silver mines of Utah never would have been opened. only way the great metalliferous mineral resources of this country have been developed has been through the prospector. If ye : expect any of the undeveloped part of this country to be developed in the same way, you have to give the prospector the opportunity to go into the lands and prospect them and then reap the benefit of what he discovers.

Mr. CHAMBERLAIN. I agree with the Senator about that. Mr. SUTHERLAND. I think it is a thoroughly unwise policy to close any part of the country, either of the United States proper or of Alaska, against opportunity upon the part

of the prospector to go in and discover these minerals.

Mr. CHAMBERLAIN. I agree with the Senator.

Mr. CUMMINS. Mr. President, may I interrupt the Senator from Oregon?

Mr. CHAMBERLAIN. Certainly.

Mr. CUMMINS. I have been waiting five years, ever since I came into the Senate, to hear some one discuss the very question that is now before us; and I should like to hear the Senator from Oregon about it, because I think we shall have to know something about it before we can proceed very far with the building of railroads in Alaska. That is, what kind of law do we need to admit the honest pioneer and developer of a country, and at the same time to exclude the men who, the Senator from Oregon says, in 1906 were about to get possession of the whole of Alaska?

I have never yet heard that question answered as it ought to be. The western Senators are all agreed that these resources ought to be at the disposal of the honest homesteader, the honest prospector, the honest lumberman, the honest miner; but what kind of law can we devise that will permit these men to have their rights, and at the same time will prevent the monopoly which was feared in 1906 with regard to Alaska?

I think the Senator from Oregon will render his country a very great service if he will enter upon the discussion of that

question at some time before he finishes his address. Mr. CHAMBERLAIN. In answer to the Senator, I will say that I am not sure that there is any power in Congress or anywhere to prevent the monopolization and control of resources such as Alaska has.

Mr. SMOOT. Mr. President-

The PRESIDING OFFICER (Mr. VARDAMAN in the chair) Does the Senator from Oregon yield to the Senator from Utah? Mr. CHAMBERLAIN. I yield to the Senator.

Mr. SMOOT. I hardly agree with the last statement the Senator made, in respect to its being impossible to prevent monopolization of the resources of Alaska.

Mr. CHAMBERLAIN. I had not quite finished.

Mr. SMOOT. For instance, I think it is possible to prevent it, as far as coal and oil lands are concerned, by a proper lease bill.

Mr. CHAMBERLAIN. As I say, I had not quite finished

my answer when the Senator interrupted.

Mr. SMOOT. I have introduced a bill along that line; and I have also introduced a bill to-day allowing agricultural entries upon these mineral lands, so that their withdrawal will have no effect upon the men who want to farm them, but all that is under the surface will be retained in the possession of the United States

Mr. WALSH. Mr. President-

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Montana?

Mr. CHAMBERLAIN. I yield to the Senator.

Mr. WALSH. Before we pass this subject, in order that there shall be no confusion, I think a statement ought to be made which, with the permission of the Senator from Oregon, I shall be glad to make.

Mr. CHAMBERLAIN. I yield to the Senator.

Mr. WALSH. That is that there has been no withdrawal of land in Alaska anywhere affecting prospecting for metalliferous lodes or the prospecting of metal-bearing mineral lands. There are vast forest reserves there, naval reserves, military reserves, and fish reserves, most of which are along the shore. There are vast regions in the interior, in the Tanana-Yukon district, that are not within a forest reserve, and so in the Innoko-Iditarod district and in the Seward Peninsula. That is, there are great regions in Alaska that are open to exploration for the location of mineral claims other than coal which are not within forest reserves at all, and which are not within any reservations of any character. There is no difficulty at all, under the law, about any character. going within even a forest reserve for the purpose of making location of mineral claims and the prospecting can go on just exactly the same. The only difficulty arises when the locator endeavors to make proof. He is then required to satisfy the forest officials that the land is more valuable for the mineral than it is for the timber upon it. There are, however, these important withdrawals of coal lands, and that is the thing which really stands in the way.

Mr. BORAH. Mr. President-

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Idaho?

Mr. CHAMBERLAIN. I yield to the Senator.

Mr. BORAH. I was going to ask the Senator from Montana if he ever had any experience in trying to satisfy the Forestry Bureau as to what constituted a mineral discovery in a forest

Mr. WALSH. I must answer the Senator that I have had exactly the same embarrassing experience he has had. The trouble about it is that the prospector goes out there and he is entirely satisfied that he can make a mine of his claim, and the forest ranger is entirely satisfied that he is an idiot ever to at- furnish the coal to the man who wants to burn it no cheaper

tempt it; and the recommendation of the ranger ordinarily goes

against that of the prospector.

Mr. CHAMBERLAIN. Mr. President, in answer to the Senator from Iowa [Mr. CUMMINS], who addressed a question to me a while ago as to whether or not it would be possible to enact legislation which would protect these resources from monopolization, I do not believe Congress could pass any laws permitting the individual acquirement of title to the copper mines and the coal lands and the oil lands and resources of that kind and protect them from monopolistic control. because the history of legislation on the subject shows-and the courts have practically sustained that view of it—that an individual, after he acquires title to public lands in apparent good faith, may dispose of it as he will, and yet he may be acting for some great monopoly. No man can read the secrets of a corrupt and designing heart.

Take the Cunningham claims, for instance. I do not pretend to say of my own knowledge whether they were attempted to be fraudulently acquired or not; but it did develop in subsequent investigations that they had not gone very far toward the acquirement of title to those lands until the iron hand of the Alaska Syndicate displayed itself and this syndicate was contracting to acquire control of them. Then the Cordova & Northwestern Railroad, the creation of this same syndicate, was turned into the coal region covered by the Cunningham claims; so that while on the face of it the Cunningham claimants were acquiring title honestly-and maybe they were-yet before the title was complete they were selling it to a syndicate to whose interest it was to secure control of Alaska and everything in it.

I want to say that in my opinion the suggestion of the Senator from Utah [Mr. Smoot] is the correct solution of this problem-that so far as oil lands, coal lands, and resources of that kind are concerned, the Government ought to maintain the ownership and control of them and lease them to people who

want to develop them.

Mr. BORAH. Mr. President-

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Idaho?

Mr. CHAMBERLAIN. I yield to the Senator from Idaho. Mr. BORAH. The coal lands and oil lands in Alaska never can be developed without a vast amount of wealth and capital behind the development. If you prefer to withhold from them the title, and turn over the matter in the way of a lease, they will still have to have the vast amount of capital which is necessary in order to develop the lands. Individuals, people of limited means, can not go in there and develop the lands even under a lease. They have to depend on capital somewhere.

You are going to be up against the same proposition with reference to the development of coal lands and oil lands that you are with reference to building this railroad; that is, the Government has either got to permit the people who have the capital to go in there or the Government must do it itself. Government will have to furnish the means and the capital to develop the lands and to work the mines, or it will have to permit people to go in there who have a vast amount of capital in order to do it.

You are finally coming to the same proposition with reference to that matter that you are with reference to the railroads, and that is that the Government itself will have to

develop the coal mines and work them if the masses of the people are to get any benefit out of the development.

Mr. CHAMBERLAIN. I differ very radically from the views of the Senator. As coal mines are worked now, in ninetynine cases out of one hundred they are operated by lessees. The records will show that there is an extravagant waste in the operation of all the coal mines under the present leasing system, because the lessee can only develop the paying streaks and veins of coal. If, however, the United States owns this coal land and is the lessor, it, with the machinery of government behind it, can compel the use of the coal mines by the lessees in a way to protect the Government, properly conserve the same against waste, and at the same time furnish means of transportation which will justify a lessee in taking out the coal and shipping it to a market.

Mr. BORAH. The President can compel the man to work the mine to the satisfaction of the Government, and he can compel the man to timber the mine and work out all the portion of the mine which is workable at all. Undoubtedly can compel the man to do that, but the ultimate consumer will pay for all of it. He will necessarily have to do so. If you are going to have standing between the consumer and the Government a lessee who has to be paid or else he will not be there, and to realize upon the proposition you are going to

than if it had gone into the hands of capitalists in the first place and you had undertaken to regulate the monopoly.

Mr. CHAMBERLAIN. States are leasing now-individuals are leasing now-and under arrangements which are entirely

Mr. BORAH. As to the last proposition, I disagree with the Senator. I never have been able to find a leasing system yet which has been in operation for any number of years, either in Australia or in any other part of the world, where corruption did not enter into the matter with reference to securing the leases, maintaining them, and working them, or where the expense did not become so great that the consumer received no

benefit at all from the system.

Mr. CHAMBERLAIN. While I had not intended to refer to it, I have before me, and can show the Senator, a statement of the total coal production in the United States, the mines that are operated by the owners, the mines that are operated by lessees, and the whole situation. The Senator will find, if he will take the trouble to examine the evidence, that nearly all the coal mines are now operated by lessees. If the owner of a mine can lease it to an individual or to a corporation that can operate it at a profit, why can not the United States, which owns the land and which constructs a railroad and fixes the rates, enable a lessee to operate it to the same advantage as an individual?

Mr. BORAH. I presume I have examined the matters to which the Senator refers, as I have examined almost everything I could find upon the subject; but the Senator misunderstands my proposition. I have not any doubt that coal mines are being operated under a lease successfully, but who is paying for it? The price of coal demonstrates who is paying for it, the fact that the mines are being operated in that way.

Mr. CHAMBERLAIN. There is no question that the ultimate consumer pays it. He is paying it now.

Mr. BORAH. Yes.

Mr. CHAMBERLAIN. He is paying the rates that have been fixed by the Pennsylvania mines and the railroad companies,

Mr. BORAH. If the Government can not do anything more with reference to the coal mines of Alaska than to furnish coal

to the consumers of the country at the same price they are paying now, the Government had better stay out of Alaska.

Mr. CHAMBERLAIN. I predict that if the United States will build a railroad there and keep control of the coal fields, it will furnish coal cheaper than it is being furnished to the consumers of Pennsylvania coal or any other coal in this country.

Mr. CUMMINS. Mr. President, will the Senator yield to me? Mr. CHAMBERLAIN. I yield to the Senator from Iowa. Mr. CUMMINS. We ought to bear in mind, in discussing that phase of the matter, that about three-fourths, or at least two-thirds, of the cost of bituminous coal to the consumer con-

sists in transportation. If we can save the consumer on the western coast the great cost of transportation we shall have greatly benefited him, even though it costs as much to take the coal from the mine in Alaska as it costs to take it elsewhere.

I have an idea that the principal benefit, or at least one of the great benefits, of opening up this region will be to reduce the cost of transportation of coal from distant points to the points

of consumption on the Pacific coast.

Mr. CHAMBERLAIN. Yes; I will say that more than twothirds of the cost of transportation of coal from the Pennsylvania mines to the Pacific coast, for the use of the Navy as well as for the use of the individual, is the cost of transporta-

Mr. CUMMINS. I should think it would be more than fourfifths of it; but two-thirds of the average cost of coal to the consumer is transportation.

Mr. CHAMBERLAIN. Yes; there is no question about that. Mr. REED. Mr. President—

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Missouri?

Mr. CHAMBERLAIN. I yield.

Mr. REED. I wish to direct an interrogatory more to the Senator from Iowa [Mr. Cummins], perhaps, than to the Senator from Oregon [Mr. Chamberlain].

Would it follow, if we leased these lands and furnished cheap transportation, that the consumer would get any benefit? Would not the consumer then be left practically to purchasing from one or two lessees; and as there would be no competition except that created by coal which had come from long distances and had paid large rates, would the consumer really get any benefit, even if we transport it more cheaply?

I am not trying to controvert; I am asking for light.
Mr. CUMMINS. I may be wrong about it, but I have as-

Alaska, and that competition of an effective character would be developed in Alaska, and that the miners or lessees there would compete with each other, and the coal would be sold from that point at a fair profit, considering cost of production and transportation. If the coal in Alaska for the supply of the western country is to be in the hands of a single producer. a monopoly—then, so far as I am concerned, I do not shrink from saying that the Government of the United States ought to produce it and sell it at a fair profit.

Mr. REED. I am not advised how many there are. The debate is new to me. I have been unable, because of other engagements, to give much attention to this bill, and I was asking

for information.

I take it from the question of the Senator from Idaho [Mr. BORAH] that he is of the opinion that the Government itself

ought to work the mines. Am I correct in that?

Mr. BORAH. Yes. The Senator from Missouri, it seems to me, has stated the proposition which we are going to meet, and it is this: There will be no more reason why lessees should compete than why owners should compete, and the consumer will not get any benefit from the development. The lessees will have the same open or secret understanding with reference to the matter, and by the time the coal gets to Seattle or San Francisco or Boise City, Idaho, we will not know whether the title is

in the original party or whether it is in a lessee.

Mr. CHAMBERLAIN. I do not think the Government will have any trouble about controlling the price of coal where it owns the mines and owns the transportation as well, and has the power of fixing the terms of the lease as well as the rates of . transportation. It will be regulated and controlled. There is

not any question about that.

Mr. BORAH. Of course, it is easy to say that, Mr. President, but where has the Government ever regulated, in all its attempts to regulate, so that the price has really drifted down and benefited the consumer?

Mr. CHAMBERLAIN. It seems to me that through the Interstate Commerce Commission the Government has regulated a very much more difficult situation in the transportation of this

Mr. BORAH. The Interstate Commerce Commission is a great commission, but the final benefits to the people are yet to be demonstrated.

Mr. CUMMINS. I can give the Senator an instance of coal being sold at a fair price. In my State—and we have more acres of coal land in that prairie State than there are in Pennsylvania—there is the sharpest competition between the producers of coal. The transportation charge is fixed by law, and the consumers of coal in Iowa get it at such a price as affords the producer but a fair profit. Indeed, oftentimes, and I think the greater part of the time, the producers of coal barely make a fair profit.

Mr. BORAH. Do the consumers of coal in Iowa get coal

cheaper than they do across the river in Illinois?

Mr. CUMMINS. We get it cheaper. Our coal is not quite so good as the coal produced in Illinois.

Mr. BORAH. Naturally, I should think that if it were as good, and the question of quality did not enter into the question of competition, it would go across the river into Illinois.

Mr. CUMMINS. No; the cost of transporting coal is so great

as compared with the value of the coal that unless you have a high quality that pays for long transportation coal is not transported over long distances.

Mr. BORAH. That is true; but then there are points in Illi-

nois which are much closer to the coal fields in Iowa than cer-

tain parts of Iowa are to those same coal fields.

Mr. CUMMINS. Yes. The coal that is mined in our State is practically all consumed in the State, and the territory that we can reach is controlled wholly by the cost of transportation. We get some Illinois coal. We get it, however, wholly because it is better coal and can be used successfully for some purposes for which our coal can not be used.

That, however, is not the point I have in mind. The point I have in mind is that we have sufficient competition among producers of coal in our State to insure its distribution to the consumers at a fair price, considering the cost of production and of transportation, and I see no reason why that should not be true in Alaska.

Mr. REED. Mr. President—
The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Missouri?

Mr. CHAMBERLAIN. I yield; but really I should like to get through.

Mr. REED. I want to make just one remark. Of course that is the whole question. In the State of Iowa, as the Senator sumed that there is room for more than one coal mine in says, there is great competition, a vast body of coal, and a large number of individual companies competing with each other. If that condition is assured in Alaska, of course that is one thing. If, however, the field is limited, if the opportunities for competition are small, or competition is not assured, that is another thing. Then I agree with the Senator who has the floor that, of course, the Government, in its leasing, might possibly protect against an unjust price. Certain it is, however, that by one means or another we ought, in passing this bill, to see to it that the ultimate consumer gets the benefit of a reasonable price.

Mr. BORAH. Mr. President—
The PRESIDING OFFICER. The Senator from Oregon [Mr. CHAMBERLAIN] has the floor. Does the Senator yield to the Senator from Idaho?

Mr. CHAMBERLAIN. I yield.

Mr. BORAH. I want to make just a suggestion. The Senator has signified his desire to go ahead and complete his speech, and I sympathize with his desire to do so, because we have consumed much of his time. I only wanted to say that I am not by any means antagonistic to the proposition which the Senator has before the Senate. My suggestion has only this in view, that if we are going to have these natural resources finally dedicated to the use of the people of the United States the Government can not stop with the mere building of the railroad; it will have to operate the mines and furnish the coal to the consumer.

Mr. LANE. Mr. President-

The PRESIDING OFFICER. Does the Senator from Oregon yield to his colleague?

Mr. CHAMBERLAIN. I yield.

Mr. LANE. I wish to say that in a general way I am in favor of this bill. I want to see the Government build a railroad into Alaska. As to leasing the property containing the coal veins, I have but little confidence in that method of mining coal, for the reason that I have been in mining countries in the past and I find that what the lessee of a mine does is this: He drives his tunnel, his shaft, or sinks his drift upon the very richest portion of the property, and immediately begins to exhaust that which pays him the most in the most rapid manner. In other words, as the miners say, he "guts" the mine. He does not timber for permanency. He timbers in a manner which will last through his lease, and only for that time. He skimps his timbering, and when his lease expires the owner of the mine must come in and reface his mine and start his works anew at a heavy expense. Sometimes it costs him more than he received from the lease. Unless it is very carefully

than he received from the lease. Oness it is very carefully safeguarded, it is a very dangerous proposition.

If I had a good coal vein, or if I owned a good vein of iron ore, or if I owned a good placer claim with a good, rich pay streak, I never would lease it out to any man. I would mine it myself, for the reason that I would keep my work in line and work the full width of my pay streak. If I should lease it to a man who was intent upon making a profit out of it, very well that he would follow the fattest, richest portion of the pay streak, and pay no attention to the rest of the mine, and when he got out of the mine I would have to face

it up and start my work all over again.

I am therefore in favor of having the Government hold full control and absolute ownership of this coal and mine the coal itself; and if it can possibly be done, I shall offer an amendment to this bill to that effect. The Government will turn it over to no lessee to any great advantage to the people. will fall down on that proposition as they have fallen down all along the line in everything in which they undertook to go into partnership with a private interest in the production of something which is for the use of the masses of the people of this country. In my opinion, it will not work.

Mr. CHAMBERLAIN. Mr. President, I have wandered far

afield from the proposition I was discussing, which was the agricultural possibilities of Alaska; but while I am addressing myself to the coal proposition, I wish to refer to the suggestion of the Senator from Idaho as to the impossibility of a Government relieving the ultimate consumer. As has been well stated by the Senator from Iowa, two-thirds or more of the cost of coal to the ultimate consumer is the transportation charge.

Mr. BORAH. Mr. President-

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Idaho?

Mr. CHAMBERLAIN. I will yield in just a minute. I want to answer briefly the question which the Senator asked me.

Mr. BORAH. I thought the Senator had finished what he was going to say on that subject.

Mr. CHAMBERLAIN. The Government of the United States itself is a large consumer of coal in the Pacific, for the use of its fleet, during the present condition of things. I think the consumption of coal there now, before the completion of the Pan-

ama Canal, is something like 160,000 tons per annum. coal is delivered on board of colliers, either at Norfolk or at Baltimore, at \$3 per ton. It is delivered to the Government of the United States at San Francisco at \$7.50 to \$8.25 per ton, and at practically the same price at Pearl Harbor, in Hawaii, and possibly at the same price in the Philippines. rates are not material. Now, where does that cost come in? If the United States controlled the transportation situation between Baltimore or Norfolk and San Francisco or Pearl Harbor, why could not the United States fix its transportation charges to meet the demands of the ultimate consumer without loss and without excessive or any profit? If the coal mines in Alaska, and transportation facilities as well, are owned by the United States-and it must be remembered that the United States is not there for the purpose of making money-why can it not deliver coal to the ultimate consumer, either at San Francisco or Pearl Harbor or Manila, cheaper than it is possible for individuals to deliver it, whether the ultimate consumer happens to be the United States Navy or the individual citizen?

Mr. BORAH. Mr. President—
The PRESIDING OFFICER. Does the Senator from Oregon

yield to the Senator from Idaho? Mr. CHAMBERLAIN. I yield.

Mr. BORAH. As I understand the position of the Senator, it is that the cost of transportation is what makes coal so high to the consumers of this country.

Mr. CHAMBERLAIN. It does in the West.

Mr. BORAH. Then if the other proposition which I stated a moment ago be true, and the Interstate Commerce Commission is effective in controlling the rates on railroads, why does not the Interstate Commerce Commission see that we get the benefit

of a proper rate of transportation?

Mr. CHAMBERLAIN. We are not discussing that question right now. If you want a frank answer with reference to the Interstate Commerce Commission, I would say that Congress has been so unwise as to overload the commission to such a degree that it can not, except with untiring energy, half do its work now. But that does not have anything to do with this proposition. As a matter of fact the coal resources of Alaska are not being developed simply because, in the auriferous sections of Alaska, with coal at its very door and an abundance within 50 miles of the people who want it for domestic and other purposes, it is being brought in either from the East or from British Columbia at an almost prohibitive transportation cost. In other words, the possibility of development in Alaska is retarded simply because they have not any transportation facili-ties to use the coal of the Territory, even if it were released from the present reserves.

I had hoped that I would have been through with this discussion long before now, and I would have been through had not Senators interrupted me so much. However, I shall attempt to show later that not only are our rates prohibitive as to coal but are almost prohibitive as to everything that goes into or comes out of Alaska, and unless we can reach the coal no one can go there and undertake to develop its resources at any time or in any season of the year. But I want to get back again to the agricultural possibilities of Alaska, from which I have been I am dwelling on that particularly because, as I said in the outset, the early reports on Alaska were opposed to the view that there was a possibility of agricultural development in Alaska. There are men to-day-I have talked with them in Washington, Members of the House and the Senate who say that Alaska is nothing but a refrigerating plant, and that there is nothing there to be developed. I know it is not maliciously said. It is simply said because persons have not given the subject any consideration. Here the Government of the United States has had its ablest men in Alaska from the Agricultural Department; it has had its ablest men from the Geological Survey; it has had its ablest men from every department of the Government studying the situation in Alaska from a scientific standpoint and on the ground, and we can safely be governed by reports made on the ground by persons who have no interest in magnifying the conditions or making things appear better than they are. So we must in the final analysis come back to the reports of these men.

I am going to ask to have inserted in the RECORD as a part of my remarks the report of Dr. Walter H. Evans. I should like to read it to the Senate, but I am not going to do it, because of its length, and I assume that Senators are going to look over the statistics and give consideration to what I submit. Dr. Walter H. Evans is Chief of Insular Stations, Agricultural Department, and his report shows the results of actual experi-ments at four or five agricultural experiment stations in Alaska, at Rampart, Fairbanks, Kenai, and Kodiak, and at Copper Center, where the experiment station was finally abandoned for reasons which appeared good to the Agricultural

Department. I ask that this matter may be inserted in the

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The matter referred to is as follows:

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The matter referred to is as follows:

The establishment of agricultural experiment stations in Alaska was the result of an appropriation of \$5,000 made by Congress for the fiscal year 1898, in which the Department of Agriculture was charged "with the investigation and report to Congress upon the agricultural resoarces and capabilities of Alaska, with special reference to the desirability and feasibility of the establishment of agricultural experiment stations in said Territory."

An investigation covering the summer of 1897 showed that there were decided indications of agricultural possibilities in that country when judged to the expect and though the control of the

on the coast region of Alaska, and to some extent also in the interior, berries abound in a wild state, and the successful cultivation of many has been accomplished. Currants, gooseberries, cranberries, and strawberries are being grown in many places. At the Sitka station hybrid strawberries have been produced by the crossing of wild and domestic sorts, and a number of hardy new varieties are being grown that equal the best of the market varieties.

The work with live stock has been confined to what is often called southwestern Alaska. It was begun in 1906 with the purchase of some

pure-bred Galloway cattle, part of which were sent to Kenal and others placed on Kodiak Island. With the closing of the Kenal station they were all transferred to Kodiak, where they successfully maintained themselves until the volcanic cruption of 1912. The most of the cattle are kept on a reservation some 12 miles from the village of Kodiak, and in the summer of 1911 there were 82 pure-bred Galloways and about a dozen head of grade cattle in the herd. These animals have all been successfully wintered on hay and silage made from native grasses. The station has two 100-ton silos, which are filled with beach grass, and on this and wild hay, supplemented with a very little concentrated milf feed, the stock is kept in good condition. In 1909 the cattle received no shelter until November, when they were stabled at night and hay in the morning, but the cattle were allowed to run on the range during the day. From January 1 to May 7, 1910, the ground at the station was covered with snow, and all stock was fed regularly. The total feeding period was little, if any, longer than is necessary in the more northern parts of the mainland of the United States. In 1908 the feeding period was about a month less than that of 1909. Within six weeks of beginning of grazing the stock was all in prime, fat condition. In 1909, 40 head of ewes were added to the stock kept at Kodiak, and 2 rams were purchased later. The number of sheep had doubled by the summer of 1910. At Kenai, Copper Center, and Fairbanks grain hay has been successfully made by sowing oats and cutting the crop before the grain has ripened. This can doubtless be done in most parts of Alaska where stock feed is needed and a very nutritious and palatable fodder obtained. There does not seem to be any reason why stock raising can not be made a success if care is exercised in the selection of the stock and they are properly sheltered and fed through the winter.

Mr. CHAMBERIAIN. Mr. President, I think I have shown that there are great possibilities of agricultural development in Alaska and I think I have shown it from the records of the department here.

Now, with reference to the mineral and other resources of Alaska, I am going to call the attention of the Senate to the gold, silver, copper, coal, and fisheries. I am not going to read it all, but I will ask to put it in the RECORD, so that Senators may verify what I have to say in reference to the matter.

A few days ago I called upon the Department of Commerce to supplement some statistics that had been heretofore furnished, probably to both the Senate and House committees, on the resources of Alaska. I call the attention of the Senate to the fact that Alaska, beginning in 1868 and ending in 1911, produced \$51,835,143 from its fur-seal skins alone. Its aquatic furs, except seals, amounted to \$12,496,063. The furs of land animals amounted to \$8,350,290. From furs of land animals alone Alaska has furnished to the United States more of money than the Territory cost us in 1868. That is just a single item, and one of the very smallest items. Walrus and whalebone products amounted to \$2,075,463. From fishery products the amount received was \$147,953,077. The total of these several products since 1868 down to and including 1911 is \$222,710,036, whilst the gold production amounted to almost as much as those several products together, the sum being \$195,916,520. The silver amounted to \$1,500,441; copper, \$8,237,594; gypsum, marble, and tin, \$820,850; coal, \$338,189. The total of these mineral products is \$206,813,594, and yet we find the minority members of the committee in 1868 reporting that the agricultural and mineral resources are nothing, and that report finds an echo in the report of the minority of the House committee on this very same subject, showing that there is something wrong somewhere in the efforts that these gentlemen then and now have made to ascertain what the facts were about Alaska.

I ask to have printed in the RECORD as a part of my remarks the value of the output of the sea, fur, and mineral products of Alaska from 1868 to 1911, inclusive.

The PRESIDING OFFICER. The Chair hears no objection,

and it is so ordered.

The matter referred to is as follows:

Value of the output of sea, fur, and mineral products from Alaska, 1868 to 1911, inclusive

			Sea and fu	ir products			Mineral products.						
Year.	Fur-seal skins.	Aquatie furs, ex- cept seals.	Furs of land animals.	Walrus and whale- bone products.	Fishery products.	Total.	Gold.	Silver.	Copper.	Gypsum, marble, and tin.	Coal.	Total.	Grand total.
1868 1869	\$708, 734 653, 118	\$446, 245 446, 245											\$1,461,61 1,375,99
1870	188, 126	446, 245										***************************************	
1871	1,584,986	437, 555	\$61,012		175, 268	2, 258, 821							2, 258, 82
1872	1, 231, 580	437, 555			157, 300								2, 108, 27
1873 1874	1, 439, 307 1, 498, 176	437, 555 437, 555	700 740		101, 200 116, 182								2, 105, 54 2, 181, 06
1875	1, 402, 662	437, 555	135, 931		40W 010								
1876	857, 203	437, 555	189,503		231, 201	1,715,462							1,715,46
1877	853, 283	437, 555	150, 340		122,700	1,563,878							1,563,87
1878 1879.	1, 110, 145 2, 451, 954	437, 555 437, 555	149, 394 171, 200		184, 422 246, 399	1,881,516 3,307,108							1,881.51 3,307,10
1880		437, 555	200, 654		179, 200	3, 282, 946	\$20,000		\$826			\$20,826	3, 303, 77
1881	2, 167, 172	523. 205	152,664		168,008	3,011,049							3,051,04

¹ The following data of the Bureauof Fisheries with respect to aquatic furs have been distributed by annual averages: 1868-1870, \$1,338,735; 1871-1890, \$4,375,551; 1881-1890, \$5,232,050; 1891-1900, \$862,250; 1901-1904, \$148,668.

Value of the output of sea, fur, and mineral products from Alaska, 1868 to 1911, inclusive-Continued.

1883				Sea and fo	ir products		January 1	45		Mineral p	roducts.		au leu li	
1883.	Year.		furs, ex-	land	and whale- bone		Total.	Gold.	Silver.	Copper.	marble,	Coal.	Total.	
1910 473, 207 111, 790 318, 605 136, 791 12, 650, 191 13, 371, 979 16, 126, 749 85, 239 538, 605 169, 626 15, 000 16, 935, 309 30, 307, 28	1883 1884 1885 1886 1886 1886 1888 1889 1889 1890 1891 1892 1893 1894 1895 1896 1990 1901 1902 1903 1904 1905 1906 1907 1908	1, 710, 589 1, 444, 650 1, 641, 101 1, 987, 793 1, 716, 476 2, 298, 204 2, 935, 605 1, 673, 757 1, 370, 375 1, 310, 384, 880 887, 614 884, 880 887, 614 485, 758 474, 320 787, 334 1, 282, 996 1, 137, 611 1, 100, 306 1, 206, 254 202, 940 702, 120 786, 757 881, 427 782, 970 4601, 506 473, 207	523, 205 523, 205 523, 205 523, 205 523, 205 523, 205 523, 205 523, 205 586, 225 86, 2	179, 148 209, 710 256, 217 286, 134 288, 604 232, 185 291, 592 265, 010 286, 708 887, 294 383, 235 367, 615 227, 432 144, 048 241, 372 45, 724 147, 633 243, 784 240, 589 247, 013 126, 829 108, 049 231, 747 323, 480 231, 747 323, 480 3318, 605 3318, 605	2 \$910,959 196,838 372,543 148,382 194,073 136,791	467, 692 500, 145 527, 679 746, 185 917, 007 1, 447, 478 2, 382, 303, 500 2, 756, 742 1, 784, 510 2, 322, 308 2, 496, 852 2, 123, 107 3, 749, 110 5, 303, 294 6, 685, 202 8, 310, 304 6, 685, 202 8, 310, 304 6, 685, 202 8, 310, 304 1, 7, 505, 245 6, 485, 585 6, 485, 585 1, 140, 161 10, 422, 169 9, 518, 918 11, 140, 161 10, 422, 169 12, 659, 191	2, 880, 625 2, 744, 710 2, 948, 202 3, 523, 318 3, 445, 392 4, 501, 072 4, 862, 024 4, 478, 333 3, 175, 687 3, 380, 507 3, 381, 571 3, 464, 581 4, 306, 935 4, 97, 44, 744, 744, 744, 744, 744, 744,	201,000 200,000 300,000 446,000 675,000 850,000 900,000 762,000 1,089,000 1,089,000 1,089,000 1,282,000 2,832,500 2,831,000 5,002,000 6,932,700 8,165,000 6,932,700 8,165,000 15,000 15,000 15,000 16,000 16,000 16,000 17,000 18,00	2, 181 7, 499 6, 071 7, 920 6, 570 14, 227 44, 222 99, 087 70, 741 54, 575 84, 276 45, 598 48, 598 114, 394 80, 105 136, 345 198, 857 71, 1906 76, 1934 85, 239	\$40,000 41,400 156,900 275,676 749,617 1,133,230 1,201,757 605,207 586,211 538,605	\$125,644 141,648 168,747 169,026	\$84,000 28,000 14,000 16,800 15,600 19,048 9,782 7,225 13,250 17,974 53,000 14,810 12,200	312, 146 201, 600 300, 000 448, 000 675, 600 852, 181 907, 490 798, 071 1, 087, 000 1, 044, 570 1, 296, 257 2, 372, 722 3, 044, 087 2, 538, 241 2, 585, 575 5, 703, 076 8, 228, 294 8, 392, 438 8, 927, 225 9, 557, 835 16, 473, 032 23, 324, 373 20, 889, 601 20, 126, 149 21, 205, 908	\$2, 493, 174 3, 192, 771 2, 948, 710 3, 248, 202 5, 353, 253 6, 110, 892 5, 620, 905 5, 383, 273 4, 262, 683 4, 425, 077 5, 111, 828 5, 827, 283 5, 827, 283 5, 827, 283 10, 371, 469 115, 120, 722 18, 140, 894 17, 822, 994 17, 822, 994 17, 822, 994 17, 822, 994 17, 822, 994 17, 822, 994 17, 822, 994 17, 822, 994 17, 822, 994 17, 822, 994 17, 822, 994 17, 822, 994 17, 822, 994 17, 822, 994 17, 822, 994 17, 822, 994 17, 823, 997 28, 493, 164 30, 397, 288 37, 763, 686

⁴ The following data of the Bureau of Fisheries with respect to aquatic furs have been distributed by annual averages: 1868-1870, \$1,338,735; 1871-1880, \$4,375,551; 1831-1890, \$5,232,050; 1891-1900, \$802,250; 1901-1904, \$148,668.

² Includes hair seal, 1868-1905, which can not be accurately distributed by years.

* 1868-1905. * Product of seal islands only.

Mr. CHAMBERLAIN. I want to say, Mr. President, that this information is accessible to all the members of the Senate. It

is from Senate Document 882.

Mr. SMOOT. Of what session?

Mr. CHAMBERLAIN. Sixty-second Congress, second session. Mr. President, I am going to ask to have inserted in the RECORD a "comparative statement of the total commerce of Alaska and the commerce of specified insular possessions and foreign countries with the United States during years ended June 30, from 1904 to 1913, inclusive," furnished me by the Department of Commerce.

We have been spending immense sums of money on the Philippines. There everything seems possible. We have been spending money in our other insular possessions. Yet the commerce of Alaska is more than that of any of those possessions, except Porto Rico.

I am going to call attention to a few items. We will take the fiscal year ending June 30, 1913. For that year the commerce of Alaska was \$72,670,027. That is the largest commerce we have ever had with Alaska. Our business with Scotland during that time—that is, for 1913—was, in round numbers, \$60,000,000; with Spain, only \$54,000,000; with Russia in Europe, only \$52,000,000; with Ireland, only \$32,000,000; with Austria-Hungary, \$42,000,000; with Switzerland, only \$24,000,000; with Denmark, only \$21,000,000; with Sweden, \$23,000,000; with Norway, \$16,000,000; with Portugal, \$11,000,000; with Turkey in Europe, \$12,000,000; and with Greece, \$4,000,000. Yet the United States is putting out its every effort to invite traffic and trade with these foreign countries in everything the United States

Now, let us go further. Take North America. Our business with Porto Rico in 1913 was \$73,693,628, only \$1,000,000 more than the business with Alaska. Yet that Territory is almost within a stone's throw of our Atlantic seaboard.

With British Columbia, which adjoins us on the whole of our northern border, our business was only \$53,000,000, \$20,-000,000 less, if you please, than our business was during the same year with isolated Alaska, with its limited power of development because of lack of transportation facilities.

With the British West Indies it was only \$25,000,000; with Nova Scotia it was only \$29,000,000; with Panama it was only \$28,000,000; with Costa Rica, \$6,000,000; with Santo Domingo, \$9,000,000; with Guatemala, \$6,000,000; with Newfoundland and Labrador, \$6,000,000; with Haiti, \$7,000,000; with Honduras, \$6,000,000; with Nicaragua, \$4,000,000; with Salvador, \$3,000,000; and with British Honduras, \$3,000,000. I read this to the Senate for the purpose of showing that,

with the exception of Porto Rico, our commerce with Alaska exceeds our commerce with any other country to which I have

alluded and others which I might name.

I am going to ask that this be inserted in the Record in order to show the conditions as they actually exist as between the United States and Alaska and countries in Europe and Asia. It is astounding when one comes to compare the vast amount of our business with this isolated country, shut off as it is from all assistance on the part of the United States, with our busi-

ness with other countries not as far away from us as Alaska.

The PRESIDING OFFICER. If there is no objection, the matter will be inserted in the RECORD.

The matter referred to is as follows:

Comparative statement of the total commerce of Alaska and the commerce of specified insular possessions and foreign countries with the United States during years ended June 30, from 1904 to 1918, inclusive.

	from 1009 to 1010; enduance.										and the second
Countries.	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913	Average.
	\$49, 241, 606	\$56,633,701	\$55, 873, 942	\$65,207,986	847, 950, 873	\$55,840,971	\$60,220,132	\$55, 924, 404	\$68, 284, 713	\$72,670,027	\$58,785,130
Europe: Seotiand Spain Russia/in Europe Ireland Austria-Hungary Switzerland Denmark Sweden Norway Portugal Turkey in Europe Greece	31, 382, 909 18, 597, 971 19, 805, 695 14, 746, 357 9, 715, 803 6, 883, 195 7, 178, 705	42, 118, 601 25, 824, 981 28, 340, 284 24, 411, 264 22, 176, 950 20, 662, 055 15, 830, 318 10, 132, 752 6, 625, 049 8, 529, 053 5, 700, 740 1, 452, 762	51, 394, 833 29, 788, 989 29, 538, 475 31, 635, 875 28, 755, 452 23, 820, 608 24, 200, 589 11, 336, 641 9, 148, 633 6, 602, 471 7, 382, 967 2, 272, 134	55, 362, 547 34, 757, 049 36, 337, 593 29, 886, 595 31, 145, 814 27, 443, 053 24, 510, 934 13, 584, 913 9, 477, 895 9, 266, 922 8, 064, 860 4, 720, 848	50, 367, 896 36, 059, 091 27, 455, 798 28, 346, 013 31, 609, 32 25, 344, 876 22, 814, 634 14, 305, 482 10, 510, 535 8, 053, 994 5, 972, 533 4, 310, 470	47, 480, 827 33, 750, 967 26, 684, 746 29, 224, 572 29, 663, 290 24, 582, 228 19, 147, 521 11, 217, 446 10, 449, 722 18, 141, 967 8, 289, 717 3, 619, 499	48, 753, 807 37, 417, 681 32, 986, 084 30, 651, 409 32, 371, 641 25, 965, 929 15, 843, 237 12, 892, 373 12, 501, 315 9, 731, 588 10, 302, 937 3, 072, 675	51, 250, 997 44, 849, 914 34, 528, 431 29, 558, 214 36, 472, 883 26, 337, 107 14, 999, 550 16, 506, 242 15, 335, 893 9, 985, 268 10, 076, 581 3, 700, 369	54, 417, 047 46, 938, 924 42, 182, 583 30, 671, 727 39, 102, 724 24, 814, 052 18, 599, 425 16, 583, 441 8, 965, 844 12, 449, 948 4, 790, 007	60, 870, 611 54, 691, 735 52, 322, 435 32, 376, 240 42, 513, 110 24, 086, 729 21, 662, 461 23, 278, 785 16, 809, 817 11, 037, 381 12, 134, 963 4, 396, 011	51, 354, 32 36, 824, 29, 34, 121, 476 29, 814, 488 31, 240, 02, 24, 288, 23, 19, 232, 50, 14, 187, 326 11, 435, 54 8, 919, 315 8, 472, 719 3, 422, 59

Comparative statement of the total commerce of Alaska and the commerce of specified insular possessions and foreign countries with the United States during years ended June 30, from 1904 to 1918, inclusive—Continued.

Countries.	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913	Average.
North America:				and transf	May and				1000	3813	
Porto Rico	\$22,932,886 22,127,888	\$29,607,215 22,625,068	\$38, 367, 342 26, 426, 296	\$47,756,418 27,516,289	\$48,568,637 28,626,118	\$50,012,857 29,065,151	\$59, 193, 551 32, 439, 438	\$69, 437, 367 38, 458, 835	\$81,344,364	\$73,693,628	\$52,091,426
British West Indies. Nova Scotia, New Bruns- wick, and Prince Edward	17,910,991	20, 467, 310	19, 965, 907	22, 946, 991	24, 604, 733	23, 125, 673	22, 432, 646	24, 131, 980	42,383,094 25,851,874	53, 400, 596 25, 455, 518	32, 306, 877 22, 689, 362
Island	16, 318, 976	15, 127, 141	17, 528, 051	18, 498, 417	19,083,000	18, 606, 375	21, 482, 526	21, 717, 457	24, 162, 418	29, 178, 941	20, 170, 336
Panama	1, 420, 471	5, 558, 716	13, 526, 176	17, 903, 267	19, 702, 010	18, 474, 524	22, 825, 560	24, 374, 654	27, 972, 913	28, 796, 257	18, 055, 454
Costa Rica	5, 465, 457 4, 429, 186	6, 065, 163 6, 330, 998	6, 960, 614 5, 104, 589	7, 436, 020 5, 880, 716	7, 101, 909 7, 286, 937	5,017,090 6,233,200	6,691,808 5,569,118	8,311,792 7,437,782	7, 465, 038 8, 810, 552	6, 613, 643 9, 531, 541	6,712,853
Santo Domingo	3, 883, 183	5, 736, 175	6, 294, 982	6, 721, 402	4, 120, 867	4, 854, 645	3, 791, 570	4, 994, 257	5, 163, 089	6, 765, 568	5 232 573
Newfoundland and Labrador.	3, 794, 073	3, 633, 654	4, 329, 241	4, 398, 608	4, 756, 808	5,087,718	5, 304, 490	5, 985, 317	5,867,644	6,040,493	5, 232, 573 4, 919, 804
Haiti	3,803,873	3, 398, 730	4, 493, 317	4, 190, 782	4, 338, 217	4, 463, 306	5, 289, 028	6, 172, 474	8,072,177	7,514,996	5, 174, 190
Honduras	3,575,368 3,416,489	3,841,657 3,458,433	3, 357, 116 3, 349, 260	4, 129, 612 2, 951, 277	4,037,065 2,735,711	3,650,384 2,360,098	3,617,718 3,012,559	4,783,023 3,918,091	5, 242, 241 3, 992, 025	6,369,353 4,363,746	4, 260, 352
Salvador	1, 885, 580	2, 431, 595	2, 533, 010	2,774,353	2, 339, 012	2,432,272	2, 493, 350	3, 564, 505	3, 941, 238	3,761,539	3, 355, 768 2, 815, 645
Salvador. British Honduras	1,705,933	1,591,360	. 1,893,626	2, 035, 121	2,036,534	1,930,823	2, 278, 261	2,746,956	2,729,239	3,029,427	2, 197, 833
South America.	100000000000000000000000000000000000000						136.555.00				
Chile. Colombia. Peru Venezuela.	15,600,667	16, 462, 970	25, 612, 703	28, 482, 686	23, 972, 471	19, 173, 659	29, 225, 572	31, 985, 578	35, 656, 694	43, 732, 183	26, 991, 018
Peru	6 861 275	9, 992, 582 6, 810, 189	10,575,907 7,288,250	9,393,398 11,033,941	9, 833, 130 13, 630, 195	10, 689, 374	11, 465, 027 12, 169, 550	13,900,394 14,911,153	16, 968, 340 15, 646, 528	23, 377, 608 17, 003, 482	12, 830, 586 11, 630, 397
Venezuela	10,043,813	10, 323, 425	11, 292, 834	10, 876, 843	9, 281, 047	10,881,820	9, 493, 562	11, 426, 876	15, 361, 594	16, 589, 449	11, 557, 626
Uruguay Ecuador	3,779,734	5, 149, 550	5, 617, 143	6, 573, 676	5, 233, 457	7,087,190	11, 686, 041	6, 931, 447	10, 112, 001	9, 972, 842	7, 214, 308
Ecuador Oceanía:	3,713,401	4, 252, 553	4, 642, 067	4, 785, 862	4, 310, 314	4,580,029	5, 075, 665	5, 867, 344	5, 872, 538	5, 591, 474	4,869,124
Hawaii	36,840,648	47, 865, 235	38, 918, 874	43, 507, 538	56, 678, 660	58, 213, 723	66, 743, 366	63, 132, 828	79, 728, 975	73, 359, 273	56 408 019
Philippine Islands	16, 899, 847	18, 858, 524	17,797,371	20, 171, 862	21,625,955	20, 623, 427	34, 150, 542	37, 123, 511	46, 993, 332	46, 395, 041	56, 498, 912 28, 063, 941
Total British Australasia	34, 535, 854	38, 246, 225	40, 516, 560	49, 701, 402	49,009,859	46, 360, 681	52, 248, 534	46, 627, 454	48, 866, 926	54, 308, 055	46, 042, 155
New Zealand				10, 498, 444	9,542,530	8,311,202	9, 745, 213	10, 232, 832	10, 227, 597	13, 464, 659	7, 202, 247
Africa:	8 433 201	9, 333, 240	10, 554, 749	17,840,783	14, 989, 434	12, 494, 648	13, 158, 953	23, 789, 249	19, 115, 317	21, 568, 661	15, 127, 823
Egypt	33, 656, 902	29, 884, 225	32, 191, 075	37, 638, 492	36, 631, 240	32, 144, 061	36, 041, 119	50, 820, 727	46, 629, 312	55, 514, 261	39, 115, 141
						and the state of	The second second	00,000,101	10,000,010		The second second
Asia: China British India Dutch East Indies	42,027,513	81, 337, 903	72, 305, 581	59, 141, 074	48, 364, 579	48, 218, 747	46, 310, 982	53, 515, 339	53, 934, 931	60, 337, 634	56, 549, 428
British India	36, 224, 842	39, 727, 722 20, 132, 453	52,961,064 22,341,680	66,317,212 13,442,093	53, 703, 600 16, 277, 318	51, 919, 484 25, 590, 599	52,881,501 12,893,160	53, 366, 250 13, 147, 761	66, 576, 960 17, 034, 573	78, 989, 298 9, 373, 647	55, 266, 793 16, 216, 867
Hongkong	11, 977, 766	12, 321, 982	8,873,947	11,072,850	11, 104, 417	9,036,821	8,798,938	10, 474, 453	13, 448, 234	14, 450, 581	11, 155, 998
Total Russia:	200 F 100 M 100 120 1					3,000,001		200	20, 110, 201	2, 100,001	
Europe and Asia	31, 306, 575	28, 811, 412	32, 634, 226	39, 486, 537	29,870,340	29, 113, 825	35, 207, 023	36, 907, 511	44, 832, 988	55, 780, 431	36, 395, 086
Fotal Turkey: Europe and Asia	10 607 400	10 000 000	14 514 004	16 930 000	10 700 070	14 047 070	10 711 570	01 020 000	09 007 004	05 470 100	17 015 000
Europe and Asia	10,007,402	12,083,388	14, 514, 294	16, 350, 003	12, 732, 970	14,947,270	18, 711, 573	21, 630, 865	23,007,094	25, 473, 106	17,015,802

Mr. BACON. I should like to inquire of the Senator, with the permission of the Chair, whether the statement he now proposes to incorporate in the Record shows of what that commerce consists.

Mr. CHAMBERLAIN. No; it would not show it.

Mr. BACON. Is the Senator prepared to state it in a general

way?

Mr. CHAMBERLAIN. Not very well. I have not gone into that subject. It is too vast a subject to undertake to show just what the particular items were.

Mr. BACON. I am referring only to Alaska.

Mr. CHAMBERLAIN. I practically covered that a little while ago.

Mr. BACON. I was called out of the Chamber. I suppose large part of it included the gold exports.
Mr. CHAMBERLAIN. A good deal of it.

Mr. BACON. I mean the exports from Alaska to the United

Mr. CHAMBERLAIN. Yes. I will call the Senator's attention to the different items of Alaskan commerce.

Our largest business with Alaska was gold, \$195,916,520, but next in order and almost equal to it was \$147,953,077 as fishery

products alone. But I have asked to have inserted in the

RECORD just what that showing is.

Taking the fisheries of Alaska, I wish to call attention to them to show the mammoth business done in Alaska in this industry. I am going to ask to have inserted in the RECORD as a part of my address the pack of canned salmon on the Pacific coast, by years and waters, from 1864 to 1911. This I do for the purpose of comparing the canning that is done along the

whole Pacific coast.

Take the State of Washington during these years. The total pack of salmon—that is, cases of salmon, a case containing 48 1-pound cans—was 13,070,452 cases. On the Columbia River it was 17,503,530; on the coastal streams of Oregon, 1,983,770; California, 1,445,674. Alaska, now, mind you, isolated as it is, produced 36,389,737 cases, while British Columbia produced 16,644,721 cases. In other words, Alaska produced 41.81 per cent of the whole salmon pack of the western coast of this country, and that, too, Mr. President, in the face of the most overwhelming difficulties of transportation and other conditions.

The PRESIDING OFFICER. If there be no objection, the

table will be inserted in the RECORD.

The table referred to is as follows:

Pack (cases) of canned salmon on the Pacific coast, by years and waters, 1864 to 1911.

[A case contains	forty-eight i	-pound cans	+1				
Year	Washing- ton.	Columbia River.	Coastal streams of Oregon.	California,	Alaska.	British Columbia.	Total.
1864		4,000 18,000		2,000			2,000 2,000 4,000 18,000
1868. 1869. 1870. 1871. 1871. 1872. 1873. 1874.		350,000		2,500			28,000 100,000 150,000 200,000 250,000 352,500 378,000
1876. 1877. 1878. 1879. 1879.	5,500 5,658 1,300 5,100 8,500	375,000 450,000 380,000 460,000 480,000 530,000 550,000 541,300	7, 804 16, 634 8, 571 7, 772 12, 320 19, 186	3,000 10,000 30,000 48,974 13,855 75,750 181,200	8, 159 12, 530 6, 539 8, 977 21, 745	7 047	467, 247 481, 691 629, 191 577, 349 687, 010 930, 573
1882 1883 1884 1885 1886 1887	1,500 5,500 12,000 17,000 22,000	629, 400 629, 000 553, 800 448, 500 356, 000 372, 477	16, 156 12, 376 9, 310 49, 147 73, 996 92, 863	123,000 81,450 90,000 39,300 36,500 74,822	48, 337 64, 886 83, 415 142, 065 206, 677 412, 115	163, 438 123, 706 108, 517 152, 964 204, 083 184, 040	981, 831 907, 918 857, 042 848, 976 899, 256

Pack (cases) of canned salmon on the Pacific coast, by years and waters, 1884 to 1911—Continued.

[A case contains forty-eight 1-pound cans.]

Year.	Washing- ton.	Columbia River.	Coastal streams of Oregon.	California.	Alaska.	British Columbia.	Total.
1889	131, 900 214, 017 241, 879 536, 926 433, 720 965, 165 526, 550 1, 456, 900 652, 651 484, 783 345, 447 1, 055, 641 467, 042 725, 462 483, 222 1, 684, 760	309, 885 435, 774 308, 953 457, 338 415, 876 490, 100 634, 696 481, 697 552, 721 487, 944 332, 774 355, 772 390, 183 317, 143 339, 577 391, 143 397, 273 394, 898 324, 171 253, 341 274, 087 391, 435 391, 435 394, 437 395, 737 397, 437 397, 437 397	98, 800 47, 009 24, 500 83, 600 52, 778 54, 815 77, 878 87, 360 60, 158 75, 679 82, 041 12, 237 58, 618 44, 236 54, 861 198, 874 89, 055 107, 332 79, 712 52, 478 55, 169 103, 617 1153, 828	57, 300 25, 065 10, 353 2, 281 26, 436 31, 663 32, 035 13, 387 38, 543 29, 731 34, 180 39, 304 17, 500 16, 543 8, 200 17, 807 2, 780	719, 196 682, 591 801, 400 474, 717 643, 654 686, 440 626, 530 996, 707 1,078, 146 1,543, 139 2,016, 804 2,236, 824 2,246, 210 1, 953, 756 1, 984, 516 2, 219, 044 2, 109, 873 2, 995, 477 2, 413, 054 2, 123, 066	417, 211 411, 257 314, 511 248, 721 610, 202 492, 232 587, 692 617, 782 1, 027, 183 492, 551 765, 551 765, 551 765, 564 1, 247, 216 473, 847 465, 894 1, 167, 822 622, 161 473, 847 948, 965 760, 830 948, 966	1, 614, 06 1, 609, 69 1, 573, 74 1, 334, 08 1, 576, 91 1, 887, 15 2, 169, 34 2, 408, 81 3, 124, 60 2, 434, 72 3, 257, 83 4, 607, 08 4, 194, 55 3, 807, 07 3, 276, 88 4, 607, 08 3, 817, 77 3, 946, 67 3, 941, 18 4, 316, 45 6, 122, 48
Total	13, 070, 452 15. 02	17, 503, 530 20.11	1, 983, 770 2, 28	1, 445, 674 1, 66	36, 389, 737 41, 81	16, 644, 721 19, 12	87,037,88

Mr. CHAMBERLAIN. I am calling attention to these things because there is sometimes a belief expressed that there is no commerce between the United States and Alaska, and it is preliminary to a discussion as to the necessity for the construction of a railroad and the betterment of transportation facilities there.

Mr. President, I am going to ask to have printed in the Record a comparative diagram—the figures only—showing the total commerce of Alaska and that of the countries mentioned therein. It is a comparison of the business of Alaska in 1910 and the latest information we have from other countries showing the balance in favor of Alaska. In that comparison we will take Alaska, Bulgaria, Formosa, Peru, German Colonies, Greece, Tunis, Servia, Colombia, Venezuela, Honduras, Korea, Ecuador, Belgian Kongo, Morocco, Santo Domingo, Haiti, Costa Rica, Guatemala, Egypt-Sudan, Panama, Salvador, Paraguay, Crete, Dutch possessions in America, Nicaragua, Italy-Eritrea, and Liberia.

Alaska beats them all in the commerce which it has in the United States. Still Alaska is looked upon as a sort of summer resort for people who can not stand the hot weather in Washington. I wish we could all have been up there last summer, because then possibly we would have found out what the real Alaska is.

The PRESIDING OFFICER. Without objection the matter will be inserted in the RECORD.

The matter referred to is as follows:

Comparative statement showing total commerce of Alaska and that of specified countries.

Alaska, 1910	\$60, 220, 132
Bulgaria, 1910	
Formosa, 1910	54, 205, 000
Peru, 1909	52, 516, 000
German colonies, 1909	52, 387, 000
Greece, 1909	46, 173, 000
Tunis, 1910	43, 598, 000
Servia, 1910	35, 135, 000
Colombia, 1910	
Venezuela, 1911	34, 181, 000
Honduras, 1910	
Korea, 1910	29, 729, 000
	20, 083, 000
Ecuador, 1910	19, 480, 000
	19, 050, 000
Morocco, 1910	
Santo Domingo, 1910	17, 259, 000
Haiti, 1910	17, 109, 000
Costa Rica, 1910	16, 798, 000
Guatemala, 1909	15, 230, 000
Egypt-Sudan, 1910	14, 084, 000
Panama, 1910	
Salvador, 1910	11, 043, 000
Paraguay, 1910	11, 034, 000
Crete, 1908	
Dutch possessions in America, 1909	7, 177, 000
Nicaragua, 1900	
Italy—Eritrea, 1909	
Liberia, 1908	1, 850, 000
Institut, 1000	1,000,000

Mr. CHAMBERLAIN. Mr. President, I am going to ask also to have printed in the Record a table showing the comparative commerce of Alaska and other specified countries with the United States during eight years from 1904 to 1911, inclusive.

The PRESIDING OFFICER. The Chair hears no objection, and it will be so ordered.

The matter referred to is as follows:

Comparative statement showing total average annual commerce of Alaska and other specified countries with the United States during eight years from 1904 to 1911, inclusive.

Alaska	
China	\$55, 862, 077 56, 402, 715
Hawaii	56, 402, 715
British India	51, 487, 809
British India	50, 887, 709
Scotland	49, 781, 945
Porto Rico	45, 734, 534
Total British Australasia	44, 655, 821
Total Africa	36, 125, 980
Spain	
Total Russia	32 017 191
Russia in Europe	30, 838, 704
Ireland	29, 387, 114
IrelandAustria-Hungary	28, 848, 050
British Columbia	28, 410, 635
Switzerland	28, 410, 635 24, 247, 694
Chile	23 815 162
Philippine Islands	23, 406, 380
Philippine Islands British West Indies	21, 948, 279
Denmark	19 007 809
Nova Scotia, New Brunswick, and Prince Edward Island_	18, 545, 243
Dutch East Indies	16, 970, 057
Panama	15, 473, 172
Total Turkey	15, 209, 728
Egypt	13, 824, 282
Sweden	12, 702, 708
	11, 057, 739
Colombia	
Hongkong	10, 457, 647
Peru	10, 456, 145
Venezuela	10, 453, 152
Norway	10, 120, 280 9, 306, 044
New Zealand	9, 306, 044
Portugal	8, 648, 746 7, 517, 785
Turkey in Europe	7, 517, 785
Costa Rica	
Uruguay	6, 507, 280
Santo Domingo	6, 034, 066
Santo Domingo Guatamala Newfoundland and Labrador	5, 049, 635 4, 661, 239
Newfoundland and Labrador	4, 661, 239
Ecuador	4, 653, 404
Haiti	4, 519, 341
Honduras.	3, 873, 993
Nicaragua	3, 150, 240
Greece	
Salvador	2, 556, 710
British Honduras	2, 027, 458
Dittion Mondatas	2,021,100

Mr. CHAMBERLAIN. I have had that table inserted for the purpose of showing the commerce of Alaska as compared with the countries named.

Now, Mr. President, I am going to call attention to a balance sheet of the United States in account with Alaska from 1867 to 1911, both inclusive. This balance sheet is printed in the House and Senate hearings on the pending bill, and, if I am not mistaken, it was presented by Judge Wickersham, the Delegate from Alaska, or prepared under his supervision. I am not prepared to say as to that, but I know it was presented by him. I may add that he has been an indefatigable fighter for the rights of Alaska and the people of Alaska.

This balance sheet gives on the debit side of the column the production of Alaska in figures—the gold, silver, copper, gypsum, marble, tin, coal, sea and fur products, and the fishery products. The total cash receipts are \$446,640,984.79 on the debit

446, 640, 984, 79

side. On the credit side the total cash disbursements are given; that is, all the money that has been paid out for Alaska in all these years.

The PRESIDING OFFICER. If there is no objection, the matter will be printed in the RECORD. The matter referred to is as follows:

Balance sheet of United States in account with Alaska, 1867 to 1911, both inclusive.

Minerals— Gold	\$195, 916, 520, 00
Silver	1, 500, 441, 00
Copper	8, 237, 594, 00
Gypsum	547, 345. 00
Marble	185, 443. 00
Tin	
Coal	338, 189. 00
Sea and fur products—	F4 00F 440 00
Fur-seal skins	51, 835, 143. 00
Aquatic furs, except seals	12, 496, 063. 00
Furs of land animals	
Walrus products	
Whalebone	147, 953, 077, 00
Fishery products	17, 117, 354, 79
Total cash receipts	11, 111, 504. 10
	446, 640, 984, 79

Cotal cash disbursements: Original purchase price Treasury, 1867-1911 Post Office, 1867-1911	\$7, 200, 000, 00 23, 158, 126, 06 5, 458, 548, 19	
To balance due Alaska	35, 816, 674, 25 410, 824, 310, 54	

Mr. GALLINGER. But, Mr. President—
The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from New Hampshire?

Mr. CHAMBERIAIN. I yield.
Mr. GALLINGER. Is it quite fair to have it represented that the United States has had the benefit of that enormous sum of money

Mr. CHAMBERLAIN. I do not mean to be understood as saying that the money was paid into the Treasury of the United States, but it has gone to cularge the commerce of the United States and to benefit her citizens generally.

Mr. GALLINGER. That is true, but private citizens have invested, perhaps not as large an amount as that, but enormously in producing that wealth. I make the observation for the reason that it is a very common statement—we find it in the newspapers and elsewhere-that the Government has invested so much money in Alaska, and Alaska has returned a very much larger amount, ten times as large perhaps; while, as a matter of fact, it is not money that goes directly to the Government.

Mr. CHAMBERLAIN. I recognize the force of the Senator's suggestions, and I agree with him, but I present it simply to show the business relations between the Territory and the United States. We are reaching out all the time for the commerce of different countries. We have many quarrels with Great Britain and Germany and Japan about the expansion of our commerce. We do all we can to get it, and they are doing all they can to get it. I am showing the immense commerce of Alaska, whether by private initiative or not.

Mr. GALLINGER. If the Senator will permit me

The PRESIDING OFFICER. Does the Senator from Oregon yield further to the Senator from New Hampshire?

Mr. CHAMBERLAIN. I yield.

Mr. GALLINGER. I fully agree with the Senator as to the importance of developing those industries and the commerce, and I also agree that the purchase of Alaska was perhaps the best piece of business that the Government ever was engaged in, and the great wealth in minerals that come from Alaska has done us an immense amount of good. I appreciate that fully. Yet I propounded the question I did a moment ago for the reason that in the popular mind there is an idea that Alaska has turned into the Treasury this enormous amount in return for a smaller contribution from the Government. That is all I

Mr. CHAMBERLAIN. I am glad the Senator called my attention to it, because I did not intend to be a party to misleading the public. It was simply for the purpose of comparison, to show the great amount of business which is done between the United States and Alaska and the balance in favor of Alaska.

Mr. President, I might discuss more at length the commerce of Alaska, but I think I have given enough to show that it is not a mere bagatelle. The business we do with her 65,000 of population amounts to a great deal to this country.

Mr. BACON. Mr. President—
The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Georgia?

Mr. CHAMBERLAIN. I yield. Mr. BACON. As a matter of information, I should like to inquire of the Senator whether in that aggregate of commerce he includes the fur-seal business?

Mr. CHAMBERLAIN. Yes; the whole business.

Mr. BACON. Of the Aleutian Islands?

Mr. CHAMBERLAIN. Everything; everything in the socalled Russian North America that we acquired by the purchase.

Mr. THOMPSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Kansas?

Mr. CHAMBERLAIN. I yield.
Mr. THOMPSON. What is the aggregate?
Mr. CHAMBERLAIN, I will say to the Senator that the total amount was \$446,640,984.79.

Mr. President, I will not undertake to read it to the Senate. although I intended to comment upon it, but I am taking more time than I had any idea I would take, and I ask to have inserted in the RECORD in connection with my remarks what was said by the railroad commission of Alaska on the commerce of the country at page 37 of the Railway Routes in Alaska accompanying the President's message.

The PRESIDING OFFICER. If there is no objection, per-

mission is granted.

The matter referred to is as follows:

COMMERCE.

mission is granted.

The matter referred to is as follows:

COMMERCE.

The Territory of Alaska was purchased from Russia in 1867 for \$7.200.000. Up to the close of 1912 it has produced minerals, fishery products, and furs to a value of about \$460.000,000. Alaska's commerce includes northward shipments of food products, merchandise, machinery, lumber, coal, etc., and return shipments of gold, sliver, copper, salmon, halibut, etc. The average annual value of this growing commerce during the five years ending with 1912 is nearly \$50.000,000. In addition to this, the Territory produces annually some lumber, farm products, etc., which are consumed locally and as to the value of which no accurate figures are available, but is probably about half a million dollars.

The average value of the merchandise shipped annually from the United States to Alaska during the five years ending with 1911 is \$18.74.256. The highest value during this period for any one year (1909) was \$17,705,330; the lowest (1911), \$15,170,100. It should be noted that the value of the shipments to Alaska for the first 11 months of 1912 was \$21,585,587. The total for the year will, therefore, exceed \$22,000,000, an amount several millions of dollars greater than the maximum for any one year, as above indicated. An average offer, exceed \$2,000,000, an amount several millions of dollars greater than the maximum for any one year, as above indicated. An average offer, exceed \$2,000,000, an amount several millions of dollars greater than the maximum for any one year, as above indicated. An average of representation of the strate and thom Bashn. This includes some shipments to Canadian Yunon reached along the valleys of the Copper and Susitna Rivers, but, unfortunately, there are no statistics of the value of this trade.

It is estimated that during this five-year period an average of some 42,000 tons of merchandise were shipped into the Yunon region. This includes the tradic into the Iditarod-Innoko region, into the Tanana region, and into the Canadian Yuk

Basin, where there is, however, one mine which has been shipping copper ore for two years. While much of the value of the outbound shipments is represented by gold, silver, and copper, the greater part of the actual tonnage is made up of the fishery products, which are not dependent on inland transportation.

This commerce is carried on by vessels which ply between Alaska and west coast ports. Its importance is indicated by the records of clearances and entrances of vessels. In 1910 a total of 451 domestic vessels, with a total tonnage of 396,740, entered, and 419, aggregating 384,967 tons, cleared Alaska ports. In 1911 the entrances were 514 vessels, with an aggregate tonnage of 426,986; and clearances, 495 vessels, with an aggregate tonnage of 421,905. Trade in foreign bottoms was as follows: In 1910, 939 vessels, with an aggregate of 183,284 tons, cleared. In 1911, 367 vessels, with an aggregate of 183,284 tons, cleared. In 1911, 367 vessels, with an aggregate of 187,849 tons, entered, and 331 vessels, with an aggregate of 156,647 tons, cleared. These figures for foreign bottoms include the clearances of the Canadian steamers on the Yukon.

The traffic on the Yukon and its tributaries is carried on by 58 river steamers, varying in capacity from 6 to 588 net tons and with an aggregate net tonnage of 14,081. There are also 12 steamers on the Kuskokwim, with a net tonnage of 1,568. To arrive at the total tonnage it will be necessary to add that of the scows and barges used on the Yukon, of which there are 56, aggregating 25,393 net tons. About 60 vessels clearing from Puget Sound are regularly engaged in Alaska traffic. This does not include the whaling ships, cannery tenders, or small gasoline boats.

The commission employed Mr. Harry L. Muchemore as statistician, and he spent some two months in collecting data from which the above figures were taken. A fuller report on commerce is presented in the Appendix B (p. 144).

Mr. CHAMBERLAIN. That report shows in briefer form than it is possible for me to put it the commerce between Alaska

and the United States.

Mr. President, some one asked me a while ago as to the number of miles of railway constructed in Alaska. I call attention to the Senate committee hearings, at page 288, where are given all the railroads constructed in Alaska. If Senators will take the trouble to examine the map hanging on the wall they will find that it shows practically a disconnected system of railways, which do not help the transportation situation at all.

Mr. CUMMINS. Mr. President, I wish the Senator from Oregon would identify these railroads in some way by their

ownership as he goes on.

Mr. CHAMBERLAIN. I will say in this connection that it is impossible for one to read the testimony before the committees and find out just who does own them, but I will say to the Senator that Delegate Wickersham, who is thoroughly familiar with the situation up in Alaska, who sat on the bench in the Territory and heard and learned the conditions as they actually existed, who has traveled all over the district, and who has had litigation one way and another with all these interests, has produced evidence tending to prove that there are hardly any of these railroad lines along the southern coast of Alaska that do not belong to the Alaska syndicate or in which the Alaska syndicate is not interested. That is not only true of the Cordova & Northwestern, but it is true with reference to the Alaska Northern, which runs from Seward to Kern Creek.

Mr. CUMMINS. Were the 71 miles of the Alaska Northern

road built by Canadian capital?

Mr. CHAMBERLAIN. The first 20 miles was built by Mr. John E. Ballaine, of Seattle. It was then known as the Alaska Central. He sold to Frost & Osborne, of Chicago and Toronto. Frost & Osborne got into financial difficulty, and the road went into the hands of a receiver, and finally the stock came into the control of a Canadian bank, which later failed. I think the evidence shows conclusively that the Morgans were interested in the stock of that bank; and not only that, but it convinces me that the same people were largely interested in the White Pass & Yukon Railway, that runs up from Skagway through American territory into British territory to the headwaters of the Yukon.

So all of the railroads in Alaska that amount to anything at all and that might under different conditions develop the country are in the hands of the men whose interest it has been to throttle the development of Alaska and get it all-not only the , railroads, but the industries of Alaska as well-into their con-I am warranted in making that statement not from any knowledge on my part, but from statements which have been made before committees of the House and of the Senate. one of the cross-examinations of one of the witnesses there he reluctantly admitted all of the things which I am now asserting.

The other railroads which exist are the Seward Peninsula Railroad, from Nome to Shelton, with a spur to Paystreak, aggregating 86½ miles, and they cost \$2,000,000. That is at Nome, and simply runs from Nome into some mining district which they hope to develop up there. Then there is the Tanana Valley Railroad, from Fairbanks to Chitina, with a spur to Chena, 45 miles long, which cost \$1,000,000. It was built to some of the mining districts for the purpose of aiding in the development of that section. The Council City & Solomon River Railway runs from Solomon to Penelope, 32½ miles, and cost \$1,000,000.

Mr. THOMAS. Mr. President, I should like to ask the Seu-

ator from Oregon a question.

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Colorado?

Mr. CHAMBERLAIN. I do.

Mr. THOMAS. What is the gauge of these roads? Mr. CHAMBERLAIN. I will state them again.

Name of road and terminals.	Gauge.	Miles.	Estimated cost.
Copper River & Northwestern (Cordova to Kennicott).	Standard	200	\$20,000,000
Alaska Northern R. R. (Seward to Kern Creek). Seward Peninsula Ry. (Nome to Sheton with spur to Pay Streak).	3 feet	71 86. 5	5,000,000 2,000,000
Tanana Valley R. R. (Fairbanks to Chatinika, with spur to Chena).	do	45	1,000,000
Council City & Solomon River Ry. (Solomon to Penelope).	Standard	32.5	1,000,000
Wild Goose R. R. (Council to Ophir Creek) Yakutat & Southern (Yakutat to Situk River) White Pass & Yukon Ry. (Skagway to White Horse).	3 feetdo	7 9 110	200,000 100,000 6,000,000

1 Only 20 miles of the line are in Alaska.

One of the peculiar situations that developed in the examination of witnesses with reference to transportation matters in Alaska was that neither the Copper River & Northwestern Railroad nor the Alaska Northern Railroad was intended to develop the interior of Alaska; and the men who are connected with those roads now all came on the witness stand, as I recall it, and each and every one of them stated their purpose. One said that they intended to go to the Matanuska coal fields, and another stated that they wanted to get out to the Kennicott copper mines, to the Guggenheim interests, and that when they reached that point they had no other interest in the matter at all. The Guggenheims wanted to reach their copper; they owned the railroad to the mines, and they practically owned and controlled transportation from the open port on the ocean to their smelters in Tacoma and in California. So they had absolute control of the situation so far as transportation was concerned. It was only to put their own product in the market, and they never intended to extend that line. One of the managers of the White Pass & Yukon Railroad said, in opposing the bill for the construction of a railroad in Alaska, that he did not want the Government of the United States to build it. Why? He admitted that it would assist in developing Alaska; but he did not want it built simply because it would parallel his line up from Skagway to White Horse in Canada and the boats of the company from White Horse to Dawson on the Yukon and thence down to Fairbanks; and the only opposition to the proposition was that the Government of the United States was going into competition with a private enterprise.

As soon as the Cunningham claimants undertook to acquire title to the Bering River coal mines we find the Guggenheims making a contract with these claimants, under the terms of which they were to acquire these coal mines. Then the Cordova & Northwestern Railroad, controlled by the Guggenheims, started in to extend branch lines into the coal mines. They did not intend to go into the interior of Alaska at all. What interest had they in developing the country? They were building these railroads for the purpose of getting coal and getting their own copper output to their smelters, and they had control, as we all know, of all the smelters in this country; they absolutely owned and controlled the smelters on the Pacific coast; so that f a private individual developed a magnificent copper mine on the line of the Cordova & Northwestern Railroad he could not get its product to market, for the Guggenheim people not only fixed the rate of transportation, but they fixed the rate at which the copper should be smelted after it got to the smelters, because

the Guggenheims owned both.

It was the same way with the Alaska Northern Railroad. The owners of that road had no idea of going into the interior of The purpose of the Alaska Northern people was to get into the Matanuska coal fields, the largest in Alaska, and when they got in there to get control of the output. That was the end of their ambitions and desires

Mr. CUMMINS. Mr. President—
The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Iowa?

Mr. CHAMBERLAIN. I do.
Mr. CUMMINS. That road did not reach the coal fields—
Mr. CHAMBERLAIN. No. Why?

Mr. CUMMINS. But the company is practically in a state of dissolution now.
Mr. CHAMBERLAIN.

Yes.

Mr. CUMMINS. It is 60 miles or more from the coal fields.

Mr. CHAMBERLAIN. That is right.

Mr. CUMMINS. And the other road did not reach the coal

Mr. CHAMBERLAIN. Why?

Mr. CUMMINS. I wish the Senator would state that.

Mr. CHAMBERLAIN. I will tell the Senator why.

Mr. CUMMINS. I want that to become a part of the Sena-

Mr. CHAMBERLAIN. Before the Cordova & Northwestern Railroad was extended into the Bering River coal fields the President of the United States, seeing that the Alaska syndicate was making an attempt to monopolize the coal industry of that region, withdrew the coal resources from acquisition by any-Therefore railroad building stopped. If they could not get control of the mines, as they had attempted to do by contract, they did not care to go on and develop Alaska for the benefit of others; but the President withdrew the property and nobody could acquire title. The Alaska & Northern intended to go to the Matanuska coal fields, and the reason they did not do so, I will say to the Senator from Iowa, was because the President of the United States withdrew the Matanuska coal freshent of the United States withdrew the Matanuska coal fields from acquirement by anybody, and there was no incentive to those people to build farther. The record here is full of evidence that if the Guggenheims had been permitted to acquire title to the Bering River coal fields, and the Alaska Northern had been permitted to acquire title to the Matanuska coal fields, the roads would have been extended without any question of doubt; but that would not have benefited the interior of Alaska. That would simply have been a matter for their own special benefit.

Mr. THOMAS, Mr. President-

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Colorado?

Mr. CHAMBERLAIN. I do.

Mr. CHAMBERLAIN. 1 do.

Mr. THOMAS. As I understand the Senator's position, then, it is substantially this: That the system of railways heretofore outlined for Alaska and partially constructed were practically private enterprises, collateral to the larger enterprise of coal monopoly and coal supply, of metalliferous mining monopoly and metalliferous mining supply, instead of being constructed as great public highways for the development of Alaska and

for the common use of the people.

Mr. CHAMBERLAIN. That is right; and I want to say something directly in that connection. I may be mistaken about names—I have not read the testimony over recently—but my recollection is that Mr. Dickeson, who was connected, I think, with the White Pass road, testified, in terms, that he opposed the construction of this railroad by the Government be-cause it would develop interior Alaska and take away from his line up the Yukon River to Dawson and from Dawson to Skagway business that he was now entitled to. What difference did it make to him? The only thing he cared for was the charging of the enormous rates that they were charging for the transportation of freight from the seacoast to Fairbanks and from

There has never been an effort made in Congress to assist Alaska in developing her resources that the same men who are here in opposition to this railroad legislation have not been here fighting it. It is the same crowd. I think I can look up in the gallery and see some of them now. They appear before every committee that has for its purpose a proposition looking to the opening up of the resources of Alaska, unless they are so opened up that they can acquire title, fill their capacious maws, and put everything in reach of their transportation facilities. I do not care what the measure happens to be, their effort has been constantly and always to see to it that whatever is done in Alaska shall not be in the interests of the ultimate consumer nor in the interests of the people of the country. Theirs is and has always been a purely selfish policy. I desire now to discuss the rates charged for transportation of passen-

gers and freight in Alaska. Mr. CUMMINS. Mr. President-

Mr. CUMMINS. Mr. Fresident—
The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Iowa?
Mr. CHAMBERLAIN. I do.

Mr. CUMMINS. Before the Senator enters into the question of rates, I should like to know where, in the opinion of the Senator, the railroad to be built by the Government, if we pass this bill, should be built? I am much interested in knowing whether the project generally includes the taking over by the Government of the roads that are already built, and if they are to be taken over, at what price. I do not want to see the Government go in and spend \$100,000,000 or \$500,000,000—because there is no limit in this bill at all—to make railread property in Alaska, that is now comparatively worthless, valu- that discretion which the bill intends to give him after having

able, and then the Government to be put in a position so that it must take over these railroad properties at a valuation greatly increased by the very things the Government has done. I say to the Senator from Oregon very frankly that that is the only objection I have to the bill-at least that is one of

the objections I have to the bill as it is.

I am in favor of the Government building a railroad in Alaska or a series of railroads there; I am in favor of the Government operating a railroad or a series of railroads in Alaska; but I am afraid of the tremendous and undefined and uncontrolled power that this bill proposes to confer upon the President of the United States or any other officer of the Government; and I am particularly anxious, therefore, that the Senator from Oregon shall develop, as his committee must have had the question under consideration and must have reached some conclusion, the general plan that ought to be pursued for the opening up of Alaska, where the railroads should be built, and what purposes they must serve in transporting minerals, coal, agricultural products, and everything of that kind. think that we ought to know what the plan is for the building of the railroads there.

I do not feel like saying to the President of the United States, "Here is an unlimited sum of money; go on and build what-ever railroads in Alaska you think ought to be built, and take whatever property you think ought to be condemned." I think the Senator from Oregon will agree with me about that general principle, and I think that he ought to tell us, if it has been under consideration by the committee—and I doubt not that it has—how he thinks Alaska should be developed, where the railroads should be built, and to what extent they should be built.

Mr. CHAMBERLAIN. I will say to the Senator that there is not very much room for disagreement about the selection of the route, because Alaska is not only sui generis in being owned almost entirely by the United States, but she is sui generis in only having a very few gateways to the interior which are accessible at all seasons of the year.

Mr. CUMMINS. Mr. President-

Mr. CHAMBERLAIN. I will answer the Senator in a mo-Take navigation up to Nome or to the mouth of the Yukon or to the Kuskokwim River, and it is only open for three or four months in the year, at the outside, because of ice, so that the only open ports, the only gateways to Alaska-in other words, the only places where there are passes through the mountains and into the interior of Alaska all the year roundare confined to three or four points along the southern coast.

Mr. CUMMINS. That is what I understand. They are on the south shore. Now, at least three of them-two or three-are

already occupied.

Mr. CHAMBERLAIN. Practically two.

Mr. CUMMINS. Two. Now, it is proposed that the Government shall from those shores, those open ports or open bays or harbors, build roads up into the interior of the country so as to serve every purpose that a railway can serve in a populated and developed country. Those routes are already occupied to a degree. What I want to know is whether it is in the contemplation of the committee that the roads that are already there shall be bought, shall be condemned and taken over by the Government, and whether it is the idea that the Government shall extend the lines that have already been built by the syndicate to which the Senator has referred? I can not conceive that it would be economically defensible to build another line of road up the same gulch or gorge, in view of the amount of business there, and I think it makes a great difference whether the Government shall extend these lines—that is, shall build lines in extension of these lines into the interior—and condemn that property thus made valuable by the expenditure of the Govern-ment money, or whether it shall take that property before the Government undertakes to make it valuable by projecting it into the interior.

Mr. CHAMBERLAIN. I see the position which the Senator takes. The committee did have under discussion to a considerable extent the question as to the power which the President might have with reference to the condemnation or purchase of existing roads. If the Government should parallel the Cordova & Northwestern, for instance-I am not sure that the evidence showed whether they could or not, but assuming that the Government did parallel it-and then extend its line from Chitina, which is the northern point of the present road, into Fairbanks, it would absolutely paralyze and render worthless the Cordova & Northwestern. It is the same in reference to the Seward route.

I assume that under the powers given the President under this bill either to purchase or to condemn, he would exercise

had the whole situation overlooked by the men he is to appoint

to investigate the situation.

Mr. CUMMINS. Possibly; but I take it for granted that men of ordinary prudence would not build another line up the narrow gorges leading from the sea into the interior of the Certain railways have been built there and they are of a certain value. One of them, I think, is practically of no value, and the other is not of great value. They can not go on, or they do not go on, because there seems to be nothing to promise sufficient business in the interior to warrant their further extension. I want the Government to own the railroads there and to operate them, but I think that Congress ought to determine, in the first instance, whether it can buy or take those railroads at a fair price.

Mr. CHAMBERLAIN. They have the power to condemn

under the bill.

Mr. CUMMINS. I do not believe that you can substitute the discretion of the President for that of Congress with respect to the value of those two railroads.

Mr. CHAMBERLAIN. May I call the Senator's attention to

this clause of the bill?

The President may acquire, by purchase or condemnation, all property he may deem necessary for the purpose of carrying out the provisions of this act, and he may exercise in the name of the United States the power of eminent domain in the courts of Alaska in accordance with the laws now or hereafter in force for that purpose.

Mr. CUMMINS. Precisely; but suppose that you institute proceedings in condemnation or pursue negotiations and reach in either way a certain result as to the value of that railway property. I think Congress ought then to say whether it wants to take those railroads at those prices. I think that is too much power to give to any one man. Moreover, it might very well be that, instead of taking the property at a price determined by condemnation proceedings, we would prefer to build an inde-pendent line of our own. I do not believe that the Government ought to pay any more for these railroad properties than they are worth—worth now, worth in view of the fact that there is no motive for their extension; I do not believe that the Government ought to be called upon to pay a price that either of them might bear after the Government has decided to extend them so that they may become valuable. That is my point.

Mr. CHAMBERLAIN. Of course it would not do to undertake to tie the hands of the President by fixing the price. will say to the Senator now that whenever you undertake to ascertain the value of these railways through a committee of Congress you are right up against the same proposition that we have had to fight all the time. There must be discretion vested in somebody; we must trust some of the officers of the Gov-

Mr. CUMMINS. If that be so, I would rather see the bill amended so as to require the condemnation of those properties, and then allow us to determine, after they are condemned, whether the Government will extend them into the interior, in order to prevent the addition to the value of those properties which the definite action of Congress will inevitably give to

Mr. CHAMBERLAIN. I assume that the Senator would not want to destroy the property there in which investments have

actually been made.

Mr. CUMMINS. I should like to see the United States buy the existing roads, and I should like to see it give every penny that they are worth. Thece people, however, have gone forward and invested their money under conditions as they then were. It may be a good investment or it may be a bad investment. If it be a bad investment, I do not think the Government ought to make it a good investment; but whatever the property is fairly worth, that the Government ought to pay; and if we can not buy them at a price that would fairly represent their value, then we ought not to add to their value by extending them into the country and converting a bad investment into a good one.
Mr. CHAMBERLAIN. I think that is just the power that

the President is given under this bill now. Whatever officers he may appoint as his agents to construct the railroad or railroads in Alaska must negotiate with these people, and if in such negotiations a price is asked which is out of reason, then the President has the power of condemnation. It seems to me that the President ought to have that power; it must be vested somewhere, and he must have discretion; otherwise it would be impossible to get anywhere in the development of Alaska.

Mr. GALLINGER. Mr. President—

The VICE PRESIDENT. Does the Senator from Oregon

yield to the Senator from New Hampshire?

Mr. CHAMBERLAIN. I do. Mr. GALLINGER. I will ask the Senator if a very careful computation has been made as to the amount of money that will be required to construct the proposed railroad? I observe

that the bill names a sum of \$40,000,000, for which coupon bonds bearing a rate of interest of 3 per cent shall be issued by the Secretary of the Treasury; but a little while ago the Senator from Iowa [Mr. Cummins], perhaps with no more complete knowledge on the subject than I have, suggested that he did not think the Government ought to spend \$100,000,000 or \$500,000,000. I should like to ask the Senator what the possibility is of this expenditure reaching far beyond the \$40,000,000 named in the bill?

Mr. CUMMINS. I have read the bill, and I think the Senator from Oregon will agree with me that there is no limit whatever upon the authority of the President to enter into engagements in the name of the United States for the building of railways in Alaska or the purchase of railways already there.

Mr. GALLINGER. The closing section of the bill would

seem to indicate that.

Mr. CUMMINS. The \$40,000,000 for which bonds are to be issued is simply intended to provide the immediate funds necessary for the work. I take it that it is agreed that the President could go on and expend a hundred million dollars or more if he believed it to be wise to do so.

Mr. GALLINGER. That is the very point I wanted eluci-

dated-

Mr. CUMMINS. Yes; I think there is no doubt about that. Mr. GALLINGER. As to the probable ultimate expenditure under this bill

Mr. CHAMBERLAIN. That is a matter that can be very easily cured. It was the intention of the committee to limit it to the amount specified in the bill; but that is a matter that can be very easily remedied if there is any doubt on the subject.

Mr. CUMMINS. That really does not cover the point that I have been suggesting, because if we go into the business there-and I believe the Government ought to do it; I am with the Senator from Oregon upon that subjectgo further and complete the project, and the United States must do whatever it is necessary to do to develop the country, whether it costs forty million dollars or a hundred million dollars.

Mr. CHAMBERLAIN. I want to suggest to the Senator in that connection that the Alaska Commission did make estimates and did make recommendations from their standpoint as to where the roads ought to be built. On page 141 of the commission's report they suggest practically the extension of

the existing lines there.

Mr. CUMMINS. I know that, and I know that the purpose of this bill is to extend the lines that are already there.

Mr. CHAMBERLAIN. No-

Mr. CUMMINS. In part, at least; and I do not want to see these lines extended under such circumstances as will require us to pay a price for the railroads induced or influenced very

largely by what we ourselves do.

Mr. WALSH. Mr. President—

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Montana?

Mr. CHAMBERLAIN. Certainly.

Mr. WALSH. For the purpose of relieving the apprehension that seems to exist in the mind of the Senator from Iowa, I desire to say that the commission reports that it is not necessary to purchase or condemn the Copper River and Northwestern Railroads. They can run out of Cordova, across Marshall Pass to Copper City, or out from Valdez, without touching the Copper River Railroad at all.

Second, with reference to the Alaska Northern, reports have recently come in of the possibility of reaching Prince William sound by a tunnel 2 miles in length that will render it unnecessary to take the Alaska Northern. The Government is in a situation where it can say to the owners of these roads, "We will buy at such a figure, or we will construct along other lines," and the other lines would not parallel.

Mr. CUMMINS. Well, Mr. President, I have had it in my mind all the time that it was the policy of the Government to purchase these roads. I do not believe in building unnecessary salvesdes on in paralleling lines that already are sufficient to do

railroads or in paralleling lines that already are sufficient to do the business. It is bad economy and wasteful to do so. I want the Government to buy them at a fair price, and if they are losing ventures I want the Government to buy them as losing ventures

Mr. CHAMBERLAIN. Would not the Senator assume that a fair valuation of the railroads would be arrived at by condemna-

tion proceedings

Mr. CUMMINS. I can only, suggest to the Senator from Oregon that if a condemnation proceeding is carried forward after the Government has undertaken to extend them to the interior, so that they will reach a source of trade, the value found by the jury of condemnation would be much greater than though that were not a fixed fact. The Senator from Oregon can readily see that.

Mr. SMOOT. Mr. President—
The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Utah?

Mr. CHAMBERLAIN. I yield.

Mr. SMOOT. It is true that the bill provides for a standard-guage railroad or railroads; but in my opinion those who are interested in this bill understand, from all of the testimony which has been given and all that has been said upon all sides of the question, that there is to be but one main road constructed by the United States. I believe the understanding in the minds of most of the people is that it will be the Alaska Northern Railroad route. I think that is understood. In fact, I know the people who are interested in that road are very much interested in this bill.

Mr. CHAMBERLAIN. The evidence seems to disclose that that road will go through the richest section of the country, up

through the Shushitna and other valleys.

Mr. SMOOT. I can not say whether it is the richest section or not.

Mr. CHAMBERLAIN. I say, the evidence seems to disclose that

Mr. SMOOT. I think the evidence discloses, however, that the Alaska Northern will meet with difficulty in passing over three high points, where the grade of the road will be very heavy. In the case of the Copper River road, of course, if that route should be adopted, the grade is a natural grade, at least to the Matanuska coal fields.

Mr. CUMMINS. That is the 71-mile road? Mr. SMOOT. No; that is the 200-mile road.

Mr. CHAMBERLAIN. There are only 71 miles of it built, however.

Mr. SMOOT. Yes; there are only 71 miles of it built.

I am in favor of the Government of the United States building one line of railroad. I would have very much preferred to see this bill provide only for a main line of railroad, not for railroads. Then, of course, provide for branch lines, sidings, switches, and so forth.

I can not see why the committee reported a bill giving the President authority to build two main lines of railroad. What is wanted is a railroad from Resurrection Bay or from Cordova Bay right through the country to Fairbanks. When that one line is built, it seems to me that is all that ought to be built by

the Government of the United States.

Mr. CHAMBERLAIN. I think the President has the power to stop whenever and wherever he feels disposed to stop after he receives the full report of his engineers. We discussed all of that matter in committee, and reached the conclusion that if the President had the power of condemnation or the right of purchase, he would have all the power that anybody wanted. I know the railroad interests up there that are opposed to this bill do not want any condemnation proceedings, because they say they would get the worst end of it; and they not only oppose condemnation, but they do not want any agreement to purchase. In other words, they do not want anything done that will interfere with the status quo in Alaska.

Mr. NORRIS. Mr. President-

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Nebraska?

Mr. CHAMBERLAIN. I will yield, but really I am anxious to get through.

Mr. NORRIS. I will not interrupt the Senator if he prefers that I shall not do so.

Mr. CHAMBERLAIN. No; I shall be glad to yield to the

Mr. NORRIS. The question I wanted to ask the Senator from Oregon was in regard to a particular provision of the bill. If he is going to discuss the details of the bill later, I will not ask my question now.

I wanted to ask the Senator—and I hope if he does not discuss it now, he will before he closes—as to the proviso at the end of section 1, commencing on line 18, page 8, as follows:

Provided, That the President may cause said road or roads to be operated by contract or lease—

And so forth.

I wanted to ask the Senator what the theory of the committee was in regard to that, and whether the committee contemplated that after these roads were built by the President they should be leased to private parties?

Mr. CHAMBERLAIN. If the President saw fit to do so.

Mr. CHAMBERLAIN. If the President saw fit to do so. Mr. NORRIS. Does the Senator think that ought to remain in the bill? Mr. CHAMBERLAIN. I think it ought, for this reason: The Government owns the coal mines, and they may be operated under a lease; and the committee thought the President ought to have the power to lease the railroads if he saw fit to do so. The main purpose of the bill was not to have the Government own and operate a railroad. The main purpose of it was to develop Alaska. If, in the President's opinion, that could be best accomplished by the leasing system, not as a money-making proposition but as a development proposition, he ought to have that power; and we felt that that was the proper power to give him.

Mr. NORRIS. I do not want to take up the time of the Seuator now, but it has always seemed to me that that was a serious objection and that that language ought to be stricken out. It seems to me that if we are able as a Government to build the road, we ought to be able as a Government to operate it.

Mr. CHAMBERLAIN. I will call the attention of the Senator to one railroad that has been mentioned by Mr. Fisher, in his testimony before the Senate committee, that is owned by a city—Cincinnati—and operated under a lease system, resulting not only in the development of a certain section of the country and the benefiting of Cincinnati itself, but in profit to it as well. It is now leased to some company that is operating it. At all events, that is the only one I know of, and I had that in mind, at least, when this matter was being prepared. It seemed to me the Government might see fit to lease the road rather than to operate it after it was completed.

Mr. CUMMINS. If the Senator from Oregon will permit me just to make a suggestion, I will interrupt him no more, because I want him at some time during the course of the debate on this bill to clear my mind of some doubt I have with regard to it. It is perfectly plain to me, just from the language of the bill, that what is intended is that the President shall build a road into the interior from the present inland termini of the

two roads that are already there.

Mr. CHAMBERLAIN. Let me interrupt the Senator right there. I want to say that that subject was not discussed by any member of the subcommittee that prepared this bill. None

of them had that in mind.

Mr. CUMMINS. Then the bill ought to be changed, because the language that is used indicates that there is where the Government is to build the road, on one or the other of the routes or both. The amount of money provided for by the issue of bonds indicates that that is what must be done, and that that money is not sufficient, I take it, to purchase both of these roads.

Does not the Senator from Oregon see just what will happen? Another part of the bill gives this railroad the power to connect with any existing lines of railway, to make joint freight rates, and to establish joint routes over the Government line and any connecting privately owned line. Just as surely as the seasons come, if the Government takes up this railroad building at the internal termini of these two railroads and extends them into the country, into the coal fields, into other mining properties, and into the agricultural region, then if we ever come to purchase or condenn those parts of the railway system lying between the Government-owned railroads and the sea we will have to pay a very much larger sum of money for them than they are worth at this time.

Mr. CHAMBERLAIN. I think there is no question about

that suggestion of the Senator.

Mr. CUMMINS. That has seemed to me to be putting the cart before the horse. If we are going to use these railroads as a part of the Government system, I think we ought to take them now or ascertain what we can get them for, and then, after we find out what we can get them for, determine before we take one step further whether we shall condemn them or purchase them, or whether we shall build independent lines of our own.

Mr. CHAMBERLAIN. If the course suggested by the Senator is followed, the fate of Alaska will be the same in the future as it has been in the past. It means another year of interminable effort on the part of those people who have been hemmed in from the world, with nothing done for Alaska.

It seems to me we must assume that the agents and officers appointed by the President of the United States will endeavor in perfect good faith to ascertain before any line of construction is begun what those roads can be acquired for. I believe there is no part of our public service that has shown a better record for efficiency and honesty than the military and naval arm of the service. Those are the men who will have this matter in charge. Can we not trust them?

I see the force of what the Senator says; but can we not trust these men when the power is given to the President under

the bill to go there and do what seems best for the Government of the United States; to ascertain, it may be, the cost of the roads that are now on the ground and perhaps to purchase them, if the President thinks the figures at which they are offered are right; and if they undertake to hold up the Government in that respect as they have attempted to hold up other people along other lines, then to condemn their property, if need be, or build a parallel line somewhere else.

Mr. CUMMINS. But the Senator from Oregon assumes something that I have not found in the bill, although it may be

Mr. CHAMBERLAIN. What is that?

Mr. CUMMINS. I do not believe the bill gives to the President any power either to condemn or to purchase either of these railroads.

Mr. CHAMBERLAIN. What does this language mean?-

The President may acquire, by purchase or condemnation, all property he may deem necessary for the purpose of carrying out the provisions of this act, and he may exercise, in the name of the United States, the power of eminent domain in the courts of Alaska, in accordance with the laws now or hereafter in force for that purpose.

Mr. CUMMINS. What are "the provisions of this act"?
Mr. CHAMBERLAIN. To extend a railroad from an open

port to the interior.

Mr. CUMMINS. No; we return to the first lines of the bill,

and we are informed-

That the President of the United States is hereby authorized and directed to cause to be located such main lines for railroads from points on tidewater to the interior as will in his judgment best promote the settlement of Alaska, dovelop its resources, and provide adequate and suitable transportation for coal to the Army.

And so forth.

Mr. CHAMBERLAIN. That is, from the interior to the seaboard, according to the last clause the Senator read.

Mr. CUMMINS. Certainly; but I do not gather from the bill that it was the purpose of the committee which drafted it that we should proceed with the condemnation of these lines of railway before we determine to build extensions of them into the interior. If that was the purpose, it ought to be made very much clearer than it is here, in my opinion.

Mr. CHAMBERLAIN. I am sure the Senator from Iowa and myself agree as to the propriety of the construction of a railroad into the interior of Alaska. We may differ a little as to the methods by which it ought to be accomplished. I feel that the bill gives all the power that the Senator rather insists ought to be exercised. We differ, in that the Senator does not think the President of the United States ought to have that power, but thinks the matter ought to be determined in advance, while I say the President of the United States has the power, as he ought to have it, and ought to determine it after the bill has been passed, and leave it to his agents to make proper report.

Mr. KERN. Mr. President—
The VICE PRESIDENT. Does the Senator from Oregon yield

to the Senator from Indiana?

Mr. CHAMBERLAIN. I yield to the Senator.

Mr. KERN. May I inquire of the Senator whether he can conveniently conclude his remarks to-day?

Mr. CHAMBERLAIN. I will say to the Senator that I can not very well do so, because I have yielded a good deal of my time to my colleagues. I can not finish inside of an hour, and perhaps not in two hours if Senators are going to keep inter-

rupting me.

Mr. KERN. May I ask the Senator if he will be willing to yield at this time for an executive session, and conclude his

remarks to-morrow?

Mr. CHAMBERLAIN. I have no objection.

EXECUTIVE SESSION.

Mr. BACON. I move that the Senate proceed to the consid-

eration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 15 minutes spent in executive session the doors were reopened, and (at 5 o'clock and 3 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, January 13, 1914, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 12, 1914. POSTMASTERS.

ALABAMA.

Jesse B. Hearin, Demopolis. B. L. Perry, Union Springs. John C. Routon, Luverne. Dora A. Speer, Ashland,

ARKANSAS.

William E. Brown, Nashville, H. C. Pernot, Van Buren. Levi B. Sharp, Black Rock.

CALIFORNIA.

F. V. Dewey, Hanford. E. E. Drees, Petaluma. George T. Fissell, Davis. Emily Gavin, Concord. T. S. Kemble, Alturas. W. Lockridge, Delano. Flora B. Reynolds, Mill Valley. A. G. Sawin, Loyalton. Walter Staley, Selma.

COLORADO.

R. L. Newton, Arvada. E. C. McAnelly, Fort Collins. Thomas McCunniff, La Jara. Christopher C. Wilson, Goldfield.

CONNECTICUT.

Michael H. Walsh, Middletown. Patrick H. Walsh, New Hartford. Camilda A. Woisard, North Grosvenor Dale.

FLORIDA

Alma P. Carmichael, Melbourne. Corinne T. Summerlin, Fort Myers.

GEORGIA.

Annie Ard, Lumpkin. Harvey C. Bunn, Waycross. J. H. Cotter, Manchester. J. M. Scott, Bainbridge.

IDAHO.

Edmund Ellsworth, jr., Rigby. O. H. Marsh, Rupert. P. C. O'Malley, Pocatello.

ILLINOIS.

Gus Blair, Murphysboro. J. H. Carey, Watseka. C. F. Cooke, Ridge Farm. George W. Cress, Washington. Henry Earle, Hebron. Frank B. Huber, Antioch. Robin Etter, Waverly. Bernard McManus, jr., Cairo. M. M. Morrissey, Bloomington, Michael O'Neill, Gilman, J. C. Reuter, Freeburg. William W. Sweeney, Fort Sheridan.

INDIANA

Thomas O. Beck, Lebanon. Ray C. Fickle, Mulberry. Austin E. Menges, Bristol. Tilghman Ogle, Carlisle. John Osborn, Culver. Nilas Wolf, Bourbon.

KANSAS.

Isaac Jordan Barrackman, Humboldt. John M. Brown, Minneapolis. J. C. Cordill, Alton. H. C. Duckworth, Altoona. Floyd C. Flory, Grenola, Peter W. Jury, La Harpe. J. M. Little, Sterling. H. L. O'Bryan, Chetopa. F. M. Pearl, Hiawatha. W. O. Rigby, Topeka. Nettie Watkins, Hope.

KENTUCKY.

G. S. Morris, La Grange.

MAINE.

Frank P. Davis, Bridgton. F. J. Carsley, Dexter. W. J. Eldridge, Foxcroft. Everett P. Hanson, Gorham. William I. Johnson, North Berwick. Herbert L. Pinkham, Lincoln. Otis C. Verow, South Brewer.

MARYLAND.

Clarence T. Dare, Rising Sun. Wesley Jarrell, Greensboro. George W. Kefauver, Middletown, Thomas J. Linthicum, Annapolis. John O. Murray, Hampstead. George M. Wolfe, Forest Glen.

MASSACHUSETTS.

John R. McComb, Great Barrington,

MINNESOTA.

W. W. Stockwell, Anoka.

MISSISSIPPI.

A. S. Bell, Grenada. Henry H. Mackey, Vicksburg.

MISSOURI.

Gertrude Brown, Auxvasse.
A. H. Davis, Seymour.
W. W. Hamilton, Granby.
W. A. Hughes, Glasgow.
Alexander McCandless, Downing.
C. C. Mitchim, De Soto. John H. Orr, Ava. L. E. Phileger, Caruthersville. Francis H. Smith, Sikeston. W. H. Ward, Bonne Terre.

NEBRASKA.

John Cain, Kenesaw. Thomas A. Davis, Neligh. Sadie E. Flaherty, Hyannis. D. H. Kuhlman, Sterling. Elizabeth McLean, Clarks. D. C. Morgan, Plattsmouth.

NEW HAMPSHIRE.

Hume B. Heath, Plymouth. William P. Nolin, Claremont. Albert J. Richardson, Littleton.

NEW JERSEY.

Laird H. Bowers, Millington. Joseph P. Cullen, Boonton. John Lodge, Paulsboro. James Norton, Hackensack. George Lee Shaw, Franklin. Frank C. Tomlin, Sewell. Henry Walter, Riverside.

NEW YORK,

Augustus A. Blackledge, Nyack. Wilbur C. Box, Lynbrook. David E. Brett, Whitehall. Charles E. Dempsey, Fort Covington, Edward F. Dougherty, Tonawanda. Clinton P. Geer, McGraw. Arthur H. Graham, Newark Valley. Arthur H. Granam, Newark Vanley.
Patrick A. Hallahan, Brasher Falls,
George D. Hughes, Madrid.
William J. Hyland, Hoosick Falls,
William F. Kasting, Buffalo.
Joseph P. Kiernan, Pawling.
De Witt C. Lynde, Marathon.
Frank McMahon, Belfast.
Mark J. Mount, Hewlett. Mark L. Mount, Hewlett.
M. J. Murray, Owego.
Joseph J. O'Reilly, Willsboro.
George M. Pierson, Maybrook.
Edward Eugene Rigney, East Bloomfield,
John W. Thorp, Brewster.
Charles A. Townsond Millerton Charles A. Townsend, Millerton.

NORTH CAROLINA,

W. A. Gibson, Bryson City. A. M. Sanders, Smithfield.

OKLAHOMA,

Andrew J. Adcock, Aline. Leslie E. Ellis, Erick.

Gordon B. Baird, Obion. Joel J. Jones, Fayetteville. J. P. Penn, Kenton. Eugene S. Shannon, Nashville. Elizabeth Kirby-Smith, Sewanee.

TEXAS.

Minerva E. Austin, Grapevine. J. A. Davis, Dawson, W. J. Davis, Silsbee. Earl M. Duvall, Petrolia.

Robert N. Eastus, Gordon. J. J. Jenkins, Skidmore.
Will Ligon, Morgan.
Forrest M. Mattox, Newton.
W. L. Mount, Bellevue. Conrad M. Newton, Hubbard. George W. Rohleder, Eagle Pass. R. D. Tankersley, Killeen.

UTAH.

A. Binkele, Tremonton. James A. Faust, Delta. Niels Lind, Midvale. J. C. Twaddle, Sunnyside.

WASHINGTON.

Ethel R. Hanks, Port Orchard. James H. Schneckloth, Pomeroy.

WEST VIRGINIA.

A. D. Smith, jr., Fayetteville. Jesse D. Wilson, Fairview.

WISCONSIN.

Michael J. Rice, Kewaunee. Frank B. Schutz, Milwaukee.

WYOMING.

R. J. McGinnis, Cody.

HOUSE OF REPRESENTATIVES.

Monday, January 12, 1914.

The House met at 12 o'clock noon. The Chaplain, Rev. Henry N. Couden, D. D., offered the fol-

lowing prayer

lowing prayer:
We bless Thee, infinite Spirit, our heavenly Father, that though the years come and go with ceaseless rapidity Thou art ever the same, upholding, sustaining, guiding Thy children in the onward march of civilization. We thank Thee for the wisdom, knowledge, and achievements which have come down to us out of the past; for the broad fields of endeavor stretching before us, inviting to yet greater attainments for the individual, the Nation, the race. May we lose no time in vain regrets for past mistakes and failures, but with increased energy and zeal do the work Thou hast given us to do to-day.

Trust no future, howe'er pleasant!

Trust no future, howe'er pleasant! Let the dead Past bury its dead! Act, act in the living present! Heart within, and God o'erhead!

For Thine is the kingdom and the power and the glory forever. Amen.

The Journal of the proceedings of December 23, 1913, was read and approved.

REGENT OF THE SMITHSONIAN INSTITUTION.

The SPEAKER appointed Mr. Connolly of Iowa one of the Regents of the Smithsonian Institution in place of Mr. Pepper, deceased.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as fol-

To Mr. Kirkpatrick, indefinitely, on account of death in his

family.

To Mr. Sharp, for 10 days, on account of illness.

To Mr. Crisp, for 10 days, on account of illness.

IRVIN S. PEPPER.

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by printing a eulogy delivered by the gentleman from Missouri [Mr. Russell] at the funeral of the late Representative Pepper at Ottumwa, Iowa, on the 26th of December last.

The SPEAKER. The gentleman from Ohio asks unanimous consent to extend his remarks in the Record by printing a eulogy by the gentleman from Missouri [Mr. Russell.] on the life and character of the late Representative Pepper, of Iowa, delivered at his grave. Is there objection?
There was no objection.

The eulogy is as follows:

EULOGY OF JOSEPH J. RUSSELL DELIVERED AT THE FUNERAL OF THE LATE CONGRESSMAN IRVIN S. PEPPER, DECEMBER 26, 1913.

[From the Courier, Ottumwa, Iowa, December 26, 1913.]

I have been requested to say a few words in behalf of the Members of the lower House of Congress. What I shall say will be personal in their nature; I feel that it is more appropriate that they should be.

We are here by appointment of the Speaker of the House of Representatives to pay a last tribute of respect to the memory of your distinguished dead, to mingle our tears with yours, and to join with all the people of this great State in their spontaneous expressions of universal sorrow.

It was my good fortune to meet Mr. PEPPER soon after his It was my good fortune to meet Mr. Farras soon and. Inselection and before he had been sworn in or taken his seat. I was at once attracted to him by his splendid, open countenance, his natural frankness, and his generous, manly spirit, and soon thereafter I became closely attached to him as a personal friend. As our acquaintance became more intimate the time of friendship that bound us together became stronger the ties of friendship that bound us together became stronger and stronger.

During his service in the House I met him almost daily, both officially and socially. I knew his ambitions and he knew mine. Our mutual confidences and our mutual sympathies, it seemed to me, gave vitality to our ambition and strength to the hope of the future success of us both. The last day that he spent in Washington we took dinner together, and he advised me at the time of his contemplated trip to this, the State that he loved

so much, and the purposes of his mission.

Soon afterwards I learned that he was seriously sick with a soon afterwards I learned that he was seriously sick with a dreadful disease, and I frequently inquired of his secretary of his condition. On last Friday, one week ago to-day, I was informed that he was out of danger, and went at once to my office and wrote him a brief letter congratulating him upon the information which I had received. That letter, I am now informed, was read to him by his brother or sister on the last day of his life. In my letter at that time I addressed him as day of his life. In my letter at that time I addressed him as "My dear Pep," a term which to-day, when I speak in his presence as he sleeps in death, might seem disrespectful, but it was not so then; it was to his associates in Washington a term of endearment, and one that was inspired by the warmest personal friendship.

On Saturday, the following morning, his secretary showed to mo a telegram stating that our friend had suffered a relapse and was much worse. I at once felt that this was the beginning of the end, knowing as I did of his long and serious sickness, and of his necessarily weakened physical condition. On the following Monday morning when the sad message came an-nouncing his death, and when the official flag was hung at half mast, it seemed to me that a cloud of gloom at once covered the Capital City, and I know that a feeling of sadness filled the hearts of all who knew him.

Two weeks ago to-day a bill was under consideration in the House which carried an item for a pension for the deserving widow of an old Union soldier in Mr. PEPPER's district. amendment was offered and an effort made to strike that item from the bill. I at once rose in my place to resist the amendment, stating to the House that this item in the bill was introduced by Mr. PEPPER, who was at that time in his home State seriously sick, and as he was not able to speak for himself I desired to speak for him. I defended the item, the amendment was defeated, and the item remained in the bill and was approved and passed by the House. It will be a great satisfac-tion to me till the day of my death to remember that I seized this opportunity, the last one that I could ever have during his life, to do him a personal favor. Knowing him and his loyal friendship as I did, I am perfectly conscious of the fact that if the circumstances had been reversed he would have done as much for me.

On one occasion when his beloved father, who is now stricken with grief, was visiting his son in Washington, upon his invitation and request I went with him and his father to Alexandria, Va., where we attended the Masonic Lodge over which George Washington once presided as its master. I now remember very distinctly of the appropriate and beautiful remarks that Mr. PEPPER made on that occasion, expressing his devotion to the Masonic Order and to its teachings. He believed, as all Masons

believe, that-

It is not all of life to live, Nor all of death to die.

I trust that it will not be inappropriate to-day to refer to one of the teachings of this honorable and venerable institution, that of the immortality of the soul. Our Masonic brethren compare human life to the hour glass. Behold how the little particles contained in that instrument slowly and almost imperceptibly pass away, and yet in one short hour they are all exhausted. So wastes man; to-day he puts forth the tender buds of hope, tomorrow he blushes and blooms and bears his honors thick upon him; the next day a chilling frost destroys all, and when he thinks his greatness is still aspiring he falls like autumn leaves to enrich our mother earth.

This thought would be dark and gloomy were it not for our belief in immortality, but we are also taught and believe that I

there is in man a divine spark which bears a close affinity with the Supreme Architect of the universe which shall never die. This enables us to look forward with hope and confidence to a blessed immortality.

In the cemetery at Columbia, Mo., where the university of that State is located, the monument at the grave of Dr. Read, an ex-president of the university, bears this inscription: "I tried to do my duty." These were the last words spoken by him. I think that I may with propriety appropriate these words to-day expressive of the life and efforts of our departed friend whose mortal remains now sleep before us. I know, and every Member of Congress knows, that he tried to do his duty and succeeded well.

In conclusion permit me to say to his father and his surviving brothers and sisters, you have lost a jewel from your family circle, but it should be some consolation to know that he has left to you the priceless inheritance of a spotless name. The people of the district that he represented have lost a useful and an able Representative in Congress, one who was devoted to them and a tireless worker for the interests and the welfare of those who had honored and trusted him. The American Congress has lost an active, an influential, and a beloved Member. This the great State of Iowa has lost one of its purest and most promising public men. The country has lost an honest, an efficient, and a faithful public servant.

May he rest in peace until we shall meet and greet him again in a better and a brighter world in that spirit land beyond

the grave.

ENROLLED BILL SIGNED.

Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same

H. R. 8142. An act to authorize the construction, maintenance, and operation of a bridge across the Bayou Bartholomew, at or

near Wilmot, Ark.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bills:

H. R. 11003. An act to provide for expenses of representatives of the United States at the international maritime conference

for safety of life at sea; and

H. R. 7837. An act to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for

DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. PAGE of North Carolina. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10523, the District of Columbia appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. HULL in the

The CHAIRMAN. The House is now in Committee of the Whole House on the state of the Union for the further consideration of the bill of which the Clerk will read the title.

The Clerk read as follows:

H. R. 10523. A bill making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1915, and for other purposes.

The CHAIRMAN. When the committee rose an amendment was pending, which, without objection, the Clerk will again report.

The Clerk read as follows:

The Clerk read as 1010ws:

On page 44, after line 17, insert:

"No part of any money appropriated by this act shall be paid to any person employed under or in connection with the public schools of the District of Columbia who shall solicit or receive, or permit to be solicited or received on any public-school premises, any subscription or donation of money or other thing of value from pupils enrolled in such public schools for presentation of testimonials, or for any other purposes other than for the promotion of school athletics, school gardens, and commencement exercises of high schools."

Mr. MADDEN. Mr. Chairman, I reserve a point of order to that.

Mr. McCOY. Mr. Chairman, I offer a substitute. Mr. MADDEN. I make the point of order, Mr. Chairman. The CHAIRMAN. The substitute is not in order until the

point of order is disposed of.

Mr. McCOY. Mr. Chairman, a point of order was made

against the amendment when we were in session before and was overruled, and the amendment was held to be in order.

The CHAIRMAN. The Chair is informed that the point of order was not acted upon.

Mr. MADDEN. I make the point of order, Mr. Chairman. Mr. PAGE of North Carolina. Will the gentleman state the ground of his point of order?

Mr. MADDEN. My ground is that it is legislation on an appropriation bill and not in order under the rule.

Mr. PAGE of North Carolina. Mr. Chairman, I submit that this is merely a limitation on the expenditure of money that is carried for the purpose of conducting the school. Because of the fact that it is a mere limitation it is in order, and I think that the Record will show that the Chairman of the committee ruled that the amendment was in order on the last day that the bill was under consideration.

The CHAIRMAN. The Chair is of the opinion that the proposed amendment proposes such a limitation on the appropriation as would bring it within the rule. The point of order is

therefore overruled.

Mr. McCOY. Now, Mr. Chairman, I offer the substitute.

The Clerk read as follows:

On page 44, at the end of line 23, after the word "testimonials," add the words "charitable gifts," and at the end of line 24 add the words "not having strictly to do with school activities."

Mr. McCOY. Mr. Chairman, the amendment as I have proposed it I think leaves the section so that it meets all the committee had in mind in framing the legislation which they proposed in the bill. In other words, it prevents the solicitation in schools for gifts of money to be used for purposes other than for school purposes. I think that the purpose of the legislation suggested in the bill was a proper purpose, although I think also that the scope of the legislation was entirely too

Mr. MURDOCK. Will the gentleman yield?

Mr. McCOY. I will.

Mr. MURDOCK. What abuses have there been that this legislation seeks to correct; what funds have been solicited at the

Mr. McCOY. Mr. Chairman, I understand that in some cases, even this fall, collections have been taken up in the public schools to make gifts to the poor of the District at Thanksgiving time, and on a recent occasion funds were being solicited for the presentation of a testimonial. I think that such solicitation of funds in the schools should not be permitted, but I do think-and I believe that the chairman of the subcommittee agrees with me-that it ought to be possible to solicit in the public schools subscriptions for such things as the school papers or for theatrical performances the proceeds of which are to be used for athletic purposes and playgrounds.

Mr. MURDOCK. And the gentleman's substitute accom-

plishes that?

Mr. McCOY. My substitute prevents the kind of solicitation which I believe is objectionable—that is, for purposes outside of school activities; but it permits the solicitation of contributions for strictly school activities, the activities of the

pupils.

Mr. BRYAN. Mr. Chairman, I am opposed to this amendment, and I was just about to say so when the committee rose the day before Congress adjourned for the holiday recess. Outside of the general proposition, I am opposed to it on account of the penalty that is attached. The penalty provides that no teacher shall have any of the money appropriated by this act if a collection is taken in violation of the terms of that particular section. For instance, if some teacher should, in an unguarded moment, permit a collection to be taken to help out some boy who had suffered from an accident, then she or he. the teacher, could not receive any of the money appropriated by this act. In other words, the job would be entirely forfeited. not for one month but for the remainder of the term, until more money had been appropriated.

Mr. STAFFORD. If the substitute proposed by the gentle-man from New Jersey [Mr. McCov] is adopted, it will not be a limitation, but will be substantially in the phraseology incorporated in the appropriation bill under consideration, so that the argument of the gentleman is not applicable at all.

Mr. BRYAN. Does the amendment to the amendment entirely

eliminate the penalty?

Mr. STAFFORD. Entirely so.

Mr. BRYAN. Then, if the amendment eliminates the penalty, the only objection I have to it is the general objection. I am, of course, in favor of the amendment to the amendment as improving the original suggestion of the committee, but I am opposed to the whole proposition, because I do not believe that it is the proper function of this Congress to legislate on those minor school provisions. I believe that the school board here

the District of Columbia make regulations as to whether collections shall be taken or not, they certainly have not enough ability to run the schools. Congress ought not to burden the Federal statutes with a whole lot of minute regulations about these minor affairs. I believe that the matter of collections and whether collections should be taken ought to be left to the board.

Mr. ASWELL. Mr. Chairman, if we are to make this limitation upon the school-teachers, why not include the police force

and the Congress itself and everyone eise?

Mr. BRYAN. Mr. Chairman, the suggestion is a good one. If we limit the school-teachers in this way by congressional act, if this is a subject large enough to entertain the attention of Congress, then why should we not provide that policemen shall not take collections and that Members of Congress shall not? I think it is absurd to bring this matter before Congress, to attempt to put on the Federal statutes a provision in reference to these collections. During the last session, just before Christmas, my two little children came in with envelopes, in which they were going to put some money. It was not compulsory. It was for the poor; for those who were not going to get any presents. Every one of the school children had been given an envelope, and they were to bring the envelopes back and drop them in a hat, and no one could tell whether there was money in them or not. The child could seal the envelope and drop it in the hat, where everyone was to return the envelope, and there would be no way of telling whether the child who could not donate had failed to donate or not. I do not think that hurt anything or anybody. I think it taught the children a good lesson. I insist that it ought to be left to the school board to say whether or not these collections should be taken. But as for this almost inhuman penalty proposed of sacrificing the job of a teacher or a principal who permits a collection, I have no patience whatever with the suggestion. The dispenser of the public funds will not know whether to pay any teacher the salary due till he learns whether there has been any collections taken, and in case some grouchy person complains that a collection has been taken, he will be justified in holding up the warrants for every teacher on the premises, from principal down through the grades, and I suppose the janitor also would become involved.

Mr. WILLIS. Mr. Chairman, I desire to interrogate the gentleman from New Jersey, if I may have his attention. I was unable to hear the reading of his amendment and unable to get his explanation. Is it sufficiently broad to exempt from the operation of this amendment the school garden work and the athletics? Will be state again just what his amendment pro-

vides? State it for the benefit of all.

Mr. McCOY. Mr. Chairman, the gentleman from Ohio asked what my amendment proposes to do and whether it would permit certain activities. The amendment is to substitute, after the word "testimonials," in line 23, the words "charitable gifts," and at the end of line 24 the words "not having strictly to do with school activities." It was my purpose to draw it so that it would be sufficiently broad to include permission to collect for the sort of thing of which the gentleman from Ohio speaks and has in mind, which I think, is a school activity

Mr. WILLIS. I agree with the gentleman in his opinion,

and I think his amendment will cover that.

Mr. McCOY. I think that it will.

Mr. PAGE of North Carolina. Mr. Chairman, I am opposed to the amendment offered by the gentleman from New Jersey, for the reason that if it is adopted we might as well not legislate at all in connection with this matter. In my judgment, the phraseology of the substitute offered by him will leave the gap stand as it is now for the solicitation of subscriptions for any purpose, because the terr "school activities" is a matter that would be determined largely by the teacher in the school, and they could name anything on the face of the earth as being a school activity, and there would be no check whatever put upon what your committee has regarded as an abuse in the solicita-tion of subscriptions from the children in the public schools.

Mr. McCOY. Will the gentleman permit? Mr. PAGE of North Carolina. Certainly.

Mr. McCOY. Suppose the proposed substitute were changed so as to read "the activities of the scholars of the school"? Would that make any difference?

Mr. PAGE of North Carolina. That may make it somewhat better, Mr. Chairman, but it is very hard, indeed, to state what could or could not be done under any amendment, and if we are going to do anything we ought to do something that is effective in checking what your committee regards as an abuse in the public schools. Now, the Congress of the United States has protected the employees of the Government in every department ought to make those regulations, and that if they can not in from the abuse of solicitation, just as we are trying to protect

the school children in the District of Columbia, and I can see no reason why the language of the amendment pending, the committee amendment, should not be adopted, nor can I see any harm that will come to the legitimate activities of the school by its adoption.

Mr. WILLIS. Will the gentleman yield?

Mr. PAGE of North Carolina. I yield. Mr. WILLIS. I do not have the RECORD before me, and I do not recall the fact of whether the gentleman accepted the amendment I proposed as to school gardens.

Mr. PAGE of North Carolina. The amendment as it is now proposed, the committee amendment, includes other than for the promotion of school athletics, school gardens, and commencement exercises of high schools. I think that leaves open every legitimate channel for the solicitation of contributions from the children in the schools.

Mr. SHERLEY. Will the gentleman yield for a question? Mr. PAGE of North Carolina. I yield to the gentleman from

Mr. SHERLEY. I would like to know why the gentleman

makes those exceptions?

Mr. PAGE of North Carolina. Those exceptions are made for reasons which were presented by certain members of the Committee of the Whole-that it was impossible, so far as the commencement exercises were concerned in the high schools, to carry them out, as there was no provision of law made for certain small expenses, and that the members of the graduating classes or their friends could make contributions for certain activities in connection with those graduating exercises.

Mr. SHERLEY. What suggested itself to my mind was this basic proposition: That whatever of this nature ought to be done in a public school ought to be done at the public expense, and that we ought, in abolishing an abuse, abolish the whole

Mr. PAGE of North Carolina. I agree entirely with the prin-

ciple that the gentleman suggests.

Mr. McCOY. Then will the gentleman from Kentucky be willing that there should be an appropriation for all these

things included in the bill?

Mr. SHERLEY. No; because some of them ought not to exist at all. But I would be willing to have an appropriation made for every legitimate thing. I speak with some knowledge of the matter. I think I know something of the public schools. went from the lowest grade to the highest in my city in obtaining an education; I have been in touch with public-school matters in my city, and I know the abuses that arise by virtue of subscriptions to promote some particular pet hobby of some particular person.

Mr. McCOY. If the chairman of the committee will permit me, suppose the pupils wish to get up a theatrical entertainment for the purpose of raising funds to run their baseball nine or

their football eleven. What about that?

Mr. SHERLEY. There is nothing that can be written in this law that will prevent pupils on their own initiative, among themselves, doing anything they see fit to do. But what is being aimed at here is using the pupil and making him seem to take the initiative when in point of fact he is simply following the suggestion of somebody else.

Mr. PAGE of North Carolina. Now, Mr. Chairman— Mr. ROBERTS of Massachusetts. Will the gentleman permit

an interruption?

Mr. PAGE of North Carolina. No. I must insist that I have the floor for a moment for one observation that I have to make. will yield to the gentleman from Massachusetts a little later. I want to say, Mr. Chairman, to the membership of this committee that, in my judgment, there can be no worse practice in connection with the public-school system than the solicitation within the schools of these subscriptions for various purposes. Why, it developed in the hearings before your subcommittee that they solicited subscriptions for purely charitable purposes, the funds being turned over to the Board of Charities, the Associated Charities of the District of Columbia, to be dispensed, the contributions being solicited from children who themselves in many instances were proper objects of charity, embarrassing them by their inability to contribute when their fellows were contributing.

Mr. McCOY. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman yield?

Mr. PAGE of North Carolina. Yes; I yield to the gentleman.

Mr. McCOY. Would not the proposed substitute cure that

Mr. PAGE of North Carolina. I can not say it would cure it, because then the school authorities might say that the solicitation of funds for charitable purposes was a school activity.

Mr. McCOY. But, then, my amendment says that it shall not be permitted.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SLAYDEN. Mr. Chairman, I am not sure whether the
language in the substitute offered by the gentleman from New Jersey [Mr. McCov] accomplishes the purpose intended, but I believe that the gentleman is in sympathy with the effort on the part of the committee to provide a remedy for a real abuse,

and one that should be corrected without delay.

I sincerely hope that in haggling over the specific language that is to go into the law the Members of the House will not lose sight of the fact that this abuse does exist and should be corrected. It is not merely in the schools, but it is in every organized work of any nature, public or private. When the superintendent of a great railway corporation resigns or is transferred, or when the manager of a great commercial enterprise resigns or goes to some other occupation, collections are made to present him with a testimonial. Many people contribute to these things who do not feel that they are able to do it and who ought not to be made to do it, as they are, by the compulsion of the sentiment which surrounds them. I can not believe, I regret to say, that the new association which is cutting some figure now in the newspapers, at least, commonly called the "Spugs," affords the relief that ought to be had, but there ought to be some relief, and I believe there ought to be a general mandate of law forbidding the solicitation of contributions for testimonials of any kind for anybody with respect to everything and place on which we have the authority to legislate.

Mr. BRYAN. Will the gentleman yield for a question?

Mr. SLAYDEN. Yes.
Mr. BRYAN. I suppose the gentleman from Texas has had experience, when a classmate in one of the grades died, for instance, and they would take up a collection of 10, 15, or 20 cents apiece to buy a floral wreath?
Mr. SLAYDEN. Yes.

Mr. BRYAN. Under this provision, if a teacher were to per-

mit that, she would lose her job?

Mr. SLAYDEN. Oh, Mr. Chairman, I think not. I think the suggestion of the gentleman from Kentucky absolutely and conclusively answers that. No statute can forbid me as an individual to give what I please of my own funds. It is the organized soliciting by the compulsion of the organization which surrounds the individual at the moment that is objectionable.

Mr. BRYAN. But the amendment discharges a teacher if she permits it on the premises. Furthermore, how is the man who pays the salary or draws the warrant going to know? Is he going to require an affidavit from each teacher before he issues the warrant?

Mr. SLAYDEN. I have thought that the gentle command of the law would prevent the teacher doing that, without any penalty whatever. I hope some law in line with the suggestion

of the committee will be enacted.

Mr. ROBERTS of Massachusetts. I want to ask the chairman of the subcommittee if he sees any impropriety or any harm coming from the school children editing, managing, and publishing a school paper, and soliciting among their school-mates contributions or subscriptions to that paper on school property.

Mr. PAGE of North Carolina. I see nothing in the amend-

ment I have offered to prevent that.

Mr. ROBERTS of Massachusetts. The last six words in line 24 will prevent that. They can not solicit money for the presentation of testimonials or for any other purpose.

Mr. PAGE of North Carolina. Yes. Any person employed in, or in connection with, the public schools is forbidden to do

Mr. ROBERTS of Massachusetts. But those people, employed in or in connection with the public schools, can not permit anybody else to solicit on school property, under the language of the amendment.

Mr. PAGE of North Carolina. There is nothing that keeps

any child from making his contribution.

Mr. ROBERTS of Massachusetts. But the gentleman understands that in getting the subscriptions to their school paper

they do it on school property.

I know in one of the high schools of Washington the pupils publish a magazine, which comes out, I think, monthly, and they solicit their schoolmates to subscribe to and maintain the school publication, and they do it on school property. Now, I see no harm whatever in that. I do recognize an abuse such as the gentleman has pointed out, but here is something that I can not think anybody will look upon as an abuse. Yet under the language of this amendment, on page 44, the teacher who permitted the children to solicit subscriptions to a school magazine or school paper would be violating the mandate of Congress.

Mr. PAGE of North Carolina. I will simply say to the gentleman that I do not care to say that I personally see any harm in the activity he has outlined, and I do say that it need not necessarily be stopped by the language of this amendment. It may be done somewhere else than on the school premises, and if it is worthy of being done there will be a way found by which these school children can do it, not in violation of this amendment, and that it is impossible to specify in the language of the amendment all the exceptions that might suggest themselves to the minds of gentlemen of the committee.

Mr. ROBERTS of Massachusetts. I do not agree with the gentleman on that. I believe it is very easy to point out in your amendment the class of abuse you are seeking to prevent. It is an extremely easy thing to do, and not have such broad language. This language will prevent things that I myself believe are most desirable for the school children to be en-

Mr. SHERLEY. I suggest to the gentleman that the very case he puts can be made an abuse, and if you allow a wide latitude, frequently it will be abused; whereas if you leave it simply a matter of individual initiative there will be no difficulty about it.

Mr. ROBERTS of Massachusetts. Will the gentleman point out wherein there is any abuse in soliciting a subscription for a school publication?

There could be plenty of abuse. Mr. SHERLEY. every scholar who possibly can subscribe, nor does every scholar like to be put in the attitude of being one of a few who do not subscribe.

Mr. ROBERTS of Massachusetts. The pupils do not know who subscribe and who do not.

Mr. SHERLEY. I can imagine a kind of solicitation that would be not only objectionable but highly wrong.

Mr. ROBERTS of Massachusetts. According to the chairman of the committee [Mr. Page of North Carolina], that solicitation can still be carried on just outside of the school premises.

Mr. SHERLEY. There is a good deal of difference between individual initiative that comes from one outside and action that comes in the school, from the school as a center.

Mr. ROBERTS of Massachusetts. This is not done in school hours. It is done in the recess or before or after school hours,

on school property. Mr. MONDELL. Mr. Chairman, I hope that the provision in the bill, as amended by the gentleman from North Carolina [Mr. Page], will be adopted. The necessity for this legislation arises out of the fact that it has come to be the practice in some of the schools of the District to make collections for the presentation of testimonials, and in some cases collections for charitable

and semicharitable purposes. Now, many of these purposes are excellent, many of them are proper, and many of the parents of the children would be glad to make the contributions. The practice, however, is, as a general proposition, not a good one; a serious objection to it is that the solicitation of these contributions may seriously embarrass and humiliate those children in the public schools whose parents can not afford such contributions.

I have four children attending the schools in the District. I have been glad to give to my children the small sums that have been solicited from time to time, but I realize the fact that there are many parents so situated that it would be difficult for them to make these contributions, and the children who do not make them are necessarily humiliated and necessarily embar-rassed among their fellow students.

Mr. MURDOCK. Will the gentleman yield?
Mr. MONDELL. Certainly.
Mr. MURDOCK. I agree with the gentleman from Wyoming; but has not the school board authority to correct this evil?

Mr. MONDELL. I think so; and it ought not to be necessary to do it by legislation, but it seems to be necessary, and there-

fore we are doing it,
Mr. MURDOCK. How is it over the United States throughout the cities and towns? Is it not prohibited by school-board regulations?

Mr. MONDELL. I think it is largely done by the town coun-

cil, and we are the town council.

Mr. BRYAN. The town council does not do it, but the school

Mr. MONDELL. I thank the gentleman for the correction, but we are the school directors of the District.
Mr. McCOY. Will the gentleman yield?

Mr. MONDELL. Yes.

Mr. McCOY. I do not know whether the gentleman heard

the substitute that I proposed.

Mr. MONDELL. Yes; I did; but I do not think the substitute, while I have personally no objection to it, is as good as the amendment offered by the gentleman from North Carolina. I think his amendment is better because it is more specific, and it accepts these particular classes of contributions which the children may very properly be asked to participate in, namely, those having to do with school athletics and the school gar-dens. That includes practically every activity I now think of that the children ought to be asked to contribute to. I fear that the amendment offered by the gentleman from New Jersey [Mr. McCov] would leave the matter so largely to the discretion of the authorities that it might have no effect whatever.

Mr. McCOY. Could not we try it for one year?

Mr. MONDELL. I think the amendment offered by the gentleman from North Carolina is better.

Mr. WILLIS. Will the gentleman yield?
Mr. MONDELL. Yes.
Mr. WILLIS. It has been brought to my attention that the language proposed by the gentleman from North Carolina would include the collections for laboratory matters and lockers, and matters of that kind. Does not the gentleman think that would be a dangerous prohibition?

Mr. MONDELL. I am not so sure in regard to that, but there has been something of an abuse and an attempt is made to remedy it, and I think the provisions here in the language proposed by the gentleman from North Carolina covers about all the activities that it is necessary to cover, perhaps there are others.

Mr. WILLIS. Does not the gentleman think the language proposed by the gentleman from New Jersey embodies exactly what he has in mind—"in having strictly to do with school That is what the gentleman wants, is it not?

Mr. MONDELL. Possibly so, but it is pretty general. I should be afraid that the school-teacher inclined to ignore the law might believe that under that his or her authority was pretty wide. I ascribe nothing but the best of motives to those who have approved such contributions. They may not have realized the objection to the practice I have referred to.

Mr. BRYAN. Does not the gentleman think that a penalty of absolute discharge of the teacher, the losing of her position or his position permanently, is an entirely unreasonable and unfair penalty?

Mr. MONDELL. Such a penalty would be severe, but they

ought not to violate a plain provision of the law.

The CHAIRMAN. The time of the gentleman from Wyoming has expired; all time has expired, and the question is on agreeing to the substitute offered by the gentleman from New Jersev.

The question was taken; and on a division (demanded by Mr. Page of North Carolina) there were 16 ayes and 68 noes. So the substitute was lost.

Mr. McCOY. Mr. Chairman, a parliamentary inquiry.
The CHAIRMAN. The gentleman will state it.
Mr. McCOY. Is it too late to move to strike out the last word? I move to strike out the last word.

Mr. SISSON. I make the point of order that it is too late. Mr. McCOY. I move to strike out the paragraph.

The CHAIRMAN. The question now recurs in regard to the amendment offered by the gentleman from North Carolina. Mr. McCOY. I move to strike out the last word of the amendment.

Mr. SISSON. I make the point that it is too late to strike out the last word, because they have voted down the amendment of the gentleman from New Jersey.

The CHAIRMAN. The gentleman from New Jersey moves to strike out the last word of the amendment, and the gentle-

man will proceed.

Mr. McCOY. Mr. Chairman and gentlemen of the committee, before voting on this amendment proposed by the gentleman from North Carolina [Mr. Page] I hope that the committee will have clearly in mind exactly what it does. provides in substance, though not in so many words, that a teacher who permits the solicitation of funds upon school premises shall thereby be barred from receiving any money under this bill.

Mr. SISSON, Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. SISSON. Does the ruling of the Chairman reopen de-bate on this matter? I would like to know exactly where we stand, because this matter will come up during the entire proceedings while the present occupant of the chair is in the

The CHAIRMAN. The gentleman from New Jersey, in the opinion of the Chair, had the right, when the question came up on agreeing to the original amendment, to move to strike out the last word. The committee has charge of the question of limiting debate.

Mr. McCOY. Mr. Chairman, I think that the strenuous attempt of my friend from Mississippi [Mr. Sisson] to shut

me off shows that he is convinced-

Mr. SISSON. Mr. Chairman, I have no desire to cut the gentleman off or to cut off any other gentleman, providing he is in order; but I do not believe, notwithstanding the decision of the Chair, that that was not the rule prior to the time the distinguished occupant of the chair made that ruling; but

Mr. McCOY. Mr. Chairman, I think that the gentleman realizes fully the seriousness of the objection to the proposed amendment. Personally, I should prefer that the bill stand as it is, bad as I think it is, rather than to have this amendment adopted, because, as I stated previously, if any teacher in a public school through inadvertence or otherwise, or failure to observe closely enough what was going on, should permit a pupil of that school to solicit a contribution for the school newspers should permit the pupil to solicit anybody to purchase a paper, should permit the pupil to solicit anybody to purchase a ticket for some theatricals that were to be given in the school, or for any of the hundred and one things that the pupils rightly do, that teacher would lose an entire year's salary.

Mr. ASWELL. Mr. Chairman, will the gentleman yield for

a question?

Mr. McCOY. Certainly. Mr. ASWELL. I would like to ask the gentleman a question. Is it not a fact that this practice prevails in every part of the

Mr. McCOY. So far as I know.

Mr. ASWELL. And in every town of the country? Mr. McCOY. That is true.

Mr. ASWELL. And is it not a further fact that the purpose of public education is to provide citizenship, and is it not a good thing for those children to participate in the charities about them, and is it not a fact that it is a most remarkable thing that this Congress should take time here this morning to legislate upon a matter so insignificant as that? I think it is an outrage. [Applause.]

Mr. PAGE of North Carolina. Mr. Chairman, 'n reply :> the objection the gentleman raises in respect to the penalty imposed for a violation of the law, it strikes me that if an abuse is worth preventing at all it ought to be prevented, and the only way to prevent it is to place a penalty which will make those in authority observe the law as it is written by Congress.

Mr. ASWELL. Mr. Chairman, will the gentleman yield? Mr. PAGE of North Carolina. Certainly. Mr. ASWELL. Why does the gentleman confine this to the

schools? Why does the gentleman comme this to the schools? Why does he not include all of the public officials?

Mr. PAGE of North Carolina. It is not confined to the schools. I made that statement awhile ago.

Mr. ASWELL. Is the gentleman prohibiting subscriptions from Members of Congress in their offices?

Mr. PAGE of North Carolina. The law forbids the solicitation of subscriptions from the employees of the departments in every department of the Government.

Mr. ASWELL. Does the gentleman think that Congress can prohibit that sort of thing?

Mr. PAGE of North Carolina. Or on the Capitol Grounds, for that matter, and I think that would include Members of Congress, if the gentleman cared to pursue the matter further. Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. PAGE of North Carolina. Certainly.

cut out, on line 20, the words "or permit to be solicited or received"?

Mr. PAGE of North Carolina. No; because I believe that would destroy absolutely the purpose of the amendment. The gentleman from New Jersey [Mr. McCoy] says that he would prefer the original language of the bill. Your committee offered the original language of the bill, and a point of order was made to it from that side of the House. We therefore sought to write it so that it would not be subject to a point of order, and we have done it in this way because it was necessary to do it in order to escape the point of order and carry it in the bill.

Mr. FESS. Will the gentleman yield?

Mr. PAGE of North Carolina. Mr. Chairman I ask for a

vote-does the gentleman have some further observation?

One more question.

Mr. PAGE of North Carolina. All right; one more question. Mr. FESS. Does not the gentleman think that he is placing a limitation here that ought to be placed by the school board?

Mr. PAGE of North Carolina. Oh, I say to the gentleman frankly, yes; but the school board does not exercise the authority that it ought to exercise in these matters, and therefore Congress must do it.
The CHAIRMAN. Debate is exhausted-

Mr. SISSON. Mr. Chairman, I make the motion to strike out the last three words.

Mr. STAFFORD. Mr. Chairman, is that in order? Mr. SISSON. Mr. Chairman, in answer to what the gentleman from Louisiana [Mr. Aswell] said, the Government has protected every department in the Government, has protected the Members of Congress here in the Capitol Grounds, and the public schools happen to be the only department of Government that is not protected from this sort of evil-

Mr. ASWELL. Will the gentleman yield?
Mr. SISSON (continuing). And it is for that reason we believe that this ought to go into this bill.

Mr. ASWELL. Is it not a common practice in the gentle-man's own town that subscriptions are thus taken up? Has the gentleman ever tried to prohibit it at home, and is it not a common practice?

Mr. SISSON. The difference is that I am not on the school board in my town. I have not any duties to perform there, but

do have one to perform here. The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The question was taken, and the Chairman announced that the ayes seemed to have it.

On a division (demanded by Mr. Aswell) there were-ayes

59, noes 17. So the amendment was agreed to.

The Clerk read as follows:

For instruction of indigent blind children of the District of Columbia, in Maryland or some other State, under a contract to be entered into by the commissioners, \$7,000, or so much thereof as may be necessary.

Mr. ROBERTS of Massachusetts. Mr. Chairman, I move to strike out, on page 46, line 9, the word "indigent."

The CHAIRMAN. The gentleman from Massachusetts offers an amendment which the Clerk will report.

The Clerk read as follows:

Amend, page 46, line 9, by striking out the word "indigent."

Mr. PAGE of North Carolina. Mr. Chairman, I reserve a point of order against the amendment,

Mr. ROBERTS of Massachusetts. Mr. Chairman, in 1857 Congress incorporated the Columbia Institution for the education of the deaf, dumb, and blind and treated the whole subject of education of these unfortunates as a charity. vided in its legislation from that time down until 1901 for the education of the indigent deaf, dumb, and blind. In other words, while public money is appropriated for the education of children generally of the citizens and no taint of pauperism was ever attached to that public education, yet when you come to the case of the unfortunates, the deaf, the dumb, and the blind, in order to receive any benefits from public funds in the way of education they must declare themselves paupers. It seems to me it is a serious enough handicap to any person to be afflicted either with deafness, dumbness, or blindness, one that should give them the advantages and benefits of public education without compelling them or their parents to declare themselves paupers. However, Congress treated these unfortunates down to 1901 as paupers if they were to get any benefit from the appropriation made for their education. In 1901 a glimmer of light and reason and common sense seemed to strike the Congress, because in the act of that year it removed this stigma of pauperism from the deaf and dumb, so that from 1901 down to the present time the deaf and dumb can have the advantage of public appropriations of money and be educated in the Columbia Institution without the parents or the parties themselves declaring pauperism. Now, since the stigma of pauperism was removed from those who are to receive the benefits of this public appropriation we have provided for the education of colored deaf mutes at public expense, and I want to point out to the committee and to the chairman of the subcommittee that when we provided for the education at public expense of colored deaf mutes we did not attach to it the stigma of pauperism, but we still leave that stigma attached to the white blind, who want to get the benefit of education at public expense, and it seems to me the time has come when we should remove from this class of unfortunates the humiliation of pauperism before they can get the advantage of this small appropriation of \$7,000.

Now, I want to say to the committee and to the chairman of the subcommittee that the whole treatment of the education of the blind has undergone and is now undergoing rapidly a wonderful change throughout the country. We have come to realize that this class of people have a brain that is capable of

education, and by that education making the possessor of the brain self-supporting and bringing a great ray of light and happiness to the lives of those who are, perhaps, the most unfortunate of all the three classes that have been mentioned; and it seems to me that now is the time when Congress should remove any imputation of pauperism from these unfortunate blind who wish to take advantage of this \$7,000 appropriation.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired. The question is on agreeing to the amendment offered by the gentleman from Massachusetts.

Mr. PAGE of North Carolina. Mr. Chairman, I am in sympathy with the purpose that the gentleman from Massachusetts [Mr. Roberts] has in view in offering the amendment to this bill, which is that the blind children of the District of Columbia or of any other political subdivision should have help toward their education at public expense.

As chairman of this subcommittee, and as a member of it, I

am not familiar with the law authorizing this appropriation in the beginning, and since the question has arisen I have tried to find in the law the authority for the appropriation but have not found it. I therefore would like to ask the gentleman from Massachusetts if he has at hand the law authorizing originally this appropriation?

Mr. ROBERTS of Massachusetts. I can get it for the gentleman in a very few minutes, if the gentleman will pardon me a

moment.

Mr. PAGE of North Carolina. Certainly. Mr. ROBERTS of Massachusetts. The origin of the Columbia

Mr. PAGE of North Carolina. I want to say to the gentleman that I am perfectly familiar with that particular phase of the

question-the bequest of Mr. Kendall.

Mr. ROBERTS of Massachusetts. If the gentleman will pardon me a moment, that is the beginning. Amos Kendall gave over a certain amount of property here in the District of Co-lumbia for the education of the deaf, dumb, and blind, on condition that the property be maintained by public appropriations or by private charity, and for a period of some six or seven years Congress, beginning in 1858, appropriated money for the employment of teachers and the payment of incidental expenses of that institution, and the institution educated the deaf, dumb, and blind. Then, after the expiration of some six or seven years, by act of Congress the blind were excluded from the Columbia Institution, and what is called an indefinite appropriation was made for the education of the indigent blind, to be expended by the Secretary of the Interior. The indigent blind, under the act, were to be educated in an institution in Maryland or in some other State.

From that period down to 1889—that is, from about 1865 down to 1889—this expense of education of the indigent blind was borne by the Treasury of the United States.

Mr. PAGE of North Carolina. Now, let me ask the gentleman

a question.

Mr. ROBERTS of Massachusetts. In just a moment. In 1889, by act of March 2 of that year, one-half of that expense was placed on the District and the other half was to be borne by the Treasury. That is, for the education of the indigent blind. It was called an indefinite appropriation, because the Secretary of the Interior could send as many children as he saw fit to this institution, or some other, and pay whatever the expense might be.

The half-and-half plan was continued from 1889 down to The act of May 26, 1908, repealed the indefinite appropriation, so called, and appropriated \$6,000 for the purpose of educating these indigent blind. Six thousand dollars was appropriated for one or two years following, and in the third session of the Sixty-second Congress the appropriation was increased to \$7,000. That is the amount that is carried this year. So that the indefinite appropriation continued from somewhere about 1864 or 1865 down to 1908, when the indefinite feature was repealed and a fixed appropriation was inserted in the law. I can give the gentleman the exact date that the indefinite appropriation began if he will give me time to look into my notes.

Mr. PAGE of North Carolina. Let me suggest to the gentleman that the law under which we are now operating provides only for an appropriation for the indigent blind. Does the gen-

tleman admit that?

Mr. ROBERTS of Massachusetts. So far as that has been the law for indigent blind, yes.

Mr. PAGE of North Carolina. That is the law.

Mr. ROBERTS of Massachusetts. Yes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROBERTS of Massachusetts. I ask unanimous consent
for an additional five minutes.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent for five minutes. Is there objection?

There was no objection.

Mr. ROBERTS of Massachusetts. I think the chairman of

the committee desired to ask me a question.

Mr. PAGE of North Carolina. I wanted to elicit from the gentleman whether or not he admitted that the statute now provides that an appropriation shall be made for the indigent blind? I ask the gentleman that, having reference to the reservation of the point of order against his amendment.

Mr. ROBERTS of Massachusetts. I do not admit that. I

think as a matter of fact there is no basic law. From all my

examination-

Mr. PAGE of North Carolina. If the gentleman will permit me, in the Revised Statutes, second edition, on page 942, he will find that there is a law. Section 4869 of the Revised Statutes reads as follows .

Whenever the Secretary of the Interior is satisfied by evidence produced by the president of the Columbia Institution for the Instruction of the Deaf and Dumb that any blind person of teachable age can not command the means to secure an education, he may cause such person to be instructed in some institution for the education of the blind in Maryland or some other State at a cost not greater for each pupil than is or may be for the time being paid by such State, and to cause the same to be paid out of the Treasury of the United States.

That is the law.

Mr. ROBERTS of Massachusetts. Admitting, if the gentleman please, that that is the law, wherein does the gentleman think there is any harm in striking out that feature "indigent" from the law? What hardship is to be imposed on the Federal Government or the District of Columbia, and why should we not as we can your properly change the law by striking out not, as we can very properly, change the law by striking out the word "indigent"?

Mr. PAGE of North Carolina. If the gentleman will allow me, I think the objection is that it shifts the burden from the

parent of a blind child to the Government.

Mr. ROBERTS of Massachusetts. That is just what I am getting at, and I shall in a moment offer another amendment which will make it apparent here in the District of Columbia that there is a duty on the public to educate these blind children just as much as there is a duty on the part of the public to educate the deaf and dumb or to educate those who have normal faculties

Mr. PAGE of North Carolina. I think they do educate the deaf and dumb.

Mr. ROBERTS of Massachusetts. But let me tell the gentleman that it is only since 1908 that we have educated the deaf and dumb without making them declare themselves paupers. The whole thing started in the education of the deaf, dumb, and blind, and they were considered and treated as paupers down to 1908, when, for some reason, that stigma of pauperism was removed from the deaf and dumb, but Congress failed to remove it from the blind, because, I think, it was done in an appropriation for the Columbia Institute, which did not have blind children among its pupils.

Mr. PAGE of North Carolina. I think the gentleman is mis-

Mr. ROBERTS of Massachusetts. Oh, I am not mistaken

Mr. PAGE of North Carolina. As to the removing of the word "indigent" from the deaf and dumb?

Mr. ROBERTS of Massachusetts. No; I am not mistaken

If the gentleman will look-

Mr. PAGE of North Carolina. If the gentleman will refer to section 4864 of the Revised Statutes, he will find that the law applying to the deaf and dumb is also that they shall be those who are indigent and their parents unable to pay

Mr. ROBERTS of Massachusetts. If the gentleman will look at the act passed on March 1, 1901, which is found in Thirty-first Statutes at Large, page 844, he will see that that act provides specifically that hereafter deaf mutes of teachable age, of good mental capacity, and properly belonging to the District of Columbia, shall be received and instructed in said institution, their admission thereto being subject to the approval of the superintendent of public schools of the District of Columbia, and said institution shall not be regarded nor classified as an institution of charity.

Prior to that all the appropriations for the deaf and dumb-Mr. PAGE of North Carolina. If the gentleman will allow me, that only regulates admission and puts it in the hands of the superintendent, and the purpose was to get it out of the hands of somebody else.

Mr. ROBERTS of Massachusetts. I think the gentleman is wrong, because the deaf and dumb go in there now without

being declared paupers.
Mr. PAGE of North Carolina. Mr. Chairman, I make the point of order.

The CHAIRMAN. The gentleman from North Carolina makes the point of order. The Chair sustains the point of

Mr. ROBERTS of Massachusetts. Mr. Chairman, I desire to offer the following amendment.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 46, after line 12, insert the following paragraph: "For instruction of blind children in the public schools of the District of Columbia, \$1,000, or so much thereof as may be necessary."

Mr. PAGE of North Carolina. Mr. Chairman, I reserve a point of order against that amendment.

The CHAIRMAN. The gentleman from North Carolina reserves a point of order against the amendment.

Mr. ROBERTS of Massachusetts. Now, Mr. Chairman, as I stated a moment ago, the whole theory of the education of unfortunate children—deaf and dumb and blind—has undergone a radical change throughout the United States. The subject matter has been agitated since 1866, when Dr. Samuel Gridley Howe, of the Perkins Institution for the Blind, in Massachusetts, advocated the education of the blind children in public schools at public expense. In 1902 Frank H. Hall, then superintendent for the blind of Jacksonville, Ill., urged the board to teach the blind children with the seeing children, and the matter was agitated for some 10 years in the State of Illinois, until 1900, when the city of Chicago, the first community in the United States to adopt the plan, opened three public schools for the education of the blind with the seeing children. Since that time the public education of the blind in public schools has been adopted in Cincinnati in 1905, in Milwaukee in 1907, in Racine in 1909, in Cleveland in 1909, in Newark, N. J., in 1910, and in Jersey City in 1911.

In the year 1913, in the city of Washington, this matter was taken up by those interested in the subject with the Commissioners of the District of Columbia and with the board of education and Dr. Davidson, then superintendent of schools, and all agreed that the blind of the District should be educated in the public schools at public expense,

I am advised that a recommendation has been made for a deficiency appropriation of \$1,000 to prepare for the work of educating the blind and supplying the teachers, for the reason that the appropriation under which the school board at present is working was not sufficient to permit of that expenditure, in order that the work might be taken up in the District immediately. This bill we are now considering, of course, provides for the next fiscal year.

The school authorities, the Commissioners of the District, the superintendent of schools, all agree here in the District that we should educate the blind with the sighted children and that it should be done at the public expense, and the amendment I have offered is merely to provide the money to carry out that purpose in the next fiscal year. I certainly hope that this committee will look upon this class of unfortunates with open minds and sympathetic hearts and will give them equal opportunity with the sighted children.

Why should we pick out the most unfortunate class of people in our community and make them educate themselves at their own expense, or declare themselves paupers, when we take all the children who have normal faculties and educate them at public expense? What good reason can any person give me for that discrimination? For God's sake, is it not handicap enough on a person-man, woman, or child, or the parents of that child-to be afflicted with blindness, deafness, or dumbness, without compelling that child or the parents to provide the whole education out of their own funds? And especially so when his next-door neighbor may be the child of a millionaire or the child of a pauper and receiving the best instruction that the public school can give at public expense. Is it not worth while to try to make these blind people self-supporting and provide them with the means of earning a livelihood, without leaving them forever shrouded in darkness and ignorance? I hope the members of the committee will see that this is but a simple act of justice to that most unfortunate class of people in our community. I hope the amendment as offered will be

Mr. PAGE of North Carolina. I am not only myself, but the members of the committee, and I take it every gentleman in the House, are in sympathy with the modern movement for the education of the blind, deaf, and dumb children in any community; but inasmuch as the amendment offered by the gentleman from Massachusetts does not, in my judgment, in any degree meet the necessities of the case, if any necessity exists, I make the point of order that I reserved against his amendment.

Mr. ROBERTS of Massachusetts. What is the point of order? Mr. PAGE of North Carolina. That it is not authorized by

Mr. ROBERTS of Massachusetts. Mr. Chairman, I would like to be heard on the point of order. This is an appropriation bill that provides for the public instruction of children. seems to me that it is perfectly proper on this bill to provide for the wants of children who may be blind, deaf, or dumb, and as to how they shall be educated.

Mr. PAGE of North Carolina. If the Chair will permit me, I have called attention as to what classes of children under the law shall be appropriated for at public expense

The CHAIRMAN (Mr. SLAYDEN). The Chair is unable to find any law which provides for the instruction of these children at the public expense or that authorizes their education, and the Chair thinks the point of order is well taken.

Mr. ROBERTS of Massachusetts. Mr. Chairman, I offer another amendment, preceding the amendment now in the hands

of the Clerk, by the addition of the words:

Provided, That no portion of the money herein appropriated for public education shall be expended unless \$1,000, or so much as may be necessary, shall be expended for the education of blind children in the public schools.

Mr. PAGE of North Carolina. Mr. Chairman, I desire to submit that that is not a limitation, and I make the point of order against it

The CHAIRMAN. The gentleman from Massachusetts will

report his amendment in writing.

I make the point of order Mr. PAGE of North Carolina. against the amendment, that that does not make it in order, nor is it a limitation upon this appropriation, because it is in the face of express law, which is substantive law, and therefore is not in order.

Mr. ROBERTS of Massachusetts. Wherein does it change the

substantive law?

Mr. PAGE of North Carolina. It changes substantive law. in that the law now provides that only indigent blind children shall be appropriated for.

Mr. ROBERTS of Massachusetts. The law does not forbid the education of other children. There is no law forbidding

The CHAIRMAN. The gentleman from Massachusetts must submit his amendment in writing.

Mr. ROBERTS of Massachusetts. Mr. Chairman, I will ask the gentleman from North Carolina if he will pass this provision until I can write out the amendment?

Mr. PAGE of North Carolina. I have no objection to that. The CHAIRMAN. Without objection, the amendment offered will be passed for the present. The Clerk will read.

The Clerk read as follows:

METROPOLITAN POLICE,

Major and superintendent, \$4,000; assistant superintendent, with rank of inspector, \$2,500; 3 inspectors, at \$1,800 each; 11 capitalins, at \$1,500 each; chief clerk, who shall also be property clerk, \$2,000; clerk and stenographer, \$1,500; clerk, who shall be assistant property clerk, and stenographer, \$1,500; clerk, who shall be assistant property clerk, \$1,200; 3 clerks, at \$1,000 each; 4 surgeons of the police and fire departments, at \$720 each; additional compensation for 20 privates detailed for special service in the detection and prevention of crime, \$4,800, or so much thereof as may be necessary; 13 lieutenants, 1 of whom shall be harbor master, at \$1,320 each; 46 sergeants, 1 of whom may be detailed for duty in the harbor patrol, at \$1,250 each; 477 privates of class 3, at \$1,200 each; 107 privates of class 2, at \$1,080 each; 56 privates of class 1, at \$900 each; amount required to pay salaries of privates of class 2 who will be promoted to class 3 and privates of class 1 who will be promoted to class 2 during the fiscal year 1915, \$4,881.53; 6 telephone operators, at \$720 each; 14 janitors, at \$600 each; messengers—1 \$700, 1 \$600; inspector, mounted, \$240; 55 captains, lleutenants, sergeants, and privates, mounted on bleycles, at \$50 each; 64 lleutenants, sergeants, and privates, mounted on bleycles, at \$50 each; 18 drivers, at \$720 each; 3 police matrons, at \$600 each; to possess police power of arrest; in all, \$915, 201.53.

Mr. PAGE of North Carolina, Mr. Chairman, I offer an

Mr. PAGE of North Carolina. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk and ask to have read. It is to correct the text of the bill.

The Clerk read as follows:

On page 47, line 15, strike out the sum "\$915,201.53" and insert in lieu thereof the sum "\$907,101.53."

The CHAIRMAN. The question is on agreeing to the amend-

Mr. MADDEN. Mr. Chairman, I would like to ask the gentleman from North Carolina if this law provides for any additional policemen?

Mr. PAGE of North Carolina. It does not.
Mr. MADDEN. Just the number that is provided for in the current appropriation law?

Mr. PAGE of North Carolina. I think exactly the number; and it is the allowance recommended by the commissioners.

The CHAIRMAN. The question is on agreeing to the amend-

ment offered by the gentleman from North Carolina.

The amendment was agreed to.

Mr. MONDELL. Mr. Chairman, before we passed the item relating to the public schools it was my purpose to make a few observations, but the item was passed rather unexpectedly to me, and I would like to make them now. This bill provides \$450,000 for the continuation of work on the Central High School building. The limit of cost for that building is \$1,200,000; \$300,000 was provided in the current law. My understanding is that the plans and specifications for that building are now prepared and that the commissioners are ready to advertise for bids, with a view of beginning construction work. In this condition of affairs an effort is being made, I am told-in fact, a bill has been introduced in the Senate-which provides for a division of the funds for this school so as to provide for two high schools instead of one-one on the ground on which the new Central High School is contemplated, and one in the eastern part of the District. I understand that recently the commissioners have been importuned to suspend operations, to take no action looking toward the beginning of construction or the letting of contracts, pending possible action by Congress on the proposition to modify the present plans for the Central High

Mr. SISSON. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Certainly.

Mr. SISSON I understood the gentleman to say that the commissioners had been importuned to stop the work on this high school?

Mr. MONDELL. They have been importuned or requested to suspend all action looking to the letting of the contracts and

e beginning of construction, Mr. SISSON. Does the gentleman know who made this re-

Mr. MONDELL. My understanding is-and I get my information entirely from the newspapers-that a certain Senator, who has introduced a bill to modify the plan for the new Central High School, with a view of reducing the sizes of the proposed buildings, had requested the commissioners in writing to suspend action on the present project. I simply rise to express the hope that the commissioners will not take any action which will in any way delay the construction of this building in accordance with the plans heretofore adopted under the present limit of cost as provided by Congress. This new Central High School is very badly needed, and the plan proposed is one that will give the city a high school of which all the citizens of the District may well be proud. If we attempt to cut down or reduce the plan at this time, it will result, in my opinion, in a school or schools entirely inadequate for the growing needs of

Mr. SISSON. Will the gentleman permit an interruption?

Mr. MONDELL. I will. Mr. SISSON. The gentleman, of course, does not concede that a Member of Congress or a Member of the Senate could

suspend the operation of law.

Mr. MONDELL. Well, inasmuch as the commissioners have been asked to suspend the operation of law I do not know but what it would be a good idea for some one somewhere to express the hope and expectation they would not do anything of the sort, and it is for that purpose that I am now on my

Mr. SISSON. But the gentleman is not assuming anybody has

the right to stop the operation of law.

Mr. MONDELL. I am not assuming anything of that sort; no. sir. Now. Mr. Chairman, just one other matter. missioners estimate for an addition to the Powell School, situated on the heights in Mount Pleasant, and I regret that the committee did not see fit to approve that suggestion and include that item in the bill. I think it is necessary. Adjacent to the Powell School and now utilized for school purposes is a very old and somewhat dilapidated two-story frame building. That building is, in my opinion, dangerous. One of my children is building is, in my opinion, dangerous. now attending school in that frame building, and I do not think it is entirely safe. I do not believe that we ought to keep the children of the District in an old frame building heated with stoves; the danger is altogether too great. The District owns a half block of ground adjacent to the Powell School. The addition is needed, and it is needed particularly in order that children may not be required to use this old and, I fear, not over-safe frame building, and therefore I regret that this addition was not provided for.

The CHAIRMAN (Mr. SLAYDEN). The time of the gentleman has expired, and the Clerk will read.

The Clerk read as follows:

Probation system: Probation officer, Supreme Court, \$2,000; stenographer and typewriter and assistant, \$800; police court—probation officer, \$1,500; assistant probation officer, \$1,200; contingent expenses, \$500; in all, \$6,000.

Mr. ROBERTS of Massachusetts. Mr. Chairman, I see the gentleman in charge of the bill has returned to his seat, and I am going to ask the gentleman if he will now recur back to page 46, line 12, to the matter of the education of the blind? have my amendment now prepared.

Mr. PAGE of North Carolina. We might just as well do so at

this time as any other.

Mr. ROBERTS of Massachusetts. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 46, line 12, after the word "necessary," insert the following: "Provided, That no part of the money appropriated by this act for public education shall be expended until provision shall be made for the education of blind children of teachable age in the District of Columbia."

Mr. PAGE of North Carolina. Mr. Chairman, I make the

point of order against that.

Mr. ROBERTS of Massachusetts. Mr. Chairman, on that point of order I would like the gentleman to indicate what the

point of order is.

Mr. PAGE of North Carolina, Mr. Chairman, the gentleman has sought, in the form of his amendment, to make it a limita-tion upon this appropriation. The point of order I make is that there is a specific provision of law now existing that provides only for the education of indigent blind children in the District of Columbia and that the gentleman's amendment is in violation of and is contrary to existing law. That is the point of order I make against this amendment.

Mr. ROBERTS of Massachusetts. Mr. Chairman, I agree with the gentleman that there is a specific law providing for the education of indigent blind children, but I want to call the attention of the gentleman to the fact that there is no law against the education in the public schools of blind children of wealthy parents-in other words, of blind children who are not paupers-and the law also provides that the indigent children shall be educated, not in the public schools but in an institution over in Maryland or in some other State. Now, I want to say, Mr. Chairman, there is a general law providing for the public education of all children in the District of Columbia, And I will say further to the Chair that if the money were available this current year the board of school commissioners would today be educating blind children in the public schools of the District of Columbia. My amendment simply provides that none of the money appropriated for the next fiscal year for public education shall be expended until provision has been made for education of blind children-not indigent blind children, but blind children.

It seems to me that is clearly a limitation on the bill, because it is directing how the education shall be conducted and what classes of children shall receive education. It limits the power of the executive authorities to expend this money unless they expend whatever is necessary for the education of blind chil-dren—not indigent blind, but blind. It is really for all children

in the District.

Now, under the organic law there is nothing to prevent the school authorities in this District from educating the deaf, dumb, and blind in the public schools at public expense if they see fit. The only thing that has prevented it heretofore has been the lack of interest or the lack of money, or both. But to-day those conditions have changed, and I maintain, Chairman, that under the law as it stands to-day the board of education have power, if they see fit, to educate not only the deaf and dumb but also the blind, with all other children of the District, in the public schools. This is a limitation which compels them to educate the blind if they spend any of the money at all for public education which we are appropriating.

Mr. SISSON. Mr. Chairman, does the Chair desire to hear further? I do not care to be heard unless the Chair is in

doubt.

The CHAIRMAN. I want to ask the chairman of the com-

mittee with reference to the existing law, or the gentleman from Mississippi [Mr. Sisson], if he will answer the question.

Mr. SISSON. Mr. Chairman, the existing law makes provision for certain classes of children, and if the Chair will look at the Revised Statutes of the United States, page 942, section 4869, he will find that the classes are segregated.

The CHAIRMAN. I would like to have the gentleman from

Mississippi state the law.

Mr. SISSON. Here is the law with reference to blind children. The gentleman from Massachusetts [Mr. Roberts] is seeking to do indirectly what he can not do directly, and seeking indirectly to repeal this section. This section provides:

Whenever the Secretary of the Interior is satisfied, by evidence produced by the president of the Columbia Institution for the Instruc-

tion of the Deaf and Dumb, that any blind person of teachable age can not command the means—

There is an institution provided in the organic act.

Mr. ROBERTS of Massachusetts. This is for the blind. Mr. SISSON. The gentleman is just a little hasty about it, because this affects the blind only. This section simply vests with the president of the institution the authority to do what he is instructed to do. The language proceeds—

to secure an education he may cause such person to be instructed in some institution for the education of the blind in Maryland or some other State at a cost not greater for each pupil than is or may be for the time being paid by such State, and to cause the same to be paid out of the Treasury of the United States.

Now, there is a specific direction in reference to dealing with blind children; in reference to dealing with indigent blind The gentleman's amendment seeks to put the blind children in a different class and seeks to repeal with a proviso a substantive act in reference to blind children. The law does not now so provide. There is absolutely no provision for the employment of means or the appropriation of money for teaching blind children whose parents are able to teach them. The only provision of law is that in reference to the indigent blind, and this provision is the provision of law whereby in the District of Columbia the blind children are cared for. That is the only provision of law. The gentleman can not put a charge upon this bill unless he shows a specific act authorizing the expenditure, because it is not limiting the present expenditure of money. He is endeavoring to add additional expense. He is endeavoring to change existing law under the guise of a limitation and place a different law upon the statute books by his proviso.

Mr. ROBERTS of Massachusetts. Mr. Chairman, just a word or two in reply. The gentleman from Mississippi [Mr. Sisson] states that my amendment increases the expense. man will just read the amendment, he will see that it does not increase the expense at all. I do not ask for any specific appropriation, not even one penny. I say that none of the money appropriated for education shall be expended unless provision is made for educating the blind out of that appropriation; not

an additional appropriation.

Mr. SISSON. If the gentleman will permit-

Mr. ROBERTS of Massachusetts. Just a moment. The gentleman cites the law that covers this case. I want to call the attention of the Chair to the fact that that law applies only to one class of blind-the indigent blind. It has no bearing whatever upon the blind who have means or whose parents have means. My provision applies to the blind who have means or whose parents have means, and there is no law which prohibits the public education of any class of people unless they are feeble-minded or indigent. My provision reaches a class of people who are not feeble-minded and not indigent.

The CHAIRMAN. Will the gentleman from Massachusetts

indulge the Chair for a question?

Mr. ROBERTS of Massachusetts. Yes.

The CHAIRMAN. If the gentleman's amendment should be adopted, would the effect of it be to deny to the indigent blind children of the District of Columbia the advantage which this bill proposes to give them until an institution for the education of the blind of teachable age had been established in the Dis-

trict of Columbia?

Mr. ROBERTS of Massachusetts. Oh, no. My amendment does not interfere at all with the continued education of indi-gent blind over in Maryland. That can go on if the parents of the indigent blind prefer to declare themselves paupers in order to get the advantage, if they deem it such, of an education in an institution in Maryland. That goes on just the same, provided Congress will appropriate the money from year to year to pay the expense of it. That is up to Congress to say whether they will appropriate money for the education of indigent blind outside of the District when the wealthy blind are being educated at public expense in the public schools of the District of Columbia. It is only a matter of inference what will happen to the indigent blind hereafter. You can reason that if the provision is made for the education of the blind in the public schools there will be no indigent blind to go outside of the District for an education; but it will not follow by any means, because, as is well known, there are indigent children not afflicted with blindness whose parents can not afford to send them to the public schools, and it might happen that if blind children were educated in the public schools there would be cases of parents not being able to support their blind children in the public schools and they would want the advantage of this act for the education of indigent blind at the institution over in Maryland.

The CHAIRMAN. The Chair is ready to rule. It seems to

gentleman from Massachusetts [Mr. Roberts] is in the form of a limitation, in effect it will be a change of the existing law; and while the Chair is not familiar with the statute read by the gentleman from Mississippi [Mr. Sisson], the gentleman's reading of it went unchallenged, and the Chair assumes it to be entirely correct. The Chair is forced to the conclusion that the amendment is not in order. The point of order is sustained. The Clerk will read.

The Clerk read as follows:

Police court: Two judges, at \$3,600 each; clerk, \$2,200; deputy clerks—1, \$1,600, 1, \$1,500, 2 at \$1,200 each, 1, who shall be a stenographer and typewriter, \$900; deputy financial clerk, \$1,500; 7 balliffs, at \$900 each; deputy marshal, \$1,000; janitor, \$600; engineer, \$900; assistant engineer, \$720; fireman, \$480; 2 assistant janitors, at \$300 each; matron, \$600; 3 charmen, at \$360 each; telephone operator, \$480; in all, \$30,060.

Mr. HINEBAUGH. Mr. Chairman, I offer an amendment. The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 57, line 11, after the word "court," strike out the words "2 judges, at \$3,000 each," and insert in lieu thereof the words "3 judges, at \$3,000 each."

Mr. PAGE of North Carolina. Mr. Chairman, I reserve a point of order against that amendment.

Mr. HINEBAUGH. Does the gentleman from North Carolina want four judges? I offer this amendment very largely because of the facts that appeared at the hearing on this subject. The commissioner testified:

commissioner testified:

I might say that the condition at that police court has got to receive the serious attention of the Congress very soon. The crowded condition of affairs is really startling, so much so that it refects itself in all the various branches of the work there. You will find there an overburdened and an overworked court, with its attendants and clerical force. I have been down there very recently, and I do not see how the cases are disposed of in anything like an effective manner. They are so crowded there that it is impossible for the assistant corporation counsel to know the facts in but a small fractional part of the cases, and, indeed, they are tried without his presence in the court room there, From start to finish the situation is, in my humble opinion, quite lamentable.

Mr. Chairman, it ought not to be necessary for me to say to the majority members of this committee that I have been thoroughly in accord with their program of economy, and they have found me practically all along the line agreeing with them on that proposition; but I do believe that there are instances where so-called economy is not economy, and I believe this is one of them. The testimony clearly shows that the conditions in the police court of the District of Columbia are, as the commissioner says, indeed lamentable. If it is a fact, as he says, that there are so many cases that the corporation counsel is not even able to be present when they are being heard, surely the courts are unable to give them the attention that they deserve. In this amendment I suggest an additional judge, and reduce the salaries from \$3,600 to \$3,000, which would make an additional judge at an additional expense, so far as salary is concerned, of only \$1,400.

Mr. MADDEN. I should like to ask the gentleman, if the corporation counsel is charged with the prosecution of these cases, and is unable to appear in the cases tried by two judges,

how would it be if there were three judges?

Mr. HINEBAUGH. I will answer that by saying he probably would have an assistant who would help him, if necessary. I only point to that as an indication showing the crowded condition of the docket, and the large number of cases.

Mr. MADDEN. Is the corporation counsel the prosecuting officer in these police courts?

Mr. HINEBAUGH. I think he is supposed to perform that

Mr. MADDEN. I supposed that he furnished the necessary legal information to the officials of the District, but did not go into the police courts as a prosecutor.

Mr. HINEBAUGH. That may be true.

The CHAIRMAN. The Chair supposes that the conversation between the two gentlemen from Illinois has no bearing on this amendment.

Mr. MADDEN. It has.

The CHAIRMAN. It was not spoken so that anyone at the desk could hear it.

Mr. HINEBAUGH. As I stated, Mr. Chairman, this amendment will add an additional judge and will relieve the situation at the courts. It will also do this: I am reliably informed that under the present conditions the dockets are so crowded that offenders who are brought before the police magisthese petty trates require the attendance of police officers, and it frequently happens that half a dozen policemen are sitting around the court room nearly all day waiting until these trivial cases can be disposed of. If we had an additional judge, an additional the Chair very clear that while the amendment offered by the court, so that these cases could be disposed of as they should be,

it would relieve a large number of policemen who are now sitting around two police courts waiting for cases to be dis-

Mr. PAGE of North Carolina. Mr. Chairman, speaking to the merits of the amendment, and not to the point of order which I have reserved, I desire to say that there was no estimate made to the committee for an increase of the judges of this court. There was no representation made in the hearings which would indicate that there was any great congestion in the courts.

I also want to make an observation that the creation of another judge would not only call for an increase in the aggregate of salaries paid to the judges of the police court, but it would also call for an immediate appropriation for enlarged court facilities. There would have to be a court room provided for the new judge asked for in the amendment, which has not been estimated for, and no intimation has been given that it was urgent or necessary.

Mr. MADDEN. You would also have to provide him with a

clerk, would you not?

Mr. PAGE of North Carolina. Yes; and other additional court officers, of course, in proportion to the number of judges who would hold the police court. Now, I have said so much in regard to the merits of the amendment offered by the gentleman from Illinois, but in order that we may save time, and wishing to be courteous to the gentleman from Illinois, who as a member of the subcommittee has given his time and attention and has been of very material service to the whole committee in the formation of this bill along the lines of economy, with the utmost courtesy to the gentleman, I must make the point of

The CHAIRMAN. The point of order is sustained, and the

Clerk will read.

The Clerk read as follows:

For material and labor for piping, conduit work, and extension of central heating plant, \$4,500.

Mr. MONDELL. Mr. Chairman, I offer the following amendment, after line 23, page 63.

The Clerk read as follows:

Line 23, page 63, insert the following:

"For the preparation of plans and specifications, necessary grading of site, and toward the erection of hospital buildings, including power house and domestic service building, to be located and erected on the site new owned by the District of Columbia at Fourteenth and Upshur Streets, with authority to contract for the completion of said buildings at a total cost not to exceed \$300,000, \$60,000."

Mr. PAGE of North Carolina. Mr. Chairman, to that I reserve

a point of order.

Mr. MONDELL. Mr. Chairman, I present this amendment, which I admit is subject to a point of order, simply to call attention to the importance of the project which it contemplates. In the Book of Estimates this statement is made in regard to

It is extremely important that work on the proposed hospital building should be commenced at once. The old frame buildings now used for hospital purposes at the Washington Asylum and Jail are utterly unfit for hospital uses and the patients now there can not be provided for until new buildings are erected.

That is an official declaration outlining and suggesting a situation that the committee having jurisdiction over the affairs of the District of Columbia should take cognizance of. I realize that it is not the province of the Committee on Appropriations to provide for this new construction, but there is a committee of this House whose duty it is to examine into these matters and inquire into the needs of the District.

It is a fact that at this time, if this bill passes with appro-

priations as recommended by the committee, there will remain in the District treasury after the District has paid its half of the appropriation the sum of \$1,500,000, approximately, all of which could be used for the purpose of providing these necessory additions to the facilities for the care and benefit of the people of this Capital City. We are officially informed by men people of this Capital City. We are officially informed by men charged with the responsibility in regard to the District of the necessity for the immediate construction of this hospital, and I venture to express the hope that the District Committee will at no distant date take up this matter, examine it carefully, and, if in their judgment a hospital is as necessary and urgent as the commissioners believe, that they may present to us legislation under which it may be provided for.

Mr. PAGE of North Carolina. Mr. Chairman, I make the

point of order.

The CHAIRMAN. The point of order is sustained.

The Clerk read as follows:

Transportation of prisoners: For conveying prisoners to Washington Asylum and Jall, including salary of driver, not to exceed \$720, and purchase and maintenance of necessary horses, wagons, and harness,

Mr. COX. Mr. Chairman, I move to strike out the last word for the purpose of getting some information. I desire to ask

some member of the committee what it costs or what is allowed the keepers of the jail here in the District for the boarding of prisoners per day? That is an issue out in my State at the present time, and I want to get some information upon it.

Mr. PAGE of North Carolina. The Government feeds them. The jailer does not get any specific appropriation for the amount

of their board.

Mr. COX. In Indiana we have a statute which gives to the sheriffs of the various counties 40 cents a day for the boarding of each prisoner. He gets that 40 cents a day whether he actually feeds the prisoner 40 cents' worth of food or not. What I want to find out is whether a similar condition exists in the District of Columbia?

Mr. PAGE of North Carolina. It does not, and I am sorry to hear that it still exists even in some of the counties of the

gentleman's district.

Mr. COX. Not only in some of the counties, but all over the State of Indiana.

Mr. PAGE of North Carolina. That system does not exist in the District of Columbia, and I agree with the gentleman that it is a bad system.

Mr. COX. What plan is in force here now providing for the boarding of these prisoners?

Mr. PAGE of North Carolina. There is an appropriation of \$35,000. The amount is based on the cost in the past of the supplies for the number of prisoners kept in the jail.

Mr. COX. Then do I understand this to be the rule-that the keeper of the jail is paid whatever he is required to expend for the boarding of the prisoners, whether it amounts to 40 cents a day or not?

Mr. PAGE of North Carolina. Oh, yes; that is true. He has this appropriation of \$35,000, and he provides out of that for the board of the prisoners in the jail under his charge.

Mr. COX. Then he is not allowed so much per day per

prisoner?

Mr. PAGE of North Carolina. No.

Mr. SISSON. My recollection is that the statement is made in the hearings that it costs about 30 cents and odd a day per prisoner

The Clerk read as follows:

In all, for Tuberculosis Hospital, \$56,000.

Mr. MONDELL. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

After line 10, page 68, insert as a separate paragraph the following: "Hospital for inebriates: For a hospital for inebriates, \$75,000."

Mr. PAGE of North Carolina. Mr. Chairman, I make the point of order against the amendment.

Mr. MONDELL. Will the gentleman reserve it?

Mr. PAGE of North Carolina. I reserve the point of order. Mr. MONDELL. Mr. Chairman, I do not desire to take up the time of the committee, but I simply wish to call attention to the fact that this is one of the many items that were approved by the Commissioners of the District, one of several new projects which they approved which the Committee on Appropriations could not provide for, but which another committee has jurisdiction to make provision for. In the Book of Estimates we have this statement:

At present the District of Columbia has no facilities for treating inchriates properly. An inchriate is treated as a criminal and inchriation is treated as a crime. The modern theory is that inchriation is a disease for which the victim should be treated in a hospital and not in a jail. It is to meet this theory and the existing demand for such an institution that the recommendation for this appropriation is made. It is recommended that the hospital be located on property already owned by the District, where the Tuberculosis Hospital is located, and where it is proposed to build a municipal hospital.

A numicipal hospital was recommended by the Commissioners of the District and this hospital for inebriates is recommended by the Commissioners of the District. Many other recommendations are made by the commissioners which the Committee on Appropriations can not approve or provide for simply because that committee has no jurisdiction over new projects. I again express the hope that the committee that has jurisdiction over these matters may find time, in connection with its other activities relative to the District, its criticism of the District, its attempts to load burdens upon the District, to take some constructive action looking to providing for these needs of the District and its people. The District has the money with which to build these needed hospitals. One million and a half dollars will remain of their revenues after they have paid half of all of the appropriations provided in this bill, and yet these needed facilities can not be provided because the committee charged under the law with caring for and having jurisdiction over these matters has not had the time or the

disposition, whichever it may be, to investigate these matters and pass upon them favorably.

Mr. PAGE of North Carolina. Mr. Chairman, I make the point of order.

The CHAIRMAN. The Chair sustains the point of order, and the Clerk will read.

The Clerk read as follows:

In all, for Industrial Home School for Colored Children, \$18,490: Provided, That all moneys received at said school as income from sale of products and from payment of board, of instruction, or otherwise, shall be paid over to the commissioners to be expended by them in the support of the school during the fiscal year 1915.

Mr. JOHNSON of Kentucky. Mr. Chairman, I reserve a point of order on the proviso in that paragraph, and, pending that, I would like to ask the gentleman from North Carolina [Mr. Page] if that does not leave practically unlimited the appropriation which may go for this industrial home? In other words, \$18,490 is appropriated for it and a great deal of that money will be used for the purchase of lumber and various other stuffs which when manufactured might be worth a great deal of money, and if it is sold and then put to the use of the institution it would increase the appropriation to what extent I do not know, and I would be glad to have the information as

to what extent it might increase it.

Mr. PAGE of North Carolina. Mr. Chairman, I will say to
the gentleman in that connection that this proviso is out of line with the policy pursued generally by this committee in the framing of this bill, but there was very great importunity upon the subcommittee that this proviso be put in. The income from the products of the colored school for 1912 was \$3,394.26; in 1913 it was \$290.08. The products are nearly all consumed on the place and only the surplus is sold. That is the record as shown in the past of that which was sold and the receipts from it that

could be under this proviso.

Mr. JOHNSON of Kentucky. Am I correct in the conclusion this is law only for the current year?

Mr. PAGE of North Carolina. Yes; that is right; this is

law only for the current year.

Mr. JOHNSON of Kentucky. I withdraw the point of order. The CHAIRMAN (Mr. HULL). The point of order is withdrawn, and the Clerk will read.

The Clerk read as follows:

TEMPORARY HOMES.

Municipal lodging house and wood and stone yard: Superintendent, who shall also act as foreman, \$1,200; cook, \$360; night watchman for six months, at \$25 per month, \$150; maintenance, \$1,820; in all, \$3,530.

Mr. MONDELL. Mr. Chairman, I offer an amendment to follow the paragraph just read as a new paragraph.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amend, page 71, after line 15, by inserting a new paragraph, as "Municipal lodging house: For a new municipal lodging house, to be erected on the site of the present municipal lodging house, \$50,000."

Mr. PAGE of North Carolina. Mr. Chairman, I reserve a

point of order against the amendment.

Mr. MONDELL. Mr. Chairman, this amendment is subject to a point of order, and I thank the gentleman for reserving rather than making the point of order. I will not take up the time of the committee, but will simply say I have offered this as another illustration of a new and needed project in the District, one that has been repeatedly recommended and one which the committee having jurisdiction of these matters should consider. The Committee on Appropriations can not make provision for this new municipal lodging house. The Commissioners of the District insist that it is badly needed. ent municipal lodging house is an old building, has to be constantly repaired, is too small, is very greatly crowded; a new building is needed. I desire again to call attention to the fact that the people of the District of Columbia have abundant funds, after paying half of all the appropriations proposed by this bill, to provide for this and for other needed projects to which I have referred. All the large municipalities of the country have municipal lodging houses. It is a disgrace to the Capital City of the Nation that the only municipal lodging house we have is an old, inadequate structure, entirely too small for the needs of the District. A new lodging house is needed, and it should be provided for by the committee having jurisdiction over such matters.

Mr. PAGE of North Carolina. Mr. Chairman, I make the

point of order.

The CHAIRMAN. The point of order is sustained, and the Clerk will read.

The Clerk read as follows:

For pay of troops, other than Government employees, to be disbursed under the authority and direction of the commanding general, \$24,000.

Mr. JOHNSON of Kentucky. Mr. Chairman, I make the point of order on so much as is contained in lines 5, 6, and 7 on page 76, providing for the payment of troops. There is no authorization for it, and I therefore make the point of order against it. I will say to the Chair that the law can be found in volume 25,

Mr. PAGE of North Carolina. Mr. Chairman, without having looked up the law as to the authorization of this item, I recall distinctly that this point of order was made in the current appropriation bill a year ago and that the point of order was

Mr. JOHNSON of Kentucky. Oh, no.

Mr. PAGE of North Carolina. Was the point of order sus-

Mr. JOHNSON of Kentucky. I will say to the gentleman the point of order was made and sustained, and it went over to the Senate, and the Senate readjusted it, and in that way it found its way into the current law.

Mr. PAGE of North Carolina. I have not before me any information and I would ask that the matter be passed over for the moment and we will revert to it. I ask unanimous consent

that the item may be passed for the present.

The CHAIRMAN. Without objection, the item will be passed

over for the present.

There was no objection. The Clerk read as follows:

REFUND OF ERRONEOUS COLLECTIONS.

To enable the commissioners, in any case where special assessments, school tuition charges, rents, or fees of any character have been erroneously covered into the Treasury to the credit of the United States and the District of Columbia in equal parts, to refund such erroneous payments, wholly or in part, including the refunding of fees paid for building permits authorized by the District appropriation act approved March 2, 1911, 81,000, or so much thereof as may be necessary: Provided, That this appropriation shall be available for such refunds of payments made within three years.

Mr. PAGE of North Carolina. Mr. Chairman, I desire to offer a committee amendment. In line 19, after the word "within," insert the words "the past," so as to make it read, "within the past three years."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amend, page 76, line 19, by adding, after the word "within," the words "the past."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

The Clerk read as follows:

Sec. 4. That the services of assistant engineers, draftsmen, levelers, rodmen, chainmen, and inspectors temporarily required in connection with water-department work authorized by appropriations may be employed exclusively to carry into effect said appropriations, and be paid therefrom, when specifically and in writing ordered by the commissioners, and the commissioners in their annual estimates shall report the number of such employees performing such services and their work and the sums paid to each: Provided, That the expenditures hereunder shall not exceed \$13,200 during the fiscal year 1915.

The commissioners are further authorized to employ temporarily such laborers, skilled laborers, and mechanics as may be required in connection with water-department work, and to neur all necessary engineering and other expenses, exclusive of personal services, includental to carrying on such work and necessary for the proper execution thereof, said laborers, skilled laborers, and mechanics to be employed to perform such work as may not be required by existing law to be done under contract, and to pay for such services and expenses from the appropriation under which such services are rendered and expenses incurred.

Mr. MADDEN. Mr. Chairman, I would like to ask the gen-

Mr. MADDEN. Mr. Chairman, I would like to ask the gentleman from North Carolina if he can tell the House how much revenue is derived from the water department of the District?

Mr. PAGE of North Carolina. I think I can. The report

contains the statement that the estimated revenues for 1915 will amount to \$749,000.

Mr. MADDEN. Do they not give the actual revenue?

Mr. PAGE of North Carolina. No; they do not.

Mr. MADDEN. They ought to give the revenue for the last fiscal year, ought they not?

Mr. PAGE of North Carolina. I think we have those figures and will give them to the gentleman. That information is included in the report of the commissioners to Congress

Mr. MADDEN. Is the committee able to state whether all the revenues from the water department are used by the commissioners in the extension and maintenance of the water system?

Mr. PAGE of North Carolina. Practically all the water rev enues are used in the extension and maintenance of the water system in the city, and while there is possibly a small balance left over each year, the great bulk of those revenues are expended for the purpose of the improvement of the water system.

Mr. MADDEN. Does the committee know anything about what the charges are for the use of water to the consuming

public-what the rates are?

Mr. PAGE of North Carolina. Yes. That is stated in the hearings. The rates are lower than in possibly any other city in the United States. To the ordinary householder the charge is \$4 or \$4.50 a year, without regard to the amount consumed; and then there is a price to manufacturers, which is an exceedingly low price-lower than in any other city that your committee compared the city of Washington with.

Mr. MADDEN. The thought I had in mind was that perhaps the committee might find a way by which they could reduce the water-rate charges to the consuming public by the utiliza-

tion of surplus funds.

Mr. PAGE of North Carolina. In the preparation of this bill I think the committee and previous committees in looking over the revenues from the water department have felt that the system was not yet so thoroughly perfected as to warrant a recommendation for a reduction of rates. The committee thought it was wiser to expend the water revenues in the expansion of the system rather in the reduction of the rates, because the water rates here are already cheaper than those of

any other city with which we could compare them.

Mr. SISSON. If the gentleman will permit me, I may say that Col. Harding, in answering a question propounded by me, said that for an expenditure of \$4.50 each family gets 56,100 gallons, whereupon the gentleman from Illinois [Mr. HINE-DAUGH] remarked that that was an amount that would hardly ever be consumed by an ordinary family, and Col. Harding answered "Yes." The matter was thoroughly gone into by the

committee.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

The Clerk read as follows:

SEC. 5. That the commissioners are authorized to employ in the execution of work the cost of which is payable from the appropriation account created in the District appropriation act for the fiscal year 1905, approved April 27, 1904, and known as the "Miscellaneous trustfund deposits, District of Columbia" all necessary inspectors, overseers, foremen, sewer tappers, skilled laborers, mechanics, laborers, special policemen stationed at street railway crossings, one inspector of gas litting, two janitors for laboratories of the Washington and Georgetown Gas Light Cos., market master, assistant market master, watchman, horses, carts, and wagons, and to incur all necessary expenses incidental to carrying on such work and necessary for the proper execution thereof, such services and expenses to be paid from said appropriation account.

Mr. STALEGORD, Mr. Chairman, I reserve a point of order

Mr. STAFFORD. Mr. Chairman, I reserve a point of order

against the paragraph.

The CHAIRMAN. The gentleman from Wisconsin [Mr. Stafford] reserves a point of order against the paragraph.

Mr. PAGE of North Carolina. Against which paragraph does

the gentleman reserve a point of order?

Mr. STAFFORD. Section 5, page 83. This appears to be of an omnibus character, and I assume that it is new legislation. I think it would not be amiss to have the chairman make some explanation of the purpose of this omnibus clause.

Mr. PAGE of North Carolina. I would say to the gentleman that while it is unquestionably legislation, it is not new legislation. This identical language has been carried in the bill for several years prior to this time, and was not inserted at this time by this committee.

Mr. STAFFORD. I attempted to locate it in last year's appropriation act, but I could not find it, and I assumed that it

was new legislation.

Mr. PAGE of North Carolina. No; the gentleman's assump-

tion is not correct.

Mr. STAFFORD. Will the gentleman inform the committee what is the purpose of this provision, which requires it to be carried each year in the appropriation bill? If it is necessary, and it is carried in the bill each year, why would it not be better to have it incorporated into permanent law, rather than carry it each year in this temporary form?

Mr. PAGE of North Carolina. Conceding that it belongs here, and that it ought to become permanent law, I beg to remind the gentleman that the committee bringing in this bill has not the authority conferred upon it by the rules of the House to make permanent law in regard to matters in the District of Columbia.

Mr. STAFFORD. In some urgent cases the committee has seen fit to make exceptions, and this might be a case of that kind. Will the gentleman kindly explain why it should be permanent law and the purpose of it? I read the provision

permanent law and the purpose of 11? I read the provision rather carefully and was not able to obtain, from reading it, any good idea of the scope of it.

Mr. PAGE of North Carolina. This is a trust fund, as I understand it, that is deposited by householders and others against whom a charge is assessed when there is a cut of these gas mains and other things. In addition to that, when gas is turned on in a house the householder is required to make a

deposit with the gas company. That is refunded under certain conditions after his occupancy of the house ceases, after the turning off of the gas.

Mr. STAFFORD. I understand that the purpose of this provision is to reimburse the United States for expenditures that it may have made for the benefit of some private individual or corporation. I notice here a provision as to special policemen stationed at street railway crossings.

Mr. PAGE of North Carolina. Yes; that is one of the purposes and one of the things that the paragraph does.

Mr. STAFFORD. It is merely a matter of accounting, then? Mr. PAGE of North Carolina. It is a matter of accounting,

largely.

Mr. STAFFORD. Would it meet with the favor of the committee, if the chairman believes it ought to be permanent law, to have some one offer an amendment making it permanent law providing that hereafter the commissioners are authorized, and so forth?

Mr. PAGE of North Carolina. No; it would not be-

Mr. STAFFORD. I do not wish to do anything against the desire of the committee.

Mr. PAGE of North Carolina. That would not be acceptable to the committee, for the reason that without more consideration as to the necessity for its permanency the committee do not think it well to make it permanent. It is simply the desire of the committee to carry it as it has been carried, at least for the present.

Mr. STAFFORD. Mr. Chairman, having received sufficient enlightenment from the distinguished chairman of the committee as to the purpose of this section, I withdraw the point of order.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 9. That all laws and parts of laws to the extent that they are inconsistent with this act are repealed.

Mr. JOHNSON of Kentucky. Mr. Chairman, I make a point

of order against that paragraph.

Mr. PAGE of North Carolina. Why does the gentleman make

the point of order?

the point of order?

Mr. JOHNSON of Kentucky. Because it is legislation.

Mr. PAGE of North Carolina. I concede the point of order.

The CHAIRMAN. The point of order is sustained.

Mr. PAGE of North Carolina. Mr. Chairman, reverting to the question that we passed over, in regard to the militia, I concede the point of order raised by the gentleman from Kentucky.

The CHAIRMAN. The Chair sustains the point of order as to the paragraph on page 76, beginning with line 5.

Mr. PAGE of North Carolina. Mr. Chairman, I move that the committee do now rise and report the bill to the House with the amendments, with the recommendation that the amendthe amendments, with the recommendation that the amendments be agreed to, and that the bill as amended do pass.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. Hull, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 10523) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1915, and for other purposes, and had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER. Is a separate vote demanded on any amend-

ment? If not, the Chair will put the amendments in gross.

The amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time.

The SPEAKER. The question is on the passage of the bill. Mr. WINGO. Mr. Speaker, I demand a division.

Mr. WINGO. Mr. Speaker, I demand a division.

The House divided; and there were—ayes 48, noes 5.

Mr. WINGO. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The gentleman from Arkansas makes the point of no quorum. The Chair will count. [After counting.] Eighty-seven Members, not a quorum. The Doorkeeper will Eighty-seven Members, not a quorum. The Doorkeeper will lock the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 236, nays 36, answered "present" 7, not voting 154, as follows:

Abercrombie Ainey Allen Anderson Ashbrook Aswell Baker

YEAS-236. Barton Beakes Bell, Cal. Blackmon Booher Borchers Borland Bowdle

Burke, Wis. Byrnes, S. C. Byrns, Tenn. Calder Callaway Candler, Miss. / Cantrill Caraway Carew Brodbeck Brown, N. Y. Brown, W. Va. Browne, Wis. Bruckner Brumbaugh Bryan Buchanan, III. Buchanan, Tex.

Sherwood Sims Sinnott

Slemp

Stone

Slemp Sloan Smith, J. M. C. Smith, Md. Smith, Minn. Smith, Saml, W. Smith, Tex. Stafford Steenerson Stephens, Cal, Stephens, Miss. Stephens, Tex. Stevens, N. H. Stone

Carlin
Carin
Carter
Casey
Chandler, N. Y
Church
Claypool
Clayton
Connelly Kan
Connelly, Kan
Contractor
Covington
Cox
Cramton
Curry
Curry Davis
Decker
Deitrick
Dent
Dickinson
Dies
Donovan
Dooling
Doolittle
Doughton
Dupré
Dyer
Eagle
Edmonds
Edmonds
Edwards
Fergusson
Ferris
Fess
Fitzgerald
FitzHenry
Flood Vo
Cloud Aule
Flood, Va. Floyd, Ark. Fowler
Fowler
Francis
Gardner
Garner
Garrett, Tex.
George
Gilmore
Glass
Godwin, N. C.
Goldfogle
Cond
Good
Gorman
Goulden
Graham, Ill. Graham, Pa.
Graham, Pa.
PERSONAL PROPERTY OF THE PERSONAL PROPERTY OF

Austin Avis Balley Barkley

Bathrick Butler Campbell

Cooper Crosser

Browning Frear

Copley Crisp Cullop Curley Dale

Danforth Dershem Difenderfer Dillon

Dixon Donohoe

rithin	Loft				
idger	Lonergan				
amilton, Mich.	McAndrews				
ammond	McClellan				
ardy	McDermott				
awley	McGillicuddy				
ay	McGuire, Okla.				
ayden	McKellar				
elgesen	McKenzie				
elm	McLaughlin				
elvering	Madden				
enry	Mahan				
ensley	Mapes				
ill	Miller				
inebaugh	Mitchell				
olland	Montague				
oward	Moon				
owell	Morgan, La.				
ughes, Ga.	Morgan, Okla,				
ulings					
ull	Morrison Moss Ind				
umphrey, Wash.	Moss, Ind. Oglesby				
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hann G C	Oldfield				
hnson, S. C. hnson, Utah	O'Leary				
onuson, Otan	Padgett				
eister elley, Mich.	Page, N. C.				
elley, alich.	Patton, Pa.				
elly, Pa.	Peterson				
ennedy, Conn.	Phelan				
ent	Platt				
ey, Ohio	Porter				
less, Pa.	Pou				
indel	Powers				
lnkaid, Nebr.	Quin				
inkead, N. J.	Rainey				
itchin	Raker				
onop	Rauch				
orbly	Reed				
Follette	Reilly, Conn.				
ingley	Rogers				
izaro	Rubey				
e, Ga.	Rupley				
e, Pa.	Russell				
nroot	Seldomridge				
sher	Shackleford				
ver	Sherley				
NAY	NAYS—36.				
avenport	MacDonald				
rr	Mondell				
ench	Murdock				
llett	Neeley, Kans.				
ayes	Park				
hnson Kv	Payne				

Gillett

Hayes Johnson, Ky. Kahn Knowland, J. R. McCoy

Gray Green, Iowa Gregg Griest Griffin Gudgar

Hamilton, Mich. Hammond Hardy Hawley

Levy Lewis, Md. Lindbergh

Lloyd Loft

	101118/
	Switzer
	Taggart
	Taylor, Ala. Thompson, Okla
	Towner
58	Tribble Walters
1	Wingo
	Witherspoon
7.	

Rucker Sabath

Sharp Shreve Small Smith, N. Y.

Saunders Scully Sells

Sparkman Stanley Stedman Stephens, Nebr. Stevens, Minn,

stevens, Minn Stringer Sumners Taylor, Ark, Thomas Tuttle Walker Wallin Wilson, N. Y. Winslow

ANSWERED "PRESENT"-Hinds Jacoway Smith, Idaho Talbott, Md. VOTING-154.

Rouse Scott

Payne Roberts, Mass

	NOT
Adair	Doremus
Adamson	Driscoll
Aiken	Dunn
Alexander	Eagan
Ansberry	Elder
Anthony	Esch
Baltz	Estopinal
Barchfeld	Evans
Barnhart	Fairchild
Beall, Tex.	Faison
Bell, Ga.	Falconer
Bremner	Fields
Brockson	Finley
Broussard	Fordney
Bulkley	Foster
Burgess	Gallagher
Burke, Pa.	Gard
Burke, S. Dak.	Garrett, Ten
Burnett	Gerry
Cantor	Gittins
Carr	Goeke
Cary	Goodwin, Ar
Clancy	Gordon
Clark, Fla.	Greene, Mass
Cline	Greene, Vt.
Coady	Guernsey
Collier	Hamill
Connolly, Iowa	Hamilton, N.

Johnson, Wash. Jones Keating Keating Kennedy, Iowa Kennedy, R. I. Kettner Kirkpatrick Kreider Lafferty Langham L'Engle Lewis, Pa. Lieb Lindouist Lindquist Linthicum Lobeck
Logue
Maguire, Nebr.
Maher
Manahan
Mann
Martin
Merritt
Metz
Moore
Morin
Moss, W. Va.
Mott
Murray, Mass.
Murray, Okla.
Neely, W. Va.
Neison
Nolan, J. I.
Norton Lobeck Greene, Mass. Greene, Vt. Guernsey Hamill Hamilton, N. Y. Hamlin Hardwick Harrison Hart Haugen Heffin Norton
Hobson O'Brien
Houston O'Hair
Hoxworth O'Shaunessy
Hughes, W. Va.
Humphreys, Miss. Palmer

So the bill was passed. The Clerk announced the following pairs: For the session:
Mr. Metz with Mr. Wallin.
Mr. Scully with Mr. Browning.

Stone
Stout
Sutherland
Talcott, N. Y.
Tayenner
Taylor, Colo.
Taylor, N. Y.
Temple
Ten Eyck
Thacher Thacher Thomson, Iil. Townsend Treadway Underhill Underhill Vare Vaughan Volstead Walsh Watkins Watson Weaver Webb Whaley Whitacre White Williams Willis Wilson, Fla. Woodruff Woods Young, N. Dak, Young, Tex Underwood Parker Patten, N. Y. Peters, Mass. Peters, Me. Plumley Post Prouty Ragsdale Rayburn Reilly, Wis. Richardson Riordan Roberts, Nev. Rothermel

Mr. Underwood with Mr. Mann. Mr. Hobson with Mr. Fairchild. Mr. Adamson with Mr. Stevens of Minnesota. Until further notice: Until further notice:
Mr. Fields with Mr. Langley.
Mr. Talbott of Maryland with Mr. Merritt,
Mr. Crisp with Mr. Hinds (transferable).
Mr. Garrett of Tennessee with Mr. Fordney.
Mr. Clancy with Mr. Hamilton of New York.
Mr. Dale with Mr. Martin. Mr. Adair with Mr. Barchfeld. Mr. Alexander with Mr. Burke of Pennsylvania. Mr. Alexander with Mr. Burke of Pennsylvania.
Mr. Ansberry with Mr. Burke of South Dakota.
Mr. Barnhart with Mr. Anthony.
Mr. Beall of Texas with Mr. Cary.
Mr. Bell of Georgia with Mr. Copley.
Mr. Burgess with Mr. Danforth.
Mr. Burnett with Mr. Dillon.
Mr. Cary. of Florida with Mr. Dunn Mr. CLARK of Florida with Mr. DUNN. Mr. COLLIER with Mr. FALCONER. Mr. Connolly of Iowa with Mr. Greene of Massachusetts. Mr. DIFENDERFER with Mr. GUERNSEY. Mr. DONOHOE with Mr. HAUGEN. Mr. DOREMUS with Mr. LANGHAM. Mr. Faison with Mr. Lewis of Pennsylvania. Mr. Finley with Mr. Lindquist. Mr. FOSTER WITH Mr. MANAHAN. Mr. GALLAGHER WITH Mr. MOORE. Mr. Goeke with Mr. Morin. Mr. Goodwin of Arkansas with Mr. Moss of West Virginia. Mr. HARDWICK with Mr. Mott.
Mr. HARDWICK with Mr. Nelson.
Mr. HARBISON with Mr. Paige of Massachusetts.
Mr. Heflin with Mr. Parker. Mr. Houston with Mr. Peters of Maine. Mr. Humphreys of Mississippi with Mr. Plumley. Mr. LIEB with Mr. PROUTY.
Mr. LINTHICUM with Mr. ROBERTS of Nevada. Mr. Neelly of West Virginia with Mr. Nobron. Mr. Post with Mr. J. I. Nolan. Mr. PALMER with Mr. WINGLOW. Mr. Rucker with Mr. Hughes of West Virginia. Mr. Sabath with Mr. Johnson of Washington. Mr. Sharp with Mr. Kennedy of Rhode Island. Mr. SMALL with Mr. KENNEDY of Iowa. Mr. Sparkman with Mr. Kreider. Mr. Stephens of Nebraska with Mr. Sells. Mr. TAYLOR of Arkansas with Mr. Shreve.

Mr. WALKER with Mr. LAFFERTY.
Mr. BROWNING, Mr. Speaker, I voted "aye," but I am paired with the gentleman from New Jersey, Mr. Scully, and I withdraw that vote and answer "present."

Mr. HINDS. Mr. Speaker, I wish to withdraw my vote of "yea" and answer "present," because I am paired with the

yea and answer present, because I am parred with the gentleman from Georgia, Mr. Crisp.

Mr. NEELEY of Kansas. Mr. Speaker, a moment ago, on the second call of the roll, I thought I heard my name and answered. It turns out that I voted for some one of the Browns. I later voted when my name was called.

The SPEAKER. Which one of the Browns did the gentleman vote for?

Mr. NEELEY of Kansas. I do not know,

Mr. UNDERWOOD. Mr. Speaker, I voted "aye," but I have a standing pair with the gentleman from Illinois, Mr. Mann. who is absent on account of sickness. I therefore desire to withdraw my vote and answer "present."

The SPEAKER. On this vote the yeas are 236, the nays are 36, present 7. A quorum is present, the bill is passed, and the Doorkeeper will open the doors.

On motion of Mr. Page of North Carolina, a motion to reconsider the vote whereby the bill was passed was laid on the

OPIUM BILLS.

Mr. UNDERWOOD. Mr. Speaker, I ask unanimous consent to take up two bills on the Speaker's table with Senate amend-They are known as the opium bills.

The SPEAKER. The gentleman from Alabama asks unanimous consent to take from the Speaker's table the bill (H. R. 1967) regulating the manufacture of smoking opium in the United States, and for other purposes, with Senate amendments thereto. Is there objection? [After a pause.] The Chair hears none

Mr. STAFFORD. Mr. Speaker, let us have the bill reported.

Mr. UNDERWOOD. Mr. Speaker, I do not think that it requires unanimous consent. I move that the House concur in the Senate amendments.

The Senate amendments were read.

Mr. UNDERWOOD. Mr. Speaker, I will say to the House that the first amendment increases the penalty from \$200 to \$300, and the second amendment of the Senate broadens the definition of smoking opium so that it covers a larger field. I think that is all.

Mr. COOPER. Mr. Speaker, what is the provision with re-

gard to imprisonment? Is it in the alternative?

Mr. UNDERWOOD. I do not remember the original bill sufficiently well to recall that fact at this time.

Mr. COOPER. A mere increase in the fine of \$100 per pound

Mr. COOPER. A mere increase in the one of \$100 per pound will not amount to anything as a preventive.

Mr. UNDERWOOD. I will state to the gentleman that all we are dealing with are the Senate amendments. The Senate increases the amount from \$200 to \$300 a pound.

Mr. COOPER. That will do nothing, in my judgment. Mr. MURDOCK. This is a House bill.

Mr. UNDERWOOD. This is a House bill with Senate amendments, and the only question is whether we will agree to the Senate amendments

Mr. COOPER. Is there not some one here who can tell what

the House bill did provide?

Mr. UNDERWOOD. I have the bill before me. I will state that the gentleman from New York, Mr. Harrison, had these bills in charge before he became governor of the Philippine

Islands. The paragraph reads as follows:

That an internal-revenue tax of \$200 per pound shall be levied and collected upon all opium manufactured in the United States for smoking

I was mistaken when I said that this was a penalty. As a matter of fact, it is a tax. In other words, this bill as written

taxes the sale of opium very highly.

Mr. PAYNE. The tax makes a very severe penalty, makes it

Mr. UNDERWOOD. Yes; that is it.

Mr. COOPER. But it legalizes it and recognizes it as a legitimate industry and puts that price of \$200 a pound upon it.

Mr. UNDERWOOD. Mr. Speaker, I do not think the gentleman from Wisconsin grasps the purpose of the bill. This is a bill to levy a tax. It is one of a series of bills that have been agreed to by an international conference of many of the leading nations of the world. This bill is being enacted to carry out that agreement. This proposition is to levy a tax. There is a tax on opium to-day, a very small one, comparatively. This bill is written to make a very high tax, to prevent the manufacture or sale of opium. In other words, it is putting the tax so high that it is practically prohibitive.

Mr. PAYNE. Mr. Speaker, if the gentleman from Alabama

will permit, I will state that the Committee on Ways and Means considered the proposition and came to the conclusion that they could not prohibit the manufacture of smoking opium; that they had no power to do that. Hence they came as near prohibiting it as they possibly could, by putting on a prohibitory tax. The Senate has increased the amount of that tax.

Mr. COOPER. Mr. Speaker, the reason I have asked these questions is because within the last few days I have received a communication from members of a society interested in the suppression of the traffic in habit-forming drugs, in which communication the statement is specifically made, without qualification, that to-day we have no effective statutes upon that subject, but that there are constantly being imported, in total disregard of the spirit of the law but not, possibly, of the letter, quantities of drugs of that kind, and that these are being used everywhere and sold everywhere, to the great injury of the health of

Mr. UNDERWOOD. Mr. Speaker, I will say to the gentleman that the purpose in passing this bill is to carry out that very idea and to protect the people against the use of these

habit-forming drugs.

Mr. COOPER. An increase of \$100 a pound will not stop

anyone who manufactures opium for smoking.

Mr. UNDERWOOD. That is the increase over the House bill. Mr. COOPER. I voted against this bill, if it is the Harrison bill, because I thought at that time it was full of loopholes and pointed out two or three. That bill ought not to have passed the House of Representatives—the bill which Mr. Harrison of New York fathered in this House.

Mr. UNDERWOOD. I misunderstood the gentleman's posi-I thought he was in favor of this class of legislation.

Mr. COOPER. I am in favor of legislation which is prohibitive, but I am not in favor of an act which pretends to prohibit but which does not. I recall the provisions of the bill very well, if it is the original Harrison bill, which went through

this House months ago—way back, I should say, in May.
Mr. UNDERWOOD. The gentleman overlooks the fact we have not got the power to write a bill that would prohibit the importation of opium, but we have the governmental power that will allow us to levy a tax that has the same effect to prohibit the importation of opium, and it is through the tax we expect to prohibit it from coming in.

Mr. COOPER. Does the gentleman say that we have not the right to prohibit the importation of opium for smoking purposes in the United States?

Mr. UNDERWOOD. I do not think we have the right-Mr. PAYNE. It is the manufacture, not the importation; the manufacture

Mr. UNDERWOOD. It is the manufacture of opium, not the importation.

Mr. STAFFORD. Will the gentleman yield for a question?

Mr. UNDERWOOD. Yes.
Mr. STAFFORD. I might anticipate the gentleman, but I have in my hand a copy of the bill that he intends to bring up next, which seeks to prohibit the importation of opium except when it is to be used for medicinal purposes.

Mr. UNDERWOOD. Yes.
Mr. STAFFORD. I believe my colleague has that bill in mind and he will find that bill has an imprisonment penalty in the alternative in addition to a money fine. That is the bill undoubtedly the gentleman has in mind.

Mr. UNDERWOOD. Certainly; they are companion bills. This bill is a bill to prohibit the manufacture—that is, to tax the manufacture out of existence—and the other bill, which I will call up in a moment when this is disposed of, is a bill in

reference to the importation. I ask for a vote, Mr. Speaker.

The SPEAKER. The question is on agreeing to the Senate

amendments

The question was taken, and the Senate amendments were agreed to.

PROHIBITION OF IMPORTATION OF OPIUM.

The SPEAKER laid before the House the bill H. R. 1966, "An act to amend an act entitled 'An act to prohibit the importation and use of opium for other than medicinal purposes,' approved February 9, 1909," with Senate amendments.

The Senate amendments were read.

The question was taken, and the Senate amendments were agreed to.

On motion of Mr. UNDERWOOD, a motion to reconsider the votes by which the bills were passed was laid on the table.

ORDER OF BUSINESS.

Mr. UNDERWOOD. Mr. Speaker, I understand that the gentleman in charge will be able to report the Post Office appropriation bill in about 20 minutes, and I ask unanimous consent that the House take a recess for 20 minutes.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, do not know whether the chairman of the Committee on the

Post Office and Post Roads is present-

Mr. UNDERWOOD. That is why I asked to take a recess.
Mr. STAFFORD. But at the last meeting of our committee there was an understanding that the Post Office appropriation bill was not to be considered within five days after the convening of Congress following the recess. Several members of the Committee on the Post Office made that special request in anticipation of their absence, so I certainly would not like to have any agreement that would be in conflict with the understanding that was made.

Mr. MADDEN. Mr. Speaker, I am a member of the Committee on the Post Office and Post Roads, and I do not understand it that way. I understood this to be the fact: That the committee instructed the chairman to report the bill on the first day of the session unless he had matters coming from the Postmaster General that would have to be incorporated in the bill. in which case he would wait five days before he reported the bill and call the committee together to consider the items. That was my understanding. That was the flat instruction—to report the bill; and it was left optional with him whether to report or to call a meeting of the committee.

Mr. UNDERWOOD. I will say to the gentleman from Wisconsin [Mr. Stafford] that in this matter I am asking the House to await the convenience of the chairman of his committee, and-

Mr. STAFFORD. I have no objection to that request

Mr. STAFFORD. I have no objection to that request.

Mr. UNDERWOOD. When he comes in he will take the matter up with the gentleman. I am not informed about it.

Mr. MURDOCK. Is it the purpose of the gentleman to have

general debate on it?

Mr. UNDERWOOD. No. The purpose is to report the bill

to-night, so that it may be printed and taken up to-morrow.

Mr. STAFFORD. Well, Mr. Speaker, I see other members of the committee here, and in view of my distinct recollection of what transpired in the committee I would like to see whether I am in error or whether the gentleman from Illinois [Mr. MADDEN] is in error.

Mr. UNDERWOOD. I will say to the gentleman from Wisconsin that I think the gentleman from Tennessee [Mr. Moon] will be on the floor in a minute, and then he can discuss the Not being a member of the question with one who knows.

committee myself, I am not informed as to what transpired.

Mr. COX. Mr. Speaker, I was present when the agreement was made, and I quite agree with the gentleman from Illinois [Mr. MADDEN]. I am quite sure that the gentleman from Wisconsin is sincere in his statements, but I understand the case is exactly as reported by the gentleman from Illinois.

Mr. CLAYTON rose.

The SPEAKER. The gentleman from Alabama is recognized. REMOVAL OF CAUSES TO FEDERAL COURTS.

Mr. CLAYTON. Mr. Speaker, I ask to take from the Speaker's table Senate bill 3484, to amend paragraph 8, section 24, chapter 2, of the Judicial Code, and consider the same as a substitute for House bill 9994, which is on the House Calendar, from the Committee on the Judiciary of the House with a favorable

Mr. Speaker, I may say that this Senate bill and the House bill are substantially the same. Section 24 of the Judicial Code provides that a cause may be transferred from a State court to a Federal court provided the amount involved is \$3,000. In this same section there is this proviso:

That the foregoing provision as to the sum or value of the matter in controversy shall not be construed to apply to any of the cases men-tioned in the succeeding paragraph of this section.

Paragraph 8 of the section, which is one of the succeeding paragraphs, provides that the Federal courts shall have juris-

Of all suits and proceedings arising under any law regulating commerce except those suits and proceedings exclusive jurisdiction of which has been conferred upon the Commerce Court.

Now, some of the Federal courts have construed that proviso and that exception to mean that if it is an action for damages, say, against a railroad company, on account of the loss or injury, say, to live stock-and those are the most frequent cases happening that call for this legislation-this proviso and this subsection 8, which I have read, take it out of the general operation of the law, and they contend that the cause can be transferred to a Federal court. They say such a cause involving damages can be transferred to a Federal court irrespective of the amount involved; and under that ruling the Federal courts have taken very small cases, some, I believe, from courts of justices of the peace, and some for \$100, and, I believe, some for less than that from other sources. This bill seeks to remedy that, and seeks to carry out the intention which Congress had in limiting the amount for which a cause can be transferred to at least \$3,000, and it cures the defects in the existing statute.

The bill is unanimously reported from the Committee on the Judiciary of the House, and I am advised it is unanimously reported from the Committee on the Judiciary of the Senate, and it has passed the Senate unanimously. I have asked that the Senate bill be taken up and considered now and passed in lieu of the House bill, which is on the calendar with a favorable report.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield? The SPEAKER. Does the gentleman from Alabama yield to

the gentleman from Wisconsin?

Mr. CLAYTON. I do. Mr. STAFFORD. Do I understand that the bill reported by

Mr. STAFFORD. Do I understand that the bill reported by the House Judiciary Committee is on the calendar?

Mr. CLAYTON. It is.

Mr. STAFFORD. Is it on the Unanimous Consent Calendar?

Mr. CLAYTON. I have not the calendar before me.

Mr. STAFFORD. What is the exceptional reason why this bill should be given place over many others that are on the Unanimous Consent Calendar or that have been reported by committees of the House? committees of the House?

Mr. CLAYTON. Nothing except the urgent nature of the case, and the Senate bill is on the Speaker's table. I think it is a matter of privilege.

The SPEAKER. The gentleman from Alabama [Mr. CLAY-TON] calls up this bill under clause 2 of Rule XXIV:

But House bills with Senate amendments which do not require consideration in a Committee of the Whole may be at once disposed of as the House may determine, as may also Senate bills substantially the same as House bills already favorably reported by a committee of the House, and not required to be considered in Committee of the Whole,

be disposed of in the same manner on motion directed to be made by such committee.

So that the question whether this bill is on the Unanimous

Consent Calendar or not has nothing to do with it.

Mr. PAYNE. I understand this is identical with a House bill which has been favorably reported.

The SPEAKER. It is so nearly identical with it as to come within the rule.

It does not need unanimous consent, then. Mr. PAYNE.

The SPEAKER. No; it does not need unaulmous consent.
The gentleman from Alabama [Mr. Clayron], chairman of the Committee on the Judiciary, moves that Senate bill 3484 be taken up and disposed of, a House bill identical with it having been reported from the House Judiciary Committee, and being

now on the calendar.

Mr. GREEN of Iowa. Mr. Speaker, I just wish to add to what the gentleman from Alabama has said, that there is a great need for the passage of this bill. Every day the railroads are taking little trifling cases, that amount to from \$25 to \$100, and transferring them from the State courts to the Federal courts.

Mr. PAYNE. I want to suggest that this debate is all out of order until the bill is reported.

The SPEAKER. Of course no bill can be passed without being read. That would be the worst sort of practice to set up. The Clerk will report the bill.

The Clerk read as follows:

The Clerk read as follows:

Be it enacted, etc., That the act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, being chapter 231 of Thirty-sixth Statutes at Large, be amended by inserting at the conclusion of section 28, chapter 3, of said act, the following:

"And provided further, That no suit brought in any State court of competent jurisdiction against a railroad company or other corporation or person engaged in and carrying on the business of a common carrier to recover damages for delay, loss of, or injury to property received for transportation by such common carrier, under section 20 of the act to regulate commerce, approved February 4, 1887, as amended June 29, 1906, April 13, 1908, February 25, 1909, and June 18, 1910, shall be removed to any court of the United States where the matter in controversy does not exceed, exclusive of interest and costs, the sum or value of \$3,000."

Mr. STAFFORD. Mr. Speaker, I wish to reserve a point of rder. Do I understand that a similar House bill has been order reported from the committee?

Mr. CLAYTON. Yes; I made that statement.
Mr. STAFFORD. I do not find it on the calendar, and sometimes we are all in error—even as distinguished a gentleman as the chairman of the Judiciary Committee.

Mr. CLAYTON. Very often in error—very much more often than the gentleman from Wisconsin. However, House bill 9994 has been reported and is on the calendar.

Mr. STAFFORD. I do not find any such bill reported by the Committee on the Judiciary on the House Calendar.

Mr. COX. If the gentleman will look on page 10 of Calendar No. 32, he will find it there.

Mr. STAFFOLD. I withdraw my statement and apologize to the chairman of the Judiciary Committee.

Mr. CLAYTON. Mr. Speaker, I hope there may be no fur-

ther objection to this bill.

The SPEAKER. If there be no objection, the motion of the gentleman from Alabama to call up this bill will be considered as carried. Now, the question is

Mr. GREEN of Iowa, Mr. Speaker, a parliamentary inquiry. The SPEAKER. The gentleman will state it.

Mr. GREEN of Iowa. Is debate in order now?

The SPEAKER. Debate is in order, the same as on any other bill.

Mr. GREEN of Iowa. Mr. Speaker-

Mr. CLAYTON. Mr. Speaker, I have not yielded the floor. The SPEAKER. The gentleman from Alabama has the floor if he cares to use it.

Mr. GREEN of Iowa. I beg your pardon. The gentle yielded to me a moment ago, and I thought that continued.

Mr. CLAYTON. Does the gentleman desire some time? Mr. GREEN of Iowa. I should like about three to five minutes

Mr. TOWNER. Mr. Speaker, this is my bill, and I should like 15 minutes

Mr. CLAYTON. I hope the gentleman will not take 15 minutes to discuss this meritorious bill. I know he is in favor of it, and I know he is the author of the House bill on the subject, but I think that the printing of the report, made by the gentleman from Missouri [Mr. DYER], with which the gentleman from Iowa is perfectly familiar, will enable us to get along with less time. But I yield to the gentleman 15 minutes. The SPEAKER. The gentleman from Iowa [Mr. Towner] is

recognized for 15 minutes.

Mr. TOWNER. Mr. Speaker, Senator Kenyon, of Iowa, introduced a bill in the Senate during the last session having for

its object the legislation now under consideration. His bill was redrafted by the Senate Judiciary Committee, reported favorably, and passed just before the holiday recess. I introduced a bill in the House October last to effect the same result. The bill with slight changes was reported by the Judiciary Committee of the House favorably, and is now on the calendar for action by the House. The bill which passed the Senate is the same in substance as the House bill, and for that reason the chairman of the Judiciary Committee, Mr. CLAYTON, moves to substitute the Senate bill, consider, and pass it.

It is well understood that causes may be transferred from

State to United States courts in cases of diverse citizenship when any considerable amount is involved. Originally the amount was fixed at \$500, then it was increased to \$2,000, and finally to \$3,000, where it now exists, except in the cases we are

now to consider.

This limitation of amount as a condition of transfer was and is very valuable to the people in cases against railroad companies where the corporation has its "citizenship" State while its lines extend through several States. In all the States other than the one which granted the charter were it not for the limitation referred to small cases, involving even less than \$100, could be transferred by the railroad company from the State court in the locality in which the complainant resides and through which the line runs to a United States court located perhaps a hundred or more miles away. the law prevented these transfers unless the amount involved was more than \$3,000.

Such was the condition until January, 1912, when the new Judicial Code went into operation, wherein the laws affecting the removal of causes were revised and codified. clause was inserted which provided that the limitation of amount should not apply in cases "of all suits and proceedings

arising under any law regulating commerce.'

In Adams Express Co. v. Croninger (266 U. S., 491) it was held that under the provisions of the interstate-commerce act and its amendments all cases against railroad companies for loss or damage were "suits and proceedings" under the law regulating commerce.

Last summer Judge Amidon held that in all cases against railroad companies for loss or damage to property which is being transported in interstate commerce the companies had the right to transfer the cases from State to United States courts, no matter what the amount in controversy. (McGoon v. Northern Pacific Ry. Co., 204 Fed. Rept., 998.)

Since this decision was published hundreds of cases have been transferred where the amount in controversy was less than \$3,000. Cases where less than \$100 was involved, cases brought before justices of the peace, have been removed to the United States courts, and the plaintiffs, if they desired to press their cases to judgment, were compelled to go to a distant city, at large expense, and try them in a United States court.

A farmer could not recover for the loss of a cow without

facing the necessity of a long, expensive litigation at a distant point in a strange court. It results in all such cases in an abso-

lute denial of justice.

I think I am justified in saying that there was no intention or expectation of thus changing the law. No one thought at the time of its enactment that such an interpretation would be placed upon it. But nevertheless the condition exists and ought to be remedied.

All that is attempted to accomplish by these bills is to place the law in the condition it was intended and supposed to be-to prevent the right of transfer unless the amount in controversy exceeds \$3,000 in all such cases.

Mr. MURDOCK. Will the gentleman yield? Mr. TOWNER. Certainly.

Mr. MURDOCK. Was the right of transfer given in the law of 1887

Mr. TOWNER. Yes; and existed always.

Mr. MURDOCK, But specifically in the law of 1887? Mr. TOWNER. I think so.

Mr. MURDOCK. What further changes were made in the law

subsequently

Mr. TOWNER. Nothing; except that since that time the amount in controversy for which jurisdiction could be retained in the State court has been increased from \$2,000 to \$3,000, at which amount it existed until this year, when they first began to interpret the judicial code as taking away the limitation of amount and allowing transfers in all cases, no matter what amount was involved.

Mr. WILSON of Florida. Will the gentleman yield?
Mr. TOWNER. Certainly.
Mr. WILSON of Florida. As I understand the situation, this Is an amendment to prohibit the transfer of such cases as the tleman from Iowa [Mr. Green].

gentleman mentioned; for example, the running over and killing of a cow by a railroad company, to prevent the transfer of such suits for damages for the wrongful act to the Federal courts?

Mr. TOWNER. Yes.

Mr. WILSON of Florida. I favor the bill and think it good, but I notice in the proviso that you use this language, and I want to ask the gentleman if he thinks it covers the case that he has referred to:

Provided, however, That in suits now pending or hereafter brought in State courts based upon any contract or agreement for transportation or for failure to perform a duty imposed by law to person or property, or for delay, injury, damage, or loss to any property in the carriage, transporting, receiving, and delivery thereof, against any common carrier or carriers, railroad, or transportation company, and when the matter in controversy, exclusive of interest and costs, is less than \$3,000, the jurisdiction shall be and remain in said State courts until final determination, and shall not be transferred on motion or otherwise to any court of the United States.

Does the gentleman think that that language covers the case of wrongful killing of stock by a railroad when it is not being transported?

Mr. TOWNER. I think so; but that is not applicable here, because we are considering the bill passed by the Senate and not the House bill.

Mr. WILSON of Florida. Is not this the Senate bill?

Mr. TOWNER. We are considering the Senate bill as a substitute; but the gentleman is reading from the bill H. R. 9994,

Mr. WILSON. Yes.

Mr. GREEN of Iowa. Will the gentleman from Iowa yield?

Mr. TOWNER. I will yield to my colleague.

Mr. GREEN of Iowa. This is an amendment to what is called the Carmack amendment?

Mr. TOWNER. It refers to the same subject matter.

Mr. GREEN of Iowa. It was the Carmack amendment that the Supreme Court held brought it within the removal statute, but the Carmack amendment only applied to transportation cases.

Mr. WILSON of Florida. I was reading from the House bill, which the gentleman from Alabama said was substantially the same as the Senate bill, and what I wanted to inquire is whether it covers the case of wrongful killing of stock by being run over and injured or killed by a railway train when the stock is not being transported.

Mr. TOWNER. I think the House bill would have covered such cases as the gentleman refers to; but that need not now be discussed, for we are considering the Senate substitute.

Mr. BORLAND. Will the gentleman yield?
The SPEAKER. Does the gentleman from Iowa yield to the gentleman from Missouri?

Mr. TOWNER. I will yield; yes.

Mr. BORLAND. Mr. Speaker, the question the gentleman asked was whether this would cover damages for the killing of stock by running over them at road crossings, and that sort

Mr. WILSON of Florida. Stock on the track.

Mr. BORLAND. With the permission of the gentleman from Iowa, I would state that I do not think it could cover such a case. The law says "property received for transportation," and unquestionably there might be a great many stock-killing cases that are now in the State courts and that never have been affected by this decision at all, and that never did go to the Federal courts. This says "property received for transportation.'

Mr. TOWNER. It is the limit also of the act sought to be amended.

Mr. BORLAND. Yes.

Mr. WILSON of Florida. Mr. Speaker, I will say to the gentleman from Iowa and the gentleman from Missouri that the example given here was the case of the killing of stock by running over it on the tracks, and that is the reason I asked the question.

Mr. PETERSON. Is not the gentleman from Iowa unhappy in his illustration? Of course, running over a cow on a railroad track would not constitute a case that is subject to the jurisdiction of the United States. He is, therefore, a little unhappy in his illustration.

Mr. TOWNER. Perhaps, as to the cow on the track. still the cow might have been killed under circumstances which would have been unquestionably transportation in interstate commerce, and the difficulty is that in all such cases, when such small amounts are involved, the railroad companies can defeat recovery by transferring the cases to the United States courts, and that is what we are trying to prevent.

Mr. CLAYTON. Mr. Speaker, I yield five minutes to the gen-

Mr. GREEN of Iowa. Mr. Speaker, I would not have asked for recognition originally if I had observed that my colleague, Judge Towner, was on the floor. From the fact that he was on the other side of the House I missed him, and for that reason I asked for recognition; but now, at this time, I wish to speak a little further concerning the matter inquired of by the gentleman from Florida [Mr. ELDER].

The case to which he refers is not removable unless the amount involved exceeds \$3,000. It does not come within the provisions of the Carmack amendment, which was so construed as to make these small cases removable. There is no necessity for this provision of the bill being made any broader than it is now. It covers all of the cases that are included in the decision of the Supreme Court in the Carmack amendment; but under this decision our Federal courts, in my State at least, are being crowded with cases that involve anywhere from \$25 to \$100 growing out of damage suits on shipment cases; and, as my colleague has properly pointed out, the cost of trying them in the Federal courts often amounts to more than is involved in the

Mr. FOWLER. Mr. Speaker, will the gentleman yield for a question?

Mr. GREEN of Iowa. With pleasure.

Mr. FOWLER. Is the gentleman a member of the committee which has reported out a similar bill to this one?

Mr. GREEN of Iowa. I am not. Mr. FOWLER. I thought the gentleman was and had had an opportunity to make a thorough investigation, though I suppose he has made that thorough investigation, being an attorney interested in such questions?

Mr. GREEN of Iowa. Yes.

Mr. FOWLER. What I desire to know is whether the courts have construed the Federal Code which was passed in 1910 as giving the right to remove cases where the amount involved is less than \$3.000, growing out of the incident of the transportation as, for instance, the killing of a cow on the track by a relived engaged in interest, by a relived engaged in interest, in the company of track by a railroad engaged in interstate commerce?

Mr. GREEN of Iowa. Not so far as that, if I correctly

understand the gentleman.

Mr. FOWLER. They have not gone that far? Mr. GREEN of Iowa. No.

Mr. FOWLER. They have been limited to the carriage and transportation of the article?

Mr. GREEN of Iowa. Growing directly out of the carriage and transportation, which was covered by what was called the Carmack amendment.

Mr. FOWLER. Not indirectly as an incident to that trans-

portation. Is that true?

Mr. GREEN of Iowa. That has not been passed on, to my knowledge, by the Supreme Court, but I do not think it would

Mr. FOWLER. Has there been any case within the gentle-man's knowledge where a removal has taken place for an injury which is incident to that transportation, such as an injury to a servant or a citizen?

Mr. GREEN of Iowa. I know of no such case as that, while I know of hundreds of cases that have been removed.

Mr. FOWLER. I thought the statement was made here on the floor of the House that such a holding has been made by some of the courts, and that removals had taken place in cases where a cow had been killed on the tracks.

Mr. GREEN of Iowa. No; I do not know of any such claim

being made.

Mr. FOWLER. Well, permit me to suggest, if there is such a case I would love to see the color of the hair of the judge who so held. [Laughter.]
Mr. MURDOCK. Will the gentleman yield to me?
Mr. GREEN of Iowa. With pleasure.
Mr. MURDOCK. Will the gentleman explain just what the

Carmack amendment was or what it amended?

Mr. GREEN of Iowa. It would take more time than the gentleman from Alabama has allowed me and the gentleman gave more than he desired to give.

Mr. MURDOCK. It seems to me it is necessary to illumine this question.

Mr. CLAYTON. I shall not object to the gentleman taking the necessary time to answer the gentleman's question.

Mr. GREEN of Iowa. The Carmack amendment in a general

way, provided—
Mr. MURDOCK. It was an amendment to what, in the first

place?

Mr. GREEN of Iowa. An amendment to the interstate-commerce act and provided a regulation in reference to the recovery of damages in transportation cases, and I might say passed

with no intention such as was subsequently put into it by the Supreme Court.

Mr. MURDOCK. That is what I wanted to draw out, and wanted to know what this Carmack amendment was.

Mr. CLAYTON. It made the initial road liable for the loss

or injury to the property in transit after it passed out of the possession of the initial road.

Mr. MURDOCK. Now, it seems it contained some phrase or sentence which was afterwards interpreted in such a manner as to make the passage of this law necessary. Just what was

Mr. CLAYTON. It does; but it does not at all relate to cases where live stock crossed the railroad; it does not relate to that at all, but relates entirely to the matter covered by the Carmack amendment

Mr. MURDOCK. I would like to ask the gentleman from Alabama this: What was the phrase in the Carmack amendment which afterwards, judicially interpreted, made this measure that we have up to-day necessary? What was that phrase?

Mr. CLAYTON. I had the Judicial Code here a while ago——

Mr. GREEN of Iowa. I will say to the gentleman from Kansas, if the gentleman will permit, there was no particular phrase. When these cases for damages sustained in interstate transportation first came up before the Federal courts on appeal from the State courts the objection was made that the State law did not control the right of recovery; but prior to the enactment of the Carmack amendment the Supreme Court of the United States held that as Congress had not legislated with reference to the matter that the State law would govern. The Carmack amendment to the interstate-commerce act made the initial or first carrier liable to the holder of a bill of lading for any loss or damage to the goods included therein caused either by the first carrier or any other to which the goods may have subsequently been delivered for further transportation. After the passage of this amendment the Supreme Court then held that State laws did not apply to this subject, Congress having legislated thereon. And it was further decided by the lower Federal courts that all cases arising under this amendment were removable to the Federal courts, as the removal statutes provided that all cases which involved a construction of any portion of the interstate-commerce acts could be removed to the Federal courts regardless of the amount involved.

Mr. CLAYTON. I have not the Carmack Act before me, but I have the Judicial Code. This Judicial Code, as the gentleman knows, was passed subsequent to the Carmack amendment, the Judicial Code undertaking to be a compilation of all such laws as the Carmack law and the civil statutes generally that might properly come under the designation of a judicial code. Section 24 of this code reads:

That the district court shall have original jurisdiction as follows: Of all suits of a civil nature at common law or in equity brought in the United States, or by any officer thereof authorized by law to sue, or between citizens of the same State—

And so forth and so on-

or where the matter in controversy exceeds, exclusive of interest and costs, the sum or value of \$3,000.

Now, that is perfectly plain.

Mr. MURDOCK. So far. Mr. CLAYTON. Then here comes in the proviso:

Provided, however, That the foregoing provision as to the sum or value of the money in controversy shall not be construed to apply to any of the cases mentioned in the succeeding paragraphs of this any of section.

Now, what is the succeeding?

Eighth. Of all suits and proceedings arising under any law regulat-g commerce, except those suits and proceedings exclusive jurisdiction which has been conferred upon the Commerce Court.

Mr. MURDOCK. It was that phrase that made the limitation?

Mr. CLAYTON. Yes; and this simple little bill rectifies that, so that if the gentleman shipped a carload of cattle from his home in Kansas and they got to Chicago and by fault of the railway injury happened to those cattle or death happened to those cattle, involving less than \$3,000, you can extend your action in the State court and not be subject to having to proceed

to the Federal court.

Mr. MURDOCK. I am glad the gentleman explained it. I understand it now for the first time.

Mr. SHERLEY. In other words, this bill does what we

thought we were doing when we passed the Judicial Code and raised the limit from \$2,000 to \$3,000.

Mr. CLAYTON. Yes. Mr. SHERLEY. I hope to see an additional law passed which will prevent jurisdiction on the ground of adverse citizenship, on the basis of a corporation being a citizen of a State where it is created, when in fact it is as much a citizen of the State where it is doing business as a corporation could be.

Mr. CLAYTON. I agree with the gentleman on that. Now, I want to say one word more, and then I will yield time. I want to say something more, Mr. Speaker, and the remarks of the gentleman from Kentucky [Mr. Sherley] have suggested it to me. The surprising thing to those who have had reason to carefully study the Judicial Code is that so few errors were committed in that compilation. It may be a wrong construction on the part of the courts. But the courts have so held, and I think it is the duty of Congress to rectify the law so that the courts can not longer make such rulings as have been made. Now I will yield.

Mr. GREEN of Iowa. Just one moment further, if the gentleman please?

Mr. CLAYTON. Surely. Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. GREEN of Iowa. In just a moment.

Mr. MURDOCK. I want to suggest to the gentleman that this is the process of the recall of judicial decisions.

The SPEAKER. The gentleman from Iowa has not yielded the floor.

Mr. MURDOCK. He yielded to me. The SPEAKER. He has no right to yield. The gentleman from Alabama [Mr. CLAYTON] has the floor.
Mr. GREEN of Iowa. The gentleman from Alabama yielded

a moment to me.

The SPEAKER. The gentleman from Iowa is recognized for two minutes.

Mr. GREEN of Iowa. In answer to the gentleman from Kansas [Mr. Murdock] I will say this, that when these cases for damages in interstate transportation came up before the Federal courts on appeal from the lower courts it was objected that the State courts would have no jurisdiction because it was purely an interstate matter, but at that time the Supreme Court of the United States held-that is, prior to the enactment of the Carmack amendment, which has just been read—that inasmuch as the Congress had not legislated with reference to shipment contracts, the State courts, until Congress had enacted that legislation, could take jurisdiction; but after the passage of the Carmack amendment, assuming jurisdiction over bills of lading and contracts of shipment, it was said that Congress had taken entire jurisdiction of the matter, and the whole matter was put in the control of Congress and was now subject to the statutes as an amendment to the interstate commerce act. That is the situation.

Mr. CLAYTON. Now, I yield three minutes to the gentleman

from Missouri [Mr. Borland].

The SPEAKER. The gentleman from Missouri [Mr. Bor-LAND] is recognized for three minutes.

Mr. BORLAND. Mr. Speaker, this is a very necessary piece of legislation and ought to pass. The Carmack amendment gave a right of action against the initial carrier for damage to commodities transported in interstate commerce, and that amendment was carried into the Judicial Code. In the form in which it got into the Judicial Code in conjunction with the general jurisdictional provisions of the Federal court, the courts have construed it to mean that jurisdiction of all cases arising under the interstate-commerce law is in the courts of the United States, and that cases can be removed from the State courts to the Federal courts regardless of the amount involved. Consequently they take jurisdiction of all of these cases brought by small shippers of live stock and other commodities where damages are claimed against the railroad for losses incurred in shipment. It does not make any difference how small the loss is—it may be \$100, or \$80, or \$24—the cases have been removed from the State courts to the Federal courts. Manifestly that is a great oppression upon the small shipper of live stock. It causes great delay, and sometimes entirely consumes in costs the

amount of his recovery.

I have introduced, I will say, in passing, a bill exactly of this same nature, H. R. 10315, at the request of the live-stock shippers of the Southwest. Before my bill was considered this bill had been passed by the Senate, and I am heartily in favor of this proposition. If the Federal courts are to continue to take jurisdiction of these small cases, they will need a justice of the peace to help them out, or a Federal commissioner to try these little cases, because it is utterly impossible for the Federal courts, with the business they have, to try these little damage cases. These cases for damages in shipment have been accumulating rapidly in the Southwest and West under this Carmack amend-

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman from Missouri yield to the gentleman from Kansas?

Mr. BORLAND. Yes. Mr. MURDOCK. Is the purpose of the corporation in appealing these cases to the Federal court chiefly to defeat the litigant

by wearing him out?

Mr. BORLAND. I think it has been the policy of railroads ever since they have had litigation to defeat and wear out the litigants. They are inclined and prone to do that under any, pretext, and if a claim involves less than \$3,000 it ought to be tried in the State where it is brought, and tried to a final conclusion.

Mr. MURDOCK. Is the gentleman sure that there is no phrase in this bill that will defeat that proposition?

Mr. BORLAND. No; I am not; but the bill seems to be prepared as carefully as can be, and the Congress is still in session,

I will remind the gentleman. Mr. GARNER. Mr. Speaker, will the gentleman yield for

another question?

The SPEAKER. Does the gentleman yield?

Mr. BORLAND. Yes. Mr. GARNER. Is it not a fact that the Federal judges throughout the country are asking that this legislation be passed in order to relieve them of the litigation that is brought in the Federal courts from all parts of the country?

Mr. TOWNER. Yes; I know that that is true. Mr. GARNER. I know that two Federal judges in my State have called my attention to this legislation and stated that the law as it now stands was cluttering up their dockets, and that it was absolutely ridiculous to remove a case involving \$100 or \$50 from a justice's court up to them to be tried, and that there was need for this character of legislation.

Mr. BORLAND. I do not know what the attitude of the Federal judges is about it, but I know the attitude of the live-stock shippers, and they are unanimous for this legislation, and also unanimous for a similar piece of legislation which I have introduced and which is before the Interstate Commerce Committee. The railroads have put into their bills of lading a short limitation of time within which the shipper must give notice of damages and another short and unreasonable length of time in

which he must bring suit.

In many cases that time is so short that he can not ascertain the facts through his factor or commission merchant or correspondent within the time that the bill of lading limits him; and the courts have actually decided that on the theory that he accepted a lower rate for the transportation of his goods he is bound by that time limit in his contract. On the other hand, if the railroad company had made a mistake on its side, and had quoted him too low a rate, and afterwards concluded that it would sue him for the difference between that and the true rate, there would be no limitation of time at all against the railroads up to the ordinary time fixed by the statute of limitations. But the railroads have put a limitation of 90 days within which a live-stock shipper or small shipper of any commodities transported in interstate commerce must ascertain the facts, serve notice, and bring suit if he expects to hold the carrier. have a bill to remedy that. I am sorry it can not be embraced in the same section, because it remedies a defect of the interstate-commerce law.

As to this particular measure, I think there ought to be a

unanimous vote in favor of it.

Mr. PAYNE. Will the gentleman yield me two minutes?

Mr. CLAYTON. I yield to the gentleman from New York two

minutes. Mr. PAYNE. Mr. Speaker, it is very curious that Congress always tries to lay the blame for its blunders on somebody else. The gentleman from Kansas [Mr. MURDOCK] thinks the corporations wanted to wear people out. I do not think any corporation had the slightest idea that this Carmack amendment would be put in that bill until Congress passed it. The gentleman from Alabama assumed that the decision of the court was wrong. Yet there is not a man in this House who will read the language of that Carmack amendment and the law to which it was applicable-

Mr. MADDEN. Except the lawyers.

Mr. PAYNE. There is not a man who will read it who will not come to the conclusion that the court was correct in its decision. In other words, the blunder was made by the Congress of the United States, and this is simply an effort to correct that blunder. That is all there is of it.

Mr. CLAYTON. Mr. Speaker, I have already said that I would ask to print the report of the House committee on the similar House bill, H. R. 9994, and I ask that it be printed as

a part of my remarks.

The SPEAKER. The gentleman from Alabama asks unanimous consent to print as a part of his remarks the report of the House committee on the House bill. Is there objection?

There was no objection. The report is as follows:

There was no objection.

The report is as follows:

The Committee on the Judiciary, having had under consideration the bill (H. R. 9994) to amend section 24, chapter 2, of the Judicial Code of the United States, report the same back with the recommendation that the bill do pass.

In the law fixing the jurisdiction of the circuit courts of the United States it was originally provided that in a suit brought by a citizen of one State in the courts of that State against a citizen of another State the cause may be removed upon petition of the latter from the State court to the circuit court of the United States, provided "the amount in dispute, exclusive of costs, exceeds the sum or value of \$500."

By the act of August 13, 1888, the amount was increased to \$2,000, so that causes could not be removed unless the amount in controversy exceeded \$2,000.

Subsequently the amount was again increased to \$3,000.

It is well known that this limitation of the right of removal is of especial value in suits against railroads, especially the large companies whose lines extend through many States and whose "citizenship" is held to be in the State from which the company's charter was obtained. In actions brought against the company in a State through which the line runs, and probably in which the plaintiff lives, and the injury or loss occurred, suits brought for trivial amounts could be transferred from the State to the United States courts, on the motion of the railroad company, were it not for this limitation of the right of removal to amounts exceeding \$3,000.

In the Judicial Code, enacted March 3, 1911, and in force since January 1, 1912, wherein the laws affecting the removal of causes from State to United States courts were revised and codified, it was provided (ch. 2, sec. 24) that the district courts shall have original jurisdiction "where the matter in controversy exceeds, exclusive of interest and costs, the sum or value of \$3,000" and "is between citizens of different States."

That would have left the law substantial

so that the statute taken together is to the effect that in cases brought by a citizen of one State against another no right of removal exists unless the amount in controversy exceeds \$3,000, except in "suits and proceedings arising under any law regulating commerce." In all such cases the right of removal would exist, no matter what the amount in controversy was

such cases the right of removal would exist, no matter what the amount in controversy was.

It is not likely the effect was intended which a literal application of this latest utterance of the legislative power gives. For it makes of no value the limitation of amount in the right of removal in nearly all cases against the railroads.

In Adams Express Co. v. Croninger (226 U. S., 491) it was held that section 20 of the interstate-commerce act as amended by the act of June 29, 1906, abrogates all State and common law liabilities on interstate shipments of property. If in any case this statute does not give the plaintiff the right of recovery, he has none. That being true, all cases against railroad companies for loss or damage on interstate shipments of necessity must arise under a "law regulating commerce."

It follows that in all cases when the controversy arises as to an interstate contract for carriage, no matter what the amount in dispute, they must be tried in the United States courts under the law as it now stands.

stands.

The condition of the law and the repeal by the Judicial Code of the limitation on the right of removal was not called to the attention of the bar and the courts until May 14, 1913, when Judge Amidon handed down the decision of McGoon v. Northern Pacific Railway Co., United States District Court of North Dakota, reported in 204 Federal Reporter, 998.

In that case several separate actions were brought against the Northern Pacific Railway Co. for damage to live stock shipped by plaintiffs on defendant's road from North Dakota and Montana to Chicago. In no action was the amount in controversy \$3,000. The suits were removed on defendant's petition from the State to the United States court, and in that court a motion was made to remand the suits to the State court—

moved on defendant's petition from the State to the United States court, and in that court a motion was made to remand the suits to the State court—

1. Because the amount in controversy is less than \$3,000, the sum required to justify their removal.

2. Because the suits did not involve a Federal question.

It was held that a suit by a shipper against a railroad company to recover for damages or injury to property while being transported in interstate commerce is one arising under the interstate-commerce act as amended, of which a Federal district court is given exclusive original jurisdiction by the Judicial Code, which confers jurisdiction on such courts of all suits and proceedings arising under any law regulating commerce; and such a suit is removable under section 28, without regard to the amount involved.

The motions to remand were denied.

Since this decision was published hundreds of cases, many of them involving small amounts, have been removed. Every day now cases are removed at the instance of the defendant railroad companies when the amount in controversy is less than \$3,000.

An attorney writes:

"Under the recent construction given to paragraph 8, section 24, chapter 2, of the Judicial Code of the United States, the railroad companies are permitted to transfer all cases brought for damages on account of delay or injury to shipment of goods, regardless of the amount in controversy. How this operates was demonstrated at our Federal court, where a little justice of the peace case from Eldon was transferred to the District Court of the United States for trial. We do not believe that Congress ever intended that cases of this character should all be tried in the Federal court. It is a hardship and an injustice to require a person whose claim is small to go into the Federal court to litigate it."

Another writes:

"I have a case which is transferred to the United States court where the matter in controversy is less than \$500. Under the law as it is now construed if a person ships 30 cents' worth of app

Another lawyer with a very extensive practice writes:

"So far as I know all district judges are now removing causes when an interstate shipment is involved, no matter how small the amount in controversy."

A trial judge of a State court writes:

"I have followed Judge Amidno's decision with reluctance and have removed all cases regardless of the amount involved. Unless the law is changed I see no way to avoid Ir, and it will work great hardship an another judge writes:

"I was compelled to remove a suit from my court to the United States court in which the plaintiff claimed a damage of \$100, by reason of injury to horses in transit from Mount Ay to Chicago. I did not want to follow Judge Amidon's decision, but found upon examination of the present provisions of the law that there was no way to avoid Ir.

"At a recent term of district court here 10 cases in which I appeared for plaintiffs were removed to the Federal court. In one of these cases a lady shipped her household effects from Red Oak, Iowa, to a point in Montana. Subsequently she concluded to remain in Iowa, and ordered her goods reshipped. When received several boxes had been opened and much clothing stolen. The furniture was so badly damaged where claim and she brought suit in the State court. The railway company removed it to the United States court. She is poor and will be unable to prosecute the case and must lose her claim."

Another case:

A farmer ships a carload of cattle for feeding. In transferring from the feeding yards to the car the company's employees allow a steer to see the court of the state of Jowa alone since Judge Amidon's decision.

A railroad lawyer, who has no sympathy with such procedure, says that more than 250 cases have been removed in the State of Jowa alone since Judge Amidon's decision.

A railroad lawyer writes:

"We have had a number of cases against railroads for clients who have to tell them to take their loss and say nothing about it, for they cannot afford to take their witnesses, hire attorneys, and travel over 10

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to a third reading, and was accordingly read the third time and passed.

On motion of Mr. CLAYTON, a motion to reconsider the vote by which the bill was passed was ordered to lie on the table.

By unanimous consent, the bill H. R. 9994 was ordered to lie on the table.

Mr. TOWNER. Mr. Speaker, I ask unanimous consent that those gentlemen who have spoken on this bill have the privilege of extending their remarks in the RECORD.

The SPEAKER. The gentleman from Iowa [Mr. Towner] asks unanimous consent that those Members who made remarks on the bill which has just passed the House have the privilege of extending their remarks in the RECORD.

Mr. CAMPBELL. Reserving the right to object, I assume that the remarks which will be printed will relate to the subject matter of these bills.

Mr. TOWNER. Certainly.

The SPEAKER. The gentleman from Iowa [Mr. Towner] asks unanimous consent that all gentlemen who have spoken on the railroad bill, which has just passed the House, be permitted to extend their remarks in the RECORD on that subject. Is there objection?

Mr. UNDERWOOD. Mr. Speaker, I think there ought to be

limit on the time

Mr. TOWNER. Make it five legislative days.

The SPEAKER. Within five legislative days. Is there objection?

There was no objection.

POST OFFICE APPROPRIATION BILL.

Mr. MOON, from the Committee on the Post Office and Post Roads, reported a bill (H. R. 11338) making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1915, and for other purposes, which was read a first and second time, referred to the Committee of the Whole House on the state of the Union, and, with the accompanying report (No. 165), ordered to be printed.

Mr. STAFFORD. Mr. Speaker, I reserve all points of order

on the bill.

The SPEAKER. The gentleman from Wisconsin [Mr. STAF-

FORD] reserves all points of order.

Mr. MOON. Mr. Speaker, on account of the absence of two or three members of the Committee on the Post Office and Post Roads, and the desire of others to postpone the consideration of this bill for a short while, I give notice that it will not be called up for consideration until next Thursday.

Mr. STEENERSON. Mr. Speaker, I ask unanimous consent

to file the views of the minority on this bill.

Mr. MOON. Mr. Speaker, at the request of a member of the committee, the gentleman from Michigan [Mr. Samuel W. SMITH], I desire to give him an opportunity to file minority views on this bill

Mr. STEENERSON. I will file my views to-morrow. Mr. MOON. The minority, I think, will file separate views.

The SPEAKER. The gentleman from Minnesota [Mr. STEEN-ERSON] asks unanimous consent to file his views on this bill, and the gentleman from Tennessee [Mr. Moon] asks unanimous consent that the gentleman from Michigan [Mr. Samuel W. SMITH] have the right to file his views.

Mr. STAFFORD. I ask unanimous consent that all members of the committee who desire to do so may avail themselves of

the privilege of filing minority views.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent that every member of the committee who desires to do so have leave to file his views. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. UNDERWOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 45 minutes p. m.) the House adjourned until to-morrow, Tuesday, January 13, 1914, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on examination and survey of Oklawaha River to Lake Dora, Fla. (H. Doc. No. 514); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

2. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on examination and survey of Richmond Harbor, Cal. (H. Doc. No. 515); to the Committee on Rivers and Harbors and ordered to be printed,

with illustration.

3. A letter from the assistant clerk of the Court of Claims, transmitting a certified copy of the findings of fact and conclusion in the case of the Trustees Baptist Church of Bloomfield, Ky., v. The United States (H. Doc. No. 519); to the Committee on War Claims and ordered to be printed.

4. A letter from the assistant clerk of the Court of Claims, transmitting a certified copy of the findings of fact in the case of Sallie A. Kinnaird, administratrix of the estate of William H. Kinnaird, v. The United States (H. Doc. No. 520); to the

Committee on War Claims and ordered to be printed.

5. A letter from the Secretary of Labor, transmitting a detailed statement of expenses of officers and employees of the Department of Labor in attending meetings and conventions during the period from June 30 to December 1, 1913 (H. Doc. No. 560); to the Committee on Expenditures in the Department of Labor and ordered to be printed.

6. A letter from the Secretary of the Treasury, inviting attention to the urgent need of an appropriation for special physicochemical and metabolic studies of pellagra (H. Doc. No. 559); to the Committee on Appropriations and ordered to be printed.

letter from the Librarian of Congress, transmitting a

employees of the Library of Congress at meetings or conventions that have been incurred from June 30, 1913, to December 1, 1913 (H. Doc. No. 574); to the Committee on Appropriations

and ordered to be printed.

A letter from the Secretary of Commerce, transmitting a statement of expenses incurred by officers and employees of the Department of Commerce in attending meetings or conventions of societies and associations during the period from June 30 to December 1, 1913 (H. Doc. No. 561); to the Committee on Expenditures in the Department of Commerce and ordered to be printed.

9. A letter from the Board of Commissioners of the District of Columbia, transmitting a copy of a report by the auditor of the District of Columbia showing the expenses incurred and paid by the District of Columbia for certain of its employees in attending meetings of associations or conventions under authority of the commissioners from June 30 to December 1, 1913 (H. Doc. No. 575); to the Committee on Appropriations and

ordered to be printed.

10. A letter from the Secretary of the Treasury, transmitting copy of a communication of the acting superintendent of the State, War, and Navy Department Building, submitting an estimate of appropriations in the sum of \$5,000 for fuel, lights, repairs, and miscellaneous items for the new Navy Department annex for the fiscal year ending June 30, 1915 (H. Doc. No. 566); to the Committee on Appropriations and ordered to be

printed.

11. A letter from the Acting Secretary of the Treasury, transmitting copy of a communication from the Secretary of Commerce submitting certain estimates of appropriation for the service of the Coast and Geodetic Survey for the fiscal year ending June 30, 1915 (H. Doc. No. 567); to the Committee on

Appropriations and ordered to be printed.

12. A letter from the Secretary of the Treasury, transmitting copy of a communication of the Acting Superintendent State, War, and Navy Department Buildings, submitting urgent estimates of appropriations required for the new Navy Department Annex for the service of the fiscal year ending June 30, 1914 (H. Doc. No. 565); to the Committee on Appropriations and ordered to be printed.

13. A letter from the Postmaster General, transmitting a schedule of papers and documents which are not needed in the transaction of public business and which have no permanent value or historical interest (H. Doc. No. 576); to the Committee on Disposition of Useless Executive Papers and ordered to be printed.

14. A letter from the Acting Secretary of the Treasury, transmitting copy of a communication of the Attorney General submitting an urgent estimate of deficiency in the appropriation for rent of court rooms, United States courts, for the fiscal year ending June 30, 1914 (H. Doc. No. 564); to the Committee on Appropriations and ordered to be printed.

15. A letter from the Secretary of the Treasury, transmitting copy of a communication of the Secretary of State submitting urgent estimates of appropriations required by the Department of State during the fiscal year ending June 30, 1914 (H. Doc. No. 563); to the Committee on Appropriations and ordered to

be printed.

16. A letter from the Secretary of Commerce, transmitting copy of a communication from certain steamship companies relating to a provision for the safeguarding of the coast of Alaska (H. Doc. No. 577); to the Committee on Interstate and Foreign Commerce and ordered to be printed.

17. A letter from the Secretary of the Interior, transmitting

copies of reports, together with maps, from the superintendent in charge of the Shoshone Indian School and the assistant engineer of the Shoshone irrigation project, in Wyoming, per-taining to the construction of roads and bridges on the Wind

taining to the construction of roads and bridges on the Wind River Reservation (H. Doc. No. 516); to the Committee on Indian Affairs and ordered to be printed, with illustrations.

18. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on examination of Au Gres River, Mich. (H. Doc. No. 517); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

19. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on examination of New York Harbor, N. Y. Upper Bay, and plan and estimate

New York Harbor, N. Y., Upper Bay, and plan and estimate of cost of improvement, with a view to improving channel opposite anchorage grounds (H. Doc. No. 518); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

20. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims, relating to the vessel sloop Eliza, in the cases of Charles T. Lovering, administrator of Joseph Taylor, v. The detailed statement of all expenses of attendance of officers or United States, and John H. Moriarty, administrator of James

Scott, v. The United States (H. Doc. No. 558); to the Committee on Claims and ordered to be printed.

21. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims, relating to the vessel brig Rensalaer, in the cases of Joseph Ogden, surviving executor, etc., of Jane Ann Ferrers, v. The United States, and in other cases (H. Doc. No. 530); to the Committee on Claims and ordered to be printed.

A letter from the Acting Secretary of the Treasury, transmitting a communication from the Auditor for the Post Office Department submitting a list of postmasters found to be indebted to the Government in the fiscal year ended June 30, 1913, and who on December 29, 1913, had not paid the amounts due into the Treasury of the United States (H. Doc. No. 568); to the Committee on Expenditures in the Post Office Department and ordered to be printed.

23. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims, relating to the vessel ship Jefferson, in the case of Charles T. Lovering, administrator of Joseph Taylor, v. The United States (H. Doc. No. 554); to the Committee on Claims and ordered to be printed.

24. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims, relating to the vessel schooner Bellona, in the case of Elijah K. Hubbard, administrator of Jacob Sebor, v. The United States (H. Doc. No. 546); to the Committee on Claims and ordered to be printed.

25. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims, relating to the vessel schooner John, in the case of Ludlow Ogden, administrator of George Barneswall, v. The United States (H. Doc. No. 545); to the Committee on Claims and ordered to be printed.

26. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoilation claims relating to the vessel ship *Pigou*, in the case of Elijah H. Hubbard, administrator of Jacob Sebor, v. The United States (H. Doc. No. 553); to the Committee on Claims and ordered to be printed.

27. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel schooner Gideon, in the cases of George Haskell, administrator de bonis non of Solomon Haskell, v. The United States, and Eben B. Foster and Augustus F. Lemon, administrator of Ignatius Haskell, v. The United States (H. Doc. No. 544); to the Committee on Claims and ordered to be printed.

28. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel brig Jay, in the cases of Charles T. Lovering, administrator of Joseph Taylor, v. The United States, and Charles F. Hunt, administrator of Joseph Russell, surviving partner of Jeffrey & Russell, v. The United States (H. Doc. No. 529); to the Committee on Claims and ordered to be printed.

29. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel schooner Mercury, in the case of Brooks Adams, administrator of Peter C. Brooks, v. The United States (H. Doc. No. 543); to the Committee on

Claims and ordered to be printed.

30. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel brig Sally, in the case of Brooks Adams, administrator of Peter C. Brooks, v. The United States (H. Doc. No. 528); to the Committee on Claims and ordered to be printed.

31. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims, relating to the vessel schooner Richmond, in the cases of R. Manson Smith, administrator of Francis Smith, v. The United States, and Henry A. T. Granbery, administrator of John Granbery, v. The United States (H. Doc. No. 542); to the Committee on Claims and ordered to be printed.

32. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims, relating to the vessel brig Esperanza, in the cr.se of Elijah K. Hubbard, administrator of Jacob Sebor, v. The United States (H. Doc. No. 527); to the Committee on Claims and ordered to be printed,

33. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French

cases of T. B. Bleecher, J. R. and Charles C. Leary, receivers of the New York Insurance Co., v. The United States, and Augustus W. Clason, administrator, etc., of Isaac Clason, v. The United States (H. Doc. No. 550); to the Committee on Claims and ordered to be printed.

34. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims, relating to the vessel schooner Benevolence, in the case of Isaac H. Coffin, administrator of Abiel Wood, v. The United States (H. Doc. No. 541); to the Committee on Claims and ordered to be printed.

35. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims, relating to the vessel ship Diana, in the cases of Elijah K. Sebor, administrator of Jacob Sebor, v. The United States, and Richard Delafield, administrator of John Delafield, v. The United States (H. Doc. No. 549); to the Committee on Claims and ordered to be printed.

36. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel schooner Two Friends, in the case of Robert Hartshorne, administrator of Richard Hartshorne, surviving partner of Rhinelander, Hartshorne & Co., v. The United States (H. Doc. No. 540); to the Committee on Claims and ordered to be printed.

37. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel schooner Adventure, in the case of John H. Maynadier, administrator of Jeremiah Yellott, v. The United States (H. Doc. No. 539); to the Committee on Claims and ordered to be printed.

38. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel schooner Atlantic, in the cases of Charles T. Lovering, administrator of Joseph Taylor, v. The United States, and Charles T. Lovering, administrator of Joseph Taylor, v. The United States (H. Doc. No. 538); to the Committee on Claims and ordered to be printed.

39. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel schooner Lark, in the case of Charles T. Lovering, administrator of Joseph Taylor, v. The United States (H. Doc. No. 537); to the Committee on Claims and ordered to be printed.

40. A letter from the clerk of the Court of Claims, transmitting findings of fact and conclusions of law in the French spollation claims relating to the vessel sloop Eliza, in the case of Charles T. Lovering, administrator of Joseph Taylor, v. The United States, and in other cases (H. Doc. No. 551); to the Committee on Claims and ordered to be printed.

41. A letter from the clerk of the Court of Claims, transmitspoliation claims relating to the vessel brig Recovery, in the case of Eliza N. Blunt and Eliza S. Blunt, administratrices of John Sinclair, v. The United States (H. Doc. No. 526); to the Committee on Claims and ordered to be printed.

42. A letter from the clerk of the Court of Claims, transmitting the findings of fact and the conclusions of law in the French spoliation claims relating to the vessel brig Pearl, in the cases of the President and Directors of the Insurance Co. of North America v. The United States and Ezra Bander, administrator of Philip Case, v. The United States (H. Doc. No. 525); to the Committee on Claims and ordered to be printed.

43. A letter from the clerk of the Court of Claims, transmitting the findings of fact and the conclusions of law in the French spoliation claims relating to the vessel schooner Molly Farlie, in the case of the Insurance Co. of the State of Pennsylvania v. The United States (H. Doc. No. 536); to the Committee on Claims and ordered to be printed.

44. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel brig *Hiram*, in the cases of William A. M. Fuller, administrator of John Leamy, v. The United States and in other cases (H. Doc. No. 524); to the Committee on Claims and ordered to be printed.

45. A letter from the clerk of the Court of Claims, transmit-ting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel schooner Patriot, in the cases of William Bush, administrator of Thomas Keen, v. The United States and in other cases (H. Doc. No. 535); to the Com-

mittee on Claims and ordered to be printed.

46. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel sloop Ranger, in the spoliation claims, relating to the vessel ship Joseph, in the cases of Brooks Adams, administrator of Peter C. Brooks, v. The United States, and in other cases (H. Doc. No. 557); to

the Committee on Claims and ordered to be printed.

47. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel brig Industry, in the case of James G. Freeman, receiver of the Boston Marine Insurance Co., v. The United States (H. Doc. No. 523); to the Committee on Claims and ordered to be printed.

48. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel brig *Luna*, in the cases of Henry B. Cabot, administrator of William Gray, v. The United States and in other cases (H. Doc. No. 522); to the Com-

mittee on Claims and ordered to be printed.
49. A letter from the clerk of the Court of Claims, transmitspoliation claims relating to the vessel schooner Industry, in the cases of Jeremiah Nelson, administrator of Jeremiah Nelson, v. The United States and in other cases (H. Doc. No. 534); to the Committee on Claims and ordered to be printed. 50. A letter from the clerk of the Court of Claims, transmit-

ting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel ship Commerce, in the cases of Eliza F. Noyes, administratrix of Benjamin Frothingham, v. The United States and in other cases (H. Doc. No. 548); to the Committee on Claims and ordered to be printed.

51. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel schooner Delight in the cases of William S. Squires, administrator of Henry Pratt, surviving partner of Pratt & Kintzing, v. The United States, and in other cases (H. Doc. No. 533); to the Committee on Claims and

ordered to be printed.

52. A letter from the clerk of the Court of Claims, transmit-ting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel ship Ann and Mary in the cases of Louise A. Starkweather, administratrix of Richard E. Hallett, v. The United States, and in other cases (H. Doc. No. 552); to the Committee on Claims and ordered to be printed.

A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel schooner Three Friends in the cases of Brooks Adams, administrator of Peter C. Brooks, v. The United States, and in other cases (H. Doc. No. 532); to

the Committee on Claims and ordered to be printed. 54. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel brig Iris in the cases of John C. Hollister, administrator of Thomas Ward, v. The United States, and in other cases (H. Doc. No. 521); to the Committee

on Claims and ordered to be printed. 55. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel sloop Rising Sun in the cases of Elijah K. Hubbard, administrator of Jacob Sebor, v. The United States, and in other cases (H. Doc. No. 556); to the

Committee on Claims and ordered to be printed.

56. A letter from the clerk of the Court of Claims, transmit-ting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel ship Polly, in the case of Joseph S. Webster, administrator of Thomas Webster, v. The United States (H. Doc. No. 547); to the Committee on Claims

and ordered to be printed. 57. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel schooner Chance, in the cases of Waldo H. Warner, administrator of Simeon Williams, v. The United States and Albert Galpin, administrator of Hahn Woodhouse, v. The United States (H. Doc. No. 531); to the

Committee on Claims and ordered to be printed.

58. A letter from the clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims relating to the vessel sloop Catherine, in the case of Henry J. Dubois, administrator of John Peterson, v. The United States and in other cases (H. Doc. No. 555); to the Committee on Claims and ordered to be printed.

59. A letter from the Acting Secretary of War, transmitting a draft of a bill for the better protection of national military parks (H. Doc. No. 578); to the Committee on Military Affairs

and ordered to be printed.

60. A letter from the Acting Secretary of the Treasury, transmitting copy of a communication of the Secretary of War, submitting a supplementary estimate of appropriation for the service of the fiscal year ending June 30, 1915 (H. Doc. No. 562); to the Committee on Military Affairs and ordered to be printed. Committee on Interstate and Foreign Commerce.

61. A letter from the Acting Secretary of the Treasury, transmitting a report of the Auditor for the State and Other Departments showing officers and administrative departments and officers of the Government delinquent in rendering or transmitting accounts or in payment of balances for the fiscal year ended June 30, 1913 (H. Doc. No. 569); to the Committee on Expenditures in the State Department and ordered to be printed.

62. A letter from the Acting Secretary of the Treasury, transmitting a report of the Auditor of the Interior Department showing delinquencies of officers of said department in rendering or transmitting their accounts for the fiscal year ended June 30, 1913 (H. Doc. No. 570); to the Committee on Expenditures in the Interior Department and ordered to be printed.

63. A letter from the Acting Secretary of the Treasury, transmitting a report from the Anditor of the Navy Department showing delinquencies in the accounts of disbursing officers of the Navy for the fiscal year ended June 30, 1913 (H. Doc. No. 571); to the Committee on Expenditures in the Navy Department and ordered to be printed.

64. A letter from the Acting Secretary of the Treasury, transmitting a report from the Auditor of the War Department showing in detail delinquencies of accounting officers in War Department for the fiscal year ended June 30, 1913 (H. Doc. No. 572); to the Committee on Expenditures in the War De-

partment and ordered to be printed.

65. A letter from the Acting Secretary of the Treasury, transmitting a report from the Auditor of the Treasury Department showing delinquencies of accounting officers of the Treasury Department and undeposited balances for the fiscal year 1913 (H. Doc. No. 573); to the Committee on Expenditures in the Treasury Department and ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. RUSSELL, from the Committee on Invalid Pensions, to which was referred sundry bills of the House, reported in lieu thereof the bill (H. R. 11269) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, accompanied by a report (No. 164), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 9854) granting a pension to Ruth E. Hering, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HILL: A bill (H. R. 11270) to provide for the erection of a public building at Sparta, Ill.; to the Committee on

Public Buildings and Grounds.

Also, a bill (H. R. 11271) to provide for the erection of a public building at Herrin, Ill.; to the Committee on Public Buildings and Grounds.

By Mr. MORGAN of Oklahoma: A bill (H. R. 11272) authorizing the Secretary of War to donate to Alva Post, No. 28, Grand Army of the Republic, Department of Oklahoma, Alva, Okla., two cannon or fieldpieces; to the Committee on Military Affairs.

Also, a bill (H. R. 11273) authorizing the Secretary of Wars to donate to Grant Post, No. 1, Grand Army of the Republic, Department of Oklahoma, Oklahoma City, Okla., two canonn or fieldpieces; to the Committee on Military Affairs.

By Mr. LOBECK: A bill (H. R. 11274) authorizing the Sec-

retary of the Navy to cause to be struck and issued to each of the officers, men of the Navy and Marine Corps, serving on the U. S. S. Kearsarge, United States Navy, at the time of her encounter with the Alabama, a medal commemorative of such service; to the Committee on Naval Affairs.

By Mr. HINEBAUGH: A bill (H. R. 11275) to enlarge, extend, remodel, etc., post-office building at Rockford, Ill.; to the

Committee on Public Buildings and Grounds.

By Mr. SMITH of Idaho: A bill (H. R. 11276) to provide for reimbursing rural free-delivery carriers of the mails for expenses incurred in providing and maintaining equipments used in the discharge of their official duties to the extent of 25 per cent of their monthly compensation; to the Committee on the Post Office and Post Roads.

By Mr. MERRITT: A bill (H. R. 11277) to provide a keeper's house for the lighthouse keeper at Crown Point, N. Y.; to the

By Mr. DALE: A bill (H. R. 11278) to regulate the payment of salaries of clerks in the sea post service; to the Committee on the Post Office and Post Roads.

By Mr. BORLAND: A bill (H. R. 11279) to provide for the taxation of intangible personal property in the District of Columbia; to the Committee on the District of Columbia.

By Mr. BRUCKNER: A bill (H. R. 11280) providing for the

completion of the Bronx River (New York City) improvement; to the Committee on Rivers and Harbors.

By Mr. HILL: A bill (H. R. 11281) making an appropriation to repair and build a levee around the national cemetery in Pulaski County, Ill.; to the Committee on Rivers and Harbors.

By Mr. TAYLOR of New York: A bill (H. R. 11282) authorizing the Secretary of War to donate to the city of New Rochelle, N. Y., one condemned bronze gun and three pyramids of shell; to the Committee on Military Affairs.

By Mr. WILSON of Florida: A bill (H. R. 11283) to authorize the construction of a bridge across the navigable waters of St. Andrews Bay; to the Committee on Interstate and Foreign

Also, a bill (H. R. 11284) to relinquish the title of the United States to certain land in the city of Pensacola, Fla., to Agnes Moore, widow of the late James Wilkins; to the Committee on the Public Lands.

By Mr. LIEB: A bill (H. R. 11285) providing for the appointment of a board of survey for the purpose of selecting a suitable site for a naval armor plant at or near Evansville, Ind., and submitting an estimate of the cost thereof; to the Committee

on Naval Affairs,
By Mr. CARTER: A bill (H. R. 11286) to authorize certain changes in homestead allotments of the Choctaw and Chickasaw

Indians in Oklahoma; to the Committee on Indian Affairs.

By Mr. DALE; A bill (H. R. 11287) providing for the appointment of a board of survey for the purpose of selecting a suitable site for a naval armor plant at or near the navy yard, Brooklyn, N. Y., and submitting an estimate of the cost thereon; to the Committee on Naval Affairs.

By Mr. GREGG: A bill (H. R. 11288) to establish a marine fish-cultural station in the State of Texas in the vicinity of Galveston; to the Committee on the Merchant Marine and Fish-

By Mr. SCULLY: A bill (H. R. 11289) authorizing a survey with a view to protection of the beach at and near Seabright, N. J., and for other purposes; to the Committee on Rivers and Harbors

By Mr. TOWNER: A bill (H. R. 11290) providing for the payment of pensions monthly; to the Committee on Invalid Pen-

By Mr. CARAWAY: A bill (H. R. 11291) for the purchase of a site and the erection of a public building at Blytheville, Ark.; to the Committee on Public Buildings and Grounds.

By Mr. BARKLEY: A bill (H. R. 11292) making an appropriation for the improvement of the Cumberland River; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 11293) providing for the establishment of a Bureau of Public Highways, and for the cooperation of the National Government in the construction, improvement, and maintenance of public roads and highways in the several States; to the Committee on Roads.

Also, a bill (H. R. 11294) providing for the appointment of a board of survey for the purpose of selecting a suitable site for a naval armor plant at or near Paducah, Ky., and submitting an estimate of the cost thereof; to the Committee on Naval Affairs,

By Mr. FITZGERALD: A bill (H. R. 11295) to authorize a survey of the waters between Staten Island and Hoffman Island in the lower New York Bay, N. Y., for the purpose of opening a channel therein for the benefit of navigation; to the Committee on Rivers and Harbors.

By Mr. JOHNSON of Utah: A bill (H. R. 11296) appropriating the sum of \$50,000 to the State of Utah, to reimburse said State for money paid to members of Territorial militia for service rendered in suppressing of Indian hostilities in the Territory of Utah prior to the year 1873; to the Committee on Claims.

Also, a bill (H. R. 11297) providing for the removal of obstructions from Green and Grand Rivers, in the State of Utah, and making appropriation for the same; to the Committee on Rivers and Harbors,

By Mr. CURRY: A bill (H. R. 11298) providing for the construction and equipment of a storehouse at Benicia Arsenal, State of California; to the Committee on Military Affairs. By Mr. TOWNER: A bill (H. R. 11299) to enlarge, extend,

and make additions to, fireproof, and further improve the post-

office building at Shenandoah, Iowa; to the Committee on Public Buildings and Grounds.

By Mr. KETTNER: A bill (H. R. 11300) authorizing the Secretary of War to issue field gun and mount to San Diego Army and Navy Academy; to the Committee on Military Affairs.

By Mr. BRYAN: A bill (H. R. 11301) providing for additional equipment at the Puget Sound Naval Station; to the Committee on Naval Affairs.

By Mr. AVIS: A bill (H. R. 11302) to amend section 1104 of the Code of Law for the District of Columbia; to the Committee on the District of Columbia.

Also, a bill (H. R. 11303) to amend section 826 of the Code of Law for the District of Columbia; to the Committee on the District of Columbia.

By Mr. LONERGAN: A bill (H. R. 11304) to acquire a site for a public building at Hartford, Conn.; to the Committee on Public Buildings and Grounds.

By Mr. TOWNER: A bill (H. R. 11305) to prevent postmasters who were soldiers of the Civil and Spanish Wars from being discharged without cause or on account of age, and to exempt them from civil-service examinations; to the Committee on Reform in the Civil Service.

By Mr. WILLIS: A bill (H. R. 11306) to provide for enlarging the United States building at Findlay, Ohio; to the Committee on Public Buildings and Grounds.

By Mr. BARTON: A bill (H. R. 11308) to provide for the erection or purchase of an armor-plate factory; to the Committee on Naval Affairs.

By Mr. FRENCH: A bill (H. R. 11309) to authorize and legalize the exchange of certain lands between the United States and the State of Idaho; to the Committee on the Public Lands.

By Mr. FERRIS: A bill (H. R. 11310) providing for a second homestead entry where the entryman has purchased by competitive bid for a price equivalent to \$5 or more per acre; to the Committee on the Public Lands.

By Mr. STEENERSON: A bill (H. R. 11311) to amend sections 3233 and 3243 of the Revised Statutes of the United States relative to internal-revenue taxes; to the Committee on Ways and Means.

By Mr. KAHN: A bill (H. R. 11312) to permit the Secretary of War to issue, without expense to the United States, for use in target practice, magazine rifles and appendages therefor; to the Committee on Military Affairs.

By Mr. HAYES: A bill (H. R. 11313) to provide for mobile defense for Pacific coast ports; to the Committee on Naval Affairs.

By Mr. GILLETT (by request): A bill (H. R. 11314) to prevent the disturbance by undue immigration of the scale of wages and of the social and economic conditions of the population of the United States and to prevent the evasion of the immigration, naturalization, and sanitary laws and regulations; to the Committee on Immigration and Naturalization.

By Mr. WOODRUFF: A bill (H. R. 11315) providing for the erection of a public building at Gaylord, in the State of Michigan; to the Committee on Public Buildings and Grounds.

By Mr. HUMPHREY of Washington: A bill (H. R. 11316) providing for the employment of an engineer to take charge of the work for controlling the flood waters of the Puyallup, White, and Stuck Rivers, and other streams in King and Pierce Counties, State of Washington; to the Committee on Rivers and Harbors

By Mr. GRAY: A bill (H. R. 11317) to increase the limit of cost of the United States post-office building at Newcastle, Ind.; to the Committee on Public Buildings and Grounds.

By Mr. BURKE of South Dakota: A bill (H. R. 11318) au-

thorizing the sale of lands in Lyman County, S. Dak.; to the Committee on the Public Lands.

By Mr. BARKLEY: A bill (H. R. 11319) making an appropriation for rebuilding, improving, and strengthening the levee on the Mississippi River at Columbus, Ky.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 11320) making an appropriation for the rebuilding, improvement, and strengthening of the levee on the Mississippi River at Hickman, Ky.; to the Committee on Rivers and Harbors.

By Mr. OLDFIELD: A bill (H. R. 11321) providing for the registration of designs; to the Committee on Patents.

By Mr. McCOY: A bill (H. R. 11322) to regulate the holding

of bank directorships, and for other purposes; to the Committee on the Judiciary

By Mr. WEBB: A bill (H. R. 11323) to amend section 1 of an act entitled "An act to protect trade and commerce against unlawful restraints and monopolies"; to the Committee on the Judiciary.

By Mr. RAKER: A bill (H. R. 11324) authorizing the disposal of a portion of the Fort Bidwell Indian School, California;

to the Committee on the Public Lands.

By Mr. TEN EYCK: A bill (H. R. 11325) to authorize the reconstruction of the existing toll bridge across the Hudson River at Troy, in the State of New York, and the maintenance of the bridge so reconstructed; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 11326) for the improvement of the Narrows of Lake Champlain, N. Y. and Vt.; to the Committee on Rivers

By Mr. TRIBBLE: A bill (H. R. 11327) to repeal "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, amendments approved February

5, 1903, and June 15, 1906; to the Committee on the Judiciary.

By Mr. CARTER: A bill (H. R. 11328) providing for the holding of the United States District and Circuit Courts at

Hugo, Okla.; to the Committee on the Judiciary.

By Mr. LEVY: A bill (H. R. 11329) to transfer the Army transport service from the War Department to the Navy Department; to the Committee on Military Affairs.

Also, a bill (H. R. 11330) reestablishing the grade of vice admiral in the Navy of the United States; to the Committee on

Naval Affairs.

By Mr. WHITE: A bill (H. R. 11331) to repeal an act regulating the construction of bridges across the Muskingum River in Ohio; to the Committee on Interstate and Foreign Commerce.

By Mr. CRAMTON: A bill (H. R. 11332) to amend section 3646 of the Revised Statutes of the United States, as amended by act of February 16, 1885, as amended by act of March 23, 1906, as amended by act of June 19, 1906; to the Committee on Invalid Pensions.

By Mr. PADGETT: A bill (H. R. 11333) to authorize the Secretary of the Navy to enter into contract for use by the Government of dry docks at Hunters Point, San Francisco, Cal.; to the

Committee on Naval Affairs.

By Mr. DUPRÉ: A bill (H. R. 11334) to construct and equip a small tender and barge for use in the eighth lighthouse district; to the Committee on Interstate and Foreign Commerce.

By Mr. SMITH of Maryland: A bill (H. R. 11335) providing

for an additional associate justice of the Supreme Court of the District of Columbia; to the Committee on the Judiciary

By Mr. LA FOLLETTE: A bill (H. R. 11336) to authorize and direct the Secretary of Agriculture to purchase and transport to Alaska for breeding purposes a band of yaks, and making an appropriation therefor; to the Committee on Agriculture.

By Mr. KELLY of Pennsylvania; A bill (H. R. 11337) to pro-hibit threats, expressed or implied, by employers of labor calculated to influence the political actions of workmen or employees in congressional elections; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. MOON: A bill (H. R. 11338) making appropriations

for the service of the Post Office Department for the fiscal year ending June 30, 1915, and for other purposes; to the Committee of the Whole House on the state of the Union.

By Mr. CLARK of Florida: Resolution (H. Res. 361) making certain inquiries from the Secretary of the Treasury; to the Committee on Expenditures in the Treasury Department.

By Mr. STEENERSON: Resolution (H. Res. 362) requesting the President of the United States, if not incompatible with the public interest, to furnish the House of Representatives with certain information; to the Committee on Indian Affairs.

Also, a resolution (H. Res. 363) making certain inquiries from the Secretary of the Treasury; to the Committee on Indian

Affairs.

By Mr. HINEBAUGH: Resolution (H. Res. 364) directing the Interstate Commerce Commission to investigate the New York Central, Michigan Central, and Lake Shore & Michigan Southern Railway as to interlocking directorates and intercorporate stock control; to the Committee on Interstate and For-

By Mr. FOSTER: Joint resolution (H. J. Res. 185) authorizing the President to withdraw public lands containing carnotite, pitchblende, or other radium-bearing ores and minerals; to the

Committee on Mines and Mining.

By Mr. FERRIS: Joint resolution (H. J. Res. 186) authorizing the Secretary of the Interior to withdraw from entry any public lands containing radium; to the Committee on Mines and Mining.

By Mr. NELSON: Joint resolution (H. J. Res. 187) to direct the Public Printer to prepare a brief table of contents for the daily editions of the Congressional Record; to the Committee on Printing.

By Mr. BARTLETT: Joint resolution (H. J. Res. 188) to continue in effect the provisions of the act of March 9, 1906 (Stat. L., vol. 34, p. 56); to the Committee on Military Affairs.

By Mr. BRITTEN: Joint resolution (H. J. Res. 189) directing the Secretary of War to permit the city of Chicago to erect permanent bridges across the Chicago River; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions

were introduced and severally referred as follows:

By Mr. RUSSELL: A bill (H. R. 11269) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; to the Committee of the Whole

By Mr. ANSBERRY: A bill (H. R. 11339) granting an increase of pension to William Marvin; to the Committee on

Invalid Pensions.

Also, a bill (H. R. 11340) granting an increase of pension to Theodore Frazer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11341) granting an increase of pension to Newton S. Long; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11342) granting an increase of pension to Lyman R. Blossom; to the Committee on Invalid Pensions.

By Mr. ASHBROOK: A bill (H. R. 11343) to remove the charge of desertion from the military record of Jean Petit; to the Committee on Military Affairs.

By Mr. AVIS: A bill (H. R. 11344) granting an increase of pension to Levi W. Moore; to the Committee on Invalid Pen-

By Mr. BARKLEY: A bill (H. R. 11345) granting a pension to Mark Curtsinger; to the Committee on Pensions.

Also, a bill (H. R. 11346) granting a pension to Nettie L.

Saunders; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11347) to remove the charge of desertion from the name of Ellery P. Roberts; to the Committee on Military Affairs.

By Mr. BORLAND: A bill (H. R. 11348) granting an increase

of pension to Harriet E. Payne; to the Committee on Pensions. By Mr. BRITTEN: A bill (H. R. 11349) granting an increase of pension to Mary E. Meehan; to the Committee on Invalid Pensions.

By Mr. BUTLER: A bill (H. R. 11350) to place the name of Capt. George W. Abel upon the unlimited retired list of the Army; to the Committee on Military Affairs.

Also, a bill (H. R. 11351) granting an increase of pension to John W. Reed; to the Committee on Invalid Pensions.

By Mr. CAMPBELL: A bill (H. R. 11352) for the relief of Samuel T. King; to the Committee on Military Affairs.

Also, a bill (H. R. 11353) granting an increase of pension to Elmer R. Chamness; to the Committee on Pensions.

Also, a bill (H. R. 11354) granting a pension to George W. Sharp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11355) granting an increase of pension to R. M. C. Gavin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11356) granting an increase of pension to Joseph H. Rudrow; to the Committee on Invalid Pensions.

By Mr. CARLIN: A bill (H. R. 11357) for the relief of A. H.

Thompson; to the Committee on War Claims.

Also, a bill (H. R. 11358) granting an increase of pension to John H. Agner; to the Committee on Pensions.

By Mr. CARTER: A bill (H. R 11359) extending the provisions of the act of March 3, 1891 (26 Stat. L., p. 851), to the claim of the estate of Montford T. Johnson, deceased; to the Committee on Claims.

By Mr. CLARK of Missouri: A bill (H. R. 11360) granting an increase of pension to Nathan J. Kilby; to the Committee on Invalid Pensions.

By Mr. COOPER: A bill (H. R. 11361) granting an increase of pension to George E. Lewis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11362) granting an increase of pension to S. B. Bohanan; to the Committee on Invalid Pensions

By Mr. CONNELLY of Kansas: A bill (H. R. 11363) granting an increase of pension to George M. Trickey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11364) granting an increase of pension to

Ellen Hamilton; to the Committee on Invalid Pensions.

By Mr. COX: A bill (H. R. 11365) granting a pension to Julian C. McClure; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11366) granting an increase of pension to William Yandell; to the Committee on Invalid Pensions.

By Mr. CRAMTON: A bill (H. R. 11367) granting a pension to Kate H. Vosburgh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11368) granting a pension to Mary A.

June; to the Committee on Pensions.

Also, a bill (H. R. 11369) granting an increase of pension to Lyman Rutherford; to the Committee on Invalid Pensions. Also, a bill (H. R. 11370) for the relief of William Heine; to

the Committee on Military Affairs.

Also, a bill (H. R. 11371) granting a pension to Lauchling McDonald; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11372) granting an increase of pension to Michael Sheehy; to the Committee on Invalid Pensions,

Also, a bill (H. R. 11373) granting an increase of pension to Emmett M. Hopkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11374) granting an increase of pension to Augustus Greenfield; to the Committee on Invalid Pensions. Also, a bill (H. R. 11375) to remove the charge of desertion

from the military record of Joseph Barney; to the Committee on Military Affairs.

Also, a bill (H. R. 11376) for the relief of Spencer D. Gleason;

to the Committee on Military Affairs.

By Mr. DOOLITTLE: A bill (H. R. 11377) for the relief of Archibald Craig; to the Committee on Military Affairs

Also, a bill (H. R. 11378) for the relief of John W. Willey; to the Committee on Military Affairs.

Also, a bill (H. R. 11379) granting an increase of pension to

George Creelman; to the Committee on Invalid Pensions. By Mr. DUPRE: A bill (H. R. 11380) for the relief of the estate of Jeremiah O'Keefe; to the Committee on War Claims.

Also, a bill (H. R. 11381) for the relief of the estate of T. J.

Semmes, deceased; to the Committee on War Claims.

By Mr. EAGAN: A bill (H. R. 11382) granting a pension to Thomas H. Woods; to the Committee on Pensions.

By Mr. FERRIS: A bill (H. R. 11383) granting an increase of pension to James Richey; to the Committee on Invalid Pen-

Also, a bill (H. R. 11384) for the relief of Ivy L. Merrill; to the Committee on Indian Affairs.

By Mr. FIELDS: A bill (H. R. 11385) granting an increase of pension to Belle Oldham; to the Committee on Invalid

Also, a bill (H. R. 11386) granting an increase of pension to Joseph P. Warder; to the Committee on Invalid Pensions

Also, a bill (H. R. 11387) granting an increase of pension to Perry G. P. Bruce; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11388) for the relief of the legal representatives and heirs of Jacob Neace, deceased; to the Committee

Also, a bill (H. R. 11389) for the relief of B. F. Fugate; to the Committee on War Claims.

Also, a bill (H. R. 11390) for the relief of Jeremiah Hunt;

to the Committee on Military Affairs.

Also, a bill (H. R. 11391) for the relief of Dr. F. M. Carter;

· to the Committee on War Claims.

Also, a bill (H. R. 11392) for the relief of the legal representatives and heirs of James Noble, deceased; to the Committee on War Claims.

Also, a bill (H. R. 11393) to correct the military record of Thomas C. Roberts; to the Committee on Military Affairs. By Mr. FITZGERALD: A bill (H. R. 11394) for the relief

of James A. Powers; to the Committee on Claims.

Also, a bill (H. R. 11395) for the relief of Andrew Dougherty and Edward J. Dougherty, executors of the estate of Andrew Dougherty, deceased; to the Committee on Claims.

By Mr. FOSTER: A bill (H. R. 11396) granting a pension to Clinton C. Coventry; to the Committee on Pensions.

By Mr. FREAR: A bill (H. R. 11397) for the relief of Frank Kreuger; to the Committee on Military Affairs.

By Mr. GILLETT: A bill (H. R. 11398) granting an increase of pension to Frances W. Stoddard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11399) granting a pension to Mary K. Bell;

to the Committee on Invalid Pensions.

Also, a bill (H. R. 11400) for the relief of the widow of James

Russell Cochrane; to the Committee on Military Affairs.

By Mr. GRAHAM of Pennsylvania: A bill (H. R. 11401) to
provide for the erection of a monument to perpetuate the memory of William R. Smith, late superintendent of the Botanical

Gardens; to the Committee on the Library.

By Mr. GREGG: A bill (H. R. 11402) for the relief of Robert C. McManus, administrator of the estate of R. O. W. McManus, deceased; to the Committee on War Claims.

By Mr. HAYES: A bill (H. R. 11403) for the relief of Thomas Bingham; to the Committee on Claims.

Also, a bill (H. R. 11404) for the relief of the claimants to

the Coppinger grant, in the county of San Mateo, State of California, and all other persons claiming title to portions of said grant by mesne conveyances from Juan Coppinger; to the Committee on the Public Lands.

By Mr. HELVERING: A bill (H. R. 11405) granting an increase of pension to Stephen S. Kelly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11406) granting an increase of pension to Joseph Greenleaf; to the Committee on Invalid Pensions. Also, a bill H. R. 11407) granting a pension to Nancy E.

Lamb; to the Committee on Invalid Pensions.

By Mr. HAMLIN: A bill (H. R. 11408) granting an increase of pension to Joshua J. Steckel; to the Committee on Invalid

Also, a bill (H. R. 11409) granting an increase of pension to Charles B. Hoag; to the Committee on Invalid Pensions.

By Mr. HILL: A bill (H. R. 11410) granting an increase of pension to Peter Risban; to the Committee on Pensions.

By Mr. HULINGS: A bill (H. R. 11411) granting an increase of pension to Charles W. Malsom; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11412) granting an increase of pension to James S. Thompson; to the Committee on Invalid Pensions.

By Mr. HUMPHREY of Washington: A bill (H. R. 11413) granting a pension to Harry Yates; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11414) granting an increase of pension to William E. Russell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11415) granting an increase of pension to John Shaller; to the Committee on Invalid Pensions

By Mr. JACOWAY: A bill (H. R. 11416) for the relief of

J. C. Hill; to the Committee on Military Affairs. By Mr. KEY of Ohio: A bill (H. R. 11417) granting an increase of pension to Joshua H. Reynolds; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11418) granting an increase of pension to William N. Grandstaff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11419) granting an increase of pension to Frederick Arnholt; to the Committee on Invalid Pensions

Also, a bill (H. R. 11420) granting an increase of pension to Charles E. Bibb; to the Committee on Invalid Pensions

Also, a bill (H. R. 11421) granting an increase of pension to John P. Kellogg; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11422) granting an increase of pension to David Williams; to the Committee on Invalid Pensions. Also, a bill (H. R. 11423) to correct the military record of

Henry C. James; to the Committee on Military Affairs, Also, a bill (H. R. 11424) to correct the military record of

Thomas S. Fleming; to the Committee on Military Affairs. By Mr. KIESS of Pennsylvania: A bill (H. R. 11425) granting an increase of pension to Catherine Webb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11426) granting a pension to Jessie Byerly; to the Committee on Invalid Pensions,
By Mr. KINKAID of Nebraska: A bill (H. R. 11427) granting

an increase of pension to Ignicious Wanker; to the Committee Invalid Pensions.

Also, a bill (H. R. 11428) granting a pension to Mary J. Neary; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11429) granting an increase of pension to Eguene J. Boblits; to the Committee on Invalid Pensions.

By Mr. LANGLEY: A bill (H. R. 11430) granting a pension to W. O. B. Tibbs; to the Committee on Pensions.

Also, a bill (H. R. 11431) granting an increase of pension to

Thomas J. Richie; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11432) granting an increase of pension to Adeline L. Power; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11433) granting an increase of pension to Committee on Pensions.

William O'Bryan; to the Committee on Pensions.

Also, a bill (H. R. 11434) granting an increase of pension to Wiley Gullett; to the Committee on Pensions.

Wiley Gullett; to the Committee on Pensions.

By Mr. LIEB: A bill (H. R. 11435) granting an increase of pension to Eliza J. Corn; to the Committee on Invalid Pensions.

By Mr. LOBECK: A bill (H. R. 11436) granting a pension to Katherine Hempen; to the Committee on Pensions.

Also, a bill (H. R. 11437) granting a pension to Minnie A. Cullen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11438) granting a pension to Ellen M. Haney; to the Committee on Pensions.

Also, a bill (H. R. 11439) granting a pension to Katie A. Stewart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11440) granting an increase of pension to Isabell E. Kearns; to the Committee on Invalid Pensions.

By Mr. McGILLICUDDY: A bill (H. R. 11441) granting a pension to Lelia E. Bowley; to the Committee on Invalid Pensions. By Mr. MAHAN: A bill (H. R. 11442) granting a pension to

William Keefe; to the Committee on Pensions.

By Mr. MANN: A bill (H. R. 11443) granting an increase of pension to Morton A. Read; to the Committee on Invalid Pensions.

By Mr. MOORE: A bill (H. R. 11444) for the relief of the Delaware Insurance Co., of Philadelphia, Pa.; to the Committee on Claims

By Mr. MORGAN of Oklahoma; A bill (H. R. 11445) granting an increase of pension to James P. Barton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11446) granting an increase of pension to Elias Worley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11447) granting an increase of pension to David Bowen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11448) granting an increase of pension to Melissa A. Fore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11449) for the relief of Morris S. Baker; to the Committee on War Claims.

Also, a bill (H. R. 11450) to correct the military record of William H. Wyatt and grant him an honorable discharge; to the Committee on Military Affairs.

By Mr. MORRISON: A bill (H. R. 11451) granting an increase of pension to Jesse C. Parks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11452) granting an increase of pension (5) Edward A. Lane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11453) granting an increase of pension to Adam R. Zimmerle; to the Committee on Invalid Pensions.

By Mr. MOSS of Indiana; A bill (H. R. 11454) granting an increase of pension to James Chambers; to the Committee on Invalid Pensions.

By Mr. MOSS of West Virginia: A bill (H. R. 11455) granting a pension to Alfred J. Osborn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11456) granting a pension to Elizabeth F. Warner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11457) granting an increase of pension to Cyrus Traugh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11458) granting an increase of pension to

John Wallace; to the Committee on Invalid Pensions.
Also, a bill (H. R. 11459) granting an increase of pension to

Alexander Kerr; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11460) granking an increase of pension to

Lucinda Gardner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11461) granting an increase of pension to

B. F. Ridenour; to the Committee on Invalid Pensions,
Also, a bill (H. R. 11462) granting an increase of pension to

Andrew J. Bowyer; to the Committee on Invalid Pensions. By Mr. NELSON: A bill (H. R. 11463) granting a pension to

Mary S. Eugene; to the Committee on Invalid Pensions.

By Mr. OLDFIELD: A bill (H. R. 11464) granting a pension to Thomas B. Lumpkin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11465) granting a pension to Charlotte P.

Grizzle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11466) granting a pension to Charles C.

Abernathy; to the Committee on Invalid Pensions,
Also, a bill (H. R. 11467) granting an increase of pension to

John A. King; to the Committee on Invalid Pensions.

By Mr. PALMER: A bill (H. R. 11468) granting an increase of pension to Charles Imick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11469) granting a pension to Mrs. Louisa Snyder; to the Committee on Invalid Pensions.

Also, a bill (H. R 11470) granting a pension to Elmer E. Frederick; to the Committee on Pensions.

By Mr. PAYNE: A bill (H. R. 11471) granting a pension to Nabbie E. Ward; to the Committee on Invalid Pensions.

By Mr. RAUCH: A bill (H. R. 11472) granting an increase of pension to Hiram Harrell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11473) granting an increase of pension to Henry Fawley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11474) granting an increase of pension to William J. Finley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11475) granting a pension to Mary J.

Also, a bill (H. R. 11475) granting a pension to Mary J. Brophy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11476) granting an increase of pension to Benjamin Dorwart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11477) granting an increase of pension to John M. Schaler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11478) for the relief of Frank Bell; to the Committee on Military Affairs.

Also, a bill (H. R. 11479) granting an increase of pension to Michael N. Musselman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11480) granting an increase of pension to Thomas Gourley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11481) granting an increase of pension to Alfred E. Neal; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11482) granting an increase of pension to David M. Kinsey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11483) to correct the military record of Thomas F. Lindesmith; to the Committee on Military Affairs.

Also, a bill (H. R. 11484) to correct the military record of Ralph Cloud; to the Committee on Military Affairs.

By Mr. RICHARDSON: A bill (H. R. 11485) granting a pension to Robert Whittaker; to the Committee on Invalid Pensions.

By Mr. ROUSE: A bill (H. R. 11486) granting an increase of pension to Addison Beach; to the Committee on Invalid Pensions

By Mr. RUSSELL: A bill (H. R. 11487) granting a pension to John Mayfield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11488) granting a pension to Malinda Jane Wall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11489) granting an increase of pension to James Hildrith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11490) granting an increase of pension to William R. Calvert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11491) granting an increase of pension to

James A. Trail; to the Committee on Invalid Pensions.
Also, a bill (H. R. 11492) granting an increase of pension to

Eddie Thomas; to the Committee on Pensions.

Also, a bill (H. R. 11493) granting an increase of pension to

Malcom G. Parsons; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11494) granting an increase of pension to Tabitha P. Bissett; to the Committee on Pensions.

By Mr. SELDOMRIDGE: A bill (H. R. 11495) granting a pension to Sophronia E. Whipple; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11496) granting a pension to Helen M., Emery R., and Glenia N. Sarver, minor children of Doctor E. Sarver; to the Committee on Pensions.

Also, a bill (H. R. 11497) to remove the charge of desertion from the military record of Alexander B. Stevenson and to grant him an honorable discharge; to the Committee on Military Affairs.

By Mr. SMITH of Maryland: A bill (H. R. 11498) for the relief of the estate of George Neitzey, deceased, surviving partner of Neitzey & Acker; to the Committee on the District of Columbia.

By Mr. STEENERSON: A bill (H. R. 11499) granting a pension to Nels B. Olson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11500) granting an increase of pension to

Maggy Van Wert; to the Committee on Invalid Pensions. By Mr. STEPHENS of California; A bill (H. R. 11501) granting a pension to Samuel S. Householder; to the Committee on Invalid Pensions.

By Mr. STEPHENS of Texas: A bill (H. R. 11502) granting a pension to Olive Dixon; to the Committee on Pensions.

By Mr. TEN EYCK: A bill (H. R. 11503) for the relief of Tennis W. Wade; to the Committee on Military Affairs.

By Mr. THOMSON of Illinois: A bill (H. R. 11504) granting an increase of pension to Moses Reeves, jr.; to the Committee on Invalid Pensions.

By Mr. WALLIN: A bill (H. R. 11505) granting a pension to John A. Green; to the Committee on Invalid Pensions.

By Mr. WILSON of Florida: A bill (H. R. 11506) for the relief of the heirs of Salvador Costa; to the Committee on War Claims.

Also (by request), a bill (H. R. 11507) for the relief of A. Purdee; to the Committee on the Public Lands.

By Mr. WOODS: A bill (H. R. 11508) granting a pension to George Duryea; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11509) granting an increase of pension to Joseph C. Pannell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11510) for the relief of John T. Watson; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XII, petitious and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER: Memorial of the Andrew Jackson Branch of the American Continental League of Cincinnati, Ohio, protesting against an appropriation for the celebration of the hundred years of peace with England; to the Committee on Foreign Affairs.

Also (by request), memorial of headquarters George Washington Branch of the American Continental League of Connecticut, Danbury, Conn., protesting against an appropriation by Congress for celebrating 100 years of peace with English-speaking peoples; to the Committee on Appropriations.

Also (by request), petition of the Vinegar Hill Club, of Phila-delphia, Pa., protesting against any appropriation by Congress

fer the celebration of 100 years of peace with English-speaking peoples; to the Committee on Appropriations.

Also (by request), memorial of John A. Rawlins Post, No. 128, Department of Minnesota, Grand Army of the Republic, favoring the passage of House bill 11112, relative to erection of a memorial to the reunion of the Union and Confederate Armies

at Gettysburg; to the Committee on Military Affairs. Also (by request), petition of citizens of the State of Washington, approving the Federal reserve act and requesting the location of a Federal reserve bank in the city of Seattle; to the

Committee on Banking and Currency.

Also (by request), resolutions of the Robert Emmet Literary Society, of Wilmerding, Pa.; of the Washington Branch of the American Continental League, of Youngstown, Ohio; of the American Continental League, of Youngstown, Onio; of the Jefferson Branch of the American Continental League, of New Bedford, Mass.; of the Matthew Thornton Branch of the American Continental League, of Philadelphia, Pa.; of the Washington Branch of the American Continental League, of Pittsfield, Mass.; of the Affiliated Branch of the American Continental League, of Pittsburgh, Pa.; of the Andrew Jackson Branch of the American Continental League, of Wilmerding, Pa.; of the Commodore Barry Branch of the American Continental League, of Jersey City, N. J.; of the United Irish-American Societies of Greater New York; of the Abraham Lincoln Branch of the American Continental League, of Brooklyn, N. Y. of the Thomas Jefferson Branch of the American Continental League, of Graysferry Road, Philadelphia, Pa.; of the Rochester (N. Y.) Branch of the American Continental League; and of the Jefferson Club of the seventeenth ward, protesting against Congress appropriating funds for the celebration of the socalled "100 years of peace among English-speaking people"; to the Committee on Foreign Affairs.

Also (by request), resolutions of the Saugus Socialist Club, of Colorado; the Leadwood Miners' Union, of Leadwood, Mo.; of the Desloge (Mo.) Socialist; of the Branch Millville, of Millville, N. J.; of the Local Louisiana; of the Women's Trade Union League, of New York City; of Local Union No. 298, United Mine Workers of America, of Richmond, Mo.; and of the Voorhees Township, Branch No. 1, Socialist Party Local, of Gibbsboro, N. J., requesting congressional investigation of the Colorado coal and the Michigan copper mine strikes; to the Committee on Rules.

Also (by request), petitions of the German-American Alliance, of Johnstown, Pa.; Bridgeport, Conn.; and Kansas City, Mo.; of the Cook County (Ill.) commissioners; and of the City Council of Chicago, Ill., protesting against the educational test in the Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also (by request), petition of licensed officers of the United States employed in the service of the Southern Pacific Co., Atlantic steamship lines, directing attention to inconsistencies in Senate bill 136, to promote the welfare of American seamen in the merchant marine, etc.; to the Committee on the Merchant Marine and Fisheries.

Also (by request), petition of King County Central Committee of the Socialist Party of Washington, favoring passage of Senate bill 4; to the Committee on the Merchant Marine and Fisheries.

Also (by request), resolution of the Connecticut Federation of Women's Clubs, favoring legislation for Federal control of the water powers; to the Committee on the Public Lands.

Also (by request), resolution adopted by State administrators of vocational education in New York City December 13, 1913, favoring Senate joint resolution 5, providing for the appointment of a commission to consider the need and report a plan for national aid to vocational education; to the Committee

Also (by request), petition of John M. Mott, of South Haven, Mich., favoring the metric system of weights and measures; to

the Committee on Coinage, Weights, and Measures.

Also (by request): Petition of citizens of Illinois, favoring an amendment to the Constitution prohibiting polygamy; to the Committee on the Judiciary.

Also (by request), petitions of the Cincinnati (Ohio) Chamber of Commerce and the Central Democratic Club of Harrisburg, Pa., congratulating Congress on the adoption of the bank-

ing and currency law; to the Committee on Banking and Cur-

rency.

By Mr. ASHBROOK: Evidence to accompany House bill 8889, a special bill for the relief of Rebecca L. Scarbrough; to the Committee on Invalid Pensions.

By Mr. BRITTEN: Memorial of the Illinois State Horticul-

tural Society, protesting against the enactment of any legislation fixing a standard box for the packing of apples; to the Committee on Interstate and Foreign Commerce.

Also, memorial of citizens of twenty-first and twenty-second wards of the city of Chicago, and of the twenty-fifth ward branch of the Socialist Party of Chicago, Ill., relative to labor conditions in Michigan and other parts of the United States; to the Committee on Rules.

Also, memorial of the Board of Commissioners of Cook County, Ill., protesting against the literacy test in the immigration bill; to the Committee on Immigration and Naturalization.

By Mr. BUTLER (by request): Petition of the officers and members of Branch 31 of the Glass Bottle Blowers' Association of the United States and Canada, at Spring City, Pa., favoring the passage of House bill 1873 and Senate bill 927; to the

Committee on the Judiciary.

Also, petition of citizens of seventh congressional district of Pennsylvania, favoring passage of the Burnett immigration bill;

to the Committee on Immigration and Naturalization.

By Mr. CALDER: Petition of sundry citizens of the State of New York, favoring the literacy test in the immigration bill; to the Committee on Immigration and Naturalization.

Also, memorial of State administrators of vocational education, favoring the passage of Senate joint resolution No. 5 relative to vocational education; to the Committee on Education.

Also, petition of the New York State Council of the Junior Order of United American Mechanics of the United States, favoring the literacy test in the immigration bill; to the Committee on Immigration and Naturalization.

By Mr. CARTER: Memorial of Local Union No. 1811, United Mine Workers of America, favoring an investigation by Congress of the conditions in the mining districts of the State of Colorado; to the Committee on Rules.

Also, memorial of Local Unions Nos. 1811, 1170, 2070, and 1778, United Mine Workers of America, in Oklahoma, advocating a congressional investigation of strike situation in Michigan and Government ownership of copper mines; to the Committee on Rules.

By Mr. CLARK of Florida: Petition of Forrest Lake and numerous other citizens of the city of Sanford, Fla., favoring the passage of the bill extending the benefit of the pension laws to the United States Military Telegraph Corps; to the Committee on Invalid Pensions.

Also, petition of Kissimmee Council, No. 27, Junior Order United American Mechanics, of Kissimmee, Fla., asking for the passage of House bill 6060; to the Committee on Immigration and Naturalization,

By Mr. CRAMTON: Memorial of the common council of the city of Marine City, Mich., and Shipmasters' Association, Lodge No. 8, protesting against the passage of the seamen's bill in its present form; to the Committee on the Merchant Marine and Fisheries.

Also, memorial of Cigar Makers' Union No. 368, of Port Huron, Mich., favoring congressional investigation of the conper miners' strike and for Government ownership of such mines; to the Committee on Rules.

Also, memorial of William Sanborn Post, No. 93, Grand Army of the Republic, of Port Huron, Mich., favoring the passage of a bill for the payment of pension accrued at death of a pensioner; to the Committee on Pensions.

Also, petition of Civil War veterans of Auburn, Me., in behalf of House bill 8605; to the Committee on Invalid Pensions.

Also, petition of citizens of Sanilac County, Mich., protesting against the passage of the Sabbath-observance bill (H. R. 9674); to the Committee on the District of Columbia.

Also, petitions of Dr. J. B. G. Dixon and other physicians and specialists of Huron County, Mich., protesting against the Federal medical board bill (H. R. 8606); to the Committee on Mili-

By Mr. CURRY: Memorial of Commodore Stockton Camp, No. 4, Department of California, United Spanish War Veterans, favoring legislation by Congress for the payment of pensions to veterans and widows of deceased soldiers, sailors, marines, and

Revenue Service men; to the Committee on Pensions.

Also, memorial of Rawlins Relief Corps, No. 29, and Rawlins Post, No. 23, Department of California and Nevada, favoring monthly payment by Congress of all pensions; to the Committee on Pensions.

By Mr. DALE: Petition to accompany House bill 7351, a bill for the relief of Julia Halloran; to the Committee on Pensions.

Also, resolution of the New York State Council, Junior Order of United American Mechanics, of Brooklyn, N. Y., favoring the Burnett immigration bill: to the Committee on Immigration and Naturalization.

Also, resolution adopted by State administrators of vocational education in New York City December 13, 1913, favoring passage of Senate joint resolution 5, providing for a national commission on vocational education; to the Committee on Education.

Also, petition of N. H. White & Co., of New York City, requesting certain modifications to the income-tax law; to the

Committee on Ways and Means.

Also, petition of Antisaloon League of Hawaii, favoring the passage of the Gronna bill; to the Committee on Insular Affairs. Also, petition of Consumers' League of New York State, favoring eight-hour bill for women employed in the District of Columbia; to the Committee on the District of Columbia.

Also, petition to accompany bill for relief of Llewellyn A.

Cole, jr.; to the Committee on Pensions.

By Mr. DAVIS: Petition of the Building Trades Council of Minneapolis, Minn., relative to conditions existing in the copper mining districts of Michigan; to the Committee on Labor.

Also, petition of the Nicollet County (Minn.) Creamery Association, protesting against the passage of the McKellar bill limiting the cold storage of butter to three months; to the Committee on Interstate and Foreign Commerce.

Also, petition of the Minneapolis (Minn.) Association of Credit Men, favoring the passage of legislation for the prevention and control of floods by the Mississippi and other rivers; to the Committee on Rivers and Harbors.

By Mr. FITZGERALD: Memorial of the council of the city of Benton Harbor, Mich., and the Benton Harbor Development Co., protesting against the passage of the seamen's bill; to the Com-

mittee on the Merchant Marine and Fisheries.

By Mr. GARNER: Petition of Texas Staats-Verbund, representing 10,000 American citizens, protesting against the passage of House joint resolution 168, Senate joint resolution 88, and Senate joint resolution 50; to the Committee on the Judiciary.

By Mr. GRAHAM of Pennsylvania: Petitions of the Daughters of Liberty, Richmond Council, No. 143, Philadelphia; Robert Morris Council, No. 41, Order of Independent Americans, Germantown; Bellevue Council, No. 692, Order of Independent Americans, Philadelphia; the Commercial Exchange of Philadelphia; Washington Camp, No. 764, Patriotic Order of Sons of America, Philadelphia; Francisville Council, No. 887, Order of Independent Americans, Philadelphia; Quaker City Command-No. 422, Ancient and Illustrious Order Knights of Malta, Philadelphia; John R. Marlin Council, No. 20, Junior Order United American Mechanics, Philadelphia; Washington Council, No. 1, Junior Order United American Mechanics, Germantown; Washington Camp, No. 15, Patriotic Order of Sons of America, Philadelphia: Frankford Council, No. 176, Junior Order United American Mechanics, Frankford; Washington Camp, No. 304, Patriotic Order of Sons of America, Philadelphia; Washington Camp, No. 290, Patriotic Order of Sons of America, Philadel-Penns Park Council, No. 973, Junior Order United American Mechanics, Penns Park; Washington Camp, No. 478, Patriotic Order of Sons of America, Philadelphia; Daughters of Liberty, Council No. 36, Philadelphia; and State Council of Pennsylvania, Daughters of Liberty, Philadelphia, all of the State of Pennsylvania, favoring the passage of the Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, resolutions of the Matthew Thornton Branch of the American Continental League, of Philadelphia, Pa., protesting against appropriation of funds for the celebration of the "One

hundred years of peace among English-speaking peoples"; to the Committee on Foreign Affairs.

Also, petition of Pennsylvania Cold Storage & Market Co., of Philadelphia Pa favoring amondments to Humania Cold Philadelphia, Pa., favoring amendments to House bills 9266, 9530, and 9987; to the Committee on Interstate and Foreign Commerce

By Mr. GRIEST: Petition of William P. King & Son, of Peach Bottom, Pa., protesting against the enactment of House bill 9832, relating to canned goods; to the Committee on Interstate

and Foreign Commerce.

By Mr. HELVERING: Petition of Lyon Post, No. 9, Department of Kansas, Grand Army of the Republic, favoring passage of bills now pending in Congress for the relief of the survivors of the Military Telegraph Corps in the Civil War; to the Committee on Invalid Pensions.

Also, petition of Civil War veterans, favoring passage of House bill 8605, to increase amounts paid to those soldiers who were maimed and crippled in Civil War; to the Committee on Invalid

Pensions.

By Mr. HINEBAUGH: Petition of sundry citizens of the State of Illinois, favoring the passage of a bill for the building of two battleships; to the Committee on Na. al Affairs.

Also, petition of United Trades and Labor Council of Streator and sundry citizens of Streator, organized labor and citizens . ! Rockford, and citizens of De Kalb, all in the State of Illinois, favoring congressional investigation of the mining conditions in Michigan; to the Committee on Labor.

Also, memorial of the Kendall County Bar Association, of Kendall County, Ill., protesting against the reorganization of the United States judicial district of Illinois (H. R. 9573); to

the Committee on the Judiciary.

By Mr. HOWELL: Memorial of the Utah State Federation of Labor and the Turlix District Miners' Union, Utah, calling for a congressional investigation of labor conditions in the strike districts in Michigan and Colorado; to the Committee on Labor.

Also, memorial of the Salt Lake Federation of Labor, favoring congressional investigation of the alleged fraudulent acquisition of mining lands in Michigan; to the Committee on the Public

Also, petition of Ryon Isbell, protesting against House bill 9113; to the Committee on Interstate and Foreign Commerce.

Also, petition of Zion's Savings Bank & Trust Co., protesting against an increase of the present limit of postal savings association; to the Committee on the Post Office and Post Roads.

By Mr. JACOWAY: Evidence to accompany bill for the relief

of J. C. Hill; to the Committee on Military Affairs.

By Mr. KIESS of Pennsylvania: Petition of citizens of Potter County, Pa., protesting against the passage of House bill 8814; to the Committee on the Judiciary.

Also, petition of citizens of Lycoming County, Pa., favoring the Lindquist pure fabric and leather bill; to the Committee on

Interstate and Foreign Commerce.

Also, resolution of citizens of Williamsport, Pa., favoring congressional investigation into the recent strikes in the State of Michigan and other States; to the Committee on Rules.

By Mr. LANGHAM: Petition of S. G. Burdick, favoring increase of pension for veterans of Civil War and remuneration for veterans who were held as prisoners of war; to the Committee on Invalid Pensions.

Also, petition of veterans of Civil War, favoring passage of House bill 8605 to increase pensions paid to certain classes of Civil War veterans; to the Committee on Invalid Pensions.

Also, petition of Local Union No. 1736, United Mine Workers of America, favoring a Federal investigation of the labor troubles in Colorado and Michigan; to the Committee on Rules.

Also, resolutions of the Philadelphia Produce Exchange, opposing the passage of the McKellar cold-storage bill; to the Committee on Interstate and Foreign Commerce.

Also, petition of the plastering craft throughout the city of Philadelphia, Pa., favoring passage of bill (H. R. 7771) to regulate plastering in the District of Columbia; to the Committee on the District of Columbia.

Also, resolutions of East Brady Branch of Socialist Party, Pennsylvania, requesting a Federal investigation of strike con-

ditions in Michigan; to the Committee on Rules.

Also, petition of National Association of Assistant Postmasters, requesting the enforcement of the civil-service law; to the Committee on Reform in the Civil Service.

By Mr. LANGLEY: Memorial of State administrators of vocational education, favoring the passage of Senate joint resolution No. 5, authorizing the appointment of a commission to investigate need for national aid to vocational education; to the Committee on Education.

By Mr. LINDBERGH: Petition of citizens of Brainerd, Minn., protesting against passage of Senate bill 752, regulating the observance of Sunday in the District of Columbia; to the Committee on the District of Columbia.

By Mr. LLOYD: Petition of merchants of Downing, Novinger, Elmer, and Ethel, all in the State of Missouri, favoring an interstate tax on mail-order business; to the Committee on Ways and Means.

By Mr. LONERGAN: Petition of Local Union No. 35, International Brotherhood of Electrical Workers, of Hartford, Conn., favoring a congressional investigation of the strike situation in the copper regions of Michigan; to the Committee on Rules.

Also, petition of the George Washington Branch of the American Continental League of Connecticut, of Danbury, Conn., protesting against appropriating any money for the celebration of 100 years of peace among English-speaking peoples; to the Committee on Appropriations.

Also, petition of the Connecticut Federation of Women's Clubs, to enact legislation for the Federal control of water powers; to

the Committee on Rivers and Harbors.

Also, petition of J. H. Hale, of Glastonbury, Conn., protesting against including apples in the McKellar cold-storage bill; to the Committee on Interstate and Foreign Commerce.

Also, petition of the Socialist Party of Hartford, Conn., protesting against restricting immigration; to the Committee on

Immigration and Naturalization.

By Mr. MacDONALD: Memorial of the members of the miners' unions of Negaunee, Mich.; 2,000 citizens of Duluth, Minn.; Central Labor Union of Brooklyn, N. Y.; Menominee Socialist Local, of Menominee, Mich.; Scandinavian Local, of Negaunee, Mich.; the Women's Trade Union League of New York City; the Keweenaw Miners' Union, of Ahmeek, Mich.; Cigarmarkers' Union of Houghton, Mich.; citizens of Greenland Township and vicinity, Mich.; and Socialist Local of Gladstone, Mich., favoring congressional investigation of the strike in the upper peninsula of Michigan; to the Committee on Rules.

By Mr. McGILLICUDDY: Petition of certain citizens of Knox County, Me., and Lewiston, Me., opposing the Sabbathobservance bill (H. R. 9674); to the Committee on the District

of Columbia.

Also, resolutions by Socialist Party of Lewiston, Auburn, and Wiscasset, Me., advocating Government ownership of copper mines and congressional investigation of the strike conditions in Michigan and elsewhere; to the Committee on Rules

Also, memorial of the Chamber of Commerce of Waterville, Me., approving the plans of the park commission for the beautification of Washington City; to the Committee on the District

of Columbia

By Mr. NELSON: Petition of A. H. Babcock and other citizens of Albion, Wis., protesting against the passage of the Sabbath-observance bill (H. R. 9674); to the Committee on the District of Columbia.

By Mr. O'SHAUNESSY: Petition of citizens of Rhode Island, favoring a two-battleship program at this session of Congress; to the Committee on Naval Affairs,

By Mr. PALMER: Petition of citizens of Pike County, Pa,, urging the passage of Burnett immigration bill; to the Committee on Immigration and Naturalization.

By Mr. RAKER: Resolutions by the Associated Chambers of Commerce of the Pacific Coast, favoring the creating of a reserve strength in the Army; to the Committee on Military Affairs.

Also, petition of the Knights of Luther, Omaha, Nebr., favoring House bill 6060, the Burnett illiteracy test bill; to the Committee on Immigration and Naturalization.

Also, resolutions of Woman's Synodical Society of Home Missions of California, favoring an amendment to the Constitu-tion of the United States prohibiting polygamy; to the Committee on the Judiciary.

Also, petition of San Francisco Camp, No. 4, National Indian War Veterans, San Francisco, Cal., favoring the passage of House bill 1672, to place on the pension rolls the survivors of the early Indian wars; to the Committee on Pensions.

Also, resolutions of postmasters' organizations and citizens of California, opposing the elimination of assistant postmasters from the classified service; to the Committee on the Post Office and Post Roads.

Also, resolutions by the Chamber of Commerce, Los Angeles, Cal., favoring improvements at the Crescent City Crescent City, Cal.; to the Committee on Rivers and Harbors.

Also, resolutions of the California State Federation of Labor, San Francisco Labor Council, and other organizations in California, favoring the seamen's bill (S. 136); to the Committee on the Merchant Marine and Fisheries.

Also, resolutions of the National Society for the Promotion of Industrial Education, favoring passage of Senate joint resolution No. 5, authorizing the appointment of a commission to investigate need for national aid to vocational education; to the Committee on Education.

By Mr. REILLY of Connecticut: Resolutions of Local Union, 171, Bakers' International Union, of New Haven, Conn.; Bookbinders' Local Union, No. 208, of Meriden, Conn.; and Local (New Haven) Socialist Party, requesting congressional investigation of Michigan copper-mine strike; to the Committee on

Also, resolution of Massachusetts Association of Sealers of Weights and Measures, favoring national legislation to the end that uniformity of weights and measures shall exist throughout the various States; to the Committee on Coinage, Weights, and

Also, resolution of the Connecticut Federation of Women's Clubs, favoring legislation for Federal control of water powers on public domain and on navigable streams; to the Committee on the Public Lands.

Also, telegrams from citizens of Connecticut, protesting against the passage of the Burnett immigration bill; to the Committee on Immigration and Naturalization.

By Mr. ROUSE: Petition of Kenton Lodge, No. 151, Brotherhood of Railroad Carmen of America, favoring an investigation of the mining districts of Michigan and other parts of the United States; to the Committee on Rules.

By Mr. SCULLY: Petition of the National Association of Assistant Postmasters, protesting against changing the assistant postmasters in first and second class post offices; to the Committee on the Post Office and Post Roads.

Also, petitions of citizens of Jersey City, Newark, and Flemington, N. J., protesting against the passage of the seamen's bill; to the Committee on the Merchant Marine and Fisheries.

Also, petition of the publishers and editors of the Perth Amboy es Videke, of Middlesex, N. J., protesting against the literacy test in the Burnett-Dillingham bill; to the Committee on Immigration and Naturalization.

Also, petition of the mayor and common council of the borough of Sea Bright, N. J., favoring an appropriation by Congress for protection of the peninsula upon which Sea Bright is located; to the Committee on Rivers and Harbors.

Also, petitions of Daughters of Liberty, of Buford and Jamesburg, N. J., favoring the literacy test in the immigration bill; to the Committee on Immigration and Naturalization.

By Mr. SELDOMRIDGE: Petition of the Cigar Makers' Union, No. 129, Denver, Colo., favoring the passage of the Bartlett-Bacon bills (H. R. 1873 and S. 927); to the Committee on Labor.

Also, petition of sundry citizens of Yuma, Colo., protesting against the passage of House bill 9974, relative to preventing labor on buildings in the District of Columbia on the Sabbath day; to the Committee on the District of Columbia.

Also, petition of the Boulder Commercial Association, of Boulder, Colo., protesting against any further withdrawals of public lands or any curtailments of the rights of Colorado; to the Committee on the Public Lands.

Also, petitions of sundry citizens of the State of Colorado, favoring congressional investigation of the mining conditions of Colorado and Michigan; to the Committee on Rules.

By Mr. SMITH of Idaho: Petition of the Idaho-Washington Development League and the Commercial Club of Lewiston, Idaho, favoring an appropriation for the continued improvement of the mouth of the Columbia River; to the Committee on Rivers and Harbors.

By Mr. STEPHENS of California: Petition of the board of directors of the Los Angeles Chamber of Commerce, favoring the construction of a breakwater or harbor improvements for the northwestern part of California; to the Committee on Rivers and Harbors.

Also, petition of the Womans' Synodical Society of Home Missions of California, favoring the passage of an amendment to the Constitution of the United States prohibiting polygamy; to the Committee on the Judiciary.

Also, petition of Stephen Jackson Post, No. 191, of Santa Maria, Cal., favoring passage of a bill for the payment of pen-

sions monthly; to the Committee on Pensions.

Also, petition of the California State Federation of Labor and the San Francisco Labor Council, favoring the passage of the seamen's bill; to the Committee on the Merchant Marine and Fisheries.

Also, petition of Mrs. E. Loche, of Los Angeles, Cal., protesting against the passage of House joint resolution 168, Senate joint resolution 88, and Senate joint resolution 50; to the Committee on the Judiciary

By Mr. THACHER: Petition of the members of the Franklin Business Association relative to the retention by the New York. New Haven & Hartford Railroad of their present Sound steamboat lines; to the Committee on Interstate and Foreign Com-

By Mr. TOWNER: Petition of citizens of Blanchard and Centerville, Iowa, favoring the enactment of the Lindquist pure fabric and leather bill; to the Committee on Interstate and Foreign Commerce.

By Mr. UNDERHILL: Petitions of the business men of Dryden, Elmira, Ithaca, Hornell, Newark Valley, Oswego, and Watkins, in the State of New York, advocating passage of House bill 530S, to compel concerns selling goods direct to consumers en-tirely by mail to contribute their portion of funds in the development of the local community, the county, and State; to the Committee on Ways and Means.

Also, petitions of business men of Trumansburg, Candor, and Groton, in the State of New York, favoring legislation to compel concerns selling goods direct to consumers entirely by mail to contribute their portion of funds in the development of the local community, the county, and the State; to the Committee on Ways and Means.

Also, memorial of the State administrators of vocational education, favoring passage of Senate joint resolution 5, authorizing the appointment of a commission to investigate need for national aid to vocational education; to the Committee on

Also, memorial of the council of the city of Benton Harbor, Mich., and the Benton Harbor Development Co., protesting against passage of the La Follette seamen's bill without proper distinction between Great Lakes transportation and ocean transportation; to the Committee on Merchant Marine and Fisheries.

Also, memorial of the New York State Council of the Junior United American Mechanics, favoring the passage of House bill 6060, being the Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, petition of citizens of Elmira, N. Y., protesting against passage of Sabbath observance bill; to the Committee on the District of Columbia.

Also, memorial of Cigar Makers' Union No. 348, Corning, N. J., favoring a congressional investigation of strike conditions in Michigan; to the Committee on Rules.

Also, memorial of the Business Men's Association of Ithaca, N. Y., approving the plans of the park commission for the beautification of Washington City; to the Committee on the District of Columbia.

Also, memorial of the Chamber of Commerce of Waverly, favoring a reasonable increase of freight rates; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Chamber of Commerce of the State of New York, favoring a law for the protection of foreign exhibitors at the Panama-Pacific Exposition against unauthorized copying or reproduction of their exhibits; to the Committee on Patents.

By Mr. WALLIN: Petition of various residents of Schenectady County, N. Y., favoring the enactment of House bill 6060, relating to the immigration of aliens; to the Committee on Immigration and Naturalization.

Also, petition of the Woman's Christian Temperance Union of the State of New York, favoring the adoption of House joint resolution 168, relating to the sale of liquors; to the Commit-

tee on the Judiciary.

Also, resolutions of local Socialist Party of Rotterdam Junction, N. Y., petitioning a congressional investigation of strike

conditions in Michigan; to the Committee on Rules.

Also, resolutions of the Socialist Party of Johnstown, N. Y., favoring a congressional investigation of strike conditions in Michigan; to the Committee on Rules.

Also, petition of Kuhn, Loeb & Co., of New York, lavoring an amendment to House bill 6060, restricting classes of immigrants; to the Committee on Immigration and Naturalization.

Also, memorial of the administrators of the National Society for the Promotion of Industrial Education, favoring passage of

Senate resolution 5, providing for a national commission on vocational education; to the Committee on Education.

By Mr. WILLIS: Petition of Curtis V. Livingston and 157 other citizens of Urbana, Ohio, favoring the passage of the Burnett bill to provide a literacy test for immigrants; to the Committee on Immigration and Naturalization.

By Mr. WHITE: Petition of the Farmers' Institute of Guernsey County, Ohio, favoring the passage of the bill for the sub-mission of an amendment to the Federal Constitution to the States for their ratification for national prohibition; to the Committee on the Judiciary

By Mr. WOODRUFF: Petition of citizens of Cheboygan, Mich., requesting that an appropriation be made for dredging Cheboygan River; to the Committee on Rivers and Harbors.

SENATE.

Tuesday, January 13, 1914.

Prayer by the Chaplain, Rev. Forrest J. Prettyman, D. D. The Journal of yesterday's proceedings was read and approved. MESSAGE FROM THE HOUSE,

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed the bill (S. 3484) to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, being chapter 231 of Thirty-sixth Statutes at Large.

The message also announced that the House had passed a bill (H. R. 10523) making appropriations to provide for the expenses of the government of the District of Columbia for the

fiscal year ending June 30, 1915, and for other purposes, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 1966) to amend an act entitled "An act to prohibit the importation and use of opium for other than medicinal purposes," approved February 1909.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 1967) regulating the manufacture of smoking opium within the United States, and for other purposes.

ENROLLED BILLS SIGNED.

The message further announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

H. R. 1966. An act to amend an act entitled "An act to prohibit the importation and use of opium for other than medicinal purposes," approved February 9, 1909; and H. R. 1967. An act regulating the manufacture of smoking

opium within the United States, and for other purposes.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented memorials of the Daniel H. Comber Club, of Philadelphia, Pa.; of George Washington Branch, American Continental League, of Danbury, Conn.; of the Vinegar Hill Club, of Philadelphia, Pa.; and of John Hancock Branch, American Continental League, of Lynn, Mass., remonstrating against an appropriation being made for the celebration of the so-called 100 years of peace among English-speaking peoples, which were referred to the Committee on Foreign Relations

Mr. WORKS presented a petition of sundry citizens of Los Angeles, Cal., praying for the enactment of legislation for the relief of persons who served in the United States Military Telegraph Corps during the Civil War, which was referred to the Committee on Pensions.

Mr. CUMMINS presented a petition of sundry citizens of Treynor, Iowa, praying for the enactment of a national cooperative rural bank law, which was referred to the Committee on

Agriculture and Forestry.
Mr. NELSON presented resolutions adopted by Local Lodge No. 615, International Association of Machinists, of Proctor; of the Building Trades Council of Minneapolis; of Local Lodge No. 110, International Brotherhood of Electrical Workers, of St. Paul; and of North Shore Lodge, No. 647, International Association of Machinists, of Two Harbors, all in the State of Minnesota, favoring the enactment of legislation to make lawful certain agreements between employers and laborers and persons engaged in agriculture or horticulture, and to limit the issuing of injunctions in certain cases, and for other purposes, which were referred to the Committee on the Judiciary.

He also presented resolutions adopted by the St. Paul Association of Credit Men, of Minnesota, favoring appropriations for the completion of a system of levees along the Mississippi River for protection against floods, which were referred to the Committee on Commerce

He also presented a memorial of the German American Alliance of Minnesota, remonstrating against the adoption of an amendment to the Constitution to prohibit the manufacture, sale, and importation of intoxicating liquors, which was referred to the Committee on the Judiciary.

He also presented a memorial of Workmen's Circle Branch,

No. 266, of St. Paul, Minn., and a memorial of the City Central Committee of the Socialist Party of Duluth, Minn., remonstrating against the passage of the so-called Burnett immigration bill, which were referred to the Committee on Immigration.

Mr. BRISTOW presented a petition of sundry citizens of Conway Springs, Kans., praying for an investigation into the conditions existing in the mining districts in Michigan, which was referred to the Committee on Education and Labor.

He also presented memorials of sundry citizens of Wichita, Nekoma, and Osborne County, all in the State of Kansas, remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which were referred to the Committee on the District of Columbia.

He also presented a petition of sundry citizens of Asherville, Kans., praying for the adoption of an amendment to the Con-stitution to prohibit the manufacture, sale, and importation of intoxicating liquors, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Minneapolis, Kans., praying for the enactment of legislation to further re-

strict immigration, which was referred to the Committee on Immigration.

He also presented petitions of sundry citizens of Kansas City, Kans., praying for the enactment of legislation authorizing the classification of the salaries of employees of the Bureau of Animal Industry, Agricultural Department, which were referred to the Committee on Agriculture and Forestry,

He also presented a petition of sundry citizens of Colony, Kans., praying for the passage of the so-called Federal farmloan bill, which was referred to the Committee on Banking and

Mr. CHAMBERLAIN presented a petition of sundry citizens of Astoria, Oreg., praying that an investigation be made of the conditions existing in the mining districts of Michigan, which was referred to the Committee on Education and Labor.

Mr. NORRIS presented a memorial of sundry citizens of Beaver City, Nebr., remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which was referred to the Committee on the District of Columbia,

He also presented a petition of sundry citizens of Glenville, Nebr., praying for the enactment of legislation to further re-strict immigration, which was referred to the Committee on

Immigration.

Mr. PERKINS presented a memorial of sundry citizens of Los Angeles, Cal., remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which was referred to the Committee on the District of Columbia.

Mr. McLEAN presented a memorial of George Washington Branch, American Continental League, of Danbury, Conn., remonstrating against an appropriation for the celebration of a hundred years of peace among English-speaking peoples, which

was referred to the Committee on Foreign Relations. Mr. POINDEXTER presented a petition of sundry citizens of the State of Washington, praying that an appropriation be made to continue the present improvements for deepening the entrance of Grays Harbor, in that State, which was referred to the Committee on Commerce.

AMENDMENT OF THE CONSTITUTION.

Mr. SUTHERLAND. I am directed by the Committee on the Judiciary to report back adversely, and with amendments, the joint resolution (S. J. Res. 26) proposing an amendment to the Constitution of the United States, and I submit a report (No. 147) thereon. The joint resolution provides for a more ready amendment of the Constitution. I do not make the usual motion to postpone indefinitely the joint resolution. I understand that the Senator from Iowa [Mr. CUMMINS] desires that it shall go to the calendar.

Mr. CUMMINS. I ask that it be placed on the calendar for

future consideration.

The VICE PRESIDENT. It will go to the calendar.
Mr. CUMMINS. At a later time the minority will ask leave to submit their views upon the joint resolution.

R. W. BRANSON.

Mr. BRADLEY, from the Committee on Claims, to which was referred the bill (S. 156) for the relief of R. W. Branson, reported it with amendments and submitted a report (No. 148)

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows: By Mr. SMITH of Arizona:

A bill (S. 3957) granting title to the town of Winslow, Ariz., to certain lands for cemetery and park purposes; and

A bill (S. 3958) excluding mineral lands from Executive-order reservations; to the Committee on Public Lands.

By Mr. SMITH of Georgia:

A bill (S. 3959) for the relief of heirs or estate of John M. H. Martin, deceased (with accompanying paper); to the Committee on Claims.

By Mr. OLIVER:

A bill (S. 3960) granting an increase of pension to Adam Daum (with accompanying papers); to the Committee on Pen-

By Mr. BRISTOW:

A bill (S. 3961) granting an increase of pension to Morris P.

A bill (S. 3962) granting an increase of pension to Joseph W. B. McClintock;

A bill (S. 3963) granting an increase of pension to George W.

Carroll (with accompanying papers);
A bill (S. 3064) granting a pension to Joanna Hall (with accompanying papers); and

A bill (S. 3965) granting an increase of pension to William Greer (with accompanying papers); to the Committee on Pen-

By Mr. BRADY:

A bill (S. 3966) granting an increase of pension to E. Alice Camp; and

A bill (S. 3967) granting an increase of pension to Abram R. Darling (with accompanying papers); to the Committee on Pen-

By Mr. SMOOT:

A bill (S. 3968) giving a new right of homestead entry to former homesteaders; to the Committee on Public Lands. By Mr. NELSON:

A bill (S. 3969) granting an increase of pension to John H. McCreary (with accompanying papers); to the Committee on Pensions.

By Mr. HOLLIS:

A bill (S. 3970) granting an increase of pension to Nettle Jackson (with accompanying papers); to the Committee on Pensions.

A bill (S. 3971) to provide for a permanent exhibit of the resources of the States of the Union in or near Washington, D. C .; to the Committee on Industrial Expositions.

By Mr. CHAMBERLAIN:

A bill (S. 3972) granting an increase of pension to Horace M. Patton; to the Committee on Pensions.

By Mr. ASHURST:

A bill (S. 3973) granting a pension to William Armbruster; to the Committee on Pensions.

By Mr. BURLEIGH:

A bill (S. 3974) granting an increase of pension to James H. Stinson; to the Committee on Pensions.

By Mr. McLEAN:

A bill (S. 3975) granting an increase of pension to Julia M.

Gorham (with accompanying papers); and A bill (S. 3976) granting an increase of pension to Patrick J. Moran (with accompanying papers); to the Committee on Pen-

By Mr. MARTIN of Virginia:

A bill (S. 3977) granting a pension to A. F. Venable; and A bill (S. 3978) granting a pension to Willis D. Clark; to the Committee on Pensions.

A bill (S. 3979) for the relief of Martha H. Schultz; and

A bill (S. 3980) for the relief of the estate of John D. Hicks, sr.; to the Committee on Claims.

By Mr. BRADLEY:

A bill (S. 3981) for the relief of the heirs or estate of J. Howard Sheffer, deceased (with accompanying paper); to the Committee on Claims.

A bill (S. 3982) granting a pension to Hannah Meece; A bill (S. 3983) granting an increase of pension to Jobe Mor-

ris (with accompanying papers); and

A bill (S. 3984) granting an increase of pension to Henry C. Taylor (with accompanying papers); to the Committee on Pensions.

By Mr. PITTMAN:

A bill (S. 3985) providing for the leasing and control of coal lands in Alaska; to the Committee on Mines and Mining.

By Mr. O'GORMAN:

A bill (S. 3986) to promote Robert Andrew Abernathy, lieutenant commander, United States Navy (with accompanying paper); to the Committee on Naval Affairs.

REGULATION OF POLYGAMY.

Mr. WEEKS. Mr. President, during the special session I introduced by request a joint resolution proposing an amendment to the Constitution of the United States for the regulation of polygamy in the United States. I wish at this time to present a supplementary resolution referring to the same subject, with amendments, and I ask that it be referred to the Committee on the Judiciary.

The joint resolution (S. J. Res. 96) proposing an amendment to the Constitution of the United States was read twice by its title and referred to the Committee on the Judiciary.

OMNIBUS CLAIMS BILL.

Mr. THOMPSON submitted an amendment intended to be proposed by him to the omnibus claims bill, which was referred to the Committee on Claims and ordered to be printed.

NEW YORK STATE CLAIMS.

Mr. O'GORMAN submitted an amendment authorizing the Secretary of the Treasury to reopen, adjust, and audit the claims of the State of New York, etc., intended to be proposed by him to the general deficiency appropriation bill, which was

referred to the Committee on Appropriations and ordered to be printed.

R/ILROADS IN ALASKA.

Mr. SMOOT submitted an amendment intended to be proposed by him to the bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes, which was referred to the Committee on Territories and ordered to be printed.

SUPPLY OF OIL FOR NAVAL USES.

Mr. GORE submitted the following resolution (S. Res. 244) 7/hich was read, considered by unanimous consent, and agreed

Resolved, That the Secretary of the Navy and the Secretary of the Interior are hereby authorized and directed to investigate and report as to the feasibility, expense, and desirability of the Government constructing, maintaining, and operating a pipe line for the transportation of oil from the midcontinent oil field in Oklahoma to some convenient port on the Guif of Mexico, together with storage and other necessary facilities; and also as to the feasibility, expense, and desirability of the Government acquiring oil lands or leases from the Indian and other owners and producing or purchasing oil with a view to providing and conserving at all times an adequate and available supply of oil for the NAVY, and for other purposes.

MONOGRAPH ON IMPEACHMENT OF FEDERAL JUDICIARY (S. DOC. NO. 358).

Mr. ROOT. Mr. President, immediately after the trial of the impeachment case against Judge Archbald, Mr. Wrisley Brown, who conducted the original investigation in that case and was designated by the managers in behalf of the House of Representatives to assist in the trial, prepared a monograph on the impeachment of the Federal judiciary, which is very instructive and will be of very great value when taken in connection with the proceedings in the Archbald case. I ask unanimous consent that it may be printed as a public document.

The VICE PRESIDENT. Is there any objection? The Chair

hears none, and it is so ordered.

DIRECT LEGISLATION (S. DOC. NO. 360).

Mr. OWEN. I ask to have printed as a public document an article by Prof. Frank E. Parsons on popular government through initiative, referendum, and recall.

The VICE PRESIDENT. Without objection, it is so ordered.

AGRICULTURAL EXTENSION WORK.

Mr. SMITH of Georgia. Mr. President, I desire to give notice that at the close of the morning business on Saturday next I wish to address the Senate in support of a bill for cooperative agricultural extension work between the agricultural colleges in the several States and the Department of Agriculture.

HOUSE BILL REFERRED.

H. R. 10523. An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1915, and for other purposes, was read twice by its title and referred to the Committee on Appro-

THE UNITED STATES STEEL CORPORATION.

The VICE PRESIDENT. The Chair lays before the Senate a resolution which comes over from a preceding day. It will

The Secretary read Senate resolution 241, submitted yesterday by Mr. Lane, as follows:

The Secretary read Senate resolution 241, submitted yesterday by Mr. Lane, as follows:

*Resolved**, That the Interstate Commerce Commission is hereby directed to conduct an examination and inquiry for the purpose of ascertaining whether there exist facts or evidence that in the opinion of the commission would justify the Government in instituting suits or legal proceedings for recovery of fines, penalties, or forfeitures from the United States Steel Corporation, its subsidiaries, or any common carrier because of unlawful rebates, offsets, and preferences received and accepted by the above-named corporation or its constituent companies within the last six years.

The Interstate Commerce Commission is hereby directed to hear all witnesses and testimony in pursuance of this resolution at open public hearings to be held before one or more members of the commission.

The Interstate Commerce Commission is hereby further directed to forthwith subpean and bring before it William H. Green, of Creighton, Nebr., to give testimony before said commission relative to unlawful rebates, offsets, or preferences received and accepted by the United States Steel Corporation and its subsidiary corporations from common carriers, as aforesaid.

And should said William H. Green, when before the commission, name any other person or persons as having knowledge of facts or evidence showing payments of unlawful rebates, offsets, or preferences to said United States Steel Corporation or subsidiary thereof, as aforesaid, then the Interstate Commerce Commission is hereby directed to forthwith subpean and examine before it any such person or persons: Provided, That nothing in this resolution shall be construed as affecting the discretion of the commission with respect to the taking of the testimony of any witness or causing such witness to produce books or papers when it appears that such witness is an employee, agent officer, or director of the United States Steel Corporation, any subsidiary thereof, or of any common carrier.

The commissio

particulars of all material facts and evidence as revealed by the in-quiry herein provided for, together with the opinion of the commission

The VICE PRESIDENT. The question is on agreeing to the resolution.

Mr. CUMMINS. Mr. President, when the resolution was presented yesterday I was unable to gather its full import and I suggested that it ought to be referred to the Committee on Interstate Commerce. I did that because I am opposed to imposing further labor upon an already overburdened department of the Government, namely, the Interstate Commerce Commission.

I have read the resolution since and become familiar with it, and I do not think that it is necessary that it shall go to a committee, but I desire to make a suggestion to the Senator from Oregon. Instead of authorizing or directing the Inter-state Commerce Commission to make this inquiry, it seems to me that it ought to be directed to the Department of Justice. We must take account of the condition of things in the Interstate Commerce Commission. It has more work than it can possibly do. It is far behind, and necessarily far behind, in the investigation and decision of applications or complaints made against excessive railway rates. It is now employed, as we all know, in beginning the valuation of our railway property. To require it to make an investigation of this sort, which does not belong to it, but which does belong properly to the Department of Justice, is to deny to the people of this country the relief which they have a right to expect at the hands of the Interstate Commerce Commission in the decision of com-

plaints that are now pending before it.

I believe that the Senate ought to protect the commission against this additional work. If the facts that are alleged here are true-and I have no reason to doubt the information of the Senator from Oregon—they constitute a criminal offense, made so by the interstate-commerce law, and those who are guilty should be punished; and if they are to be punished they must be punished through the medium of the Department of Justice. That department maintains an investigating bureau, and I suggest to the Senator from Oregon that he amend the resolution so that the Department of Justice shall do this work instead of the Interstate Commerce Commission. I intend to take the same position with regard to every unnecessary thing that is asked of the Interstate Commerce Commission. I know just how overburdened it is, and it is not fair, it seems to me, to put this work upon it when the work can be done by the Department of Justice just as well.

Mr. LANE. Mr. President, I will say to the Senator from Iowa that I have no prejudice about where this matter is investigated further than I wish a speedy, thorough, and complete investigation. If that can be secured to better advantage by the Department of Justice, I have no objection to that course. But it seemed to me that it was legitimate work for the Interstate Commerce Commission, and that they are prepared to handle the work.

Mr. NEWLANDS. Mr. President, it is impossible for me to hear the Senator from Oregon owing to the noise in the Senate Chamber.

The VICE PRESIDENT rapped with his gavel.

Mr. LANE. The Senator from Nevada is to be congratulated; he would not learn much, I fear, from hearing me, and probably he is better off. What I do desire and wish to accomplish is the one object of securing a complete investigation of these charges, which I believe to be true. As I said before, I assume that the Interstate Commerce Commission, being more familiar with the subject, is better fitted for this type of an investigation. That is the reason why I asked for its reference there, and I even supposed that it properly belonged there. I should like to ask the Senator from Idaho [Mr. Borahl] if he thinks that this investigation would be better carried on by the Department of Justice? I wish to ask what, in his opinion, is the better course? I am not familiar with the metter. I say frankly. matter, I say frankly.

Mr. BORAH. Mr. President, I sympathize with the views expressed by the Senator from Iowa [Mr. Cummins] with reference to the crowded condition of affairs before the Interstate Commerce Commission, but this resolution may result in very short and a very brief investigation.

Mr. LANE. I think it will.

Mr. BORAH. The resolution, as I read it, calls for the hearing of one witness. Then, if the commission should come to the conclusion that there is nothing worth while, that there are no connections which ought to be followed up, there the matter ends. While I think the position which the Senator from Iowa takes is generally correct, I should be in favor of sending this particular resolution to the Interstate Commerce

Commission, because I think it likely that it will involve but

a very brief investigation.

That was my opinion and my view of the matter. The work of the Interstate Commerce Commission is behind, no doubt, and it will drag on indefinitely. I therefore asked that the resolution be referred to the commission, with the assumption that the preliminary investigation, at least, will be brief, that it will not take much of their time, and that it is more important than many of the matters which are now pending before them.

Mr. CUMMINS. If the Senator from Oregon has any reason to think that the investigation could not be properly made by

the Department of Justice, I yield to that condition.

Mr. LANE. I must confess my ignorance of the manner in which the investigation would be carried on by the Department of Justice. It seems to me that it legitimately belongs to the Interstate Commerce Commission, and I see no reason-none has been advanced-which appeals to me for making a change.

Mr. GALLINGER. Mr. President-

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from New Hampshire?

Mr. LANE. I yield.

GALLINGER. There is one unusual provision in this resolution, and that is the naming of a certain individual who shall be forthwith called. I would ask the Senator from Oregon what is the need of that? Whether this investigation be made the Interstate Commerce Commission or by the Department of Justice, very naturally they will be given knowledge concerning the man named in the resolution. It seems to me it does not strengthen the resolution, and it is an unusual provision in a resolution of this nature.

Mr. LANE. Mr. President, I think the Senator from New Hampshire is quite right in that; I think myself it is unusual. It was merely put into the resolution to aid and to point out directly and specifically how the commission could begin work and immediately receive the information, thereby shortening

Mr. GALLINGER. I think it ought not to remain in the resolution. But of course the committee, if the resolution is referred, will consider that matter; otherwise I should move to strike out the language.

Mr. NEWLANDS. Mr. President-

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Nevada?

Mr. LANE, I yield.

Mr. NEWLANDS. Will the Senator from Oregon permit me to suggest that his purpose would be furthered by a reference of the resolution to the Committee on Interstate Commerce? If that be done, I will call the committee together immediately and make a speedy report regarding the resolution.

Mr. President, I thank the Senator from Nevada for the offer, but I should prefer not to accept it. I should like to have the resolution go directly into the hands of the Interstate Commerce Commission, and I should like to have the Senate act upon it directly this morning. I do not want it put off into the hands of a committee. I do not want to begin

that process; I prefer the direct and shorter route.

Mr. NEWLANDS. Mr. President, I shall ask that the usual course be pursued with reference to this matter. resolution pertaining to a subject that is within the jurisdiction of the Senate Committee on Interstate Commerce, and it seems to me eminently appropriate that the resolution should go to that committee for its consideration and action before any action is taken by the Senate. The Senator from Oregon himself seems to be in some doubt-

Mr. CUMMINS. Mr. President, we on this side of the Chamber are unable to hear, though we should like to hear the

remarks of the Senator from Nevada.

Mr. NEWLANDS. I was stating, Mr. President, that this resolution involved a subject that is within the jurisdiction of the Senate Committee on Interstate Commerce, and I urged that the usual course be pursued of referring it to that committee. It is my purpose to call that committee together at an early day to consider the resolution, should it be referred to The Senator from Oregon [Mr. LANE] himself is in some doubt, as I understand, as to whether this investigation should be pursued by the Interstate Commerce Commission or by the Department of Justice. It seems to me that that is a matter that ought to be considered, and seriously considered, by the Interstate Commerce Committee before any action whatever is taken on the subject of the resolution. I therefore move that the resolution be referred to the Committee on Interstate Commerce

Mr. BORAH. Mr. President, I want to ask the Senator from Mr. LANE. I ask for the consideration and adoption of the Nevada if there is anything about this resolution which really resolution, Mr. President.

needs the action of a committee? It simply authorizes the Interstate Commerce Commission to call before it a witness to ascertain something which everyone ought to wish to know, and that is the status of rebates with reference to a certain organization. So far as I am concerned, I have no objection to a matter of this kind going to a committee, except the fact that we know that that means a postponement; and as to a simple resolution of this kind, it occurs to me that it is unnecessary to have it delayed in that way.

Mr. NEWLANDS. Mr. President, I will state that the objection which the Senator from Idaho makes to my proposal could be made as to any bill or resolution introduced in this body, and would entirely do away with the orderly procedure which the Senate has laid down for the consideration of such matters. There is a question to be considered here that has already been raised by the discussion between the Senator from Iowa [Mr. CUMMINS] and the Senator from Oregon [Mr. Lane]; that is, as to whether this inquiry should be made by the Department of Justice or by the Interstate Commerce Commission. It seems to me that the proper committee ought to consider that question as well as the other questions involved in the reso-

So far as delay is concerned, I simply have to say that I intend to call the committee together immediately for the consideration of this resolution; and there will be no delay in its

consideration or in a report.

Mr. LANE. Mr. President, I wish to say that I thank the Senator from Nevada for his very kind offer to take the resolution into the hands of his committee; but it is a simple proposition. The orderly procedure which goes on here in committee work is conducive to delay and to the loss of a great deal of time. I have not that very high regard for it, perhaps, that I ought to be governed with. I am not speaking now of the Senator's committee particularly, but about committees of this body in general. This is a simple proposition, direct, easily understood, and it does not have to be weighed or lathered into shape or anything of that kind, and can be put right through here. I shall insist, to the extent of my ability, that the resolution receive consideration at the hands of this body here and now, to-day, and that it do not go to a committee. I shall call for a vote on it, if it is necessary, by the yeas and nays.

Mr. TOWNSEND. Mr. President—
The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Michigan?

Mr. LANE. I yield.

Mr. TOWNSEND. I wish to ask the Senator from Oregon if the particular case to which he refers in his resolution has already been called to the attention of the Interstate Commerce Commission? I ask this for the reason that that commission certainly has power to investigate all cases of rebates. I suppose that the Senator from Oregon must have some especial reason for bringing the matter up in this way, instead of himself taking it directly to the Interstate Commerce Commission.

Mr. LANE. In reply, Mr. President, I will say that I do not know whether or not the commission have information on the subject. I assume that they have not. I am under the impression that this is the first they have heard of it. I want to call it to their attention, for I think it is a matter of importance, so that the commission may begin an immediate investigation.

Mr. BORAH. Mr. President, this is one way to call it to the attention of the commission, and a very proper and a very dignified way. The matter could be brought to the attention of the commission by letter, but it has been done in this way heretofore, and I see no reason why it should not be done now.

Mr. President, I do not understand why there should be any opposition to this resolution. The objection made by the Senator from Iowa [Mr. Cummins] was purely one for the convenience of the commission, and for no other reason, as I understood. The resolution involves a very simple proposition. If it should develop that there are important facts, then the commission can proceed to a further investigation; but it leaves it to the commission to determine. If there are important facts, certainly no one desires to conceal them.

If the resolution is referred to a committee-I do not care what the committee is; I am not making any invidious comparisons-it must necessarily mean considerable delay; and when it comes out of the committee the same discussion and the same procedure will have to be had with reference to its passage. In the meantime, if the resolution is passed, the commission will have investigated the matter and may have concluded it before the committee could report.

Mr. NEWLANDS. Mr. President, the Senator from Oregon, as I understand, objects to the usual course of procedure with reference to this resolution—

Mr. LANE. I do.

Mr. NEWLANDS. Not because, as he says, he lacks any particular confidence in the Committee on Interstate Commerce, but because he lacks confidence in the whole system, as I understand, of committee references.

Mr. LANE. Because of the delay involved.

Mr. NEWLANDS. That seems to me a rather revolutionary statement. It is immaterial to me whether or not the Senate refers a particular resolution to the committee of which I am chairman. I simply felt it my duty in this case, as chairman of the committee, to insist upon the usual course of procedure. I am entirely willing to yield, of course, and to yield cheerfully, to the judgment of the Senate with reference to it. I submit, however, that there is no such exigency as demands immediate action upon this resolution. The matters complained of have been of long standing; they have probably already been the subject of some investigation, either by the Bureau of Corporations or by the Interstate Commerce Commission or by the Department of Justice.

The question is raised here whether, as a matter of orderly procedure, the investigation should be made by the Department of Justice or by the Interstate Commerce Commission. If this resolution goes to the committee, one of its first inquiries will be as to whether any such investigation is now being pursued either by the Department of Justice, by the Interstate Commerce Commission, or by the Bureau of Corporations; and, if such an investigation is being pursued, it will doubtless be un-

necessary to duplicate the investigation.

I have already given assurance to the Senator from Oregon that my proposal is not for the purpose of delay, but simply to promote orderly and deliberate consideration. It is my purpose immediately to call the committee together to consider and report upon the resolution. I, therefore, ask for a vote of the

Senate upon its reference.

Mr. ROOT. Mr. President, I am quite indifferent about this resolution, whether it is to be passed upon nov or go to the Committee on Interstate Commerce. If any Senator feels, as the Senator from Oregon evidently does, that there ought to be an inquiry into this specific subject, then there ought to be inquiry into it. I think, however, that we ought to consider to some extent a question that occurs to me-perhaps it is already settled, but, if it is not, we may be making an awkward and injudicious precedent by passing the resolution in just this form. The resolution does not merely call upon the Interstate Com-merce Commission for information, but it gives orders to the commission to do certain things, and orders it to do those things in a particular way. It is directed to hear all witnesses and testimony at open public hearings; it is directed to forthwith subpæna and bring before it a certain named person; it is directed to forthwith subpœna and examine any person named by it in a particular way, and so forth. Query, whether one House of Congress alone is competent to give orders to the Interstate Commerce Commission? This is not a joint or a concurrent resolution.

Mr. SMITH of Georgia. Is there any doubt about the fact

that it can not do so?

Mr. ROOT. It is quite a new idea to me, sir, that a commission having been created by law, endowed with certain powers and with certain discretion, can be ordered specifically and in detail as to the performance of its duties by one House of Congress. Suppose the House were to order the commission to do something different, what is the commission to do? I think, sir, if Congress is to give the order, it should be done by a concurrent resolution. I fear that we will establish a precedent which will tend to bad administration and get us all into trouble if we undertake to exercise this kind of power through a resolution adopted by one House of Congress.

Mr. LANE. Mr. President, I will ask the Senator—it may be that he is right, and perhaps I have not drawn the resolution as it should have been drawn—if he can suggest some way which would make it more active in that respect; that is, enable us to get quicker action? If he can do so, I will gladly accept his

suggestion

Mr. LIPPITT. Mr. President, if the Senator will yield to me, it seems to me very manifest, from the discussion that has already gone forth upon this resolution, that the proper disposition of it is the orderly course of procedure of referring it to a committee for examination and consideration as to the general principle that is involved and as to the detail of the exact method in which it should be done. It has already been shown on the floor that there are several different points of criticism of this measure. I am not a lawyer, but it would seem manifest

to me, from a layman's standpoint, that such an investigation as this belongs to the judicial department and not to the Interstate Commerce Commission. It also seems evident to me that the subject ought to be considered in a more careful way than can possibly be done in a few minutes on the floor of the Senate, and so I hope the resolution will be referred to the committee.

Mr. BORAH. Mr. President, this resolution reads:

Resolved, That the Interstate Commerce Commission is hereby directed to conduct an examination and inquiry for the purpose of ascertaining whether there exist facts or evidence that in the opinion of the commission would justify the Government in instituting suits or legal proceedings for recovery of fines, penalties, or forfeitures from the United States Steel Corporation, its subsidiaries, or any common carrier because of unlawful rebates, offsets, and preferences received and accepted by the above-named corporation or its constituent companies within the last six years.

I have no doubt but that if this resolution were passed the Interstate Commerce Commission would make the investigation. I have not very much doubt, from facts within my knowledge, that if they did make the investigation they would ascertain some very interesting facts, and some facts which ought to be known without any unnecessary delay. While the resolution might be drawn with greater regard for legal technicalities, and so forth, I do not feel myself like voting against the resolution, when I feel that it will accomplish precisely what we ought to have accomplished and what we ought to desire accomplished. Just at this particular time it is important that this information be had, and it ought not to be delayed.

Mr. NORRIS. Mr. President, I should like to say just a word with reference to what has been said by the Senator from

New York [Mr. Root].

It seems to me the Senate has been in the habit of doing this regularly right along, and, as the Senator from Idaho [Mr. Borah] has suggested, I think if we do pass the resolution there is not any doubt but that the Interstate Commerce Commission will follow the instructions in the resolution.

We have instructed the Interstate Commerce Commission several times recently to make investigations in regard to railroads—investigations similar, I think, to this and as broad in their scope as this. Even to-day we have already passed a resolution authorizing and directing the Secretary of the Navy, and the Secretary of the Interior to investigate and report. Suppose, as the Senator from New York says, the House passes a resolution on the same subject upon which we have passed a resolution to-day and one that conflicts with the resolution we have passed. What will these Cabinet officers do?

I think we might imagine a thousand things that might get us into difficulty; but until they happen it seems to me it is not well for us to pay much heed to what might be a possibility. Mr. BORAH. Mr. President, if the Senator will permit me a

Mr. BORAH. Mr. President, if the Senator will permit me a suggestion, there never could be any conflict between two resolutions which the Senate and the House might pass, because there would be so much time intervening between the time they both passed that the commission would have plenty of time to report upon both.

report upon both.

Mr. NORRIS. That might be if they both went to committees; but I am assuming that in neither case would they go to a committee. I think we have already done this morning, in regard to the Secretary of the Navy and the Secretary of the Interior, what we would do if we should pass this resolution in regard to the Interstate Commerce Commission.

It seems to me this investigation ought to take place. I myself believe that the Interstate Commerce Commission is perhaps the one body that commands the respect and confidence of the entire people of the United States more than any other body, and in saying this I am not casting any reflections on any department of the Government or any other body. It is a body which has to do with railroad companies, the subject with which this resolution deals. While I do not know anything about the details, from what I have read and various things I have heard I believe that if this resolution should be passed an investigation taking place under it would develop some very interesting procedures. It may be they could all be explained, but they are something that the country ought to know.

Mr. LODGE. Mr. President, I do not desire to discuss the resolution, but I should like to ask why the resolution is not on our desks in printed form. We are using the Record. This resolution was introduced at this hour yesterday. It is not a long resolution, and yet it has not come from the Printing Office. The resolution of the Senator from Arizona [Mr. Ashurst] has only just this minute come; it has just been handed to us. The work is not heavy, and especially resolutions which go over and come up automatically ought to be furnished to the Senate. It is something most extraor-

dinary that the Printing Office can not get up a resolution of this sort so as to have it on the desks of Senators.

Mr. BACON. Mr. President, I am not prepared to go entirely the length that the Senator from New York [Mr. Root] suggests in the observations he has submitted. One of the fundamental necessities of legislation is that either the Senate or the House shall, for its own purpose, have the power to secure all the information which it desires for purposes of legislation. It is with that recognition that we direct the heads of departments to furnish to the Senate, or that the House may require to be furnished for the purposes of the House, any information, whether in one shape or another, which may be available by a department which this House or the other House, in the exercise of its discretion, may deem to be necessary for it properly to legislate.

So far as concerns the fundamental thought in the suggestion of the Senator from New York, I think it is correct that as a fundamental proposition one House can not issue orders to a department or to a subdivision of a department which may be in the nature of a law, for the reason that the other House would have an equal right and the two might conflict. That far the Senator is right, and doubtless that is the thought which he desired to present. It is equally true, however, that each House has the right to require of a department, not that which may be generally classed as being in itself when performed in obedience to law, but that which will secure what is necessary for its work as a part of the legislative department of the Government.

I confess that this resolution in prescribing details goes a good deal further than efforts of this kind are generally found It is quite common, as stated by the Senator from Nebraska [Mr. Norris], for the Senate to pass a resolution directing a department to investigate and report. If this resolution had in it no provision for reporting to the Senate, I think the criticism would be unanswerable that we were doing something beyond our power; that in order to accomplish an investigation that was designed for the Government generally, or for general purposes, there should be a joint resolution and not a Senate resolution. When, however, the resolution winds up with a direction that the evidence, when secured, shall be reported to the Senate, it is limited in its scope to the purpose for which it is designed, and that is to furnish the Senate something which it may need in its work of legislation.

I think it is extremely important that the proposition should be carefully guarded that each House has the right to secure any information that is within the possession of any department of the Government and that no other department or branch of the Government has, when such information is requested by either House, a right to say no to it.

Mr. BORAH. Mr. President—

The VICE PRESIDENT. Doe yield to the Senator from Idaho? Does the Senator from Georgia

Mr. BACON. I yield to the Senator with pleasure.

Mr. BORAH. It seems to me that the suggestion of the Senator is a very important one, in view of the fact that about a year and a half ago an order was issued by the Executive Department that the heads of bureaus, and so forth, should not give information to Members of the Congress; and I noticed a few days ago that a somewhat similar order was issued by one of the Cabinet officers to his subordinates in regard to Members of Congress-that is to say, Senators and Representatives. It is impossible for a person to go to the head of these departments and get information, because nine times out of ten the heads of the departments do not have it. Their business and their onerous duties make it impossible for them to have it; and therefore, unless we can call for it in the form of a resolution which brings out the facts after an investigation we have at this time no means by which to get information from these departments, as a practical proposition.

Mr. BACON. I think the suggestion of the Senator from Idaho is entirely correct, and a very important one. This question has been debated in the Senate several times at very great length and with very great earnestness. I do not think there is any more important proposition to be established and maintained than the right of the Senate-there is also an equal right on the part of the House, but I am speaking now of the Senateto obtain from any department any information, no matter what it is, which it may deem important in the progress of its work and for the purpose of carrying on its work.

I spoke of the fact that there had been several debates on this subject. There was a very notable debate in the first administration of Mr. Cleveland. The matter was debated by some of the ablest men on both sides who ever sat in this body, and at great length, upon the report of a Committee on the Judiciary composed of men of great ability. I have forgotten

who all the members of the committee were; but such men as Edmunds and Hoar and Spooner and Evarts and other men of that class participated in the debate, which hinged on one proposition only. The Senate called for a certain paper which was alleged to be in the Attorney General's office. The Attorney General, under the instructions of the President, Mr. Cleveland. refused to send the paper upon the ground that it was not an office paper; that it was a private letter belonging to the President.

In that great debate, Mr. President-because it was a great debate, and any man who will read it will agree with me in the assertion-in that great debate by those eminent men the proposition was conceded on both sides that if it was an office paper the Senate had a right to demand it, and the executive department had no right to refuse it. That was thoroughly conceded. Such men as George, Vest, and Pugh on the Democratic side, and Evarts, Edmunds, Spooner, and other men of that class on the other side, discussing this question for days and days. All conceded and emphatically agreed upon that proposition.

Mr. GALLINGER. Mr. President—
The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from New Hampshire?

Mr. BACON. I yield to the Senator with pleasure.

Mr. GALLINGER. I agree with the Senator that beyond question either House of Congress has a right to pass a resolution asking for information that will enable that particular House to transact business; but certainly this is not a resolution asking for that kind of information.

Mr. BACON. I have not come to that part of the matter yet. Possibly I shall not differ with the Senator; but the question having been raised as to the right of the Senate to require information from a department, I think it is important that it should not be passed without the attitude of the Senate being well understood.

Mr. GALLINGER. That is undoubtedly correct.

Mr. BACON. In the days of Republican administrations I have to the best of my ability endeavored to support and maintain the right of the Senate to require any information, whether it be documentary or otherwise, in the possession of a department, when the Senate deemed it essential to the prosecution of its work. I occupied that position in the time of the Republican administrations, and I shall not recede from it in the time of a Democratic administration. It involves the maintenance of the prerogatives of the Senate and is in no sense a party question. I do not know that the order has been issued to which the Senator from Idaho alludes except upon his statement. I have not seen it. I trust that no order has been issued which would contravene the right of the Senate to require from a department the possession of any paper or other information which it may deem necessary and essential to its work.

As I said before, Mr. President, I do not wish to discuss that matter now, but I think if the issue is ever again raised it should be again discussed and determined by the Senate. can find no more satisfactory fund of information and instruc-tion as to the law of the question than we will find in the great debate to which I have alluded, which has been cited here in several subsequent debates. I am unwilling that there should be the slightest doubt on the subject of the right and power of the Senate in this regard. I think it can be practically demonstrated that it would destroy the usefulness of the legislative branch of the Government and practically enthrone the executive branch of the Government, if we should ever concede the proposition that any part of the executive branch of the Govthe legislative branch, and say, "You shall not come in," because that is what it means. If they can do it in one in stance, however unimportant, they can do it in all. If they can do it in a minor instance, they can do it in a great in-If they can do it in an instance which relates to a matter outside of the department of the officials of the Government, they can do it in an instance which concerns an official of the Government. They could absolutely block an investigation into the question whether an executive department of the Government was being wisely conducted or corruptly conducted. When you concede the proposition that it rests in the discretion of the executive department you have to go to its full length, and whenever you go to its full length you have absolutely emasculated the legislative branch of the Government so far as any control of the departmental functions and duties of the executive branch of the Government are concerned.

In this particular case I have no doubt that the matter ought to be referred to a committee. I think it ought to be done for two reasons. In the first place, I think, except in case of great

exigency, whenever a resolution or a bill relates to a subject matter with which a standing committee of the Senate is charged, whenever that committee thinks it should have consideration of it the Senate should give it the opportunity for its

consideration. I state that as a general proposition.

I disagree with my friend from Oregon [Mr. LANE] as to the undesirability of committees. The committee work is the most valuable part of the machinery of a legislative department, and it is only by the detail work that committees can do that legislative bodies can legislate intelligently and effectively and safely. So, as a general proposition, in any case when a bill or resolution is presented, and the committee which has charge of the particular subject matter proposed to be dealt with by the bill or resolution asks for its consideration, I shall always vote to give it that opportunity.

In this case I think there are particular reasons why the resolution should go to the committee. It may be very important that the resolution should be amended. I want to get the information which the resolution seeks to secure, and will certainly be no party to anything which will unduly delay the opportunity to get it, or anything which will defeat the effort to get it, but I think it is proper that it should go to the committee, and that it should consider the question not only as to whether the information is desirable, but as to whether the resolution is in proper shape to secure it, maintaining properly

the province and power of the Senate, and at the same time having a proper and due regard to the duties and obligations and work of the department that is to be called upon to

respond to it.

Mr. McCUMBER. Mr. President, I should like to ask the Senator from Oregon, if I may have his attention, about a little principle that seems to me to underly the whole request, and that is the question of the necessity for the resolution. I think that we are adopting resolutions to investigate a great many things in regard to which we have other machinery to perform those functions. I have assumed that it is the duty of the Department of Justice, whenever there is laid before that department of Justice, whenever there is laid before that de-partment any facts upon which there is a belief, an under-standing, or a suspicion of an offense being committed against the laws of the United States, to proceed to investigate the question itself; that it is a part of its duty to so investigate it. If these charges, which the Senator believes to be facts, are presented to the department, why we should be called upon to urge the department to proceed to do its duty is a little beyond my comprehension of our duty and the corresponding duty of the Department of Justice. If the Department of Justice re-fuses, and we have reason to believe that that department is not doing its duty after facts have been presented to it, I would see then the propriety of a resolution to investigate the facts to see whether or not the Department of Justice is performing its proper functions. But until there has been some refusal of the department to make its own investigation upon a presentation to that department of the facts, I confess I can not see why some other branch of the Government, or even the Senate or Congress itself, should be called upon to order an investigation.

Mr. LANE. Mr. President, I will say for the information of the Senator that in a large and a general way I consider this body here to be more nearly and directly the representatives of the people than members of the executive departments, who are appointed; and if any useful information came to us and some department should be kept busy with the routine of duty and overcrowded with work and was so busily engaged that its attention was not directed to the investigation, as a simple and plain duty to them, without prejudice to anyone, we should call their attention to it and ask them to investigate certain facts which had been brought to our attention and which were important to the people of this country. I see no reason why

that should not be done.

I do not know whether the Interstate Commerce Commission has had this matter brought to their attention or not. I presume not, or else they would have acted upon it. they have not acted upon it, the assumption is that it has not before been called to their attention, and therefore I presented

the resolution.

Mr. McCUMBER. If I may press the matter a little further, if it is the purpose of the resolution to secure facts upon which may be founded a criminal prosecution, facts upon which a criminal prosecution shall be based are facts which I suppose it is the duty of the Department of Justice to investigate; and while we may directly represent the people, the department to enforce the laws which we have passed is the Department of Justice, and that should be the proper receptacle, it seems to me, for any information calling for an investigation of the subject.

If these matters have been presented to the Department of Justice and it has failed to act, I can easily understand why we might act in the premises, but I can not understand why they can not easily be presented to the Department of Justice that department be asked to proceed to perform its duty; and if Congress believes it has failed in its duty, it may ask for the investigation itself. May I ask the Senator whether the facts upon which he founds his resolution have been presented to the Department of Justice and if that department has been asked to investigate them?

Mr. LANE. I will answer the Senator by saying that I do not know whether they have been presented to the Department of Justice or not. I know nothing about it. I am now trying to present them to the Interstate Commerce Commission for investigation, without prejudice to anyone directly, simply pointing out, as I believed I was doing, a line of action that thought would meet with the hearty support of every Member

of the Senate.

Mr. McCUMBER. I am not doubting the propriety of our obtaining the knowledge, but I am questioning the Senator to see whether in his own opinion he does not agree with me that the better method of securing action along this line would be to present the matter to the Department of Justice for its investigation.

Mr. LANE. I will say in answer— Mr. BORAH. Mr. President, may I ask the Senator from North Dakota a question before he sits down? Would the Senator present a resolution directing the Department of Justice

to proceed to make an investigation?

Mr. McCUMBER. No; I would first, if I had the information, present it to the department, and then if the department refused to act upon that information and I thought it had not made the proper investigation, and there were facts which we ought to know, I would proceed, possibly, to investigate them in some way. That is the only question; it is not what department shall make the investigation.

Mr. BORAH. We have always had the same proposition to meet whenever we have had a resolution presented seeking to impose on any department of the Government any particular action. We are immediately advised that that department is supposed to know its own business and has sense to perform the duties which are prescribed for it. The same question is here presented. A Senator may have information to the effect that facts exist which he himself is not able to secure. If information is given to a Senator to the effect that certain facts are in existence, he himself is not in a position to call witnesses before him and to ascertain the facts. We must necessarily refer the matter to a tribunal which has the power to do that thing and to secure the information which only comes to him in a nebulous way, but in a sufficient way to satisfy him that it is worth while to be investigated.

This resolution has many precedents. We have time and time again passed resolutions asking a department to make investigation with reference to certain matters. is based upon whatever information the Senator has, which may be full or incomplete. Nevertheless, it is not sufficiently accurate and conclusive upon which to legislate until the investigation has proceeded before a tribunal which has the right to administer oaths and gather the facts.

So in this instance the Senator from Oregon feels that he has sufficient information to satisfy him that the matter should be pursued further by those who may give verity to the report when it comes out. I am at a loss to understand why there should be any hesitancy about bringing to light these facts, if they do exist. If it be true that this corporation has been collecting rebates, and there is information to that effect to be had, there is no reason why it should not be gathered in a way concerning which there can be no question. On the other hand, if it is not true, as the resolution is drawn the investigation will be very limited, the expense will be very small, and no considerable injury will be done.

I venture to say that if this resolution were before the com-mission it would be investigated, this witness's testimony taken and reduced to writing and ready to report before this body could have passed this resolution. We have been now an hour and a half discussing the resolution, when the investigation itself, perhaps, would not take over two hours, unless it should prove to be true that it is a matter of tremendous importance, and then certainly no one would wish to stand in the

way of it.

Mr. ASHURST. Mr. President, I simply rose to inquire when the resolution offered by myself, to wit, No. 243, will come up. I did not want to have the morning hour expire without that resolution coming up.

The VICE PRESIDENT. The Chair is unable to stop the clock from ticking off the minutes. The Chair can not take this resolution off the floor. It can only go off in a parlia-

mentary way.

Mr. ASHURST. Inasmuch, therefore, as I have the floor at this time, I will ask that my resolution be laid before the

The VICE PRESIDENT. That can not be done pending the resolution which is before the Senate. The question is on the motion of the Senator from Nevada [Mr. Newlands] to refer the resolution to the Committee on Interstate Commerce.

Mr. CUMMINS. Mr. President, I am not willing to have it assumed that those who have opposed the resolution in its present form are reluctant to have an investigation of the subject matter. I have no objection to an investigation; I think it ought to be made; but I am opposed to imposing the burden upon the Interstate Commerce Commission. The Interstate Commerce Commission has nothing to do with investigating the facts with regard to the existence of a crime. The Interstate Commerce Commission has jurisdiction to investigate discriminations and rebates, for the purpose of bringing them to an end, for the purpose of laying the basis for a recovery on the part of those who are injured by granting rebates or preferences; but it has nothing whatever to do with an investigation the purpose of which is to disclose facts which constitute a crime. I am unwilling that a tribunal which has more work than it can do, and which no other tribunal can do, shall undertake to do work, however important it may be, that some other tribunal can do and ought to do.

Mr. BORAH. Mr. President, will it disturb the Senator if I should ask him what particular portion of the resolution he has

in mind with reference to prosecution of crimes?

Mr. CUMMINS. Certainly; I read it: That the Interstate Commerce Commission is hereby directed to conduct an examination and inquiry for the purpose of ascertaining whether there exist facts or evidence that in the opinion of the commission would justify the Government in instituting suits or legal proceedings for recovery of fines, penalties, or forfeitures from the United States Steel Corporation, its subsidiaries, or any common carrier because of unlawful rebates, offsets, and preferences received and accepted by the above-named corporation or its constituent companies within the last six

Mr. BORAH. That refers to civil suits.

Mr. CUMMINS. No; not at all. The Government can not bring any civil suits. The Government institutes a suit for a discrimination or a rebate. It must be a criminal suit.

Mr. BORAH. Suppose it is a criminal suit in the sense the

Senator has used the term, for the purpose of this recovery; if the Interstate Commerce Commission should make an investigation for any purpose, yet the facts might be such as to justify the Government to institute a suit.

Mr. CUMMINS. Certainly; and I would be very glad to have the facts investigated. I am only objecting to taking up the time of a commission that has work that no other body can perform and work which is absolutely necessary to the administration of justice and of law in this country. We could create a committee of the Senate in 20 minutes that would call this man before it, and within three days make the inquiry that is proposed if there is any reason to exclude the Department of Justice. I do not know whether there is or not. But if the Interstate Commerce Commission enters upon this investigation it must suspend its work upon some other work of which it has exclusive jurisdiction. It has no jurisdiction of this mat-ter at the present time. We are giving it jurisdiction in this resolution. If there is some other tribunal that is able to carry resolution. If there is some other tribunal that is able to carry forward this inquiry, it ought to be committed to that other tribunal.

Why not call Mr. Green before a committee of the Senate the day after to-morrow, or as soon as he can get here, and inquire of him under oath what he knows with regard to rebates granted by railway companies to the United States Steel Corporation? I do not want to prevent the inquiry. On the contrary, I want to facilitate it in every way. But we have in the past adopted, and we are in danger in the future of adopting, a practice which very seriously interferes with the legitimate work, the necessary work, of the Interstate Commerce Commission. My only purpose in objecting to the resolution was to ask whether this work can not be better done, more quickly done, and more certainly done by some other body. When the Senate comes to vote on the motion made by the Senator from Nevada I intend to vote for it, and I will vote for it because I think the resolution ought to be amended in order to put the inquiry before some other body. put the inquiry before some other body.

Mr. NEWLANDS. Mr. President, I simply wish to say that I am entirely in sympathy with the Senator from Oregon as to the purpose which he wishes to accomplish, but he is in doubt himself, or he was some time ago, as to whether the investiga-

tion should be directed to the Department of Justice or to the Interstate Commerce Commission. Mr. LANE rose.

Mr. NEWLANDS. Has the Senator solved that doubt yet? Mr. LANE. Yes; the Senator is very clear where he wants it to go. He was pretty clear all the time, but when the suggestion was made for the moment he thought it was worthy of consideration. He has not changed the original conclusion at which he arrived.

Mr. NEWLANDS. I understand, then, the Senator desires this matter to be investigated by the Interstate Commerce Commission and not by the Department of Justice.

Mr. LANE. That is right.

Mr. NEWLANDS. So far as I am concerned, I want a speedy determination of the matter. I recognize the fact that a committee of the Senate is the servant of this body to carry out its will, and that it is the right of the Senate of course, if it to take jurisdiction of the subject now, and to dispose of it without the usual reference to a committee. But I urge that the proper course is to have the resolution go to the committee because of the difference of judgment as to the form of the resolution and the difference of judgment as to the body which should make the investigation, and with a view to pre-

vent, if possible, a duplication of work.

As I have already stated, we have the Department of Justice, which is engaged in inquiries of this kind; the Interstate Commerce Commission, which is engaged in inquiries of this kind; and the Bureau of Corporations, which has made some of the most valuable additions to information on this subject and which is also pursuing investigations of this kind. It would be the duty of the committee to sift this matter and ascertain which of these organizations is or has been engaged in this sort of an investigation, with a view to prevent a duplication of work, and which one can do it most effectively and most quickly. It is with that view, and not with a view of postponing action upon this subject, that I urge the reference of this matter to the Committee on Interstate Commerce.

The VICE PRESIDENT. The question is on the motion of the Senator from Nevada [Mr. Newlands] to refer the resolution to the Committee on Interstate Commerce.

Mr. LANE. I ask for the yeas and nays on that motion. The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CLARK of Wyoming (when his name was called). I have a general pair with the senior Senator from Missouri [Mr. Stone], who is detained from the Chamber by illness. In

the absence of that Senator, I withhold my vote.

Mr. BRYAN (when Mr. Fletcher's name was called). My colleague [Mr. Fletcher] is necessarily absent from the city.

He is paired with the Senator from Wyoming [Mr. WARREN].

Mr. GALLINGER (when his name was called). I am paired
with the junior Senator from New York [Mr. O'GORMAN]; but I transfer that pair to the Senator from Wisconsin [Mr. STEPHENSON] and vote. I vote "yea."

Mr. LEA (when his name was called). I transfer my general pair with the senior Senator from South Dakota [Mr. Crawford] to the junior Senator from Ohio [Mr. Pomerene] and vote. I vote "nay."

Mr. OLIVER (when the name of Mr. Penrose was called). My colleague [Mr. Penrose] is detained from the Chamber by illness. If my colleague were present, he would vote "yea."

Mr. SAULSBURY (when his name was called). I transfer my pair with the junior Senator from Rhode Island [Mr. Colt] I transfer to the senior Senator from Illinois [Mr. Lewis] and vote.

Mr. SMITH of Arizona (when his name was called). I paired with the Senator from New Mexico [Mr. Fall]. received a telegram from him this morning announcing his sickness at home. He wishes me to state that fact. By reason of that, and not knowing how he would vote if present, I withhold my vote on this question.

Mr. SUTHERLAND (when his name was called). I am paired with the Senator from Arkansas [Mr. Clarke], who, I understand, is absent. I transfer my pair to the Senator from Illinois [Mr. Sherman] and vote. I vote "yea."

Mr. CLARK of Wyoming (when Mr. Warren's name was called). My colleague [Mr. Warren] is unavoidably absent

from the city. He is paired with the Senator from Florida [Mr. FLETCHER].

Mr. WILLIAMS (when his name was called). with the senior Senator from Pennsylvania [Mr. Penrose], who is not present. I transfer that pair to the senior Senator from Indiana [Mr. Shively] and vote "nay." The roll call was concluded. .

Mr. MYERS. Has the Senator from Connecticut [Mr. Mc-LEAN] voted, Mr. President?

The VICE PRESIDENT. He has not.

Mr. MYERS. I have a pair with that Senator, and in his absence I withhold my vote.

Mr. REED. Has the Senator from Michigan [Mr. SMITH] voted, Mr. President?

The VICE PRESIDENT. He has not.

Mr. REED. I have a pair with the Senator from Michigan,

and therefore withhold my vote.

I take this occasion also to announce the unavoidable absence of my colleague [Mr. STONE], who is in poor health and not able to be in the Chamber to-day.

Mr. SHEPPARD. I wish to announce the unavoidable absence of my colleague [Mr. Culberson] and to state that he is paired with the Senator from Delaware [Mr. DU PONT]. This announcement may stand for the day.

Mr. LIPPITT (after having voted in the affirmative). I have a pair with the Senator from Montana [Mr. WALSH]. As he

has not come into the Chamber, I withdraw my vote.

Mr. GALLINGER. I am requested to announce the unavoidable absence of the Senator from Vermont [Mr. Page] and that he is paired with the Senator from Maine [Mr. Johnson].

Mr. JAMES. I have a general pair with the junior Senator from Massachusetts [Mr. Weeks]. I transfer that pair to the junior Senator from Tennessee [Mr. Shields] and vote "nay."

Mr. JACKSON. I have a general pair with the senior Senator from West Virgida [Mr. CHILTON], but I transfer that pair to the senior Senator from New Mexico [Mr. CATRON] and vote. I vote "yea."

The result was announced-yeas 32, nays 26, as follows:

YEAS-32

Bacon Bankhead Bradley Brandegee Bryan Burleigh	Dillingham Gallinger Goff Gore Jackson Lodge McCumber	Nelson Newlands Oliver Perkins Pittman Ransdell Robinson	Saulsbury Smith, Ga. Smoot Sterling Sutherland Thornton Townsend
Burton Cummins	Martin, Va.	Root	Vardaman
CHILITA		YS-26.	
Ashurst Borah Brady Bristow Chamberlain Clapp Hitchcock	Hollis Hughes James Kern Lane Lea Martine, N. J.	Norris Overman Poindexter Shafroth Sheppard Smith, S. C. Swanson	Thomas Thompson Tillman Williams Works
	NOT V	OTING-37.	
Catron Chilton Clark, Wyo. Clarke, Ark. Colt Crawford Culberson du Pont Fall Fletcher	Gronna Johnson Jones Kenyon La Follette Lewis Lippitt McLean Myers O'Gorman	Owen Page Penrose Pomerene Reed Sherman Shields Shively Simmons Smith, Ariz.	Smith, Md. Smith, Mich. Stephenson Stone Walsh Warren Weeks

So Mr. Lane's resolution was referred to the Committee on Interstate Commerce.

CONDITIONS IN MINING DISTRICTS IN MICHIGAN,

The VICE PRESIDENT. The Chair lays before the Senate a resolution coming over from a previous day, which the Secretary will read.

The Secretary read the resolution (S. Res. 243) submitted by Mr. ASHUBST on the 12th instant, as follows:

The Secretary read the resolution (S. Res. 243) submitted by Mr. Ashubst on the 12th instant, as follows:

*Resolved**, That the Senate Committee on Education and Labor is hereby directed to make a thorough and complete investigation of the conditions existing in the copper mines in the Calumet, Hancock, and South Range copper mining districts, in the counties of Houghton, Keweenaw, and Ontonagon, Mich., for the purpose of ascertaining:

First. Full and accurate facts concerning the past history and present status of the relations of the employers and employees in the said copper mines in so far as the said history may have any direct or indirect relation to the existing labor troubles, and to this purpose and end said committee is authorized and directed to investigate and report as to the justice and reasonableness of an increase in the compensation of the employees; the reasonableness of an increase in the compensation of the employees; and the necessity and reasonableness of the employment of two men on all machine drills.

Second. The history of the organization of the various companies or corporations owning or working copper mines in the said district—that is to say, the committee shall ascertain how much money was originally invested in the purchase and acquisition of the said copper properties by the owners, the amount of the gross yield of the mines, and the value of the capital stock of such corporations at the present time. The committee shall especially investigate the facts and report as to the amount of dividends and assessments of the said copper mines, with the view especially of ascertaining the amount of the assessments levied by the Calumet & Hecla Mining Co. and the amount of money paid out as dividends by that company from its inception down to the present time.

Third. Whether or not any of the employers or employees in said district have declined to consent to a committee on arbitration, to be appointed by the President of the United States and the governor of the State of Michigan, jointly, to which committee all matters in dispute might be submitted, and by the findings of which committee all parties at interest should be bound.

Fourth. Whether or not any system of peonage is maintained in said copper-mining districts.

Fifth. Whether or not the immigration laws of the United States are being or have been violated in the said copper-mining districts; and if so, by whom.

Seventh. Whether or not the Secretary of Labor, or any other official or officials of the Government, may be of service in the premises. Eighth. Whether or not persons are being or have been convicted and punished in violation of the laws of the United States.

Ninth. Whether there exists or has existed a combination of coppermining companies in restraint of interstate commerce and trade for the purpose of advancing the price at which copper shall be sold to consumers in Michigan and other States, or for any other purpose.

Tenth. Investigate and report whether or not firearms, ammunition, and explosives have been imported into said State for the use of either party to the existing labor troubles; and the number, names, and general reputation of the men imported into said district to act as guards, deputy sheriffs, or in similar positions.

Eleventh. Investigate the efforts of the various labor organizations to unionize said copper mines, including demands made on employers and the methods used to enforce said demands.

Twelfth. Whether or not the said copper-mining companies have attempted to influence the action of officials, judicial or otherwise, in said district, or have interfered with the administration of justice in said district, or have interfered with the administration of pistice in said district, or have interfered with the administration of pistice in said district, or have interfered

Mr. ASHURST. Mr. President, it would seem unnecessary, indeed it would not probably be proper at this time for me to

make any extended remarks on this subject.

Mr. NORRIS. Will the Senator yield?

Mr. ASHURST. I do not intend to discuss the resolution.

Mr. NORRIS. Very well.

Mr. ASHURST. I only intend to ask for its reference to the appropriate committee. I yield, of course, however, to the

Mr. NORRIS. I have talked with the Senator on the subject, but if he is only going to do that I will not ask him to yield

Mr. SMITH of Georgia. Mr. President, upon the subject of the committee to which the resolution should be referred I should like to make a suggestion before action is had.

Mr. ASHURST. I have yielded to the Senator from Nebraska [Mr. Norris]

Mr. NORRIS. I have already talked to the Senator and asked if he would yield to me, but the purpose for which I wanted him to yield was to dispose of another matter before the Senate. If, however, he is only going to have the resolution referred to a committee I will not ask him to yield now.

Mr. ASHURST. I yield now to the Senator from Georgia. Mr. SMITH of Georgia. Mr. President, this resolution properly should go first to one committee and then to another committee. It involves work for the Committee on Education The body of the resolution pertains to the service of that committee, and for the purpose of considering the substance of the resolution and reporting upon it the Committee on Education and Labor should act. Before the necessary appropriation can be made the resolution must go to the Committee to Audit and Control the Contingent Expenses of the When a similar resolution or set of resolutions was before the Senate with reference to West Virginia, they were sent first to the Committee to Audit and Control the Contingent Expenses of the Senate and after that committee reported they were sent to the Committee on Education and Labor, and both committees reported. It seems to me that it is only fair to the Committee to Audit and Control the Contingent Expenses of the Senate that the work of perfecting the resolution should take place before it goes to them at all. Therefore I desire to express my concurrence with the suggestion the Senator from Arizona [Mr. Ashurst] made when he presented the resolution, that it be sent first to the Committee on Education and Lab.

Mr. ASHURST. Mr. President, I feel that a short— Mr. WILLIAMS. Mr. President, if the Senator from Arizona will pardon me

Mr. ASHURST. Certainly. Mr. WILLIAMS. I think the course suggested by the Senator from Georgia [Mr. SMITH] is an expedient one to take in this case. If the resolution is sent first to the Committee en Education and Labor, that committee can amend the resolu-tion so as to confine the scope of the proposed investigation entirely to subjects matter of Federal jurisdiction; and then, in that shape, it can be sent to the Committee to Audit and Control the Contingent Expenses of the Senate.

I have no doubt of the right of the Committee to Audit and Control the Contingent Expenses of the Senate to amend a bill which is sent to it, to report back to the Senate a bill recommending that an appropriation be made out of the contingent fund for an investigation, and in reporting back a bill not to report back the bill sent to it, but a bill amended and remodeled so as to confine the scope of the investigation to its legitimate purposes, federally speaking. That, however, has been disputed. In view of its disputation, it seems to me, it would be well to have this resolution go first to the Committee on Education and Labor, and have it prune and amend and confine it to its proper scope, and then have it come to our committee for us to see whether or not we shall recommend the appropriation.

Mr. ASHURST. Mr. President, with reference to the particular committee to which the resolution should go, I have, of course, and probably could have, under the rules, no choice. Both the Committee to Audit and Control the Contingent Expenses of the Senate and the Committee on Education and Labor are active committees, meeting very frequently and composed of most excellent members in every respect; so I do not care to which of the committees the resolution shall be sent.

Before I take my seat, however, I should say that I have not introduced this resolution with precipitation. Indeed, I deliberated two months before I concluded to introduce the same. After a conference with the Representative in Congress [Mr. MacDonald] from the district in Michigan in which these troubles now exist, I am at liberty to quote him and to say that he has told me that his district—the twelfth district of Michigan-is a part of the United States where constitutional government no longer exists; that the rights of citizens under our Constitution and our laws are overthrown, and the laws and Constitution defied.

When a Representative of a sovereign State in Congress says that in his district the Constitution and laws are overthrown, surely it does not misbecome a Senator to ask for an investigation, especially when I direct attention to the fact that the Representative from that district has introduced a resolution on the subject in another body of Congress and is attempting to secure its passage, and that that Representative himself asks—yea, courts and demands—a free, full, fair investigation as to the deplorable conditions in the copper district of the State of Michigan.

It would seem that nothing further should be said by me

upon this subject at this particular time. I ask for the reference of the resolution to the appropriate committee.

Mr. TOWNSEND. Mr. President, I do not wish to occupy any considerable amount of the time of the Senate. I have not

changed my mind from what it was yesterday with reference to the unwisdom of this investigation at this time.

I desire to send to the Secretary's desk and have read a telegram which I received this morning from the Copper Country Commercial Club.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and the Secretary will read as requested. The Secretary read as follows:

HOUGHTON, MICH., January 12, 1914.

Hon. CHARLES E. TOWNSEND, Washington, D. C.

Hon. Charles E. Townsend, Washington, D. C.

Dear Sir: In discussion of Ashurst resolution kindly note that the federation has waived all demands for better wages and improved labor conditions, and that the strike is now based solely upon the recognition of the union. Ten thousand miners now at work protest against their recognition, while but 3,000 men are now on strike and supporting the claims of the federation. Gov. Ferris, prior to his departure from the copper country, after a thorough investigation, announced his belief that difficulties could be adjusted between the operators and their men if outside interference were withdrawn. This has from the beginning been the opinion of everyone familiar with local conditions. The men have an eight-hour day, increase of wages, and arbitration courts since December 1, and those now at work are entirely contented. A congressional investigation at this time can only serve to confirm in the minds of the strikers the delusion, carefully fostered by agitators, that the Government intends to take over the mines and place them in charge of the Western Federation of Miners.

COPPER COUNTRY COMMERCIAL CLUB,
G. L. PRICE, Corresponding Secretary.

Mr. TOWNSEND. Mr. President, I hold no brief to speak for either side of this controversy. I have been quite as much disturbed as anybody could be over the distressing conditions in the upper peninsula of Michigan. I have watched with great interest the various investigations which have been conducted: and I have felt that there was an honest, determined effort to get at the justice of the situation and end the strike. I have felt, however, that this particular resolution will tend to delay rather than to hasten the hoped-for condition.

I do not object, nor have I at any time objected, to a thorough and full disclosure of all the facts connected with the copper country strike. I feel that it is entirely proper to submit this resolution to 'he Committee on Education and Labor. I have confidence that no committee of the Senate will insist upon or permit an investigation in a State of a matter that is wholly within the jurisdiction of the State, and especially will it not make it without being possessed of information to convince it that there are facts which have not been disclosed and which will not be disclosed in any other way.

So, Mr. President, I have no objection to the resolution going to the committee, in order that the exact facts may be deter-

mined as to the basis upon which the investigation should be

Mr. MARTINE of New Jersey. Mr. President, I am in utter sympathy with the adoption of this resolution. I feel that naught but good can come from it. The arguments of interference with the rights of the authorities of the State of Michigan are precisely the same arguments that were used when the proposition was advanced as to the investigation of the unfortunate and sad affairs of West Virginia. I think there is no Senator who will say otherwise than that the efforts for further investigation in West Virginia resulted in benefit to the community, to the State, and to the parties interested.

I have received very many telegrams—not so many as the Senator from Arizona [Mr. Ashurst] stated he had received, but very many telegrams—pressing this investigation. From articles in the newspapers, in the magazines, and from sundry other sources I have been impressed with the condition of sadness and woe which exists in that community. I believe it would be to the advantage of the citizens of Michigan, to the advantage of all those engaged in business there, and to the advantage of all those engaged in business there, and to the advantage of the minute of t vantage of the miners themselves to have this investigation made.

I have cut from the New York World an article with refer-

ence to the situation that I ask the Secretary to read.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and the Secretary will read as requested.

The Secretary read as follows:

[Editorial from the New York World of Monday, Jan. 12, 1913.] COPPER, THE PRIVILEGED.

COPPER, THE PRIVILEGED.

The World's denunciation of the rich copper industry as a pet of privilege abusing its favor of Government has been criticized as too severe. It has been doubly justified. It was borne out by the results of special investigation published 10 days ago. The proof is now clinched beyond cavil by Federal inquiry and report.

Copper has for a generation had what legislation it asked for. It had a tariff on ore as long as it wished; when that was abolished, with its consent, it kept a tariff on copper derivatives. From first to last it has been a child of protection.

Its profits have outvied Golconda. With a paid-in capital of only \$1,200,000, the chief Michigan concern has yielded \$121,050,000 in dividends in 42 years—an average of about 240 per cent a year upon the investment. Besides this, it has reinvested \$75,000,000 of the toll of Government favoritism and privileged monopoly in its plant.

The United States Department of Labor reports that this immensely wealthy industry has paid from \$2.89 to \$3.62 for a 10 to 11 hour day; that it had about 1,700 deputies on November 1, mostly employees, besides a large number of armed guards from New York; that strikers have been killed by company gummen; that the labor contract given to the strike breakers of this industry, so solicitous for "free and well-paid American labor," is printed in seven languages and promises them \$2.50 a day—less railroad fare.

The deportation of Moyer and other events since the period covered by the Federal inquiry raise the grisliest specter of all, that of political tyranny and abasement of the processes of justice. Houghton County, Mich., is not a community of self-governing American citizens. It is one chiefly of aliens brought thirther to serve the monopely, and ruled from Boston in defiance of law and in despite of democratic institutions.

Mr. MARTINE of New Jersey. I wish to say that the article

Mr. MARTINE of New Jersey. I wish to say that the article as it has been read simply reiterates the statements of 100 or more letters from reputable citizens of Michigan. I feel, in justice to them, and for the cause of humanity and right, that an investigation should be had. I feel that we can not press the matter too strongly.

Mr. GALLINGER. Mr. President, I will ask the Senator what newspaper is responsible for that article.

Mr. MARTINE of New Jersey. I cut it from the New York World of yesterday, sir. I could multiply the same general sentiments from a number of other papers and from a number of magazines

Mr. GALLINGER. I will ask the Senator if it is an editorial from the New York World?

Mr. MARTINE of New Jersey. It is an editorial from the New York World.

Mr. WEEKS. Mr. President, of course it is difficult to carry definite figures in one's mind about a great industry like copper mining. If the article which has just been read refers to the Calumet & Hecla Mining Co., the figures may be relatively true; but of all the other dividend-paying copper mines in the northern peninsula of Michigan it is a fact that the assessments have been about \$80,000,000, while the dividends which they have paid in the entire life of the companies have not been more than about \$2,000,000 more. There are a great number of so-called copper mines in the northern district of Michigan on which assessments to the extent of many millions of dollars have been levied which never have paid any dividends at all. So if that is a general statement as applying to the copper industry of that section, it is, in my judgment, entirely without

Mr. MARTINE of New Jersey. I presume that in common with almost every other industry these piping times of prosperity have multiplied on paper lots of exploiting schemes in copper, gold, silver, and almost every other line of industry. I am not responsible for defending a lot of exploiters who have started out to find copper where nothing but sand and rock Legitimate mining interests in Michigan have been contending, however, that the Calumet & Hecla mine and some others have been guilty of the abuse of hiring pauper labor, notwithstanding all their boasts of American protection, and they have found rich reason to protest. Men have protested over their own signatures. Hundreds of telegrams and letters have poured in, asking that something be done. I am not here to defend any illegitimate exploiting scheme, made to sell stock, which I presume is the character of the mines about which the Senator is talking.

Mr. WEEKS. I should like to ask the Senator from New Jersey if he recalls how long it has been since there has been

protection on the copper industry of this country?

Mr. MARTINE of New Jersey. I can not just mention the date nor the day; but, thank God, those days now are ended and a new condition prevails.

Mr. WEEKS. Does the Senator know anything about the

copper industry?

Mr. LODGE. If the Senator does not know, I can tell him.

The duty on copper was removed in 1897.

Mr. MARTINE of New Jersey. Thank God for that little ep. That was one of the things that began to open your eyes, and the duty has been removed from a good many other articles

Mr. GALLINGER. I should like to ask the Senator if it is a fact that the average rate of wages in the Calumet & Hecla

mine is \$3.64 a day?

Mr. MARTINE of New Jersey. I know absolutely nothing of my own knowledge about it. I only know what this article states and the other articles which have been published in magazines, the statements of which have not been controverted.

Mr. GALLINGER. Does the Senator know whether or not it is a fact that the contention as to wages has been yielded by the miners now and that the disagreement is on another point

entirely?

Mr. MARTINE of New Jersey. I heard something on that point just now in the way of a telegram that was read. I think, at the request of the Senator from Michigan [Mr. TOWNSEND].

Mr. GALLINGER. If it be a fact that the average rate of wages there is \$3.64 a day, how does that compare with wages

in New Jersey, as an illustration?

Mr. MARTINE of New Jersey. For like and similar conditions it may be all right. I believe that the wage of \$3.60 a day was for those working underground 10 hours a day.

Mr. GALLINGER. I will say to the Senator that it is the average wage, according to the information that comes to me,

and it is a very large wage.

Mr. MARTINE of New Jersey. I know nothing of that; but, aside from that, there is something more than money in the world. Great God! If we are only battling for money, with no rights of justice and humanity to mankind, our salaries and our time would be most illy spent. I believe there are condi-tions involved in Michigan, the same as there were in West Virginia, other than money, and I believe we can do no better service than to order a thorough investigation. If the thing is all right, then, pray Heaven, why object? Let God's sunlight come in and let the world know the conditions there.

Mr. GALLINGER. Mr. President, I do not object to this investigation or to any investigation, and yet I will venture the

suggestion that after a little while our Democratic friends will become tired of these investigations. If the Senator will take

the trouble to ascertain the number of investigations that have been conducted by both Houses of Congress during the present Congress I think he will be rather horrified at the situa-

Mr. MARTINE of New Jersey. I realize that there have been a great many; but these investigations would not have been had but for a condition. A condition was apparent that demanded that the investigations take place. I am frank to say, for my part, as to the little matter of the West Virginia investigation, that it was not altogether delightful and altogether pleasant.

Mr. ASHURST. In only a moment the resolution must go

over for another day, unless it is disposed of.

Mr. LODGE. The resolution, I suppose, goes over under the

Mr. ASHURST. It is not 2 o'clock yet. I ask that the resolution be referred to the Committee on Education and Labor.

Mr. TOWNSEND. Mr. President, I am sorry if anything I may say now will carry the resolution over. I finished what I had to say, until the Senator from New Jersey [Mr. Martine] suggested some matters in connection with Michigan I resent. I think the history of Michigan in every particular

The VICE PRESIDENT. The hour of 2 o'clock having arrived, the morning hour has expired, and the Chair lays before the Senate the unfinished business, which is Senate bill 48.

Mr. GALLINGER. The resolution goes to the calendar. The VICE PRESIDENT. The resolution will have to go to the calendar unless something is done about it.

THE TELEGRAPH AND TELEPHONE AS ADJUNCTS TO POSTAL SERVICE.

Mr. NORRIS. Will the Senator from Oregon yield to me that may make a request for unanimous consent?

Mr. CHAMBERLAIN. I yield. Mr. NORRIS. Yesterday the Senate passed a resolution (S. Res. 242) introduced by me calling upon the Postmaster General for certain information. After it had been passed the Senator from Georgia [Mr. BACON] entered a motion to reconsider, which I understand is now pending. I have had some consulta-tion, particularly with the junior Senator from Mississippi [Mr. VARDAMAN] and also with the chairman of the committee, and as far as I am concerned, from the statements which have been made to me by both those Senators that the matter will be reported out perhaps to-day, being informed by the chairman of the committee that the Committee on Post Offices and Post Roads meets at 2 o'clock and it is the intention to report the resolution out to-day if possible, and if not to-day as soon as it can possibly be done, with that understanding I have no objection myself to having the resolution reconsidered and referred to that committee.

Mr. VARDAMAN. Mr. President, I join very heartily with the Senator from Nebraska in the request that the vote by which the resolution was adopted be reconsidered and the resolution go to the Committee on Post Offices and Post Roads. The committee, as he states, will meet in a very few moments. I am very much interested in the resolution. I think it will be reported back directly; I trust it may, and that the information sought by it shall be given to the Senate. I hope the Senate will yield to the request of the Senator from Nebraska and reconsider the vote and that the resolution may go to the Com-

mittee on Post Offices and Post Roads.

The VICE PRESIDENT. The question is on the motion to reconsider the vote by which Senate resolution 242 was passed.

The motion to reconsider was agreed to. Mr. VARDAMAN. I move to refer the resolution to the Committee on Post Offices and Post Roads.

The motion was agreed to.

RAILROADS IN ALASKA.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes.

Mr. CHAMBERLAIN. The Senator from Maryland [Mr. Jackson] desires to submit some observations to the Senate, possibly not along the line of this particular bill, but I am perfectly willing to yield, with the consent of the Senate, until he delivers the address he desires to make.

Mr. CLARK of Wyoming. Will the Senator yield to me for one moment before the pending bill is laid aside informally?

Mr. CHAMBERLAIN. I yield.

Mr. CLARK of Wyoming. The bill which is before the Senate is one of very great importance because of the magnitude of the appropriation that will be required and because it marks out a new policy for the Government to follow. I think the most valuable information which we may gather in regard to the bill

itself is found in the report which is made on railway routes in Alaska, included in the message of the President in 1913. I am informed that no copies are available other than the one which is in the possession of the Senator having the bill in charge. I think it is exceedingly important that before the bill passes to final consideration we should have all the information possible, and I shall hope that the Senator from Oregon will ask consent that there may be a republication of the document.

Mr. CHAMBERIAIN. I make that request, Mr. President.

The VICE PRESIDENT. Permit the Chair to suggest, if it is not impertinence on the part of the Chair, that there is now on the calendar a report from the Committee on Rules providing for a change in the rules of the Senate whereby all requests for printing public documents shall go to the Committee on Printing. If it is not impertinent to make the suggestion, the Chair would like this request to go to the Committee on Printing.

Mr. CLARK of Wyoming. There is no objection to that course, except that I desire to urge the Committee on Printing to act as soon as possible, for the reason that it is of immediate concern.

Mr. SMOOT. I will say that if the document has already been ordered by the committee to the amount of \$200, then, of course, we would have to report a resolution. If not, the committee can order copies to the amount of \$200 without the action of the Senate. I promise the Senator from Wyoming that we will take up the matter at once.

The VICE PRESIDENT. The request then goes to the Com-

mittee on Printing.

Mr. CHAMBERLAIN. I now yield to the Senator from Maryland [Mr. Jackson].

GOOD ROADS.

Mr. JACKSON. Mr. President, to address the Senate in advocacy of good roads or of Federal aid thereto is perhaps another instance of "carrying coals to Newcastle," for the supporting reasons are either perfectly obvious or have been repeatedly urged heretofore. These remarks, however, will at least serve to make my own position clear as an enthusiastic advocate of these great propositions and to call attention again to these objects, which, like others equally meritorious, need constant urging and discussion before they are realized. believe there is already sufficient sentiment in Congress to enact legislation appropriating some of the funds of this Nation toward the improvement of its highways, could that sentiment be crystallized into a common view as to the means to be adopted, and that such action would receive the unquestioned sanction of public opinion. Therefore the purpose of these remarks is to discuss the methods by which Federal aid should be extended as well as to bring to the attention of the Senate again the main propositions.

My own Interest in good roads arises, first, from the experience of Maryland, and, second, from my observations as a practical business man. Maryland is an excellent example of a State aroused to the advantages of good roads, and which has already begun to reap the great benefits that inevitably follow an improvement in the means of transportation, even though that interest was only lately born. In Maryland there are two systems by which \(\varepsilon\) part of the State money is thus invested. The first and older plan was inaugurated in 1904 and is an arrangement by which the State aids the counties in the construction of what may be called more properly the local roads. An annual appropriation of \$200,000 is available for this purpose and is apportioned among the counties in proportion to their respective road mileage. A county applies to the State roads commission for aid in improving a specified road. If the application is approved, the commission prepares plans and

The county then lets the contract for the construction subject to the approval of the commission and the actual work is done under the inspection and supervision of the State engineers. The cost is shared equally by the county and the State. The initiative usually comes from the property owners, who petition the county officers for the improvement and at the same time bind themselves for one-tenth of the total cost, which is apportioned among them according to road frontage. Thus we have a plan whereby the initiative of the county and of the property owners is fostered, while the expenditure of the funds is directed and supervised by the more efficient central authorities. Down to January 1, 1912, 166.31 miles of roads had been constructed under this plan. The unused portion of the annual appropriation lapses at the end of the fiscal year, but in order to give the widest opportunity to all the counties, at a given date in each year the apportionments standing to the credit of the various counties and unused by them is reapportioned among the remaining counties on the same mileage basis.

The second plan was inaugurated in 1908. In that year the State established a State roads commission, with authority to build a system of main arteries to connect the various county seats with Baltimore City, and incidentally with each other. This plan contemplates the construction of 1,227 miles of roads. Up to January 1, 1912, 168.14 miles had been constructed and 175.85 miles were then under construction. In addition, there had also been completed a continuous boulevard between Washington and Baltimore. To carry on this work a loan of \$8,646,000, which yielded \$8,349,976.13, has already been made. It is expected that succeeding legislatures will authorize annual loans to the amount it has been found can be profitably expended each year by the commission until the system has been completed.

The difficulties of road building in Maryland vary widely. In the east the land is practically flat, the soil light and sandy, in the central sections the land is hilly and the soil clay, while in the west there are mountains of considerable proportions. To build roads under such diverse conditions by a central authority required administrative and engineering ability of a high degree, but the problem has been successfully solved. Despite the increase in freight rates, labor, and materials, the average cost of the roads has not materially changed, but in some sections where conditions are favorable has actually decreased. The cost per mile has ranged from \$6,100.28 to \$71,263.84, the latter figures representing the cost of the construction of a short paved approach to a city street. age cost per mile for construction only was \$11,424.21. these latter figures are added the overhead and administrative charges, the average total cost becomes \$11,965.45. This favorable showing has been largely due to the facts that the public supported enthusiastically the work of the road commission, that politics were rigorously excluded from the commission, and that efficiency and economy were the sole standards used by the commission in making an appointment or in awarding a con-

These figures I have given to show what can be done in a comparatively small State in a short time and with a comparatively small expenditure. The roads have proved of immeasurable advantage to the people. The direct benefits in the form of economy and facility in transportation and in increased land values may be measured. The indirect advantage in the form of the betterment of conditions in rural life, while no less notable and important, can not be estimated in dollars and cents.

As I said above, the second reason for my interest in good roads comes from my experience as a manufacturer and from a common-sense application of business principles to community life. The people of a State or county are in one respect an industrial organization. They are mutually dependent; the prosperity of one class will be reflected in another. Every governmental expenditure may be regarded as being made for the promotion of the material and social welfare of the community. Just as a manufacturing organization requires a plant and machinery so does the community require machinery for the development of its industrial activities. Chief among the necessary equipment of the community are the roads. They are as no other single thing the machines of the industrial and social organization by which wealth is produced and happiness is promoted. And just as the manufacturer has learned that his factory must be most efficiently equipped, that every machine must be of the most advanced type, that he actually can afford to destroy an obsolete machine and invest money to purchase the best that science has discovered, and finally that he will invariably fail unless he does keep his machines at the highest point of efficiency, so the community should realize that its advancement in wealth and happiness will depend upon how good are its roads which, as I suggested above, are the chief machines in the community life. Expenditures should be limited only when these roads are brought to the highest state of efficiency commensurate with the duties they are to perform. I might add that I have never yet seen the highways of a community brought to the point of diminishing returns.

Whether one adopts the old theory that the activities of a State should be limited to those things individuals can not do for themselves, or the theory of the newer school which broadens the duties of a State to that class of activities which individuals will not perform for themselves, or whether one adopts the most modern view and expands the obligations of a State to that class of duties that individuals ought not be allowed to perform for themselves, under any one of these political theories, I say, the conclusion is inevitable that a part of the community effort, whether directed in the form of a State or of a smaller governmental agency, should be expended in the building and maintenance of modern highways. I can not point to a single expenditure of public moneys that is so certain to bring to

all of the people a greater measure of prosperity and happiness.

I said to all the people, and this is the true expression to describe the recipients of the benefits of good roads, and yet while these benefits are unquestionably general there is one class of the people to whom good roads bring a particular and immediate advantage and whose prosperity it should be the aim of any government to foster. I refer to the farmers and to those closely allied to the agricultural interests of the Nation. While it is almost universally true that the welfare of every State is intimately dependent upon its agricultural interests, that fact is unmistakably apparent in our own country. The earth is the primary source of all wealth. Those who devote their lives to the cultivation of the soil; to the study of the ways kind nature has provided for the nourishment of man; to the unraveling of the mysteries of germination, propagation, and production; to the acquirement of the knowledge by which the only storehouse nature has provided may be opened and its treasures yielded to our necessities; to the reclaiming of barren fields to bountiful harvests-these men should be the particular care of every enlightened government. Place burdens upon the farmer, discriminate against him in any way, and you are deliberately weakening the ties that bind all the people to the prosperity we so bountifully enjoy to-day. hand, if we encourage the tiller of the soil by giving him the best scientific knowledge available, by making his life more attractive, by giving him a system of good roads by which he can not only market his crops with economy and ease but also keep up that social intercourse with the outside world to his own and the community's benefit, we place the keystone in the arch of this Nation's permanent greatness.

Let me call your attention to the magnitude of the agricultural interests of the United States. In 1910 the value of the farm lands was \$28,475,674,169; of farm buildings, \$6,325,451,528; of farm implements and machinery, \$1,265,149,783; of the live stock on the farms, \$4,925,173,610; or a total capital invested in agriculture of \$40,991,449,090. In 1910 there were 6,361,502 farms with a total of \$78,797,000 acres, of which 478,452,000 acres are improved. The land in farms represents

46.2 per cent of the total land area of the country

In the same year there were 49,349,883 of the 91,927,266 people of the United States living in the country; that is, outside of places of 2,500 inhabitants and over. I assume that this number represents the farming class. These figures are impressive. They represent the magnitude of the interests most directly affected by good roads. Good roads place the farmer in closer contact with the cities and towns. The transportation of his crops costs him While exact figures are not obtainable, I feel sure that it costs the average farmer more to transport his crops to the railway station under present conditions than it does to ship the produce to the most distant market it reaches. Good roads improve the farmer's breadth of view. He is enabled to go to the towns more easily; he is enabled to visit his fellow farmers more frequently; he is enabled to send his children to better schools. Thus the advantages of association and better education are brought to the farmer and the old isolation of the farmer's life is ended.

Good roads thus in a variety of ways make farm life more attractive and will tend to check the drift from the farms to the cities. The total population of the United States from 1900 to 1910 increased 21 per cent; the urban population in the same period 34.8 per cent, while the rural population increased only 11.2 per cent. No figures could show with more startling clearness the drift away from the farms and toward the already overcrowded cities. I think this fact is of the most momentous consequence to the American Nation. Fewer people on the farms means less production, and less production means greater cost to the consumer. Fewer people on the farms means that our citizenship is to be less sturdy, less independent, less American. We are to be a Nation of city dwellers, a Nation of those who live in the congestion and squallor of cities, away from the breath and sunshine of God's country; a Nation whose political ideals are to be fashioned in the seething corruption of city ward politics rather than in the free and more wholesome country life. I believe this drift must be checked. Too long have we neglected to do something to make the farmer's life more attractive, to put him in easy touch with the good things urban I believe the improvement of the roads will do more than anything else to make farming more profitable, and that good roads to the farm are the most effective way to end the drift from the farm.

But while the farmer receives the first and most immediate benefit of improved roads, benefits just as real come to the whole community; and were this not so there would be no

justification in any State's expending public money for this pur-These general benefits come not only from the reflection and reaction of the farmers' prosperity upon the remainder of the community, but in the direct interest everyone has in better transportation facilities. The first class of benefits arise from the fact that the farmer becomes more prosperous; he can spend more, employ more labor, and contribute a greater share of the taxes. The second class of benefits arise from cheaper production and, consequently, lower cost to the consumer, for an improvement in transportation will have this effect; and from the opportunity the city residents will have to travel into the country, for there is an isolation of the city as well as of the country. Intercourse means education and understanding. Understanding means the end of sectionalism and prejudice. There is not a single benefit that comes from improved transportation, from travel, from social intercourse, from broadened intelligence that will not be increased by improving the highways of this country. There is not an industry, there is not a business, there is not a worthy phase of our modern life that will not be stimulated by better roads. Just as we were able to conquer, to people, and to rule a vast interior continent by building railroads, so by bettering our highways we will people anew our farms, revive community life, carry the best of the city to the country, and reinvigorate true Americanism.

Transportation is the very life of commerce. Every improvement in transportation is an aid to the commerce of that community. Transportation facilities are more necessary for trade development than a system of banks or a sound currency, for if transportation stops trade must stop, while if the transportation facilities are good trade may grow even though the banking system totters and the money is unsound. We can see these things clearly as to the great railroads. They are nevertheless as true in respect to the roads of the community. are the transportation routes of the people. Developments in automobile truck construction would seem to indicate that the roads thus utilized may soon become a serious rival of the railroads for the shorter hauls. Here again exact figures as to the growth of trade due to a betterment in transportation facilities are impossible. We do know that trade can not live without transportation. We have seen the results to commerce that follow the building of a railroad; a similar result, but in an infinitely more diffused form, must follow the improvement of

our highways.

Road building and improvement is not a modern innovation, While the Israelites were still in the bondage of Pharaoh the Egyptians seem to have realized the advantages of good roads. The streets of Babylon were paved 2,000 years before Christ. But the most notable road of history was the famous Appian Way, begun by Appius Claudius about 312 B. C., which led from Rome to Capua. This was the first of a great system of military roads radiating from Rome to her provinces. tending through France, these roads connected with a similar system in England, whose outlines are still visible and which in some instances have formed the foundation of modern roads. The purposes of these ancient roads were largely military, in order that Roman legions and Roman couriers could be moved quickly from place to place as necessity required. Commerce and industrial intercourse were then in their infancy, and each community was largely self-sustaining. In reviewing the history of road building, it seems to be true that good roads were both the cause and effect of increased trade; just as good roads promote intercourse and commerce, so did that commerce show the necessity and demand the construction of additional high-

The toll road developed as early as 1346, when Edward III of England granted a commission to the master of the hospital of St. Glies to collect tolls on vehicles passing on the road leading to the Old Temple, London, from the hospital of St. Glies. This was the forerunner of a great system which reached its highest development in the first part of the last century, by which the cost of maintenance was, in theory, paid for by those who used the road. In America there was a toll road authorized as early as 1792 from Lancaster to Philadelphia, a distance of 62.5 miles. There followed an almost unbroken period of expansion of turnpike building until the application of steam to transportation diverted attention and capital to other lines. By 1828 the expansion of the toll-roads system had ceased.

From that year down to the early nineties is a period where little attention was paid in America by States to the construction and improvement of roads. Road building and maintenance were almost entirely left to the counties or smaller governmental agencies. There are various reasons to explain this abandonment of an activity which was obviously for the benefit of the country. As I suggested above, the invention of the steam locomotive concentrated the attention the States were giving to

internal improvements upon railroad building and, furthermore, greatly increased the amount of money the States were spending for this purpose. This is the beginning of the great expansion in State borrowing, which in some cases led finally to repudia-

The payment by the United States of the debt created by the Revolutionary War and the consequent establishment of the credit of the Federal Government in Europe made it easy for the States to float large loans abroad, where by some confusion of thought the superior credit of the Federal Government was also attributed to the States. And yet, in spite of the ability to borrow, produced, as I have said, by a misconception, there was a scarcity of capital that a new country could command and a limit to governmental activities. As railroads and canals were the more immediate needs, it was natural that the greater interest of the States should be expended in their construction and road building allowed to cease. This condition lasted until the Civil War. At about the same time several States were compelled to repudiate their obligations, and thus the credit of States generally became impaired. The former injudicious borrowing also led the people in many instances to place in their State constitutions restrictions upon the contracting of loans. These and other reasons are responsible for the long period of inactivity in State road building.

Before there could be a revival in road building it was necessary that interests other than those of the farmers should be attracted to the desirability of road improvement. In the average community there would be perhaps two or three farmers living along a mile of country highway. These farmers did feel the necessity for the improvement of the road imme-These farmers diately in front of their respective farms, but they did not unite in a demand for systematic improvement of the roads, with the expected result that practically no roads were improved. The added interest necessary came with the invention of the bicycle. Thousands of people who were never before concerned with the desirability of good roads became interested. The formation of the League of American Wheelmen and the interest that this association gave to good road building will be recalled. But the interest aroused in good roads by the bicycle was small as compared to that created by the automobile. A better road was required for the automobile than for the bicycle; more persons were concerned in the industry; the interests were broader. The automobile brought the people from the cities to the country, and created-as no one thing heretofore had done-an almost unanimous sentiment for road and highway improvement.

Furthermore, one good road educated the public to its advantages and brought immediate demands for its extension and for the construction of similar roads. The interest in good roads expanded beyond the automobilist and began to be shared by all the people. A not unimportant factor in the revived interest in good roads was the realization of the increased value that good roads brought to real estate. Thus in every State in the Union there is practically a unanimous public opinion in favor of road improvement. The question of the desirability of such improvement has long ago been settled. The only question now before the people is the limit to the amount of improvement a State can make and the means by which the money can most profitably be expended.

The first expenditure made by a State for road improvement during the present period was by Vermont in 1892. December 31, 1911, there had been expended by 36 States for road improvement, for which I have the figures, \$126,419,120.15 and 15,523.30 miles of modern public highway had been constructed. I attach as a part of my remarks a table showing in detail what has been done by the various States in road building since 1892.

These figures clearly indicate that the States are facing this great undertaking efficiently and enthusiastically. But only a beginning has been made. There are 2,199,646 miles of roads in the United States. The very vastness of the undertaking to improve this amount of roads has brought about a general conviction that there must be some aid from the Federal Government before this country will have a system of public roads adequate to its needs and necessary to its future development. There is, of course, a very general tendency for the smaller governmental agency to place the burdens of an improvement upon the larger agency; so the counties prefer to shift the burden of road improvement to the State and the States to the Federal Government. But there are certain well-grounded reasons which indicate the justice and desirability of Federal activity in road building and distinguish this proposition from a mere desire on the part of the States to fatten at the expense of the public purse.

In the first place, when the States entered the Fed-

on imports to the national authorities. Practically they surrendered also their right to levy an excise tax on internal products, for it is obviously impossible to place a just excise tax without the power to levy a corresponding import duty. thermore, it is recognized by the almost unanimous opinion of experts that the general property tax, upon which the vast majority of States rely for their revenue, is proving a failure because of a change in the character of the wealth of the country and for other reasons not necessary to be mentioned in this connection.

The States are virtually precluded, however, from making this tax effective or of adopting the alternative proposition of an income tax because of the ease with which capital can be shifted from one State to another and because of constitutional limitations inherent in the present structure of the Government. Thus the State is in the position not only of having surrendered a vast potential field of taxation, but of having had rendered more or less ineffective the ability to tax still remaining. Consequently the revenues available to the unified State or Nation for internal improvement are not available to our several American States and find their way into the National Treas-Therefore if the due proportion of the total revenue of the country is to be available for the purpose of road building some subsidy must be granted by the Federal Government. true, of course, that the Federal revenues do now provide for certain expenditures for which the States would be compelled to make provision were they existing as independent sovereignties. And yet, however this may be, I am convinced that the division of expenditures and of the taxing power between State and Nation has resulted to the disadvantage of the State and that the people of this Nation will not be able to build roads in competition with unified governments unless some of the Federal revenues are devoted to State road building.

Again, road building in which the Federal Government participates can be made vastly more efficient than where the undertaking is entirely by the State. The Federal Government has vast opportunities for experimentation and for investigation, while the State's knowledge is usually limited by the experience gained within its own narrow confines. The Federal Government should be able to apply to advantage the lessons learned, for instance, in Maine to the problems of road building in Wash-

Still, again, the Federal Government has a direct interest in road building, for the roads now constructed by the States are used and will continue to be used for military purposes. It is certainly to the advantage of the Federal Government to have a system of highways over which troops may be marched with ease and dispatch.

It is also perfectly obvious that a government charged with the duty of affording postal facilities has a direct interest in the roads over which the mails must be carried. The Constitution provides that the Federal Government shall have the authority to establish and maintain post offices and post roads, and this provision would seem to supply full constitutional power to authorize Federal aid to State road building.

There is also a close analogy between Federal aid to the construction of good roads and Federal aid to the dredging of rivers and improvement of harbors. In each case the ultimate end is the furthering of commerce. As I have indicated above, I am of the opinion that good roads further commerce and bring advantages of intercourse quite as effectively and certainly with more diffused benefits than do those agencies which we are accustomed to regard as the chief instruments of commerce.

But any question of constitutional authority should be cast aside in view of a precedent that has been established. 29th of March, 1806, an act was approved by President Jefferson appropriating \$30,000 for the survey and construction of a national road from a point at or near Cumberland to a point on the Ohio River opposite Steubenville. This appropriation was made in a day of strict construction of the Constitution and ap-This appropriation was proved by a President distinctly opposed to an extension of the Federal power and to internal improvements by the Federal Gov-This was the beginning of the famous Cumberland or National Road, which was afterwards furthered so conspicuously by Henry Clay. Appropriations continued to be made for this road and its extension to Wheeling and beyond until 1838. A total of \$6,825,919.33 had been appropriated during that period and 130 miles were opened to traffic.

There has been maintained also in the Department of Agriculture an Office of Public Roads. Annual appropriations have been made for investigation and experimentation, and the inevitable drift of public opinion toward Federal aid was shown by a provision in the Post Office appropriation act approved August 24, 1912, creating a Joint Committee on Federal Aid in the Construction of Post Roads and appropriating \$25,000 eral Union they surrendered their right to collect taxes for the purposes of the committee. That committee, headed

by Hon. Jonathan Bourne, is now at work and is collecting valuable data and drawing elaborate plans to further this policy.

There is no doubt in my mind that public opinion is over-whelmingly in favor of the general proposition that the Federal Government should undertake to aid in the great work of improving the roads of the country. The only question is the manner in which it shall participate, and I come to consider what, in my judgment, are the essentials in any such proposal.

There are two chief plans by which some of the Federal revenues might be diverted toward road building. First, the Government might be authorized to undertake to build directly good roads. This plan has obvious disadvantages. The Federal Government can never be as cognizant of local needs as the people in the localities themselves. There would also be the inevitable conflict of jurisdiction between the State and Federal author-The disadvantages of this plan are so obvious and so generally understood that I will take no further time in dis-

cussing them.

It is generally agreed that the proper way for Federal money to be invested in road building is by a system of aid or sub-There have been various plans proposed sidies to the States. for the granting of Federal aid. I believe that while we may differ as to minor details there will be a general consensus of opinion that the following principles are essential in any system that may be proposed: In the first place the initiative should come from the State. The State is cognizant of its needs and should have the opportunity to select the road to be improved and to make this proposal to the Federal Government, which should in turn have the right to approve or disapprove. State has the chief interest in the location of the route, and yet the Federal Government also has an interest in that the route may be utilized for either military or postal purposes. tendency of the Federal Government would probably be to select routes that would afford a continuous road between centers of population and that would ultimately form a complete system of connecting highways throughout the country. The State, on the other hand, would probably place local needs first and would propose routes that would benefit a greater number of people. I am inclined to believe that this is the way governmental road building should be planned. A through highway, while of immeasurable benefit to a large number of people, does not reach all the people or disseminate the advantages of good roads among the greatest number of people; but in all probability, where the State has the right to propose the route and the Federal Government the right to approve, there would be a blending and unification of these two plans which would work to the advantage of all.

In the second place, the specifications should be approved by the Federal authorities. If the specifications proposed by the State should not measure up to the standard which the Federal authorities had found advisable, they should be made to conform to that standard before the Federal money is expended. And so the construction of the road should be subject to Federal inspection at all times in order that it might be absolutely certain that a road was being built which the Federal Government

could afford to aid.

I am also of the opinion that the road should be completed before the Federal Government is called upon to contribute. This would be an incentive toward completing the work and would tend to prevent the diffusion of money in a number of

unfinished projects.

There should also be an automatic check upon the total amount that the Federal Government could be called upon to contribute within a single year and upon the amount that should be allotted to a particular State. The former aim could be be allotted to a particular State. The former aim could be achieved readily by a fixed annual appropriation which should lapse at the end of the fiscal year. There should probably be a provision that at a particular time before the end of the fiscal year any unused portions of the fund appropriated to the various States should be reapportioned among those States which should have exhausted their allotments. The second necessary check should be provided by apportioning the total annual appropriation among the various States. The basis of this apportionment might be formed on one or more of a variety of factors. I believe that the ratio of the road mileage in the various States to the total road mileage in all of the States should figure in the apportionment, for this would give to those States which have shown commendable energy and zeal in building and laying out roads a reward for their activity. I believe that the population of the States as compared to the total population should also be a factor, for the obvious reason that the public moneys being derived by taxes from the people should be expended so as to benefit the greatest number of the people. I further believe that the areas of the various States as compared to the total area of the country should be the third factor in making the apportionment, for this would tend to

give the larger States a larger share of the appropriation, and this result seems to be eminently just and fair in view of the greater need for roads in the larger States. No one of the factors should be taken as final, but all should figure. I am inclined to believe that the most equitable apportionment would be found by allowing each of these factors to count one-third in determining the final ratio.

There should be some arrangement by which it could be made certain that the road would be maintained. Any expenditure for road building without a provision for maintenance is a clear waste of public money. If it were provided that the Federal Government should have the right to inspect the completed road at all times, and if it were found that any such road was not being maintained to the proper standard that no further apportionment should be made to that State until the maintenance should be satisfactory, I believe that this difficulty would be met.

There has been a suggestion that the Federal Government should give aid to the States once and for all by a great bond I believe that an annual appropriation is more desirable. In the first place, there is a limit to the amount of money that can be profitably expended in the building of roads in any State during a year. Then road building is a continuous operation. If it were possible to build a system of roads to-day that would be sufficient for all time to come, there would be reason in the argument that one year's taxes should not bear the burden of a permanent improvement and that a bond issue would be the proper way to apportion the expenditure during the time the improvement is serviceable. But, as a matter of fact, this is an impossible proposition. It will always be necessary to build roads. No State need ever embark upon a policy of road building with any hope of ever completely equipping itself. Demands for good roads in new places will be insistent and continuous. An expenditure for road building is more analogous to an annual expenditure for improvement than it is to a single investment for a plant. Since the expenditure will be continuous, it is better for the Federal Government to lend its aid by a system of annual appropriations than by giving the States a lump subsidy. I have barely alluded to the greater economy and frugality that will be induced by limited annual appropriations. Annual appropriations have the final advantage of allowing Congress to observe closely results and to end the subsidy whenever it believes the results are unsatisfactory.

As a final prerequisite in a scheme of Federal aid I would urge the desirability of not establishing a great central bureau at Washington. I believe that there is no necessity for another great department, and that the present governmental machinery is quite capable of handling the problem. I believe that the actual construction work should be done by the States and that the activities of the Federal Government should be

limited to approval and supervision.

These are the prerequisites in a system of Federal aid to State road building. I have given considerable study to this subject, and these are the basic principles as I see them. views are embodied in a bill introduced by me, Senate bill 1126, and now pending before the Committee on Post Offices and Post Roads. My bill provides that whenever a State shall have completed not less than 1 mile of modern public highway on a route approved by the Postmaster General and to the saton a route approved by the Postmaster General and to the sat-isfaction of the Secretary of Agriculture, the Secretary of the Treasury shall pay to the State one-half of the cost of its construction, with the proviso that no payment shall be made in excess of the rate of \$7,500 per mile for the one-half cost mentioned, and that no allowance shall be made for expenditures for rights of way, property damage, royalties, patents, or copyrights. The operation of the bill is confined to roads outside of towns with a population of 2,500 or over. The State is required to maintain the highway to the satisfaction of the Secretary of Agriculture on the penalty of having further sub-sidies refused. The bill carries an appropriation of \$10,000,000 annually. That sum seems to be all that can be profitably and economically expended during any one year. I believe that \$12,000 to \$15,000 per mile is a fair average cost of construction. I attach as an appendix to my remarks a table showing the average cost per mile of construction in the various States. If the Federal Government were to pay one-half the cost, with \$10,000,000 it could aid the construction of nearly 2,000 miles of road per year. My bill provides that the \$10,000,000 shall be apportioned among the States according to the number of miles of public roads therein as compared to the total road mileage in the United States. As I indicated above, I am inclined to believe that the factors of area and population should likewise enter into the apportionment, and I propose to amend my bill in this particular. No new governmental department is con-templated by the bill.

In conclusion, it seems to me that the time is ripe for action

upon this bill or a similar measure. I have attempted to out-

line some of the conditions and to indicate the desirability of good roads and of Federal aid thereto, at the same time apologizing for the repetition of arguments which are well understood. I can see no reason for further delay. All the conditions are favorable for immediate action. I do not believe it necessary to await the determination of the joint committee referred to above. Their plan, I understand, is elaborate. The beginning we may no important.

or a vaster policy. Each year of delay, however, means a continuation of the present embarrassment in the great work of building good roads and a further delay in the realization of the prosperity to which we are justly entitled. I therefore urge with all the sincerity and energy I possess prompt consideration and action on this bill or a similar bill in order that we may no longer hesitate to perform a duty so obvious and important.

APPENDIX.

Table showing road construction by several States to Dec. 31, 1911. [Figures from the compilation by Joint Committee on Federal Aid in the Construction of Post Roads.

	HIS	Roads constructed	1.	State and funds last Good was	Total actimated and are additional	Total for col-
Δ	Work began.	Mileage.	Per cent of total miles in State.	State road funds last fiscal year, ex- cluding local expenditures. K	Total estimated cash expenditures on roads, exclusive of State funds.	umns R a id L.
AlabamaArizona	1911 1909	16 00	0.032	State appropriation		\$1,647,880.87 411,985.00
ArkansasCalifornia	1895	(Trunk-line sys- tem under cor-	.000	Amount raised (1910). No State road funds State bonds (of \$13,000,000 1,600,000 authorized) sold.	· (1912)	1, 276, 436.00 1, 600, 600.00
Colorado	1909	struction).	.340	State appropriation (1911). 37,000	(1912) 1,800,000.00	1,837,000.0
Connecticut	1895	973. 22	7. 730	Automobile tax		1,730,925.0
Delaware	1903	. 114	3.800	Total	339,479.77 (1910), estimated 1,250,000.00	369, 479, 77
FloridaGeorgia	1908	000	.000	No State funds	. (1910), estimated 1,250,000.00 (1911) 2,504,609.00	1,250,000.00 3,048,499.00
daho	Carloss.	000	.000	estimated value (1911). State bonds issued (1911) 193,000	(1912) 140,000.00	333,000.00
Illinois	-	115.5	.122	for. State appropriation for 100,000	(1912), nearly 7,000,000.00	7,100,000.00
Indiana		000	.000	highway department. No State-road funds	. (1912), estimated 2, 412,000.00	2,412,000.93
Iowa	1904	000	0.000	Support of State highway 10,000	1912	,760,000.00
				commission. Automobile fees dis- tributed by State. 300,000	fund.	
				Total 310,000	County road fund 750,000 00 County bridge fund 3,200,000.00	
Kansas	1911	000	.000	For State highway engi- neer's office at agricul-	Total 6, 450, 000. 03 4, 975, 000. 00	4, 982, 000. 00
Kentucky	1912	000	.000	tural college. Appropriation for State 25,000 department publicroads (1912).	Not given	25,000.00
Louisiana	1910	133.00	. 533	One-fourth mill property tax, amount	(1912) 2,311,000.00	2, 474, 914. 00
	Later of the second			Total 163, 914		
Maine	1901	765. 74	3.000	State appropriation 250,000 Automobile tax 100,000	(1912), excluding 20 1,482,743.00 cities.	1,832,743.00
				Total		
Maryland	1898	(State aid) 154, 34 (State) 168, 89	1.927	Direct State appropriation 300,000 State bonds issued 1,250,000 Special appropriation 60,000	amulahrasahttakini bili bili interna	1,610,000.00
		- Continued	nivi anto	Total		
Massachusetts	1893	(State aid) 879 (State aid; 266. 49 s m a 11	6.632	State highway construc- tion. Small-town work 75,000	cities.	3,608, 02.00
		towns)		Maintenance State high- ways. Automobile fees		
				Total	The second secon	
Michigan	1905	1,233	1.798	tion cost repaid by towns. State rewards 245,000	(1911)	4,508, 36.00
Minnesota	1905	1,233	1.612	One-fourth mill property 340,000	1912.	3,602,611.66
	OH T			tax.	County road and 1,408,124.61 bridge fund. County road and 1,492,313.11	
					County road and 1,492,313:11 bridge fund. Delinquent taxes. 362,173.94	
	The se				Total 3, 262, 611. 66	
Mississippi		000	.000	No State road funds	Not given	
Missouri	1907	000	.000	Estimated from automo- bile fees.	2,200,000.00	2,380,000.00
	DODE S			Stamp act, about 80,000		
Montene	3000	000	.000	Total 180,000 No State road funds	Not given.	
Montana Nebraska	1011	000 16	.000	do	Not given. 2,316,859.00 Not given.	2,316,859.00 20,000.00
Nevada	1911	10	.120	force.		20,000,00

Table showing road construction by several States to Dec. 31, 1911-Continued

The second	13/9	Roads constructed		State road funds last fisc	al year ex	Total estimated cash expenditures on	Total for col-
A	Work began.	Mileage.	Per cent of total miles in State.	cluding local expend	itures.	roads, exclusive of State funds.	umns K and L.
New Hampshire	1903	(State ald) 502.4 (Trunk line) 254.3	5.005	Trunk-line emstruction, 1912. Trunk-line maintenance Construction nontrunk lines.	\$310,000 75,000 68,000	1912, (estimated) \$1,000,000.00	\$1, 453, 000.00
				Total	453,000		
New Jersey	1891	1,578.4	10.634	State issues bonds. New construction, 1912 Maintenance (automobile fees), about.	400,000 350,000	Not given	750,000.00
				Total	750,000		
New Mexico	1909	000	.000	1-mill property tax, about Appropriation, old Santa Fe Trail.	60,000	(1912), estimated 250,000.00	311,000.00
				Total	61,000		
New York	1898	3,364	4. 243	Available from \$50,000,000 bond issue and appro- priations for 1912		(1912), roads and 7,115,116.00 bridges.	30, 115, 116.09
North Carolina North Dakota		000	.000	priations for 1912. Appropriation for road investigations by Geological Survey, 1912. No State road funds	5,000	(1911)	1, 999, 354, 00
Ohio	Carlot Char	167. 86	1.889	General appropriation,		(1912)	1,023,569.00 4,009,632.00
				1912. Auto licenses	220,000		
Oklahoma	1	000	.000	Total. For maintenance State highway department	660,000 5,000	2, 589, 694. 00	2, 594, 694. 00
Oregon		000	.000	(auto. fees). Automobile licenses collected by State and given to counties (1912)	35,000	Not given	35,000.00
Pennsylvania	1903	836	.957	Construction and mainte- nance State roads. State aid	and the same of the same of	do	4,000,000.00
				(Continuing appropriation)			
Ichode Island	1902	250. 6	11.816	State bonds		(1912) 281, 774. 71	1, 221, 774, 71
South Carolina South Dakota Tennessee		000	.000 .000 .000	Total No State road fundsdodo		(1911)	700, 335, 18 1, 000, 000, 00
Texas		000	.000	No State road funds		Taxation. 3,773,392.00 Available Jan. 1, 1911, from bonds. 2,589,456.45	6, 362, 848. 45
Utah	1909	125.4	1.500	State aid appropriation, 1911 Auto fees to go to State road fund.	60,000	Total 6,362,848.45 Not given	60,000.00
Vermont	1892	1,031	7, 156	State tax, one-half mill,	100,000	(1912) 676,038.91	991,038.91
				State aid appropriation . Auto fees for maintenane, Total	150,000 65,000 315,000		
Virginia	1906	852, 4	1.964	State-aid appropriation, 1912. Maintenance of convict force.	180,000 85,000	(1912) 1,500,000.00	1,810,000.00
				Automobile fees	45,000 310,000		
Washington	1905	(State aid) 145.76 (State) 200	1.008	State roads, bridges, and highway commission, 1912. Permanent highways	897, 700	(1911)	4,938,298.60
				State quarries	1,093,400		
West Virginia		000	.000	Property tax, 1 mill and mill. No State road funds		1,042,353.00	1,042,353.00
Wisconsin	1911	000	.000	State appropriation for roads and bridges, 1912. Administration.	350,000 40,000	(including statute labor.) 4,000,000.00	4, 390, 000. 00
Wyoming	1911	000	.000	Total For equipment convict la- labor, 1911,	390,000 10,000	(1911)	472,635.00
. Total		15,523.30		AND EDUCATION VANA	41, 180, 024	1 85, 239, 096. 15	1 126, 419, 120. 14

Table showing cost of construction of roads in various States.

[Figures from the compilation of the Joint Committee on Federal Aid in the Construction of Post Roads.]

• State.	Type of road.	Width.	Thickness.	Cost per mile ex- cluding adminis- tration and engineer- ing.	Total cost per mile.
Alabama, Montgomery County.	Gravel.	Feet.	8 inches	\$2,750.00	\$2,750.00
Alabama, Russell County	Soil	20	12 inches	1, 205, 00	1, 220, 00
Alabama, Calhoun County. California, Los Angeles County.	MacadamOiled macadam	10 22	6 inches cen- ter, 2 inches	3, 912. 94 6, 517. 53	3, 912. 94 7, 003. 15
Do	Concrete with bituminous surface	20	sides, 5 inches	11,663,49	12, 190, 69
Colorado	Mountain road	16		5,770.00	5, 943, 00
Connecticut	Water-bound macadam	16 12-16	7 inches	6,610.00 7,569.38	6, 940, 50
District of Columbia	Gravel	12-10	9 inches	11, 143, 00	7, 569. 38 11, 477, 00
Do	Water-bound macadam	16-18	6 inches	6, 551.16	6, 747. 69
, Do	Bituminous macadam	16	do	9, 915. 00	10, 212. 45
Idaho Indiana	Macadam	12	do	8,029.99 12,550.00	8,029,99 12,950,00
Kansas	Macadam	16	8-12 inches	7,000.00	7, 200, 00
_ Do	Macadam	18	10-12 inches	8, 360. 35	8, 448, 00
Kentucky Louisiana	Bituminous macadam	25	7½ inches	9,100.00	9, 120, 00
Maine	Macadam			8, 777. 68	8, 777. 67
Do	Concrete			21,817.58	21, 817, 58
Maryland, Howard County	Water-bound macadam	14	8 inches	11,930.83	12, 458. 78
Maryland, Montgomery County	Gravel	12.5 15	6-64 inches	7,617.00 6,120.00	7, 617, 00 6, 265, 00
Do.	Macadam	15	do	9, 861, 00	10,096.00
Do	Bituminous macadam	15	do	13,970.00	14,308.00
Michigan Do	Macadam Concrete	9	6 inches	4, 325. 00 7, 764. 00	4,325.00 7,914.00
Minnesota.	do	16	dodo	11,710.00	11,910.00
Do	Macadam	16	6 inches	4,380.00	4,530.00
Mississippi	Chert macadam	24	7 inches	9,486.00	9,486.00
Missourl New Hampshire	Rock, class A	15 15	7½ inches	5,300.00 5,926.00	5, 400, 00 5, 926, 00
New Jersoy	Macadam	14-18	6-10 inches	11,857.64	11,857.64
Do.	Bituminous concrete	16-20	5.5-8 inches	16,069.00	16,069.00
New York Do	Concrete, one-fourth asphalt top Macadam (asphalt grout)	16 16	6 inchesdo	13, 100, 00 12, 700, 00	14, 100. 00 13, 700. 00
				[1 314 00	1,314.00
North Carolina	Sand-clay	16	8 inches	2, 253.00	2, 253.00
Ohio	Brick	14	4 inches con- crete, 4 inches brick.	25, 650. 00	25, 935. 00
Do	Tar-seal concrete	10-12	6 inches	{ 4,000.00 5,000.00	4,000.00 5,000.00
Rhode Island	Water-bound macadam	14	do	6, 616. 40	6, 616. 40
Do	Bituminous macadam	16 12-16	do	11, 227. 76 5, 300. 00	11, 227. 76 5, 600. 00
Vermont	Gravel-telford.	10-18	6-12 inches	3,596.50	3,628.50
Virginia	Macadam	12	6 inches	3, 168.00	3, 168.00
Washington	Granitoid	16	do	14, 793. 00	14, 793.00
Do	Asphalt macadam	16	10 inches	8, 155. 00 20, 904. 87	8, 155. 00 20, 990. 87
Wisconsin.	Concrete	18	7 inches	13,900.00	14, 200, 00
Do	Water-bound macadam	9	Sinches	3,420.00	3,570.00

RAILROADS IN ALASKA.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads in the

Territory of Alaska, and for other purposes.

Mr. SMOOT and Mr. CHAMBERLAIN addressed the Chair.

The PRESIDING OFFICER (Mr. Sheppard in the chair).

The Senator from Oregon is entitled to the floor.

Mr. SMOOT. I am aware of that, but I ask the Senator to

yield to me.

The PRESIDING OFFICER. Does the Senator from Oregon

yield to the Senator from Utah?

Mr. CHAMBERLAIN. I yield.

Mr. SMOOT. Before we proceed with the consideration of the Alaskan railroad bill a number of Senators desire to be present, and for that reason I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is

suggested. The Secretary will call the roll.

The Secretary called the roll, and the following Senators an-

swered to their names:

Ashurst Bacon Bankhead Borah Brady Bristow Bryan Burton Chamberlain Clapp Clark, Wyo. Cummins Dillingham Gallinger

Goff Gore Hitchcock Jackson Jones Kern Lane Lane Lea Lippitt McLean Martin, Va. Martine, N. J.

Newlands Newlands Norris Oliver Overman Owen Pittman Ransdell Robinson Root Saulsbury Shafroth Sheppard Shields Smith Ari Smith, Ariz.

Smith, Ga. Smith, S. C. Smoot Sterling Sutherland Swanson Thornton Townsend Vardaman Walsh Weeks Williams

The PRESIDING OFFICER. Fifty-four Senators have answered to their names. A quorum of the Senate is present.

Mr. CHAMBERLAIN. Mr. President, I attempted yesterday to show the resources of Alaska, its commerce, and the possibilities of its development; and in establishing the conditions which exist there I have relied almost entirely upon the reports which have been made from time to time by the agents of the United States, whether in the Agricultural Department or the Geological Survey, supported, as they have been, by the testimouy of witnesses who were on the ground from time to time in connection with the industries of Alaska. I do not know that it is necessary for me to discuss at any greater length the possibilities of the Territory or what advantages might come from the construction of a railroad, so far as its resources are concerned.

Having discussed these questions, Mr. President, I am now going to call attention to some of the freight rates in Alaska as showing the absolute necessity of some effort being made, whether individual or corporate or national, to place the resources of Alaska within reach of the United States and the commodities which we have to offer for sale in reach of the people of that Territory. I am going to attempt to show that the rates now charged for the transportation of traffic, whether passenger or freight, are almost absolutely prohibitive. In this connection I ask that I may have inserted as a part of my remarks the rate sheet of the Northern Navigation Co. in connection with the Alaska Steamship Co. and the Pacific Coast Steamship Co., at page 637 of the Senate committee hearings on the pending bill.

The PRESIDING OFFICER. Without objection, it is so

ordered.

The rate sheet referred to is as follows:

EXHIBIT M.

Northern Navigation Co. in connection with Alaska Steamship Co. and Pacific Coast Steamship Co. THROUGH FREIGHT TARIFF.

[N. i. Co., No. 13A. A. S. S. Co., No. 205. P. C. S. S. Co., No. 17A.]
Between Seattle or Tacoma or San Francisco, by direct sailing, and points on Yukon, Tanana, Koyukuk, Iditarod, and Innoko Rivers in Alaska, via St. Michael.

Effective with opening of navigation, season 1912. Shipments for Koyukuk River points will not be accepted after August 1, nor for Yukon. Tanana, Iditarod, and Innoko River points after August 25, excepting by special agreement with authorized agent of the companies at Pacific coast point of origin. Subject to change without notice.

Rate in dollars per ton of 2,000 pounds.

RT			

From—	То—	Rate.
eattle or Tacoma or from San Francisco, by direct sailing.	Andreaofsky	\$3
Do	Russian Mission 1	3
Do	Holy Cross	3
Do	Koserofsky	3
Do	Dikeman	5
Do	Diskaket	5
Do	Anvik 1	3
Do	Thompson 1.	3'
	Kaltag 1	4
Do	Nulato	4
	Kovukuk Mouth 1	4
Do	Ruby	4
Do	Tanana.	5
Do	Hot Springs Landing	5
Do	Tolovana I	5
	Nenana 1	5
Do	Chena	6
	Fairbanks	6
Do	Rampart	5
Do	Beaver 1	5
Do	Fort Yukon 1	5
Do	Circle	6
Do	Eagle	6
Do	Forty Mile	7
Do	Dawson	7
Do	Hughes 1	7
Do	Alatna 1	7
Do	Bettles.	9

SOUTHBOUND.			
From-	То—	Rate.	
Andreaofsky	Seattle	s	
Russian Mission	do	1	
Ioly Cross	do	- 3	
Coserofsky	do		
ikeman	do		
iskaket	do		
nvik	do		
hompson	do		
altag	do		
ulato	do		
ovukuk Mouth	do		
ubv	do		
anana	Control Laboratory Control Con		
ot Springs Landing			
olovana			
enana	do		
hena	do		
airbanks.	do		
ampart	do		
eaver	do		
ort Yukon	do		
ircle	do		
agle	do		
ortymile			
awson	do		
lughes.	do		
latna			
Settles	do		

¹ No agent; freight charges must be prepaid.

Articles: General merchandise not otherwise provided for in list of exceptions,
On and after August 20 rates from Pacific coast ports to all points advance \$5 per ton.
Minimum charge, \$5.
Through bills of lading issued.

LIST OF EXCEPTIONS.

Goods clearly analogous to the following will take same rates.

NOTE.—All goods must be packed and marked in such a manner as
to insure their delivery in good condition, and the carriers reserve the
right to refuse for carriage such goods as are not so packed and marked.

The following commodities will take general merchandise rate plus
the percentage of such rate shown opposite each article:

["O. R." signifies owner's risk; "K. D.," knocked down; "S. U.," set
up; "N. O. S.," not otherwise specified.]

Per cent. Automobiles, boxed or crated_____ In other words, 200 per cent of \$60, which would be \$120 added to it, or \$180 would be the rate instead of \$60. Bar fixtures, K. D.____ Bicycles, boxed or crated__ 50

Boats and canoes not exceeding 35 feet in length, but not power	ce
boats and canoes not exceeding 55 feet in length, but not power	15
Boats and canoes exceeding 35 feet in length, and power boats	(1
Boots and shoes, boxed	12
Burial cases, boxed	10
They would not even let them be buried free.	
Carriers ampty returned (must have been transported filled via	(2
these lines: if not tariff rates annly)	(3
	10
Cigars and cigarettes, in boxes, not strapped, corded, and sealed,	n
	20
Cigars and cigarettes, in boxes, strapped, corded, and sealed, or in	
tin or zinc-lined boxesClothing and robes, fur, in cases or boxes, released to a valuation	
of \$1 per pound	1
Clothing, N. O. S., dry goods, furnishing goods, in boxes or bales	2
Clothing, N. O. S., dry goods, furnishing goods, in boxes or bales Cornice and brackets, copper, galvanized iron, or zinc	26
Dynamite and high explosives	2(
Eggs, in patent carriers, fully released, as follows	
"No carrier or party in possession of this shipment shall be	
liable for any loss thereof or damage thereto from any causes beyond its control by breakage, crushing, changes in weather,	
heat, frost, wet, or decay."	
Note.—Separate bills of lading will be issued to cover eggs	
and release as noted indorsed thereon.	
Eggs, in patent carriers, when not fully released as above (see	
	10
Furniture S. H. crated or boxed	10
Furniture, completely K. D., and mattresses and pillows, boxed	
or crated	1
Furs, raw (not taken as freight).	n
Hass, plate, boxed	
Hides and pelts, green	i
Live stock and poultry	(
Lumber (not including hardwood) per 1,000 feet b. m., to mer-	
chandise rate add	1
Merchandise (articles billed merely as merchandise, contents of	-
package not specified) Dils, explosive, viz: Benzine, distillate, gasoline, naphtha, and	
turpentine (on deck O. R.)	1
Paintings and pictures, boxed, released to valuation of \$50 per	П
package	-
Personal effects, boxed or crated (not accepted in trunks unless	
boxed or crated, or in bags unless boxed)Phonographs and parts, boxed or crated	
Phonographs and parts, boxed or crated Pipe, hydraulic, nested, weight not less than 35 pounds per cubic	1
foot	(
ipe, hydraulie, N. O. S.	(
owder, sporting or blasting (on deck O. R.)	1
lanos and organs, boxed or orotad	-
ewing machines, boxed or crated	11
Sleds, bob, K. D. and Yukon (but not cutters)	6
runks and vallses, empty	
Typewriters, boxed	10
ehicles, K. D., N. O. S., crated	10
Sleds, bob, K. D. and Yukon (but not cutters) Frunks and valises, empty Typewriters, boxed Vehicles, K. D., N. O. S., crated Vagons, farm, and dump carts, K. D	(
HEAVY WEIGHTS.	

Single pieces or packages of machinery, boilers, or other freight, weighing:
Under 2,000 pounds, flat rate.
Weighing 2,000 pounds and under 4,000 pounds to flat rate add \$6 per ton.
Weighing 4,000 pounds and under 6,000 pounds to flat rate add \$9 per ton. Weighing 6,000 pounds and under 8,000 pounds to flat rate add \$13.50

per ton.
Weighing 8,000 pounds and under 10,000 pounds to flat rate add \$18 per ton.
Weighing 10,000 pounds and under 12,000 pounds to flat rate add \$22.50 per ton.
Weighing 12,000 pounds and under 14,000 pounds to flat rate add \$27

wighing 14,000 pounds and under 16,000 pounds to flat rate add \$31.50 per ton.

Single pieces or packages of machinery, bollers, or other freight—
Weighing 16,000 pounds and under 18,000 pounds to flat rate add

Weighing 18,000 pounds and under 20,000 pounds to flat rate add \$40.50 per ton.
Weighing 20,000 pounds and under 22,000 pounds to flat rate add

Weighing 20,000 pounds and under 22,000 pounds to flat rate add \$45.50 per ton.
Weighing 22,000 pounds and under 24,000 pounds to flat rate add \$49.50 per ton.
Weighing 24,000 pounds and under 26,000 pounds to flat rate add \$54 per ton.
Weighing 26,000 pounds and under 28,000 pounds to flat rate add \$58.50 per ton.
Weighing 28,000 pounds and under 30,000 pounds to flat rate add \$63 per ton.

\$63 per ton. Weighing 30,000 pounds and under \$32,000 pounds to flat rate add \$67.50 per ton.

Weighing 30,000 pounds and under \$32,000 pounds to flat rate add \$67.50 per ton.
Weighing 32,000 pounds and under 34,000 pounds to flat rate add \$72 per ton.
Weighing 34,000 pounds and under 36,000 pounds to flat rate add \$76.50 per ton.
Weighing 36,000 pounds and under 38,000 pounds to flat rate add \$81 per ton.
Weighing 38,000 pounds and under 40,000 pounds to flat rate add \$85.50 per ton.
Fire-box boilers must be put on skids.
Skids put on by the company will be at shipper's or consignee's expense.

¹ Special arrangement. ² Flat rate. ³ One-third flat rate.

⁴ One-half flat rate. 5 Special contract.

Note.—Oil clothing, oilcloth, linoleum, and all articles liable to spontaneous combustion must be marked with contents and "On deck." All such articles are carried on deck at O. R.

Note.—All perishable freight, including eggs, fresh fruits, meats, and vegetables, is taken at owner's risk of freezing and other climatic conditions, or decay; carried on deck or below at carrier's option. Perishable freight to be prepaid or charges guaranteed, except on potatoes and onions, which may be taken collect between July 1 and August 15.

Mr. CHAMBERLAIN. I am simply going to call attention briefly to the apparent rates which these companies have in common between them; that is, the flat rates from Seattle or Tacoma or from San Francisco by direct sailing to points along the Alaskan coast and to points up the Yukon River; and then I am going to show that while these are apparently the flat rates, the only rates that are charged for freight per ton, there are exceptions to all of these charges which absolutely make these apparently flat rates false on their face. In other words, the so-called flat rates are not at all the rates that are charged. The exceptions in the schedule of rates include nearly everything that may be transported from the States to Alaska. For instance, from the points which I have named. Seattle, Tacoma, or San Francisco, by direct sailing, I will take one place-to Dawson, for instance-not specifying the class or character of the goods, the rate is \$70 per ton When we get over to the exceptions we find north bound. that an additional percentage, ranging from 20 per cent to 150 per cent and sometimes to 200 per cent, according to the class of freight, is added to the so-called flat rate. stance, take automobiles, boxed or crated. While the rates to these different points mentioned in the rate sheet for automobiles or any other similar class of goods might be \$30 per ton, varying up to \$90 per ton as the flat rate fixes it, for automobiles boxed or crated you add 200 per cent to the flat rate. In other words, while the flat rate might be \$70 per ton, you must add 200 per cent, or \$140, to that on that class of goods, which makes the actual rate, instead of \$70 per ton of 2,000 pounds, \$210 per ton to that particular point.

You may go right down the list and you will find the same thing in almost every case. Take eights and eightetes, for instance, in boxes, not strapped, corded, and sealed, or not in tin or zinc-lined boxes-you add 200 per cent to the flat rate. So that in the case of nearly every class of merchandise, no mat-ter what it may be, whether it be food supply or clothing or what not, you add all the way from 20 per cent to 200 per cent to the flat rate.

There is no class of business on the face of the earth that can stand any such rate as that to these points in Alaska. That, however, is not all of the charge for transportation, if you These are the rates from Seattle and Tacoma and San Francisco to points which are reached either by the ocean-going steamer or by the river steamer up the Yukon. It is estimated by Dr. Brooks, who is more familiar than almost anyone else with the situation up there from actual experience on the ground, that the rate after the goods leave the river bank or the seashore varies from \$1 per ton per mile up; so that if an automobile had to be shipped from a point where it was landed from a vessel you would have to add to the rate of \$210 per ton at least \$1 per ton per mile. That is to say, if you should take it 30 miles inland, you would add \$30 per ton for the shipment of an automobile or any other piece of machinery 30 miles. from the seacoast.

Mr. WEEKS. Mr. President-

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Massachusetts?

Mr. CHAMBERLAIN. I do.

Mr. WEEKS. I wish to ask the Senator from Oregon how many steamship lines there are plying between San Francisco or Tacoma or Seattle and Alaska?

Mr. CHAMBERLAIN. It may be said that there are practically two—the Alaska Steamship Co., which is owned by the so-called Alaska Syndicate, composed of the Morgan and Gug-genheim interests, and the Pacific Coast Steamship Co., 50 per cent of whose stock is said to be owned by the Harriman interests and 50 per cent by the Hill and Morgan interests. there is an independent line-the Humboldt Line-which has one steamer plying between these points.

Mr. WEEKS. Are there any English lines running from Vancouver to any part of Alaska?

Mr. CHAMBERLAIN. There may be some coal-carrying steamers. I do not know that there are any general freight and passenger steamers plying between those points, but the business of the Territory is controlled by the companies I name.

Mr. WEEKS. Has the Senator statements of these steamship lines, showing their earnings for any considerable period?

Mr. CHAMBERLAIN. I do not believe I have. They may be in the hearings, but I do not recall now that I have them.

Mr. WEEKS. One more question: How does the Senator anticipate that the building of a railroad in Alaska will affect

the ocean rates from the United States to Alaska?

Mr. CHAMBERLAIN. It will at least give private enterprise_ and industry an opportunity to put on independent lines. As it is now, not only is the freight-carrying trade controlled by the Alaska Syndicate or its allied interests, but the transportation inland, whether by water or by rail, is controlled by the same interests. For instance, the Alaska Syndicate controls, as I said, this steamship line that sails from ports in the United States up to Cordova, while the railway that carries freight from Cordova up into the Kennicott region is owned by the same interests, and they fix the rates practically as they please.

Mr. WEEKS. Does not it seem reasonable that if this transportation business were very profitable at this time, independent lines of steamers would be established by capital which was not connected with the companies to which the Senator refers?

Mr. CHAMBERLAIN. I am willing to concede that as a rule

transportation is not profitable in Alaska now.

Mr. WEEKS. I am talking about the ocean lines.

Mr. CHAMBERLAIN. I should like, if I could take the time, to go into the fight that has been had between the Humboldt Co., on the one side, and the opposition lines, the monopolistic lines, on the other, to undertake to regulate freight rates to Alaska.

Mr. WEEKS. I do not wish to interrupt the Senator. I was asking these questions simply for information.

Will the Senator allow me to make a suggestion? Mr. LANE.

Mr. CHAMBERLAIN. I yield to my colleague.

Mr. LANE. I can say, for the information of the Senator from Massachusetts, that the companies which control the steamers also control the docking facilities, and those are things that are very important and valuable in Alaska. The facilities for landing freight in the Bering Sea and also down along the coast are in the hands of the same companies. You can not go in there with an independent steamer and make a landing at some places at all; nor can you unload your freight and get it out up the Yukon River unless you have docking facilities, which you would have to acquire from their agents, and they will not let you have them.

Mr. WEEKS. Would it be expensive for an independent line

to construct docks?

Mr. LANE. Very expensive. In many cases they control nearly all the water front. In many cases they do control the entire water front. It is very difficult to get at. That is so, I believe, in Boston Harbor itself, and in New York. It applies to the city in which I live, on the Columbia River. They have those things pretty well under control, and it takes a good deal of capital, considerable capital, to compete with them. An independent company must go in "well heeled," to use a popular expression, if it tries to break into that line of business.

Mr. CUMMINS. Mr. President-

The PRESIDING OFFICER (Mr. THOMPSON in the chair). Does the Senator from Oregon yield to the Senator from Iowa? Mr. CHAMBERLAIN. I yield to the Senator.

Mr. CUMMINS. Why did not the committee recommend the establishment of a Government steamship line from Alaska to these points on the west coast? That would not cost a great deal of money, when viewed from the standpoint of the Government. I had hoped we might do on our west coast precisely what we have done on our east coast. The Panama Canal will be finished soon. We have a fleet of eight steamers, I think, now plying between New York and Colon. When the canal is finished why should not those steamers, and others that may be added to the fleet, go through the canal and do business on the west coast of this country? My own opinion is that we will need that fleet of steamers before we get the reliet we are seeking.

Mr. CHAMBERLAIN. I am inclined to agree with the Senator that there ought to be some provision of that kind on the part of the Government. It may follow that the Government itself will have to take that matter in hand. We had to deal mainly with the construction of a railread in Alaska, however, and it was the opinion of some members of the committee, at least, that if the transportation situation could be relieved in Alaska itself, the other things would follow.

Take the Humboldt Line, for instance. It is owned by a very wealthy company; and they have had to fight a powerful combination ever since their line of steamers has been running from San Francisco, except at times when they have been in combination with them.

Mr. SMOOT. Mr. President-

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Utah? Mr. CHAMBERLAIN. I yield.

Mr. SMOOT. In that connection, let me suggest to the Senator that in all of the hearings it was plainly shown that if the situation in Alaska proper were relieved, there would be business of sufficient quantity to induce English and other foreign ships to come there, and the rates would be lowered to such an extent that an exorbitant rate could not be charged.

Mr. CUMMINS. But one of the difficulties is the matter of docking—the matter of wharf facilities. I gather from the hearings and from my general information that private interests have been rather industrious in securing such facilities along

the south shore of Alaska.

Mr. SMOOT. I wish to say to the Senator that already there has been withdrawn by our Government a large amount of shore for the very purpose of establishing docks and wharves, but up to the present time, especially under present conditions, there is not sufficient business in Alaska to justify the building of more than is built at the present time.

Mr. CUMMINS. I understand that.

Mr. SMOOT. But when the time comes when the business is increased there is no question but that other companies can get dockage or frontage.

Mr. CUMMINS. Is that true of Resurrection Bay? I think it is true as to Resurrection Bay. Mr. SMOOT.

Mr. CHAMBERLAIN. It is pretty generally true as to all

As to all the bays?

Mr. CUMMINS. I have heard a report with regard to Controller Bay, but I do not know just what the situation is in Resurrection Bay. I had an idea, however, that the available

sites in that harbor were generally taken.

Mr. CHAMBERLAIN. The Senator will remember that there was a good deal of controversy at the time of the Ballinger investigation, and the suggestion was made that the President had released enough lands at Controller Bay to give a railroad company practically the control of the dock situation there. think, however, that charge was measurably unjust. The testimony before the committee showed that some portion of the land was released from the reserve, but that there was enough left there for the Government or anybody else to construct opposition wharves and docks.

Mr. SMOOT. I think it showed that over one-half of the

land is available at this time.

Mr. CHAMBERLAIN. Mr. President, I shall not have time to go into this subject fully. I invite the careful attention of Senators to the hearings, because they contain full information, particularly if taken in connection with the report of the Alaska Railroad Commission.

Mr. HITCHCOCK, Mr. President—
The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Nebraska?

Mr. CHAMBERLAIN. I yield.
Mr. HITCHCOCK. I wish to suggest to the Senator from Oregon, too, that the bill to which he is speaking, and of which he is very largely the author, specifically provides for the reservation of land for stations, terminals, docks, and other purposes of a similar sort.

Mr. CHAMBERLAIN. Yes. Mr. HITCHCOCK. If it is difficult for an independent steamship line to find dockage facilities under the present conditions, undoubtedly those conditions will be very much improved when the United States Government, or the President, acting for the United States, has made these reservations and established these docks in connection with the railroad enterprise.

Mr. CHAMBERLAIN. That is true; and I may say in that connection that most of the privileges that have been obtained by companies were obtained before the withdrawals and before

the Government had the key to the situation.

Mr. CUMMINS. Mr. President—
The PRESIDING OFFICER. Does the Senator from Oregon further yield to the Senator from Iowa?

Mr. CHAMBERLAIN. I do.

Mr. CUMMINS. I will promise not to interrupt the Senator again very soon.

Before the Senator from Oregon finishes his review of the situation, I want him to couple up the bill that is before us with the situation. I should like to know more about what will probably be done, if the bill is passed, with regard to the two or three railroads that are already built there; whether it is the expectation that the Government shall acquire those railroads, or either of them, and build on into the interior, or whether it is expected that independent lines will be located from these seaports and built from tidewater to the interior,

My only objection to this bill is to its indefiniteness. By it are given vast powers to an officer of the Government-a very high officer, and one in whom we all have great confidence—but these things may not be done in his lifetime. Before I can determine what we ought to do I should like to know what was in the minds of the committee and what the members of the committee feel should be done with regard to building these railways. I say that only because I should like to have the Senator go through the bill and analyze the powers it gives to the President and apply those powers to the existing situation.

Mr. CHAMBERLAIN. I will say to the Senator that I shall

endeavor to do that later on, but I wanted first to get rid of the

transportation matter proper.

Mr. CUMMINS. Certainly. I shall not further interrupt the Senator until he reaches that point.

Mr. CHAMBERLAIN. I have barely touched upon the freight situation, but I call the attention of Senators to it simply because I want them to look at it and find out that rates in Alaska are prohibitive. I might say further in that connection, that while transportation from San Francisco or Seattle or Portland or Tacoma up to Alaska is practically under monopolistic control, there has been a combination between the White Pass & Yukon line and its steamers on the upper Yukon and the steamers on the lower Yukon which are owned by the Alaska Syndicate. It is true there is a little row on between them now, and the White Pass & Yukon Co. are building some steamers to ply between White Horse and Dawson, on the upper Yukon River, and possibly from Dawson down the Yukon to Fairbanks. There is some sort of competition there, but nobody can tell how long that competition will last. While the rates were high around by way of St. Michael and up the Yukon River they were high in the upper Yukon as well, because there was a combination between the upper and the lower river companies; so they have fixed rates at whatever point they deemed most advantageous to themselves.

In connection with the freight situation, I wish to call attention to and ask to have printed as a part of my remarks the through passenger tariff of the Northern Navigation Co., in connection with the Alaska Steamship Co. and the Pacific Coast Steamship Co., found on pages 643 and 644 of the Senate hear-

The PRESIDING OFFICER. Without objection, it will be so ordered.

The matter referred to is as follows:

THROUGH PASSENGER TARIFF.

Northern Navigation Co. in connection with Alaska Steamship Co. and Pacific Coast Steamship Co. [N. N. Co., No. 13-B. A. S. S. Co., No. 54. P. C. S. S. Co., No. 13-A.]

Between Seattle or Tacoma, or San Francisco direct, and points on Yukon, Tanana, Koyukuk, Iditarod, and Innoko Rivers, in Alaska, vla St. Michael.

Effective with opening of navigation, season 1912. Subject to change without notice.

From— To— First first class. pa	eerage assage to St. ichael, st-class assage t. Mi- nael to estina- tion.
Seattle or Tacoma, or from San Francisco, Russian Mission \$100 by direct steamer.	\$58
Do	61
Do. Dikeman 125 Do. Anvik 100	95 64
Do	66
Do Kaltag 105	72
Do	75
Do	78
Do Ruby 115 Do Tanana 120	84 90
Do. Hot Springs Land- ing.	95
Do. Tolovana 127	97
Do Chena	108
Do Fairbanks. 135	108
Do	.95
Do, Fort Hamlin 128	96
Do Beaver. 127	98
Do Fort Yukon 128	100
Do	106
Do Eagle 135	110
Do. Forty Mile 137 Do. Dawson 140	110
Do	105
Do	110
Do Bettles 150	125

SOUTHBOUND.				
From—	То	First class.	Deck passage to St. Michael, steerage passage St. Mi- chael to destina- tion.	
Russian Mission. Koserofsky (Holy Cross). Dikeman. Anvik. Thompson Kaltag. Nulato. Koyukuk Month. Ruby Tanana. Hot Springs Landing. Tolovana. Chena. Fairbanks. Kampart Fort Hamlin Beaver. Fort Yukon Circle. Kagle. Forty Mile Dawson. Hughes. Alatna Bettles.	do.	\$90 90 110 90 91 95 96 96 97 77 102 113 115 120 120 121 114 116 118 122 125 125 125 125	\$50 52 70 54 55 58 60 61 64 66 69 70 75 75 77 77 77 80 85 85 85 85 80 85	

Children between the ages of 5 and 12 years, half rate, and must be accompanied by parent or guardian.

Each adult passenger allowed 150 pounds of baggage, valuation not exceeding \$100.

Excess baggage rate, 10 cents per pound, and 10 per cent additional on valuation of excess of \$100.

Corpses, one first-class fare if accompanied by attendant; double first-class fare when not so accompanied.

Women carried first class only.

Clergy and missionary rates, two-thirds of tariff between all points.

Rates named do not include maintenance at transfer points.

Mr. CHAMBERLAIN. To show you how people have been imposed on in that section of the country, I am going to read just a little of the testimony of Judge Wickersham. He says, at page 645 of the Senate hearings:

I want to call your attention to one or two things in these commodity rates of the Copper River & Northwestern. For instance, hay, in carload lots from Cordova—and, mind you, it is only 196 miles from Cordova out to the end of their road on the Copper River—hay in carload lots of 16,000 pounds from Cordova to Chitina, 132 miles, cost 100 cents per 100 pounds. In other words, it costs \$20 a ton for 132 miles. If you take it up to Kennicott, it costs 147 cents, or \$29.40 per ton.

Further along he says:

I have a letter here headed "Alaska Steamship Co.," with a red flag on it—and very properly, too. It is as follows:

SEATTLE, WASH., February 14, 1913.

Mr. W. A. Steel, Room 551 Colman Building, Seattle, Wash. DEAR SIR: Confirming telephone quotations to-day. The following rates apply on new ore sacks—

Now, this is on new ore sacks-

less than carload quantities, Seattle to Strelna, on Copper River & Northwestern Railway:
Seattle to Cordova, \$12 per ton weight or measure; Cordova wharfage, \$1.60 per ton weight or measure; Cordova to Strelna, \$34.48 per ton weight, or a through charge from Seattle to Strelna of \$48.08 per ton. In addition to this you will have to look out for wharfage at seattle. Yours, truly,

C. J. JONES, Traffic Manager.

Judge Wickersham further says:

Now, figure it up. It is \$48.08 per ton on ore sacks going in there after ore for developing the country and helping the miner out!

Showing the absolute impossibility of any independent company engaged in the copper industry in Alaska doing business in competition with the Guggenheims or the Alaska Syndicate.

For instance, the Guggenheim people owned the mines at Kennicott, at the end of the Cordova & Northwestern Railroad. They owned the most valuable copper mines in the country. It was to their interest to see to it that no independent company could compete with them in the production or handling of copper. Not only did they own the transportation, not only did they own these valuable copper mines, the Bonanza mines, but they owned the transportation lines from the seacoast to Seattle and to Tacoma, where their smelter is situated, and they controlled the smelting as well. They fixed the rate of freight in and out and fixed the rate of smelting, so that they either charged the independent operators as much as the traffic would bear or else they absolutely prohibited them from doing business on any terms whatsoever.

Mr. BORAH. Mr. President—
The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Idaho?

Mr. CHAMBERLAIN. I yield.

Mr. BORAH. Is not this transportation line within the juris-

diction of the Interstate Commerce Commission?

Mr. CHAMBERLAIN. I want to call the Senator's attention to that. I remarked about that a moment ago. If I have time to go into that matter and to discuss the decisions of the courts and of the Interstate Commerce Commission, the Senator will find that there has been an interminable battle, finally reaching the Supreme Court of the United States. That court has determined that the Interstate Commerce Commission, notwithstanding it had held it had no jurisdiction, did have jurisdiction over these railroad rates.

Mr. BORAH, -So the Interstate Commerce Commission now

has jurisdiction, under that decision?

Mr. CHAMBERLAIN. It is supposed to have.

Mr. BORAH. There could not be any supposition about it, I presume, if the Supreme Court of the United States has so

Mr. CHAMBERLAIN. They have not done anything yet. Mr. BORAH. That is a different proposition. I was just thinking that the argument of the Senator, which seems to be very strong and conclusive upon this proposition, must necessarily carry us a step further, and that is to the complete

Government ownership of railroads.

Mr. CHAMBERLAIN. No; I do not see that at all. I am sorry I do not take the Senator's view of the matter. I say as a general proposition that I do not favor the Government ownership of railroads. If the conditions existed now which existed 10 years ago, when the railroad companies absolutely resisted every effort of Congress and the State legislatures to control them, and they showed an indisposition to obey the laws of this country, then I believe Government ownership would be inevitable.

Mr. BORAH. Inasmuch as this transportation company is within the jurisdiction of the Interstate Commerce Commission, and that commission has the same power over it that it has over a railroad running from the Atlantic to the Pacific, I do not see why it can not enforce reasonable rates there just as it can in the United States. If it does do so, it seems to me the rates should be as reasonable as they are in the United States. On the other hand, if it is true that the commission has not the power to give us reasonable rates, notwithstanding it has jurisdiction, does not the same argument prove conclusively that you must take control of at least one line from the Atlantic to the Pacific in order to regulate and control and keep alive competition between the railroads of the country?

Mr. CHAMBERLAIN. In reply to the Senator, permit me to say that the Government now, at an expenditure of about \$400,000,000, has practically put itself in the position of having a line between the Atlantic and the Pacific in the shape of the Panama Canal and the Government-owned railway there. That is the regulator of transcontinental freight rates, and always

will be as long as the United States controls it.

Mr. BORAH. Then, that is another step along the line of public ownership.

Mr. CHAMBERLAIN. And that I approve.

Mr. BORAH. We do not know just how soon we will take the other step

Mr. CHAMBERLAIN. The United States has taken a further step for controlling railroad rates along the Atlantic coast by putting on a line of steamers for the very purpose of controlling the rate situation on the Atlantic seaboard.

Mr. BORAH. That makes two steps. How many more steps it to complete Government ownership?

Mr. CHAMBERIAIN. I will say to the Senator that wherever it is necessary to protect the interests of its people the United States ought to go ahead and do it. Alaska, particularly, is so situated that these steps are necessary for the development of its resources and the protection of the people. In this connection we must assume that the men who are on the ground, the men who are familiar with conditions in Alaska and know the people and know the resources, speak from knowledge. I ask to have inserted in the Record as a part of my remarks what was said by Dr. Brooks, of the Geological Survey, on the what was said by Dr. Brooks, of the Geological survey, or the subject of rates and transportation on page 631 of the Senate hearings. He goes into the subject at length, and he makes the astounding showing that out of \$10,000,000 of freight that is paid for transportation in Alaska \$5,000,000 of it comes out of the gold production in that country.

The PRESIDING OFFICER. Is there any objection to the

request of the Senator from Oregon? The Chair hears none,

and it will be so ordered.

Mr. CHAMBERLAIN. I will just read what he says about that, because I want the Senate to understand it. Dr. Brooks is a very conservative man, and wherever he thinks there is a doubt on any subject with reference to the development of Alaska he does not hesitate to express his opinion, whether it is for his view or against it. He says:

No exact figures are available in regard to the amount of freight annually shipped to the Alaska portion of the Yukon Basin, but it is probably safe to say that this amounts to 30,000 tons, and that it costs over \$2,500,000 to land it at the end of steamboat navigation.

Now, I have shown to the Senate that that is not all the freight rate, because after it reaches the end of steamboat navigation it must be transported into the interior, and that is really the heaviest part of the transportation problem:

The mine freight must then be hauled by wagons or sleds, except at Fairbanks, where there is a railway. It is estimated that this haulage from steamers to mines for the Alaska Yukon costs from \$2,000,000 to \$2,500,000 a year. The total annual cost of freight for the Yukon Basin is, therefore, probably between \$4,500,000 and \$5,000,000, or nearly 50 per cent of the value of the entire gold output.

If that be true, does not that come out of the pocket of the man who goes down into the mine and mines the gold?

Mr. CLARK of Wyoming. I do not understand that this is freight on the gold output.

Mr. CHAMBERIAIN. No; on everything. Mr. CLARK of Wyoming. It is the freight on everything Mr. CLARK of the country. that goes into the country.

Mr. CLARK of Wyoming. Whether for use in the mines or otherwise?

Mr. CHAMBERLAIN. Oh, yes. I did not mean to say that it was only freight on the mineral product.

Dr. Brooks says, further:

The data at hand seem to justify the conclusion that Alaska's annual expenditure for transportation of supplies and equipment is between \$7,000,000 and \$8,000,000.

Now, note this:

Probably 30 per cent of this represents ocean freights, which must remain a fixed charge, even with the improvement of transportation lines into the interior. It would appear that on 70 per cent of this amount a very material reduction could be brought about by the con-struction of railroads and wagon roads.

I will not read further from Dr. Brooks at this point. I simply wanted to show that the freight rates actually paid in Alaska are equivalent to one-half of the gold production in that

In this same connection, Mr. President, I am going to call attention to and ask to have embodied in my remarks what Gov. Strong, of Alaska, has to say in his report just filed. I do not know whether it is in the hands of Senators or not. I got an advance copy of it from the printer. I want to put in the RECORD what he says about the coal lands in Alaska and the transportation question generally, because it comes fresh from a man who says in his report that he has visited every part of 'Alaska since he was appointed governor of the Territory. In addition to that, I will say that he has been in Alaska for a good many years and knows conditions there from actual experience and observation.

The PRESIDING OFFICER. Is there any objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

THE COAL LANDS.

With a constantly increasing demand for coal, not only for domestic use, but for industrial purposes as well, the vast coal-hearing areas of Alaska are still withheld from development. It is not deemed necessary here to enter upon a discussion of the causes that have produced this condition. These have been told and retold many times during the past years. To say that the industrial development of Alaska, on a scale commensurate with the extent and variety of its resources, depends upon the development of the coal fields, is but stating a fact that is exceedingly trite. With practically unlimited quantities of the best quality of bituminous, semibituminous, and anthracite coals within the Territory, for many years its people have been compelled to import nearly all the coal needed for domestic fuel and for industrial purposes from foreign countries, largely from British Columbia, all purposes from foreign countries, largely from British Columbia, foreign coal for the use of the United States Government was witnessed at Unalaska. However, this is not an unfamiliar sight in Alaska. A strike of coal miners in British Columbia, which has been in existence for nearly two years past, has caused the coal-supply situation to become acute in some sections of Alaska, which are dependent upon that country for coal.

From an economic and industrial standpoint it may also be pointed out that if the coal areas of Alaska ware developed a temporation.

country for coal.

From an economic and industrial standpoint it may also be pointed out that if the coal areas of Alaska were developed a tremendous impetus would be given to quartz mining in nearly every section of Alaska. It is a well-known fact that in Alaska are immense deposits of metalliferous ores of various kinds which can only be worked profitably if coal and coke are obtainable at reasonable prices. The cost of both these products is now so great that development of many of these ore bodies is out of the question. Given a cheap fuel supply, smelters would be built and the ore treated at home with coal mined and coke manufactured within Alaska; mining would be stimulated vastly and trade and commerce would be greatly extended; prosperous industrial communities would be created and the population of the Territory would increase rapidly.

The principal coal measures of the Territory are found in the third judicial division—in the Bering River and Matanuska regions—and there are also extensive deposits in the fourth judicial division, on the Nenana River, and in the second judicial division, at Cape Lisburne and Chicago Creek. In the Fairbanks district, on the Tanana River, quartz mines are just beginning to be developed, and unless cheaper fuel can be readily obtained there the industry will be seriously handicapped or perhaps abandoned. The Nenana coal fields are distant from the quartz-producing section about 50 miles. At this time an inferior quality of wood, which is now used exclusively for fuel, costs, delivered at the mines, \$15 per cord, and the ore must carry high values to stand the cost of fuel. A similar condition exists in the Seward Peninsula region, northwestern Alaska, where a large number of power dredges are employed in alluvial mining. Some of these are compelled to resort to the use of gasoline and fuel oil from the California oil fields. This statement applies to some parts of southwestern Alaska, where fuel oil is also used. If Alaska coal could be obtained these operators would be enabled to save many thousands of dollars yearly, the scope of their operations would be largely extended, employment would be given to many more men, and generally industrial and business conditions would be greatly improved.

The people of Alaska are firm in the belief that the present administration will in the immediate future adopt a liberal policy that will have for its object the opening of the coal fields, or a part of them, on lines that will insure a permanent supply of coal at reasonable prices without the danger of a monopoly either in producing or selling. In Alaska patents have been granted to only two coal-land claimants. These patents were issued for claims carrying an inferior quality of coal. Patents for coal lands have been applied for in the Bering River and Matanuska sections, but none have been granted, while many applicatio

pass, awaring the time when they shall be permitted to mine and use their own coal.

With the coal mines of Alaska developed and producing, the people of southeastern and southwestern Alaska would be enabled to buy their coal for not more than \$8 per ton, and the people of northwestern Alaska and the interior at prices not to exceed \$10 per ton or less, allowing fair profits for the cost of mining and transportation.

The importation of coal into Alaska from the States and from foreign countries during the last fiscal year amounted to 102,169 tons, valued at \$492,301. Of this, 60,600 tons, valued at \$219,788, was foreign coal, and 41,569, domestic, valued at \$212,523. The coal importations, domestic and foreign, during the fiscal year 1912 were 71,452 tons, valued at \$365,551.

The market prices at which coal has been sold in Alaska during the past 14 years range from \$150 a short ton in Nome in 1899, to \$10 in Juneau and \$13 in Skagway in 1913. In Nome the established price is about \$20 per ton; at Cordova, \$17.50; Unalaska, \$15; Wrangeli, \$14; and Ketchikan, \$11.50.

Mr. CHAMBERLAIN. To meet and overcome the transportation difficulty as I have undertaken to develop it two bills have been introduced in the Senate. One of them was introduced by my distinguished colleague and friend, the Senator from Washington [Mr. Jones], and was known as Senate bill 133. The other was introduced by myself, and was known as Senate bill 48. These bills did not differ very essentially infundamentals. Both of them placed upon the President the responsibility for the selection of routes into Alaska, and the construction, equipment, and operation of such roads as might be constructed. After consideration of them both, the Senator from Washington and I were appointed a subcommittee to go over the bills and undertake. if possible, to reconcile our dif-ferences, and to report a bill which would not only meet our views but which we hoped might meet the views of the whole committee. We did get together and spent much time in going over the situation, and finally reported Senate bill 48, the bill which was introduced by me. I want to say, in deference to my friend the Senator from Washington, that it is a combination of both bills, embodying not only the best features of both but suggestions which were made by the War Department and other departments of the Government. That is the bill which is now pending before the Senate.

The history of this railway legislation is familiar to everyone, but some Senators have told me that they have not given the matter any consideration so far, and I am going to call attention to it briefly.

It will be remembered that in accordance with the provisions of section 18 of an act of Congress, public document 324, approved August 24, 1912, President Taft appointed a

To conduct an examination into the transportation question in the Territory of Alaska; to examine ralirond routes from the seaboard to the coal fields and to the interior and navigable waterways; to secure surveys and other information with respect to railroads, including cost of construction and operation; to obtain information in respect to the coal fields and their proximity to railroad routes; and to make report of the facts to Congress on or before the 1st day of December, 1912, or as soon thereafter as may be practicable, together with their conclusions and recommendations in respect to the best and most available routes for railroads in Alaska which will develop the country and the resources thereof for the use of the people of the United States.

Under the requirements of the act the President was required to appoint an officer of the Engineer Corps of the United States Army, a geologist in charge of Alaska surveys, an officer in the Engineer Corps of the United States Navy, and a civil engineer who had practical experience in railroad construction and has not been connected with any railroad enterprise in said Territory. President Taft, in pursuance of the section which I have just read to the Senate, appointed Maj. Jay J. Morrow, Corps of Engineers, United States Army, chairman; Alfred H. Brooks, geologist in charge of Division of Alaskan Mineral Resources, Geological Survey, vice chairman; Civil Engineer Leonard M. Cox, United States Navy; and Colin M. Ingersoll, consulting railroad engineer, New York City.

The commission appointed under the provisions of this act went to work immediately. I believe I may safely say that in all the history of the demands that have been made by Alaska that something should be done in the interests of the people, it is the only time that any board or body of men undertook to act promptly in reference to such demands or in reference to such legislation. That commission at once made an examination of all the feasible routes from the open ports on the southern coast of Alaska into the interior, and in less than six months after their appointment—on the 20th day of January, 1913—they submitted an exhaustive report to the President, with maps of feasible routes, statistics, and other important data affecting the Territory. This report was submitted to Congress by President Taft in a message bearing upon the same February 6, 1913. It is the document that was requested to be republished this morning for the use of the Senate.

I want to call attention to the message of President Taft. I am going to do it for the purpose of showing that this is not a party measure. It is not a political measure. It is a measure that has been advocated by distinguished men in all parties, and for the single purpose of developing Alaska, and greatly benefiting the whole country from a commercial point

President Taft said in his message of transmittal:

The Territory of Alaska contains large undeveloped mineral resources, extensive tracts of agricultural and grazing lands, and the climate of a large part of the Territory is favorable to permanent settlement and industrial development. The report contains much specific information and many interesting details with regard to these resources. It finds that they can be developed and utilized only by the construction of railways which shall connect tidewater on the Pacific Ocean with the two great inland waterways—the Yukon and the Kuskokwim Rivers

I do not think anyone will ever charge President Taft with being one of the radical, progressive men who favor general railroad ownership by the Government.

The resources of the inland region, and especially of these great river basins, are almost undeveloped because of lack of transportation facilities. The Yukon and Kuskokwim Rivers system includes some 5,000 miles of navigable water, but these are open to commerce only about three months in the year. Moreover, the mouths of these two rivers, on Bering Sea, lie some 2,500 miles from Puget Sound, thus involving a long and circuitous route from the Pacific Coast States. The transportation of freight to the mouths of these rivers and thence upstream will always be so expensive and confined to so limited a season as to forbid any large industrial advancement for the great inland region now entirely dependent on these circuitous avenues of approach.

inland region now entirely dependent on these circurous approach.

From these considerations the commission finds that railway connections with open ports on the Pacific are not only justified but imperative, if the fertile regions of inland Alaska and its mineral resources are to be utilized; but that with such railway connections a large region will be opened up to the homesteader, the prospector, and the miner. So far as the limited time available has permitted the commission has investigated and in its report describes all of the railway routes which have been suggested for reaching the interior, including the ocean terminals of these routes.

That is what President Taft had to say on the subject.

On the other hand, President Wilson, as we all know, in a forceful message to the Congress of the United States advocated this very thing. I am going to call attention a little later not only to these utterances of the Executive of the Nation, but I am going to call attention to the fact that the platforms of every party for more than 50 years have advocated aid by the Government of railroads and routes that may be used in connection with the Postal Service.

Mr. CUMMINS. In a colloquy with the Senator from Idaho [Mr. Borah] the Senator from Oregon rather left the impression that the high rates of freight prevailing in Alaska furnish the only reason for building a Government railway there. I am sure he did not mean that.

Mr. CHAMBERLAIN. I did not mean to be so understood.

Mr. CUMMINS. If that were the only reason for a Government railway it might be avoided by a regulation of the rates, but the real reason is that you can not get the railways to open up that country in any other way. Is not that the real reason that the Government is under the same obligation to furnish railways in Alaska that any government is to build highways?

Mr. CHAMBERLAIN. Let me say, in answer to the Senator, that that is true, but I want him to understand that the Government itself has prevented private initiative in the way of railroad construction by withdrawing everything that might possibly have had the effect of inviting railroad construction and development. Private initiative would not have been possible in Alaska anyhow, unless those who were backing the railroad could have acquired the resources of Alaska.

Mr. CLARK of Wyoming. Mr. President—
The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Wyoming?

Mr. CHAMBERLAIN. I yield.

Mr. CLARK of Wyoming. Has the Senator the assurance that after these railroads have been built a different condition of affairs will present itself as to the development of those resources by citizens of the United States?

Mr. CHAMBERLAIN. I have not any doubt but that it will produce a change in conditions. I will say to the Senator that I believe it will be within the power of the Government to regulate and control the resources of Alaska. As I said yesterday, it was almost physically impossible under former conditions to prevent men, if they wanted to defraud the Government, from taking up those resources and placing them into monopolistic control.

Mr. CLARK of Wyoming. That is not exactly the point to which my question was directed. I wanted to gather from the Senator, if he has a notion on the subject, whether any different policy will be pursued after the building of the railroad than

is being pursued now in regard to those resources.

Mr. CHAMBERLAIN. I have not any doubt that the Government will pursue a different policy. Let me say to the Senator that it must pursue a different policy. I will mention just one thing that will make it necessary for the Government to adopt some different policy with reference to the development of Alaska. When the Panama Canal is opened instead of the Navy of the United States using 160,000 tons of coal per year and it becomes necessary to get our whole fleet on the Pacific side, as doubtless will be the case some time in the very near

side, as doubtless will be the case some time in the very near future, the coal alone that the United States will have to take out there for its Navy will pretty nearly support a railroad.

Mr. CLARK of Wyoming. But my question was how it would affect the general industries of Alaska as related to the citizenship of the United States. The Government itself could mine its coal. The Government itself can mine its coal now with or without transportation; but the citizens of the United States can not mine coal in Alaska, notwithstanding the tremendous measure of coal there, notwithstanding the fact that hundreds of thousands of tons are sent from foreign countries to the Atlantic seacoast. What I should like would be some as-surance that even after these railroads are built the resources of Alaska would be put in such a shape that they might become available.

Mr. CHAMBERLAIN. Of course, Mr. President, no man on earth can say that citizens of the United States individually would be materially benefited by being permitted to go up there and develop the resources. It stands to reason that a great Government like this, with men at the head of it who have been placed there by the confidence that their fellow citizens have in them, would undertake to do that which would be best not only for Alaska but for the whole country. that under present conditions Alaska has been handled not for

the benefit of the whole country, but for the development of individual and special interests. There is no question about it.

Mr. CLARK of Wyoming. I shall have to take issue with that. In my judgment Alaska has been handled simply for the purpose of sealing up Alaska. If to-day the people of Alaska could be given a free hand to develop the interests of Alaska honestly and without fraud, Alaska would go ahead and prosper. On the contrary, she has been going back since the strong hand of the Government has been laid on the resources of Alaska and since individual enterprise has been entirely stifled.

Mr. CHAMBERLAIN. I am in sympathy measurably with the position which the Senator takes, but he was probably not here when I discussed that branch of the subject yesterday. I took the position that while generally I am opposed to the withdrawal of large areas from settlement and acquisition by the individual, I approved of the course of President Roosevelt in withdrawing this vast area for the simple reason that everything tended to prove that the Alaska Syndicate not only were attempting to acquire the gateways of Alaska, which they practically did acquire, but they were building a line of railway from its most important gateway to the Bering coal field, the great coal field of Alaska, and intended to acquire possession of that, as evidenced by the contract which they entered into with the Cunningham claimants. It is my opinion that but for the fact that those areas were withdrawn from acquisition by the Cunningham people the syndicate not only would have owned the gateway into that country, but they would have owned every acre of coal land in the Bering coal field.

Mr. WEEKS. Mr. President—
The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Massachusetts?

Mr. CHAMBERLAIN. I yield.

Mr. WEEKS. The Senator from Oregon has just made an interesting statement about the fleet going into the Pacific and the possibility that if it did the requirements for coal would be sufficient to support a railroad. I wish to ask him if he has ever made a comparison of the cost of mining coal and bringing it to the United States compared with mining coal in

Pennsylvania or West Virginia?

Mr. CHAMBERLAIN. I have not done so myself, but the hearings here disclose that there is not a very great difference. Even under the bad conditions which exist in Alaska with reference to the mining of coal, no matter where it may come from, it would not make very much difference how great the charge was, within reason, it would cost less to deliver Alaska coal on board ship at Resurrection Bay or Controller Bay or Cordova or any of those ports than it costs now to ship coal around the

I will call attention to one thing, and that is the condition which is likely to confront us at any time. I am not a pessimist about our relations with foreign Governments, but the Senator knows that the conditions are delicate in the Pacific right now. Coal delivered at San Francisco, for instance, from Norfolk or Baltimore, where it is taken on board the colliers, is delivered at San Francisco at from \$7.50 to \$8.25 a ton; if delivered in domestic bottoms, it costs \$2 more per ton, and most of it is shipped in foreign bottoms.

Mr. CLARK of Wyoming. Around the Horn?

Mr. CHAMBERLAIN. Around the Horn. It could not possibly cost that much delivered on board the ship itself in a harbor which is big enough and safe enough and open enough to admit the whole Navy of the United States, taking the coal directly on board.

Mr. WEEKS. How much will it cost to deliver coal from

San Francisco when the Panama Canal is completed?

Mr. CHAMBERLAIN. I have not the estimate on that. Mr. WEEKS. Would the Navy be in Alaskan waters? If the Navy were in the Pacific for defense purposes or for war purposes it would be hundreds of miles or thousands of miles likely from Alaskan waters.

Mr. CHAMBERLAIN. I call the Senator's attention to the fact that the nearest way to the Philippine Islands and the nearest way to Japan from the cities of Portland, San Francisco, Seattle, or Tacoma is up around through the Bering Sea.

Mr. WEEKS. I understand the difference between circle sailing and direct sailing, but that is not the point at all. We have certain points which we would have to defend in time of war in the Pacific. They would not be in Alaska; they would be down in Honolulu and at Guam and in the Philippines.

Mr. CHAMBERLAIN. That is assuming, if the Senator please, that the United States was going to be victorious in every scrap it had. I hope it may be, but that does not follow necessarily. We have to have coaling stations, and the cheapest coaling station is the place where the coal is actually produced, if in reach of our colliers or of the Navy.

Mr. President, I have been diverted a little from what I was

discussing

Mr. CUMMINS. I should like to divert the Senator a little longer on that point, if I may be permitted to interrupt him.

Mr. CHAMBERLAIN. I yield.

Mr. CUMMINS. There is a good deal of evidence that coal can be put down along the south shore of Alaska, that it can be landed at the ship's side in either of these two great harbors for \$4 a ton. That includes the cost of mining and the cost of transporting it to the shore. It goes without saying that the Government could save anywhere from \$5 to \$6 a ton if it were to use that coal instead of taking it around the Horn from the United States. Six dollars a ton on the coal that is used there now means 5 per cent interest on more than \$20,000,000. I think it is a simple calculation to show that it is really a good commercial venture for the United States to undertake to mine the coal there or see that it is mined and delivered to our ships on the Pacific coast.

Mr. CHAMBERLAIN. There is no question about that. The record here shows, as I recall it, in a general way since the Senator has addressed me on the subject, that it costs about \$2.50 to mine coal in Alaska and about \$2 for freight to San Francisco. That would make from \$4 to \$4.50 per ton. While

that coal is of excellent quality, actual tests show that it requires a little more Alaska coal for use in the Navy than of Pocahontas coal, but it is still sufficient for naval use, and there would be, as the Senator from Iowa says, a saving of from \$4.50 a ton to \$5 on every ton of coal consumed by the Navy.

Mr. CLARK of Wyoming. Mr. President—
The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Wyoming?

Mr. CHAMBERLAIN. I yield.

Mr. CLARK of Wyoming. Just on this point, and for information only-I think more than likely the information will be found in the publication which the Senator asked to have printed this morning-I wanted to ask the Senator whether there has been any real naval test of Alaska coal. Perhaps the Senator covered that in his remarks when I was not in the Chamber. I am free to confess that, so far as I am concerned, after having tried to make some investigation of the matter for a number of years, I have not personally the confidence in Alaska coal, either for general purposes or for naval purposes, that very many people have and that I think many excellent scientific authorities have. I should like to ask if the Senator has any definite information as to any tests that have been made as to the value of this coal for naval purposes or if any practical test has been made.

Mr. CHAMBERLAIN. I will say to the Senator that there has been a partial test made of this coal, but under very trying circumstances. A commission was appointed some time ago in charge of Dr. J. O. Downey, passed assistant surgeon of the United States Navy. He went in there and brought out, I think, probably five or six hundred tons of coal just as it was taken from the mines and it has been tested. The test shows a coal that the Navy can use, but it does not show up to the

best tests of coal that is now in use by the Navy.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Utah?

Mr. CHAMBERLAIN. I yield. Mr. SMOOT. In this connection I want to say that I had a public man call on me the other morning who made the state-ment that he had been informed that the coal used in the test made by the Navy was from the Bering coal field, that it was not freshly mined coal, that it had been scooped up off the ground, and had lain in the weather for a number of years. I wish to say that there is no coal mined in the United States that could be exposed in the same way without being slacked and without becoming next to useless. I do not know that that is true, but I have confidence in the man who made the statement to me, and I wanted to ask Dr. Holmes, of the Bureau of Mines, if he knows anything about it, but he has been out of the city of late.

Mr. CLARK of Wyoming. My question was in the line of information on this bill. One of the main arguments in favor of this development of Alaska is that we are justified in building the railroad as a military necessity because we need the coal there for our Pacific Fleet. The inquiry that naturally suggests itself to my mind, in the first instance, is whether we have the thing there which we want to go after. So far as I have been informed and so far as I have been able to ascertain there never has been a test made, not a conclusive test at any rate, as to the value of the Alaskan coal for that purpose.

In fact it seems almost impossible that up to this time there could have been any effectual test made, because there has been substantially no development of the coal fields there. We do not know as to the quality nor as to the quantity nor as to the condition in which it is found. We do know that in large portions of the field it is practically valueless for transportation from the fact, as stated by the Senator I think yesterday, that in large portions of the field the natural convulsions have been such as to pulverize the coal and render it inefficient.

Mr. WILLIAMS. If the Senator from Oregon will pardon me, in one of the magazines of last month-I have forgotten which one it is; I will try to find it and bring it down to-morrow—there is a long article upon Alaska and its resources, and among other things a report of what purported to be the utterances of one of the naval officers of the United States who made a comparison of this coal with the Pocahontas coal and with some other coal, and he pronounced it superior to either.

Mr. CLARK of Wyoming. I think that was a chemical analysis of the coal.

Mr. WILLIAMS. That may be, but it purports to come from a naval officer of the United States, and I should not think that he would be engaged in chemical analyses. I should suppose that he would try it. I will try to find the article and bring it down to-morrow. I have forgotten now the magazine in which it appeared.

Mr. CLARK of Wyoming. I will say to the Senator that all these tests include a chemical analysis of the coal.

Mr. SMOOT. The test I had reference to, I will say to the Senator, was the only test that I understand has been made on a battleship or cruiser of the United States, and that was about 500 tons of coal taken from the Bering coal field.

Mr. WILLIAMS. Does the Senator remember which battle-

ship it was or what officer it was?

Mr. SMOOT. It was the armored cruiser Maryland.

Mr. WILLIAMS. Does the Senator remember who was the officer in command?

Mr. SMOOT. I do not remember.

The PRESIDING OFFICER. The Senator from Oregon will

Mr. CHAMBERLAIN. In connection with that situation, as has been suggested by the Senator from Iowa [Mr. Cum-MINS], coal from Alaska can be put on board vessels at less than one-half what it costs to go around by way of the Straits of Magellan. But the evidence shows, Secretary von L. Meyer testified before the House Naval Committee, and subsequent witnesses have testified, that the coal that is shipped from Norfolk or Baltimore around the Horn to be used on American naval vessels is practically all carried in foreign bottoms, in foreign-registered ships, and it is carried on them cheaper than it can be carried in American bottoms.

We have been buying coal from Japan and storing it in Pearl Harbor and the Philippines; we have been buying coal from Australia; we have been buying coal from powers that at any time we may come in conflict with and carrying it in vessels that belong to such powers. I think it was Secretary Meyer who said that in case of trouble with Great Britain, if we should undertake to put our own vessels to work to carry coal, it would paralyze the American commerce by the use of our mer-

chant vessels for transporting coal.

So it does seem to me to be the height of folly for the United States to hesitate to expend thirty-five or forty million dollars in an experiment, if you please, in the construction of a railroad in Alaska, when at the same time we are spending more money annually to transport coal in foreign bottoms and to pay for coal that comes from Japan and other foreign countries.

Mr. President, so far as tests are concerned, as the Senator from Utah [Mr. SMOOT] has very distinctly stated, the test of Alaska coal was made under a most difficult and trying situation, and it was the only test of the Bering River field. As the Senator says, there has been no underground mining there. There are only two coal-mining claims that have been patented in the whole of Alaska. There has been, therefore, practically no mining of coal in Alaska. How in the world, then, is it possible for the Government of the United States to send men into those mines carrying five or six hundred tons out on sleds, taking it from merely the surface, and make a test that is worth anything at all?

Mr. CLARK of Wyoming. My statement that there has been no mining done there was simply used as an argument in favor of the proposition that there probably had been no test, and that we were not able to know at this time whether or not that coal would be valuable, and of course with it, lurking back in my mind, was the question whether we ought not to determine that fact before we expend thirty or forty million dollars for

carrying out this purpose.

Mr. CHAMBERLAIN. There has been a test, but as I said, and as the Senator from Utah said, it was made under very trying circumstances, and made from surface coal and of poor

quality, and that only of the Bering River coal.

Mr. President, I want to impress the Senate again with the serious situation which confronts the United States in its transportation of coal as we have it now. Aside from the high cost of the coal delivered at San Francisco to be used in the Pacific Fleet, we are spending immense sums of money for the purpose of constructing coal bunkers at Pearl Harbor. The efforts of the United States have not been so far very satisfactory. We have not only to construct bunkers there in which we can put coal shipped from Japan when we are at peace or from Australia when at peace with Great Britain and from Pennsylvania all the time, but we must have other stations as well at which the coal we buy from these countries may be stored.

President Wilson said in reference to our duty to Alaska in his message to the Congress of the United States December

2, 1913:

A duty faces us with regard to Alaska which seems to me very pressing and very imperative; perhaps I should say a double duty, for it concerns both the political and the material development of the Territory. The people of Alaska should be given the full Territorial form of government, and Alaska, as a storehouse, should be unlocked. One

key to it is a system of railways. These the Government should itself build and administer, and the ports and terminals it should itself control in the interest of all who wish to use them for the service and development of the country and its people.

But the construction of railways is only the first step; is only thrusting in the key to the storehouse and throwing back the lock and opening the door. How the tempting resources of the country are to be exploited is another matter, to which I shall take the liberty of from time to time calling your attention, for it is a policy which must be worked out by well-considered stages, not upon theory, but upon lines of practical expediency.

That is in part an answer to the Senator from Wyoming. The Senator from Wyoming thinks it is a problem that has to be worked out so as to protect the United States and to place it under proper governmental regulations.

It is part of our general problem of conservation. We have a freer hand in working out the problem in Alaska than in the States of the Union, and yet the principle and object are the same, wherever we touch it. We must use the resources of the country, not lock them up.

Parenthetically, I may say, that is the difference between the policy of the present administration in regard to this matter and the preceding administration, or at least some of the officials of

the preceding administration. Their policy was to lock them up.

Mr. CLARK of Wyoming. But the avowed policy was not.

Of course, we know the effect of it. What I want to be satisfied of is that the effect of this avowed policy of the new ad-

ministration will result differently. We hope it will.

Mr. CHAMBERLAIN. It was not only the avowed policy, but it was the practical work of the former administration, or at least one of the Cabinet officers who had this matter directly in charge. But we have here in addition-and I am going through it after a while-not only the promise of the President, but we have the promise of his good right arm, in the person of the Secretary of the Interior, to utilize the resources of Alaska and not lock them up against the world and against our own people in particular. The President continues:

our own people in particular. The President continues:

There need be no conflict or jealousy as between State and Federal authorities, for there can be no essential difference of purpose between them. The resources in question must be used, but not destroyed or wasted; used, but not monopolized upon any narrow idea of individual rights as against the abiding interests of communities. That a policy can be worked out by conference and concession which will release these resources and yet not jeopard or dissipate them, I for one have no doubt, and it can be done on lines of regulation which need be no less acceptable to the people and governments of the States concerned than to the people and Government of the Nation at large whose heritage these resources are. We must bend our counsels to this end. A common purpose ought to make agreement easy.

I fully agree with the utterance of the distinguished Presi-

I fully agree with the utterance of the distinguished President of the United States on this subject, and I think that western Senators particularly will be in entire sympathy with

his announced policy.

In connection with that, I desire to submit a letter from the Secretary of the Interior, Mr. Lane, of May 15, 1913, to the chairman of the committee which had this bill under consideration. I am not going to read it, but I am going to ask to have it inserted as a part of my remarks. He advocates not only opening up all of the resources of Alaska along proper lines of conservation for use, and not for withdrawal from use, but he advocates as the best means and the best instrumentality for developing the resources of that Territory the construction of a railroad into Alaska. This letter is printed on page 417 of the Senate hearings on these bills. I ask to have the letter inserted in the RECORD, Mr. President.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The letter referred to is as follows:

DEPARTMENT OF THE INTERIOR THE SECRETARY OF THE INTERIOR, Washington, May 15, 1913.

Washington, May 15, 1913.

My Dear Senator: My opinion is requested as to Senate bills 48 and 133. These measures, in a word, provide for the construction by the National Government of a railway system in the Territory of Alaska.

I favor the adoption of this policy. I believe it to be that under which Alaska will develop most safely and most speedily and under which the resources of that Territory will most certainly become available to the whole people.

There is but one way to make any country a real part of the world—by the construction of railroads into it. This has been the heart of England's policy in Africa, of Russia's policy in Western Asia, and is the prompting hope of the new movement in China. Whoever owns the railways of a country determines very largely the future of that country, the character of its population, the kind of industries they will engage in, and ultimately the nature of the civilization they will enjoy. The policy of governmental ownership of railroads in Alaska seems to me to be the one that will most certainly make for her lasting welfare.

seems to me to be the one that will most contain welfare.

To many of our people Alaska is little more than a land of natural wonders, here and there dotted with mining camps and fishing villages. If Alaska is to be nothing more, it is almost a matter of indifference as to who builds her railroads. I have talked with many who know that country well, and I am convinced that we should think of Alaska as a land not only of mines and fisheries, but of towns, farms, milis, and factories, supporting millions of people of the hardlest and most wholesome of the race. If this conception of a possible Alaska is a true one, our legislation should be such as to most surely bring about this possibility, and it seems to me there is less of hazard as to Alaska's

future if the Government of the United States owns the railroads which will make its fertile interior valleys accessible from the coast and bring its coal, iron, copper, and other mineral resources within the reach of the world.

This is a new policy for the United States. Very true. This is a

and bring its coal, iron, copper, and other mineral resources within the reach of the world.

This is a new policy for the United States. Very true. This is a new part of the United States, And policies properly change with new conditions. The one determining question in all matters of government should be: What is the wise thing to do? The ancient method of opening a country was to build wagon roads. The modern method is to build railroads. To build these railroad: ourselves and control them may be an experiment, but such a plan does not suggest scandals more shameful or political conditions more unhealthy than many we have known in new portions of our country under private ownership. And in the end we will be free to establish and maintain our own chosen relationship between Alaska and the rest of the United States unhampered by threats of confiscation or the restraining hand of any merely selfish influences. We can only secure the highest and fullest use of Alaska by making her railways wholly subordinate to her industrial and social life and needs—true public utilities.

Respectfully,

Franklin K. Lane,

FRANKLIN K. LANE,

Hon. Key Pittman, Chairman Committee on Territories, United States Senate.

Mr. CHAMBERLAIN. The principal objection urged against any railroad legislation in Alaska is one of policy. There was at time when the constitutionality of such measures was seriously questioned. Any legislation that was intended for the purpose of aiding a railroad or other public utility construction was opposed on constitutional grounds; but I believe now that no one seriously objects on that account to the construction of railroads; so I am not going to undertake to discuss the matter from that standpoint. I will, however, call attention to a state-ment in the report of the House committee on this bill. I see the eminent chairman of the House committee which had this bill in charge is present here to-day. He called attention in his report to the fact that when the first bill was introduced in Congress by Stephen A. Douglas for the granting of aid to railways, for railroad construction, in 1850, it was seriously objected to by Senator Davis, of Mississippi, on the ground of its unconstitutionality. Before the next session of the Senate, however, the Legislatures of Mississippi and Alabama had considered the question and instructed the Senators from their respective States to support the bill with an amendment extending its provisions to Mississippi and Alabama. Douglas accepted such an amendment offered by Senator King, of Alabama, and the bill passed the Senate and the House of Representatives, supported by the affirmative votes of the Senators from Illinois, Mississippi, and Alabama. Thus it came that the act of Congress of September 20, 1850, passed. That was the first act granting aid to railroads.

In order to further substantiate the statement I have made that this is not a political question, that from the standpoint of party policy at least, the policy of aiding in the construction of railroads has been one that has been uniformly advocated by all parties, I am going to have inserted in the RECORD, without reading, in order that the minds of my colleagues may be refreshed on that subject, the platforms of the Democratic and Republican parties, beginning with the Democratic platform adopted at Cincinnati on the 2d day of June, 1856, followed by the Republican platform a little later, and all of the party platforms down to 1868, advocating grants to railroads for the purpose of aiding in railroad construction, not only in the

West but in the South as well.

Mr. CLARK of Wyoming. Mr. President—

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Wyoming?

Mr. CHAMBERLAIN. I yield.

Mr. CLARK of Wyoming. I merely want to ask the Senator senator.

a question. These platforms, of course, are cited as showing the policy of the parties as to legislation of this sort. I have not read all of those platforms, and the Senator has stated that he wants to save us the trouble of reading them. I will ask him if in any of those party platforms there is advocated Gov-ernment construction, Government ownership, Government con-

Mr. CHAMBERLAIN. Oh, no. We are advancing a little all the time, I will say to the Senator from Wyoming. You know I am sometimes reminded by our extremely conservative statesmen of one line of Cardinal Newman's magnificent hymn,

"Lead, Kindly Light," wherein it says-

Keep Thou my feet; I do not ask to see The distant way: one step's enough for me.

We have been taking one step at a time. One step at a time has satisfied at all times. That one step is sufficient; and this proposition as to Alaska now is only taking one step in advance of the platforms to which I have called attention, which date back to 1856. The Democratic platform of 1868, however, called a halt upon the further granting of lands to States or to rail-

road companies for railroad construction.

Not only that, Mr. President, but I want to call attention to the Baltimore platform of 1912 just for a moment. I will go

just a little further for the benefit of the Senator from Wyoming, and call attention to the platform declarations of both parties, beginning in 1892 and ending in 1912, where the declaration in the Democratic platform is this-this is for the benefit of some of my Democratic friends-

We favor national aid to State and local authorities in the construc-tion and maintenance of post roads.

CONSERVATION.

Immediate action should be taken by Congress to make available the vast and valuable coal deposits of Alaska under conditions that will be a perfect guaranty against their falling into the hands of monopolizing corporations, associations, or interests.

But there is only one way to immediately develop the resources of Alaska, and that is by the Government itself taking a hand in railroad construction.

Mr. THOMAS. Mr. President-

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Colorado?

Mr. CHAMBERLAIN. I do.

Mr. THOMAS. The Senator from Oregon has doubtless familiarized himself with these platforms, and I should like to ask whether he has discovered anything in any of the platforms of the two great national parties which opposes or denies the power or right of Government ownership over lines of transportation?

Mr. CHAMBERLAIN. Absolutely nothing. Now, Mr. President, may I have permission to have this matter inserted in the

RECORD?

The VICE PRESIDENT. Is there objection? The Chair hears none, and permission is granted,

The matter referred to is as follows:

NATIONAL PLATFORMS ON THIS SUBJECT.

NATIONAL PLATFORMS ON THIS SUBJECT.

The Democratic national convention was held at Cincinnati on June 2, 1856, and nominated James Buchanan. The platform adopted contained this resolution:

"Resolved, That the Democratic Party recognizes the great importance, in a political and commercial point of view, of a safe and speedy communication, by military and postal roads, through our own territory between the Atlantic and Pacific coasts of this Union, and that it is the duty of the Federal Government to exercise promptly all its constitutional power for the attainment of that object."

Two weeks later, on June 17, the Republican national convention met at Philadelphia, nominated Fremont, and its platform declared:

"Resolved, That a railroad to the Pacific Ocean by the most central and practicable route is imperatively demanded by the interests of the whole country, and that the Federal Government ought to render immediate and efficient aid in its construction, and as an auxiliary thereto to the immediate construction of an emigrant route on the line of the railroad."

1860: The Democratic national convention, which met at Baltimore on the 18th of June and nominated Douglas—

"Resolved, That one of the necessities of the age, in a military, commercial, and postal point of view, is speedy communication between the Atlantic and Pacific States, and the Democratic Party pledge such constitutional Government aid as will insure the construction of a railroad to the Pacific coast at the earliest practicable period."

The Breckinridge Democratic convention, at Baltimore, nominated John C. Breckinridge for President and adopted the following:

"Whereas one of the greatest necessities of the age, in a speedy communical commercial, postal, and military point of view, is a speedy communical commercial postal, and military point of view, is a speedy communical commercial postal, and military point of view, is a speedy communical commercial postal, and military point of view, is a speedy communical commercial postal, and milita

"Whereas one of the greatest necessities of the age, in a political, com-mercial, postal, and military point of view, is a speedy communica-tion between the Pacific and Atlantic coasts: Therefore be it

tion between the Pacific and Atlantic coasts: Therefore be it

"Resolved, That the National Democratic Party do hereby pledge
themselves to use every means in their power to secure the passage of
some bill, to the extent of the constitutional authority of Congress, for
the construction of a Pacific railroad from the Mississippi River to the
Pacific Ocean, at the earliest practicable moment."

The Republican national convention met in Chicago on May 16, nominated Abraham Lincoln, and declared in its platforn:

"That a railroad to the Pacific Ocean is imperatively demanded by
the interests of the whole country; that the Federal Government ought
to render immediate and efficient aid in its construction; and that, as a
preliminary thereto, a daily overland mall should be promptly established."

to render immediate and efficient aid in its construction; and that, as a preliminary thereto, a daily overland mail should be promptly established."

1864: The Republican national convention for 1864 met in Baltimore, renominated Lincoln, and declared on the railroad question:

"Resolved, That we are in favor of the speedy construction of the railroad to the Pacific coast."

1868: The Democratic national convention in 1868 met at New York City on July 4 and nominated Horatio Seymour for President. The Democratic Party then abandoned the plan of donating the public lands in aid of the building of railroads, and adopted one near to that suggested in the bill now reported, as follows:

"That the public lands should be distributed as widely as possible among the people, and should be disposed of either under the preemption or homestead laws, or sold in reasonable quantities, and to none but actual occupants, at the minimum price established by the Government. When grants of the public lands may be allowed necessary for the encouragement of important public improvements, the proceeds of the sale of such lands, and not the lands themselves, should be so applied."

plied."

1892: The Democratic national convention of 1892 was held at Chicago June 21. Grover Cleveland, of New York, was nominated for President, and the platform approved Federal aid to waterways in aid of cheaper interstate commerce rates, and declared for the building of the Nicaragua Canal:

"SEC. 15. For the purpose of national defense and the promotion of commerce between the States, we recognize the early construction of the Nicaragua Canal and its protection against foreign control as of great importance to the United States."

The Republican national convention of 1892 met June 7 at Minneapolis, nominated Benjamin Harrison for President, and adopted this plan on—

"The Nicaragua Canal: The construction of the Nicaragua Canal is of the highest importance to the American people, both as a measure of defense and to build up and maintain American commerce, and it should be controlled by the United States."

1896: The Democratic national convention of 1896 met at Chicago July 7, nominated William J. Bryan, and in its platform declared:

"Improvement of waterways: The Federal Government should care for and improve the Mississippi River and other great waterways of the Republic so as to secure for the interior States easy and cheap transportation to tidewater. When any waterway of the Republic is of sufficient importance to demand ald of the Government, such aid should be extended upon a definite plan of continuous work until permanent improvement is secured.

1900: The Democratic national convention of 1900 met at Kansas City, nominated Mr. Bryan, and declared in its platform:

"The Nicaraguan Canal: We favor the immediate construction, ownership, and control of the Nicaragua Canal by the United States, and we denounce the insincerity of the plank in the Republican platform for an isthmian canal in face of the failure of the Republican majority on this subject to pass such a bill in Congress."

The Republican national convention of 1900 met at Philadelphia, nominated Mr. McKinley, and declared in favor of the—

"Isthmian Canal and new markets: We favor the construction, ownership, control, and protection of an isthmian canal by the Government of the United States."

1904: The Democratic national convention met at St. Louis on July 6, nominated Mr. Parker, and in its platform again approved waterway improvements and declared on the canal question:

"Isthmian Canal : The Democrate have always contended for—a great interoceanic canal, furnishing shorter and cheaper lines of transportation and broader and less trammeled trade relations with the other people of the world."

1908: The Democratic national convention met at Denver, nominated Bryan and Kern, and in its platform declare

"Post roads: We favor Federal aid to State and local authorities in the construction and maintenance of post roads.

"Panama Canal: We believe that the Panama Canal will prove of great value to our country and favor its speedy completion."

1912: The Democratic national convention met at Baltimore, nominated Wilson and Marshall, and in the party platform declared:

"Post roads: We favor national aid to State and local authorities in the construction and maintenance of post roads.

"Conservation: Immediate action should be taken by Congress to make available the vast and valuable coal deposits of Alaska under conditions that will be a perfect guaranty against their falling into the hands of monopolizing corporations, associations, or interests."

The Progressive national convention met in Chicago, nominated Roosevelt and Johnson, and declared:

"Alaska: We demand also that extortion or monopoly in transportation shall be prevented by the prompt acquisition, construction, or improvement by the Government of such rallroads, harbor, and other facilities for transportation as the welfare of the people may demand."

Mr. CHAMBERLAIN. Now, going further, I propose to show

Mr. CHAMBERLAIN. Now, going further, I propose to show that the policies which have been advocated in all of these platforms have not been simply platform declarations amounting to nothing. I wish to say that they have been actually carried out. As evidence of that, I call attention to the fact that under these grants for railroad construction there were constructed prior to 1882 in the different States 16,239.10 miles of railroad, and I am going to ask to have this matter inserted in the RECORD. It appeared in the hearings, and I have taken this from the hearings and verified the statements therein contained by an examination of Donaldson's "Public Domain," a book which discusses with great learning, great ability, and great research the public-land laws of this country and all that has been done under them.

Here are the States that have been benefited: Alabama, Arkansas, California, Colorado, the Dakotas, Florida, Idaho, Illinois, the former Indian Territory, Iowa, Kansas, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, Oregon, Texas, Utah, Washington, Wisconsin, and Wyoming. It will be observed that in that list of States there are many States that are not public-land States at all, and yet we have aided by Government railroad grants some of our Southern States. For instance, take the State of Alabama, which had 882 miles of railway built by Government aid; take the State of Mississippi, which had 406 miles of railroad built in the same way. I will ask to have this table inserted

in my remarks at this point, without reading.

The VICE PRESIDENT. Is there objection? The Chair

hears none.

The table referred to is as follows:

State or Territory:	Miles.
Alabama	882.00
Arkansas	620.16
California	1. 228. 80
Colorado	
Dakota	
Florida	
	77.00
TITLE	45.00 705.72
Indian Territory	
	4 000 00
AV III	4 054 00
	4 4 4 4 4 4
Louisiana	
Michigan	
Minnesota	2, 389. 50
Mississippi	406.00
Missouri	703, 00

ate or Territory-Continued.	Miles.
Montana	25, 00
Nebraska	832, 00
Nevada	460, 00
New Mexico	150, 00
Oregon	227.00
The state of the s	
Texas (where there are no United States lands)	342.87
Utah	255, 00
Washington	286, 00
Wisconsin	593, 00
Wyoming	400.00
Wyoming	400, 00

Total mileage, Government-aided railroads_____ 16, 239, 10

Mr. CUMMINS. Mr. President—
The VICE PRESIDENT. Does the Senator from Oregon

yield to the Senator from Iowa?

Mr. CHAMBERIAIN. I do.

Mr. CUMMINS. May I call the attention of the Senator from Oregon to the fact—and I think it will greatly strengthen what he has just now argued—that there is hardly a State in the Union that has not had a law at least authorizing the taxing of its property and its people to aid in the construction of railways? Some of the States have now repealed those laws, because they are no longer necessary, but very great aid has been extended by the governments of the various States in that way

extended by the governments of the various states in that way in the building of our system of railroads.

Mr. CHAMBERLAIN. Yes; and I am glad the Senator has called my attention to that. That is a fact. It might be said, speaking of this one story forward which I mentioned a while ago, that we find the States are now appropriating money for cooperating with the United States not only in the construction and opening up of highways, building of canals, and improving rivers and harbors, but helping it in the constructing of highways that are used for post roads as well as for commercial purposes.

It is customary to-day, Mr. President, to denounce land grants; it has become exceedingly unpopular; and our Democratic friends are liable to be abusing Republicans, sometimes holding them responsible, and, on the other hand, Republicans are abusing Democrats and holding them responsible for such legislation, but in the final analysis we find that under all administrations these grants have been made.

Mr. SMITH of Arizona. If the Senator will permit me to interrupt him, my curiosity has been somewhat excited by the large number of miles of road that were constructed in Mississippi, for instance. Does the Senator recall the particular occasion of that and what sort of grant it was or what sort of aid was extended? If it would not interrupt the Senator, I

should be glad to have him enlighten me on that point.

Mr. CHAMBERLAIN. I can show the Senator Mr. SMITH of Arizona. I was curious to know what facts led up to that

Mr. CHAMBERLAIN. I will tell the Senator in a moment. It has been in the form of land grants to States in some instances and to corporations in others, and before I get through I will touch upon that subject.

Mr. CLARK of Wyoming. Was it a grant of lands outside of the State?

Mr. CHAMBERLAIN. Yes; because Texas did not have any public lands within its limits at all.

Mr. CLARK of Wyoming. We were speaking of the State of Mississippi. I do not understand that Texas received any aid.

Mr. CHAMBERIAIN. Yes, sir.
Mr. CLARK of Wyoming. I should like to have the Senator

clear that a little in my mind.

Mr. CHAMBERLAIN. In Texas, where there was no public land, 342.87 miles of railroad were built with Government aid.

Mr. CLARK of Wyoming. Was that not a line that passed through Texas, and was it not a grant of land on either side of that road outside of Texas? It could not have been otherwise, it seems to me.

Mr. CHAMBERLAIN. I will not have the time to go into that question, but I am going to call the Senator's attention to a publication that will give him all this information and give every bill that was ever passed granting Government aid for railroad construction.

Mr. CLARK of Wyoming. I am not at all questioning the facts, but it was a matter of curiosity how land could be granted for aid in a State when there was no Government land in the State. Of course it might be done where a road passed through a State, such as Texas, for instance, and was built as a part of a land-grant road, where the grant lay on the sides of the road outside of the State.

Mr. CHAMBERLAIN. Probably that is the case, I will say to the Senator. Some road that went through a land-grant State received a grant, and they expended a portion of the money in Texas. I am not very sure about that. Now, I am Now, I am going to call the Senator's attention to a publication, if he wants to go into the subject further, that will aid him very

materially in getting at the whole history of this situation, showing the States where grants were made, the number of acres of land granted, and the particular acts conferring the grants. It is "A statement showing the land grants made by Congress to aid in the construction of railroads, wagon roads, canals, and internal improvements, together with data relative thereto, compiled from the records of the General Land Office, by order of the Secretary of the Interior," and dated 1908.

Mr. CLARK of Wyoming. That publication does not show the grant of land in any State where there were no public lands.

Mr. SMITH of Arizona. I do not understand that the Senator from Oregon referred to a grant of lands to the State, but to aid in the construction of railroads.

Mr. CHAMBERLAIN. Yes.

Mr. SMITH of Arizona. And my curiosity was excited by hearing the Senator mention States that had no public lands whatever. I was wondering what kind of aid was extendedwhether it was out of the Treasury of the United States as a direct grant to the State, or whether it was from some securities of the United States to aid such States as Mississippi and Alabama in the construction of railroads.

Mr. WILLIAMS. Mr. President, I will say to the Senator that at the time the land grant was made in aid of the con-struction of railroads in Mississippi, Mississippi had a great deal

Mr. SMITH of Arizona. It did have at that time? Mr. WILLIAMS. Yes; it did have at that time. Mr. SMITH of Arizona. That is the explanation I am seek-

Mr. CHAMBERLAIN. I will say to the Senator that what I am discussing now is particularly the grant of land to States and the number of acres granted to States and to corporations. Some of it was granted to the States, I will say to the Senator.

Mr. CLARK of Wyoming. Only for wagon roads. Mr. CHAMBERLAIN. For wagon roads; yes, sir.

Mr. CLARK of Wyoming. Not for railways.
Mr. CHAMBERLAIN. No. When I spoke of 16,239.10 miles of railroad constructed in the States through the aid of land grants, it does not cover the railroad mileage by any means. That is only down to 1882. I ask to have inserted in the Record, Mr. President, the areas of railroad grants by administrations and Congresses, showing the number of acres pat-ented or certified and the number of acres actually granted. The VICE PRESIDENT. Is there objection? The Chair

hears none, and it is so ordered.

The matter referred to is as follows:

Areas of railroad land grants, by administrations.

Administration and Congress.	Acres patented or certified.	Acres granted.
1850—President Fillmore (1st sess., 31st Cong.) 1852—President Fillmore (1st sess., 32d Cong.) 1853—President Fillmore (2d sess., 32d Cong.)	3,751,711.73 1,764,410.85 1,856,461.27	3,751,711.73 1,764,410.85 2,682,171.00
Total under President Fillmore	7,372,883.85	8,198,593.73
1856—President Pierce (1st sess., 34th Cong.) President Pierce (3d sess., 34th Cong.)	12,505,959.13 2,389,437.34	14,559,729.79 5,128,450.00
Total under President Pierce	14,886,396.47	19, 678, 179. 79
1862—President Lincoln (2d sess., 37th Cong.) 1863—President Lincoln (3d sess., 37th Cong.) 1864—President Lincoln (1st sess., 38th Cong.) 1865—President Lincoln (2d sess., 38th Cong.)	5,096,418.53 3,388,936.26 6,213,809.50 2,465,016.58	23,504,001.61 3,915,200.00 46,848,600.00 128,000.00
Total under President Lincoln	17,164,270.87	74,395,801.61
1866—President Johnson (1st sess., 39th Cong.) 1869—President Johnson (3d sess., 40th Cong.)	4,970,295.61 49,811.59	34,001,297.77
Total under President Johnson	5,020,107.20	34,001,297.77
1870—President Grant (2d sess., 40th Cong.) 1871—President Grant (3d sess., 41st Cong.) 1872—President Grant (2d sess., 42d Cong.)	875,785.40 327,903.69	1,000,000.00 17,903,218.00 327,903.69
Total under President Grant	1,203,689.09	19,231,121.69
Grand total	45,647,347.48	155, 504, 994. 59

Mr. CHAMBERLAIN. The auditor of railroad accounts, November 1, 1880, estimated the value of the public lands granted for canals, wagon and military roads, and railroads at \$391,804,610.16. Mind you, Mr. President, the valuation placed upon lands under these grants is only from a dollar and a quarter, the minimum price permitted to be charged, to two dollars and a half, the maximum price. Notwithstanding that small price, the grants made by this Government were valued at over \$391,000,000, an empire in value and in area as well, as I shall show a little later on; and yet some of us hesitate l

and halt about loaning \$35,000,000 or \$40,000,000 to Alaska for the purpose of permitting the Government itself to build a road to be utilized by itself and by the people of the whole country. Alaska only asks it as a loan. In the cases to which I have referred, grants to the railroads were absolute. granted to the railroad companies had been utilized by the United States itself, if the lands had been sold by the Government of the United States itself and utilized in railroad construction, it could have built every mile of railroad in the United States and would have had left a handsome margin in the Treasury of the United States, because the lands were worth far more than a dollar and a quarter an acre or two dollars and a half an acre. In Oregon one of the causes alleged in the complaint for the forfeiture of the Oregon & California Railroad Co.'s grant was that they were charging in excess of the maximum \$2.50 an acre—\$6.50 an acre and \$15 an acre; and some of that land to-day is worth as much as \$50 or \$100 an acre. So I say that we have given an empire to the railroads to assist in railroad construction.

I am not complaining about that. I am not one of those who is disposed to criticize Congresses or Presidents for having done that, because that action was instrumental in developing not only the South and Southwest, but it was instrumental in developing the magnificent western section of this country, which at one time on the Pacific coast, if you please, was looked upon as worthless, just as Alaska is now looked upon by some as

entirely worthless to the people of this country.

Now, let us look at the recapitulation of the grants to rail-I am going to ask to have inserted in the RECORD a recapitulation of the land grants to railroads, showing that the number of acres certified or patented to the States for the year ending June 30, 1883, was 200,457.49, that the number of acres certified or patented to the States under the grant was 36,248,-839.07, and that the amount of land given to corporations and to the States for railroad construction and to the different States. for wagon roads was 48,745,941.55. The number of acres necessary to fill the grants provided for all the railroads amounted to 155,504,994.59.

For the purpose of getting together the grants that have been made and showing the policy of the United States Government with reference to aid in the construction of railroads, I ask that the recapitulation referred to may be printed in the RECORD.

The VICE PRESIDENT. In the absence of objection, per-

mission is granted.

The matter referred to is as follows:

Land grants for railroads. RECAPITULATION

ABOUT TO BUTTON							
States.	Number of acres certified or patented for the year ending June 30, 1883.	Number of acres certified or patented under the grant up to June 30, 1883.					
Illinois Mississippi. Alabama Florida. Louisiana.		2, 595, 053, 00 935, 158, 70 2, 882, 076, 40 1, 760, 834, 98 1, 072, 406, 47					
Arkansas. Missouri. Jowa Michigan Wiconsin Minnesota Kansas.	66, 504, 91	2, 516, 665, 11 1, 395, 429, 87 4, 706, 458, 39 3, 229, 010, 84 2, 874, 088, 79 7, 832, 750, 24 4, 448, 906, 28					
Total for corporations.	290, 457. 49 187, 282. 75	36, 248, 839. 07 11, 422, 946. 65					
Wagon roads: Wisconsin. Michigan Oregon.	477, 740. 24 440, 856. 52	47, 671, 785. 72 302, 930. 93 221, 013. 35 1, 217, 963. 28					
Deduct for land declared forfeited by Congress	918, 596. 76	49, 413, 683. 31 667, 741. 76					
Total	918, 593. 76	48, 745, 941. 55					

Acres necessary to fill grants provided all roads are constructed, including patents already issued, 155,504,694.59.

Mr. CHAMBERLAIN. Mr. President, as I said a while ago, Alaska is only asking for \$40,000,000, and it is only in the nature of a loan, to be paid back to the United States out of the sale of the resources of Alaska and out of whatever money it may receive in the way of leases wherever the leases are made.

Mr. President, going just a little further, I want to get into the RECORD, so that Senators may have it for convenience of

reference, a summary of the plans which have been adopted by the Government to aid in the construction of railroads. First, we will take the Philippine plan, under which the United States has not given any land grant. No Congress would ever pass a law giving grants of land there; but the United States has guaranteed interest on the bonds of the Philippine rail-roads, and I think they have built nearly 400 or 500 miles of road over there, which have been made possible by governmental assistance. Then there is the Union Pacific plan and the Northern Pacific plan. These show just exactly what the United States has heretofore done and how it has done it; and I am going to ask to have pages 281 and 282 of the Senate hearings inserted in the RECORD.

The VICE PRESIDENT. Is there objection? The Chair hears none, and permission is granted.

The matter referred to is as follows:

THE PHILIPPINE PLAN.

THE PHILIPPINE PLAN.

The most recent is the act to encourage railroad building in the Philippine Islands.

Here Congress authorized the Philippine Government to guarantee the interest only, not exceeding 4 per cent on bonds, to run not exceeding 30 years, to cover the entire cost of such line or lines as the Philippine Government should decide to build.

It was provided that the total amount of such guaranteed interest should not exceed \$1,200,000 per annum. This would be interest at 4 per cent on \$30,000,000, Assuming that railroads in the Philippines would cost \$30,000 per mile, the guaranty would cover about 1,000 miles of road. The taxation of the lines was fixed for 80 years and the material was admitted free of duty, as heretofore explained. Their rates were subject to the control of the Philippine Government. The selection of the companies to receive the aid was determined by competitive bidding—the best bidder to be the one who would contract to build the lines in the shortest time with the least guaranty. As a matter of fact the bidding was such that most of the lines were built without any guaranty at all.

THE UNION PACIFIC PLAN.

THE UNION PACIFIC PLAN.

In the case of the Union and Central Pacific Railroads the Government granted them, by way of gift, the odd sections of land for 10 miles on each side of the line. This amounted to 0,400 acres for each

miles on each side of the line. This amounted to 6,400 acres for each mile of road.

In addition to this gift, the Government loaned the companies the 6 per cent 30-year bonds of the United States to an average amount of \$23,000 per mile. These bonds were made a lien on the roads, but the companies were permitted to issue an equal amount of first-mortgage bonds, which were a prior lien to the Government bonds. One-half of the charges for carrying the mails and other Government business was retained, together with 5 per cent of the companies' net earnings, and held in the United States Treasury as a sinking fund for the payment of the Government's bonds. The price of the alternate sections of land retained by the Government was raised from \$1.25 to \$2.50 per acre. Under these grants a total of 2,643 miles of road was built. The land grants amounted to 24,500,000 acres. The bonds loaned amounted to \$53,000,000. The principal of the bonds was repaid to the Government in full. Interest on the bonds to the extent of about 2 per cent was also paid. In effect, it was a gift of one-half the land for 10 miles on each side the line and a loan of approximately one-half of the cost of the roads.

The selection of the grantees was made by Congress itself. The Union Pacific was created by act of Congress, while the Central Pacific was a California corporation, which had made some progress before the passage of the acts of Congress in building its line to the eastward from Sacramento, The two companies built the through line—one working from Omaha westward and the other from California eastward. They met near Ogden, Utah.

THE NORTHERN PACIFIC PLAN.

THE NORTHERN PACIFIC PLAN.

The aid granted to the Northern Pacific was a land grant only. The company was created by act of Congress and was granted by way of gift the odd sections for 20 miles on each side of the line, or 12,800 acres for each mile constructed through States and 25,600 acres per mile through Territories. There was no loan of bonds or other aid. The total mileage aided amounted to 2,262 miles, and the total land grant was 30,472,000 acres. As in the case of the Union Pacific, the Government raised the price of the alternate sections of land retained by it from \$1.25 to \$2,50 per acre. It was simply a gift of one-half the land for 20 miles on each side the line in States and 40 miles in Territories in return for construction of the road.

Mr. CHAMBERLAIN. Mr. President, I think I have said all I care to say about this matter. There is much that I might say, but if I were to talk here for a week I do not believe I could cover the subject any more fully than I have done. In the very nature of things what I have had to say has been somewhat disconnected and uninteresting, because I have been compelled to deal in statistics. In conclusion, in view of the policies of all political parties past and present and in view of the hopeless situation of the people of Alaska to-day, I appeal to the Senate to assist Alaska to the extent of passing the pending bill making a loan of \$40,000,000 to aid in developing that country and in bringing it into closer commercial relationship with the people of the United States. They are our friends; they are our brothers. Their interests and ours are mutual, and whatever is done to enlarge their opportunities, to make them happier, and to elevate their standards of citizenship tends to enrich the people of continental United States

and to inspire us to higher ambitions and a broader patriotism.

Mr. CLARK of Wyoming. Mr. President, before the Senator from Oregon takes his seat-

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Wyoming?
Mr. CHAMBERLAIN. I yield.

Mr. CLARK of Wyoming. I want to ask the Senator whether the committee has prepared and will offer any amendment as to the details of the bill?

Mr. CHAMBERLAIN. Whether the committee will do so? Mr. CLARK of Wyoming. Yes. There are one or two points to which I wanted to call attention—I have called the Senator's attention to them—which I think, perhaps, could be met by the committee. The first point to which I called attention was that there is no limit on the amount of mileage that may be constructed under this bill.

Mr. CHAMBERLAIN. While I have no authority to accept amendments to the bill, I will suggest to the Senator, or to any other Senator who wants to propose amendments, that they be offered and printed, and I promise to bring them to the attention of the committee.

Mr. CLARK of Wyoming. Of course, discussion of the bill will depend perhaps very largely on what the final thought of the committee or of the Senator who has the bill in charge may be. It would be useless to go to work and argue for an hour or two on an amendment which the committee itself might have in mind.

Mr. JONES. Mr. President, if I may be permitted to interrupt, I should like to suggest with reference to that point—

Mr. CLARK of Wyoming. That is only one particular point. Mr. JONES. With reference to that particular point I am satisfied the committee intended to place a limitation on the mileage in the amendment which they have reported. The bill as introduced by the Senator from Oregon [Mr. CHAMBERLAIN] did limit the mileage to 733 miles. That was recommended by the commission. It also recommended an increased appropriation; but I have always had it in mind—in fact, it was so clear that I was positive—that we had placed a limitation in the bill of a thousand miles of railway. As one member of the committee, I want to say that it has been my understanding all the time that we had recommended a limitation in mileage; and I am strongly in favor of such a limitation. I was under the impression that the Senator who had charge of the bill also thought that we had placed that limitation in the bill as reported to the Senate.

Mr. CHAMBERLAIN. I thought there was a limitation.
Mr. SMOOT. Mr. President, in that connection I wish to say to the Senator that I have already offered an amendment to the bill this afternoon. The amendment does not provide how many miles shall be constructed, but limits the construction to one main road. Of course, it allows the building of side tracks and spurs, just as under the present bill. The amendment also makes a change in the amount of appropriation from \$40,000,000 to \$35,000,000, the amount provided by the House. Then, it also provides that wherever an engineer in civil life is appointed by the President, if he receives a salary of more than \$3,000 per annum his appointment shall be confirmed by the Senate. The object of that is to limit the power of the President in appointing engineers from civil life. The Senator understands that there is no limit provided in the bill, and I thought that that limit ought to be made in the bill before it becomes a law.

Mr. THOMAS. Mr. President, I should like to inquire of the Senator from Oregon [Mr. CHAMBERLAIN], who has this bill in charge, whether he has given any consideration to the matter of the gauge of the railroads which are to be constructed under it.

The question is prompted by a communication I have received, and I suppose other Senators have received the same thing, from Mr. Harrison Emerson-I think that is the namewho has suggested that a series of narrow-gauge roads, some of them, I think, being about 2 feet, constructed in the gorges and canyons of Alaska, are amply sufficient for all of the burdens that can be laid upon a transportation system up there for a long time; that the expenditure consequent upon the construction of such a system is very much less than that of the construction of a standard-gauge system, for which there is at present no need whatever, there being no main lines or trunk lines which have up to this time penetrated that region of the country, and everything being, therefore, local in its nature and character.

If that is so, it would seem to me that it would not only be economy, but good business judgment, to provide in this bill for at least the exercise of a discretion upon the part of the Government officials to construct roads without reference to the gauge and at as narrow a gauge as is possible consistent with the burdens that will be imposed upon the road.

Mr. CHAMBERLAIN. I will say to the Senator that the committee did consider that question to some extent; but we thought we had vested in the President of the United States, and those who might be appointed under him, absolute power to adopt whatever system might seem most economical and best suited to the conditions.

Mr. THOMAS. That may be. My reading of the bill has been somewhat superficial up to this time. I have read it once or twice. While I noticed no reference to any particular gauge the general assumption would be that the standard gauge would probably be that adopted or contemplated by the bill, particularly in view of the fact that some of the more important pieces of road there are standard-gauge roads.

Mr. JONES. Mr. President, I will suggest to the Senator that all the bills introduced provided for standard-gauge railroads; and the committee, after hearings, struck out the word "standard" deliberately, with the intention of leaving en-tirely to the President the matter of the gauge of the roads.

Mr. THOMAS. Of course I accept the statements made by Senators who have given this matter direct and continued investigation. I am very glad that is the case, because my own impressions are coincident with those of Mr. Emerson, although, of course, my sources of information are not so great.

There is another query I should like to make which relates to the unused issue of Panama bonds. It was suggested to me some time ago by one of the Cabinet ministers that there was no reason in his mind why the \$176,000,000 of bonds provided for the Panama Canal which have not been sold or disposed of up to this time could not be, in part at least, utilized for the purpose of Alaska railway construction. If that be so, it certainly would seem to be preferable to a provision for another bond issue, which would be cumulative, and would serve to increase to that extent the interest-bearing bonded indebtedness of the United States.

Of course I understand that a good deal of money has been used out of the general revenues of the Government against these bonds, but I do not think to the extent of the sum which I have mentioned.

Mr. SMOOT. I think the amount used is even greater than the amount of bonds not issued; but, as I remember, the Panama Canal bonds were authorized for a specific purpose, namely, for the building of the Panama Canal.

Mr. THOMAS. Oh, yes. Of course it would require an amendment to this bill to make the change.

Mr. SMOOT. It seems to me it would be just as easy to provide for the issuance of bonds in this bill, as they are provided for, as it would be to amend the act authorizing the Panama Canal bond issue.

Mr. THOMAS. Certainly, unless the effect of the provision would be to limit the total issue to the amount at present provided for, which I think is \$175,000,000.

Mr. SMOOT. I think the amount that has not been issued is

something like \$187,000,000. Mr. THOMAS. In other words, the idea which was expressed

to me, and which I have in mind, is, if possible, making such a disposition of these bonds that we would not be required to increase the total indebtedness to the extent of \$40,000,000 as provided in this bill.

Mr. SMOOT. I do not believe the Government will issue any more of the Panama bonds after the Panama Canal is opened. The Senator knows we have gotten along so far by paying for the construction of the Panama Canal out of the general revenues of the Government.

Mr. THOMAS. Oh, yes; and we all want to limit the interest-bearing bonded indebtedness to as small an amount as is possible.

Mr. SMOOT. Absolutely; and I do not believe there will be any more Panama bonds issued by the Government.

Mr. THOMAS. Let me ask if the Senator means by that that it will not be necessary to market the issue of \$174,000,000 now remaining of those bonds?

Mr. SMOOT. Not necessarily. The Government need not issue another dollar of them.

Mr. THOMAS. Then, if I understand the Senator, his position practically is that having paid for the construction of the Panama Canal out of the general revenues, those bonds never will be issued?

Mr. SMOOT. I do not think there will be another dollar of them issued.

Mr. THOMAS. I am very glad to hear the Senator say so, because I have a sort of constitutional dread of seeing the interest-bearing bonded indebtedness of the United States in-

The VICE PRESIDENT. The bill is in Committee of the Whole and open to amendment.

Mr. SMOOT. I should like to ask the Senator in charge of the bill if he will not consent to have the bill laid aside at this time?

Mr. CHAMBERLAIN. I understand it is desired to have an executive session. I therefore request that the bill be temporarily laid aside.

PREFERENTIAL VOTING (S. DOC. NO. 359).

Mr. OWEN. I ask to have printed as a Senate document an article on "Preferential voting," by C. G. Hoag.
Mr. SMOOT. I did not hear the request of the Senator.

Mr. OWEN. It was a request to have printed an article by C. G. Hoag, general secretary of the league dealing with preferential voting, explaining the preferential method of voting.

Mr. SMOOT. Of course in the past I have said that I would demand that all of these articles go to the Printing Committee; but in view of the fact that one other request was passed to-day without that action, I shall not object to this. I really believe, however, that that is where a request of this kind ought to go.

The VICE PRESIDENT. There is pending on the calendar an amendment to the rules dealing with the matter. In the absence of objection, the request is granted.

Mr. BACON. Before we pass from that subject I wish to say that if I remember correctly the Committee on Rules has reported back favorably a resolution recommending the adoption of an amendment to the rules which would require the reference of these matters to a committee. While I have no reference whatever to the particular document that has been offered by the Senator from Oklahoma, I do think we ought to take up that resolution at some time and act upon it.

Mr. SMOOT. I will say that the resolution which was reported from the committee provides that there shall be a standing committee of the Senate, known as the committee on public documents, to which all of these requests shall be referred. I wish to say to the Senator that I am certainly opposed to the resolution in that form. I am perfectly willing that it shall come up for consideration, however. I wish also to call the Senator's attention to the fact that I submitted a resolution proposing to amend Rule XXIX of the Senate by inserting, in line 8, between the words "Senate" and "otherwise," the words shall by vote." Of course that arrives at the same object, but it does not appoint another committee and have a great part of the business of the Committee on Printing referred to another committee. I believe that is wrong.

Not only that, but while I am on the subject I wish to say to the Senator that if the resolution is adopted as it was reported to the Senate it will conflict with the law, and we certainly must amend the law before we undertake to amend a rule of the Senate that will conflict with the law.

Mr. BACON. I wish to say to the Senator and to the Senate that in reporting that proposed rule the committee recognized the fact that there was a question whether the subject of printing documents should be considered by a special committee or by a standing committee. It was reported in that form in full recognition of the fact that the matter would be discussed and determined by the Senate. The committee were not divided upon the question whether or not it should be considered by a Whether it should be a particular committee or a committee. general committee is a matter which the committee did not consider of sufficient importance for them to endeavor to take it away from the consideration of the Senate.

I do hope that at an early date an opportunity may be found for the Senate to act on this question. I think it is a very important one.

Mr. SMOOT. I wish to say to the Senator that the chairman of the Committee on Printing [Mr. Fletcher] is out of the city. I understand he will be here on the 26th of this month. I do not want the resolution brought up in his absence. I told the Senator from Florida before he left that I would request that the matter be not considered until his re-

turn to the city.

Mr. BACON. I have no doubt his wishes in that regard will be respected.

EXECUTIVE SESSION.

Mr. BACON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened and (at 4 o'clock eased.
Mr. SMOOT. I fully agree with the Senator in regard to that. Wednesday, January 14, 1914, at 12 o'clock meridian.

NOMINATION.

Executive nomination received by the Senate January 13, 1914. COMPTROLLER OF THE CURRENCY.

John Skelton Williams, of Virginia, to be Comptreller of the Currency, to fill the existing vacancy.

CONFIRMATIONS.

Executive nominations confirmed by the Scnate January 13, 1914. POSTMASTERS.

ILLINOIS.

Henrietta Rehwald, Altamont.

KANSAS.

J. R. Lovitt, McCracken. Joseph Pelishek, Wilson.

MASSACHUSETTS.

E. H. Bowler, Dedham.
Arthur W. Gibbs, Huntington.
Daniel J. O'Connell, jr., South Hadley.
John F. O'Leary, West Warren.
Charles Prescott, Beverly.
Henry L. Ripley, Edgartown.
Harvey F. Shufelt, Housatonic.
Dennis A. Smith, Rutland.

MICHIGAN.

William H. Cronin, Brown City. John J. Dawson, Hastings. William Downing, Grat Johnson A. Saur, Kent City. William R. Teifer, Trenton.

MINNESOTA.

G. A. Buck, Henderson. T. J. Grimes, Grand Meadow. Hans P. Krog, La Crescent. H. H. Salmon, Biwabik.

NEW YORK.

Peter T. Conley, Fulton. William H. Kinne, Ovid. Frederick W. Youmans, Delhi.

Charles A. Funkhouser, Dayton. William C. Menefee, Rockymount. Hay T. Thornton, Richmond.

HOUSE OF REPRESENTATIVES.

Tuesday, January 13, 1914.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the fol-

lowing prayer

Let Thy spirit, O God our Father, possess us, mind and soul, that, with perfect urbanity, in the rectitude of our behavior in all the relationships of life we may prove ourselves worthy sons of the living God; that the recording angel may inscribe our names on the book of life as those who love their fellow men; that the peace which passeth understanding may be ours. In Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and

approved.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. WILLIS. Mr. Speaker, I desire to make a correction in the RECORD. On page 1530 of the RECORD of yesterday occurs the statement of a certain amendment to the District of Columbia appropriation bill. That amendment is stated in exactly the same form at page 1429 of the RECORD of December 22, 1913, when the same bill was under consideration. Following the presentation of that amendment on that day, December 22, 1913. the following colloquy occurred:

Mr. Willis. Would not the gentleman include in the exceptions the school gardens? That is what I am seeking to protect.

Mr. Page of North Carolina. Yes; I will except that.

Mr. Chairman. I ask unanimous consent to modify the amendment by including in the exceptions "school gardens."

The Chairman. The gentleman from North Carolina asks unanimous consent to modify his objection by including in the exceptions school gardens. Is there objection?

There was no objection.

In other words, the amendment to except the school gardens was included in the amendment that appeared on page 1429 of the Record, on December 22, 1913. I therefore ask unanimous consent that the amendment appearing on page 1530 of the

RECORD of yesterday be modified in accordance with what I have read, so as to show in the RECORD that the school gardens are excepted.

The SPEAKER. Without objection, the RECORD will be so

amended.

Mr. GARDNER. Mr. Speaker, reserving the right to object. is not the bill already engrossed? And is it possible for the House to make any change at this stage?

The SPEAKER. The House, of course, can not change the engrossed bill; but the Chair understood that the trouble was

with the RECORD.

That is correct; the trouble is with the Mr. WILLIS.

Mr. GARDNER. Is it not with the engrossed bill?

Mr. WILLIS. Mr. Speaker, I went to the desk yesterday when the amendment came up and myself read the amendment, and know that the language is in that amendment to except the school gardens. The difficulty is with the RECORD. appear in the engrossed bill in proper form. I simply desire to make a correction in the RECORD.

The SPEAKER. Without objection, the correction will be made in accordance with the statement of the gentleman from

Ohio.

Mr. SISSON. Mr. Speaker, I reserve the right to object. have just come into the Chamber and did not hear the statement of the gentleman from Ohio. I desire to state that the gentleman from North Carolina [Mr. Page] is not present.

Mr. WILLIS. I will state to the gentleman, Mr. Speaker, that I conferred with the gentleman from North Carolina [Mr. Page] this morning, and he agrees with me in the statement of facts; but to explain it to the gentleman, he will remember that when the bill was pending in the House on December 22, 1913, the amendment which appears on page 1530 of the RECORD of yesterday was introduced, and that I then asked the gentleman from North Carolina to modify his amendment so as to make an exception of the school gardens. He accepted that amendment, and I have just read that to the House.

Mr. SISSON. The gentleman simply wants to correct the

RECORD?

Mr. WILLIS. I simply desire to correct the RECORD in ac-

cordance with the facts.

The SPEAKER. Without objection, the correction will be made in accordance with the statement of the gentleman from Ohio. Of course, if it should appear that the bill has been engrossed without this modification, the House having no control over the engrossed bill itself, the gentleman will have to go to the Senate to have it amended. [After a pause.] The Chair hears no objection.

ENROLLED BILLS SIGNED.

Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same: H. R. 1966. An act to amend an act entitled "An act to pro-

hibit the importation and use of opium for other than medicinal

purposes," approved February 9, 1909; and H. R. 1967. An act regulating the manufacture of smoking opium within the United States, and for other purposes.

CHANGE OF REFERENCE-JUDSON C. M'CLURE.

Mr. COX. Mr. Speaker, I ask unanimous consent for a change of reference of the bill (H. R. 11365) granting a pension to Julian C. McClure, from the Committee on Invalid Pensions to the Committee on Pensions. This is a Spanish War soldier's pension bill, The SPEAKER, W

Without objection, the change will be made.

There was no objection.

RADIUM-BEARING ORES.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent to change the reference of House joint resolution 185, authorizing the President to withdraw public lands containing carnotite, pitchblende, or other radium-bearing ores and min-erals, and also House joint resolution 186, authorizing the Secretary of the Interior to withdraw from entry any public lands containing radium, from the Committee on Mines and Mining to the Committee on Public Lands. These resolutions pertain to the withdrawal of public lands from entry. They are purely public-land matters. That committee has had exclusive jurisdiction over such matters for 108 years, since 1805, and I feel that that committee can not, in justice to its jurisdiction, sub-mit to having those bills referred to the Committee on Mines and Mining. I will say, parenthetically, that I am a member of both committees—

The SPEAKER. The matter is not debatable. Without objection, the change will be made.

Mr. FOSTER. Mr. Speaker, I object.

Mr. TAYLOR of Colorado. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. TAYLOR of Colorado. Have I the right to move to have the reference changed?

Mr. UNDERWOOD. Mr. Speaker, I do not think the gentleman has that right, unless he has the consent of the com-

Mr. TAYLOR of Colorado. Mr. Speaker, I not only have the consent of the committee, but the Committee on Public Lands has unanimously instructed ..e to make this request by a motion, and I therefore move that these two joint resolutions be referred to the Committee on Public Lands.

The SPEAKER. The gentleman from Colorado moves that the Committee on Mines and Mining be discharged from the further consideration of the two joint resolutions which he named, and that the resolutions be referred to the Committee on Public Lands.

The question was taken, and the Speaker announced the ayes

seemed to have it.

Mr. FOSTER. Mr. Speaker, I demand a division.

The House divided; and there were—ayes 67, noes 21.

Mr. FOSTER. Mr. Speaker, I make the point of order there

is no quorum present.

The SPEAKER. The gentleman from Illinois makes the point of order there is no quorum present, and evidently there is not. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 119, nays 188, answered "present" 3, not voting 123, as follows:

YEAS-119.

	11520	110.	
Abercrombie Ashbrook Aswell Baker Barkley Barnhart Bell, Cal. Blackmon Borland Brodbeek Brown, N. Y. Brown, W. Va. Buchanan, Tex. Burke, Pa. Butler Campbell Cantor Caraway Carr Carter Chandler, N. Y. Church Claypool Coady Connelly, Kans. Covington Cox Cramton Danforth	Decker Deitrick Dent Dies Dupré Eagle Fergusson Fess Floyd, Ark. Francis Frear French Garner. Garnert, Tex. Goulden Greene, Vt. Griest Hammond Hardwick Hawley Hay Hay Hay Hayden Helvering Hughes, Ga. Humphrey, Wash. Jacoway Johnson, Utah	Kahn Keister Kelley, Mich. Kennedy, Conn. Kent Kiess, Pa. Kindel Kinkaid, Nebr. Knowland, J. R. La Follette Langham Lazaro Lenroot Lindbergh Lindquist Lobeck McGillicuddy McLaughlin Mapes Mondell Moore Morgan, Okla. Nolan, J. I. Norton O'Brien Paige, Mass. Park Parker Patton, Pa.	Peterson Platt Powers Raker Reed Rogers Rothermel Rouse Rupley Scott Seldomridge Sells Shreve Sinnott Sloan Smith, Jdaho Smith, J. M. C. Smith, Md. Smith, Saml. W. Stephens, Cal. Stout Taggart Taylor, Colo. Temple Thomson, Ill. Vare Volstead Weaver Young, N. Dak.
Davenport	Johnson, Wash.	Payne	P. C. S.
	NAYS	S—188.	
Allen Anderson Ansberry	Donovan Doolittle Doughton	Houston Howard Howell	Mitchell Montague Moon

Donovan Doolittle Doughton Houston Howard Howell Allen Anderson Ansberry Hughes, W. Va. Hulings Austin Avis Bailey Bartholdt Dyer Edmonds Edwards Hull Igoe Johnson, S. C. Kelly, Pa. Kettner Kinkead, N. J. Kitchin Konop Korobly Lengley Lee, Ga. Lee, Pa. Lesher Lever Levy Evans Fairchild Falconer Farr Ferris Barton Bathrick Borchers Bowdle Britten Brockson Bruckner Fitzgerald FitzHenry Flood, Va. Foster Bruckner
Bryan
Buchanan, III.
Burgess
Burke, Wis.
Byrnes, S. C.
Byrnes, Tenn.
Calder, Callaway
Candler, Miss.
Cantrill
Carew
Casey
Clark, Fla.
Clayton Fowler Gardner George Gilmore Godwin, N. C. Goldfogle Levy Lieb Good Gordon Linthleum Lloyd Gorman Loft Graham, Ill. Gregg Griffin Logue Lonergan McAndrews McAndrews
McClellan
McCoy
McDermott
McGuire, Okla.
McKenzie
Madden
Magnire, Nebr.
Mahan
Menahan Clayton Collier Connolly, Iowa Gudger Gudger Hardy Harrison Hayes Helgesen Helm Henry Hensley Conry Cooper Copley

Hill Hinebaugh

Holland

Manahan

Miller

Moon Morrison Moss, Ind. Moss, W. Va. Murdock Oglesby O'Hair Oldfield Padgett Page, N. C. Patten, N. Y. Phelan Phelan
Pou
Quin
Rainey
Rauch
Roberts, Mass.
Rubey
Russell
Saunders
Shackleford
Sherley Sherley Sherwood Sims Sisson Slayden Slemp Smith, Minn. Smith, Tex. Stafford Stafford Stedman Steenerson Stephens, Miss. Stephens, Nebr. Stevens, N. H. Stone

Stringer Sumners Sutherland Williams Thacher Thompson, Okla. Towner Townsend Wallin Walsh Walters Watson Willis Wilson, Fla, Wingo Winslow Switzer
Talcott, N. Y.
Tavenner
Taylor, Ala.
Taylor, N. Y.
Ten Eyck Treadway Tribble Webb Whaley Whitacre White Witherspoon Tuttle Underhill Vaughan Woodruff Woods Young, Tex. ANSWERED "PRESENT"-3.

Talbott, Md. Gray Browning NOT VOTING-123. Adair Adamson Aiken Ainey Alexander Anthony O'Shaunessy Hinds Palmer
Peters, Mass.
Peters, Me.
Plumley
Porter
Post Dooling Doremus Driscoll Dunn Hobson Hoxworth Humphreys, Miss. Johnson, Ky. Jones Eagan Elder Esch Estopinal Baltz Barchfeld Bartlett Keating
Kennedy, Iowa
Kennedy, R. I.
Key, Ohio
Kirkpatrick
Kreider
Lafferty
L'Engle
Lewis, Md.
Lewis, Pa.
McKellar
MacDonald Keating Prouty Ragsdale Beakes Beall, Tex. Bell, Ga. Booher Faison Fields Finley Rayburn Reilly, Conn. Reilly, Wis. Richardson Fordney Gallagher Gard Garrett, Tenn. Bremner Broussard Browne, Wis. Brumbaugh Riordan Roberts, Nev. Rucker Sabath Scully Gerry McKellar MacDonald Maher Mann Martin Merritt Morgan, La. Morin Mott Murray Mas Bulkley Burke, S. Dak. Burnett Gillett Gittins Glass Goeke Goodwin, Ark. Graham, Pa. Guernsey Hamill Hemilton, Mic Schiy Sharp Small Smith, N. Y. Sparkman Stanley Stephens, Tex. Stevens, Minn. Taylor, Ark. Carlin Cary Clancy Cline Crisp Cullop Curley Curry Dale Difenderfer Dillon Taylor, Ark.
Thomas
Underwood
Watkins
Wilson, N. Y. Murray, Mass. Murray, Okla. Neeley, Kans. Neely, W. Va. Nelson Hamilton, Mich. Hamilton, N. Y. Hamlin Hart Haugen Heflin O'Leary

So the motion was rejected.

The Clerk announced the following pairs:

For the session:

Mr. Adamson with Mr. Stevens of Minnesota. Mr. Underwood with Mr. Mann.

Mr. SCULLY with Mr. BROWNING.

Until further notice:

Mr. Talbott of Maryland with Mr. Merritt. Mr. Crisp with Mr. Hinds.

Mr. GARRETT of Tennessee with Mr. FORDNEY.

Mr. CLANCY with Mr. HAMILTON of New York.

Mr. DALE with Mr. MARTIN.

Mr. Adair with Mr. Barchfeld.

Mr. Booher with Mr. Hamilton of Michigan, Mr. Bell of Georgia with Mr. Burke of South Dakota.

Mr. Goeke with Mr. Morin. Mr. Hamlin with Mr. Mott. Mr. Aiken with Mr. Esch. Mr. Palmer with Mr. Winslow.

Mr. TAYLOR of Arkansas with Mr. DILLON.

Mr. Humphreys of Mississippi with Mr. Kennedy of Iowa.

Mr. Faison with Mr. Lewis of Pennsylvania.

Mr. ALEXANDER with Mr. AINEY. Mr. BARTLETT with Mr. ANTHONY.

Mr. BURNETT with Mr. CARY.

Mr. CARLIN with Mr. CURRY. Mr. DIXON with Mr. GILLETT.

Mr. Doremus with Mr. Graham of Pennsylvania.

Mr. FIELDS with Mr. DUNN.

Mr. FINLEY with Mr. GUERNSEY.

Mr. Goodwin of Arkansas with Mr. Kennedy of Rhode Island,

Mr. HEFLIN with Mr. KREIDER.

Mr. Hobson with Mr. MacDonald.

Mr. NEELY of West Virginia with Mr. LAFFERTY.

Mr. RUCKER with Mr. NELSON.

Mr. SABATH with Mr. PETERS of Maine.

Mr. KEATING with Mr. PLUMLEY.

Mr. SMALL with Mr. PORTER.

Mr. SPARKMAN with Mr. PROUTY.

Mr. WATKINS with Mr. ROBERTS of Nevada.

The result of the vote was announced as above recorded. A quorum being present, the doors were opened.

PRINTING AND BINDING, COMMITTEE ON WAYS AND MEANS.

Mr. UNDERWOOD. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution which I send to the Clerk's desk.

The SPEAKER. The gentleman from Alabama asks unanimous consent for the present consideration of the resolution which the Clerk will report.

Davis

Dershem Dickinson Donohoe

The Clerk read as follows:

House resolution 367.

Resolved, That the Committee on Ways and Means shall be, and is hereby, authorized during the Sixty-third Congress to have such printing and binding done as may be required in the transaction of its

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the resolution. The resolution was agreed to.

WITHDRAWAL OF PAPERS.

Mr. Hawley, by unanimous consent, was granted leave to withdraw from the files of the House, without leaving copies, the papers in the case of John McArthur, H. R. 27346, of the Sixty-second Congress, no adverse report having been made thereon.

DISTRIBUTION OF THE PRESIDENT'S MESSAGE.

Mr. UNDERWOOD. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of House resolution 340, distributing the President's message.

The motion was agreed to.

The SPEAKER. The gentleman from Tennessee [Mr. Hous-

TON] will take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of House resolution 340, referring certain perflons of the annual message of the President of the United States to committees,

with Mr. Houston in the chair.

The CHAIRMAN. The House is now in Committee of the Whole House on the state of the Union for the consideration of

House resolution 340, which the Clerk will report.

The Clerk read as follows:

Resolution (H. Res. 340) referring certain portions of the annual message of the President of the United States to committees.

Resolution (H. Res. 340) referring certain portions of the annual message of the President of the United States to committees.

Resolved, That so much of the annual message of the President of the United States communicated to the two Houses of Congress December 2, 1913, as relates to trust legislation and the employers' llability act be referred to the Committee on the Judiciary.

That so much as relates to rural credits and banking and currency be referred to the Committee on Banking and Currency.

That so much as relates to commerce and the Life-Saving Service be referred to the Committee on Interstate and Foreign Commerce.

That so much as relates to agriculture be referred to the Committee on Agriculture.

That so much as relates to the relations of the United States with foreign nations be referred to the Committee on Foreign Affairs.

That so much as relates to to the Committee on Foreign Affairs.

That so much as relates to Territorial legislation and the revision thereof, Alaska and the Hawaiian Islands, be referred to the Committee on the Territories.

That so much as relates to all matters pertaining to the islands which came to the United States through the treaty of 1890 with Spain be referred to the Committee on Insular Affairs.

That so much as relates to the mining interests be referred to the Committee on Mines and Mining.

That so much as relates to the nomination of the President be referred to the Committee on Election of President, Vice President, and Representatives in Congress.

Mr. UNDERWOOD. Mr. Chairman, this resolution is the

Mr. UNDERWOOD. Mr. Chairman, this resolution is the usual resolution distributing the annual message of the President of the United States. It follows the usual course. know of but one point wherein the jurisdiction of committees is affected. The resolution states that so much of the message as relates to rural credits and banking and currency shall be referred to the Committee on Banking and Currency. are two classes of rural-credit bills pending in the House. One class embraces general rural-credit bills and there is another class of bills that propose to issue bonds. All bills that affect the public debt and the revenue go, of course, to the Committee on Ways and Means. Bills of that class are referred to the Committee on Ways and Means, whereas the other rural-credit bills go to the Committee on Banking and Cur-

The Committee on Ways and Means is of opinion that it would be wise to let one committee consider all of these bills and all the propositions, instead of having them pending be-tween two committees. Therefore this resolution will affect the jurisdiction of the Committee on Ways and Means in giving to the Committee on Banking and Currency those bills affecting rural credits, where the question of bonded indebtedconcerned. Otherwise the resolution is in line with the ordinary resolutions, and in conformity with the rules of

Mr. MURDOCK. I would like to ask the gentleman if the bills that have been referred to the Committee on Ways and Means will go to the Committee on Banking and Currency, and

by a formal motion?

Mr. UNDERWOOD. They can either be reintroduced or sent there by change of reference.

Mr. MURDOCK. But the matter is still in the hands of the House itself?

Mr. UNDERWOOD. Yes. I have an idea that in the end the Committee on Banking and Currency will have its own bill, but that committee is given jurisdiction to consider this ques-I think it is better to have one committee considering the whole question than have it divided between two.

Mr. MURDOCK. The point I want to make is that the matter of reference is still in the power of the House itself?

Mr. UNDERWOOD. Yes; this is only the reference of the message, and gives the Banking and Currency Committee jurisdiction over this particular matter that would otherwise fall within the jurisdiction of the Ways and Means Committee.

This is all I desire to say on the question myself, but I desire to yield 20 minutes to the gentleman from New Hamp-

shire [Mr. REED]. Mr. MONDELL. Mr. Speaker, before the gentleman yields I should like to call his attention to the second paragraph on page 2. The President's message treats to a certain extent of the subject of conservation. The House by a vote has recently referred two bills which might possibly be termed conservation bills to the Committee on Mines and Mining.

Mr. UNDERWOOD. Of course, this is just the distribution of the President's message. It does not tie up the House. The questions of conservation in the President's message are largely questions that go to the Committee on the Public Lands, and this gives the usual course of distribution. Of course, if the House hereafter desires to make special reference, there is nothing in referring the President's message that prevents the House doing so.

Mr. MONDELL. Before the gentleman yields I desire to

know if we can get a little time on this side.

Mr. UNDERWOOD. Certainly. I do not know whether it is in order to close debate in the committee, but I will ask unanimous consent that the debate on this resolution be limited to two hours.

Mr. SHERLEY. The committee can not limit debate.

Mr. PAYNE. Except by unanimous consent.
Mr. UNDERWOOD. I do not think that can be done, but I am willing to enter into an understanding with the gentleman from New York [Mr. PAYNE] that there shall be one hour's debate on this side and one hour's debate on the other side, and that then the debate shall close by unanimous consent, and we will report the resolution back, if that is satisfactory.

Mr. PAYNE. I have no objection to that.

Mr. UNDERWOOD. Then we will have that understanding. I will yield 20 minutes of my hour to the gentleman from New Hampshire [Mr. REED].

Mr. REED. Mr. Chairman, this Democratic Congress represents the deliberate purpose of the people to secure the enactment in their behalf of certain constructive legislation for the amelioration of conditions, oppressive, unjust, and long suffered. After a long time of waiting for the fulfillment of promises by the Republican Party, after repeated betrayals and disappointments, they turned to the great, historic Democratic Party and gave that party a commission to revise the tariff, establish the currency of the country upon a stable basis in accordance with modern scientific principles of banking, and to drive from their entrenched places of advantage all special privilege, of whatever name or description.

The Democratic platform of the year 1912 was the warrant for the political revolution against the Republican Party. That platform affirmed that the tariff under which this country has operated under Republican rule was a system of taxation which made the rich richer and the poor poorer, and that under its operation the American farmer and laboring man were the chief sufferers, failing entirely, as it did, to protect

their product or their wages.

And the pledge of the Democratic Party in that platform was for an immediate downward revision of the tariff. Its pledge was also to a systematic revision of the banking laws, and it boldly affirmed that private monopolies were indefensible and intolerable.

This Congress has thus far made the most wonderful record of achievement in the redemption of platform promises in the history of Congresses. We have thus far executed the warrant and the mandate of the people without fear or favor, and the tariff bill and the currency bill are the best evidences of the good faith of the Democratic Party.

From the very beginning that class of Republican talkers

whose chief interest in life is the supremacy of that party rule have warned the people of the black and disastrous consequences that would surely follow the enactment into law of these great constructive measures. I could not repress a smile

when recently, with the habit full upon him, the distinguished Republican leader, the gentleman from Illinois [Mr. Mann], rehashed the time-worn, frayed-at-the-edge cry of disaster, "America lies prostrate, its men out of employment, its factories closed, its industries without orders, its stocks depreciated, its money horded, with men everywhere seeking employment and millions of them out of employment."

Why, gentlemen, that gruesome picture was placarded from one end to the other of my New Hampshire district during the whole of the campaign of 1912. The Republican newspapers and there are few others in my district-repeatedly warned the people in full-page advertisement of the terrible disaster to the great manufacturing district that I represent that would surely follow a Democratic revision of the tariff. But that revision is now a fact, and upon my return home for the holiday recess I found conditions exactly the reverse and with evidences of prosperity everywhere.

Mr. MURDOCK. Will the gentleman yield?

Mr. REED. Yes.

Mr. MURDOCK. I believe the gentleman has in his district one of the largest woolen manufactories in the United States.

Mr. REED. No; not the largest woolen, but the largest cotton, worsted, and woolen. It is largely a cotton-manufacturing

Mr. MURDOCK. Judging from what the gentleman has said, he found that the conditions there were not as depicted by the Republican leaders?

Mr. REED. They are not. Mr. MURDOCK. The times are prosperous?

They are. Mr. REED.

Mr. MURDOCK.

Mr. MURDOCK. And the men are employed? Mr. REED. Full time, and with full complements. I am coming to that.

Mr. MURDOCK. I am glad to hear it. Mr. REED. I will touch upon that later in my speech. [Ap-

plause on the Democratic side.]

All the great manufacturing interests view the situation with the highest degree of optimism; factories all running full time and with full complement of help [applause on the Democratic side], and a general spirit of confidence for the future prevailing; all factories, shops, and stores working 55 hours weekly, in accordance with a law recently passed by a Democratic State administration, and magnanimously maintaining the 58-hour wage schedule; merchants everywhere congratulating themselves upon a good holiday business-and in my section of the country the holiday trade is considered a good barometer of business conditions. And I venture to say that if the gentleman from Illinois could assemble the manufacturers and business men of New England and recite to them his Dr. Cook story of "America prostrate," it would provoke such laughter as would warm the heart of the most pretentious vaudeville artist of any American circuit.

Gentlemen, I think the sentiment in New England is well reflected in a speech by that great merchant prince and wellknown Republican, former Postmaster General, Hon. John Wanamaker, before the Union League Club of New York. He said that he had no fear of any serious unsettlement of business or any long disturbance of prosperity with no room or reason for a panic. He took to task the leadership of the Republican Party which by broken pledges, he said, had worn

out the patience of good Republicans.

I believe, Mr. Chairman, on the whole, that the business interests of New England are well satisfied with the achievements of this Congress to date. In my experience those interests are not partisan. To them political parties are judged by their acts, and to-day the great commercial and industrial interests are waiting with open minds our action on the present-day problem of so limiting activities of large combinations and monopolies that there may be preserved to the people their right to participate in that great prosperity which most certainly awaits the business advancement of this the greatest of all Nations. In order to arrive at a just solution we can have no better guide of conduct than is found in the speech of acceptance of President Wilson, in which he said, "What we are seeking is not destruction of What we are seeking is not destruction of any kind, nor the disruption of any sound or honest thing, but merely the rule of right and of the common advantage." Legislation which confers special privilege upon individuals or classes in the common struggle of all for the promotion of their welfare and happiness can not in the long run be of lasting advantage. Equality of opportunity under the law is the only safe rule and guide of conduct, and this has been the traditional attitude of the Democratic Party. We certainly can not depart from it to-day. It would be a no more serious mistake to take from the rich rightly acquired property and give to the poor than

to take from the great body of laboring men, the sole and sinew of this Nation, their inalienable right to acquire and possess property, and hold it free to their own enjoyment.

In other words, the right of personal property is an inalienable right. It is and should be beyond the reach of either a congressional majority or a popular majority. It is the very foundation of liberty. I come from a State where this principle of equality is recognized in the fundamental law and emphasized beyond constitutional compacts as they have been generally written. The New Hampshire constitution goes so far as to set down in terms that infringement upon this principle is a justification for rebellion and revolution. These are the words:

Government being instituted for the common benefit, protection, and security of the whole community, and not for the private interest or emolument of any one man, family, or class of men, therefore, whenever the ends of government are perverted and public liberty manifestly endangered and all other means of redress are ineffectual, the people may, and of right ought to, reform the old or establish a new government.

The doctrine of nonresistance against arbitrary power and oppression is absurd, slavish, and destructive of the good and happiness of mankind.

Mr. MURDOCK. What is the date of that constitution? Mr. REED. That constitution, Mr. Chairman, was the first organic law adopted by any of the States now constituting the American Union, and bears the date of January 5, 1776.

It is perfectly manifest that the accumulation of wealth in this country during the last 20 years has been anomalous, and vast possessions have fallen into the hands of a comparatively small number of individuals. The great business interests have become consolidated so that to a very large extent whole lines have come under common direction and control, and as a result great economies in production and distribution have followed, but at the same time the opportunity for establishing the price to the consumer has also fallen into the same control, with the result that the old doctrine that competition regulates the price of the commodity has no further application. Now, this may constitute unlawful combination and monopoly or, on the other hand, it may not fall within the objectional line. An individual of great wealth may have an influential if not a controlling influence in many corporations pursuing the same business. He may not be a director or have official connection with any of these corporations, but there is no law that can be devised that can prevent the force of his opinion from being reflected in exactly the same way upon each of the corporations in which he is an influential stockholder.

This is the situation we have to meet, and the solution of the problem must be had always with reference to the fundamental proposition that I have advanced, namely, with due respect to the equality of all before the law-the right of personal property coupled with the other right of the people to be protected against the exactions of private monopolies. The present situation demands regulation, and hence it becomes our duty to prescribe by law such limitations upon the exactions of centralized business as shall be equitable and just to all the people.

But we have upon the statutes the so-called Sherman Act, designed to prevent unlawful combinations, and even as modified by the construction of the Supreme Court is to-day in the hands of the administration the efficacious instrument against

unlawful monopolies,

The Democratic Party does not assume the attitude of saying that monopolies are essential and that the only relief of the people lies in their regulation, but we take the position that there may be and doubtless are lawful combinations, and for such there should be regulation; and, on the other hand, there are unlawful combinations, which should be driven out of existence. The Sherman Act enforced by the Democratic adminis-

tration is the remedy for such.

In accomplishing this great work—and I do not hesitate to say that it will prove the greatest task of constructive legislation ever undertaken in the history of this Government—we will be confronted, as we have been in the tariff and currency legislation, by all .the prophets of evil, advance agents of calamity, whose only hope lies in our failure. We are to be told that business confidence will be destroyed, that enterprise will halt, and that panic and disaster will overtake the country. On this subject I have conversed with many business men, manufacturers, and bankers in my district and have found universal confidence that the same forceful and wise spirit of this Democratic Congress that has thus far been evidenced is relied upon to work out this problem safely, sanely, and advantageously. But how about the great body of the people—the laborers, the working people, those who possess little knowledge of the problems of investment of capital, that long-suffering army of men and women who have year after

year found the cost of living mounting higher and higher while their wages have entirely failed to keep pace with mounting prices? What are they expecting and demanding of us? With that class, Mr. Chairman, I am much more familiar and in closer touch, and I say to you that it is their sole determination to have legislation that will bring to them relief from the burdens under which they are laboring. They are demanding of us results, and they are not afraid. Pictures of closed factories, panics, and prostrate business have no terror for them. They were in the mood of revolution when they cast their votes for us last election, and they have not and will not re-cede from their position. More than that, at this very time they have confidence in this Democratic Congress, and we must not disappoint their expectations. To betray their confidence will certainly bring upon us that disaster so frequently predicted by our opponents.

It is an old maxim that revolutions do not turn backward; and, Mr. Chairman, this present-day revolution will not break The great body of the voters have seen a new light. Industrial liberty, the new freedom, and many other of the current phrases of like import are but signs of the times. They indicate an aroused public spirit born of oppressive conditions too long continued, and the movement will not subside until equitable results obtain. Leaders and parties may fall by the way, but this great movement of the people will go on, and I confidently believe that the Democratic Party is to be the vehicle of its fulfillment. In the accomplishment of its mission I am equally confident that it will hold fast to those ancient landmarks of civil liberty that have characterized it from the beginning-the maintenance of constitutional government, always a government of law; the maintenance of representa-tive government, by which alone the people can effectively make the laws; the maintenance of a government of coordinate branches, each a check upon the other, by which alone can the equality and liberty of all the people be conserved. This may be old-fashioned doctrine, but it is the historic doctrine of the Democratic Party, and with due regard to it all the reforms demanded by the people can be accomplished. Departure from it will be a step backward in the astounding development of the freest people that have governed themselves in the history of the world. [Applause.]

Mr. UNDERWOOD. Mr. Chairman, I will ask the gentleman from New York [Mr. PAYNE] if he will kindly occupy some of

Mr. MOORE. On behalf of the gentleman from New York [Mr. PAYNE], I yield 10 minutes to the gentleman from Wyoming [Mr. MONDELL].

The CHAIRMAN. The gentleman from Wyoming [Mr. Mon-

DELL] is recognized for 10 minutes.

Mr. MONDELL. Mr. Chairman, the gentleman who has just spoken comes of a hardy race, and his hardihood is evidenced by the fact that, in the face of closed and closing mills and factories, in the presence of stagnation Nation wide, in the light of enlarging soup houses, in the presence of propositions by great municipalities to issue millions of bonds for the purpose of giving employment to the unemployed, in the presence of diminishing returns to the great industries of the Nation, diminishing opportunities and returns to labor, diminishing opportunities and returns to labor. portunities for enterprise—in the face of all these things the gentleman lifts up his voice in hymns of praise of what the Democratic Party has accomplished,

It has accomplished exactly what we expected and anticipated it would accomplish. In the fair land I have the honor to represent there is a condition of stagnation such as we have never known or witnessed since the last Democratic administration. Men engaged in great productive enterprises find the prices of their products reduced, and men purchasing the finished material made from those products are paying more for them than they did when the Democratic Party came into

power. [Applause on the Republican side.]

Many articles were placed on the free list with the view of reducing the price of living, so our friends on the other side told us, and yet the cost of living continues to mount higher and higher all over the land, and the difficulty of meeting it becomes greater and greater as the smoke from the factory chimneys diminishes, as the buzz of the wheels of industry cease, as the returns from enterprises diminish, as the opportunities of em-

ployment and wage earning ends.

That is the condition of affairs under which the gentleman from the snow-clad hills of grand old New England feels that he must defend what has been done by his party and what has

occurred as a result of what has been done.

On this side we are not surprised at the result. If we have any surprise at all, it is that matters are not worse than they are; and the gentleman's party has reason to thank God that

owing to the disposition of the American people to make the best of a bad situation, conditions are not worse than they now are throughout the length and breadth of the land.

The people have been so long and persistently assured that there must be a change in tariff and other policies, there has been so much clamor for a change, there have been so many misstatements and exaggerations as to the benefits a change would bring, that a part of the people became reconciled to try a change, hoping it might be for the better, though fearing it would not. A part of the people hoped against hope that the changes in legislation would not bring the evils that they feared. Owing to this frame of public mind we have progressed better than the most optimistic could reasonably have expected in the face of the stagnant and depressed conditions which have come upon us. We hope that they will grow no worse, for we would not have the people of the country suffer in order that we politi-cally might be the beneficiaries of that suffering. We hope that further panic and disaster will not come, and we pray that conditions will not become as bad as it seems inevitable that they must under the unwise legislation already written on the statute books, and the questionable legislation now proposed on that side of the House.

It is time for our Democratic friends to be occupying themselves in prayer and supplication rather than in peans of praise. It is time for them to be hoping and praying that Providence may ward from our people the evils that are threatening, and may make more tolerable the conditions in which they now find themselves.

There is no disposition on this side to make conditions worse than they are. There is every disposition here, as there is all over the country, to help make conditions better, if possible. So far as I am personally concerned, I have not up to this time said a word on the floor of the House relative to the condition of the country as conditions have grown worse and worse, although I have witnessed in my own State, and have read in the newspapers of conditions in other regions such as only heretofore visited the Nation under Democratic administrations. Let us pray that they may become no worse. I commend to my friend from New Hampshire that he do not further attempt to paint a picture of prosperity on the present gloomy background of depression and misfortune, but rather occupy his time in supplicating the throne of grace that conditions may grow no worse. [Applause on the Republican side.]
Mr. REED. Mr. Chairman, it was the very statement reiter-

ated and reiterated again by the gentleman on that side, who has been characterized "the geyser from Wyoming," and his associates, that was responsible for my compiling the facts I

have just read on the floor of the House.

Mr. MOORE. Mr. Chairman, may I inquire in whose time the gentleman from New Hampshire is proceeding?

Mr. REED. I am proceeding in my own time which I yielded

Mr. LANGLEY. If the gentleman yielded back his time he has no time

The CHAIRMAN. The gentleman from New Hampshire had two minutes remaining.

Mr. LANGLEY. But he yielded it back, and did not reserve it. Mr. MOORE. If the gentleman did not reserve his time I do not see how he can proceed.

The CHAIRMAN. The gentleman from New Hampshire did

Mr. MOORE. Mr. Chairman, the gentleman from Alabama [Mr. Underwood] does not wish to use any time just now. I now yield 20 minutes to the gentleman from Washington [Mr. HUMPHREY

Mr. HUMPHREY of Washington. Mr. Speaker, a few days ago I presented to the House a list of 227 lumber and shingle mills in my State that were closed on the 1st day of last December just to demonstrate the great blessing that had fallen upon the country since it had been so divinely favored by free trade and Democracy. Some of my Democratic friends seemed to be somewhat perturbed and resentful because I did this. They did not and they have not and they can not dispute the facts, but they said that we on this side of the House were preaching calamity.

The list of closed mills that I read at that time tell a story

of panic and depression, of idleness and poverty, so insignificant in comparison with the list that I now hold in my hand and which I propose to lay before the House as to seem of little

import.

Suppose that it is admitted that the presentation of these facts and figures as to the business conditions of the country is preaching calamity; why should a Democrat complain? For 16 years of unexampled prosperity they unceasingly howled calamity; now that we have calamity, they are indignant because the facts are told. To preach calamity when there is none is Democratic; to preach it when it exists is Republican.

Mr. JOHNSON of South Carolina. Mr. Chairman, will the gentleman yield for a question?

The CHAIRMAN. Does the gentleman yield?

Mr. HUMPHREY of Washington. Mr. Chairman, if the gen-

tleman will wait, I will yield in a moment.

Mr. JOHNSON of South Carolina. But I would like to ask my question now.

Mr. HUMPHREY of Washington. Very well.

Was not the gentleman Mr. JOHNSON of South Carolina, Was from Washington a Democrat at one time?

Mr. HUMPHREY of Washington. No, sir.

Mr. JOHNSON of South Carolina. And did he not hold office in Grover Cleveland's administration?

Mr. HUMPHREY of Washington. No. I have many sins to answer for, but being a Democrat is not one.

Mr. SLOAN. Mr. Chairman, I object to the gentleman from South Carolina bringing such a serious charge against an honorable gentleman. [Laughter on the Republican side.]

Mr. HUMPHREY of Washington. I feel myself, Mr. Chairman, that it is unparliamentary. But, as I started to say, our Democratic friends are fearfully agitated because we tell the facts. But truth and Democracy to each other are seldom happy companions. If preaching calamity is a sin, then even our honored Speaker is hardly in a position to cast the first stone, or even the last one. Compared with the doleful predictions, tearful tales, and mournful exhortations that have come from the sad and eloquent lips of the Speaker in days gone by, the lamentations of Holy Writ are as pæans of praise. In those days there was prosperity everywhere, but the smoke of industry painting the sky the Speaker could not see and the hum of countless wheels he could not hear. But now, amid the gloom and silence of closing mills and dying fires, he is impressed

with prosperity.

The Speaker reminds me of an old gentleman I knew in my early days when I lived in Indiana. He was like the Speaker, something of a philosopher and somewhat emphatic in his language. He was greatly troubled with the toothache. One day I met him and said to him, "Uncle Rease, how is your toothache?" He said, "Well, you know I have had the toothache so long that I never notice it any more unless the damn thing stops."

[Laughter on the Republican side.]

When I talked the other day I exhibited the list of closed mills in the State of Washington. That list has been considerably increased since that time. But I did not intend to refer to that fact. There were some instructions before that the conditions complained of were merely local. This time I do not propose to go to the Pacific coast; I expect to read a story of disaster and business depression here in the East.

Here is a list giving the name and location of 123 steel mills that were all running a year ago, representing an annual output of 12,800,000 tons, or 38 per cent of the entire production of

the entire Nation.

Now, let some Democrat arise and say whether that is preaching calamity without facts to base it upon. I will read a list of the mills and the locations.

Mr. REED. Mr. Chairman, will the gentleman yield?

Mr. HUMPHREY of Washington, Certainly, Mr. REED. I suppose the gentleman knows that some of those factories which he presumably has in the list have since resumed operations, according to the accounts in the newspapers

from which, I presume, he compiled his statistics.

Mr. HUMPHREY of Washington. The gentleman knows no such thing. Here is what the gentleman does know. I thought some one on that side would ask such a question, so I sent a wire to Cleveland to find out about the facts and I have here in my hand the reply, which is addressed to me and which I received about 20 minutes ago;

Congressman W. E. Humphrey, Washington, D. C.: CLEVELAND, OHIO, January 13, 1914.

Washington, D. C.:

Officials of Steel Corporation and large independent mills at Pittsburgh advise they are not putting any additional men to work at this time. Indications now point to continued closing down of steel mills and blast furnaces. Reductions of working forces of men engaged in all metal-working trades, and wage reductions have already begun. This description of actually prevailing industrial conditions applies to all iron, steel, and other metal working districts throughout this country.

DAILY IRON TRADE.

I wired and asked the Daily Iron Trade whether the statement which appeared in yesterday's paper that 50,000 men were to be put to work in Pittsburgh was true. What I just read is There is another thing that I would like to have some gentleman on that side answer. How could they put 50,000 men to work again if they have never been idle? You have been constantly denying that there was any truth in such a

statement; but suppose they have put 50,000 men to work, that number would only represent 2 per cent of the men that were idle on the 1st day of January of this year, and since I have compiled this list there are other mills that have been closed.

I want to call attention to this list of 123 furnaces by States. In Pennsylvania 53 furnaces have been closed, representing an output of 5,804,000 tons. In Alabama there have been four furnaces closed, representing an output of 276,000 tons. It is worthy of notice that three of these furnaces are situated in the city of Birmingham, the home of the distinguished gentleman whose name the tariff bill bears. His explanation of this action of the mills in his State would be at least interesting. In Illinois there are 10, representing an output of 795,000 tons.

In New York 10, representing an output of 1,139,000 tons. In

Ohio, which comes second in production to Pennsylvania, there were 25, representing 3,476,000 tons. In Tennessee there are 8, representing an output of 286,000 tons. In Virginia there are 3, representing 100,000 tons. In Wisconsin there are 2, representing 130,000 tons. In Colorado 2, representing 240,000

Mr. KINDEL. What are the ones in Colorado? Mr. HUMPHREY of Washington. The Coal, Fuel & Iron Co. at Pueblo.

Mr. KINDEL. Did the coal strike there have anything to do with that?

Mr. HUMPHREY of Washington. I do not know; I simply know the mills were reported closed. I ask the gentleman if he knows that that is not correct.

Mr. KINDEL. No; I do not know. Mr. HUMPHREY of Washington. If anyone denies that any furnace in the list is not closed, I will be glad to correct it. am taking my statement from a trade paper that assures me they are correct. Indiana has 3, representing 290,000 tons. Maryland 2, representing 96,000 tons. West Virginia 2, representing 216,000 tons. A total representing an annual output of 12,598,000 tons, or 38 per cent of the entire output of the iron and steel trade in this country, and every one of those mills were running when the Democratic Party went into power. [Applause on the Republican side.]
Mr. MOORE. Mr. Chairman, will the gentleman yield?

Mr. HUMPHREY of Washington. Yes; I will yield. Mr. MOORE. The statement just made would indicate that great many skilled laborers have been thrown out of work

during the past year, would it not?

Mr. HUMPHREY of Washington. Well, taking the allied industries—those allied with the steel industry—it represents and demonstrates there are over a million men idle just now.

Mr. MOORE. Would not that account very largely for the 10,000 men knocking at the doors of the Ford Automobile Works at Detroit to-day?

Mr. HUMPHREY of Washington. I will refer to that in a moment.

Mr. SLOAN. Will the gentleman yield?

Mr. HUMPHREY of Washington. I will.

Mr. SLOAN. This million out of employment-is not that simply the logical result of the new freedom relieving them from their well-paying jobs? [Laughter and applause on the Republican side.]

Mr. HUMPHREY of Washington. I just want to summarize now, because the insinuation has been made on that side of the House-was made the other day by the Speaker-that when we made these statements we were doing it without facts upon which to base them. I want to challenge anybody upon that side of the House, here or hereafter, to dispute the correctness of these figures. You ask why is it that we make these statements. In the first place, the Democratic Party, backed by the President, has repeatedly assured us that if any of these mills closed that an investigation would be made to ascertain why they closed. Now, I am going to put this list in the RECORD, where the Secretary of Commerce can see the name and the exact location of each closed mill, where the Secretary of Labor can also have this information in detail. These two Cabinet officials have repeatedly boasted they would investigate any industry that closed and let the country know the facts. cially call the attention of Secretary Wilson to the conditions in Pennsylvania.

In his own State there are 500,000 men idle that were at work a few weeks ago. Will he investigate and tell the Nation why? I asked Secretary Redfield some days ago to investigate the closing of shingle and lumber mills in Washington, but all that has come of it is a promise of "due consideration." I ask these distinguished gentlemen to either do something or admit that they were simply playing the very cheap game of political bluff. I want these two distinguished statesmen that have talked so much to investigate a little.

I want to know whether these mills are closed; and if they are, I want to know whether the men who closed them are to be helped or hanged, because if they are going to hang all the men who have been responsible for the recent closing of industries in this Nation upon a scaffold 50 cubits high, as the President said, while it may be hard on the guilty wretches, it is certainly going to help the lumber business in my country. [Laughter and applause on the Republican side.] Now, another thing: The distinguished leader of this House [Mr. Underwood] stood upon that side and declared that the Secretary of Labor had the power, that he had the means, and that if any of these mills closed, if any legitimate industry was injured, that an investigation would be had, and if an injustice had been done any legitimate industry that that side of the House would correct the law. I want to know whether you are going to make good that promise or not. Were you simply making it for political purposes or did you mean it? Here you have the list to

Names, number, and capacity of blast furnaces blown out since Mar. 1, 1913.

Owner—Location.	Number of stacks.	Annual capacity.
PENNSYLVANIA. Berkshire Iron Works, Sheridan. Lebanon Blast Furnace Co., Lebanon Eastern Steel Co., Pottstown Empire Steel & Iron Co., Catasauqua Emporium Iron Co., Emporium Kitianning Iron & Steel Manufacturing Co., Kittanning Lackawanna Steel Co., Cornwall. Lackawanna Steel Co., Palmerton. New Jersey Zinc Co., Palmerton. Pickands Mather & Co., West Middlesex Punxsutawney Furnace Co., Panpsville. Shenango Furnace Co., Sharpsville. Thomas Iron Co., Holkendauqua. Thomas Iron Co., Holkendauqua. Thomas Iron Co., Hellerton. Jos. E. Thropp, Saxton. Bethlehem Steel Co., South Bethlehem Carnegie Steel Co., Braddock Carnegie Steel Co., Runkin Carnegie Steel Co., Clairton. Carnegie Steel Co., Clairton. Carnegie Steel Co., Clairton. Carnegie Steel Co., Farrell. Carnegie Steel Co., Farrell. Carnegie Steel Co., Farrell. Carnegie Steel Co., Sharon. National Tube Co., Mc Keesport Republic Iron & Steel Co., Johnstown Cembria Steel Co., Johnstown Cembria Steel Co., Johnstown Central Iron & Steel Co., Harrisburg. Jones & Laughlin Steel Co., Pittsburgh Pennsylvania Steel Co., Harrisburg. Pennsylvania Steel Co., Lebanon. Alan Wood & Iron & Steel Co., Livy Rock.		rons. 33,000 18,000 190,000 190,000 96,000 66,000 36,000 75,000 55,000 66,000 66,000 20,000 120,000
National Tube Co., McKeesport Republic Iron & Steel Co., Newcastle. Republic Iron & Steel Co., Saron Cambria Steel Co., Johnstown Central Iron & Steel Co., Harrisburg. Jones & Laughlin Steel Co., Woodlawn Jones & Laughlin Steel Co., Pittsburgh Pennsylvania Steel Co., Steeltown Pennsylvania Steel Co., Harrisburg Pennsylvania Steel Co., Harrisburg Pennsylvania Steel Co., Lebanon. Alan Wood & Iron & Steel Co., Ivy Rock. Total	3 1 1 1 1 1 1 2 2 1 1 1 1	500,000 110,000 50,000 150,000 150,000 150,000 100,000 360,000 36,000 88,000 150,000
경 : : 20,200 (20 HT) : 10 HT) : 10 HT (10 HT) : 10 HT (10 HT) I HT (10 HT		0,021,000
OHIO. Belfont Iron Works, Ironton Brier Hill Steel Co., Youngstown. Columbus Iron & Steel Co., Columbus. M. A. Hanna & Co., Dover M. A. Hanna & Co., Letonia Carnegie Steel Co., Youngstown Carnegie Steel Co., Mingo Junction. Carnegie Steel Co., Sellaire Carnegie Steel Co., Sellaire Carnegie Steel Co., Niles Girard Iron Co., Girard. National Tube Co., Lorain. Republic Iron & Steel Co., Youngstown Wheeling Steel & Wire Co., Hartins Ferry American Steel & Wire Co., Cleveland.	11116121114211	72,000 150,000 100,000 125,000 120,000 180,000 180,000 110,000 144,000 720,000 100,000 150,000
Total	25	3,476,000
TENNESSEE. Box Air Coal & Iron Co., Mannie. Chattanooga Iron & Coal Co., Chattanooga. Dayton Coal & Iron Co., Dayton. Rockdale Iron Co., Rockdale. Standard Iron Co., Goodrich. Warner Iron Co., Cumberland.	1 1 1 1 1 1	36,000 85,000 75,000 25,000 35,000 30,000
	6	286,000
Total	C	
	1 1 1 1 1 5	84,000 84,000 75,000 96,000 800,000

Names,	number,	and	capacity	of	blast	furnaces	blown	out,	etc.—Contd.

Owner—Location.	Number of stacks.	Annual capacity.
ILLINOIS. Federal Furnace Co., Chicago	1	Tons. 85,000
Iroquois Iron Co., Chicago Illinois Steel Co., Chicago	1 8	120,000 590,000
Total:	10	795,000
VIRGINIA.		
Alleghany Ore & Iron Co., Buena Vista	1 1 1	30,000 22,000 48,003
Total	3	100,000
ALABAMA,	FILE OF	
Republic Iron & Steel Co., Thomas. Tennessee Coal, Iron & Railroad Co., Birmingham	1 3	96,000 180,000
Total.	4	276,000
WISCONSIN	Encorate L	
Illinois Steel Co., Bayview Thomas Furnace Co., Milwaukee	1 1	70,000 60,000
Total	2	130,000
KENTUCKY.		
Norton Iron Works, Ashland	1	€0,000
Colorado Fuel & Iron Co. Pueblo	2	240,000
INDIANA	- 4	240,000
Inland Steel Co., Indiana Harbor	1 3	120,000 170,000
Total	4	290,000
MARYLAND.		
Maryland Steel Co., Sparrows Point	2	96,000
WEST VIRGINIA.		
National Tube Co., Benwood	2	215,000
Grand total.	123	12, 958, 000

Look at the list. Read it. This is the story in the iron and steel business:

Eighty-seven days of the "new freedom" and free trade. More than one-third of all steel mills in the United States

closed.

More than 1,000,000 men idle.

More than \$2,000,000 a day in wages gone.

More than \$125,000,000 invested in closed mills.

An annual pay roll of more than \$746,000,000 wiped out.

Yet it is proposed to make still further assaults upon American industries, and any man that dare cry out against it is to be written down as a criminal. And still the Democratic Party and written down as a criminal. And still the Democratic Party and my distinguished friend who just took his seat [Mr. Reed] wants you to believe that this Nation can prosper under free trade.

Mr. REED. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman yield?

Mr. HUMPHREY of Washington. Yes; certainly.

Mr. REED. I do not think there was anything in my statement that had anything what the season to the season of the season o

ment that had anything whatever to do with prosperity under free trade. I am perfectly willing that the gentleman shall criticize my speech, but I want him to do it by confining himself absolutely to the truth and not by drawing conclusions that are not warranted by my speech.

Mr. HUMPHREY of Washington. If the gentleman had drawn that rule on himself, no reply from me would have been necessary. There would not have been any speech from him.

[Laughter on the Republican side.]

Mr. HARDWICK. Mr. Chairman, will the gentleman yield for a question?

The CHAIRMAN. Does the gentleman yield? Mr. HUMPHREY of Washington. Certainly.

Mr. HARDWICK. I want to ask the gentleman how he accounts for the depression of the steel industry by the tariff in view of the admitted fact that the domestic steel people are able to sell steel in Birmingham more cheaply than the English people can make it?

Mr. HUMPHREY of Washington. I suggest to the gentleman that he go out and see three or four hundred thousand of these idle men and they will be able to tell him.

Mr. HARDWICK. I think the gentleman from Washington ought to be able to do that. He certainly is one that has

nothing to do.

Mr. HUMPHREY of Washington. No; the gentleman from Washington will be busily employed if he undertakes merely to call attention to the mistakes the Democratic Party has made, and he will be able to do little else than to read the list of closed mills to this House. That alone will keep him busy. [Laughter on the Republican side.]

Mr. HARDWICK. Has the gentleman compared the business failures of the year just past with those in the last year

under Republican rule?

Mr. HUMPHREY of Washington. Yes. Mr. HARDWICK. I wish the gentleman would put those figures in.

Mr. HUMPHREY of Washington. The greatest failures have occurred within the last month.

Mr. HARDWICK. The gentleman is mistaken. Mr. HUMPHREY of Washington. Then let the gentleman from Georgia insert the figures.

Mr. HARDWICK. All right. I will put them in.

Mr. FOWLER. Mr. Chairman, will the gentleman yield to me for a question?

The CHAIRMAN. Does the gentleman yield?
Mr. HUMPHREY of Washington. Certainly.
Mr. FOWLER. I would be glad if the gentleman will give

the names of the Illinois steel plants that have closed down.

Mr. HUMPHREY of Washington. With pleasure. One is the Federal Furnace Co., of Chicago, with an annual output of 85,000 tons. Another is the Iroquois Iron Co., of Chicago, with an annual output of 120,000 tons. Still another is the Illinois Steel Co., Chicago, with an annual output of 590,000 tons.

Then dropping down to Indiana, near Chicago, I find that the Indiana Steel Co., Indiana Harbor, with an annual output of 120,000 tons, has closed down; also the Indiana Steel Co., at Gary, a suburb of Chicago, with an annual output of 170,000

tons.

Mr. FOWLER. The gentleman does not mean to say that the Gary steel plant has closed down, does he?

Mr. HUMPHREY of Washington. I say that those I have mentioned have closed down.

Mr. FOWLER. Is it not a fact that the Illinois Steel Plant and the Illinois Steel Corporation are both in operation

Mr. HUMPHREY of Washington. Well, the gentleman has my statement. I have put it in the RECORD, where the gentleman can find it.

Mr. FOWLER. I am asking the gentleman is not that a

Mr. HUMPHREY of Washington. I reply to the gentleman that these companies I have mentioned have closed.

Mr. FOWLER. And they are nothing else than adjuncts or subordinates, which are usually closed every season more or less.

Mr. HUMPHREY of Washington. Usually less. [Laughter on the Republican side.] None of them were closed a year ago.

Mr. LANGLEY. They are usually closed down under a Democratic administration.

Mr. HUMPHREY of Washington. The condition of the iron and steel trade in the United States on the 1st day of January, 1914, is reviewed in an article on the first page of the Daily Iron Trade of Friday, January 9, 1914. This is not a political paper; it does not attempt to fix responsibility or give the cause for present conditions; it simply, in a cold, business manner, states the facts. The article opens with this sentence:

The astounding depth to which the business depression of the United States, and especially the iron and steel business, has sunk in the past six months makes one of the stupendous business stories of the past 50

The article then proceeds to set out in detail the present conditions of this great industry, which is universally regarded as the best business barometer in the United States. The facts,

when known, will stagger the American people.

On the 4th day of March last, when the Democratic Party came into power, the steel and iron business of the country was almost at the very height of its prosperity. On that day, as I have already pointed out, there were 306 blast furnaces running. On the 1st day of January, 1914, there were 123 of these furnaces closed. Thirty-eight per cent of all the fires in the blast furnaces in the United States are now out, with no prospect of again being relighted

Mr. COX. Mr. Chairman, will the gentleman yield? The CHAIRMAN. Does the gentleman from Washington yield to the gentleman from Indiana?

Mr. HUMPHREY of Washington. Yes.

Mr. COX. I want to ask the gentleman if those closures are

brought about by the importation of iron and steel?

Mr. HUMPHREY of Washington. They have been brought about by the tariff bill that the Democratic Party placed on the statute books.

Mr. COX. I would like to have the gentleman answer my nestion. I do not think he answered it yet to suit me.

Mr. HUMPHREY of Washington. I do not expect to be able to answer any questions in a way to suit the gentleman. I have no idea that I could possibly do it.

Mr. COX. I will put the question again. Have these mills

been closed down as the result of the importation of iron and steel since the Democratic tariff bill went into effect?

Mr. HUMPHREY of Washington. One of the reasons why they have closed down is because under the present tariff law business throughout the United States generally has been absolutely paralyzed and there is no demand for steel. That is the reason.

Then it has not been due to the importation of Mr. COX.

steel under the Democratic tariff law, as I understand?

Mr. HUMPHREY of Washington. As far as that is concerned, the people of the United States are not buying either at home or abroad at this time.

Mr. COX. I want the gentleman to answer this question, if he is prepared to do it: What amount of steel and iron has been imported into this country since this bill went into effect, as compared with what it was last year.

Mr. HUMPHREY of Washington. I do not know. I know that the home production has decreased over one-third.

Mr. HARDY. Will the gentleman also answer as to whether or not lumber mills have been closed at all by importations of lumber into this country, and whether there has been any increase in importations of lumber?

Mr. HUMPHREY of Washington. I do not know whether there has been any increase in the importation of lumber or not. I know that the lumber mills of my country are closed. I know that the largest mill in the State of Washington closed about 3 weeks ago for the first time in 55 years. For the last 20 years and probably longer it has run day and night. It even survived the awful days of '93-97. The president of that company is here, and he may be inside of this hall now for aught I know, and from him I received this information.

Mr. HAPDY. My understanding of the argument of Republicans has always been that the Democratic tariff law would permit importations in competition with our products, and thereby deprive our industries of their employment. Now, I want to know if the tariff has brought in any increased amount of lumber or an increased amount of machinery or of iron products, and has had any such result

Mr. HUMPHREY of Washington. The gentleman attributes to the Republican Party an argument that the Republican Party does not make.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. PAYNE. Does the gentleman want any more time? Mr. HUMPHREY of Washington. Yes; I wish the gentle-

man would yield to me 10 minutes. Mr. PAYNE. I yield to the gentleman from Washington 13 minutes' additional time.

The CHAIRMAN. The gentleman is recognized for 10

minutes. Will the gentleman yield?

Mr. HUMPHREY of Washington. I would like, first, to answer the question of the gentleman from Texas [Mr. HARDY]. The argument of the Republican Party is that under free trade You stop the demand. You throw men out you stop production. of employment and stop the payment of wages. You paralyze the entire industrial system of the country, and under a Democratic administration you can neither buy at home nor abroad. Cheap goods are of no value to the idle without money.

Mr. COPLEY. Will the gentleman yield for a question? Mr. HUMPHREY of Washington. Yes.

Mr. HUMPHREY of Washington.

Mr. COPLEY. This may be an answer to the questions that have been asked from the other side. Probably the gentleman knows that within the last two weeks one cargo of corn that started from Argentina to this country reduced the price of the farmers' corn in the United States more than 10 cents a bushel on the exchange in Chicago. It does not need the importation of one single bushel at the present time, but the threat of coming importation has decreased the price of corn.

Mr. FESS. That is what the Democratic Party promised—a reduction of the prices of farm products.

Mr. HUMPHREY of Washington. I have a clipping on my desk which states that 5,000,000 bushels of corn have been contracted for from Argentina.

Mr. FESS. I want to ask the gentleman if the Democrats did not say they would reduce the price of the products of the farm?

Mr. HUMPHREY of Washington. They did when they were in the cities, but when they were in the country they said they would increase the prices of farm products. [Laughter on the Republican side.]

Will the gentleman yield? Mr. HARDY.

Mr. HUMPHREY of Washington. No; I can not yield any more until I finish what I have to say.

It must not be forgotten that connected with the iron, steel, and metals trade are 28,800 separate and distinct establishments. These allied establishments employ more than 2,000,000 men. These are all directly affected.

It must not be forgotten that there are 958,000 miners that are directly affected by this depression in the steel industry. The output of bituminous coal has decreased between 40 and 50 per cent.

There are 270,000 miners in the United States now out of work, and this does not include about 50,000 in the iron mines of the Lake Superior region who are annually out of employment at this season of the year.

The wage earners are losing \$63,000,000 per month.

Two million dollars a day that the American workmen were receiving a few months ago has been taken from them and paid to the foreigner, or not paid at all.

Is it any wonder, with this vast sum of more than \$2,000,000 er day taken from labor within the last few months, that

there is general business paralysis?

At least 90 per cent of this great sum is taken out of the

channels of trade. Business feels it everywhere; it shows in the condition of every trade; it affects every community.

Mr. McCOY. Mr. Chairman, will the gentleman yield?

Mr. HUMPHREY of Washington. Not until I get through. The tremendous and startlingly sudden increase in the number of idle railway cars in the country within the last few months tells in a graphic story the business conditions of the

On the 1st day of November, 1913, there was in the country a shortage of railway cars totaling 1,842. Fifteen days later,

November the 15th, there were 22,265 idle cars.
Fifteen days later—December 1—there were 51,454 idle cars.

January 1, 1914, there were 188,850 idle cars.

Or, in 60 days, there was a decrease in the demand for cars to conduct the business of the country of the astounding number of 190,692.

Mr. SIMS. Mr. Chairman, will the gentleman yield?

Mr. HUMPHREY of Washington. After I have finished this

The tariff law fell upon the lumber and shingle industries upon the Pacific coast like an earthquake in the night, but its effect seems to have been equally disastrous and equally sud-den upon the great iron and steel industry and the railroads of

On the 1st day of January, 1913, only a year ago, the United States Steel Co. had orders amounting to 7,852,000 tons.

On the 1st day of January, 1914, it had orders amounting to 4.250,000 tons.

These decreases tell in graphic story the general condition of the steel industry to-day. The most radical protectionist would not have dared to prophesy such wide and universal disaster by less than three months of free trade.

Here are some specific instances of the number of men that

have been discharged and are now idle:

Pennsylvania Steel Co., 4,000. Lackawanna Steel Co., 4,000. Bethlehem Steel Co., 4,000. Illinois and Indiana Steel Cos., 7,000. Carnegie Steel Co., 10,000. Jones. & McLaughlin, 6,000. Baldwin Locomotive Works, 4,000. United States Steel Co., over 40,000.

Alan Wood Iron & Steel Co., 1,000.

American Locomotive Works (at Richmond, Va.). 3,000.

American Locomotive Works (other places), 5,000.

In the automobile industry the following men have been discharged:

Cleveland, Ohio, over 3,000.

Cleveland, Ohio, over 5,000.

In the Detroit district and adjacent territory, 35,000.

Indianapolis and other centers in the Middle West, 12,000.

Mr. BATHRICK. Will the gentleman yield right there?

Mr. HUMPHREY of Washington. Not now.

I quote again from the article in the Daily Iron Trade:

Aided by conservative calculation made at leading industrial and trade centers by staff representatives of the Daily Iron Trade, the past

10 days show that over 1,000,000 workmen identified with or directly dependent upon the iron, steel, and metal trades of the United States are idle to-day.

All these men were busily employed six months ago.

If the reciting of these facts be preaching calamity, then make the most of it. I challenge anyone to deny the correctness of the figures that I have given. I challenge anyone to dispute the specific instances that I have pointed out

But why should the Democratic Party whine and complain because these facts are made public? Their slogan has been "pitiless publicity." Why is it that they were so anxious for publicity when the Republicans were in power and so solicitous for silence now?

Is it a patriotic part for public men to keep silent and sound no word of warning until the whole country is done to industrial death by academic doctors and efficiency experts, by gowned theorists and scholarly dreamers, by pedantic pundits and learned illusionists? [Applause on the Republican side.]

The article referred to from the Daily Iron Trade is as follows:

MILLION MILLMEN AND 123 FURNACES IDLE.

The astounding depth to which the business depression of the United States, and especially the iron and steel business, has sunk in the past six months makes one of the stupendous business, stories of the past 50 years. Here is a graphic statement pointing out the extent to which the very basis of the iron and steel production of the country, namely, its blast-furnace capacity, has been curtailed and still continues to shut down.

Since March 1 last 306 blast furnaces were in active operation, the largest number in several years. Then blast furnaces began shutting down until on January 1, 1914, a total of 123 of those stacks actually operating last March had closed down definitely.

These 123 blast furnaces thus thrown into idleness have a combined annual capacity for producing 12,058,000 tons of pig iron. This tremendous tonnage is equal to 38 per cent of a year's total output of the country at the high rate of production attained in February, just before the curtailment actually began. It is also equal to the total coke, anthracite, and charcoal pig-iron production of the United States in 1898.

the country at the high rate of production attained in February, just before the curtailment actually began. It is also equal to the total coke, anthracite, and charcoal pig-iron production of the United States in 1898.

These 12,958,000 tons of pig iron thus summarily wiped out, valued at an average of \$14 a ton, mean a loss in one year of \$181,412,000. Since over 80 per cent of the cost of a ton of pig iron is paid out in wages to labor in digging iron ore and transporting it by rail and ship, mining coal and making it into and transporting coke, quarrying limestone and carrying it to furnace, besides operating the furnace itself, this means the wiping out of an annual pay roll of \$145,129,600 to ore miner, coal miner, coke worker, railroad employee, sailor, and blastfurnace worker, besides scores of other trades directly involved.

The graphic chart [not printed] shows the names of owners, location, number of idle stacks, and annual producing capacity of the furnaces actually shut down since March 1, differentiating the stacks which supply steel works and rolling mills with pig iron, and hence called "nonmerchant" furnaces, from the "merchant" furnaces, or those which sell their product in the open market to foundries, mills, etc.

Curtailment has not ended at the point indicated in the tabulated figures, for since January 1, when these furnace statistics were collected, other furnaces have been prepared to blow out, one being Alicestack, of the Valley Mold & Iron Co., Sharpsville, Pa.; Harriet X, of the Wickwire Steel Co., Buffalo; one Corrigan, McKinney & Co. stack at Clevcland; and Grace stack, of the Brier Hill Steel Co., Youngstown, Ohio. In December the Carnegle Steel Co, closed down 15 blast furnaces and the National Tube Co. 8, the Steel Corporation as a whole putting out of activity 27 stacks in December alone. The Lackawanna Steel Co. now is operating only one blast furnace out of seven at Buffalo.

Many of the idle furnaces noted in the table are the most modern.

Steel Co. now is operating only one blast furnace out of seven at Buffalo.

Many of the idle furnaces noted in the table are the most modern, economical producers of pig iron to be found anywhere on earth, and they would not have been put out of blast, with all the attendant financial loss, except as the result of extreme necessity.

This all means, of course, irreparable loss to both the owners of the furnaces and their armies of employees, miners, railroad men, coke makers, etc., and their families, whose suffering in this season of the year is beyond calculation in mere dollars.

The closing down of nonmerchant blast furnaces is being caused by the steady dropping off in the demand for finished steel products, this resulting in some steel works now operating at 30 per cent of capacity, others at 40 per cent, and still others at 60 per cent, but the latter are few in number. This is graphically indicated in the steady decline of unfilled orders of the United States Steel Corporation, which fell from 7.852,883 tons on December 31, 1912, to 4,250,000 on December 31, 1913. The curtailment of steel-works activities has resulted in 5,000 workmen being laid off by the Lackawanna Steel Co., 4,000 workmen by the Pennsylvania Steel Co., 4,000 men by the Bethlehem Steel Co., 7,000 men by the Blimois and Indiana Steel companies, 10,000 men by the Baldwin Locomotive Works. The Maryland Steel Co. and 4,000 men by the Baldwin Locomotive Works. The Maryland Steel Co. and the Columbus, Ohio, works of the Carnegie Steel Co. has closed down its steel works at Sparrows Point, Md., and the Columbus, Ohio, works of the Carnegie Steel Co. has locked its gates. The Otis Steel Co. is operating its Cleveland works single turn, and the Empire, Union, and Lake Erie rolling mills, at Cleveland, are running alternate weeks or portions of weeks. The Inland Steel Co., Chicago, has closed down its Highland mill. There is excellent authority for the statement that 75,000 iron and steel workmen are idle in the Pittsburgh district alone.

CORPORATION LAYS OFF THOUSANDS.

The United States Steel corporation, through its various subsidiaries, has laid off between 40,000 and 50,000 workmen and its plants' activities are down to 50 per cent.

The Steelton, Pa., works of the Pennsylvania Steel Co. is running three days a week with full force, a reduction in activity of 50 per cent. The normal force employed by the Pennsylvania and Maryland companies is about 11,000 men. The Alan Wood Iron & Steel Co. has laid off 1,000 men and is operating about 40 per cent of capacity. The Republic Iron & Steel Co. has laid off 4,000 men and is operating around 55 per cent of capacity. The American Locomotive Co. has between 8,000 and 10,000 of its men on the idle list and is operating at around

25 to 30 per cent of capacity. Its Richmond, Va., works, which employs 3,000 men, is down entirely. The Pittsburgh Steel Co. is operating at 50 per cent of capacity.

MILLION MEN ARE IDLE.

MILLION MEN ARE IDLE.

In addition to the blast-furnace facts and typical steel-mill instances given above, careful investigation, aided by conservative calculation made at leading industrial and trade centers by staff representatives of the Daily Iron Trade the past 10 days, shows that over 1,000,000 workmen identified with or directly dependent upon the iron, steel, and metal trades of the United States are idle to-day.

All these men were busily employed six months ago.

The combined wages these idle workmen would have received, at the conservative average of about \$2 a day, would have amounted to \$2,000,000 a day, or \$50,000,000 a month of 25 working days, or \$600,000,000 a year.

This total of 1,000,000 idle workmen is being increased so steadily and rapidly that at the December rate of closing down of works, shops, factories, and foundries the total will reach 1,250,000 men before the end of January, 1914.

COUNTLESS TRADES AFFECTED.

COUNTLESS TRADES AFFECTED.

Directly connected with the iron, steel, and metal trades of the country are 28,800 separate establishments employing 2,000,000 workmen. These establishments turn out the following products: Agricultural implements, automobiles, brass and bronze products, car and general shop repairs by raliroads, cash registers, coke, copper, tin and sheet iron trades, machine tools, gray iron, steel and malleable iron foundries, steel-sheet mills, steel-rali mills, steel-plate mills, structural steel rolling mills, nut, bolt, and rivet factories, copper, lead, and zinc smelting, steel forgings, car building by others than railroads, locomotives, cut and wire nail factories, wire-fencing works, wrought pipe, cast-iron pipe, saws shipbuilding, steel springs, stoves and furnaces, tin and terne plate making, wire, wire work, cables, etc.

Of the total workmen employed in these industries fully 50 per cent, or 1,000,000 men, are idle. Many of these works are operating only 40 per cent of capacity, others as low as 30 per cent, so that 50 per cent is a fair average, as ascertained by the Daily Iron Trade staff.

Of the remainder of 1,000,000 men who are still employed in the metal industry, fully 100,000 men have been reduced in wages by a straight 10 per cent cat or a reduction in the hours of employment. In many foundries throughout the Middle West, as previously pointed out in the Daily Iron Trade, scores of malleable and gray iron foundry owners have reduced wages by a straight cut of 10 per cent, and, due to the lack of demand for their castings, have been compelled in addition to reduce the working time from 10 hours a day to 9 hours a day, this in effect being an additional wage reduction of 10 per cent. Railroad shop men, in numerous instances of large railroad lines, have been reduced as to working time from 6 days of a total of 55 hours a week to 5 days of 8 hours each, or a total of 40 hours a week, this being in effect a wage reduction of over 38.7 per cent.

THOUSANDS OF MINERS PINCHED,

The next largest body of workmen disastrously affected by the present industrial depression is composed of the coal, copper, lead, and zinc ore miners, who, together with the iron-ore miners and limestone quarrymen, include 950,000 workmen, to whom are paid \$490,000,000

quarrymen, include 950,000 workmen, to whom are paid \$490,000,000 a year in wages.

The falling off in the demand for bituminous coal used in the operation of blast furnaces, steel works, foundries, machine shops, and the scores of other metal-working industries now either closed down or working on exceedingly short time, has resulted in a reduction in the bituminous coal output of the country of between 40 and 50 per cent. Since the wages of the workmen employed in mines are based absolutely upon the amount of tonnage of coal actually produced by them, it follows logically that their earnings or wages are now reduced between 40 and 50 per cent. At Gary, W. Va., alone 15,000 coal miners are dependent upon the steel works' demand for coal, and about 25,000 miners in eastern Ohio, for instance.

Zinc-ore miners in the Missouri-Kansas-Oklahoma district in the first week of December, 1913, suffered the third consecutive wage reduction of 10 per cent was made in the week of November 16, and the first reduction several weeks previous to that. More than one-third of the spelter smelting capacity of the country is closed. In the last few days the price of spelter has weakened further, so that an extended advance in spelter ore prices is unlikely at this time.

DISASTROUS CUT TO MINERS.

DISASTROUS CUT TO MINERS.

Transposing the wage reductions and shorter working time of miners of coal, copper, lead, and zinc ore mines located in Michigan, the far West, Tennessee, Alabama, Pennsylvania, Ohio, Indiana, Illinois, Missouri-Kansas-Oklahoma and Wisconsin-Illinois-Iowa and other mining districts, and eleminating the 50,000 Lake Superior iron ore miners, who are affected by the seasonal shutdown of their mines at this time of the year, gives a total of 270,000 miners out of work at this time, meaning a loss to them in wages of about \$12,000,000 per month, based upon the low average of \$43 a month assigned by the Government to coal miners in the 1910 census. However, as applied to other than coal miners other than of coal is about \$2 a day. But at this low Government estimate the wage reduction amounts to \$12,000,000 per month, or \$144,000,000 per year.

COPPER DECLINE HEAVY.

COPPER DECLINE HEAVY.

The effect upon copper production of the December figures of the Copper Producers' Association will undoubtedly be to curtail further. The December figures made public yesterday show an increase in production of 4,902,713 pounds, as compared with November. But the startling decrease in domestic consumption in December, given as 26,718,288 pounds, is the smallest by almost 50 per cent ever reported by the Copper Producers' Association since its organization in January, 1909. This extraordinary decrease in copper consumption in the United States in December corroborates the figures of industrial unemployment given above and corroborate the reports of curtailment of all industries in which copper enters as raw material.

Iron ore mine owners in the Minnesota, Michigan, and Wisconsin ranges usually furnish work for thousands of miners during the winter in busily "stock piling" ore in preparation for the opening of navigation early in the spring. This custom is not being so generally followed this winter, as noted from time to time last month in the Daily Iron Trade. Ore shippers know from the extremely depressed condition of the pig-iron market and the steady curtailment of blast-furnace activity,

as shown in the table published above, that iron ore will not be in demand in the early spring.

ORE SEASON TO START LATE

ORE SEASON TO START LATE.

In fact, it is believed shipping of Lake Superior iron ore will not begin until May, possibly not until June, this year, whereas last spring the ice was not off the Lakes before lake vessels started out with a rush and dash in April. One year ago, fully 75 per cent of the ore shipped in the navigation season, which closed last December, was placed under contract with vessel owners. So far this winter not a mention has been made in lake shipping circles about ore contracts for the season of 1914.

Thousands of men are employed in lake and ocean shipping, directly involved in the transportation of ore, coal, and finished materials of metal, dock hands, etc. But, since these men end their usual season of activity with the advent of winter, their idleness at this time has not been figured into the computation here being made,

THOUSANDS OF COKE WORKERS IDLE.

THOUSANDS OF COKE WORKERS IDLE.

The coke industry in the Connellsville regions in western Pennsylvania, the Pocahontas, Wise County, and New River districts of West Virginia, as well as the southern coke-making district, has been deeply affected. In the Connellsville district alone a total of 8,000 workmen have been laid off in the past two months. Special passenger trains early in December took many hundreds of these idle coke workmen to eastern seaports for their return to Europe. When they begin to return, the industrial depression will have passed, for they are as unfailing harbingers of approaching prosperity as are the birds of spring. In the Connellsville coke regions, which are typical of the other coke districts of the country, the increase in idle work due to reduced oven production is shown by the following figures:

	Ovens active.	Produc- tion.
Mar. 1, 1913 Aug. 16, 1913 Dec. 20, 1913 Jan. 3, 1914	Tons. 33,078 31,540 26,428 26,039	Tons. 432, 645 396, 617 284, 964 252, 151

These figures show the reduction in the number of active ovens since March 1 last year of over 7,000 ovens. By far the largest number of these idle ovens was put out of blast since August 16, this number being 5,501. In the past week a net total of 234 ovens in the Connelisville regions were made idle, and the Producers Coke Co. announces that with the ending of this week an additional total of 1,700 ovens will be added to the idle list. This means, since the workmen are enumerated 1 to an oven, that over 1,700 coke workmen will be directly affected after this week by the industrial depression.

BAILROADS REDUCE WORKMEN.

affected after this week by the industrial depression.

RAILROADS REDUCE WORKMEN.

Railroad trainmen, locomotive engineers, construction gangs, engineering departments, and office men, even down to the yard clerks, are being affected to a degree that is difficult to translate into figures of unemployment. The railroads of the Middle West have reduced their totals of labor cost in the past six weeks between 15 and 20 per cent in the larger number of instances, but even as high as 25 per cent in a considerable number. The astonishing increase in the number of idle cars in the country in the last month shows that the hours of employment for trainmen and locomotive engineers, whose names are retained always upon the books of railroads, are being rapidly reduced. This reduction is brought about by the abandonment of freight trains and the reduction of switching crews' activities in blast furnace, steel works, and coal-mining districts.

The fortnightly report of the American Railway Association, issued yesterday, shows that the net surplus of idle cars on January 1, 1914, was 188,850, an increase of 87,305 idle cars on December 15, then the total of idle cars stood at 101,545 cars. On December 11, 1913, the number of idle cars was 51,454; on November 15 it was 22,652, there being this number of cars idle in the country, as compared with a shortage of 1,842 cars on November 1, 1913, or a decrease of 190,692 cars in two months.

These astonishing accretions of idle cars from November 1 to January 1 account for the sudden and unexpected cessation of carbuying by the railroads noted in the early autumn. The small number of new cars ordered by railroads in 1913 was 100,000, as noted in The Iron Trade Review in its issue of January 1. This compares with a total cars bought in 1912 of 226,195 and in 1911 of 133,117 cars. Of the total of 100,000 cars bought in 1913 fully 82,000 cars were placed with builders in the first half of the year, so that only 18,000 cars were bought in the last half of the year.

FEW RAILS BOUGHT I

FEW RAILS BOUGHT IN 1913.

In all of 1913 the railroads bought 2,975,000 tons of standard steel rails, compared with 3,327,915 tons in 1912. In this connection, in order to gain a proper perspective upon these figures, it need but be mentioned that the total standard steel-rail producing capacity of the rail mills in the United States is 6,980,000 tons per annum.

HUNDRED MILLIONS LOST ALREADY.

HUNDRED MILLIONS LOST ALREADY.

The wages of idle blast furnace, rolling mill, and all sorts of metaltrade workmen known to be idle in January aggregate \$50,000,000; the wage earnings of miners, etc., affected total \$12,000,000, making a total of wages lost to workmen \$62,000,000 per month. Taking into account the wage losses sustained by these workmen in September, October, November, and December of last year this would make an estimated aggregate of wages lost in this period of \$100,000,000. This is undoubtedly a conservative estimate in view of the known facts.

This total of wages lost means that much less money was spent by these workmen and their families with merchants for food, clothing shoes, etc. Since last August probably \$100,000,000 of wages earned by the now idle workmen would have been available for general trade had conditions in the iron, steel, and metal industries continued at the rate enjoyed by them last spring.

The first disastrous effect of this huge economic loss of workmen's wages is seen in the suddenly increased number of commercial failures in the fourth quarter of the year just closed. Furthermore, the loss of \$100,000,000 in buying power of only a portion of the industrial working people of the United States since last August furnishes the only intelligent explanation of the large increase in commercial failures in the succeeding three months, as set forth clearly by the figures of

R. G. Dun & Co. In the following table failure returns for the past two years are compared by quarters, figures for the last few days of December being estimated:

Failures by quarters for years 1913 and 1912.

	1913		1912	
	Number.	Liabilities.	Number.	Liabilities.
First quarter. Second quarter Third quarter. Fourth quarter	4, 458 3, 405 3, 549 4, 435	\$76, 832, 277 56, 076, 784 63, 837, 315 65, 892, 632	4, 828 3, 489 3, 499 3, 446	\$63, 012, 328 44, 999, 900 45, 532, 137 -45, 150, 731
Total	15, 847	262, 639, 008	15, 262	193, 095, 091

As is customary, according to the report of Dun & Co., the heaviest losses of the year occurred in the opening quarter. The second quarter made a much better showing. But in the third quarter the effects of the industrial depression began to appear, and the liabilities increased over \$18,000,000 over the corresponding quarter of 1912. The worst showing of all, however, was in the fourth quarter of the year just closed, when the number of failures increased in number 989 over the corresponding quarter of 1912, and the liabilities grew \$20,741,901, being within \$10,939,645 of the total liabilities involved in all the failures in the usually fatal first quarter of the year.

The absolute cutting off of probably \$100,000,000 of the purchasing power of the wageworkers of the country, as pointed out above, furnishes the only rational explanation of the startling growth in failures of commercial establishments of the United States in the fourth quarter of 1913, in the identical quarter of the year when failures are least numerous and least costly to creditors.

THOUSANDS OF AUTO BUILDERS IDLE.

THOUSANDS OF AUTO BUILDERS IDLE.

The automobile industry of the Middle West, centered in the large manufacturing citles of Cleveland and Detroit, has been compelled to reduce its shop forces of workmen between 50,000 and 75,000 men. In Detroit and the adjacent Michigan territory, where automobile building has become the leading machine-shop industry, conservative estimates place the number of idle automobile workmen at 35,000 men. In Cleveland, where 9,000 automobile workmen are employed normally in the builders' shops, between 3,000 and 4,000 men are idle. The extent of this unemployment in Detroit was most graphically shown Monday, Tuesday, and Wednesday of this week, when 12,000 men rioted in front of the Ford Automobile Co. in order to gain employment in these shops, following the public announcement of President Henry Ford relative to taking on more workmen. The police had great difficulty in restraining the hordes of hungry and anxious men who vainly sought to avail themselves of Ford's offer to obtain work. They flocked to Detroit from all over Michigan, Indiana, Ohlo, and neighboring States.

Mr. FRENCH. Mr. Chairman. I desire to invite the atten-

Mr. FRENCH. Mr. Chairman, I desire to invite the attention of the House to H. R. 9590, a bill that I have introduced providing for the survey of certain lands in the State of Idaho. Most survey work that is done in the several States is performed under the direction of the Interior Department under general appropriations and with the responsibility resting upon the department of making such surveys as may be most needed from time to time, limited, however, by certain provisions of law contained in the act of June 25, 1910, which provides that preference shall be given to the survey of lands occupied by actual settlers and to lands granted to the several States.

Ordinarily I would be very content to let the survey of all lands in Idaho proceed under the general law limited by the conditions imposed therein and trusting to the department to reach whatever lands in the State may need to be surveyed as soon as it may be practicable to do so. However, a situation exists in Idaho that in magnitude is different from that which exists in any other State touching certain lands that ought to be surveyed, and it is to this subject that I want to call the attention of the House. We all are more or less familiar with the fact that years ago the Government made land grants for the encouragement of railroad building throughout the United States.

To the Northern Pacific Railroad Co. a land grant was made that embraces a total area of approximately 45,000,000 acres of This land was granted upon condition that the railroad would be built. Without going into detail, the railroad was granted the right to select odd sections within certain definite limits on either side of the line of railroad, and in the event of lands granted to the railroad being acquired by other persons or in event the lands so designated were mineral in character, the railroad was granted the right to make lieu selections in place of such lands within a strip following along and immediately adjacent to the primary land grant that, of course, followed the line of the railroad.

In the State of Idaho this grant may be exercised within a territory extending east and west through the State and within a width of 80 miles in the primary grant area and a width of 100 miles including the primary and indemnity grant regions. Of the total amount granted to the railroad, aggre-gating something like 45,000,000 acres of land, on June 30 last little more than 34,540,000 acres had been patented to the alroad. Probably by this time 35,000,000 acres in round

numbers have been patented, and approximately 10,000,000 acres of the grant that was made in 1806 remain unpatented in the various States.

When I tell you that this land, although strictly the property of the railroad company since the railroad performed its part of the bargain in railroad building, remains untaxed notwithstanding the fact that it must be increasing in value constantly, you can readily appreciate how States that are included in the region embraced within the grants are impressed with the idea that the lands should be passed to patent at the earliest prac-ticable time that they may be available for their share of taxes looking to the support of the counties and States within which they were located.

I said a little while ago that Idaho probably more than any other State is vitally interested in this question, and this is true for this reason: The Government, under existing law, has the right to call upon the railroad for the advancement of money for the purpose of surveying the lands within the primary land grant of all of the States. Surveying work under this general law is going on in my State as it is going on in other States and if this were the only question involved we would have nothing to urge before the Congress looking to such consideration as is suggested in the bill that I have introduced.

A reservation, however, was made in the grant to the railroad that there was reserved from the grants lands that should be classified as mineral in character. You are readily familiar with the fact that Idaho is a State that is rich in mineral wealth, and it happens that the line of the Northern Pacific Railroad Co., now railway company, extends through the region in which is located the great Coeur d'Alene mines. A large part of the area of the grant that otherwise would be made to the railroad company, being classified as mineral, can not and ought not to be patented to the railroad company, but on the other hand the railroad company is required to make selections elsewhere in lieu of these lands. Under the law, while the Government may call upon the railroad to advance money for the survey of lands within the primary land grant, the Government may not call upon the company for the advancement of money for the survey of lands included within the indemnity land grant which lie on either side of the primary grants. This being the case, in those States where mineral lands exist in large degree, it necessarily follows that much land must be classified as mineral, and consequently that other large areas equivalent must be surveyed from which selections shall be made by the railroad companies in lieu of the mineral lands which they have lost. Ultimately the cost of survey of these lands must be paid by the railroads, but until the lands shall be surveyed and classified the Government is not in position to know what lands may be selected by the railroad company, and consequently is not in position to ask the railroad company to advance the money for the survey until the survey and classification shall be made.

My bill provides for the survey of these lands, but the appropriation that will be necessary to make these surveys is an appropriation that must be regarded as an advance to the department of moneys that will be refunded by the railroad company just as soon as the survey and classification shall be made and before patent shall be issued to the railroad company for the lands that may be surveyed.

Now let us see just what lands in Idaho may be included under this head. North of township 42 all the lands in Idaho have been examined with the view of determining their mineral or nonmineral character. The reports of the field examinations have not been accepted in all cases by the department, and the character of a good many thousand acres of land is still unsettled. However, it has already been decided by the department that approximately 200,000 acres of land in Idaho within the primary land grant of the Northern Pacific, north of township 42, are mineral in character and consequently a like amount of land must be selected by the railroad company within the indemnity land grant and consequently must be surveyed by the Government at its expense, which expense shall later be

met by the railroad company by a refund to the Government.

Now, this is not all. South of township 42 and along the Idaho-Montana line there is a region embracing 500,000 acres of land within the primary land grant. One-half of this, under the terms of the grant, will belong to the railroad providing it is nonmineral, the other half to the Government. That would be approximately 250,000 acres that would belong to the railroad if nonmineral in character. But it happens that these lands are very similar in character to lands near them that are known to be mineral, and it is altogether probable that one half of this amount, at least, will be found to be mineral in character and consequently, can not be granted to the railroad. If so, it will mean that the railroad will need to select 125,000 acres additional of indemnity land, and here again it is necessary that the Government advance the money to make the survey before it can call upon the railroad to reimburse it. The amount of lands under this head, in my judgment, is not less than about 325,000 acres. The total may reach 450,000 acres, and I venture that my estimates, based upon classifications already made and upon the best evidence obtainable in the department and through local agencies, will run somewhere near the correct acreage.

agencies, will run somewhere near the correct acreage.

If this were all, it would be bad enough. We could then claim that we have the right to have surveyed at the earliest practicable moment this large area of land in order that it may be patented and thereby made available for taxation, but there is still another consideration that is vastly important for our consideration.

SCRIP SELECTIONS.

The Members of Congress are familiar with the law that was passed on March 2, 1899, authorizing the railroad company to relinquish lands in the Mount Rainier Park and Pacific Forest Reserve and select an equal quantity of land elsewhere. Similarly it was provided that Santa Fe lands embraced in certain regions might be surrendered and the right of selection exercised elsewhere. Various kinds of rights of selection have been authorized by Congress, and probably no less than 20 different kinds of rights have been exercised in the selections of lands in the State of Idaho. Most of the lands selected, however, are on account of lands surrendered by the Northern Pacific Railroad Co. and are selected in lieu of the Mount Rainier base lands.

I want at this point to turn aside just long enough to express my condemnation of all these lieu-land selection laws that made an acre of land a unit of value, regardless of whether the acre was worth \$1 or \$1,000, and I regard the performance of our Government in the carrying through of the passage of such laws as that and the exchanges of lands under the same as marking one of the darkest circumstances of the history of the Government in connection with the handling of our public domain. It was a shame and a disgrace, and I can not conceive how such a law could have been adopted by which these selections were made and the rights of selection authorized. However, that is not the question to-day. The crime was committed years ago, and the problem for us to solve is the one that is immediately presented.

By exercising the right of selecting lieu lands, surveyed or unsurveyed, thousands of acres of unsurveyed lands were selected in the State of Idaho which are now unsurveyed. The reason why the so-called scrip from the State of Washington and from the States of Arizona, New Mexico, and other States was dumped into the State of Idaho is because at the particular time these laws were passed and the exchanges made under them Idaho possessed an area of timberland of almost incalculable value. Naturally, Idaho was the place to go to apply this so-called scrip. California, Oregon, Washington, all of them States of wonderful resources, were settled before Idaho was settled, and their best lands had been acquired. Consequently the lieu selection lands could not be chosen in these States as profitably as if chosen in the State of Idaho.

The result is that we not only have within my State a large area of lands originally granted to the Northern Pacific for railroad building, of which nearly a half million acres have not been surveyed, but we have in addition to this thousands of acres of land that have been selected in lieu of lands that were granted to railroads in New Mexico, in Arizona, in Washington, or elsewhere.

In other words, we have hundreds of throusands of acres of land that is held in ownership either by the original grantees or by persons to whom they have assigned the right of selection but to which title has not finally passed from the Government, though title ultimately will and must pass. These lands are growing in value day by day. The ones who purchased the "scrip" need not concern themselves over the time these lands may be surveyed. Some of the owners of the scrip and the ultimate owners of the land have been so loyal and patriotic that they will be more than glad to have the survey made. But the ones who are vitally interested in having the survey of these lands made are the people of the State, and especially the people of the northern counties of the State, where most of the lieu selections have been made.

These lands, that aggregate so vast an amount, are lands that fall on the outside of the primary land grants, and consequently, while ultimately the expense of surveying the lands will need to be paid by the grantees, the initial cost of survey must be met by the Government. Later, then, after the survey

shall have been accomplished and before patent shall issue, the Government will determine and receive the cost of the survey from the grantees.

Let me call attention to how the question of whether or not these lands shall be speedily surveyed affects the State of Idaho and the counties within the State. I shall not mention all of the counties where selections have been made, but shall mention a few that you may understand how important it is to our people. In Kootenai County, in taking into account selections to be made either in the primary or indemnity regions, the amount of scrip that has been placed is approximately 46,080 acres; in Bonner County it is about 207,360 acres; in Clearwater County it is about 241,020 acres; in Shoshone County, about 288,000 acres; in Idaho County, a vast area the definite amount of which I am not able to indicate; and in Latah County, Nez Perce, and other counties selections of rather uncertain amounts.

It is difficult to obtain an accurate estimate of the value of these lands. I have tried to obtain an estimate of the taxes that these lands would pay if patent already existed in the grantees. The estimate that has been made, and which I think can not be far wrong, is that these lands, by being unsurveyed, are holding from the State of Idaho and the counties of the State approximately \$75,000 every year. Can you not see what this means to the State and to our several counties, our farmers, our merchants, our property holders of all classes, who are called upon to pay their taxes and who respond? Yet here is a class of property that is exempt from taxes simply because the patent to the same has not been vested in the grantees.

WHAT DOES THE FRENCH BILL PROPOSE?

The question is now asked, What do I propose in my bill to meet the situation? I propose that the Congress authorize and appropriate such an amount of money as may be necessary to survey all the lands that I have referred to in the indemnity-land grant, aggregating from 325,000 to 450,000 acres, and all the lands included in the areas selected under the so-called scrip. How much will it cost to survey this land? The estimates of the Interior Department are that it will cost from 5 to 7 cents per acre, figuring the cost of survey upon the basis of cost per acre. This will mean that the cost of surveying these lands will be anywhere from \$100,000 to \$140,000. In other words, an amount less than the amount of taxes that the lands will pay during a period of two years.

WHO WILL PAY THESE COSTS?

I said a little while ago that it is provided in the law that the grantees are required to pay the cost of survey, but not-withstanding this, while the Government may call upon the grantees to advance the money for the survey of lands when the lands are within the primary land grants, the Government is not authorized to call upon the grantees to advance the money for the survey of any lands in the indemnity-land grants or in grants that have been selected under the lieu-selection lands. Ultimately, these grantees will be required to pay the money that will be used for the survey of these lands.

We must advance it first, however, and as soon as the survey shall have been made and classifications made and before patent shall issue, the grantees shall reimburse the Government for the moneys that we advance in making the surveys.

Surely this is a measure of highest importance, and from the standpoint alone of the duty that we owe to the citizens of the counties of Idaho and to the State at large, to make it possible for the counties and State to obtain the reasonable revenue that is due them from private property, I ask your support for this measure.

Mr. UNDERWOOD. Mr. Chairman, I yield 15 minutes to the gentleman from Georgia [Mr. HARDWICK].

Mr. HARDWICK. Mr. Chairman, I want to say that I have been somewhat amused and somewhat shocked at some of these wails that have come without cessation from gentlemen who sit on the opposite side of this Chamber, notably the gentleman from Illinois [Mr. Mann], whose absence from this floor at this moment I regret, the gentleman from Wyoming [Mr. Mondell], and the gentleman from Washington [Mr. Humphrey]. I think these gentlemen would be performing a more patriotic service if they could manage to hush the walls with which they so constantly afflict this House and the country. What patriotic service is to be gained by such conduct as this? What great legislation is to be influenced, what wrong is to be remedied, what right is to be preserved, what interest of the American people is to be promoted? It is simply the wail of a lot of discredited politicians, moaning the loss of their power, and the American people know it.

American people know it.

Mr. MONDELL. Mr. Chairman, will the gentleman yield?

Mr. HARDWICK. I do.
Mr. MONDELL. Does not the gentleman's party intend to
rectify these wrongs, as was promised during the debate and by the leader on that side, and by some of the Cabinet officers since?

Mr. HARDWICK. Oh, I thought the gentleman wanted to ask an intelligent question.

Mr. MONDELL. It may not be intelligent to the gentle-

Mr. HARDWICK. No; it certainly is not. Of course, before the Democratic Party corrects a wrong it must commit one, and it will take more than the bare, unsupported word of the gentleman from Wyoming or the gentleman from Washington, or the cooked-up newspaper reports from Republican newspapers that are not more reliable than either one of the gentlemen, to convince me that the Democratic Party has committed any wrong whatever.

Mr. HUMPHREY of Washington. Mr. Chairman, will the

gentleman yield?

Mr. HARDWICK. Not at present.

Mr. HUMPHREY of Washington. I only want to ask one question.

Mr. HARDWICK. I yield to the gentleman. Mr. HUMPHREY of Washington. I just want to ask one question.

Mr. HARDWICK. All right. Mr. HUMPHREY of Washington. Does the gentleman deny the correctness of the list of lumber and shingle mills that I put into the RECORD as having closed in my State, or the list

of the steel mills that I produced this morning?

Mr. HARDWICK. I will tell the gentleman frankly my answer. I doubt it. I do not know, and I do not think the gentleman knows, either. I want to be fair to the gentleman. I have the highest regard for him personally, and if the gentle-man were to state it of his own knowledge and say that he knew it himself and did not take it from some biased, partisan Republican newspaper that is misrepresenting the thing or that has exaggerated it, I might possibly put some credence in it, but as it is I do not think I can go very far along that line. [Applause on the Democratic side.]

Mr. HUMPHREY of Washington. Will the gentleman yield

further!

Mr. HARDWICK. Just for one question, and then I have some matter that I want to put in the RECORD myself.

Mr. HUMPHREY of Washington. Of course as far as the

iron and steel industry is concerned—
Mr. HARDWICK. That is all hearsay with the gentleman.

Mr. HUMPHREY of Washington. I do not know personally, but so far as the conditions existing on the Pacific coast in regard to the lumber and shingle mills in my own State are concerned, I am in a position to make some personal statements.

Mr. HARDWICK. I know what is the matter. That is

right near the Canadian border. For some time they have had a protective duty of \$2 a thousand on lumber. So that these people who were engaged in the manufacture of lumber in the State of Washington when the tariff was taken off had to reduce the price they charged, and they have been wailing and weeping and gnashing their teeth ever since, although the American consumer needs the relief and needs lower-priced lumber far more than these lumber magnates need the protec-

Mr. HUMPHREY of Washington. The trouble is they have

not been producing at all; they are not running.

Mr. HARDWICK. It would be better not to produce at all if Mr. HARDWICK. It would be better not to produce at all if you can not do it except under an artificial stimulus. [Applause on the Democratic side.] The mills in the country are running and selling. This country would be very unfortunate and most helpless indeed if it could not get along.

Mr. HUMPHREY of Washington. Will the gentleman tell the House how many mills are closed in the South?

Mr. HARDWICK. Not one that I have heard of.

Mr. HUMPHREY of Washington. Does the gentleman

Mr. HARDWICK. I know something about the lumber business in the South. I have kinsfolk and close friends who have been in it all their lives. I have been attorney for a good many of them at times, and if there is a single lumber mill in Georgia closed on account of this tariff bill or since its passage I have not heard of it.

Mr. HUMPHREY of Washington. Of course they are protected by several thousand miles of freight rate from the compe-

tition we have on the Pacific.

Mr. HARDWICK. Yes; but Georgia lumber mills sell their product all over this country and to many other countries.

Mr. HUMPHREY of Washington. The gentleman from Georgia is well posted, and I want to know what the conditions

Mr. HARDWICK. I will tell the gentleman. We can easily sell our lumber up to Ohio River points; some classes of it we can sell in Canada itself, against Canadian competition, after paying the Canadian duty. We are selling and exporting lumber to Australia, to South America, selling it all over the world, Georgia lumber, where it does not get the benefit of a single cent of protection, and yet the gentleman from Washington is here pleading the baby act, weeping and crying for an industry that wants to be subsidized at the expense of the American consumer, with an added tax that is levied upon every one of his own consumers. [Applause on the Democratic side] The trouble with the Republican point of view—

Mr. HUMPHREY of Washington. Has the price been re-

duced here in Washington city or in the South?

Mr. HARDWICK. In reply to that suggestion, let me ask how is it that you can contend on the one hand that the price has not been reduced and the consumer has not been benefited and on the other hand, with wonderful inconsistency, that the producer has been ruined. [Laughter and applause on the Democratic side.] Both contentions are not true. That sort of argument is not frank. It does not impress the American people, I am sure. Both things can not be true. If prices have not been lowered and the consumer has not been benefited, then the lower price has not hurt the producer. I suggest a caucus of these critics of the Democratic Party to decide which horn of this dilemma they will take before they inflict another flood of crocodile tears upon the House and the country.

Now, I want to read you several things, several newspaper extracts from papers that are not Democratic papers; that are not partisan to this administration. I read from a great paper, published in the city of New York, possibly the greatest independent paper published on this continent, and the article I read does not merely state the view of that paper, either. views that are expressed there are the views of the most eminent financiers in this country, most of them Republicans, although there are some Democrats. It is a statement of what they say about the present conditions in this country, about its business prosperity, about future prospects; and I leave it to the House and the American people to choose between them and the loud wails coming from the gentlemen from Wyoming, Illinois, and Washington. [Laughter and applause on the Democratic side.] I read now from the New York Herald of date December 28, 1913, a page of interviews in reference to this great question, interviews with men of such eminence in finance and business circles as J. Pierpont Morgan, Jacob Schiff, George W. Perkins, W. L. Saunders, Theodore Shonts, Louis Gimbel, Lewis Nixon, and J. B. Greenhut. Mr. Morgan

Mr. HUMPHREY of Washington. How can they recover when they have not been sick?

Mr. HARDWICK. Well, the gentleman wants to be candid to some extent at least-

SEVERAL MEMBERS (on the Democratic side). Oh, no.

Mr. HARDWICK. Does the gentleman from Washington deny it? Well, his desire to be candid to any extent seems to be doubted on this side.

Mr. PAYNE. Mr. Chairman, may I ask the gentleman a question?

The CHAIRMAN. Does the gentleman yield?
Mr. HARDWICK. Certainly.
Mr. PAYNE. In the case of this Mr. Greenhut or this Mr. Siegel, had his firm gone into bankruptcy before or after that

interview? [Applause on the Republican side.]

Mr. HARDWICK. I am informed on this side that the firm even escaped bankruptcy in the two last Republican administrations, to say nothing of this one. Now. Mr. Chairman, I know that the gentleman wants to be candid. I have too high a regard for him to believe otherwise. Yet I want to say to the gentleman that he knows, and every other Republican knows, and the country knows, and its business men know, that on account of the Balkan War troubles gold has been scarce in Europe, and times have been hard there, and European investments here have been largely curtailed and withdrawn. [Laughter on the Republican side.] I wish the gentleman would stand up who wants to laugh at that, so that the country may get his picture and name.

Mr. JOHNSON of Washington and Mr. HUMPHREY of

Washington rose.

Mr. HARDWICK. Do you two gentlemen from Washington desire to contradict that statement? Do you deny it?

Mr. JOHNSON of Washington. I desire to attract attention, o that the people of Washington can enjoy that statement. [Laughter on the Republican side.]

Mr. HUMPHREY of Washington. The point I make is that the gentleman now admits that the depressed condition exists.

Mr. HARDWICK. Let me tell you something. Conditions were bad long before your Republican President went out of office, and they have been getting better, as these men say, ever since we had a Democratic administration. [Applause on the Democratic side.]

Mr. HUMPHREY of Washington. Yet every one of these interviews says that conditions are getting better. The point I would like to know about is how they can get better if they have

Mr. HARDWICK. Well, we are recovering from years of Republican mistakes and Republican misrule, from the exploitation of the common people in the interest of tariff-protected beneficiaries. ciaries. Yet gentlemen stand here who know better and think the American people are a lot of fools and assert that the tariff bill has ruined the country in 80 days.

Mr. HUMPHREY of Washington. It has done enough, God

knows.

Mr. HARDWICK. Does the gentleman mean to say that?

Mr. HUMPHREY of Washington. Yes.

Mr. HARDWICK. The gentleman should possess his soul in patience. If he does that he will see the good day come, in the Providence of the Almighty, when the Underwood bill will justify the fondest expectation that even its friends have entertained for it. There is one good thing about it all. We have got the Almighty on this side. He surely was good to have got the Almighty on this side. He surely was good to this country once when He relieved the country from Repub-lican rule. [Applause on the Democratic side.]

I read further:

I read further:

One of these men said that all signs point to a quickening of the pulse of the business world. His railroad draws its biggest revenue from the farmer, and he declares that the prosperity of the granger was never at higher tide.

Here are the views of big men in various lines of endeavor, all sounding the note of satisfaction with the country's condition and of confidence in better times ahead:

Jacob H. Schiff, head of the great firm of Knhn, Loeb & Co., said: "With the passage of the currency bill, which bit of legislation was highly pleasing to me, I expect to see a speedy resumption of business, and I am sure business confidence will be materially strengthened and conditions improved all over the country."

Irving T. Bush, president of the Bush Terminal Co., had this to say: "I don't look for what might be called a boom, but rather a steady gain in business of all sorts. I am sure a resumption of normal conditions in the business world will soon be apparent, for President Wilson has given us what the country has been clamoring for, and that is a real revision of its tariff laws. The signing of the currency bill was very gratifying to me, too, and I at once joined the ranks of those optimists who see in President Wilson a genuine leader of men. He was the first President to appreciate the vital need of an adequate banking and currency system. What he has accomplished in the 10 months of his tenure of office stamps him as one who can be thoroughly trusted to inaugurate a sane and intelligent general legislative program which will not injure legitimate business."

George W. Perkins is another optimist who says that prosperity is in sight.

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Louis Gimbel, of Gimbel Bros., says: "Prosperity is close at hand. With such a sane and masterful leader as President Wilson at the head of our Government we are bound to prosper. The holiday season just ending has been a splendid one for us. We did a much larger volume of business than ever before, and now we are preparing for the new year, which we confidently expect to have much in store for all who strive to do business on business principles and who can intelligently analyze those factors which bear most directly on trade conditions throughout the country. We have had a good year and now we are eagerly looking forward to a far better one."

W. L. Saunders, president of the International Harvester Corporation, as well as president of the Ingersoll-Rand Co., is enthusiastic over the outlook for renewed business prosperity and is loud in his praise of President Wilson and the manner in which he has brought about legislative reforms in Washington. Mr. Saunders said:

"The present easing up of business is due primarily to the bad monetary conditions that now exist in Europe. It has been influenced also by the general advertising given to a bad currency situation and to an unreasonable tariff condition which was so indefensible that everybody has been expecting a change. Uncertainty always creates business depression, and when the atmosphere is cleared, as it has been by a fair tariff and a currency bill which at least is a definite platform to stand upon, we may look for better times. I am not afraid of President Wilson's treatment of the trusts. His 'Seven sisters' bills in New Jersey, now known as the 'Seven business commandments,' show where he stands. Through President Wilson confidence in the Democratic Party has been established throughout the country."

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country."

Theodore Shonts, president of the Interborough, said that while he is sure business conditions all over the country are looking up, he is far too busy with the affairs of his corporation at this the end of the year to enter into any discussion of outside affairs. He was sure, however, that "better times are in sight and that times will continue to improve."

however, that "better times are in sight and that times will continue to improve."

Lewis Nixon, president of the Steel Package Co., says:

"Seldom in the history of this country has the whole Nation hung on the word of the President as it did while waiting for his remarks to be made upon approving the currency bill. Enterprise is straining at the leash. The whole country wishes to stop marking time. Has the assurance been what is needed? Is the interpretation to be given

to the President's words 'Forward, march'? Evidently the platform adopted at Baltimore is to be the guide.

"The President says he has begun constructive legislation. The platform spoke for revision of the tartiff, and it has been revised. It spoke for an income tax, and we have it. It spoke for presidential primaries, and the President recommends them. It pledged a systematic revision of the banking laws, and we have currency reform. It spoke for an immediate declaration of the Nation's purpose to recognize the independence of the Philippine Islands as soon as a stable government can be established, and the President has taken the first steps in trying out their capacity for self government. What are the further steps in constructive legislation as indicated by the platform?

"The platform favors the efficient supervision and rate regulation of rallroads, express companies, telegraph and telephone lines engaged in interstate commerce. The valuation of the above utilities is recommended. They must not engage in business that brings them into competition with shippers or patrons. Legislation is to be had to prevent overissue of stocks or bonds by such utilities. Also, legislation which will assure reduction in rates of transportation unless such reduction will lower wages, prevent adequate service, or do injustice to legitimate investments.

"The platform holds that the control of the Mississippi is a national problem and favors the development and improvement of the inland waterways, so as to permit their navigation by vessels of standard draft. National aid in the construction and maintenance of post roads is favored. Students of history will remember Madison's views on these policies. So far as the Federal jurisdiction extends, the platform pledges a national employees' compensation law. The platform opposes any abridgment of the rights of wage carners and producers to organize for the protection of wages and the improvement of labor conditions, to the end that such labor organizations and their members shall

"Truly a formidable list yet remains, but action in connection with which not being clearly indicated, uncertainty and indecision naturally

"Truly a formidable list yet remains, but action in connection with which not being clearly indicated, uncertainty and indecision naturally result.

"No one believes that President Wilson is not anxious for the highest development of national prosperity. Have we any indication of change of policy which makes for confidence? Yes; and in the line that has most upset great enterprises.

"More than any one policy to strengthen confidence has been the common-sense procedure with respect to the Sherman Act. If a corporation applied to former Attorneys General to ascertain whether certain practices were forbidden, in order that its affairs might be conducted in compliance with the law, it was given the cold shoulder and practically told to find out for itself, and usually was arrested on suspicion a few days later and arraigned for trial.

"The present tendency is for the Department of Justice to take enterprise by the hand instead of by the throat.

"A great deal of distress will be felt in Louisiana when great production lands and plants will be made nonproductive, with but little, if any, gain to the consumer. So with tin plate and a few other industries. But few protests are heard. It is unlikely that radical tariff changes will follow for a number of years. Certainly not, if the Democrats are continued in power under President Wilson.

"So the country can now pay attention to the development of its commerce along lines of enduring stability. Every factor now makes for prosperity. But underproduction, the abandonment of plans looking forward to several years of operation requiring long and secure credits, and not running plants at full capacity must end. We must resist the foreign influences aiming to nullify the Panama Canal act, and the discriminating sections of the Underwood tariff. These were the first fostering measures to restore our merchant marine since the unwise suspension of 1828.

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the first fostering measures to restore our merchant marine since the unwise suspension of 1828.

"Without a merchant marine we can not stop the constant drain of our gold abroad. The merchant marine plank of the Baltimore platform is, of course, contradictory. If the La Follette bill is passed freeing seamen from all contract obligations we turn over the carrying of our trade upon the seas to our commercial rivals.

"If we adopt constitutional regulation of commerce, as pledged, we shall, before the end of this administration, witness the greatest benefits to this country known in its history. We must reach the markets of the world with our products independently of the Government-fostered fleets of our commercial rivals. We have lately, through the operation of vessels under the American flag of the United States Steel Corporation, forced a parity of freight rates from our ports to South America, and with the ports of Europe, except on products uniquely American. This will be of great value to as in our commerce with enstern South America, which is of vastly more consequence than the trade of the west coast.

"The people are thred of indiscriminate and resultless investigations, if a rule were adopted of never putting the legislator who proposes an investigation upon the investigating committee, much useless and hurtful interference would be avoided.

"Of course, the unfortunate Mexican situation will cause a drain upon this country's resources, and no matter how wise the policy followed, stable conditions will be slow in forming. Wise statesmanship may, however, relieve some of the resentment against our citizens in Mexico and other parts of Latin America, and so hasten the time when the great resources of Mexico will minister to the world's weifare.

"For the present this drain, caused through rendering unpofitable vast investments, will continue. Under the fostering care of the Department of Commerce an enormous increase in foreign trade may be expected, but a brake on such increase is the necessity of fin

trade through foreign banks. When we establish branch banks in foreign countries we shall have made a great step forward.

"The country has been yawning. It is now rubbing its eyes. As soon as it sees clearly it will spring into redoubled activity."

Mr. J. B. Greenhut, president of the Greenhut-Siegel-Cooper Co.—

"The last year has been possibly one of the greatest from several points of view that we have had for some years. The change of administration at Washington possibly contributed more than anything else to what we might call change in conditions that have existed for the past several years. Naturally any change in administration causes uneasiness and uncertainties in many directions. The fact that it was known there would be a change in our tariff caused a certain amount of apprehension on the part of the manufacturing interests, and forced curtailment in certain directions, which apparently had a widespread effect.

effect.

"As far as the retail business is concerned, it was not affected by the new tariff law, as, naturally, every retailer had ample notice and opportunity of regulating his stock of merchandise and his advance orders accordingly.

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"Business of the month of the store was a consideration and the property of t

Now, I want to read you next from a man who talks about this very steel industry about which my friend from Washington [Mr. Humphrey] has been wailing:

ton [Mr. Humphrey] has been wailing:

Mr. J. B. Hartwell, who travels for a big wholesale hardware concern of this city, has just returned from a trip that extended to the Pacific coast, returning by way of the Middle West and on down the Mississippi Valley to New Orleans, and thence home through the Southern Atlantic States.

"I have been traveling this territory for 15 years," Mr. Hartwell said. "In my entire experience I never had a better trip; I sold more goods this autumn than I ever did on a previous autumn trip, and furthermore the most encouraging of all signs was the readiness with which these merchants offered to discount their bills. In only one section did I experience discouragement, and that was in Pittsburgh. There I found the men engaged in the steel and iron business prone to cry poor business and hard times. I was instructed by my firm to make a careful investigation of the reasons bringing forth these wails, and before I was half through I ascertained to my entire satisfaction that many of those who cried the more lustily were actually turning down orders—holding back until things in the money world were a little more settled.

"Everywhere I went I heard unstinted and lavish praise of the methods of President Wilson, and there was that dominant note of entire and unrestrained confidence which must make for better business and better prices. I am about to round out my activities on the road and, perhaps, shall never take a trip over such an extensive territory, and I tell you it is mighty gratifying to me and to my employers that I could return with such glowing accounts and such a well-filled order book. And that is what counts most."

Mr. BURKE of Pennsylvania. I would like to ask the gen-

Mr. HARDWICK. No; I can not yield. I have got to finish in five minutes. I can not yield to my friend.

Mr. BURKE of Pennsylvania. Very well.
Mr. HARDWICK. I am not afraid to yield to my friend. I should be very glad to do so if I had the time. Now, if these babes that are manufacturing steel can not stand on their own legs, how is it they can sell their product in Birmingham and Sheffield markets at lower prices than the people who manufacture iron and steel in England can make it there, so that the English manufacturers say they can not compete with the American product. And yet, because they are not allowed to American product. And yet, because they are not allowed to overcharge the American consumer, because they are not allowed to pile up load upon load, they yell "hard times"; and for the sake of politics, in order to try to get the people to restore a tariff that gives them an undue and unjust advantage, they seem almost willing, if they could, to create a business panic.

Mr. HUMPHREY of Washington rose.

Mr. HARDWICK. I can not yield to the gentleman. I must conclude. I believe these men will have a heavy debt to pay

conclude. I believe these men will have a heavy debt to pay when they face the bar of American public opinion, when the people realize how unpatriotic and how selfish have been the actions and motives of these men in reference to this matter.

Now, I want to call your attention to one tariff convert in the great State of Connecticut. I will read now from the Hart-ford Daily Times of January 10, 1914, in which comment is made on the fact that Pratt, Read & Co. will begin running their factories on a 9-hour schedule, paying the same wages as heretofore on a 10-hour schedule. In other words, this factory under a Democratic tariff bill is able to pay just as much for 9 hours' work as it was able before to pay for 10 hours' work under a Republican tariff bill. I read from the Hartford Daily Times of January 10, 1914:

Early last year, when the rehabilitation of the tariff was under discussion and in the works, the officers of the company were fearful that the proposed increase in duty on ivory would prove harmful to the company's business, and President Cheney at that time came out in a newspaper interview expressing such sentiments. That portion of the tariff affecting ivory, of which the company uses many tons in the course of a year, has been in effect some months, but the company seems to be even more prosperous now than ever before, it being asserted that October furnished the largest business it has ever known. In view of all these circumstances and the reduction of hours of labor of employees without any reduction in wages, it would seem that President Cheney's fears for the prosperity of his concern because of the new tariff were, happily, groundless.

Pratt, Read & Co.'s business is the mainstay of the town, and any reverses or dullness which it might suffer would be immediately reflected in the financial affairs of the people.

Now, my friends, I want to say that the American people are not bankrupt; they are not broke; they are not even hard up. With cotton at the highest price it has sold for in many a year, with wheat, with corn, in spite of statements made here, unlowered in price, the country is abundantly and solidly prosperous. The gentleman from Wyoming [Mr. Mondell] suggested "wool." Why, he sees "wool" in every bush; "wool" is his fetish.

Mr. BARCHFELD. Will my friend yield there?
Mr. HARDWICK. Certainly. How much time?
Mr. BARCHFELD. I want to state that in my district the
United States Steel Corporation employs 22,000 men. They
are now working on a 50 per cent basis. By the last of this month they will be working on a 40 per cent basis. By the 1st of February notices will be posted in every plant of a horizontal reduction of 15 per cent.

Mr. HARDWICK. Now, I want to ask my friend from Pittsburgh a question. Is it not true-I saw it published, I think, in the Pittsburgh papers the other day-that one concern recently announced that it is going to employ 10,000 more men?

Mr. BARCHFELD. I want to inform the gentleman that his informant is very badly mistaken. They are not employing additional men.

Mr. HARDWICK. Well, are they taking back 10,000 menreemploying them?

Mr. BARCHFELD. No. I will tell you what they are doing. In place of working three shifts of eight hours each they are reducing their force and giving them three days a week, and after the 1st of February they will be getting two days a week. That is the best in store for them. They are trying to keep their force at work a part of the time.

Mr. HARDWICK. It is a fact that they are going to put on 10,000 men, is it not?

Mr. BARCHFELD. No, sir; that is not true.
Mr. HARDWICK. The papers stated it.
Mr. BARCHFELD. I deny the assertion.
The CHAIRMAN. The time of the gentleman has expired.

Mr. UNDERWOOD. I yield to the gentleman from Georgia

five minutes. Mr. HARDWICK. As I said just now, wool is the particular fetish of the gentleman from Wyoming [Mr. Mondell]. That has been the trouble with the Republican Party. Every single man in it has had some one particular thing to which he was devoted and on the altar of which he was willing to sacrifice every other interest, disregarding the old maxim that legislation must proceed on the theory of the greatest good to the greatest number. For that reason they have been weighed in the balance; for that reason they have been found wanting by the American people. [Applause on the Democratic side.] For that reason wails come from them to-day, not for the good of the country, not for patriotism, not for creative legislation, not to redress wrongs, not to secure rights, but walling like Rachel weeping for her slain and refusing to be comforted, because of the power they have lost and which they realize is to return to them no more.

[Laughter and applause on the Democratic side.]

My friends, the country knows the situation, the country knows how little there is in all these complaints, and I challenge the gentleman from Washington [Mr. HUMPHREY] when he puts his figures in the RECORD to put against them the business failures of 1913, the business failures of the year 1912, the business failures of 1911, the business failures of the year 1910, and so on back, including those of 1907, all good Republican years-both the number of such failures and the volume of capital affected thereby. Gentlemen, there is nothing in this but the weeping of discredited politicians, and I think in the interest of patriotism that we ought to turn our faces toward the sunrise of a fairer and a brighter day. Instead of preaching and howling and practicing all sorts of pessimism we ought to look with optimism to the good times coming under Democratic administraton in this year of grace 1914. [Applause on the Democratic side.

Mr. Chairman, I yield back the remainder of my time and ask leave to extend my remarks in the RECORD by printing all of the article in the New York Herald, as I have not had time to read it all.

The CHAIRMAN. The time of the gentleman from Georgia The gentleman asks unanimous consent that he has expired. may extend his remarks in the RECORD. Is there objection?

There was no objection. Mr. FRENCH. Mr. Chairman, I ask unanimous consent that I may extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Idaho asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. PAYNE. Mr. Chairman, how much time have I remain-

The CHAIRMAN. The gentleman has 16 minutes.

Mr. PAYNE. I yield five minutes to the gentleman from Iowa [Mr. GREEN].

Mr. GREEN of Iowa. Mr. Chairman, the gentleman from Georgia [Mr. Hardwick] is the most cheerful and optimistic man that I ever met. He could whistle in a combination of a cyclone, a fire, and an earthquake. [Laughter.] He says that these are prosperous times that we now have, and that the only figures we have against it are the figures from Republican newspapers. I propose to give the gentleman some figures from a Democratic source, if that is what he wants, and to give them to his entire satisfaction, so far as the Democratic authority is concerned.

He stated to you a moment ago that he was willing to compare the failures of 1912 with those of 1911 or any other Republican year, and that times were improving. These are the statistics of Democratic improvement. There were over 2,500 firms failed in the month of December last, with liabilities aggregating over \$31,000,000. The failures of 1913 exceeded those of any other year in the history of the Nation, except the calamitous year of 1893, also under Democratic administration.

Mr. HARDWICK. Will the gentleman give us his authority? Mr. GREEN of Iowa. The authority I am giving for these figures is the New York Times Annalist, a journal published by the New York Times, a purely statistical paper issued once a week and recognized as an authority in the business world.

Mr. HARDWICK. Why does not the gentleman give Dun's and Bradstreet's figures?

Mr. GREEN of Iowa. They are exactly alike.

Mr. HARDWICK. They do not agree at all.

Mr. GREEN of Iowa. They are the same. Here is another example of Democratic improvement. In the last two weeks of December last, preceding January 1, the number of idle freight cars increased 78,000, and the idle freight cars in this month of Democratic improvement were over 178,000 more than they were in the December of 1912.

Mr. HARDY. Do not the newspapers say that most of the railroads to-day are seeking to increase their capital in order to get new and needed equipment?

Mr. GREEN of Iowa. Yes.

Mr. HARDY. If they have so many idle freight cars, why

should they be seeking to increase equipment?

Mr. GREEN of Iowa. Not in that direction; but they are seeking to increase their track facilities and to pay increased wages to employees. That is what they are trying to get. Now, I will give another authority, which is neither Democratic nor Republican, but the Iron Age, a paper published at Cleveland, Ohio, which recently sent out a number of correspondents to ascertain the number of idle men in the iron trade and in the mining industry. They found there were over 1,000,000 men idle in the iron trades and 230,000 in the mining industries.

Mr. JOHNSON of Washington. Does the gentleman think these occasional statements that men are out of work and that factories are idle, and reports of other distressing matters of that kind, are due to the war trouble in the Balkans, as claimed by the brilliant gentleman from Georgia [Mr. HARDWICK], or to the drought in Oklahoma, as was stated a few days ago by our illustrious Speaker?

Mr. GREEN of Iowa. Not at all.

Mr. HARDY. Mr. Chairman, will the gentleman permit me to supplement my question?

Mr. GREEN of Iowa. Oh, my time is very short.

Mr. HARDY. Is it not a fact that the railroads all over the country are claiming that they have to pay higher wages; that they have not got equipment to do the work with the freight they have; and that they are asking an increase in their capital and permission to raise the rates on that account?

Mr. GREEN of Iowa. That does not answer anything that I

have said at all and does not relate to it. I find, however, from the statement of the gentleman from Georgia [Mr. HARDWICK] that the great Democratic Party has reached the same position it reached before, namely, a position in which it is unable to hear the testimony of cold facts with reference to what its legislation has brought upon the country. [Applause on the Republican side.]

I yield back the balance of my time.

Mr. UNDERWOOD. Mr. Chairman, how much time have I remaining?

The CHAIRMAN (Mr. Houston). Seventeen minutes.

Mr. UNDERWOOD. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. Fowler].

Mr. FOWLER. Mr. Chairman, I desire to say that I do not wish to yield during the five minutes allotted to me. I have been much interested in the statements of some of the gentleman. been much interested in the statements of some of the gentle-men on the other side, because of the strange reasons offered by them as an excuse for raising the calamity howl. I went back to my home district during the holidays. Down in Illi-nois we had a very severe drought last summer, and not more than half the crop was raised. Yet I never in my life found our people in Illinois more hopeful than they are now.

Mr. JOHNSON of Washington. Has the Balkan War hit into

the gentleman's country yet?

Mr. FOWLER. You fellows, you high protectionists, remind me of the story said to have been told by John Allen, of Mississippi. John Allen knew a colored girl down in his district before he went to Congress. After he had been in Congress one term he went back home, and met on the street the colored girl, Sarah by name. She was dressed in all kinds of ored girl, sarah by hame. She was dressed in an kinds of silks and feathers, and on meeting Mr. Allen she stopped in front of him and, with a bow, exclaimed, "Howdy do, Mr. Allen; I don't believe you knows me." He looked up and said. "What! Is this Sarah? You worked in the kitchen for Bill Jones, didn't you?" She replied, "Yes, sur, Mr. Allen; but I'se done been rulned now." That is the way with you fellows. You have been ruined by protection. [Applause and laughter on the Democratic side.] You can see no good in anything unless it is fostered by a high protective tariff, and you cry like whipped children when it is taken away from you. Ye gods! How long must we wait before our American industries are ready to shed their swaddling clothes?

Mr. JOHNSON of Washington. Will the gentleman yield for

question?

Mr. FOWLER. No; not any more, because the gentleman has been ruined. [Laughter.]

Mr. JOHNSON of Washington. Will not the gentleman say whether the fluorspar industry has improved in Illinois?

Mr. FOWLER. Yes. By the way, the fluorspar mines in my district are flourishing and working full time. [Applause on the Democratic side.] The gentleman will recollect that about two months ago one of the fluorspar mines in my district closed down. I made an investigation of the cause and dis-cussed it on the floor of the House, and the result was that a representative of the steel people told me that they had no idea of closing down their furnaces and their mills, and so the fluorspar mine started up within a week after it had closed down, and now all goes like a marriage bell in the twenty-fourth down, and now all goes like a marriage ben in the twenty lower district of Illinois. The same thing is true of the coal mines and lumber mills in my district. They are blossoming like roses and flourishing like trusts. Ah, not only that, but the common people have indorsed Mr. Wilson, because he is President of all the people and not a part of them. Indeed, the Republicans in my district are giving praise to Woodrow Wilson because of his plain, common-sense conduct of American affairs. The people of all parties are with him in his honest and determined efforts to correct the evils growing out of bad legisla-tion in the past. They can not be frightened away from him by such speeches as have just been delivered by the gentleman from Wyoming [Mr. Mondell] and the gentleman from Washington [Mr. HUMPHREY].

Mr. Chairman, these gentlemen remind me of old times, when I was a boy. Every time my father whipped me I cried, but he administered the punishment for the purpose of correcting the boy; and so our President and the Democratic Congress are administering the punishment to you fellows for the purpose of correcting the evils which you have brought about in this country by selfish legislation. [Applause on the Democratic side.

[By unanimous consent, Mr. Fowler was granted leave to

extend his remarks in the Record.]

Mr. UNDERWOOD. Mr. Chairman, I yield one minute to the gentleman from New Jersey [Mr. McCov].

Mr. McCOY. Mr. Chairman and gentlemen of the committee, I should like to call the attention of the committee to some up-to-date information from the great State of New Jersey. Schedule K, of course, was the schedule which we heard most about and the most wails about, and I know that my Republican friends will be glad to learn that two of the leading manufacturing concerns manufacturing woolen goods in the State of New Jersey have now entered the foreign markets and are now selling their goods in France in competition with woolen goods from all over the world, and as I have only one minute and that time will be too short to permit me to read this article, I am going to ask unanimous consent that I may extend my remarks in the RECORD by incorporating this short article as a part of

The CHAIRMAN. The gentleman from New Jersey asks unanimous consent to extend his remarks in the Record by inserting the article mentioned. Is there objection? pause.] The Chair hears none. [After a

The article is as follows:

[From the Journal of Commerce and Commercial Bulletin, Monday, Jan. 12, 1914.]

FORSTMANN-HUFFMANN SELL AMERICAN GOODS IN PARIS—EXPORTS DUE TO SUPERIOR DESIGNS AND CONSTRUCTIONS—CURIOUS CONTRAST OF TWO PASSAIC DRESS-GOODS COMPANIES—ONE ESTABLISHES AN IMPORTING BRANCH, THE OTHER TAKES SUBSTANTIAL ORDERS FROM PARIS JOBBERS.

For the first time in the history of the United States orders for domestic dress fabrics have been placed in a substantial way by French purchasers. The business booked is on novelties for the fall 1914 season, and the fact that the buyers have to pay a tariff duty, in addition to the costs of the cloths is pretty good evidence that the materials bespoken possess certain superior qualities of design and construction not found in any fabrics of similar grade shown by continental mills. This notable accomplishment has been achieved by the Forstmann & Huffmann Co., of Passalc, N. J., and the goods have been sold to leading, old-established Paris wholesale houses, so that it is reasonable to suppose they will be found in the hands of the best European trade long before the next autumn season arrives.

long before the next autumn season arrives.

Following closely on the announcement that the Botany Worsted Mills had entered the importing field, the export business developed by the Forstmann & Huffmann Co. is peculiarly interesting. These mills stand on adjoining properties. They have the same manufacturing facilities. Land, power, labor, wool, dyestuffs, etc., cost as much to one as to the other; yet while one of these great plants finds it expedient to broaden its foreign connections and start importing goods in a large way, the other demonstrates that under present tariff conditions it is possible for an organization of the highest efficiency with up-to-date equipment and ideas to go to Paris and beat the world in a field of manufacturing that has heretofore been considered securely in the hands of European producers.

This instance, however, is not the only one that can be cited to show the different attitudes domestic woolen manufacturers have assumed since the provisions of the Underwood-Simmons bill became known. Some are convinced that importations are not going to hurt their particular products, while the majority are positive their interests are

going to suffer severely. While the spring 1914 season is considered secure because of the lateness of the date on which the new tariff bill became operative, competition of a harmful character from abroad is expected to be felt during the next fall season.

Originality of ideas in styling, coupled with the finest workmanship, were the factors that won the authoritative foreign market for high novelty dress goods made in the United States. It was not prices, because the goods disposed of are the costliest ever made here. To sell goods in Paris where, according to common opinion, practically all that is attractive in textiles for women's wear originates, is an achievement which few familiar with conditions on this side of the water heretofore thought possible. Reports that efforts were being made to introduce domestic dress fabrics in France were noised about the primary market late last year, but those behind this business experiment did not consider it prudent to discuss the matter until their plans had fully matured.

Now that a foothold has been secured and business is coming forward in a way that is up to the most sanguine expectations of those who originated this selling campaign, it can be stated that very substantial initial orders of novelty dress fabrics have been given by leading jobbing concerns in Paris, and that the indications point to a satisfactory repeat order business during the coming year.

This invasion of the French market was conceived by Julius Forstmann, of the Forstmann & Huffmann Co. It was not undertaken for the purpose of finding an outlet for the surplus products of the company's mills, as is so often the case with manufacturers of other kinds of mill and factory products when the home demand slackens. The mills of this corporation are under engagement for the entire spring 1914 season. Every spindle is running overtime in both the Passaic and Garfield plants, and most of the looms have to be run overtime in order to take care of the dress-goods business that has been booked for sp

to take care of the dress-goods business that has been booked for spring delivery.

The motive that impelled the Furstmann & Huffmann Co. to seek foreign markets was to prove that dress goods could be made in the United States superior to any made in Europe, knowing that excellence of quality and originality of design would force the discriminating French buyers to recognize the superior merit of these fabrics and thus demonstrate the universality of the prestige already enjoyed by these manufacturers in the American market.

Ordinary staples can not be marketed abroad, as the high labor cost in this country precludes the possibility of competing with foreign makers of goods of this description. The goods sold for export are novelties of the finest quality and, aside from their originality of design, they are made of the very best raw materials.

All of these novelties differ materially from anything ever shown, and, while the styles are confined to the purchasers for distribution in Europe, American buyers will be able to obtain the same patterns and qualities when the fall 1914 lines are opened, which, as we understand, will be some time next month.

Mr. UNDERWOOD. Mr. Chairman, I will ask the gentle-

Mr. UNDERWOOD. Mr. Chairman, I will ask the gentleman from New York to conclude his time.

Mr. PAYNE. Mr. Chairman, I yield five minutes to the gen-

tleman from Kentucky [Mr. LANGLEY]. [Applause.]
Mr. LANGLEY. Mr. Chairman, I have always claimed to be tolerably liberal-minded Republican. I do not wish to be unfair to the Democratic Party

SEVERAL MEMBERS (on the Democratic side).

Mr. LANGLEY. Later on in this session I shall perhaps ask the indulgence of the House for the purpose of showing the effect, good or bad, which this new tariff law has had upon the people and the industries of my State and district. Some reference has been made here to-day to the Democratic promise to reduce the high cost of living. I am willing to give the Democrats a fair chance and a little further extension of time in which to redeem that promise to the people. That is one of the reasons why I do not wish to discuss the question fully now. I want to say in passing, however, that they have not done it yet, so far as prices to the consumers in my district are con-The gentleman from Illinois [Mr. Fowler] says that the coal operations in his district are running full time and are prospering, and that the people of his State are prosperous and happy. Mr. Chairman, there are many coal operations in my district. Before this Underwood tariff bill went into effect they were working all the men they could get and were even sending out agents to other parts of the country to get additional men. Now many have closed out and others have curtailed their output, and hundreds of the men are leaving. Whether that is the result of this tariff law I do not know. I shall investigate and try to inform the House later. I am even liberal enough to give the Democratic Party credit for having taken a step in the direction of redeeming its promise to reduce the high cost of living so far at least as one item is concerned, although it was apparently necessary for them to sacrifice the jobs of a good many people in order to bring that about. I have here an article published a few days ago in a leading journal of the country the Washington Device and the country the washington Dev here an article published a few days ago in a leading journal of the country, the Washington Post. You gentlemen on that side have said that we quote Republican newspapers only. This paper, I believe, is classed as independent, but it is owned and managed by a distinguished Democrat, the Hon. John R. McLean, of Ohio. This article, which I shall ask to be read at the Clerk's desk in my time, indicates that the Democratic Party has redeemed its promise to reduce the high cost of living, at least to the extent of reducing the price of soup in the city of Chicago from 10 to 2 cents a howl. [Laughter and the city of Chicago from 10 to 2 cents a bowl. [Laughter and applause on the Republican side.]

The CHAIRMAN. The Clerk will read the article desired. The Clerk read as follows:

BAID BY HUNGRY MEN—CHICAGO CAFÉS INVADED AND FOOD DEMANDED—BREAK IN UPON REVELERS—UNEMPLOYED ALSO PARADE STREETS, SMASH WINDOWS, AND PUNCTURE AUTOMOBILE TIRES—"WE WANT WORK, NOT CHARITY," MOTTO ON THEIR BANNER—HOTEL FOR HOMELESS OPENED AND FILLED IN TWO HOURS,

CHICAGO, January 1.

Entering restaurants and demanding food, breaking windows, and puncturing automobile tires, a crowd of nearly 500 unemployed men early this morning marched through Chicago's business district. They furnished a strange contrast to New Year revelers who were leaving the cafe's and restaurants.

The men marched in State Street four abreast, carrying a banner which read, "We demand work, not charity."

The army halted cars and cried to passengers that they wanted work. At Van Buren Street the police halted the marchers, but they soon re-formed their line farther down the street.

"Hey, you bums, what's up?" shouted a pedestrian from the curb.

"You are drunk and we are hungry," replied one of the leaders.

The band finally broke up into small groups.

OPEN HOTEL FOR UNEMPLOYED.

The Rufus F. Dawes Hotel, Chicago's first endowed home for unemployed men, was thrown open to-night, and two hours later its capacity of 305 guests was reached.

In midafternoon a small knot of men gathered in front of the new building. They formed two lines of ragged humanity, which grew until it extended for a block in either direction. There were more than a hundred in line-when the last bed was taken.

The doors were opened by Charles G. Dawes, former Comptroller of the Currency, who built the hotel as a memorial to his son, who was interested in sociological work. The junior Dawes was drowned more than a year ago.

FOOD AT SMALL PRICES.

Before retiring each guest was required to bathe and was given a nightdress and slippers. Clothing of the lodgers was placed in steel lockers, which were superheated to destroy all life. A bed and a bath are furnished for a nickel, and there are rooms for a dime for more particular guests. A bowl of soup may be obtained for 2 cents, pie for 3 cents, coffee for 2 cents, and rolls for 1 cent.

Mr. Dawes and his daughter sat before the fireplace in the lobby and listened for several hours to stories of fruitless job hunting. Over the fireplace was a large flag with the inscription, "Don't give up the ship." It was made by Miss Hattle Stewart, granddaughter of Margaret F. Stewart, who made the original historic flag, and donated by J. L. Pelton, of Erie, Pa. The hotel is three stories high and was erected at a cost of \$100,000.

Mr. LANGLEY. Mr. Chairman, I see my time is up, but I want to say, in concluding, that I commend this statement of

want to say, in concluding, that I commend this statement of facts, which stands uncontroverted, to the prayerful consideration of the distinguished gentleman from Illinois who spoke so fervidly and eloquently a few moments ago about the happiness and prosperity which he says exists in his State.

Mr. PAYNE. Mr. Chairman, I yield two minutes to the gen-

tleman from Nebraska [Mr. SLOAN].

Mr. SLOAN. Mr. Chairman, at a later date in this session I expect to discuss the farmers' condition under the new legisla-I hear it stated on the floor of this House that the farmers are in a better condition than they have been for a long time. There are two facts to which I desire to call attention. the multiplied number of idle freight cars which are accounted for to some extent by active foreign steamships which are bringing multiplied millions of meat products into the United States from Argentine, and another is the multiplied millions of wheat and multiplied millions of corn from abroad will account for the fact in part. And I want to answer the challenge to the authority of Republican papers and the apparent demand for Democratic authority. Out in my State under the droppings of our State capitol, out upon Fairview is one of the fairest, finest farms in our splendid State. Last summer, while the fields of that farm were golden with grain and emerald with alfalfa, the highest Democratic authority in the United States testified to the condition of farm prosperity, or the lack of it, in

our State. It was following the passage by the House of the tariff bill which is the basis for all of this discussion.

And he, who is the Secretary of State, grand old farmer that he is, of my State, deliberately declared to the American people in a discussion at that time that his farm in Nebraska, whose beauties and fertility my language can not paint, was a liability and not an asset. [Applause on the Republican side.]

Mr. PAYNE. Mr. Chairman, how much time have I re-

maining?

The CHAIRMAN. The gentleman has four minutes.

Mr. PAYNE. I yield to the gentleman from Pennsylvania

The CHAIRMAN. The gentleman from Pennsylvania [Mr.

BURKE] is recognized for four minutes.

Mr. BURKE of Pennsylvania. Mr. Chairman, I wish to refer for just a moment to the statement of my friend from Georgia [Judge Hardwick]—and it is the only one that I have heard on that side of the House that I believe is worthy of any serious notice or contradiction. There is a great deal of extravagance, I believe, on both sides in discussions of this kind; but when a gentleman of the standing of the gentleman from Georgia makes the statement that it has been found to be an

actual condition that business men in the city of Pittsburgh are turning down orders in the course of their business in order to justify them in keeping up a wail and a cry of "hard times" and a continued criticism of the present administration I think the gentleman and the man who gave him the in-

formation do themselves a very great injustice.

The fact of the matter, Mr. Chairman, is this: That at no time in the history of western Pennsylvania has there been a keener disposition on the part of men of all political parties to discard politics, to encourage business, and to aid the President of the United States in doing his full duty in the premises. I have heard uncounted remarks of that character from men of every type, from men of every political faith, regardless of whether they believe in the same principles as Woodrow Wilson or whether they entertain contrary views. Bankers, manufacturers, and men in every walk of commercial life and every branch of commercial industry have concluded that, good or bad, wise or unwise, they would rather see the name of OSCAR W. UNDERWOOD attached to a bill that would give prosperity to this country than see it attached to one that would bring adversity upon it. [Applause.] And there is not a disposition on the part of any man in any line of industry that I have found in any place that is willfully or unjusty placing overald it. in the way of the present administration. What good would it do us in Pittsburgh to close down our mills or turn men out of lucrative employment merely for the purpose of justifying criticism of the Democratic Party? The country has long since passed that stage. Men are broader minded on that subject to-day than they ever were before, and it is my belief that men of every type in the political world who are worthy of the confidence of their fellow men are to-day hoping and praying and working for the success rather than for the failure of the laws that have been placed on the statute books by this administration regardless of whether those laws in their minds are wise or unwise.

Mr. MONTAGUE. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman yield?

I will yield to the gentleman,

Mr. BURKE of Pennsylvania. I will yield to the gentleman,

I have time.

Mr. MONTAGUE. If that statement be true—and I have no doubt the gentleman believes it to be true—how can you reconcile it with the statements just made by a number of your colleagues to-day who preach adversity? If there was a movingpicture apparatus to catch their facial expressions and a device for registering their vocal intonations, it would appear that these gentlemen evidently desire disaster and demoralization.

Mr. BURKE of Pennsylvania. I can not reconcile myself to

the belief-

Mr. MONTAGUE. I am sure the gentleman can not—
Mr. BURKE of Pennsylvania. That they are willfully painting a picture that they believe did not exist in this country.
Mr. MONTAGUE. Will the gentleman permit me to ask him

Mr. MONTAGUE. Will the gentleman permit me to ask min further? There is no measure now pending—
Mr. BURKE of Pennsylvania. If the gentleman from Alabama [Mr. Underwood] will give me time, I shall be glad to answer the gentleman. I do not believe the gentlemen on this side of the House are making unfounded statements regarding a side of the House are making unfolding statements regarding a cessation of industry. I am neither repeating nor disputing their arguments, but I do dispute the statement of the gentleman from Georgia regarding Pittsburgh business men.

Mr. UNDERWOOD. Mr. Chairman, I ask unanimous consent that I may print in the Record a newspaper clipping consent that I may print in the Record and the statement of the statement of the statement of the gentleman of the statement of the gentleman of the statement of the gentleman of the gentleman of the statement of the gentleman of the gentleman

taining a speech by Mr. John Wanamaker, in connection with

The CHAIRMAN. The gentleman from Alabama [Mr. Un-DERWOOD] asks unanimous consent to print a newspaper clipping in connection with his remarks. Is there objection? .

There was no objection.

Mr. UNDERWOOD. Mr. Chairman, I have heard birds of ill omen croaking for many months, and I have not stopped to reply, because I knew that the reply was of itself coming from a

majority of the people.

The Democratic Party came into power last March with very disturbed business conditions growing out of mismanagement of political affairs at the hands of our opponents. Naturally, the great business interests of the country wanted to know what the new administration would do in reference to the handling of business questions before they entered upon new enterprises and the development of new business. The Democratic Party had been out of power for more than 16 years. New men were to take hold of the wheels of the Government, and it was perfectly natural that business enterprise would halt and wait to see the result of party action. But the Democratic Party to-day has achieved for the American people greater constructive legislation than any party has accomplished in the same time heretofore in the history of our Government. [Applause on the Dem-

We have accomplished results that our opponents on that side of the House struggled for years to accomplish. They gave their pledges to the American people that they would accomplish them, and yet term after term of Congress and administration after administration went by, only to have those promises redeemed in the political bankruptcy court. As far as I can tell, every indication points to-day not only to good times but to unusually prosperous times within the next year.

Gentlemen have quoted figures for the iron and steel districts. I happen to represent a great iron and steel district myself, and I want to say that practically everything that is made in that district has been placed upon the free list. We have not received very high prices in the last few months for our commodities, but the mills, furnaces, and factories have been running, and have been employing their labor; and only recently, since the Christmas holidays, I have seen in one of the papers—and I have no doubt it is true—that one of the great manufacturing concerns in that country has put its men to work on double shifts, so that they can duplicate the ordinary production of the mills.

Mr. HUMPHREY of Washington rose.
Mr. UNDERWOOD. I do not wish to be interrupted.
Now, about the mills in the Pittsburgh district. Of course, recognize the fact—and I do not say it facetiously—that the Pittsburgh district can not compete under the same conditions that the Birmingham district can; but the Pittsburgh district is one of the great iron and steel producing districts in this country, and to-day the business of that district is improving largely. I hold in my hand the Cleveland Plain Dealer of Monday, January 12, 1914, which contains a telegram from Pittsburgh that says:

[From the Cleveland Plain Dealer, Monday, Jan. 12, 1914.]

STEEL MILLS OPEN, 50,000 GET WORK—THIRTY FURNACES IN PITTSBURGH DISTRICT TO START TO FILL 125,000 TONS ORDERS—SITUATION BACK TO NORMAL AND BIDS FAIR TO BE EVEN BETTER.

PITTSBURGH, January 11.

More than 50,000 men who have been idle for from one to three months will be reemployed before the end of this week in the Pittsburgh district. Steel orders aggregating 125,000 tons have been landed. The Carnegie Steel Co, in the week just past placed orders for \$2,000 tons; the bulk of the remainder went to the Jones & Laughlin Co. Smaller companies received lesser orders.

Furnaces at practically all the works are undergoing repairs. Many workmen either laid off or placed on part time have been engaged in the preliminary work of repairing furnaces. Other skilled and unskilled workmen who have been employed at half and three-quarters time will be placed on full time, some by the end of this week and nearly all by the end of this month.

Industrial conditions in the Pittsburgh district are already approaching normal; and, according to officials, conditions before spring will be better than at any time since the business depression in 1907.

Rock bottom has been reached in sheet and tin plate prices. The American Sheet & Tin Plate Co. has withdrawn quotations and this week will announce an advance. This company has resumed operation in plants at Newcastle and Farrell, which were closed, and have resumed full-time operation in plants which were working part time.

The announcement that the Pittsburgh Sheet & Tin Plate Co. will construct four new hot mills at its works in Marietta, Ohio, and that the Follansbee company will add new mills to its works at Follansbee, W. Va., are further indications of improvement in conditions in this part of the country.

Expansion of open-hearth plant capacities is a marked feature of the week.

The furnaces placed in operation are: Allegheny Steel Co., 1:

week.

The furnaces placed in operation are: Allegheny Steel Co., 1;
American Sheet & Tin Plate Co., 2; Brier Hill Steel Co., 2; Carnegie
Steel Co., 16; La Belle Iron Works, 1; Republic Iron & Steel Co., 2;
and the Youngstown Sheet & Tube Co., 6. The total yearly capacity
of these mills is 2,003,000 tons. The open-hearth additions building
or under contract at the opening of 1914 are: Pittsburgh Crucble
Steel, two furnaces of 60 tons capacity each; Leetonia Steel Co., two
70 tons each; and Follansbee Bros. Co., two with 60 tons capacity

Now, that is a newspaper clipping, but I have no doubt that it correctly states the fact. There would be no reason for it to state an untruth or to misinterpret the situation.

Mr. HUMPHREY of Washington. Will the gentleman yield?

Mr. UNDERWOOD. I do not yield.

Mr. HUMPHREY of Washington. I just want to say that there is a dispatch this morning contradicting that.

Mr. UNDERWOOD. Mr. Chairman, I hope the Chair will see that the gentleman from Washington obeys the rules of the House

The CHAIRMAN. The gentleman from Alabama is entitled

to the floor.

Mr. UNDERWOOD. Now, Mr. Chairman, our friends on that side of the House may not accept Democratic authority, but there are certain great merchants in this country whose standing in the Republican Party as politicians and whose standing before the country as business men can not be questioned. hold in my hand a speech delivered by Mr. John Wanamaker before the president, directors, and members of the Union League

in Philadelphia on January 1, 1914. By leave of the House I will insert the entire speech in the RECORD, and I call particular attention to the concluding sentence for the benefit of the gentlemen on that side, and especially for the benefit of some gentlemen from Pennsylvania who are crying "Panic" and proclaiming that there will be hard times for the people of America. Here is what Mr. Wanamaker says:

America. Here is what Mr. Wanamaker says:

It affords me great pleasure to meet the president, directors, and members of the old historic Union League of Philadelphia on New Year's Day and to speak to you not only in terms of the compliments of the season, but to discuss for a few minutes, as requested by some of your members, the serious and practical conditions that face the Nation at the outset of this new year.

Mr. President, directors, and members of the Union League, nowhere else in the United States is there any organization of 2,000 men so thoroughly representative of the active, influential citizenship of our country. From a business point of view, a part of your large membership covers with a complete network manufacturing interests of this oldest leading manufacturing center of the United States.

I do not presume to speak to you as a manufacturer, but no other class of men is as closely allied to the user of raw materials who produces merchandise as the commercial men, of whom I am one.

I have long been of the opinion that the rock-bottom foundation of business presperity is the manufacturer, coupled with the distributer of the manufactured articles. Neither ships, railroads, nor banking can play much, if any, paying game in any country during the chill silences of mill wheels and forge hammers.

Naturally, a change of a long-established tariff has a disturbing influence.

Who is to blame for this?

Naturally, a change of a single influence.

Who is to blame for this?

The Republican Party, long in power, had full notice far back of the unrest of the people with a tariff unnecessarily high in spots. That party was deaf, dumb, and blind to the widespread evidences of a determination to enferce changes in the tariff corresponding to the improved machinery and greater skill of American workmen.

Personally I argued, while in the Cabinet of President Harrison, for a moderated tariff—I may say an equalizing tariff—along the line of the views of Samuel J. Randall, well-known Pennsylvania Democrat and Congressman.

I felt it my duty as a Pennsylvanian to present the same views at a

Personally I argued, while in the Cabinet of President Harrison, for a moderated tariff.—I may say an equalizing tariff.—along the line of the views of Samuel J. Randall, well-known Pennsylvania Democrat and Congressman.

I felt it my duty as a Pennsylvanian to present the same views at a conference upon the tariff plank of the platform in Chicago at the last Republican convention.

The day of judgment came to the Republican Party in November, 1912. Good Republicans, worn out by broken pledges, resolved to punish their party's deaf, dumb, and blind leadership. They united against radicalism and deliberately joined forces with the Democratic brethren in turning over the National Government to Woodrow Wilson, who took office pledged distinctly to two objects of profound interest to the business world:

1. A lowered tariff.

2. A revisal of the monetary law, to improve the old banking act of Civil War time.

In less than one year both these great undertakings have been accomplished. All honor to the persistent President and the Democratic statesmen who have made their word good!

It is quite too early to pass judgment with any certainty on either of these laws. Neither manufacturers nor bankers have as yet crystallized their views.

Speaking for myself alone, the Woodrow Wilson tariff bill of 1913 is a far better bill than either of the Grover Cleveland bills. It is a much better bill than I expected, and I believe it possible for the manufacturers to adjust themselves to the changed conditions in at least two-thirds of the items in the new schedules.

I do not think that the changes in the tariff schedules have thus far affected business seriously. The manufacturers have free wool, which will help them to some extent. Some of the manufacturers will drop certain classes of goods and turn their machinery in other directions.

There has been considerable sacrificing of stocks in first hands, largely because of financial needs not met by banking facilities. On the whole, trade and commerce are in a fairly healthy con

corporations operating inder the Sherman Act have done much toward restoring confidence. There is not much more room for shrinkages of values.

The recent failures are not an index of general trade conditions. That a period of greater economy has set in in many directions is clearly manifest, attributable, it is believed, to the income tax, which has reduced the spending money and worked some hardships to hundreds of thousands of people whose living is thereby affected, especially such as are under salaries.

The question arises, if industries and active labor are to be taxed, whether it would not be fair to tax the idle and nonproducing classes. The crux of existing business conditions is to be found in the monetary legislation.

Congress and the President have ordained a new system of finance. The measure is complex and almost beyond the comprehension of an ordinary layman or trader who has not studied finance.

I have never believed that it was a proper function or prerogative of any Government to conduct a banking business, directly or indirectly, except in time of war.

Banking is a science and requires men with years of special training and expert knowledge. Many of the banks that have not succeeded in this and other countries have been managed by speculators and inexperienced bankers. There are large central banks in foreign countries that are successful, but they are not managed by the Government. Their directing forces are the bankers and merchants.

The Bank of England, the Bank of Reichbank, and the Bank of Netherlands (which is probably the best organized central bank, though not as large as others in Europe to-day) are not in any way supervised by their respective Governments.

Credit and banking are the two most sensitive and delicate engines of commerce, and the placing of the management of the affairs of a hank or banks affecting credit (as is provided in the Glass-Owen bill) largely in the hands of Government officials, no matter how upright and conscientious they may be, is experimental, dange

Now that the bill is a law there is nothing to be gained by pulling it to pieces. The bill, as passed, is a vast improvement upon the original bill. I believe it workable, but not by amateurs. I do not believe that as much power is given to any other Government board as there in this new bill for the administration of the finances of the 96,000,000 of our people.

A stupendous responsibility rests upon the President in selecting men for the Federal reserve banks, in addition to the two ex officio members, the Secretary of the Treasury and the Comptroller of the Currency. They must be men of much more standing than retired millionaires—men of not only high character, broad knowledge of affairs, and specially of banking, commerce, and the ever-changing conditions of business.

men of not only nign character, broad knowledge of altairs, and specially of banking, commerce, and the ever-changing conditions of business.

They should be men commanding not only the confidence of our own countrymen but of the banking and business world abroad. The cables and fast ships have tied all the countries close together.

The tremendous power and responsibility resting in this board will enable it to hold in its hands the weal or woe of the American people, and therefore it must be kept absolutely free from the slightest taint of politics of any kind, good or bad.

The safety of business depends wholly upon the working out of this bill in guarding the reserves of the commercial banks of the country. Much patience and assistance must be afforded by the public.

The least that every good citizen and the publishers of newspapers can do is to abstain from criticism and partisanship in discussing a bill enacted in good faith after long study by many capable men.

To get it into successful operation is the paramount duty, and the President and his official staff should not be hindered by the chatter of ignorance or by the constitutional whiners or whimperers nor by political or polemic slanderers.

It takes time for everybody to get accustomed to write the new figures of the new year in dating their letters and their checks, and it will take considerable time to safely change over the monetary affairs of a great Nation.

The man who sees nothing but disaster ahead is not a true American. If he brings a fresh bushel of doubts every morning, he is a postilence maker. For myself, I am free to say that I will put such a man outside of my door to carry his infection to the winds. The breeders of panic ought to be deported.

I have no fear of any serious unsettlement of business or of any long disturbance of prosperity.

In a word, we have lots of room in this country for courage, energy, and enterprise, but there is no room or reason for a panic. What the President wants and the country wants are mem—strong me

and broad visioned, able men to help him the way.

The motto for the new year is "Don't be blue."

If you and I are not blue, we can not make another man blue. This country is too large and strong and so wondrously wealthy that its citizens may safely write in their new year's resolution this year that there shall be no business panic in 1914.

[Applause on the Democratic side.]

Now, that statement comes from a man who was Postmaster General of the United States under a Republican administration, a man whose Republican faith can not be doubted by anyone, a man whose great business interests bring him in intimate

contact with the great heartbeat of the American people.

Mr. PAYNE. Will the gentleman allow me to ask him if it brings him into intimate contact with the customs frauds of the

Mr. UNDERWOOD. I can not yield. I did not intend to reflect on a Republican administration in reference to those matters, but if the gentleman from New York [Mr. PAYNE] desires to do so I will allow it to stand in the RECORD.

Now, Mr. Chairman, I say to these birds of ill omen who want to preach disaster and ruin to the American people, hoping that it may bring their party back into power, there is no such condition existing in America to-day as the conditions that existed in 1907. This country, of necessity, will pass through eras of great prosperity and will pass through eras of industrial depression. The industrial depression from which we are emerging to-day is not a matter that was born within the administration of Woodrow Wilson. The industrial depression from which we have been suffering has existed for more than a year. It existed before the last presidential election; but the passage of a tariff bill on a safe and sound basis, a tariff bill that works justice to the American consumer and yet at the same time does not destroy any great industry in this country, will bring about an era of great industry and plenty in the country. Knowing that this question of tariff taxation shall not longer be a football of politics, that business interests will adjust themselves to the new conditions, and that the currency bill will supply the immediate money to carry on their business, I predict that before the coming elections next fall there will be an awakening of the great business interests of this country that will put the croakers who preach hard times and bad business to shame, and will be such a revival that the whole country will approve of the action of this administration. [Loud applause on the Democratic side.]

The CHAIRMAN. The time of the gentleman has expired,

and all time has expired.

Mr. LANGLEY. Mr. Chairman, the Clerk was cut off from finishing the reading of the article in my time, and I ask unanimous consent to extend my remarks in the Record.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consents.

imous consent to extend his remarks in the RECORD. Is there objection?

There was no objection. Mr. JOHNSON of Washington. Mr. Chairman, I ask unani-

mous consent to extend my remarks in the Record.

The CHAIRMAN. The gentleman from Washington asks unanimous consent to extend his remarks in the Record. Is there objection?

There was no objection.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous con-

sent to extend my remarks in the Record.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to extend his remarks in the RECORD. Is there objec-

There was no objection.

Mr. HAWLEY. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record.

The CHAIRMAN. The gentleman from Oregon asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.
The CHAIRMAN. The Clerk will read the resolution for amendment

Mr. REILLY of Connecticut. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record.

The CHAIRMAN. The gentleman from Connecticut asks

unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD on the subject under discus-

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. UNDERWOOD. . Mr. Chairman, I move that the committee do now rise and report the resolution to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. Houston, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration House resolution 340, and had instructed him to report the same back to the House with the recommendation that it do pass.

The SPEAKER. The question is on the passage of the reso-

lution.

The question was taken, and the resolution was agreed to.

VOCATIONAL EDUCATION.

Mr. HUGHES of Georgia. Mr. Speaker, I ask unanimous consent to call up the Senate joint resolution No. 5.

The SPEAKER. The gentleman from Georgia asks unani-

mous consent to call up Senate joint resolution No. 5.

Mr. PAYNE. Reserving the right to object, Mr. Speaker, I would like to ask the gentleman from Georgia if he wishes to do anything more than to debate the proposition this afternoon.

Mr. HUGHES of Georgia. I will say to the gentleman that general debate has been concluded and the resolution will be before the committee under the five-minute rule.

Mr. STAFFORD. Mr. Speaker, I understand that no agreement was made as to the conclusion of general debate.

Mr. HUGHES of Georgia. The gentleman from Wisconsin is mistaken. The RECORD of December 11 will show this:

The CHAIRMAN. No one else desiring to participate in general debate, the Clerk will read the bill for amendment.

The Clerk read the bill, as follows:

Mr. MONDELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MONDELL. Is not the Senate joint resolution the unfinished business now before the House?

The SPEAKER. It is not.

Mr. PAYNE. I make no objection to calling it up if that is what the gentleman is after.

The SPEAKER. Of course, in one sense it is unfinished business, but not in the technical sense that it is privileged.

Mr. MONDELL. That is true, Mr. Speaker, but nothing else before the House has any privilege at this time.

The SPEAKER. If the previous question had been ordered on this or any other proposition it would have the right to be

taken up then and there, unless the House adjourns.

Mr. UNDERWOOD. Mr. Speaker, I understand this resolution went over in the usual course and can only be reached by a motion after one hour has been consumed in the call of committees or by unanimous consent, and the gentleman from Georgia has asked unanimous consent to take it up.

Mr. HUGHES of Georgia. Mr. Speaker, I hope there will be no objection raised. The resolution has been thoroughly dis-

The SPEAKER. In order to refresh the memory of Members, the Chair will state that there are two calls of committees, one on Wednesday, when you can take up bills from either calendar, and the other the ordinary call, when you have got through with the business on the Speaker's table, and on that call you can take up only bills on the House Calendar. This Senate joint resolution No. 5 is on the Union Calendar. The only way the gentleman from Georgia [Mr. Hughes] can get it up, except by unanimous consent, as the gentleman from Alabama [Mr. Underwood] stated, is to wait until this call has proceeded 60 minutes or is exhausted, and then move to go into Committee of the Whole.

Mr. MONDELL. Mr. Speaker, reserving the right to object, I have no opposition to the consideration of the resolution. I simply made my parliamentary inquiry because I was of the opinion, and I am still of the opinion, that under the rules this is the unfinished business which comes before the calling of the committees, and therefore it is the business before the House, because there is no other privileged business before the House. I have no objection to having it come up in this way, however. The SPEAKER. Is there objection? [After a pause.] The

Chair hears none.

Mr. HUGHES of Georgia. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the purpose of further considering Senate joint resolution 5, providing for the appointment of a commission to consider the needs and report a plan for national aid to vocational education.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of Senate joint resolution 5, with Mr. Moon in the chair.

The CHAIRMAN. The first section of the resolution having

been read, it is open for amendment.

Mr. HUGHES of Georgia. Mr. Chairman, I send to the Clerk's desk an amendment which is unanimously offered by the committee.

Mr. STAFFORD. Mr. Chairman, should not he resolution be

read by paragraph?

The CHAIRMAN. The Chair has already strted that the first section of the resolution has already been read for amend-Amendments are in order to that section at this time. The Clerk will report the committee amendments.

The Clerk read as follows:

Page 1, line 4, after the word "nine," strike out the worl "men."

The CHAIRMAN. The question is on agreeing to the amend-

The amendment was agreed to.

The Clerk read 23 follows:

Page 1, lines 5 and 6, strike out the words "not later than."

The CHAIRMAN. The question is on agreeing to the amend-

The amendment was agreed to.

The Clerk read as follows:

Page 1, line 6, after the word "next," insert "or as soon thereafter as practicable."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will now report the amendment just sent to the desk by the gentleman from Georgia.

The Clerk read as follows:

The Clerk read as follows:

Amend paragraph 1 by striking out the word "men," after the word "nine," in line 4, and beginning after the words "to consider the," in line 5, strike out the remainder of line 5 and the words "than December," in line 6, and substitute in lieu thereof the following: "Subject of national aid for vocational education and report their findings and recommendations April"; and in line 6, beginning after "first next," strike out the remainder of the line and all of line 7 and substitute in lieu thereof the following: "Or as soon thereafter as practicable," so that the first paragraph as amended will read:

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is hereby authorized to appoint a commission consisting of nine, whose duty it shall be to consider the subject of national aid for vocational education and report their findings and recommendations April 1 next, or as soon thereafter as practicable."

The CHAIRMAN. The question is on agreeing to the amend-

The CHAIRMAN. The question is on agreeing to the amend-

Mr. MADDEN. Mr. Chairman, I am opposed to the amendment as it now reads, or to that part of the amendment which makes indefinite the time when the commission shall report. The amendment sets forth the statement that they are required

tend the time by saying, "Or as soon thereafter as practicable." That means that nobody on earth can tell when the report will be submitted. If there is to be any advantage in any report made by the commission to be appointed by the President, that advantage ought to be obtainable at the earliest date possible. If it is believed by the committee recommending the adoption of this resolution that it is possible to report by the 1st of April, why not say so? There is plenty of opportunity to get all the information they need between now and the 1st of April. I believe we could get just as good results from the Committee on Education without the expenditure of any money whatever as we can get through a commission to be appointed by the President, and the expenditure of \$15,000, which this resolution provides for. But if it is believed by the House to be wise to pass such a resolution as this and to have the information placed in the possession of the House which it is believed such a commission can obtain, I think we ought to have it as soon as possible. I therefore move to amend the amendment by striking out the words "or as soon thereafter as practicable.

Mr. TOWNSEND. Will the gentleman from Illinois yield?

Mr. MADDEN. Surely.

Mr. TOWNSEND. I want to ask the gentleman from Illinois if he knows that several of the House committees have given hearings on this subject, either the Committee on Education or the Committee on Agriculture?

Mr. MADDEN. I understand the Committee on Education has had the matter under consideration and that they have taken a lot of testimony, which if properly compiled and re-ported would give all the information which this commission when appointed will be able to give.

Mr. TOWNSEND. And is it not a fact that the provision in the Lever bill of last year regarding vocational education was based upon information secured by those hearings to which the gentleman refers?

Mr. MADDEN. Certainly; of course. Mr. Chairman, I move to strike out the words "as soon thereafter as possible."

Mr. HUGHES of Georgia. Mr. Chairman, I wish to say to the gentleman it is the purpose of the Committee on Education to reach that and reach a report at the very earliest possible moment, but we believed the limit of time should be placed in April next or as soon thereafter as possible. My opinion and the opinion of that committee is that when that commission is appointed they will make the report at the very earliest possible moment, but I do not believe that we ought to confine it to very short time, because they may not be able to complete it.

Mr. MADDEN. Well, let us have some definite time. Mr. HUGHES of Georgia. We have the definite time fixed at the 1st of April next, and if it is absolutely impossible to complete it in that time they are to report as soon thereafter as pos-

Mr. MADDEN. But the gentleman admits that although he believes the report should be made by the 1st of April, that there is a bare possibility it will not be, and so the provision for an indefinite extension of time. "As soon thereafter as possi-ble" might be 2 years or it might be 10.

Mr. HUGHES of Georgia. What time would the gentleman

Mr. MADDEN. I would make it between the 1st and the 30th of April—say, not later than the 30th of April.
Mr. HUGHES of Georgia. The gentleman would make the

limit the 30th of April?

Mr. MADDEN. As soon thereafter as possible, but not later

than April 30.

Mr. HUGHES of Georgia. I will say this, without consulting the committee, we are anxious to conclude this at the earliest possible moment, and I apprehend it could be concluded June 1.

Mr. MADDEN. Well, make it not later than the 1st of next

July, but let us have it definite.

Mr. HUGHES of Georgia. That might carry it over.

Mr. MADDEN. Let us have the life of the commission fixed, so that they can not continue on forever.

Mr. HUGHES of Georgia. I think I can say, on behalf of the committee, we can accept June I.

Mr. MADDEN. If the gentleman will offer that amendment, I will be glad to support the resolution; otherwise I can not do it.

Mr. DAVIS. Mr. Chairman, I desire to be heard for a few moments, not to exceed five minutes, and that is particularly in regard to the several hearings that have been had and the information that is now before the country concerning vocational education. Seven or eight years ago I believe I was a pioneer on the subject of vocational industrial education, having introduced a bill along that line, I think, in the year to report by the 1st of next April, and then it goes on to ex- 1905. Hearings were not obtained before the committee for

several years, although the subject was pretty generally discussed in every State in the Upion. I myself perhaps have spoken in 12 or 15 States on the subject. Thereafter, year after year, the same bill, which is really the Page bill in the Senate, was introduced and laid before the Committee on Agriculture. Repeated attempts were made by me to have hearings, and I think during the year 1909 or 1910 a hearing of one day was granted, and now the hearings are contained in a pamphlet of perhaps 30 or 40 pages. Following that, the same bill in substance was introduced by Senator Dolliver in the Senate. It was then called the Dolliver-Davis or Davis-Dolliver bill, and extensive hearings were had in the Senate extending several weeks. I myself was present at some of those hearings. The bill was on the verge, so to speak, of passage when Senator Dolliver died. The matter then rested in abeyance for a year, or until Senator Page took the matter up in the Senate, and I am informed that quite extensive hearings were had along this general line.

Mr. Chairman, those bills cover the entire subject of vocational education, including the substance of the particular bill of

my friend from South Carolina [Mr. LEVER].

Now, Mr. Chairman, I believe that this is one of the most important subjects pending before the American people, and one in which they are more interested, or as much interested, as any subject that now engrosses the attention of this Congress. The press and the people of each State of the Union are alive to the necessity of having some system of vocational education, and they know the kind and character needed.

It is now only a question of putting a bill into proper form for adoption by the two branches of Congress. I believe that the Committee on Education, aided by those hearings, have the knowledge requisite to formulate a bill that should pass the Congress, and I believe would pass quickly if presented.

I agree with the gentleman from Illinois [Mr. MADDEN] that there ought to be a time limit set for report of the proposed commission, and that as soon as possible. I believe that the 1st of next April is time enough, and if that is not time enough then make it May. The gentleman from Illinois [Mr. MADDEN] now informs me that an agreement is had making it the 1st of June. I certainly will agree to that, but wish it was sooner. I would prefer if it were the 1st of May or the 1st of April, as the resolution now fixes it.

Mr. HUGHES of Georgia. We accept the amendment of the gentleman by striking out "April" and making it "June."

The CHAIRMAN. Does the gentleman from Illinois [Mr.

MADDEN] change his amendment?

Mr. MADDEN. Yes. Strike out the word "April" and substitute the word "June" and the words "or as soon thereafter as practicable."

Mr. HUGHES of Georgia. Strike that out?

Mr. MADDEN. Yes; strike that out.

The CHAIRMAN. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. STAFFORD. Mr. Chairman, let the paragraph be read. The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Strike out all of lines 3, 4, 5, 6, and 7, on page 1, and insert in lieu thereof the following: "That the President of the United States is hereby authorized to appoint a commission consisting of nine, whose duty it shall be to consider the subject of national aid to vocational education, and report their findings and recommendations June 1 next,"

It should be "not later than" June 1.

Mr. HUGHES of Georgia. Yes; "not later than." Mr. DAVIS. Would it not be advisable to say "not later than on or before"

Mr. MADDEN. Mr. Chairman, I move to amend by inserting the words "not later than."

The CHAIRMAN. The question is on agreeing to the amend-

ment to the amendment.

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on agreeing to the amendment as amended.

The amendment as amended was agreed to.
Mr. SMITH of Minnesota. Mr. Chairman, I have an amendment which I wish to offer.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Strike out all after the resolving clause and insert in lieu thereof

Strike out an arter the teaching the following:

"That a joint committee shall be appointed, composed of three Members of the Senate, to be designated by the chairman of the Senate Committee on Education and Labor, and three Members of the House, to be designated by the chairman of the House Committee on Education, to make inquiry into the subject of Federal aid in vocational education, and report not later than June 1, 1914; and for this purpose

they are authorized, by subcommittee or otherwise, to sit during the sessions of or recess of Congress as such times and places as they may deem advisable, to send for persons and papers, to administer oaths, to summon and compel the attendance of witnesses, and to employ such clerical, expert, and stenographic assistance as shall be necessary; and to pay the necessary expenses of such inquiry there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$15,000, or so much thereof as may be necessary, to be paid out upon the audit and order of the chairman or acting chairman of said committees."

Mr. SMITH of Minnesota. Mr. Chairman, I very much dis-like to take issue with the Committee on Education of this We all know that we have an excellent committee. believe it could not be surpassed. But, notwithstanding that, I do not think we should let the committee dictate to the House

the policy that the House should pursue.

If the amendment I have offered does not embody what the House thinks ought to be done, why, certainly, the Members will vote it down. But I believe it is in accord with the wishes of the Members of this body. I believe we have had enough com-missions appointed for one session of Congress, or at least for a time. I think it is time that the 435 Members of this House should divide into committees and get first-hand information on vital questions.

I am in favor of vocational education as much as any member of the committee, but I am of the opinion that it is the com-

mittee's work to make the necessary investigations.

Gentlemen, what will be the result of the report of this special commission, if it is appointed? Nothing more than this: If the report is generally approved by the Committee on Education, a bill will be drawn without giving that report any serious consideration; but if the report happens not to meet the wishes and the consensus of opinion of that committee, the report will be set aside and the Committee on Education will draw its own bill and bring it before this House. In either case the report will be disregarded and the bill will be drawn by the committee, and the committee will be better prepared to draw a bill when in possession of facts obtained by themselves. Why should not the investigation be made by the committee, composed of the men whose duty it is to inform themselves as to the necessity for and requisites of this kind of legislation? I feel that there is a principle involved and that the principle is greater than the report of the Committee on Education.

My contention, based on previous reports of commissions and the common experience of this House, is that the report of any commission that may be appointed will not be worth the paper on which it is written, be it either what the Committee on Education think is wise or what the committee think is unwise. The committee will give it no consideration in either case.

Mr. TOWNER. Mr. Chairman, I am very sure that the committee has no desire to dictate to this House what it shall do in regard to this matter. I desire to call the attention of the House to the fact that this resolution did not originate with the House. It comes to us from the Senate, and it comes to us with a unanimous report of the committee. It received the unanimous action of the United States Senate. It comes to us as the result of conference between those men who for years have had under consideration the subject of vocational educa-It comes to us with the belief on their part that only in this way can we make real progress in the direction in which we are all agreed we ought to go.

I am very grateful, indeed, for the compliment that has been paid the committee; but, gentlemen, we might just as well face these facts as they exist. It is utterly impossible for this committee to take the time during this busy session of Congress to hear the evidence that will be submitted. It is absolutely impossible for this committee to go into hearings that will last from now until the 1st of June, perhaps.

Mr. ANDERSON. If the committee has not the time to consider this evidence, I should like to know what it wants to get

it for.

Mr. TOWNER. For your benefit and for ours. man knows the great difference in the time required to hear evidence and to read it after it has been taken. It takes only one-fourth or one-tenth of the time to give consideration to the printed hearings that it does to hear the evidence.

Mr. BUCHANAN of Illinois. Does the gentleman think this committee could employ experts to secure this information as

well as the commission could? Mr. TOWNER. I do not think so.

Mr. BUCHANAN of Illinois. And will not the commission

use this \$15,000 for that purpose?

Mr. TOWNER. I do not think so. If the President of the United States selects, as he will, men who are experts in this line of educational work, and if they have these hearings and then make their recommendation to the House and to the Senate, I am quite sure that that will have very much more effect and be of very much greater value than it otherwise

Mr. SMITH of Minnesota. Is it not true that this committee could bring before it these gentlemen who are experts on this question and get the benefit of their knowledge without delegating that duty to somebody else?

Mr. TOWNER. I think so, if they could get the time to give to it, and if we could get the cooperation that we desire.

But let me call your attention again, gentlemen, to the fact that if we really want to get this legislation through we must consult not only our own desires, but the desires of gentlemen at the other end of the Capitol. They desire this commission. Now, is it such an unreasonable thing, is it such an extortionate amount to ask, that we give \$15,000 to defray the expense of a commission to consider this matter and to report? Gentlemen say we have had enough commissions, but I suggest that if there ever was a commission whose appointment could be justified this commission ought to be appointed, especially in view of the fact that this matter has made more progress during the last five years than in the hundred years that preceded it.

ought to have the benefit of this knowledge.

Mr. DAVIS. Does the gentleman know, or does he not know, that if the Committee on Education were simply to announce in one newspaper in every State in the Union that at a certain time and place they would hold hearings upon this subject nearly every leading educational man in the United States would willingly come before that committee without any expense whatever to the committee and be only too anxious and glad to do it voluntarily? If the Committee on Education is too busy, then perhaps a commission could take up the task; but what little experience I have had, extending over five or six years, has shown me that educational men of all branches are only too anxious to Twenty-five or thirty of them came from many States of the Union, some clear from the Pacific coast, upon a simple request from me to appear before the Agricultural Committee at a certain time and express their views. They came without one dollar of expense to us. All the expense that will be required will be for the services of a shorthand reporter. You will get information galore if you announce that your committee will have a hearing, and in less than a week you can get all the added information you need to formulate a bill that will be satisfactory to the people of the United States.

Mr. TOWNER. I agree with the gentleman that we could get

the information, and so can the commission.

Mr. TOWNSEND. I wanted to ask the gentleman if it has not been called to his attention that there is a very rich and informative library on this subject; if it is not a fact that since vocational education was introduced into Germany by Bismarck there has grown up each year a greater number of highly scientific and informing books, pamphlets, and magazine articles upon this subject which are available to every Member of Congress, and especially, of course, to the very learned and laborious committeemen whom we would like to have present to us their views upon this subject?

Mr. TOWNER. I agree with the gentleman and say "yes" to his inquiry. There has grown up, especially within the last few years, a large accumulation of knowledge on that subject, and I think it would be very much better for us if we were presented a digest of it, with recommendations in regard to it

through a commission, than through the committee.

Mr. BUCHANAN of Illinois. Will the gentleman yield?

Mr. TOWNER. Certainly.

Mr. BUCHANAN of Illinois. In regard to the expenditure of the money, as I understand, this committee is to be appointed, and will not receive any compensation?

Mr. TOWNER. They are not to receive anything except for

Mr. BUCHANAN of Illinois. Then the only money they would expend would be for the employment of experts, and so The thought that occurred to me was why is it that the committee of this House and the Senate committee could not

employ these experts as well as a commission?

Mr. TOWNER. They certainly could, but the same expense would be incurred in either event. The gentleman's amendment appropriates \$15,000 for that purpose, and it will make no difference whether it is expended by a commission or the committee. We think it will be better used if the commission uses it than if the committee uses it. Mr. Chairman, let me again say that we do not really have any pride, so far as the com-mittee is concerned, in this resolution. It is not our own; we only recommend you to pass it because we believe it will further the cause of vocational education. We ask you to pass the resolution because we honestly believe, after careful consideration of all the elements-and they are diverse and complicated—that this is the best method to secure speedy informa-

tion and action on this great subject. We think we can bring this about better and can more intelligently act upon the matter if this is done. If we did not think so we would not make the recommendation. It is, of course, possible that we are mis-We want to do what is best, and we think that this is Gentlemen can form their own conclusion as to whether we are right in our conclusions, but in conference with those who favor the resolution, in conference with those of another body who will have to consider it, in conference with those who have had this subject under consideration and given the most thought to it, we agree that this is the best thing to do. educators of the United States agree that this is the best thing to do. If Congress thinks otherwise, it will act on its judgment, and I believe it will be a wise conclusion; but at this the committee believes honestly and candidly that we ought to pass this resolution now and get this matter settled.

Mr. COX and Mr. POWERS rose.

Mr. Cox was recognized.

Mr. POWERS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. POWERS. I am a member of the Committee on Education, and I wish to know whether or not I have not the preference in recognition?

The CHAIRMAN. The Chair thinks not under the five-

minute rule.

Mr. COX. Mr. Chairman, a great deal has been said on this resolution from the time it was reported. I do not know that can enlighten any member of the committee on the subject. I can only frankly speak my views on it; and whatever I say

upon the subject, I am conscientious in what I say.

As a rule, I am unalterably opposed to commissions. In my judgment, ninety times out of every hundred when you see Congress creating a commission, it is nothing in the world but a plea of confession and avoidance-a confession that something is wrong and a postponement of the day of reckoning, a plea on our part that we are unable to deal with the situation. A great deal has been said about members of this Committee on Education, and I sincerely believe that too much can not be said in their behalf. If I understand its make-up, it is composed of two as able, learned, intelligent, upright men as walk this earth, one from Alabama and the other from Ohio; and there sits as a Member of this Congress another professor from the State of Ohio. Has it come to pass that these men, presidents of colleges, are unable to come upon the floor of the House, come from the committee room, and tell us what kind of a bill Congress ought to pass? What power is there behind this bill? Why, the gentleman from Minnesota well expressed it, in my judgment. If there be a universal desire all over this country for this kind of legislation, throw the doors of your Committee on Education open and invite these men to come in and discuss the question. That is the way the tariff bills are made up-simply a notice served throughout the papers of the country giving men the right to come and discuss the question before the committee. It is the way legislation is framed in committee rooms. When men are interested, they will come before the committee and discuss it in the committee room. What power is behind this legislation? I want to call the attention of this committee to one or two words of this proposed amendment. What are they? In it occurs the word "recommendation." What significance does that word carry? Why do they want a recommendation from this select committee? I might be wrong in my surmises, but, in my judgment and belief, I can see in that word and in that phrase the real downright reason of why they are so insistent on passing this resolution.

The proposition now embraced in this resolution is to have the President appoint nine persons. The moment the President of the United States appoints them, when their recommendation comes before the Congress of the United States, it comes bearing in a measure the stamp of approval of the President of the United States. Is that the reason why you want a recommendation to get the authority and power of the President of the United States to force down the throats of the Members of this

House a measure whether we approve it or not?

Mr. FESS. Mr. Chairman, will the gentleman yield? Mr. COX. For a question only.

Mr. FESS. Is the gentleman afraid to receive the recommendation of President Wilson on a measure of this sort?

Mr. COX. I am not; and I would not propose to be bound by his recommendation on a question of this kind at all, because I believe it is a question that the membership of this House is capable of solving. It is not so much the question of the dollars and cents involved that I object to, but it is the principle involved in it. Since my membership of this House, now covering a period of seven years, I am able to lay my hand upon only one commission which, in my judgment,

has brought any facts or figures to light, and that was the commission which worked out the workmen's compensation bill. a totally new measure in this country. Every other commission that I know anything about has, in my judgment, never paid five cents on the dollar for the money invested in it. Throw open the doors of your Committee on Education, invite these educators here, and let them tell the committee what kind of legislation they think is needed in this country. Frame up your bill and bring it on the floor of the House.

The CHAIRMAN. The time of the gentleman from Indiana

has expired.

Mr. COX. Mr. Chairman, I ask unanimous consent for two minutes, in order that I may have read an editorial as a part of my remarks

The CHAIRMAN. Debate on this amendment has been ex-

hausted.

Mr. COX. Mr. Chairman, I ask unanimous consent that de-

bate may be continued for two minutes.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that debate on this amendment shall be continued for two minutes. Is there objection?

There was no objection.

Mr. COX. Mr. Chairman, I ask to have read as a part of my remarks the following editorial taken from the Marion (Ohio) Star of December 16, 1913, a Republican newspaper, owned by Gen. Warren E. Harding, which I send to the desk and ask to have read.

The Clerk read as follows:

CRITICIZING THE COMMISSIONS.

CRITICIZING THE COMMISSIONS.

We incline to appland Congressman Sherwood's assault on congressional commissions, and legislative commissions as well. The commission business has been overdone. Some are helpful, of course. Many of them are makeshifts, through which to postpone embarrassing questions. Still others are what may be termed legislative joy rides. Our Ohio commission to investigate agricultural conditions abroad was one of the last-named class. It was a fine thing for the fellows sent to Europe at the public expense, but gives nothing to the public in return. Gen. Sherwood made a good point when, commenting on the Immigration Commission's expense account for carriage hire to the catacombs near Rome, he inquired: "Did we expect any immigrants from these subterranean caverns that have been silent in death for 1,000 years?"

Gen. Sherwood pointed out several such ridiculous charges in the expense accounts of this commission, which seemed unusually frank in itemizing its bills, though this is not the rule. Usually the irregular and unnecessary expenses are cloaked under charges more satisfying to the public eye, in case the public ever sees. However, the chief objection is that they never accomplish anything of value. We have had commission after commission, here in Ohio, at enormous expense, and rarely has any of them proven worth while.

The assault of Gen. Sherwood was inspired by Congressman Fess's proposal of a commission to investigate vocational education. This is hardly a Federal matter. The public schools are home institutions. Vocational training is available wherever the people are willing to pay therefor. We can have it in Ohio. Its value is not to be disputed. The problem lies in its expense, which is something the Federal Congress can not well determine.

Mr. COX. The above editorial was written by the Hon. Warren Hersilver.

Mr. COX. The above editorial was written by the Hon. Warren Harding, Republican candidate for governor of Ohio in 1910. Every word contained in it is gospel truth. The real question of vocational education is not at issue in this resolution; not at all. The sole and only question at issue in it is to spend and squander \$15,000 of the people's money—and what for? To gain any new facts or new knowledge which can not be gained by a study of the question in books to be found in the Congressional Library? No. Is the Committee on Education willing to accept any measure which may be recommended by nine theoretical persons who may be appointed for the purpose of studying the question? I hope not. To abdicate their prov-ince and yield their opinions on this subject would be to abandon all principles of legislation,

The whole matter involved is to settle a controversy between two gentlemen at the other end of this Capitol and to settle it at the expense of the public; and when we get the report and the recommendation of these nine wise men, are we prepared to accept it? I hope not. The theory of it is wrong, and

it ought not to pass.

Mr. POWERS. Mr. Chairman, the gentleman from Indiana [Mr. Cox], in a very vehement speech, a few moments ago in-quired what is behind this effort on the part of the Educational Committee of this House to postpone legislation on this important question. I do not know what the gentleman means to imply by that question. I can tell him, however, what is behind the action of this committee. The thing behind the action of this committee in submitting this resolution is an effort, if possible, to get sufficient facts upon which to frame the best character legislation possible on the question of vocational education. That is the only thing that is behind the resolution—seeking more time in which to frame a bill to present to this House. Another distinguished gentleman, the gentleman from Minnesota [Mr. Smith], says that this committee is trying to cram this resolution down the throat of this House. In reply to that statement I desire to state that this committee is not trying to

cram this resolution down the throat of this House. The committee is doing what, in its judgment, ought to be done. We believe that this is the best way to secure legislation on this important question. We are submitting this resolution to the judgment of this House, and we are willing to abide by the We are submitting this resolution to the judgment of this House. If this House is of opinion that the resolution is unwise and ought not to pass and that the matter ought to be referred back to the Committee on Education for further reflection and further consideration, then the committee will bow to the wisdom of this body on that question. It is not our purpose to try to cram anything down the throat of this House.

Another distinguished gentleman from Minnesota [Mr. Davis] said a few moments ago that there was no necessity to postpone legislation on this question; that the matter has been up for years; that hearings have been had; that the people of the country were fully advised upon the character of legislation that it wanted. I desire to say in response to that that two distinguished Members of the body at the other end of the Capitol, after many years of consideration and after long hearings, presented to that body two educational bills which are essentially different. They were unable to come to any conclusion as to what was the proper kind of bill to pass, one being a Democratic Member of the Senate, Mr. SMTH, and the other a Republican Member, Mr. Page, the authors, respectively, of those Those two men came before the Committee on Education of this House and urged the passage of this resolution, making known the fact that they were unable to agree upon the character of legislation that ought to be adopted; that the Senate had not been able to solve the question; that it did not have facts sufficient on which to base wise legislation; and both of these men urged the passage of this resolution by this body.

I want to say that this Committee on Education stands unanimously together on this resolution. There is not a single dissenting voice

Mr. SMITH of Minnesota. Mr. Chairman, will the gentle-

man yield?

Mr. POWERS. I yield with pleasure.

Mr. SMITH of Minnesota. I wish to know if there are any facts that a committee appointed by this House can not get that a committee appointed by the President could get?

Mr. POWERS. If the Committee on Education had nothing else to do except to hold hearings and devote for months our entire time to this matter, we could possibly solve it, at least to our own satisfaction, but it is impossible to do it and at the same time perform the pressing obligations and duties imposed upon us and confided in us as Members of this House.

The CHAIRMAN. The time of the gentleman has expired. Under the rule all time for debate upon this amendment has

Mr. ROBERTS of Massachusetts. Mr. Chairman, I offer an amendment to the amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment to the amendment. After the word "designated" strike out all down to the words "to make inquiry" and insert in lieu thereof the following: "By the President of the Senate, from the membership of the Senate Committee on Education and Labor, and by the Speaker of the House of Representatives, from the membership of the House Committee on Education," so that the amendment as it is proposed to be amended will read: "That a joint committee shall be appointed composed of three Members of the Senate, to be designated by the President of the Senate from the membership of the Senate Committee on Education and Labor, and three Members of the House, to be designated by the Speaker of the House of Representatives from the membership of the House Committee on Education," etc.

Mr. SMITH of Minnesota. Mr. Chairman, I accept the amend-

Mr. TOWNSEND. Mr. Chairman, I rise to oppose the amendment to the amendment formally, only for the purpose of getting the floor. I approve of the amendment offered by the gentleman from Minnesota on principle, as I am against the creation of special investigating committees by the Congress, but, if I were not, I would be opposed to this proposed commission because, as has been suggested by other Members, there is nothing which a commission could learn by investigation which a committee of this House could not equally and as It is not as if we were about to investigate the quickly learn. qualities and character of radium. We are about to investigate a system of education that has been in vogue in Germany, certainly, for 25 or 30 years, and in many cities of this country for a number of years. The city which I in part represent— Newark—has admirable vocational schools, the success of which is proved every day by the fact that they are used as recruiting stations by factories such as the Edison factory in my district, the Westinghouse factory, the Crocker-Wheeler Co., manufac-

turing fine electrical apparatus, the Tiffany shop, and various other industries of these kinds, which employ these young men taken from our vocational schools as rapidly as they can be turned out. And in New York, as I am reminded by my colleague from New York, Mr. Canton, there are excellent and the roughly equival schools. thoroughly equipped vocational schools. There is nothing about this on which experts have not already given their testimony.

The testimony of very many of the world's famous experts on vocational education can be obtained simply by the trouble of crossing the park here and calling for them in the Congressional Library. Every phase of this question has been discussed by competent experts. I was reading, only the other day, pamphlet upon this wherein it was stated that it is conceded by every competent student of industrial growth of nations in the last quarter of a century that the surprising and amazing growth of Germany's industry is very largely due to the success of the industrial-school system established by Bismarck. Therefore I do favor the amendment offered by the gentleman from Minnesota, that this matter be investigated by our own committee, for the further reason that every Member of this House has the utmost confidence in every member of the Committee on Education. It is a fact that that committee can, without devoting a great deal of time to the purpose, secure, as I have said, competent-yes, expert-testimony in great quantity and of high quality, and for that reason I am opposed to the resolution as it is reported by the committee and favor the amendment offered by the gentleman from Minnesota [Mr. SMITH].

The purpose of the committee resolution is to create an outside commission to determine how Congress can best aid vocational education in the States. That is a purely legislative func-tion and should be performed by a legislative committee. If the proposed commission were to examine how vocational schools work, they could not do better than visit and study the school in Newark. But our own committee could do that as well as could an outside commission; and, Mr. Chairman, if our own excellent Committee on Education will agree to visit Newark and study our schools and our factories, I will agree here that they will be welcomed by the city of Newark, they will learn much, they will be well entertained, and it will cost the Government nothing. I hope this work will be done by our own committee and not by an outside commission.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. Mr. Chairman, the members of the Committee on Education ought not to be unduly sensitive because the membership of the House who have observed the delays in legislating occasioned by the appointment of commissions are opposing this proposition.

We all know that "delay" is spelled over this entire resolution, and if it goes through as at present proposed by the Committee on Education, calling for a report by June 1, it means no legislation whatsoever at this Congress.

We hear the distinguished gentleman from Iowa [Mr. Towner] and also the distinguished gentleman from Kentucky [Mr. Powers] advancing the argument that this will expedite the settlement of the question, and they propose a new way, if I understand the burden of their talk, of bringing the two Houses of Congress together by appointing a committee of nine outside experts to devise some plan. We have a new legislative program, as proposed by this resolution, of settling disputes between the two Houses. The gentlemen of the Committee on Education should not be unduly sensitive, because, as I understand from their admission, this is not their child, but it was born in another body, where they could not come to an agreement upon this subject.

It is admitted by all that vocational education is nothing It has been tried out in my home city, an industrial center of this country, for many years, until it is now a part of the public-school system of our city. A gentleman representing another large industrial center in New Jersey [Mr. Town-SEND] has testified that it is also a part of their educational system.

Now, why delay the consideration of this important proposition by passing a resolution creating a commission which spells "death" for this proposition at this and the next session of Congress? You say at this early beginning of a Congress that your committee has not time to take up this question and report. Do you think the committee will have time in the hold-over session, when this commission will have made its report? And what advantage will be gained when you do have its report? Are you going to accept the report of nine persons unacquainted with legislative propositions? I call upon these gentlemen who are advocating this innovation in legislative procedure to cite one instance where any legislation has been advanced by an investigation made by a committee of assumed legislative experts who are unacquainted with legislative ways.

Mr. POWERS. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. I will be glad to yield. Mr. POWERS. Is it not true that this resolution seeks mainly to get the findings of facts from this commission?

calling upon this commission to frame legislation. Mr. STAFFORD. We are calling upon this commission to report on the subject of national aid, to report their findings, to report a plan. And what will be their findings? Nothing more than what has already been presented; nothing more than cumulative evidence to that that has heretofore been presented to the respective committees. Let us be frank in this matter.

The CHAIRMAN. The time of the gentleman from Wiscon-

sin has expired.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent to proceed for two minutes.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent that he may proceed for two minutes. Is there objection?

There was no objection.

Mr. STAFFORD. Now, Mr. Chairman, I shall decline to yield

further at the present moment.

Let us be frank. We know that there is a rivalry between two distinguished Members of another body, but that is not our trouble. That is no reason why the Committee on Education of this House should run away from this all-engrossing problem and delay it, by the appointment of a commission, to another Congress. It is a live question. What objection can you advance against the substitute offered by the gentleman from Minnesota [Mr. SMITH] that the committee should go ahead and give this question consideration? It is not so novel and technical that you are not equipped and qualified to pursue this investigation. You have not advanced that consideration in your argument. Why not go ahead with the work and bring in some definite program that the House can vote upon? Then we will not have shirked our duty under this subterfuge of a commission which would delay the consideration of the subject for this entire Congress.

Mr. AUSTIN. Mr. Chairman, I want to say a few words in

reference to this meritorious proposition, for I think it means more for the American people, the young people of America, than any proposition that we will perhaps be called upon to consider during this session of Congress. And I also wish to commend the Chairman of the Committee on Education, the gentleman from Georgia [Mr. Hughes], for his zeal, his energy, and his loyalty in attempting to secure favorable action upon the pending resolution. I hope that one of these days the Committee on Education will submit legislation along the lines of vocational education which will carry his name, for it would be a lasting monument to his congressional work in this House-fame that would endure for years to come. trust that his constituency will send him here until such a bill has been written upon the statute books of the United States,

and for many, many years after that event. [Applause.]

As a general proposition, I am opposed to the creation of outside commissions; but if we are in earnest and sincere in desiring this legislation, we will pass this resolution as reported from the committee by a unanimous vote. There has been and is in the Senate a conflict in reference to this legislation, and that difference of opinion has resulted in this delay, for the original bill introduced by the Senator from Vermont [Mr. Page] was thoroughly considered in the Senate; but under the operations of the Senate, under their rules and precedents, it was impossible to secure favorable consideration for that meritorious bill, and the only way in which favorable and final action could be secured was along the line of the compromise embodied in this resolution. If the gentleman from Georgia [Mr. Hughes] had received the support and encouragement that he earned and deserved in pushing this resolution, we would have passed it in this House six months ago. [Applause. 1 And not only would we have passed it six months ago, but we would to-day be considering the findings of a commission created under this resolution.

To attempt in this House to substitute a special or joint committee, in the face of the complicated situation in the Senate, means a further delay in the final consideration of vocationaleducation legislation. It is too important to take any chances. We have already delayed legislation in the interests of voca-

tional education too long in Congress.

Mr. SMITH of Minnesota. Has the gentleman any assurance that the two Senators will agree if a commission reports that

Mr. AUSTIN. The two Senators referred to came before the House Committee on Education, as shown in the hearings, and stated they had reached an agreement, that they had settled their differences along the line of this resolution, and that there

would be no further opposition in the Senate. And now that we have expressed our confidence in the men who constitute the membership of the House Committee on Education why should we attempt to repudiate their action or embarrass their course in doing here something that they do not want us to do, and which will hinder, delay, procrastinate, and perhaps defeat what the American people want and need, vocational education? [Applause.

Mr. TOWNSEND. Is it not a fact that the difference which arose between two committeemen in the other end of the Capitol related to the manner in which the Federal aid should be extended to the States and not at all on the question of voca-

tional education?

Mr. AUSTIN. I do not care how it arose or what the difference was. It existed, and it prevented favorable action on this legislation in the Senate. And now that they have adjusted their differences, if you want this legislation, in the name of the American boys and girls do not get in the way of carrying out in good faith that agreement and that understanding.

The CHAIRMAN. The time of the gentleman has expired. Mr. TOWNSEND. I ask unanimous consent that the gen I ask unanimous consent that the gentleman be given three minutes more.

The CHAIRMAN. All time for debate upon this amendment

Mr. FOSTER. I ask unanimous consent that the gentleman

have five minutes

The CHAIRMAN. Unanimous consent is asked that the time of the gentleman from Tennessee be extended five minutes. Is there objection?

There was no objection.

Mr. AUSTIN. Now, if a New Jersey Democratic President can be trusted to do one thing in the way of safe and sane appointments, it is in selecting the commission provided for in this resolution. [Applause.] He will make no mistake, and we could not name a better qualified man to select a commission that will bring to the American Congress a better measure than they will submit.

Now, in reference to the work of special committees or joint commissions in this House, there is not a hard-working Member who attends faithfully and earnestly to the duties of his office and the demands made upon him by his constituents who has the time to devote to a thorough, exhaustive, and impartial investigation without neglecting the business of those who have

sent him here.

This commission will visit various parts of the Union. Can we take 15 or 20 men from one of our committees and send them into the various sections of this country to investigate the vocational schools that are already established, and to have hearings, without neglecting their duties on the floor here, in the committees and in the departments, as those duties affect the people at home who sent them here as their representatives?

Mr. SMITH of Minnesota. This amendment does not provide that the whole committee shall be appointed. It provides three

from the Senate and three from the House.

The Senate will not give this matter atten-Mr. AUSTIN. tion in the way of a Senate and House joint committee. They have so stated, and you can not force them. They are more contrary than a lot of Missouri mules whenever they set their minds on a proposition. [Laughter.] Although the gentleman from Minnesota [Mr. SMITH] is a new Member, if he serves here, as I hope he will, for a long time, he will find out what kind of a proposition he is up against in the Senate when they make up their minds they will not do a thing in a particular

Mr. SMITH of Minnesota. If I have the misfortune to stay here, I will stay just as long as the Senate can stay on any proposition that I think is right. [Applause.] It is time that

the House awakened to its own dignity.

Mr. AUSTIN. When we face a condition, and not a theory, as we do in this case, we must meet it, and the only way to meet it is in a common-sense, practical way, and that is the way marked out by the Committee on Education in unanimously agreeing upon this resolution. I wish to express my appreciation and thanks for their interest, energy, and faithfulness in pushing this proposition, and I hope the membership of this House will stand by them to a man. [Applause.]

Mr. PLATT. Mr. Chairman, it seems to me that many Members have been discussing this subject as if the resolution was going to establish vocational education. Now, vocational education, as has been said, is nothing new, but that is not what we are discussing; it is not what the resolution refers to, but national aid. National aid is new, and it is not easy to tell how to apply it. It is likely to make trouble. I voted for this resolution in the committee, and I shall vote for it here. I am not

inclined to believe in all the national-aid fads coming before the people to-day, but it seems to me that this is something that deserves an expert investigation, which can not be given by a committee of the House or a joint committee of the House and

It has been said that there is nothing that a commission could find out that a committee of the House could not find out. I do not think that is true. I think a commission of experts, composed of such men as the Chief of the Bureau of Education, would find out things in regard to numerous complicated matters, such as the way that the States aid the vocational schools of the towns and cities within their borders, that a committee might not find out, and coordinate them in a way that it would be impossible for the committee to do. I think the report of such a commission would be more valuable than the report of a joint committee of the two Houses of Congress could be. therefore hope that the amendment of my friend from Minnesota will not prevail.

Mr. ANDERSON. Will the gentleman yield?

Mr. PLATT. Certainly.

Mr. ANDERSON. Did the committee consider at all the proposition of having the Bureau of Education investigate this subject?

Mr. PLATT. That was talked of in the committee.

Mr. DAVIS. Will the gentleman yield for an interruption?

Mr. PLATT. I will.

Mr. DAVIS. I agree to all the gentleman has said except one thing, and that is where he said that cooperation by the Government in our school system was a new thing. Does not the gentleman know that since the beginning of the Government almost the National Government has subsidized the universities, has subsidized agricultural colleges, and has subsidized the common schools? It is not a new thing. The only new thing about it is how most expeditiously to extend it along this line, so as to close the gap between the subsidized common school and the subsidized agricultural college.

Mr. PLATT. The National Government did give some of its

land in aid of education.

Mr. DAVIS. Yes; and in some instances it gave money directly, as you will see by looking over more recent legislation on the subject.

Mr. PLATT. It never gave money, however, by any sys-

tematic plan.

Mr. DAVIS. Some people have disputed the right of the Government to do that even in later years. My object, contrary to some others, in supporting the resolution is that it will, in fact, expedite this matter. There has been a collision in this branch of the Congress, unknown perhaps to some of the membership, the same as in the other branch, between those in favor of the extension of vocational education, and I shall vote for the resolution of the committee, because it will expedite the matter and more speedily obtain results.

Mr. PLATT. I think it will. The question is more or less a complicated one. The State of New York gives State money to local schools everywhere, but that involves State control. The local boards of education are required to report even the absences of pupils to the State, and the State passes on all those It refuses to give State money in cases where things are not done just as the State department of education thinks they should be done. Now, the question of Federal control is going to be involved in this matter of Federal aid ultimately, and it is a matter of expert determination, one that experts ought to report upon, and a committee of Congress could not possibly do it so well.

Mr. HAYES. Will the gentleman yield?

Mr. PLATT. I will. Mr. HAYES. Could not a commission appointed by the two Houses of Congress get all the expert testimony it needed?

Mr. PLATT. Yes; but they could not put it in an expert way.
Mr. HAYES. They could put it together in a better way to
be considered by Congress. Look at the commission that we had on immigration and the report that we got from them. Has any Member of Congress ever looked it through?

Mr. PLATT. I will say to the gentleman that I am personally more or less opposed to commissions, and as a member of the committee I appreciate the compliment paid to the members of the Committee on Education, but I do not think that they can do this work as well as a commission, such as President Wilson would appoint for an educational investigation.

Mr. CAMPBELL. Mr. Chairman, this discussion has taken a wide range. There has been a departure from the language of the resolution. The resolution calls for a commission of inquiry into the wisdom or way in which national aid may be applied to vocational education. But much of the discussion has related to vocational education as though the question that this

committee was to investigate was the question of vocational education. That has excited my surprise. Vocational educa-tion is an old subject in the new State of Kansas. It may be absolutely new in the old State of Georgia and in some other of the older States. We have a State institution in Kansas established without national aid that is educating the teachers to-day as vocational teachers, but these teachers come from almost every State in the Union and go back to their several States fully prepared as vocational teachers in the schools of the country. That school started some 15 years ago with an attendance in the vocational room of about 15 or 20. It was my privilege a week ago to-morrow morning to look down upon body of 840 students gathered from almost every State in the Union in the State institution, which is teaching young men and wemen vocational education in Kansas.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. CAMPBELL. Certainly.

Mr. BARTLETT. Mr. Chairman, I desire to say to the gentleman that it is not a new subject in the State of Georgia, because we have in my State a number of institutions which do nothing else but teach vocational education.

Mr. CAMPBELL. I am glad to know that. Mr. DAVIS. Mr. Chairman, they virtually started the first nine agricultural high schools in Georgia under Gov. Terrell.

Mr. CAMPBELL. I am also glad to know that, but the question of vecational education is not a new question. The question of national aid may be, but national aid to our schools, as has already been suggested here, is not a new question at all. Within the memory of men who have served in this House less than eight years, in one lump sum we gave \$5,000,000 to a new State for educational purposes, the State of Oklahoma, and I think we made a loan in a recent appropriation bill or did something as a further aid to that same State for educational

Mr. AUSTIN. I will ask the gentleman if it is not also a

fact that we also give to the State agricultural colleges?

Mr. CAMPBELL. We do. I do not know that there are

any direct appropriations.

Mr. KELLEY of Michigan. Oh, yes; we get \$100,000 in

Michigan.

Mr. CAMPBELL. There is an amount being appropriated annually which is distributed among the agricultural colleges of the various States. Whether or not we can get more information from a commission appointed as is proposed in this resolution than we could from the Committee on Education, the committee that reported the resolution, is a very serious question in my mind. I think I quite agree with the gentleman from California that we do not get much valuable information from commissions appointed by resolution of this House or of the corresponding body in the other end of the Capitol. The committees of this House are appointed to do the work of the House. There are over 400 Members here, and the other 375 ought to be doing something right now. Four or five of them might well be giving their time to an investigation of this sub-ject, and to a report to the House of Representatives as to the manner in which national aid could be extended to institutions of this kind.

The CHAIRMAN. The time of the gentleman from Kansas

Mr. HUGHES of Georgia. Mr. Chairman, I move that all discussion on this amendment be now closed.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. Roberts] to the amendment offered by the gentleman from Minnesota [Mr. Smith] to the original section of the bill.

The question was taken.

Mr. STAFFORD. Mr. Chairman, I demand a division.

Mr. HAYES. Mr. Chairman, I ask unanimous consent that the amendment may be again reported.

The CHAIRMAN. The gentleman from California asks

unanimous consent that the amendment may be again reported. Is there objection?

There was no objection, and the Clerk again reported the amendment.

Mr. ROBERTS of Massachusetts. Mr. Chairman, the gentleman from Minnesota accepted my amendment at the time it was offered and incorporated it in his own amendment.

The CHAIRMAN. The gentleman could not accept the amendment without the consent of the House. The question

The letter is as follows:

The CHAIRMAN. The gentleman could not accept the mendment without the consent of the House. The question at the gentleman from Wisconsin [Mr. Stafford] demands a livision.

The committee divided; and there were—ayes 20, noes 22. is on agreeing to the amendment to the amendment, and on that the gentleman from Wisconsin [Mr. Stafford] demands a division.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Minnesota.

The question was taken; and on a division (demanded by Mr. SMITH of Minnesota) there were—ayes 17, noes 41.

Mr. COX. Mr. Chairman, I make the point of order that

there is no quorum present.
Mr. HUGHES of Georgia. Mr. HUGHES of Georgia. Mr. Chairman, I hope the gentle-man will withdraw that point. We have been discussing this matter here for six months, and it is claimed by a great many that they are anxious that some bill on vocational education should be adopted. There are over 30,000,000 children in this country that this will affect, and it is the duty of this House, in my humble opinion, to pass this resolution now. [Applause.] I sincerely hope the gentleman from Indiana will withdraw his point of no quorum, because I believe the House will in the end adopt the resolution in the interest of this great

Country, its present and future.

Mr. COX. Mr. Chairman, I insist upon the point of order.

The CHAIRMAN. The gentleman from Indiana makes the point of order that there is no quorum present, and the Chair will count. [After counting.] One hundred Members present,

a quorum.

So the amendment was rejected. The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 4. That the sum of \$15,000, or so much thereof as may be necessary, be, and the same is hereby, appropriated to meet the expenses of the said commission.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. I would like to inquire of the chairman of the committee whether he should not amend this last paragraph by inserting the customary words, "out of any money in the Treasury not otherwise appropriated"?

Mr. HUGHES of Georgia. Well, we are willing to agree to

that.

Mr. STAFFORD. I am simply making the suggestion. think the provision might be faulty unless that is included, because that is the customary phraseology.

Mr. HUGHES of Georgia. If the gentleman will make that amendment, I will accept it.

Mr. STAFFORD. Mr. Chairman, I offer that amendment to perfect the paragraph. After the word "appropriated" insert the words "out of any money in the Treasury not otherwise appropriated."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, line 8, after the word "appropriated" insert the words out of any money in the Treasury not otherwise appropriated."

The question was taken, and the amendment was agreed to. Mr. HUGHES of Georgia. Mr. Chairman, I move that the committee rise and report the joint resolution to the House with the recommendation that the resolution as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. Moon, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration Senate joint resolution No. 5 and had directed him to report the same with sundry amendments, with the recommendation that the amendments be agreed to and that the joint resolution as amended do pass.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The question was taken, and the amendments were agreed to. The joint resolution as amended was read the third time and passed.

On motion of Mr. Hughes of Georgia, a motion to reconsider the vote by which the joint resolution was passed was laid on

Mr. HUGHES of Georgia. Mr. Speaker, I ask unanimous consent to extend my remarks for the purpose of placing in the RECORD a magnificent letter from Secretary Redfield upon the subject of vocational education.

The SPEAKER. The gentleman from Georgia [Mr. Hughes] asks unanimous consent to extend his remarks in the RECORD by incorporating a letter from Secretary Redfield. Is there objection? [After a pause.] The Chair hears none. The letter is as follows:

matters, and especially that it should be thought to be antagonistic to the important, indeed necessary, cause of the extension of agricultural

matters, and especially that it should be thought to be aniagonistic to the important, indeed necessary, cause of the extension of agricultural efforts the spirit and purpose of the Smith-Lever bill as for its distinguished sponsors in both Houses I have high admiration. I wish for it and them the fullest measure of success. I am sure every friend of vocational education will bid them Godspeed.

The surface of the surface of the surface of aniagonism between those who are engaged in a common cause. Nor should the deeply vital subject of vocational education be confused with manual training or with what its sometimes understood to be the work of the institutions known as technical high schools. There is no opposition on my find the surface of the

WILLIAM C. REDFIELD, Secretary.

Hon. Dudley M. Hughes, M. C., Chairman Committee on Education, House of Representatives, Washington, D. C.

ADJOURNMENT.

Mr. HUGHES of Georgia. Mr. Speaker, I move that the

House do now adjourn— Mr. COX. Mr. Speaker, pending the motion to adjourn, I ask unanimous consent to extend my remarks in the RECORD on this subject.

The SPEAKER. Is there objection to the request of the gentleman from Indiana? [After a pause.] The Chair hears none.

The gentleman from Georgia moves that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 51 minutes p. m.) the House adjourned to meet to-morrow, Wednesday, January 14, 1914, at 12 o'clock noon.

A bill (H. R. 996) granting a pension to Albert F. Alexander; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

EXECUTIVE COMMUNICATIONS.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Attorney General, transmitting a statement of expenditures for the Commerce Court from July 1 to December 31, 1913 (H. Doc. No. 579); to the Committee on Expenditures in the Department of Justice and ordered to be printed.

2. A letter from the Acting Secretary of Commerce, transmitting a statement of the expenditures in the Coast and Geodetic Survey for the fiscal year ended June 30, 1913 (H. Doc. No. 580); to the Committee on Expenditures in the De-

partment of Commerce and ordered to be printed.

3. A letter from the Secretary of War, transmitting a letter from the Acting Chief of Engineers United States Army, and other papers relating to the preliminary examination, plan, and estimate of cost of improvement of Generals Cut near Darien, Ga. (H. Doc. No. 581); to the Committee on Rivers and Har-

bors and ordered to be printed, with Illustrations.
4. A letter from the Secretary of the Treasury, transmitting estimates of appropriations for defraying the expenses of collecting the revenue from customs for the fiscal year ending June 30, 1915 (H. Doc. No. 582); to the Committee on Appropriations and ordered to be printed.

5. A letter from the assistant clerk of the Court of Claims, transmitting a certified copy of the findings of fact and conclusion in the matter of Levi W. Revelle v. The United States (H. Doc. No. 583); to the Committee on War Claims and ordered to be printed.

6. A letter from the Secretary of War, transmitting a letter from the Acting Chief of Engineers United States Army, to-gether with other papers relating to a preliminary examination and survey of the Kansas River from the mouth to the western limits of Kansas City (H. Doc. No. 584); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows

A bill (H. R. 5370) granting an increase of pension to Charles B. Daniel; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 9619) granting an increase of pension to Alcaria Bowles; Committee on Invalid Pensions discharged, and re-

ferred to the Committee on Pensions.

A bill (H. R. 10489) granting an increase of pension to Michael Oberle; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 3628) granting an increase of pension to Lottle A. Fox; Committee on Invalid Pensions discharged, and re-

ferred to the Committee on Pensions.

A bill (H. R. 8980) granting a pension to Thomas McGuinness; Committee on Invalid Pensions discharged, and referred

to the Committee on Pensions.

A bill (H. R. 9782) granting a pension to George Trautner;
Committee on Invalid Pensions discharged, and referred to the

Committee on Pensions.

A bill (H. R. 998) granting a pension to Annie Hewson; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 993) granting a pension to Ellen Murphy; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 2650) granting a pension to Charles A. Reed; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 4858) granting a pension to Charles W. Cunningham; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 6661) granting a pension to Mary E. Pearce; Committee on Invalid Pensions discharged, and referred to the

Committee on Pensions. A bill (H. R. 984) granting a pension to Johanna F. Weand; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 992) granting a pension to Michael Arnold; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 997) granting a pension to Edward J. Baker; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 995) granting a pension to William Costello; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 987) granting a pension to George C. Snyder; Committee on Invalid Pensions discharged, and referred to the

Committee on Pensions.

A bill (H. R. 985) granting a pension to Patrick J. Costello; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 7878) granting a pension to Downey Milburne; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 10039) granting a pension to Ernest H. Hausmann; Committee on Invalid Pensions discharged, and referred

to the Committee on Pensions.

A bill (H. R. 10009) granting an increase of pension to John W. Paulus; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 11123) granting an increase of pension to C. H. Jewett; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HOWARD: A bill (H. R. 11307) authorizing the Secretary of War to appoint a commission to properly survey, define, and designate the historic battlefield of Atlanta, Ga.; to

the Committee on Military Affairs.

By Mr. DYER: A bill (H. R. 11511) to provide for certification by the attorneys for all parties interested of true copies of transcripts of record, judgments, decrees, or other papers in cases on appeal from or writ of error to review a judgment or decree of any judge or court of the United States; to the Com-

mittee on the Judiciary.

By Mr. HAWLEY: A bill (H. R. 11512) to provide pensions for the officers and soldiers of the Indian wars of the United States which occurred prior to January 1, 1892; to the Commit-

tee on Pensions

By Mr. PARK: A bill (H. R. 11513) to provide additional compensation to Rural Delivery Service carriers; to the Com-

mittee on the Post Office and Post Roads.

By Mr. OLDFIELD: A bill (H. R. 11514) regulating the issuance of Federal license for sale of intoxicating liquors in communities where State or local laws prohibit the sale thereof; to the Committee on Ways and Means. By Mr. ROBERTS of Massachusetts: A bill (H. R. 11515)

for the erection of a public building at Everett, Mass.; to the

Committee on Public Buildings and Grounds.

By Mr. GERRY: A bill (H. R. 11516) to provide for an examination and survey of Point Judith Pond, R. I., from the Point Judith Harbor of Refuge to the town of Wakefield; to the Committee on Rivers and Harbors.

By Mr. MOON: A bill (H. R. 11517) to provide that the United States shall in certain cases aid the States and the civil subdivisions thereof in the construction and maintenance

of rural post roads; to the Committee on Roads.

By Mr. RAKER: A bill (H. R. 11518) providing for the labeling, marking, and tagging of all fabrics and leather goods hereinafter designated, and providing for the fumigation of the same; to the Committee on Interstate and Foreign Commerce.

By Mr. GARDNER: A bill (H. R. 11519) to provide suitable models for the officers and grow of the United States received.

medals for the officers and crew of the United States vessel of

war Kearsarge; to the Committee on Naval Affairs.

By Mr. DOOLITTLE (by request): A bill (H. R. 11520) for raising additional revenue; for reestablishing, in the distribution of the burdens and benefits of government among the people, a condition of equity in its complex relation to the citizens and their prosperity; for creating a fund for the payment of pensions, and for setting our army of idle laborers at work on extensive public improvements; for removing the strongest incentive to crime among the poor and to vice among the rich; and for other purposes; to the Committee on Ways and Means.

By Mr. HOUSTON: A bill (H. R. 11521) to provide for the

purchase of a site and the erection of a public building thereon at Lewisburg, in the State of Tennessee; to the Committee on

Public Buildings and Grounds.

By Mr. J. I. NOLAN: A bill (H. R. 11522) to fix the compensation of certain employees of the United States; to the Committee on Reform in the Civil Service.

By Mr. DENT: A bill (H. R. 11523) to extend to certain publications the privileges of second-class mail matter; to the

Committee on the Post Office and Post Roads.

By Mr. THOMPSON of Oklahoma: A bill (H. R. 11524) to establish national rural-credit banks for the purpose of fur-

nishing money to the farmers on real and personal security at a reasonable rate of interest; to the Committee on Banking

By Mr. MOON: Resolution (H. Res. 365) to change the rules of the House temporarily for the consideration of H. R. 11338;

to the Committee on Rules.

By Mr. PAGE of North Carolina: Resolution (H. Res. 366) authorizing the Clerk of the House to pay to Laura F. Stimson, widow of E. D. Stimson, late an employee of the folding room, a sum equal to six months' salary and funeral expenses; to the Committee on Accounts.

By Mr. HARDY: Joint resolution (H. J. Res. 190) to convey the thanks of Congress to Capt. Paul H. Kreibohm, and through him to the officers and crew of the American steamer Kroonland, of the Red Star Line, for the prompt and heroic service rendered by them in rescuing 89 lives from the burning steamer Volturno in the North Atlantic Ocean; to the Committee on the Merchant Marine and Fisheries.

By Mr. COOPER: Joint resolution (H. J. Res. 191) to provide for a commission to be known as the District of Columbia Fiscal Commission; to the Committee on the District of Colum-

By Mr. CRAMTON: Joint resolution (H. J. Res. 192) authorizing the publication of a revised edition of the Special Report on Diseases of Cattle; to the Committee on Printing.

Also, joint resolution (H. J. Res. 193) authorizing the publication of a revised edition of the Special Report on Diseases of the Horse; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions

were introduced and severally referred as follows:

By Mr. ANSBERRY: A bill (H. R. 11525) to remove the charge of desertion from the military record of James Burdett Lamson; to the Committee on Military Affairs.

By Mr. BARCHFELD: A bill (H. R. 11526) granting a pension to Mary A. Salisbury; to the Committee on Invalid

Pensions.

By Mr. BARTHOLDT: A bill (H. R. 11527) for the relief of

Sarah J. Brady; to the Committee on War Claims. By Mr. BRUMBAUGH: A bill (H. R. 11528) granting an increase of pension to William W. McMains; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11529) granting an increase of pension to John S. Skeels; to the Committee on Invalid Pensions

Also, a bill (H. R. 11530) granting an increase of pension to Michael Cooney; to the Committee on Pensions.

Also, a bill (H. R. 11531) granting an increase of pension to James Thomas Roberts; to the Committee on Pensions.

Also, a bill (H. R. 11532) granting an increase of pension to Thomas T. Smith; to the Committee on Invalid Pensions

Also, a bill (H. R. 11533) granting a pension to William Feaster; to the Committee on Pensions.

Also, a bill (H. R. 11534) granting a pension to Arthur D. Murphy; to the Committee on Pensions.

Also, a bill (H. R. 11535) granting a pension to Sarah F. Collier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11536) granting a pension to George A.

De Voe; to the Committee on Pensions. Also, a bill (H. R. 11537) granting a pension to Harry A.

Edmondson; to the Committee on Pensions.

Also, a bill (H. R. 11538) granting a pension to Clark T.

Elder; to the Committee on Pensions.

Also, a bill (H. R. 11539) to correct the military record of

Also, a bill (H. R. 11539) to correct the mintary record of Valentine Lust; to the Committee on Military Affairs.

Also, a bill (H. R. 11540) to correct the military record of Charles B. Horrobin; to the Committee on Military Affairs.

By Mr. BURKE of Wisconsin; A bill (H. R. 11541) granting

pension to Carrie I. Bramer; to the Committee on Invalid Pensions.

By Mr. CALDER: A bill (H. R. 11542) for the relief of the P. J. Carlin Construction Co.; to the Committee on Claims.

By Mr. CAMPBELL: A bill (H. R. 11543) granting an increase of pension to Charles W. Lathrop; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11544) granting an increase of pension to Archibald T. Lea; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11545) granting an increase of pension to Washington A. Palmer; to the Committee on Invalid Pensions. By Mr. CANTOR: A bill (H. R. 11546) for the relief of Watson B. Dickerman, administrator of the estate of Charles Back-

man, deceased; to the Committee on Claims.
-By Mr. CARAWAY: A bill (H. R. 11547) to correct the military record of James Edwards; to the Committee on Military

Affairs.

By Mr. COOPER: A bill (H. R. 11548) granting a pension to R. W. Fredericks; to the Committee on Pensions.

By Mr. COX: A bill (H. R. 11549) granting a pension to John C. Denbo; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11550) granting a pension to Nancy Rigney; to the Committee on Pensions.

By Mr. DENT: A bill (H. R. 11551) to correct the lineal and relative rank of First Lieut. Albert C. Goodwyn, United States Army; to the Committee on Military Affairs.

By Mr. DOOLITTLE: A bill (H. R. 11552) granting an increase of pension to Emery Hughes; to the Committee on

Invalid Pensions.

By Mr. DYER: A bill (H. R. 11553) granting an increase of pension to Thomas Carten; to the Committee on Invalid Pen-

By Mr. FIELDS: A bill (H. R. 11554) granting an increase of pension to Sarah E. Nethercutt; to the Committee on Invalid

Also, a bill (H. R. 11555) granting an increase of pension to Daniel R. Wheeler; to the Committee on Invalid Pensions.

By Mr. FOWLER: A bill (H. R. 11556) granting an increase of pension to Juliett Field; to the Committee on Pensions. Also, a bill (H. R. 11557) granting an increase of pension to

Isaac C. Irion; to the Committee on Invalid Pensions. Also, a bill (H. R. 11558) granting an increase of pension to

Alfred McKibben; to the Committee on Invalid Pensions. Also, a bill (H. R. 11559) granting an increase of pension to George Craig; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11560) granting an increase of pension to William N. Dickey; to the Committee on Invalid Pensions.

By Mr. FRANCIS: A bill (H. R. 11561) granting a pension to Mary Hillebrandt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11562) for the relief of H. L. Roby, doing

business as the Roby Cigar Co.; to the Committee on Claims. By Mr. GRAHAM of Illinois: A bill (H. R. 11563) granting an increase of pension to Peter Casserleigh; to the Committee on Invalid Pensions,

Also, a bill (H. R. 11564) granting an increase of pension to Charles A. Allen; to the Committee on Invalid Pensions,

By Mr. HAWLEY: A bill (H. R. 11565) granting a pension to Cordelia E. Duncan; to the Committee on Invalid Pensions. Also, a bill (H. R. 11566) granting an increase of pension to

Henry Gross; to the Committee on Invalid Pensions. Also, a bill (H. R. 11567) granting an increase of pension to

Daniel B. Huddle; to the Committee on Invalid Pensions. Also, a bill (H. R. 11568) granting an increase of pension to Isaac J. Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11569) to reimburse the postmaster at Monmouth, Oreg., for the loss by burglary of postal-savings

stamps; to the Committee on Claims.

Also, a bill (H. R. 11570) for the relief of W. R. Wells, administrator of the estate of James S. Wells, deceased; to the Committee on Claims.

Also, a bill (H. R. 11571) for the relief of George P. Litchfield; to the Committee on Claims.

Also (by request), a bill (H. R. 11572) for the relief of Wil-

Ham A. Frater; to the Committee on Claims. By Mr. HINDS: A bill (H. R. 11573) granting a pension to

John Sharron; to the Committee on Pensions. Also, a bill (H. R. 11574) granting a pension to Isaac W.

Leighton; to the Committee on Invalid Pensions. By Mr. IGOE: A bill (H. R. 11575) for the relief of the estate

of John Barry, deceased; to the Committee on War Claims.

By Mr. JACOWAY: A bill (H. R. 11576) for the relief of Eli G. Collier; to the Committee on War Claims. Also, a bill (H. R. 11577) granting an increase of pension to

William H. Edwards; to the Committee on Invalid Pensions. By Mr. LANGLEY: A bill (H. R. 11578) granting an increase of pension to Robert McDowell; to the Committee on Pensions. Also, a bill (H. R. 11579) to correct the military record of Benjamin H. Pruett; to the Committee on Military Affairs.

By Mr. LESHER: A bill (H. R. 11580) granting a pension to William E. Ammerman; to the Committee on Pensions.

Also, a bill (H. R. 11581) granting a pension to Wilson J. Zerby; to the Committee on Pensions.

of Philadelphia, Pa., and the John Hancock Branch of the Also, a bill (H. R. 11582) granting a pension to Ellen Gunton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11583) granting an increase of pension to Martha Groner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11584) granting an increase of pension to

Sinnary Bohner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11585) granting an increase of pension to John B. Kauffman; to the Committee on Invalid Pensions,

Also, a bill (H. R. 11586) granting an increase of pension to James R. Mills; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11587) granting an increase of pension to George S. Tillson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11588) granting an increase of pension to George W. Cross; to the Committee on Invalid Pensions. Also, a bill (H. R. 11589) granting an increase of pension to

Joseph Langenberger; to the Committee on Invalid Pensions. By Mr. LINDBERGH: A bill (H. R. 11590) granting an increase of pension to Jonathan Harding; to the Committee on

Invalid Pensions By Mr. MANAHAN: A bill (H. R. 11591) granting a pension

to Rosa L. Wells; to the Committee on Invalid Pensions. By Mr. MERRITT: A bill (H. R. 11592) granting an increase of pension to James Fox; to the Committee on Invalid Pen-

By Mr. MILLER: A bill (H. R. 11593) granting a pension to

Mary E. Walsh; to the Committee on Pensions. By Mr. MOON: A bill (H. R. 11594) granting a pension to

Benjamin H. Norman; to the Committee on Pensions. Also, a bill (H. R. 11595) granting an increase of pension to

Samuel H. Gamble; to the Committee on Invalid Pensions. By Mr. O'HAIR: A bill (H. R. 11596) granting an increase of pension to Nathan Goff; to the Committee on Invalid Pen-

Also, a bill (H. R. 11597) granting an increase of pension to John W. Bell; to the Committee on Invalid Pensions.

By Mr. PALMER: A bill (H. R. 11598) granting a pension to Mrs. Elnora Houck; to the Committee on Pensions.

By Mr. PATTON of Pennsylvania: A bill (H. R. 11599) granting an increase of pension to Thomas McCafferty; to the

Committee on Invalid Pensions.

By Mr. PLATT: A bill (H. R. 11600) granting a pension to

James R. Bennett; to the Committee on Invalid Pensions. By Mr. PROUTY: A bill (H. R. 11601) granting an increase of pension to Henry C. Trout; to the Committee on Invalid Pensions.

By Mr. RAKER: A bill (H. R. 11602) for the relief of John C. Howard; to the Committee on Claims.

By Mr. RAINEY: A bill (H. R. 11603) granting an increase of pension to Mary A. Austin; to the Committee on Invalid Pensions.

By Mr. SCOTT: A bill (H. R. 11604) granting an increase of pension to William Herrold; to the Committee on Invalid Pen-

By Mr. SMITH of Minnesota: A bill (H. R. 11605) granting a pension to Alice Fenton; to the Committee on Invalid Pen-

Also, a bill (H. R. 11606) granting a pension to Caroline Fust; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11607) granting an increase of pension to Asa Gould; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11608) to correct the military record of

George E. Day; to the Committee on Military Affairs.

By Mr. THOMPSON of Oklahoma: A bill (H. R. 11609) granting a pension to Talulah F. Hale; to the Committee on Pen-

Also, a bill (H. R. 11610) granting a pension to Chester A. Walker; to the Committee on Pensions.

Also, a bill (H. R. 11611) granting a pension to George Demerritt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11612) granting a pension to Andrew J. Legg: to the Committee on Invalid Pensions.

Also, a bill (H. R. 11613) granting a pension to Joseph A. Branstetter; to the Committee on Invalid Pensions.

By Mr. DONOHOE: A bill (H. R. 11614) to correct the military record of James Wallace; to the Committee on Military Affairs.

By Mr. GODWIN of North Carolina: A bill (H. R. 11615) for the relief of the Atlantic Coast Line Railroad Co.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER: Memorial of the Daniel H. Comber Club, American Continental League of America, protesting against appropriation of funds for the celebration of the "One hundred years of peace among English-speaking peoples"; to the Committee on Foreign Affairs.

Also, memorial of Scandinavian Socialist Society, of Chicago, Ill.; Branch 6, Socialist Party, New York City; Women's Branch 1, Socialist Party, New York City; and Women's Branch, Socialist Party, Borough of The Bronx, New York City, favoring a congressional investigation of strike conditions in Michigan; to the Committee on Rules.

By Mr. BAILEY: Memorial of Camp 606, Patriotic Order Sons of America, Beaverdale, Pa., favoring Burnett immigration bill; to the Committee on Immigration and Naturalization.

By Mr. BARCHFELD: Memorial of the Pittsburgh Branch of the American Continental League, against the appropriation of money to celebrate the "One hundred years of peace among English-speaking peoples"; to the Committee on Foreign Affairs.

Also, papers to accompany House bill 10745, granting a pension to Henry Spahn; to the Committee on Pensions.

By Mr. BARTHOLDT: Petitions of Rev. T. T. Pudlossiki and

29 other citizens of St. Louis, Mo., and The American Association of Foreign Language Newspapers of the Country, protesting against the passage of the Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, petition of Lieut. A. H. Burkholder, of Trenton, Mo., favoring the passage of the Sherwood-Martine officers' bill; to

the Committee on Invalid Pensions,

Also, petition of Consumers' League of St. Louis, Mo., favoring the passage of the bill limiting the working day of women in the District of Columbia to eight hours; to the Committee on Labor.

Also, petition of Socialist Party of Missouri, favoring an investigation of the Michigan strike; to the Committee on the

Also, petition of Typographical Union No. 8, of St. Louis, Mo., and Boot and Shoe Workers' Union Nos. 90 and 318, of St. Louis, Mo., favoring the passage of the Bartlett-Bacon bills;

to the Committee on the Judiciary.

Also, petitions of Hamilton Brown Shoe Co., of St. Louis, Mo., protesting against the passage of the Stanley bill, and John Hoerr, of St. Louis, Mo., protesting against the passage of House bill 9832; to the Committee on Interstate and Foreign

Also, petitions of Dr. Thos. B. Pote, favoring the passage of the bill to increase the salaries of the employees of the Bureau of Animal Industry, and the M. Longer Fruit Co., of St. Louis, Mo., protesting against the passage of a bill to regulate cold storage; to the Committee on Agriculture.

Also, petitions of John H. Boorman and Robert W. Eichmann, of Jersey City, N. J., favoring the passage of House bill 1672, providing pensions for Indian war veterans; to the Committee

on Pensions.

Also, petition of Tailors' Union No. 11, of St. Louis, Mo., favoring an investigation of the Michigan copper strike; to the Committee on Rules,

Also, petitions of sundry citizens of St. Louis, Mo., protesting the passage of the Burnett immigration bill; to the

Committee on Immigration and Naturalization.

Also, petitions of Gen. Julian S. Carr, of Durham, N. C., and of Lieut. Lewis C. Garrigus, of Portland, Oreg., favoring the passage of House bill 11112, providing for a peace monument at Gettysburg; to the Committee on the Library.

Also, petition of Central Coal & Coke Co., of Kansas City, Mo., protesting against the passage of House bill 9996; to the

Committee on Interstate and Foreign Commerce.

Also, petition of R. H. Bohle and 139 other citizens of St. Louis, Mo., favoring the passage of House bill 5892, granting relief to telegraph operators of the Union Army; to the Committee on Invalid Pensions.

By Mr. BOOHER: Petitions of citizens of the fourth district of Missouri, favoring the passage of House bill 5308; to the Com-

mittee on Ways and Means.

By Mr. BURKE of Wisconsin: Petitions of the Germania, of Reedsburg, Wis., and German-American Alliance of Wisconsin, protesting against the passage of House joint resolution 168 and Senate joint resolution 50; to the Committee on the

Also, evidence in support of bill (H. R. 865) granting a pen-

sion to Carl Roepke; to the Committee on Pensions.

By Mr. CARTER: Petitions of Cumberland Socialist Local, favoring an investigation of the condition in the copper regions of Michigan; to the Committee on Rules.

Also, petitions of citizens of the fourth Oklahoma congressional district, favoring the passage of the Lindquist pure fabric and leather bill; to the Committee on Interstate and Foreign

By Mr. CALDER: Petition of citizens of Brooklyn, N. Y., favoring pensions for the United States Military Telegraph

to the Committee on Invalid Pensions.

By Mr. CANDLER of Mississippi: Petitions of sundry citizens of the State of Mississippi, favoring change in the interstate-commerce laws relative to mail-order houses; to the Committee on Ways and Means.

By Mr. DAVIS: Petition of the National Society for the Promotion of Industrial Education, providing for a national commission on vocational education; to the Committee on Educa-

Also, petition of St. Paul Association of Credit Men, to appoint a board of engineers to perfect a plan for the flood waters of the Mississippi River; to the Committee on Rivers and Har-

By Mr. FRANCIS: Petitions of the Germania Turn Verein and the Schwaben Benefit Society, of Steubenville, Ohio, pro-testing against the passage of House joint resolution 168 and Senate joint resolutions 88 and 50; to the Committee on the Judiciary.

Also, petitions of the German-American Alliance of Jefferson County, Ohio, and the Schwaben Benefit Society of Steubenville, Ohio, protesting against the passage of the Burnett bill for immigration restriction; to the Committee on Immigration and Naturalization.

Also, petitions of the German-American Alliance of Jefferson County, Ohio, and of Bridgeport, Ohio, protesting against the passage of House joint resolution 168 and Senate joint resolutions 88 and 50; to the Committee on the Judiciary.

Also, petition of the Germania Turn Verein, of Steubenville, Ohio, protesting against the passage of the Burnett bill for the restriction of immigration; to the Committee on Immigration and Naturalization.

By Mr. GARDNER: Petition of 44 residents of Salem, Beverly, Lynn, and 22 residents of Amesbury, Newburyport, Mass.; and Kensington and South Hampton, N. H., protesting against the passage of House bill 9674, the Sabbath-observance bill; to the Committee on the District of Columbia.

Also, memorial of Local 229, Boot and Shoe Workers' Union. of Boston; the Central Socialist Club, of Haverhill, Mass., favoring investigation of strike conditions in Michigan; to the

Committee on Rules.

Also, petition of Hand in Hand Council, Daughters of Liberty, of Quakerstown, Pa., and Henry A. Adams, of Chicopee Falls, Mass., and 31 other residents of Massachusetts, favoring prompt passage of the immigration bill; to the Committee on Immigration and Naturalization.

Also, memorial of sundry citizens of Boston, Mass., protesting against segregation in the Government departments; to

the Committee on the District of Columbia.

Also, memorial of Massachusetts Rural Letter Carriers' Association, favoring passage of legislation for the betterment of rural letter carriers; to the Committee on the Post Office and Post Roads.

Also, memorial of the Massachusetts Association of Sealers of Weights and Measures, favoring legislation tending to uniformity of weights and measures; to the Committee on Interstate and Foreign Commerce.

Also, memorial of Cambridge Board of Trade, Massachusetts State Branch of Federation of Labor, mayor and board of aldermen of the cities of Beverly and Cambridge, Mass., favoring the Boston Navy Yard as the place for building a battle ship;

to the Committee on Naval Affairs.

By Mr. GODWIN of North Carolina: Memorial of the Chamber of Commerce of Wilmington, N. C., favoring a larger appropriation for the improvement of the Cape Fear River;

to the Committee on Rivers and Harbors,
Also, memorial of the Chamber of Commerce, Wilmington, N. C., favoring the adoption by Congress of the report of the Chief of Engineers recommending the extension of the intra-Coastal waterway; to the Committee on Rivers and Harbors.

By Mr. GORMAN: Memorial of Socialist Party of ward 31,

Chicago, Ill., and Thornton, Ill., favoring a congressional investigation of the strike conditions in Michigan; to the Committee

on Rules.

By Mr. GRAHAM of Illinois: Memorial of United Lithuanian Societies of Chicago, Ill., protesting against the educational test in the Burnett immigration bill; to the Committee on Immigration and Naturalization.

By Mr. GRAHAM of Pennsylvania: Resolutions of Washington Camp, No. 199, Patriotic Order Sons of America, State of Pennsylvania; Clearfield Council, No. 394, Order of Independent Americans, Philadelphia, Pa.; Washington Camp, No. 3, Patriotic Order Sons of America, Philadelphia, Pa., favoring passage of Burnett bill (H. R. 6060); to the Committee on Immigration and Naturalization.

By Mr. HAMILTON of Michigan: Petition of Socialist local, Three Rivers, Mich., and Dowagiac, Mich., favoring an investigation into mining conditions in Michigan; to the Committee on

By Mr. HAWLEY: Pettion of citizens of Oregon, favoring the Lindquist pure fabric and leather bill; to the Committee on Interstate and Foreign Commerce.

By Mr. HELM: Petition for the relief of Francis Gunty, of Shelbyville, Ky.; to the Committee on War Claims.

By Mr. HINDS: Petition of Samuel P. Haskell and others of Auburn, Me., favoring legislation for the relief of soldiers who are maimed or crippled; to the Committee on Invalid Pensions,

Also, petitions of Robert S. Watson and others, of Harpswell, Me., and residents of Phippsburg, Me., favoring an appropriation for the improvement of Wills Strait in Casco Bay, Me.; to the Committee on Rivers and Harbors.

Also, petition of Samuel E. Sommers and other employees in the civil service in Portland, Me., favoring legislation providing for the retirement of superannuated employees in the civil service; to the Committee on Reform in the Civil Service.

By Mr. JACOWAY: Papers to accompany a bill (H. R. 11577) for relief of William H. Edwards; to the Committee on Invalid

Pensions.

By Mr. KEISTER: Petitions of 166 citizens of Vandergrift Heights, Pa., protesting against a dissolution of United States

Steel Corporation; to the Committee on the Judiciary

By Mr. LAFFERTY: Petition of Svithrod Lodge of the Independent Order of Good Templars, of Portland, Oreg., favoring the passage of the bill providing for the abolition of the manufacture, etc., of alcoholic drinks; to the Committee on the

Also, memerial of Camp Phillips, No. 4, United Spanish War Veterans, favoring an amendment to the three-year homestead

law: to the Committee on Public Lands.

By Mr. LEVY: Petitions of James Yereance, J. W. Jenks, and the Consumers' League of New York State, favoring passage of House bill 29, limiting hours of labor for women employed in the District of Columbia; to the Committee on Labor.

Also, memorial of the Chicago Peace Society, advocating that the President do everything possible to insure the assembling of the Third Hague Peace Conference, etc.; to the Committee

on Foreign Affairs.

Also, petition of currency committee of New Jersey Bankers' Association, advocating certain changes in currency bill; to the Committee on Banking and Currency.

Also, petition of American Graphophone Co., favoring passage of House bill 10310, amending the Kahn Act; to the Committee

Pensions.

Also, memorial of State administrators of vocational education, favoring Senate joint resolution 5, providing for appointment of a commission to consider need of national aid to vocational education; to the Committee on Education.

Also, petition of West Virginia Pulp & Paper Co., opposing the

Bartlett bill (H. R. 1873); to the Committee on the Judiciary. By Mr. LINDBERGH: Memorial of the Association of Credit Men of St. Paul, favoring legislation for the prevention of floods; to the Committee on Rivers and Harbors.

By Mr. LONERGAN: Petition of Local Union No. 54, of Unionville, Conn., favoring an investigation of the mining strike in the copper regions of Michigan; to the Committee on Rules.

Also, petition of the Sessions Foundry Co., of Bristol, Conn., protesting against the so-called anti-injunction legislation; to

the Committee on the Judiciary. By Mr. MOON: Papers to accompany a bill (H. R. 11504) for the relief of Benjamin H. Norman; to the Committee on

Also, papers to accompany a bill (H. R. 11595) for the relief of Samuel H. Gamble; to the Committee on Invalid Pensions.

By Mr. MOORE: Memorial of the Philadelphia (Pa.) Board of Trade, protesting against the passage of a bill (H. R. 9592) to amend the antitrust laws of the United States; to the Committee on the Judiciary.

By Mr. PATTON of Pennsylvania: Petition of citizens of the twenty-first congressional district of Pennsylvania, favoring the passage of the Lindquist' pure fabric and leather bill; to the

Committee on Interstate and Foreign Commerce.

By Mr. RAINEY: Petition of the Woman's Christian Tem-perance Union of Mason County, Ill., and the members of the Methodist Episcopal Church and Woman's Christian Temperance Union of Easton, Ill., favoring passage of resolution for the submission of an amendment to the Constitution of the United States of America for national prohibition; to the Committee on the Judiciary.

Also, memorial of the Socialist Party of Jacksonville, Ill., favoring a congressional investigation of strike conditions in

Michigan; to the Committee on Rules.

Also, petition of citizens of Perry, Ill., favoring the Burnett immigration bill; to the Committee on Immigration and Naturalization.

By Mr. RAKER: Evidence to accompany a bill (H. R. 11217) for the relief of A. M. Dunlop; to the Committee on Claims.

Also, memorial of the Central Labor Council of Alameda County, Cal., favoring the passage of the seamen's bill (S. 136); to the Committee on the Merchant Marine and Fisheries.

Also, petitions of Pomona and Santa Rosa (Cal.) letter carriers, Santa Rosa post-office clerks, L. R. Hunt, Santa Barbara, Cal., and Lou K. Powell, Princeton, Ind., protesting against the elimination of assistant postmasters from the classified service; to the Committee on the Post Office and Post Roads.

By Mr. SCULLY: Petitions of citizens of the State of New Jersey, protesting against the passage of the seamen's bill in sent form; to the Committee on the Merchant Marine

and Fisheries.

Also, petition of the mayor and common council of the borough of Sea Bright, favoring an appropriation for the protection of the peninsula on which Sea Bright is located; to the Committee on Appropriations,
By Mr. J. M. C. SMITH: Petition of the Common Council

of St. Joseph, Mich., protesting against the removal of oilsupply station; to the Committee on Interstate and Foreign

Also, petition of Charles C. Lake and 21 other citizens of Union City, Mich., protesting against Sabbath-observance bill (H. R. 9674); to the Committee on the District of Columbia,

Also, papers and affidavits to accompany a bill (H. R. 7869) for the relief of William Birmingham, of Albion, Mich.; to the

Committee on Invalid Pensions.

By Mr. TALCOTT of New York: Memorial of Rome Trades Assembly, Rome, N. Y., favoring a congressional investigation of the strike conditions in Michigan; to the Committee on Rules.

By Mr. THACHER: Memorial of the Jefferson branch of the American Continental League, of New Bedford, Mass., protesting against appropriation of funds for celebration of 100 years of peace among Inglish-speaking peoples; to the Committee on Foreign Affairs

By Mr. VARE: Memorial of Philadelphia (Pa.) Board of Trade, protesting against the passage of a bill (H. R. 9322) to provide a supertax on incomes to meet the cost of naval construction and other purposes; to the Committee on Ways and Means.

By Mr. WALLIN: Petitions of the editors of journals printed in a foreign language, at Schenectady, N. Y., favoring the striking out of the literacy test in the immigration bill; to the Committee on Immigration and Naturalization.

SENATE.

Wednesday, January 14, 1914.

Prayer by the Chaplain, Rev. Forrest J. Prettyman, D. D. The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. Brandegee and by unanimous consent, the further reading was dispensed with, and the Journal was approved.

THE COMMERCE COURT (H. DOC. NO. 579).

The VICE PRESIDENT laid before the Senate a communication from the Attorney General, transmitting, pursuant to law, a statement of the expenditures for the maintenance of the Commerce Court from July 1 to December 31, 1913, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

RAILWAY LAND GRANT IN IOWA.

The VICE PRESIDENT laid before the Senate a communication from the Attorney General, transmitting, in response to a resolution of August 19, 1913, copies of certain letters and other documents relating to the land grant made by the act of Congress of May 12, 1864, and not included in Senate Execu-Document No. 124, Forty-ninth Congress, second session, which, with the accompanying papers, was referred to the Committee on Printing.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, in response to a resolution of August 19, 1913, a copy of a letter from the Commissioner of the General Land Office, together with copies of papers, maps, and records from the files of the department; also copies of papers from the files and records of the office of the Secretary relative to the land grant under the act of Congress of May 12, 1864, etc., which, with the accompanying papers, was referred to the Committee on Printing.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed the joint resolution (S. J. Res. 5) providing for the appointment of a commission to consider the need and report a plan for national

aid to vocational education, with amendments, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED.

The message also announced that the Speaker of the House had signed the enrolled bill (8. 3484) to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, being chapter 231 of Thirty-sixth Statutes at Large, and it was thereupon signed by the Vice President.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented a memorial of the Thomas Davis Club, of Philadelphia, Pa., remonstrating against any appropriation by Congress for the celebration of the so-called 100 years of peace among English-speaking people, which was referred to the Committee on Foreign Relations.

Mr. LODGE presented a memorial of John Hancock Branch, Continental League of America, of Lynn, Mass., remonstrating against any appropriation by Congress for the celebration of 100 years of peace with England, which was referred to the

Committee on Foreign Relations.

Mr. WEEKS presented a memorial of John Hancock Branch, Continental League of America, of Lynn, Mass., remonstrating against any appropriation for the celebration of peace among English-speaking people, which was referred to the Committee on Foreign Relations.

BOUNDARY LINE BETWEEN CONNECTICUT AND MASSACHUSETTS.

Mr. BRANDEGEE. From the Committee on the Judiciary I report back favorably without amendment the bill (S. 3550) ratifying the establishment of the boundary line between the States of Connecticut and Massachusetts, and I ask unanimous consent for the present consideration of the same. I will explain it after it is read, if any explanation is required.

The VICE PRESIDENT. The Secretary will read the bill.

The Secretary read the bill, as follows:

Whereas the States of Massachusetts and Connecticut have agreed upon a boundary line between said States, subject to its ratification by Congress, which boundary line is shown on duplicate maps, one copy of which has been deposited with the secretary of state of Massachusetts and another copy in the library of the State of Connecticut;

and
Whereas an act has been passed by each of said States to express and confirm said agreement, and a copy of the act passed by the State of Massachusetts cntitled "An act to establish the boundary line between the Commonwealth of Massachusetts and the State of Connecticut," and approved March 19, 1908, has been sent to and received by the State of Connecticut, and a copy of said act passed by the State of Connecticut entitled "An act establishing the boundary line between Connecticut and Massachusetts," and approved June 6, 1913, has been sent to and received by the State of Massachusetts, each of which said acts contains a full description of said boundary line: Therefore

Be it enacted, etc., That the consent of Congress is hereby given to said agreement establishing said boundary, entered into as aforesaid, between said States of Massachusetts and Connecticut.

The VICE PRESIDENT. The Senator from Connecticut asks unanimous consent for the present consideration of the bill. Is there any objection?

There being no objection, the bill was considered as in Committee of the Whole.

Mr. BRANDEGEE. Mr. President, I do not assume that this measure is of any particular interest to any Senator except the Senators from Massachusetts and Connecticut. I have explained the matter to both the Massachusetts Senators, and the junior Senator from Massachusetts [Mr. Weeks] advised the present governor of the State of Massachusetts of the measure pending and informs me that the governor has no objection to the bill.

There will be found in the RECORD, on page 145, under date of December 4, 1913, a memorial signed by Eugene N. Foss, governor of Massachusetts, and Simeon E. Baldwin, governor of Connecticut, addressed to the Senate and House of Representatives of the United States, which I will ask to have printed in the Record in connection with the bill, in order that if occasion should arise to look back upon the proceedings by which the boundary was confirmed the record may be complete. I will not read it now. I put it in the RECORD at the time I introduced

The VICE PRESIDENT. Is there objection to the request of the Senator from Connecticut? The Chair hears none, and permission is granted.

The memorial referred to is as follows:

To the Senate and House of Representatives of the United States in Congress assembled:

The memorial of the States of Massachusetts and Connecticut represents that they have agreed upon a boundary line between said States, subject to its ratification by the Congress, which boundary line is shown on duplicate maps, one copy of which has been deposited with the secretary of the State of Massachusetts, and another copy thereof in the library of the State of Connecticut, and that an act has been passed by each State to express and confirm said agreement, and that a copy of the act passed by the State of Massachusetts has been sent to and received by the State of Connecticut, and a copy of the said act of the

State of Connecticut has been sent to and received by the State of Massachusetts.

Said act of Massachusetts is entitled "An act to establish the boundary line between the Commonwealth of Massachusetts and the State of Connecticut," and was approved March 19, 1908; and said act of Connecticut is entitled "An act establishing the boundary line between Connecticut and Massachusetts," and was approved June 6, 1913, and is printed in the special laws and resolutions of the General Assembly of the State of Connecticut at its January session, 1913, on page 1003. Each of said acts contains a full description of said boundary line.

Your memorialists therefore hereby request the approval by the Congress of the United States of the boundaries established as heretofore stated.

In witness whereof, on this 22d day of November, 1913, the under-

stated.

In witness whereof, on this 22d day of November, 1913, the undersigned subscribe hereto as governors of said States, respectively.

EUGENE N. FOSS,
Governor of Mussachusetts.
SIMEON E. BALDWIN,
Governor of Connecticut.

Transmitted to the Vice President of the United States, President of the Senate of the United States.

Mr. BRANDEGEE. Congressional action consenting to this agreement between the States, I assume, is necessitated by clause 3 of section 10 of Article I of the Constitution of the United States. It provides that:

No State shall, without the consent of Congress, lay any duty of tonnage, keep troops or ships of war in time of peace, enter into any agreement or compact with another State or with a foreign power, or engage in war unless actually invaded or in such imminent danger as will not admit of delay.

I know of no opposition to this matter. I polled the Judiciary Committee, and 10 of the 17 members have signed a favorable report. The other 7 I was unable to reach. Some were not in town. So far as the committee is concerned, a majority of the members signed it.

I think that is explanation enough, unless some Senator de-

sires to ask a question.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

REIMBURSEMENT FOR LOSSES OF POSTAL FUNDS.

Mr. BANKHEAD, from the Committee on Post Offices and Post Roads, to which was referred the bill (H. R. 9321) to amend the act approved May 9, 1888, as amended by the act of June 11, 1896, reported it without amendment and submitted a report (No. 149) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES:

A bill (S. 3987) to provide water for the irrigable lands of the Yakima Indian Reservation, State of Washington, and for other purposes; to the Committee on Indian Affairs.

By Mr. PERKINS:

A bill (S. 3988) to authorize the Secretary of the Treasury to cause to be erected a suitable building or buildings for marine-hospital purposes on the present marine-hospital site at San Francisco, Cal., and to remove all or any of the present structures on said site; to the Committee on Commerce. By Mr. WEEKS:

A bill (S. 3989) for the relief of Alfred E. Smith (with accompanying papers); to the Committee on Military Affairs.

By Mr. BANKHEAD:

A bill (S. 3990) to correct the lineal and relative rank of First Lieut. Albert G. Goodwyn, United States Army; to the Committee on Military Affairs.

By Mr. SAULSBURY

A bill (S. 3991) granting a pension to Mary Jane Stewart; A bill (S. 3992) granting a pension to John Lynn; and A bill (S. 3993) granting a pension to Mary Ann Davis; to the Committee on Pensions.

By Mr. ROOT:

A bill (S. 3994) to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; to the Committee on the Judiciary.

By Mr. BURLEIGH:

A bill (S. 3995) granting a pension to John F. Scribner; to the Committee on Pensions.

By Mr. TILLMAN:

A bill (S. 3996) to provide for the naturalization of aliens who have served or shall hereafter serve for one enlistment of four years in the United States Navy or Marine Corps, or for four years in the naval auxiliary service; to the Committee on the Judiciary.

A bill (S. 3997) to waive for one year the age limit for the appointment as assistant paymaster in the United States Navy in the case of Landsman for Electrician Richard C. Reed, United

States Navy; to the Committee on Naval Affairs.

By Mr. NEWLANDS:

A joint resolution (S. J. Res. 97) authorizing the President to extend invitations to foreign Governments to participate in the International Congress of Americanists; to the Committee on Foreign Relations.

NAVAL VESSELS FOR ALASKA.

Mr. NORRIS. Mr. President, I have an amendment which I wish to offer and have printed to the pending Alaskan railroad bill (S. 48). For the information of the Senate I ask unanimous consent that it be read.

There being no objection, the amendment was read and ordered to lie on the table and to be printed, as follows:

On page 8, after line 20, add the following:

"The President of the United States is hereby further empowered, authorized, and directed to construct or cause to be constructed, not less than 10 nor more than 20 vessels suitable and appropriate for the freight and passenger service between the ports of Alaska and other ports on the eastern and western shores of North America. Said vessels shall be constructed, as near as may be, so that they will be suitable for use in aid of the Navy of the United States as a merchant marine. After the same are constructed the President is hereby authorized, upon such terms as he may deem best, to lease the same to the Panama Railroad Co. For the purpose of building said vessels the President is hereby authorized to raise money and to expend the same in accordance with the terms provided in this act, not exceeding the amount of \$15,000,000."

RAILROADS IN ALASKA.

Mr. JONES submitted an amendment intended to be proposed to the bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes, which was ordered to lie on the table and be printed.

AMENDMENTS TO NAVAL APPROPRIATION BILL.

Mr. TILLMAN submitted an amendment authorizing the Secretary of the Navy to issue a clothing outfit to all enlisted men serving in their second enlistment, etc., intended to be proposed by him to the naval appropriation bill, which was referred to the Committee on Naval Affairs and ordered to be printed.

He also submitted an amendment providing that chief carpenters and carpenters shall be eligible for appointment to the grade of ensign under the restrictions imposed by law, etc., intended to be proposed by him to the naval appropriation bill, which was referred to the Committee on Naval Affairs and ordered to be printed.

IMPROVEMENT OF COLUMBIA RIVER, WASH.

Mr. JONES submitted the following concurrent resolution (S. Con. Res. 13), which was referred to the Committee on Commerce:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of War be, and he is hereby, directed to have a survey made and estimate submitted as early as practicable of the cost of the improvement of the Columbia River at Kennewick, Wash., with the view of securing ample harbor facilities.

IMPROVEMENT OF OLYMPIA HARBOR, WASH.

Mr. JONES submitted the following concurrent resolution (S. Con. Res. 14), which was referred to the Committee on

Resolved by the Senate (the House of Representatives concurring), That the Secretary of War be, and he is hereby, directed to have a survey made and estimate submitted as early as practicable of the cost of the improvement of the harbor at Olympia, Wash.

PUGET SOUND CANAL, WASH.

Mr. JONES submitted the following resolution (S. Con. Res. 15), which was referred to the Committee on Commerce:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of War be, and he is hereby, authorized and directed to cause preliminary examination and survey to be made and a report to be made thereon to Congress of the intervening territory between Puget Sound and the Columbia River, with a view to determining the advisability of constructing a canal connecting Puget Sound with Grays Harbor, Willapa Harbor, and the Columbia River.

THANKS OF CONGRESS (S. DOC. NO. 361).

Mr. LODGE. Mr. President, some time ago I made an effort to obtain the names of some persons who had received the thanks of Congress, and I found that we had no complete list. I have had an alphabetical list made of all those persons who have received the thanks of Congress. It will be very valuable for reference and will not make a large document. I ask that it may be printed as a Senate document.

The VICE PRESIDENT. Is there any objection? The Chair

hears none, and it is so ordered.

CONDITIONS IN MINING DISTRICTS IN MICHIGAN.

Mr. ASHURST. Mr. President, I rose to make a request, but I see that the Senator from Michigan [Mr. Townsend] is not in the Chamber.

Mr. TOWNSEND entered the Chamber.

Mr. ASHURST. I simply ask unanimous consent that Senate resolution 243 be referred to the Committee on Education

The VICE PRESIDENT. The Senator from Arizona asks that Senate resolution 243 be taken from the calendar and referred to the Committee on Education and Labor. Is there any objection?

Mr. TOWNSEND. I did not hear the request of the Senator

from Arizona

Mr. ASHURST. I started out in the first instance to make the request, but I did not see the Senator from Michigan pres-Then, observing that he was in the Chamber, I asked unanimous consent, when I saw that he was in the Chamber, that resolution 243 be taken from the calendar and referred to the Committee on Education and Labor.

Mr. TOWNSEND. So far as I am concerned, Mr. President,

I have no objection.

The VICE PRESIDENT. That action will then be taken.

Mr. BRISTOW. Of course, it is understood that the resolution could not be effective until after it has been referred to the Committee to Audit and Control the Contingent Expenses of the Senate as well.

Mr. TOWNSEND. I understand the request was that the matter be first referred to the Committee on Education and Labor for perfection and report, and after that it would go to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. BRISTOW. That course is satisfactory.
Mr. TOWNSEND. That is my understanding in consenting to the request.

Mr. ASHURST. The Senator's understanding is correct, except I ought to say it appeared to me the resolution ought to go to the Committee on Education and Labor, and for myself I do not admit that the resolution requires any perfection. I feel that resolution expresses what I wish to say. I admit, of course, that the Committee on Education and Labor has full power to change it to suit itself. Then the resolution will go to the Committee to Audit and Control the Contingent Expenses of the Senate, and I admit that it has full power to change and amend the resolution to suit itself. Just as long as it goes to the committee, that is all I wish.

Mr. TOWNSEND. I do not wish to accept the proposition of the Senator that he thinks the resolution is perfect. I simply wanted to express my understanding of the parliamentary situa-

tion in reference to the resolution.

Mr. ASHURST. Then, Mr. President, the resolution is com-

mitted.

The VICE PRESIDENT. The Chair thinks that the Chair was not properly advised as to the statute of the United States the other day in referring the resolution to the Committee to Audit and Control the Contingent Expenses of the Senate. The Chair believes now that the statute simply provides that money shall not be paid out of the contingent fund of the Senate until the payment has met with the approval of the Committee to Audit and Control the Contingent Expenses of the Senate. So, if any committee proceeds to make expenditures without the consent of that committee, it is taking a chance that the money will never be paid.

The Chair is very glad to reverse his ruling and to refer the resolution to the Committee on Education and Labor, with the view that if reported from the Committee on Education and Labor it shall subsequently be referred to the Committee to Audit and Control the Contingent Expenses of the Senate, in

order that there may be no complication with reference thereto.

Mr. GALLINGER. Mr. President, on this point I will venture merely to suggest that in the past that procedure has frequently been followed; the resolution has been referred to the committee having control of the subject matter, and subsequently it would necessarily, under the law, be sent to the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT. The Chair was trying to explain the ruling he made the other day under a misapprehension as to the terms of the statute.

Mr. GALLINGER. Precisely.

PANAMA RAILROAD CO. (S. DOC. NO. 362).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was

read and, with the accompanying paper, referred to the Committee on Interoceanic Canals and ordered to be printed; To the Scnate and House of Representatives:

I transmit herewith, for the information of the Congress, the Sixty-fourth Annual Report of the Board of Directors of the Panama Railroad Co., for the fiscal year ended June 30, 1913. WOODROW WILSON.

THE WHITE HOUSE, January 14, 1914.

VOCATIONAL EDUCATION.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 5) providing for the appointment of a commission to consider the need and report a plan for national aid to vocational education, which were, on page 1, line 4, to strike out "men"; on page 1, line 5, after the word "the," to strike out the remainder of the line and lines 6 and 7 and insert "subject of national aid for vocational education and report their findings and recommendations not later than June 1 next"; and on page 2, line 6, after the word "appropriated," to insert "out of any money in the Treasury not otherwise appropriated."

Mr. SMITH of Georgia. I move that the Senate concur in

the amendments of the House.

The motion was agreed to.

RESOURCES OF ALASKA.

Mr. WILLIAMS. Mr. President, on yesterday I made some reference to an article in a late magazine and said that I would try to find it and bring it up to-day. In making my statement about it I said I thought the test or the report had been made by a captain of one of the naval vessels of the United States. I find, however, that in that I was mistaken; it was made by the captain of one of the United States merchant-marine vessels.

While about it, I thought this morning I would call the atten-tion of the Senate to the two articles in the Review of Reviews, in the January number. One of them is by Mr. Ed. H. Thomas and is entitled "Alaska—A future empire." It contains a great deal of very useful information. Among other things, the writer says:

There are above 21,000,000 acres of known coal lands in Alaska, with a probability that the area is much greater. Of these claimants have entered upon 32,000 acres and made bona fide efforts to obtain the title by paying in the statutory \$10 per acre. Much of this money was paid in more than five years ago, but only two claims, aggregating less than a quarter section of land, have passed to patent.

Coal production in 1912 in the United States aggregated 534,466,580 tons. Of this total Alaska, with its wonderful deposits, produced just 355 tons. These figures will tell any student of economics precisely what is wrong with Alaska.

Coal is a fundamental domestic and industrial necessity. Alaska has the coal but can't use it. Instead of producing its own fuel, the Territory imports all that it consumes.

Then the writter gives an account of the fisheries, the gold

Then the writer gives an account of the fisheries, the gold mines, the copper mines, the salmon canneries, and all that, and

Every salmon cannery and fish-curing plant uses coal. Every mine, concentrator, dredge, and steam-thawing plant must have fuel to operate. The coal for all these purposes, and for every domestic purpose as well, is imported, with coal in inexhaustible quantities lying all about.

Then he draws a comparison between the area of Alaska and of the Scandinavian Peninsula-Norway and Sweden-and shows that Alaska is about equal to the two combined plus Finland, and that the climate of Alaska is as temperate as that of Norway and Sweden and has, in his opinion, as many potentialities, agriculturally and otherwise, as those countries. Then he adds this, which is what I referred to yesterday:

In July last a Norwegian ship unloaded a cargo of ceal from Australia at Unalaska for the United States vessels doing patrol and revenue-cutter service in the north. Yet Capt. Pond, then of the Buffalo, after testing Matanuska coal, said it was better than the best Welsh product and far superior to Pocahontas.

That was the matter that I had in mind yesterday.

Last year Alaska produced 29,230,491 pounds of copper, and all of the ore, some 50 shiploads, was smelted at Tacoma instead of in Alaska, some of it with coke from Australia. Yet the Bering River coal makes superior coke, and this coal and all of this copper ore lies within a very short radius of which Cordova is the center.

Then he adds this, which I think is significant:

Land classification must precede every other move if we are to work out a public-land policy which will encourage development. Coal lands, oil lands, agricultural lands, mineral lands, and forest lands must go through the process of segregation, but these seem to be unimportant details to some of the gentlemen now engaged in evolving measures designed to cure Alaska's ills.

Then there follows an article by Capt. James Gordon Steese, a civil engineer, who has had much experience both as an engineer elsewhere and as a road engineer in Alaska. That article is devoted chiefly to the question of dirt roads in Alaska, and brings out, I think, very clearly the point—and this is what I want to impress upon the Senate at this momentthat what is the trouble with Alaska now is not the want of

here that some 466 miles of railroad have been built and only 351 miles are in operation. The others have gone out of commission. He says the reason of it is that when a man wants to ship freight somewhere and get off of the railroad, the end of the railroad is practically the railroad station, that there are no roads over which the freight can be carried after the railroad has landed the freight. This is a most intelligent article, to which I call your attention; you will find it on page 58 of the January number of the Review of Reviews. He begins with the general statement-

That lack of transportation, more than any other agency, is retarding the development of Alaska is conceded by anyone at all familiar with the development northern affairs.

He gives, then, a list of the various steamship companies. There are 31 vessels in all that are sailing from various Pacific ports to Alaskan ports-I need not go into that-and those vessels range from 500 to 2,400 tons net burden. Then he says:

Several railroads have been projected and operated for short distances. The total mileage constructed is 466 miles. The only lines operated in 1913 were the White Pass & Yukon, 110 miles; the Copper River & Northwestern, 195 miles; and the Tanana Valley Railroad, 46

Making a total of 351 miles, leaving ninety-odd miles of railroad already built in Alaska that are not used at all.

Now, I want to say in that connection that while I was chairman of one of the subcommittees in the framing of the tariff bill which had under consideration the income tax some people were here from Alaska, and amongst others a gentleman whose name I do not now remember, but he was an officer of one of the railroad companies up there. He was a very intelligent man, and evidently au fait about everything of any importance for our consideration in connection with Alaska problems. He wanted us to impose a quadruple income-tax rate on all the railroads there, rather than the present \$100 a mile tax, which, by the way, in my opinion, ought to be repealed, as that country is not in a condition to stand \$100 a mile railway tax. The subcommittee reported, however, in favor of allowing them to pay this quadruple income rate instead of \$100 a mile. The committee indorsed that plan, but afterwards, in the Democratic conference, it was stricken out. This gentleman told me what the trouble up there was. He said the country was so little developed off the line of the railways that there was not enough freight, and there was not enough passenger traffic even when the railroads charged all that the traffic would bear to pay for the actual operation, much less to pay a dividend upon the money invested. I was very much impressed with his statement, and this article bears out to a certain extent that

Mr. CHAMBERLAIN. May I interrupt the Senator? The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Oregon?

Mr. WILLIAMS. Yes.

Mr. CHAMBERLAIN. I wonder if the gentleman told the Senator that the principal lines of rallway-practically the only ones that were operated there-did not develop anything at all, but went from the seacoast to a special interest, as in the case of the Kennicott-Bonanza copper mines, of the Guggenheim Alaska syndicate.

Mr. WILLIAMS. He did not tell me that; and if it were true that he was connected with a special interest, about which I know nothing, naturally ne would not have told me, nothing about that; but his statement as to the reason why the nothing about that; but his statement as to the reason why the railroads have not succeeded impressed me very much. seemed to me, by the way, to be a perfectly honest, straightforward man.

Mr. NELSON. Mr. President—
The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Minnesota?

Mr. WILLIAMS. Yes.

Mr. NELSON. I think I can help the Senator from Mississippl in reference to the name of the gentleman to whom he referred as having called on him. I think his name was Joslin. Mr. WILLIAMS. I think that was it.

Mr. NELSON. And he represented a small railroad at Point

Fairbanks, running to some placer mines.

Mr. WILLIAMS. That is not the man. He was interested in the longest railroad in Alaska, whatever it is. I do not re-

Mr. CHAMBERLAIN. The White Pass is the longest railroad there,

Mr. NELSON. Mr. Joslin is the man, I think, to whom the Senator refers

Mr. WILLIAMS. I do not remember his name, nor does it make any difference, in so far as what I am now addressing myself to is concerned, as to what his interests were nor what more railroads, but the want of more dirt roads. It is shown his motives were nor who he was particularly. I am merely going upon what he said and the manner in which it affected my

The Senator from Oregon [Mr. CHAMBERLAIN] yesterday dwelt a good deal upon the freight rates. In this article by Mr. James Gordon Steese—and I mention it merely because is a matter of interest more than a matter of argument at this moment-he states what strikes me as one of the most curious things that has taken place in this country. He says:

During the opening up of the new diggings in the Chisana region last summer practically everything—beans, coffee, sugar, hay, candles, bacon, grain, etc.—was sold for \$1.50 per pound.

And then he explains it:

The freight charges were almost \$1 a pound, so that the original cost of the article was of relatively little importance. And even at that price the supply could not keep pace with the demand.

The major part of this freight rate is not the freight rate upon the steamships, nor upon the railroads; it is the manhandling of freight after it reaches the railway station, and it is so enormous under the climatic conditions of Alaska, the supply of labor, the paucity of work which constitutes the demand for labor, and all the balance of it, that we find beans and candles and bacon selling at the same price per pound, because the major part of the cost of production at that point-and transportation to a point is a part of the cost of production at the point-was the cost of transportation itself.

Capt. Steese goes then into the question of wagon roads; and I want to impress this upon the Senate, because I believe your problem in Alaska now is more a question of interior transportation than it is of either steamship or railway transporta-

The above brief outline indicates the present situation in Alaska. The board has at the present time

That is the board of road commissioners-

The board has at the present time undertaken work on 94 different routes. The maintenance of these 94 roads requires an annual expenditure of \$125,000. To complete the projects already undertaken will require \$1,420,000.

Say, a million and a half dollars, in round numbers.

Projects already approved, but not yet undertaken, will require \$2,780,000.

Or two and three-quarter million dollars, in round numbers. Projects that will arise with the development during the next 10 years will require about \$1,800,000. A total of \$7,250,000—

Now, mark that-a total of seven and a quarter million dol-

distributed over the next 10 years would provide Alaska with a complete road system such as immediate needs justify, and probably sufficient to meet all reasonable demands until the Territory is sufficiently developed to take over internal public works as a part of its own government.

ernment.

Alaska has been slowly developing for 16 years. Eight years ago the first steps in road construction, were made. The first steps in railroad building were made even carlier—

Now, mark this-

but so far all have been unsuccessful, chiefly because the railroads could land freight only at their freight platforms and had no road feeders to distribute their tonnage. No railroad can be successful without roads as branches or feeders any more than a tree can grow by its trunk alone without branches and leaves.

A railroad must have large tonnage, and trunk-line roads, such as proposed for Alaska, can not hope to succeed except as they become arteries of trade supplying large areas.

I especially want the attention of the Senator from Idaho [Mr. Borah] to this, not for any particular reason, except for the reason of preventing his social debate from interfering with the reading.

A railroad must have large tonnage, and trunk-line roads, such as proposed for Alaska, can not hope to succeed except as they become arteries of trade supplying large areas. Such areas must extend some distance from the railroad line and terminals, and they can be made tributary thereto only by means of branches. In a highly developed country the larger of these branches may be small railroads or even small systems, but the last connecting line between the railroad and its customers, the mine, the farm, and the factory, is a wagon or a truck.

Mr. BORAH. Mr. President—

The VICE PRESIDENT Does the Senator from Mississippi

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Idaho?

Mr. WILLIAMS. With pleasure. Mr. BORAH. I have become very much interested in this

matter. From what is the Senator reading?

Mr. WILLIAMS. I am reading from an article in the January number of the Review of Reviews, by Capt. James Gordon Steese, a civil engineer of much reputation, who has been employed in Alaska in connection with a great deal of civil engineering work there.

Mr. CHAMBERLAIN. I will ask the Senator if he knows by whom he was employed?

Mr. WILLIAMS. I do not; nor do I care.
Mr. CHAMBERLAIN. Because that is vrey much the argument that has been made by the very interests that have been opposing any sort of development in Alaska.

Mr. WILLIAMS. I do not know about that. Whenever an argument strikes my mind as being sound. I do not bother myself much about the source of it.

Mr. CHAMBERLAIN. I will ask the Senator if his mind is not influenced a little bit if he knows the character of the wit-

ness producing the evidence?

Mr. WILLIAMS. Yes; if I know that the witness is trying to lie, or something of that sort. I have heard many a man boosting a high tariff upon products when I paid no attention to him, because I thought he was speaking for his pocketbook; but I know of no reason to believe that this gentleman is doing anything of that kind. He is a professional civil engineer, and I would no more identify a civil engineer in the employ of a mining company with the selfish purposes of a mining company than I would, as a lawyer, when prepared to defend a man charged with murder, identify myself with the crime of murder.

Mr. CHAMBERLAIN. May I interrupt the Senator just a moment? I did not want to suggest or intimate for a moment that the witness to whom the Senator is now referring is an interested witness. I simply asked if the Senator knew in whose

employment he was as a civil engineer in Alaska?

Mr. WILLIAMS. No; I do not.

Mr. CHAMBERLAIN. Because, as a matter of fact, most of the men who have been up there as civil engineers have been in Alaska looking over the resources for the very men who have been largely instrumental in retarding development there.

Mr. WILLIAMS. I should not be at all surprised if that were true. I take it there are very few other reasons why most civil engineers should be sent there, except the men who are sent by the Government itself.

Now, the writer of this article goes on:

Great natural riches can make a country productive even without the assistance of roads, as Alaska proved before 1906. Since that time the evidence of the value of the few existing roads has been demonstrated, and the necessity of completing the road systems has been made manifest.

To this I wish to call the attention of the Senate, because it seems to me a bit significant, and this man's reasoning seems to me to be cool, impartial, honest, and attractive to the sympathy of others interested:

If left to itself, Alaska will continue its slow rate of development, and by building its own roads and creating industries sufficient to warrant private enterprise it will in half a century become an empire, in spite of all hindrance. By the construction of highways as the development of the country demands them this period will be shortened to one-half. If, in conjunction with the highway system, railroads are built, the period may be shortened to one-quarter.

Then, this follows:

Certainly, however, the experience of Alaskan railroads already constructed is a strong indication that without road systems no Alaskan railroad need be expected either greatly to stimulate the development so much to be desired or to be anything but a financial failure itself.

Mr. GALLINGER. Mr. President-

Mr. WILLIAMS. One moment. I understand this man is not arguing against the construction of railroads. He is simply arguing that, unless you give sufficient highway feeders to the railways, future railroad construction in Alaska must be a failure so far as hope of profit is concerned, as past railway construction has been.

In further reply to my friend, the Senator from Oregon, I will say that, as I understand, this gentleman's chief engineering business in Alaska has been in the employ of the road commission of the Territory of Alaska, to which Congress has made certain appropriations for road construction. So a part of his employment up there has been a public employment. As to the man personally, I know nothing about him.

Mr. GALLINGER. Mr. President, recognizing the soundness of the suggestion that roads are imperatively necessary whether we have railroads or not, I will ask the Senator from Mississippi whether it is not true that there is not a railroad in the continental United States that would be valuable unless it had the feeders furnished by roads?

Mr. WILLIAMS. Not one.

Mr. GALLINGER. That matter has impressed itself upon my mind as this discussion has proceeded-I have not been familiar with this article-that unless we provide some means to get the products of Alaska to the railroad centers, and likewise to carry them from the railroad terminals and the railroad stations, we may be wasting our money in simply building railroads.

Mr. WILLIAMS. In furtherance of what the Senator has said, or in reply to it, whichever it may be considered, of course the relationship between highway feeders and railways is the same in Alaska as it is here, as it is in Asia and Africa and everywhere else, but there is this difference: In this country you can just cut down some trees, and bring the stumps down low enough, and you have a road that you can travel over in good weather, at any rate, and you can hire labor at a comparatively small price and you can give yourself a gravel road or a macadamized road. When, however, you go up to a country like Alaska, with great savage glaciers and flords and narrow valleys and canyons, and still in the formative period of geological upbuilding, as Alaska is to-day, the problem presented climatically, even if you could get labor at the same price, is immensely greater; and the problem presented from an industrial standpoint, even if the climate were the same, is an immensely greater problem.

So it strikes me that if you take the entire amount of road under construction, of road projected, and of road that it is thought ought to be projected, amounting to \$7,250,000, an appropriation by Congress of \$7,250,000 for road construction to feed the railroads that are now in Alaska would do more good than \$35,000,000 devoted to the construction of a new railroad whose line is to be fixed in the future by expert consideration

and testimony.

Another thing that strikes me is this: I understood yester-day from a remark made by the Senator from Washington [Mr. JONES] that it is proposed to confine this to 1,000 miles of road, or that that was the idea in the minds of the committee, at any rate, and that \$35,000.000 was to be appropriated. Senators, I submit that no 1,000 miles of railroad can be built in Alaska, with the climatic conditions and the labor conditions, for any \$35,000,000. Thirty-five million dollars is thirty-five thousand thousand dollars. That is \$35,000 a mile. That is no exorbitant price for the construction of railroads through the mountain sections of the United States, where men work at reasonable rates and can work nearly every day in the year. To expect a railroad to be built in Alaska at that price seems to me unwarranted.

Mr. CLARK of Wyoming. I think the \$35,000,000 includes the equipment also.

Mr. WILLIAMS. Yes; but I say even the road can not be

constructed for that.

I am a child of a warm climate. I do not know much about glaciers and all these things. I have never seen them except in the Alps in Switzerland; and, like Mark Twain, when they wanted me to go up on the top of some of the mountains and interview the glaciers at short range, I thought would be much more comfortable down at the foot, and preferred to have somebody else go up and give me a report, thinking I could report his report just as well as my own. From what I have read, however, about conditions in countries of that sort, even ordinary road construction—and in a great deal of Alaska they do not construct anything except what they call a bobsled roadis of the most difficult character. The chief trouble is the formative condition of the earth there as yet, and the cold country.

Not long ago a glacier made a great stride, and as it came down it ripped open the side of a mourtain, and, by the way, ripped open a gold mine while it was about it. The people discovered it, and now they are going to get gold out of that gold

mine.

Mr. JONES. Mr. President, will the Senator permit an interruption there?

Mr. WILLIAMS. Yes.

Mr. JONES. I simply want to suggest to the Senator that the conditions in Alaska are not at all such as he seems to have

in mind. It is not a great glacier.

Mr. WILLIAMS. Oh, I did not say it was all a great glacier. Mr. JONES. Furthermore, I wish to suggest, with reference to this estimate, that a board of engineers of the United States Army, together with civilians, have submitted an estimate, after an examination in Alaska, that 733 m as of road will cost only \$35,000,000. There is \$20,000,000 provided in the bill, the idea of the committee being that that would permit the construction of not to exceed 1,000 miles.

These estimates are not the estimates of the members of the committee, but they are based upon estimates submitted by prominent, reliable, experienced engineers who have been on the ground and made a personal investigation, so far as time would permit, and also upon their opinion formed from data which they have gathered from all sources.

Mr. CLARK of Wyoming. Mr. President, will the Senator from Washington yield just for a question? Mr. JONES. The Senator from Mississippi [Mr. WILLIAMS]

has the floor.

Mr. CLARK of Wyoming. Will the Senator from Mississippi yield to permit me to ask a question of the Senator from Washington?

Mr. WILLIAMS. Certainly.

Mr. CLARK of Wyoming. I wish to ask the Senator if there is anything in this bill limiting the power of the President to enter into contracts beyond the \$40,000,000?

Mr. JONES. If there is not anything in the bill that prevents that

Mr. CLARK of Wyoming. The Senator's committee reported the bill, and I should be glad if he could tell me whether or

not the bill contains any such limitation. Mr. JONES. I was going to answer the Senator's question.

I am satisfied that the committee was under the impression that the bill did limit the President to the \$40,000,000; but if there is any doubt about it, I am satisfied that the members of the committee would be very glad to have all doubt removed. I wish to state to the Senator that I have prepared an amendment which I intend to propose, limiting the mileage in the aggregate to 1,000 miles.

Mr. CLARK of Wyoming. Will the Senator, in the same amendment, as coming from the committee, limit the contract-

ing power of the President in this regard?

Mr. JONES. Of course the amendment that I am proposing I would not offer as coming from the committee, but simply as a member of the committee. I would be perfectly willing to put a limitation of that kind in it, because it is not the intention of the bill to give the President unlimited power, so far as the expenditure of money is concerned, nor as to the making of contract obligations on the part of the Government.

Mr. BORAH. Mr. President-

Mr. WILLIAMS. One word more, and then I will yield to the Senator from Idaho. It was far from my intention to leave the impression that I thought Alaska was one great glacier

Mr. JONES. I must say I gathered that that was the idea

of the Senator, from his language.

Mr. WILLIAMS. Oh, no. I am aware of the fact that a man can go around very comfortably in Alaska during several months of the year with a khaki suit on and without an over-I am aware of the fact that there are in Alaska areas of agricultural lands fully equal to the areas that cover and dot here and there the valleys of Norway and of Sweden. referring to the fact that Alaska is still in a geologically formative period, and that there are glaciers everywhere, not interfering with these particular pockets which are good agricultural land, but at certain times of the year-

Mr. LANE. Mr. President-

Mr. WILLIAMS. I will ask the Senator to wait until I get through with this sentence.

Mr. LANE. I wish to stop the Senator right there, if I may.

That is just the place where I want to catch him.

Mr. WILLIAMS. All right. The Senator will feel sorry for
me after he has caught me. [Laughter.]

Mr. LANE. One valley in Alaska, the Tanana Valley, is 500 miles long and 150 miles wide, thousands and thousands of acres of which will raise 400 bushels of Irish potatoes to the acre. It is as level as a floor; and the divide between the Tanana Valley and the coast-I say this for the Senator's information, so that he may have it correctly-is so slight that you do not know when you pass over it. There are no glaciers in the Tanana Valley or the Yukon Valley.

Mr. WILLIAMS. Oh, there are lots of valleys in Alaska where there are no glaciers. I know that. I also know that in countries like that, as in Norway and as in Scandinavia, there are subterranean ice fields. As the summer time comes on they furnish a subterranean water supply, and the rapidity with which vegetation grows during the warm months is perfectly miraculous, even to a man accustomed to tropical conditions.

I simply want to reenforce what I said a moment ago, however, by quoting something, now, from the geological stand-

The question now naturally arises, What of the huge glaciers still active over great areas of Alaska's surface?

They, too, may be cutting rich lodes and concentrating the precious metal in gravel deposits to be exposed thousands of years hence. With hundreds of thousands of square miles of flowing ice streams still in existence, who can say that Alaska's placer deposits will ever be exhausted?

This is the more worthy of your attention, because it was not written at all with a view of proving my assertion a moment ago, but it was incidental to another matter:

Volcanic eruptions are raising new lands above the sea and covering the older islands with an enriching blanket of ash. Mighty rivers are building mighty deltas. Glaciers are eroding mountain ranges and exposing their stores of metalliferous wealth. The face of nature is changing, and man, with his intelligence, is on the stage, not alone noting the changes, but an actor in the stirring scenes.

Mr. BORAH. Mr. President-

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Idaho?

Mr. WILLIAMS. I do.

Mr. BORAH. This bill, as it is reported to the Senate, as I understand, provides for no limitation as to the expenditure. It appropriates \$40,000,000, but there is no limitation upon the power of the President to expend more if it is necessary.

I do not object to the bill for that reason, and I do not mislead myself as to the fact that much more than \$40,000,000 will be expended. I think if we do not trust to the President the discretion of expending this money we will not have a railroad. It will cost more than \$40,000,000. If we put a limit upon it, at a certain time building will cease, and it will cease for a long time before Congres makes another appropriation, and you will have it there suspended, as it were, in mid-air.

Mr. TILLMAN. Or mid-ice. Mr. BORAH. In my judgment, we must necessarily rest the discretion with some one. I do not know of anyone with whom we can more appropriately rest it than the President, and then let him be controlled on the question of economy in expenditure by the Baltimore platform. [Laughter.] the only limitation I can see that we can place upon this propo-Would not that be satisfactory to the Senator from Mississippi?

Mr. WILLIAMS. Why, not quite-not quite approximately

[Laughter.]

Mr. SAHLSBURY Mr. President-

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Delaware?

Mr. WILLIAMS. I do. Mr. SAULSBURY. I can give the Senator a fact which may enlighten him somewhat on the cost of building some railroads in Alaska. I may say to him that personally I had a proposal for a contract from one of the largest construction companies in the United States offering to build 40 miles of railroad in Alaska some years ago-this was a narrow-gauge road, of course, but the relative cost of a standard-gauge road would not be very much greater-at a cost of not exceeding \$18,000 per mile. That railroad was to be built in one season, and its construction was to be started within half a mile of an active glacier, where a wharf had to be constructed on which every article used in the construction of the railroad was to be landed.

Mr. WILLIAMS. All I have to say about the man who made that proposition is that he was either a man who took great chances or he must have been quite a constructive genius.

Mr. SAULSBURY. He was both.

Mr. WILLIAMS. When you go to a country where bacon costs \$1.50 a pound, and where Irish potatoes cost a dollar or a dollar and a half a pound, labor has to be paid correspondingly. I have enough ordinary common sense to know that. When you hire men to build a railroad under those circumstances, I know you have to pay them a very high daily wage. If the Senator from Delaware could find a prospective purchaser for his railroad later on, after it was built, I believe he did not act with his usual financial sagacity when he failed to take advantage of the offer, provided the man who made the proposal could give the Senator a bond that would satisfy him that the road would have been built.

Mr. WALSH. Mr. President, with the permission of the Senator from Mississippi, I desire to add the further fact that evidence of the most indubitable character was submitted to the committee showing that the first 20 miles of the Alaska Northern Railroad were built at a cost of \$18,000 a mile,

Mr. REED. Was that narrow gauge or standard gauge?

Mr. WALSH. Standard gauge.

Mr. SMITH of Arizona. Over level ground or mountains? Mr. SAULSBURY. I can enlighten the Senator from Mississippi also as to why that contract was not carried out. was because of the repeal or avoidance of a land grant in con-

nection with the railroad which was about to be built. that reason the contract was not entered into in a binding way

and was not carried out.

Mr. WILLIAMS. That opens up a new question. Personally I think what is chiefly the matter with Alaska is locking up its resources. There are a great many people in this country who think conservation means reservation. I am not one of them. I think, of course, that we ought to avoid the monopolistic control of basic resources as far as we can and that we ought not to make the mistakes we have already made. I am not enough of a mining engineer nor have I enough knowledge of mining affairs, even as a layman, to know what the proper limitation ought to be, but I do know that those who are experts upon the question can work out a limitation. I believe if the United States Government were to retain its feesimple ownership of the coal mines and other mines in Alaska and then were to lease the lands containing the deposits of coal and copper and other minerals at as low a price as pos-

sible, keeping the rent at a pepper-corn rent chiefly in order to maintain Government ownership and Government control of them to prevent their monopolization, they could allow private enterprises to enter and exploit all those boundless resources.

As to how many linear or square feet it might be proper to permit one person to hold, I confess I do not know. I know, however, that those who do know can furnish the proper information. I believe if the Government should conclude to lease these lands for long terms, sufficient to justify capital in erecting works and going in there, and were to limit the area of the holdings, and were furthermore to provide that the man who received a holding should receive it as a personal privilege and could neither sublet his lease nor sell it, they could prevent monopolization and at the same time unlock the resources of Alaska. I believe that that ought to be done. Just how it is to be done I have not information enough to tell,

Now, I want to say just one more word. I did not rise for the purpose of discussing this question. In fact, I had made up my mind that I did not want to discuss it. I rose merely to put in the knowledge of the Senate these things which had come to my knowledge and seemingly had benefited my thought upon the subject, and I thought they would benefit the Senate.

To give \$14,000,000 to one Territory of the United States for the exploitation of its resources, even if the entire scheme is to be a brilliant success, and even if 750 or 1,000 miles of railway can be built for the purpose, it strikes me as something unusual and unprecedented, and something not altogether justified by our duties toward that Territory. If I were going to spend \$40,000,000 upon a railroad which the Government was to own and use as a regulator of freight rates, I think I would rather run it from the Great Lakes to the Gulf of Mexico than run it in an outlying Territory like Alaska. But I do not want to do either. I am an old-fashioned Jeffersonian Democrat in many respects yet. When people ask me if I am a progressive or a conservative I answer either and neither and both; it depends upon what you are talking about as to whether I am a radical or a progressive or a conservative upon that particular point. But I am something of a conservative upon the question of the Government's taking up new avenues of public employment subtracted from the field of private employment. I do not know where the Government construction of railways is going to stop if it starts. The fact of its starting is the thing. locality of its starting cuts no figure in the matter at all. I would rather go a long way in bearing present ills than jump into a sea of apprehended evils the depth of which I can not

Of course, as far as the constitutional question is concerned, as the Senator from Oregon [Mr. Chamberlain] said yesterday, there is no constitutional question. We have the power of a local county board of supervisors in connection with the Territory of Alaska as we have in connection with the District of Columbia. We can build dirt roads, we can build railroads, we can establish ferries, we can issue whisky licenses, we can do anything which a State or county can do in a State or a county. The old mooted question as to how far the Federal authority went in a Territory was settled as were the other things settled by the issue of the War between the States. I would not take that up again. I would not spend one moment upon the constitutional question. I think there is nothing in it; but I do think there is a great deal in this, that you want to add just as little to the functioning of government as you can. The less functioning you give government the more functioning you leave to men, and the less freedom you give the government to operate the more freedom there is left to

So far as I know, there has been no Government in this world that ever began, continued, and fell that did not fall by topheaviness, by gradually assuming to itself every interest and every industry of the people, until the number of those in the direct employ of the Government became a resistless power, naval, military, and civil. In France I am informed that to-day every fifth man is in the employ of the Government in some more or less lucrative position. We are beginning to feel it already here. There is not one of you who can resist or who dare attempt to resist the united voice of the civil-service employees of the United States to-day. You are already coming close up to the point where you have got to have a civil-service pension list, or where you will think you must have it, and within 12 years after you inaugurate it it will cost the people more than the entire pension list of the United States does to-day. Top-heaviness, overweighting, overfunctioning are the things that cause the destruction of Governments.

For my own part I do not want to go into the business of road construction by the Government of the United States until or

unless we are absolutely forced to it by military or naval necessity. I do not think that condition exists in Alaska. I have no idea of any foreign power ever being fool enough to invade Alaska. In the United States it would find more inviting fields to invade than in Alaska. It would not send its troops up there to hold nothing and freeze to death in the wintertime, and it would cost their Government, God knows how much, to feed them in the summer time.

I did not intend to say anything about the main issue, but I do feel that that much is due to my own traditional-perhaps in the minds of some of you superstitious-observance of old American policies. We have the right to construct it, yes; and if wise I could be willing to waive what you might call my prejudice, but I do not believe it is wise under these circumstances. I believe that seven or eight million dollars put in Alaska to-day in aid of that Territory as a loan to it in the construction of roads, highways, which shall feed the present 466 miles of railway, and the present landings upon the Yukon and the other streams where steamboats ply, will do more good for Alaska than \$35,000,000 or \$40,000,000 put into one trunk railway.

EMPLOYEES IN DIPLOMATIC AND CONSULAR SERVICE.

The VICE PRESIDENT. The morning business is closed, and the colendar under Rule VIII is in order.

Senate resolution 65, directing the Committee on Foreign Relations to report to the Senate certain information relative to employees in the Diplomatic and Consular Service of the United States, was announced as the first business on the calendar.

Mr. GALLINGER and Mr. SMOOT. Let that go over. Mr. ROOT. Mr. President, would it not be better to send the resolution to the calendar under Rule IX? I do not think

anyone proposes to press it since our friend has gone.

Mr. SMITH of Arizona. What is the resolution?

Mr. ROOT. It is a resolution that was introduced by the late Senator Johnston, and I think before his death he had abandoned the purpose to press it.

Mr. CHAMBERLAIN, I do not understand what the meas-

ure is.

Mr. ROOT. It is the first resolution on the calendar under Rule VIII. It is a resolution directing the Committee on Foreign Relations to make a report of certain information regarding the Diplomatic and Consular Service. I think Senator Johnston, before his death, had abandoned the intention to press it and that no one intends to press it now. I ask that it go to the calendar under Rule IX.

The VICE PRESIDENT. May the Chair suggest, why not indefinitely postpone the resolution?

Mr. ROOT. I have no objection.
Mr. THOMAS. What was the remark of the Chair?

The VICE PRESIDENT. Is there any reason why the resolution may not be indefinitely postponed?

Mr. THOMAS. I think the Senator from North Carolina [Mr. OVERMAN] has some interest in the resolution, and I will suggest that no step be taken concerning its indefinite postponement until he can be consulted. I have personally no objection to its going to the calendar under Rule IX.

The VICE PRESIDENT. Is there objection to sending the resolution to the calendar under Rule IX? The Chair hears

none, and it is so ordered.

WASHINGTON-OREGON CORPORATION.

The bill (S. 821) authorizing the Secretary of War to relieve the Washington-Oregon Corporation, as far as he may deem advisable in the public interests, from certain conditions in an act entitled "An act granting to the Washington-Oregon Corporation a right for an electric railroad, and for telephone, telegraph, and electric transmission lines across the Vancouver Military Reservation, in the State of Washington," approved August 9, 1912, was announced as the next business on the

calendar.
Mr. JONES. My colleague [Mr. Poindexter] is interested in this matter, and possibly a different arrangement will be made from that provided in the bill. I ask that the bill may go over.

The VICE PRESIDENT. It will go over.

WOMAN SUFFRAGE.

The joint resolution (S. J. Res. 1) proposing an amendment to the Constitution of the United States extending the right of suffrage to women was announced as next in order on the

Mr. LODGE. Let the joint resolution go over.
Mr. THOMAS. Mr. President, I ask unanimous consent for
the consideration of the joint resolution.
Mr. SMOOT. It has been objected to.
Mr. THOMAS. If objected to, it goes over.
Mr. LODGE. I objected and asked that it go over.
The VICE PRESIDENT. The joint resolution will go over.

BAILROADS IN ALASKA.

The bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purpose, was announced as next in order.

Mr. GALLINGER. I ask that that may go over. The VICE PRESIDENT. It will go over.

LEGISLATIVE REFERENCE BUREAU.

The bill (S. 1240) to establish the legislative reference bureau of the Library of Congress was announced as next in order.
Mr. GALLINGER. I ask that that may go over.
The VICE PRESIDENT. The bill will go over.

OCHOCO NATIONAL FOREST.

The bill (S. 533) to consolidate certain forest lands in the

Ochoco National Forest, Oreg., was announced as next in order.

Mr. CHAMBERLAIN. If I may be permitted, I will state that the Agricultural Department and the Department of the Interior have practically agreed with the authorities of the State of Oregon; in other words, that there is no objection to the bill. I ask that it may be put on its passage.

The Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Public Lands with an account of the committee on public lands with an account of the committee on public lands with an account of the committee on public lands with an account of the committee on public lands with an account of the committee on public lands with an account of the committee of the committee on the committee of the committee on the committee of the committ

Public Lands with an amendment to strike out section 2.

Mr. BACON. What is that section?

The Secretary. It reads as follows:

SEC. 2. That the sum of \$1,000 is hereby appropriated and made available until expended, out of any moneys in the Treasury not otherwise appropriated, to enable the Secretary of Agriculture to conduct such field examinations and appraisals as may be required for the purposes of this act,

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ANNUITIES OF MEDAWAKANTON AND WAHPA OTA SIOUX NDIANS.

The bill (S. 1760) for the restoration of nutities to the Medawakanton and Wahpakoota (Santee) Sioux Indians, declared forfeited by "ne act of February 16, 1363, was announced as next in order.

Mr. THOMAS. I ask that the bill may go over. The VICE PRESIDENT. The bill will go over.

RECLAMATION OF DESERT LANDS IN PUBLIC-LAND STATES.

The bill (S. 539) to amend section 3 of an act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1902, and for other purposes," approved March 3, 1901 (31 Stat. L., p. 1133), was considered as in Committee of the Whole. It proposes to amend section 3 of the act of Congress approved March 3, 1901 (31 Stat. L., p. 1133), to read as follows:

Stat. L., p. 1133), to read as follows:

That section 4 of the act of August 18, 1894, entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1895, and for other purposes," be, and the same is hereby, amended so that the 10-year period within which any State shall cause the lands applied for under said act to be irrigated and reclaimed, as provided in said section, as amended by the act of June 11, 1896, shall begin to run from the date of approval by the Secretary of the Interior of the State's application for the segregation of such lands; and if actual construction of reclamation works is not begun within three years after the segregation of the lands or within such further period, not exceeding two additional years, as shall be allowed by the Secretary of the Interior may restore such lands to the public domain; and if the whole or any portion of the lands so segregated shall not be so irrigated and reclaimed within 10 years after the date of such segregation, or within such further period as the Secretary of the Interior may, in his discretion, upon good cause shown, allow, not exceeding 5 additional years, the Secretary of the Interior may restore such lands or such part thereof to the public domain.

The bill was reported to the Senate without amendment, or-

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF THE CONSTITUTION.

Mr. SUTHERLAND. Mr. President, I call attention to Calendar No. 119, being the joint resolution (S. J. Res. 26) proposing an amendment to the Constitution of the United States. It appears upon the Calendar as though it had been favorably reported. It was an adverse report, and the Calendar should

The VICE PRESIDENT. It is so marked on the bill itself.
Mr. SUTHERLAND. I ask that the Calendar be corrected
so as to indicate that it was reported adversely.
The VICE PRESIDENT. The Calendar will be corrected.

MAY STANLEY.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 1644) for the relief of May Stanley. It proposes to pay \$5,000 to May Stanley, widow of Will H. Stanley, late superintendent of the Soboba Indian School, in California,

who lost his life in the discharge of his duty; also to pay \$1,000, or so much thereof as may be necessary, for medical and other necessary expenses, including funeral and administration expenses, incurred in connection with the death of Will H. Stanley and the shooting of Selso Serrano, Indian policeman.

Mr. SMOOT. I should like the Senator from Florida, who reported the bill, to make some explanation of it. I have not had time to fully read the report, and I do not wish to ask that it be read in full; therefore, I ask the Senator to make a brief statement as to why the bill was reported for the amount named therein, and also why the additional \$1,000 was allowed for

expenses incurred.

Mr. BRYAN. Mr. President, Mr. Stanley was superintendent of an Indian school. The report on the bill is No. 81. He was directed to ascertain the cause of an uprising among the Indians at that point, there being evidence to show that the superintendent of the school was in danger of his life. He, with an Indian named Serrano and several others, undertook to have a meeting with the Indians. They invited him to attend a dance, which he declined. Next morning, having met with the Indians at the schoolhouse for the purpose of discussing with them their differences, the Indians walked out. The one who was creating the trouble being invited to come back, refused to do so; Superintendent Stanley went to the door, stepped outside, and was shot down.

The evidence, as shown in the report, is that this leader in the trouble shot Mr. Stanley and called on others to shoot him and to shoot him again. These Indians were subsequently prosecuted and convicted of murder. It was difficult to get assistance. Mr. Stanley did not die immediately, and three physicians were sent for. They performed an operation. It seems they had to go over mountains and to travel all night. Perhaps the claim for the doctors' bill is rather large, but I call the attention of the Senator to the fact that the amount provided for is "\$1,000, or so much thereof as may be necessary." The sum intended to go to the widow of Mr. Stanley, I believe, amounts

to two years' salary.

Briefly stated, the case is simply this: The superintendent of an Indian school in the performance of his duty, and realizing the danger, went into that danger; and, failing to accomplish his purpose, was killed. It occurred to the committee that it was a meritorious case and that his widow should be paid this amount. I am unable to understand why, after the conviction of these Indians, they were not executed, but it appears they were not.

Mr. SMOOT. I will ask the Senator if the bill was referred to the Commissioner of Indian Affairs for his consideration?
Mr. BRYAN. The bill was referred to the Commissioner of

Indian Affairs, and is favored by him.

Mr. SMOOT. I do not notice that in the report.
Mr. BRYAN. Yes; that is the fact.
Mr. SMOOT. I wanted to ask the Senator whether that was the case.

Mr. BRYAN. That is the case.

Mr. GALLINGER. Mr. President, I observe that the physicians who rendered their account have asked for \$900.

Mr. BRYAN. The Senator from New Hampshire will see on page 9 of the report that it is stated there were three physi-

Mr. GALLINGER. It strikes me that, as the Senator suggests, possibly a thousand dollars is considerably more than they would have a right to demand. Of course, that would depend largely upon the nature of the operation performed. I do not know what it was, and I presume the Senator from Florida does not.

Mr. BRYAN.

Mr. GALLINGER. Was it the attempted extraction of a

bullet or something of that kind?

Mr. BRYAN. Superintendent Stanley was shot several times, and the physicians thought that possibly they might save his The report is quite full, but it has been some time since I read it.

Mr. GALLINGER. It would occur to me that very likely slight surgical attention was given to this man, as he seems to have been in a dying condition when he was reached. I think it might be well to somewhat reduce the amount proposed to be paid to the physicians.

Mr. BRYAN. What amount would the Senator from New

Hampshire suggest?

Mr. GALLINGER. I would suggest \$500, in place of \$1,000. These physicians, of course, rendered a bill larger than would ordinarily be paid.

Mr. BRYAN. In so far as I am concerned, I have no objection to the amendment. I move, on page 1, line 12, to strike out "\$1,000" and to insert in lieu thereof "\$500."

Mr. WORKS. Mr. President, I have had some occasion to look into this claim. It was first referred to the Committee on Indian Affairs; it was very carefully investigated by that committee and a favorable report was made upon it. It was not included in the appropriation bill, because it was thought not proper to do so, as there were pending other claims of the same kind. Then it was referred to the Committee on Claims. It has taken its regular course there. I think, so far as the claim of the widow is concerned, that it is a very meritorious one. She is in delicate health; she has small children who are dependent upon her, and the claim was one which very much appealed to my sympathies.

So far as the claim of the physicians is concerned, when the matter came under my observation I objected to the amount of the claim. I thought it was too much; and I am very glad that the chairman of the Committee on Claims, at the sugges-tion of the Senator from New Hampshire, has consented that that amount may be reduced. I did not want the claim of the widow to be imperiled by an exorbitant claim, or one that

might seem to be so, on the part of the physicians.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Florida [Mr. BRYAN].

The amendment was agreed to,

Mr. SMOOT. Mr. President, I wish to ask the Senator from Florida another question. Under the present law when deaths occur among the employees of the Government on the Panama Canal such employees are allowed one year's salary. I understood the Senator to say that in this case they had allowed two years' salary. Of course, this is not a case arising in Panama; but why does the Senator differentiate this from the many meri-

torious cases that we have in Panama?

Mr. BRYAN. Well, Mr. President, I think there is a very just distinction. Those in Panama are not engaged in extra hazardous employment, while those in the Indian service are. There is a bill that will be reported from the committee covering the case of a surgeon here in Washington, who went to Montana to treat the Rocky Mountain spotted fever and rendered great assistance; a young man but 39 years of age, with a good practice and bright prospects. He went there and did great service, but lost his life, and in that case two years' salary has been allowed by the committee. There is no fixed rule by which to govern these cases. I think this case stands on a different plane from that of an employee in the public work of the United plane from that of an employee in the public work of the United States who by reason of that work happens to lose his life. That is not considered an extrahazardous employment, while this certainly is, and this man knew it.

Mr. SMOOT. Mr. President, I shall not object to the amount. My only object was, if possible, to have all widows treated alike, but I suppose that is impossible, and therefore I shall not

The bill was reported to the Senate as amended, and the

amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The VICE PRESIDENT. The Chair is of the opinion that the words "and for other purposes" should be added to the title.

Mr. BRYAN. I ask that that amendment be made.

The title was amended so as to read: "A bill for the relief of May Stanley, and for other purposes."

BILLS PASSED OVER.

The bill (S. 654) to accept the cession by the State of Montana of exclusive jurisdiction over the lands embraced within the Glacier National Park, and for other purposes, was announced as next in order.

Mr. WALSH. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 655) authorizing the Secretary of the Interior to survey the lands of the abandoned Fort Assinniboine Military Reservation and open the same to settlement was announced as next in order.

Mr. WALSH. I make the same request as to that bill. The VICE PRESIDENT. The bill will be passed over.

The bill (S. 657) to authorize the reservation of public lands for country parks and community centers within reclamation projects, and for other purposes, was announced as next in

Mr. WALSH. I make the same request as to that bill. The VICE PRESIDENT. The bill will go over.

STREET TRAFFIC IN WASHINGTON DURING PARADES.

The bill (S. 2415) relating to the exclusion of traffic from streets and avenues of the city of Washington during parades was considered as in Committee of the Whole.

The bill had been reported from the Committee on the District of Columbia with an amendment to strike out all after the enacting clause and insert:

That the Commissioners of the District of Columbia be, and they hereby are, empowered to grant permits to use the streets and avenues of the District of Columbia for parades, and to make, change, and alter, from time to time, regulations to govern parades in the said District, and to impose a penalty by fine not to exceed \$40 for violation of such regulations, and to prosecute every such violation by information filed in the police court of said District in the name of the District of Columbia by the corporation counsel or any of his assistants.

Sec. 2. That whenever a permit is granted to hold a parade on any of the streets or avenues of the District of Columbia, the Commissioners of the District of Columbia are hereby authorized, in their discretion, to suspend all street car, vehicle, and other traffic and to exclude pedestrians from such streets and avenues and their intersections and crossings, or any portion or portions thereof, during such parade and for such time prior thereto as said commissioners may deem necessary.

Mr. CALLINGER. Mr. President I will make an inquiry as

Mr. GALLINGER. Mr. President, I will make an inquiry as to one phrase in the bill. I read from section 2:

And to exclude pedestrians from such streets and avenues,

Would that include the sidewalks of the streets and avenues?

Mr. JONES. That certainly was not contemplated.
Mr. GALLINGER. I should think not.
Mr. SMITH of Arizona. That does not mean sidewalks.
Mr. GALLINGER. I think they would be included under that

language

Mr. JONES. Will the Senator suggest an amendment that will cover that point?

Mr. GALLINGER. I have just observed it in reading the bill. Mr. JONES. It could be remedied by inserting the words "not including sidewalks."

Mr. GALLINGER. I suggest that it be amended so as to

And to exclude pedestrians from such streets and avenues and their intersections and crossings, exclusive of sidewalks.

Mr. JONES. "Exclusive of sidewalks." Let those words be inserted at the proper place.

Mr. GALLINGER. I suggest that they be inserted after the word "thereof."

The VICE PRESIDENT. The amendment to the amendment

will be stated. The Secretary. On page 2, section 2, line 15, after the word

"thereof," it is proposed to insert "exclusive of sidewalks." The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill relating to the exclusion of traffic from the streets and avenues of the District of Columbia during parades."

RIGHTS OF AMERICAN CITIZENS IN FOREIGN COUNTRIES.

The resolution (S. Res. 139) declaring the rights of American citizens to protection of lives and property by this Government was announced as next in order.
Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The resolution will be passed over. STANDARD FRUIT AND VEGETABLE BARRELS.

The bill (S. 2269) to fix the standard barrel for fruits, vegetables, and other dry commodities, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Standards, Weights, and Measures with an amendment, in section 2, page 2, line 18, after the words "known as the," to strike out "half barrel" and insert "quarter barrel, third barrel, half barrel, and three-quarter barrel," so as to make the section read:

and three-quarter barrel," so as to make the section read:

SEC. 2. That it shall be unlawful to sell, offer, or expose for sale in any State, Territory, or the District of Columbia, or to ship from any State, Territory, or the District of Columbia to any other State, Territory, or the District of Columbia or to a foreign country, a barrel containing fruits or vegetables or any other dry commodity of less capacity than the standard barrels defined in the first section of this act, or subdivision thereof known as the quarter barrel, third barrel, half barrel, and three-quarter barrel, and any person guilty of a violation of any of the provisions of this act shall be liable to a penalty of \$1 and costs for each barrel so unlawfully sold or offered for sale or shipped, as the case may be, to be recovered at the suit of the United States in any court of the United States having jurisdiction: Provided, however, That no barrel shall be deemed below standard within the meaning of this act when shipped to any foreign country and constructed according to the specifications or directions of the foreign purchaser if not constructed in conflict with the laws of the foreign country to which the same is intended to be shipped.

The amendment was agreed to.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOHN P. FITZGERALD.

The bill (S. 2715) to amend the military record of John P. Fitzgerald was announced as next in order.

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration. It authorizes and directs the Secretary of War to amend the military record of John P. Fitzgerald, who enlisted and served under the assumed name of Joshua Porter in Com-

pany K, Seventh Regiment, and Company C, First Regiment, Michigan Volunteer Cavalry, from March 9, 1865, to March 10, 1866, and to issue to him an honorable discharge in his true name of John P. Fitzgerald.

Mr. GALLINGER. I ask that the report in that case be printed in the RECORD in connection with the action of the

The VICE PRESIDENT. Without objection, that will be The report, submitted July 30, 1913, by Mr. Fletcher, is as

follows

Mr. Fletcher, from the Committee on Military Affairs, submitted the following report, to accompany S. 2715:

This bill merely provides for issuing a certificate of discharge from the Army to John P. Flitzgerald in his own true name, his service having been rendered under the assumed name of Joshua Porter.

A similar bill was favorably reported from the Committee on Military Affairs in the Sixty-second Congress and passed the Senate. Facts showing in detail the reasons for granting this relief to the former soldier are shown by the report which accompanied the previous bill, and that report is therefore attached hereto and made part of this report:

"ISonate Report No. 104 Sixty-second Congress."

"[Senate Report No. 104, Sixty-second Congress.]

that report is therefore attached hereto and made part of this report:

"[Senate Report No. 104, Sixty-second Congress.]

"The Committee on Military Affairs, to which was referred the bill (S. 2246) to amend the military record of John P. Fitzgerald, having had the same under consideration, reports it back to the Senate with the recommendation that it do pass.

"This soldier was between 16 and 17 years old when he enlisted in the Army, and, on account of his father's opposition to his enlisting in the service, he went from his home in Jay County, Ind., to Jackson, Mich., walking a greater part of the distance, where he enlisted in a Michigan regiment under the name of Joshua Porter, to prevent his father from finding him and taking him back to his home.

"He is now drawing a pension, and on February 3, 1910, the Treasury Department allowed his claim for travel pay from Salt Lake City, Utah, the place of discharge, to Jackson, Mich., amounting to \$211.17.

"After his discharge he remained in the West, and never returned to Michigan or Indiana until after filing his claim for pension, when he returned to Michigan, at great inconvenience and an expense of about \$250, to procure the testimony of comrades showing his identity with this old claim in the Pension Bureau the affidavits of three comrades showing identity, on the strength of which his claims for pension and travel pay were allowed.

"The War Department requires that before a discharge is issued in a soldier's true name he must furnish personal identity, or, in other words, to get a discharge certificate in his true name through regular channels Mr. Fitzgerald would be compelled to again go back to Michigan from the State of Washington, where he now lives, at great inconvenience and an expense that he is unable to hear; hence, as his service was an honorable one and his enlistment under an assumed name was not for the purpose of hiding a crime, and since the evidence on file in the Pension Bureau proves beyond any question of doubt that John P. Fitzgerald

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PUNISHMENT FOR CERTAIN CRIMES.

The bill (S. 2674) to define certain crimes and to provide punishment therefor, was announced as next in order.

The Secretary read the bill.

Mr. BACON. Mr. President, what committee has that bill been before?

The VICE PRESIDENT. The Committee on the Judiciary. Mr. BACON. I do not see present the chairman of the committee, and my colleague on the committee [Mr. Walsh] does not recollect anything in regard to it. I prefer that the bill be passed over until there are present some of the members of the committee who are familiar with its provisions.

The VICE PRESIDENT. The bill will be passed over.

RECLAMATION PROJECTS.

The bill (S. 1355) relating to easements in connection with reclamation projects was announced as next in order

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration. It authorizes the Secretary of the Interior to grant, on behalf of the United States, unto public and private corporations, associations, and persons easements reasonably necessary for the crossing of land, canals, and rights of way owned by the United States for the purpose of carrying out the provisions of the act of June 17, 1902, known as the reclamation act, under such terms and conditions as will reasonably protect the interests of the United States and its successors in interest.

Mr. BACON. Before what committee has that bill been? The VICE PRESIDENT. The Committee on Irrigation and Reclamation of Arid Lands.

1914.

Mr. JONES. I will say to the Senator that there is a unanimous report from the committee.

Mr. BACON. Very well.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

RELIEF OF AMERICAN CITIZENS IN MEXICO.

The resolution (S. Res. 152) authorizing the Committee on Foreign Relations to proceed with an investigation of the conditions of American citizens in the Republic of Mexico was announced as next in order.

Mr. BACON. That resolution has not been to any committee, as I understand. The author of the resolution is not present, so I do not like to make a motion in his absence. If he were here, however, I should move its reference to the Committee on Foreign Relations.

The VICE PRESIDENT. The resolution will be passed

over.

LANDS IN OKLAHOMA.

The bill (S. 2725) authorizing the sale of certain lands to the Dwight Mission School, on Sallisaw Creek, Okla., was announced as next in order.

Mr. SMOOT. I notice that the Senator from Wyoming [Mr. CLARK], who reported the bill, is not in the Chamber, and I desire to ask one or two questions in regard to it. I ask that the bill may go over until he returns.

The VICE PRESIDENT. The bill will be passed over.

THE REPUBLIC COAL CO.

The joint resolution (S. J. Res. 41) authorizing the Secretary of the Interior to sell or lease certain public lands to the Republic Coal Co., a corporation, was announced as next in order.

Mr. WALSH. I ask that the joint resolution may be passed over.

The VICE PRESIDENT. It will be passed over.

CAMPAIGN CONTRIBUTIONS.

The bill (S. 2242) making it unlawful for any Member of Congress to serve on or solicit funds for any political committee, club, or organization was announced as next in order.

Mr. SMOOT. I think there are a number of amendments to be offered to that bill, and I believe the Senator introducing it will accept one of them, or so I understand. Therefore I ask that it may go over.

The VICE PRESIDENT. The bill will be passed over.

DONATION OF CANNON.

The bill (S. 2560) authorizing the Secretary of War to donate to the Grand Army of the Republic Post No. 45, of Smith Center, Kans., two cannon or fieldpieces was announced as next

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its

consideration.

The bill had been reported from the Committee on Military Affairs with amendments, in line 6, after the word "field-pieces," to strike out "with their carriages"; and, in line 9, after the word "fieldpiece," to strike out "with its carriage," so as to make the bill read:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to donate to the Grand Army of the Republic Post No. 45, of Smith Center, Kans., two cannon or fieldpleces not needed for present service, to be mounted in the courthouse square of Smith Center, in the State of Kansas, and one cannon or fieldplece not needed for present service, to be mounted in the cemetery.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read

the third time, and passed. The VICE PRESIDENT. The title of the bill should be

an ended so as to read "three cannon or fieldpieces."

The title was amended so as to read: "A bill authorizing the Secretary of War to donate to the Grand Army of the Republic Post No. 45, of Smith Center, Kans., three cannon or fieldpieces.'

The bill (S. 2561) authorizing the Secretary of War to donate to the city of Hays, Kans., one cannon or fieldpiece was announced as next in order.

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The bill had been reported from the Committee on Military Affairs with amendments, in line 4, before the word "Kansas," to strike out "city of Hays" and insert "State of," and in line 5, after the word "fieldpiece," to strike out "with its carriage," so as to make the bill read:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to donate to the State of Kansas one cannon or fieldpiece not needed for present service, to be mounted in the State park adjoining the city of Hays, in the State of Kansas.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill authorizing the Secretary of War to donate to the State of Kansas one

cannon or fieldpiece."

The bill (S. 2816) authorizing the Secretary of War to donate to the city of Abilene, Kans., two cannon was announced as next in order.

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The bill had been reported from the Committee on Military Affairs with an amendment, in line 5, before the word "can-non," to strike out the word "mounted," so as to make the bill read:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to donate to the city of Abilene, Kans., two cannon, not needed for present service, to be placed in the city park of that city.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MONUMENT TO WOMEN OF CIVIL WAR.

The bill (S. 2659) providing for a monument to commemorate the women of the Civil War was announced as next in

The VICE PRESIDENT. May not the Chair suggest that this monument has been provided for in the deficiency appropriation bill?

I think it has. Mr. GALLINGER.

Mr. ROOT. I think it was reported in two forms, one as separate bill and the other as an amendment to an appropriation bill.

Mr. GALLINGER. And it passed.

Mr. ROOT. It passed in the appropriation bill. Mr. SMITH of Arizona. Did it pass both Houses? Mr. OVERMAN. Yes; it is a law, Mr. President.

Mr. ROOT. I think so.
Mr. OVERMAN. Yes; I am on the committee, and I know it was passed by both Houses.

Mr. ROOT. Undoubtedly it is a law.

The VICE PRESIDENT. The bill will be indefinitely post-

poned.

RIGHT OF WAY NEAR ENGLE, N. MEX.

The bill (S. 3112) to authorize the Secretary of the Interior to acquire certain right of way near Engle, N. Mex., was announced as next in order.

Mr. WALSH. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

DISPOSAL OF MINERAL LANDS.

The bill (S. 2651) providing for the purchase and disposal of certain lands containing kaolin, kaolinite, fuller's earth, and other minerals within portions of Indian reservations heretofore opened to settlement and entry was announced as next in

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The bill had been reported from the Committee on Public Lands with an amendment, to strike out all after the enacting clause and to insert:

clause and to insert:

That all lands containing minerals, except those hereinafter specifically reserved, within such parts of Indian reservations as have hereinfore been opened to settlement and entry under acts of Congress which did not authorize the disposal of such mineral lands, shall be open to exploration and purchase and be disposed of under the general provisions of the mining and coal-land laws of the United States, and the proceeds arising therefrom shall be deposited in the Treasury for the same purpose for which the proceeds arising from the disposal of other lands within the reservation in which such mineral-bearing lands are located were deposited: Provided, That all lands containing valuable deposits of oil, natural gas, phosphates, nitrates, potash, and asphaltic minerals are hereby expressly reserved from location and disposition pending future action by Congress, and lands containing fuller's earth, kaolin, china clay, and ball clay shall be disposed of under the provisions of law relating to placer mining claims, but the same person, association, or corporation shall not locate or enter more than one claim, not exceeding 160 acres in area, hereunder: Provided further. That none of the lands or mineral deposits, the disposal of which is herein provided for, shall be disposed of at less price than that fixed by the applicable mining or coal-land laws, and in no instance at less than their appraised value for agricultural purposes.

Mr. SMOOT. Mr. President, I desire to ask the Senator a question. I do not remember this bill being considered by the committee, but I suppose it was done at a time when I was out of the city.

Mr. STERLING. Yes: I recall that that was the case.

Mr. SMOOT. Does the bill refer to all Indian reservations, in any part of the United States?

Mr. STERLING. I think it does; yes. It is general in its

It refers to all reservations. terms.

Mr. SMITH of Arizona, Does it apply to Executive order reservations as well as to congressional reservations?

Mr. STERLING. I think it does.

Mr. SMITH of Arizona. Does it include the general minerals,

Mr. Sall Wilson, Such as gold, silver, lead, cinnabar, and so forth?

Mr. STERLING. No; I do not think it includes minerals of that kind. I think the concluding paragraph of the letter of the Secretary of the Interior will explain the bill and the necessity for the safeguards provided for in the substitute bill. The substitute is the draft of the Secretary of the Interior. It takes the place of the original bill. Referring to the original bill the Secretary says:

S. 2651, therefore, if passed in its present form, would secure to the Indians substantial payments for the coal deposits.

The original bill would have secured such payments to the Indians, but the thought of the Secretary was that it would not secure to the Indians payments for the lands where there were other than coal denosits.

The report says:

With respect to other minerals, however, the prices fixed by the general mining laws are \$2.50 for placer-mining claims and \$5 per acre for lode claims, while under various acts passed by Congress in opening Indian reservations prices at which the agricultural lands therein are disposable have ranged from 25 cents to \$10 per acre. It would seem, therefore, in such cases where the proceeds of sale are reserved to the Indians that no minerals should be disposed of for less than the prices fixed by the mining laws, nor for less than their appraised or fixed values where those exceed the prices fixed by the mining laws.

Mr. SMITH of Arizona. Mr. President, I do not like the principle which recognizes, as this bill seems to recognize, without further consideration, the right of the Executive, by a mere order, to extend an Indian or any other reservation so as to include mining ground or mineral lands. I think every order made by any President that has extended an Indian reservation over mineral lands is to that extent absolutely void. There is no power in the President, under any act of Congress with which I am familiar, that permits him to repeal the mining laws of the United States by withholding, by mere Executive order, the right of the prospector or anyone else to take possession of mines and proceed to patent under the ordinary mining laws.

If this bill begins to recognize the right of the Executive to dispose of mineral lands within Executive-order reservations, I am opposed to any such recognition, for I have before the Senate now a resolution of inquiry to which I purpose to address myself in a day or two on this very question. It has arisen in my country. For instance, in the case of known mineral lands, occupied and mined, an Executive order extends an Indian reservation away beyond the agricultural land and into the mountains, including these mining claims on which men have been working since 1865, some of them. The question is before them, and I purpose to bring it before Congress, to test the validity of any such conveyance to the Indians under Executive-order reservations

The VICE PRESIDENT. The morning hour having expired, the Chair lays before the Senate the unfinished business, which

will be stated.

The SECRETARY. A bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes.

Mr. CHAMBERLAIN rose,

Mr. BORAH. Did the Senator from Oregon desire to address the Senate upon this bill?

Mr. CHAMBERLAIN. No; my colleagues have requested that we might be permitted to finish the calendar; at least, to go through with the calendar.
Mr. SMOOT. Under Rule VIII.

Mr. CHAMBERLAIN. Under Rule VIII. Mr. GALLINGER. That is a very good suggestion.

Mr. CHAMBERLAIN. If the remaining business on the calendar does not lead to any very lengthy discussion, I would be glad to have the unfinished business laid aside informally.

The VICE PRESIDENT. The Senator from Arizona [Mr.

SMITH] ought to understand it.

Mr. SMOOT. One objection will take the pending bill over anyhow. If the Senator from Arizona desires to object to it, it will go over.

Mr. SMITH of Arizona. I would rather have it go over for the present, because I do not want to have the principle em-bodied in it established here if I can help it.

The VICE PRESIDENT. The bill goes over, then, and the unfinished business is temporarily laid aside pending the disposition of the calendar under Rule VIII.

EXPENDITURES FOR TELEGRAMS.

The next business on the calendar was Senate resolution 156. limiting expenditures for telegrams sent or received by Senators.

Let that go over.

The VICE PRESIDENT. The resolution will go over.

MISSISSIPPI RIVER BRIDGE.

The next business on the calendar was the bill (S. 2609) to amend an act entitled "An act permitting the building of a dam across the Mississippi River at or near the village of Sauk Rapids, Benton County, Minn.," approved February 26, 1904, and it was considered as in Committee of the Whole.

Mr. VARDAMAN. Mr. President, I suggest the absence of a

quorum. I do not think we ought to legislate when there are very few Senators in the Chamber.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst Gore Bacon Hitchcock Bankhead Hollis Borah James Brady Jones Brandegee Kern Bristow Lane Bryan Lea Burton Lippitt Chamberlain Lodge Clark, Wyo. Dillingham McLean Gallinger Martin, Va.	Martine, N. J. Myers Nelson Norris Owen Perkins Pittman Reed Robinson Saulsbury Sheppard Simmons Smith, Ariz.	Smith, S. C. Smoot Sterling Swanson Thompson Townsend Verdaman Walsh Weeks Williams	
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Mr. KERN. I desire to announce the unavoidable absence

of my colleague [Mr. Shively].

Mr. BRYAN. I desire to announce that my colleague [Mr. FLETCHER] is unavoidably absent. He is paired with the Senator from Wyoming [Mr. WARREN]. I will let this aunouncement stand for the day.

Mr. SMITH of Arizona. I have been requested to announce that the Senator from New Mexico [Mr. Fall] is absent from

the Chamber by reason of sickness.

Mr. SHEPPARD. My colleague [Mr. Culberson] is unavoidably absent. This announcement may stand for the day.

Mr. DILLINGHAM. I desire to announce that my colleague [Mr. Page] is not in attendance in the Senate this week, because of the great sorrow that has come to him in the death of his wife.

The VICE PRESIDENT. Forty-nine Senators have answered

to the roll call. There is a quorum present.

Mr. WALSH. I ask unanimous consent that the unfinished

business be taken up for consideration.

The VICE PRESIDENT. Does the Senator from Montana object to the further consideration of Senate bill 2609, which was before the Senate when the point of no quorum was raised?

Mr. WALSH. I do. I ask that it go over. The VICE PRESIDENT. The bill will go over.

Mr. GALLINGER. We would very soon complete the calendar, I will say to the Senator, if it would be agreeable to him.

Mr. WALSH. Very well; if the Senator desires, I will with-

draw the demand.

Mr. GALLINGER. I think it will take but a few minutes to get through with the remaining bills on the calendar.

Mr. WALSH. Very well.

The VICE PRESIDENT. Senate bill 2609 is before the ate as in Committee of the Whole, and open to amendment. Senate bill 2609 is before the Sen-

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ELECTION OF SENATORS.

The bill (S. 2860) providing a temporary method of conducting the nomination and election of United States Senators was announced as next in order.

Mr. GALLINGER. Let that go over.

The VICE PRESIDENT. The bill will go over.

AMENDMENT OF THE BULES.

The next business on the calendar was Senate resolution 84. providing that any Senator, upon his own request, may be recorded and counted as present in order to constitute a quorum.

The VICE PRESIDENT. The resolution will be read.

The resolution was read and considered. It was reported from the Committee on Rules with an amendment, on page 1, line 4, after the word "and," to insert the word "state," so as to make the resolution read:

Resolved, That the rules of the Senate be amended as follows: In Rule XII, clause 1. after the words "by the Senate;" there shall be inserted the following: "and any Senator may arise and declare that he is paired and state how he would vote if not paired, and may add that being present he desires to be so recorded, in order to constitute a quorum; whereupon he shall be so recorded and his presence as a part of the quorum announced by the Chair."

The amendment was agreed to.

Mr. WALSH. I ask that the resolution may go over. I should like to hear the author of the resolution discuss the question as to whether we can, in view of the Constitution, count The VICE PRESIDENT. The resolution will go over.
The next business on the calendar was Senate resolution 221,

to amend Rule XIX of the standing rules of the Senate, which was read and agreed to, as follows:

Resolved, That the rules of the Senate be amended by adding the following paragraph to the nineteenth standing rule, to be numbered and known as paragraph 6 of said rule, to wit:

"Par. 6. Whenever confusion arises in the Chamber or the galleries or demonstrations of approval or disapproval are indulged in by the occupants of the galleries it shall be the duty of the Chair to enforce order on his own initiative and without any point of order being made by a Senator."

The next business on the calendar was Senate resolution 227, to amend Rule XIV of the standing rules of the Senate, which was read and agreed to, as follows:

Resolved, That Rule XIV of the standing rules of the Senate be amended as follows: At the conclusion of the second paragraph of said Rule XIV strike out the period and insert a semicolon in lieu thereof and add the following proviso to be thereafter a part of said second paragraph, to wit:

"Provided, That the first or second reading of each bill may be by title only unless the Senate in any case shall otherwise order."

The next business on the calendar was Senate resolution 202, to amend Rule XII of the standing rules of the Senate, and the Senate proceeded to its consideration,

The resolution had been reported from the Committee on Rules with an amendment, on page 2, line 2, after the word "Senate," to insert "but any unanimous consent may be revoked by another unanimous consent granted in the manner prescribed above," so as to make the resolution read:

prescribed above," so as to make the resolution read:

Resolved, That the rules of the Senate be amended by adding the following paragraph to the twelfth standing rule of the Senate, to be numbered and known as paragraph 3 of said Rule XII, to wit:

"Par. 3. No request by a Senator for unanimous consent for the taking of a final vote on a specified date upon the passage of a bill or joint resolution shall be submitted to the Senate for agreement thereto until, upon a roll call ordered for the purpose by the Presiding Officer, it shall be disclosed that a quorum of the Senate is present; and when a unanimous consent is thus given, the same shall operate as the order of the Senate, but any unanimous consent may be revoked by another unanimous consent granted in the manner prescribed above."

The VICE PRESIDENT. The question is on agreeing to the

amendment reported by the Committee on Rules.

Mr. ASHURST. I ask that the resolution may go over.

The VICE PRESIDENT. It will go over.

COMMITTEE ON PUBLIC DOCUMENTS.

The next business on the calendar was Senate resolution 218, proposing an amendment to the standing rules of the Senate, which was read, as follows:

which was read, as follows:

Resolved, That there shall be a standing committee of the Senate known as the Committee on Public Documents. It shall be composed of three Senators elected in the same manner as the members of other standing committees.

No book, pamphlet, article, paper, address, or other matter requiring the consent or order of the Senate in order to be printed as a public document shall be so printed or an order therefor entered until the request or motion for such order shall have been referred to the above committee, and its report thereon received: Provided. That nothing herein contained shall be construed to interfere with the right of the Senate to discharge the committee from the further consideration of any such request or motion.

In making its report the committee shall describe the general character of the matter sought to be printed as a public document, and shall specifically state whether it is of such value to the country that it ought to be printed and circulated at the expense of the Government,

Mr. SMOOT. I ask that that may go over.

Mr. SMOOT. I ask that that may go over.

The VICE PRESIDENT. The resolution will go over.

AGRICULTURAL EXTENSION WORK,

The bill (S. 3091) to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the United States Department of Agriculture, was announced as next in

Mr. GALLINGER. Let the bill go over. The VICE PRESIDENT. It will go over.

RECEIVER OF PUBLIC MONEYS AT SPRINGFIELD, MO.

The bill (S. 3403) to abolish the office of receiver of public moneys at Springfield, Mo., and for other purposes, was announced as next in order.

Mr. SMOOT. I ask that that may go over. The VICE PRESIDENT. The bill will go over.

MOSES CHAUNCEY.

The bill (S. 3149) to remove the charge of desertion from the military record of Moses Chauncey was announced as next

Mr. GALLINGER. There seem to be strong equities in this case according to the report, but the Senator reporting the bill is not present, and I wanted to inquire before voting upon it whether this soldier received a bounty before his first enlistment. For that reason I ask that the bill may go over.

The VICE PRESIDENT. It will go over.

PHOEBE W. CHASE.

The bill (S. 1884) for the relief of Phoebe W. Chase was considered as in Committee of the Whole. It provides that Phoebe W. Chase, mother of Edward R. Chase, late chaplain Thirteenth Regiment United States Infantry, shall be regarded as the duly designated beneficiary of the late Chaplain Chase under the act approved May 11, 1908, as amended by the act approved March

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT TO THE CONSTITUTION.

The joint resolution (S. J. Res. 26) proposing an amendment to the Constitution of the United States was announced as next

in order on the calendar.

Mr. GALLINGER. Let that go over.

The VICE PRESIDENT. The joint resolution will go over.

R. W. BRANSON.

The bill (S. 156) for the relief of R. W. Branson was announced as next in order.

Mr. SMOOT. I do not find the report here on my file and have not had a chance to read it. So I should like to have the bill go over for to-day.

The VICE PRESIDENT. The bill will go over. That completes the calendar. The Senator from Montana [Mr. Walsh] is entitled to the floor on the unfinished business.

Mr. ASHURST. Will the Senator from Montana yield to me for a moment?

Mr. WALSH. I yield to the Senator from Arizona.

CONDITIONS IN MINING DISTRICTS IN MICHIGAN.

Mr. ASHURST. I ask the attention of the Senator from Michigan [Mr. Townsend]. I have here the report of Mr. John A. Moffit, detailed from the Immigration Service to act as commissioner of conciliation; the report of Mr. John B. Densmore, Solicitor of the Department of Labor, later detailed to act as commissioner of conciliation and strike commissioner; and the report of Mr. Walter B. Palmer, of the Bureau of Labor Statistics, on the Michigan copper country. Inasmuch as my resolution has been sent to the Committee on Education and Labor, it appears proper and necessary that that committee should have the report of the investigation made by these officials. I was about to ask that the reports be printed as a public document, but I presume they should go to the appropriate committee to ascertain whether or not they should be printed.

Mr. TOWNSEND. May I ask the Senator, is that the complete report of the commissioners?

Mr. ASHURST. I understand it is the complete report of those officials, but it does not embrace any occurrences since about the 1st of last November.

Mr. SMOOT. I suggest to the Senator that he have the matter referred to the Committee on Education and Labor, which has the resolution under consideration, and if, when it is reported to the Senate, he desires to have it printed, then, of course, the question whether it should be printed will be decided.

Mr. GALLINGER. I will ask the Senator from Arizona if

it is the report of the investigation made by the Department of Labor?

Mr. ASHURST.

Mr. ASHURST. Yes, sir. Mr. GALLINGER. The complete report?

Mr. ASHURST. Its volume would indicate completion, but I do not know. There may be some other papers in relation to the matter. So far as I know, it contains the complete result of their work.

Mr. GALLINGER. I think it ought by all means to be printed in some form at some time so that we may examine it, because it is a very important report.

Mr. SMITH of Georgia. Do not the departments print these reports?

Mr. GALLINGER. I would think so.

Mr. SMITH of Georgia. We do not want to duplicate the printing

Mr. SMITH of Arizona. That is exactly what I rose to inquire. We do not want to order it printed if it is already in print, so that the committee can use it. If it has not been printed by the department, it strikes me that that is sufficient reason why we should order it printed.

Mr. ASHURST. I thank my colleague.

Mr. POINDEXTER. I have been informed by the Secretary of Labor that this report is not printed, because there were no

funds available in the department for printing it.

Mr. SMOOT. The fund for printing in every department is provided in a lump sum in the regular appropriation bill. am not saying this to antagonize the printing of this report, but I think the proper course to pursue would be to refer the report to the Committee on Education and Labor, where the resolution is now being considered, and then, if the resolution is reported to the Senate, the question as to whether it should be printed will be decided here.

The VICE PRESIDENT. That is the view of the Chair. If there is no objection, the matter will be referred to the Com-

mittee on Education and Labor.

Mr. TOWNSEND. I realize the justice of the Chair's ruling; do not wish to find any fault with it; but I sincerely hope that the report will be printed by some authority. I am interested also in knowing that it is a complete report. I have heard some suggestions to the effect that that whole report had not been submitted. Of course, in order to be of value it should be the whole report, and it may be that that is the case.

Mr. ASHURST. I will say to the Senator, in order to be perfectly frank and fair, I do not know that it is the complete report, but it ought to be. Certainly a fragmentary report ought not to be printed. It all ought to be printed.

Mr. SMOOT. The Senator can find out by asking the depart-

The VICE PRESIDENT. The very reason for referring it to the Committee on Education and Labor is that they may ascertain whether it is the complete report or not.

Mr. TOWNSEND. That course is satisfactory to me, The VICE PRESIDENT. The committee will determine that

RAILROADS IN ALASKA.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes.

Mr. WALSH. Mr. President, deputed by the Senate as a member of its Committee on Territories to inquire into the merits of the bill being considered, I take the liberty, supplementary to the very comprehensive and able presentation made by the distinguished Senator from Oregon [Mr. CHAMBERLAIN] on yesterday and the day before, to submit some of the more salient facts brought to the attention of the committee which, without any predilection at all on my part, have caused me to give my adherence to the project contemplated by the bill.

Its provisions have already been outlined to you. In brief, they are to the effect that the President of the United States shall cause to be constructed in the Territory of Alaska, and when constructed to either lease or operate, railroads. The report of the committee does not place any limit upon the mileage to be constructed. My recollection about the deliberations of the committee, however, is in accord with that of the Senator from Washington [Mr. Jones], that it had been agreed that the bill should provide that not more than 1.000 miles should be constructed. The cost of the construction of the roads, according to the provisions of the bill, is to be met by funds realized from the sale of Government bonds for the redemption of which all of the revenues derived from the sale or the lease of public lands in Alaska are pledged.

This subject coming before the Sixty-second Congress was by it deemed of sufficient importance to warrant a very careful investigation, in order that the Senate might have official information upon which it could wisely act. Accordingly, in the month of August, 1912, an act was passed providing for the appointment of a commission charged with the duty of investigating the subject of transportation in Alaska; of examining railroad routes from the seaboard to the coal lands, the interior, and the inland waterways; of securing railroad surveys, and other information in relation to railroads, including cost of

constuction and operation, and obtaining information concerning the coal deposits and particularly in relation to their proximity to the proposed railroad lines. The act required that this commission should consist of an engineer of the Army, a geologist in charge of surveys in the Territory of Alaska, an engineer of the Navy, and a civil engineer who was not associated with any railroad enterprise in the Territory.

Pursuant to this requirement, the President appointed Maj. Jay J. Morrow, of the Engineer Corps of the Army (chairman of the commission); Dr. Alfred H. Brooks, connected with the Geological Survey, and who had through a number of years and by personal observation made a careful study of the mineral resources of Alaska; Mr. Leonard M. Cox, an engineer of the Navy; and Mr. Colin M. Ingersoll, of New York, a civil engineer,

as members of the commission.

The commission proceeded to Alaska and, in addition to the information which they gathered as a result of their visit, they collated a large mass of information more or less pertinent to the subject of their inquiry, all of which they submitted in a report which was made in the month of February last.

President Taft, in transmitting the report, strongly urged upon Congress that the Nation should undertake the work of constructing trunk lines from the seaboard to the inland waterways of Alaska, and his successor, the present Chief Executive, in his late remarkable general message to Congress, warmly recommended speedy action that this great work might be inaugurated. The conclusions of the commission will be, I am very sure, of deep interest to you all. I read a brief paragraph from their report, expressive of them. They say, at page 135, as follows:

as follows:

The data presented shows that the United States possesses in Alaska a frontier Territory of great size and of wonderful industrial possibilities. The commission believes that its climate is favorable to permanent settlement and to agriculture; that its mineral resources are vast and as yet but little exploited; that its population is sparse, but only by reason of its inadequate transportation facilities; and that its people are of the same type of hardy pioneers that have carried the United States frontier to its present limits.

In conclusion, it should be stated that the commission is unanimously of opinion that this development should be undertaken at once and prosecuted with vigor; that it can not be accomplished without providing the rallroads herein recommended under some system which will insure low transportation charges and the consequent rapid settlement of this new land and the utilization of its great resources.

The development referred to is the construction of 732 miles

The development referred to is the construction of 733 miles of road. The lines thus recommended I shall refer to later.

Mr. President, before taking up in detail the facts which led the commission to the conclusion to which I have invited your attention, I desire to say a word in passing, namely, that we ought, as I think, in the consideration of this most important measure to dismiss as almost, if not altogether, irrelevant any views that we may chance to entertain of an adverse character upon the general subject of Government ownership of rail-Whether the Government ought to acquire or construct or operate railroads in the more thickly settled portions of the country, where railroad and other transportation facilities have already been provided by private capital or where private capital is perfectly willing to provide such facilities, is one question. Whether the Government ought to undertake to construct trunk lines in frontier territory for the primary purpose of the development and settlement of that territory to make available to the people the great wealth nature has placed there is quite a different question.

Furthermore, Mr. President, we ought not, as I think, to be at all alarmed in inaugurating this policy by the sorry, not to say scandalous, record that has been made in times past in some of the States that have entered upon the work of railroad construction. I am glad that the distinguished Senator from the State of North Carolina [Mr. OVERMAN] is here this afternoon. It is stated that in his State, quite a number of years ago, a railroad line was laid out and built in the shape of a horseshoe, that peculiar route having been selected in order that it might pass through the home towns, respectively, of the governor of the State, of the presiding officer of one of the houses of the legislature, of a United States Senator, and of another citizen of commanding influence in the political and business life of the State. How that may be, I do not know; but, of course, no such crass job as that could be repeated in our day in any State.

Mr. OVERMAN. Mr. President, I want to say as to the two men against whom that charge was made, that one was the governor of the State and the other was the president of the railroad. The railroad was built in the best section of the State and through some of the best towns; it was built in the shape of an "S." It was charged at the time that it was built through the town of the president of the road and through the town of the governor of the State. Of course it had two ter-minii, and I think it could have been built 90 miles shorter on a direct line. It went about 90 miles out of its way to go by

two or three towns, which gave rise to this talk. I do not think there was any job in it. The governor of the State and the president of the road were two of our best citizens. One of them has honored this country by service both in the Cabinet and in the Senate of the United States. There is no truth in the rumor to which the Senator from Montana has referred, although the charge was made at the time. The truth about it is that, as I have said, the railroad did go through some of the best towns of the State and has been one of the most prosperous roads in the State. The State to-day owns three-fourths of the stock of the road, getting 7 per cent interest on it.

Mr. LIPPITT. If the Senator will not object to my interrupting him, that brings up a rather interesting condition in reference to what is proposed in this very bill. The Senator from North Carolina says that the road was about 90 miles

longer than it ought to have been.

Mr. OVERMAN. I did not say "longer than it ought to have been"; I said that it was 90 miles longer than it would have

been if built in a direct line.

Mr. LIPPITT. Ninety miles longer than it might have been. Under the plan proposed by the commission for the building of this road in Alaska, which the Senator from Montana thinks is being built at a time when no such crass expedient as the Senator from North Carolina describes could possibly exist, the road to the Bering coal field is, as I remember, about 110 miles long, whereas a private individual is ready to construct a road to the same point, which he claims will only be 23 miles long; in other words, almost exactly the same situation that the Senator has referred to in North Carolina as being impossible to exist, under the conditions proposed in this bill, is apparently being duplicated almost to a mile of line.

Mr. WALSH. Oh, Mr. President, if the Senator will permit me, he has not the situation, I am sure, clearly in mind. It is my purpose a little later on to refer to particular routes. The fact of the matter is, that a line to the Bering River coal field can be built from Controller Bay, a distance in a direct line of about 25 miles. The Copper River & Northwestern Railroad is the only one that is near that coal, and a branch line from that road can be built in length 51 miles by one route and 38

miles by another.

Mr. LIPPITT. That is from the nearest point on the Copper River road to the coal fields, but, if I recollect the testimonyand I am not quite sure that I have the mileage exact because it is some little time since I referred to that particular feature of it-but if my recollection is correct, the distance from tidewater to the Bering coal fields over the present mileage of the Copper River Railroad and the connection that would have to be built from the nearest point on that railroad to the mines would make a route to tidewater of something like 110 miles, more or less, as the case may be, whereas the testimony of Mr. Ryan, who is interested in building a road from Controller Bay, is a very vigorous criticism of any such road being built, on the ground that it would put a tax on the coal of the Bering coal fields of somewhere in the neighborhood of a dollar a ton for transportation under the conditions that exist in Alaska, though he and the people interested with him are ready to construct the mileage which, as the Senator has said, is somewhere in the neighborhood of 25 miles, which would connect those same fields with tidewater, over which lines this coal would be brought to tidewater for in the neighborhood of a dollar per ton less than by this proposed Government road.

It is rather remarkable that the illustration which the Senator brings up to illustrate the impossibility of the mistakes of the past being repeated at the present day should have a mileage almost exactly the same as the alternative route pro-

posed by private capital in this case.

Mr. WALSH. Mr. President, this discussion would be very much more pertinent to a branch of the subject which I shall follow later on, the routes recommended by the commission; but now that the matter has thus been opened up by the distinguished Senator from Rhode Island [Mr. LIPPITT] I digress from what I had to say about the general subject of Government construction of railroads to address myself to it for a moment, although it breaks the thread of the argument,

Mr. LIPPITT. I did not intend really to interrupt the Senator at this point. Perhaps it would be much better if he would go on in the way in which he himself had laid out.

Mr. WALSH. So erroneous an idea might be gathered from the suggestion of the Senator with respect to the matter that

I feel impelled to pursue it briefly here.

Mr. OVERMAN. I want to say that I would not have interrupted the Senator from Montana except that the word "job" was used. The truth is that there was not any "job" in the case referred to, and the construction of the road has helped to build up the State of North Carolina.

Mr. WALSH. The Senator from North Carolina will understand fully that I did not undertake to vouch for the truth of the statement. I simply said that it had been so stated, and I used the illustration simply as an indication of things that had been done in those days and that we might reasonably expect might have been done in the state of the public mind at that

Mr. President, the commission recommended, as I shall show a little later on, a line into the interior, having its terminus at Prince William Sound, either at Cordova or at Valdez. You will understand that the objective point is the interior. Copper River Railroad is already constructed up the Copper River to its junction with the Chitina and then up the Chitina to the Kennicott mine. If that line should be acquired, or if a connection should be effected with it, that would be the route pursued to reach the interior; but Mr. President, it is of course desirable to get to the Bering River coal field. The Copper River & Northwestern Railroad, a private corporation, has already surveyed two branch lines from its own line into the Bering coal field. You will observe that it may take a route such as I indicate with the pointer, a longer but less difficult one, or a route directly across; in other words, if the private corporation, the Copper River & Northwestern Railroad Co., were going to carry out its purpose of building into the Bering coal field it would follow exactly one of the routes recommended by the commission. The commission simply recommends getting into the Bering coal field by a railroad constructed over one or the other of these two routes already selected and surveyed by the Copper River & Northwestern Railroad. Therefore, Mr. President, the idea that might be gathered from the suggestion made by the Senator from Rhode Island [Mr. LIPPITT] that a circuitous and lengthy route had been recommended, when one much shorter could be followed, would be a most unjust one.

Mr. President, you can construct a railroad from Controller Bay right to those coal fields, no more than 25 miles in length. It is argued by the commission that the facilities at Controller Bay are not adequate. Be that as it may, the Government could go in and construct a road 25 miles from the seaboard and reach the Bering coal field; but if it did so we could not get into the interior by that road, because we would be then square up against massive mountains, that frown upon us all along the Alaska coast. So you will understand, Mr. President, that if we did build from the seaboard along this line of 25 miles we would then be obliged to go back again and build another line in order to reach the interior by following the Copper River, and we should be obliged to provide terminals and shipping facilities

at both places.

Mr. LIPPITT. If I may be permitted to interrupt, and if it does not interfere with the line of the Senator's argument, of course the Senator from Montana realizes, and properly states, that in order to reach the interior a feasible line is along the Copper River Railroad as now built, but that to get to the coal fields from that railroad or from the nearest point on that railroad it is necessary to build a supplementary line.

Mr. WALSH. A branch line. Mr. LIPPITT. I do not recall the exact mileage for that line, but I think it is in the neighborhood of 40 or 50 miles. Every pound of coal that comes from those fields over that 40 or 50 miles, and then down over the mileage of the Copper River Railroad, must go nearly four times the distance that the coal can be brought out of those coal fields by a road constructed for the purpose of bringing out coal.

If the Government builds that 40 or 50 miles, or whatever it may be, unless it absolutely prohibits private capital from coming in and building railroads in Alaska, the ultimate result will be that the money expended on that 40 or 50 miles will be thrown away for every foot of the road that is constructed, because the coal will be brought out of the Bering field mines under a privately built road, over a shorter distance, in the nearest way, and at the cheapest price, for less money than the Government-owned railroad or any other railroad can bring coal out of those fields.

Therefore, it seems to me that for the Government to undertake such a method of construction simply because they want another railroad to go up into the interior is throwing away money. If they want to build a railroad to the interior, that is one matter; but if they want to bring coal out of the Bering coal fields to the seacoast for transportation in both directions along the coast by water, it seems to me that the proper way to develop the field is in the most economical way; and from the little I have read and from the testimony that I find on record about that-and it seems to me it is almost admitted by Senators- the way to do it is to build the shortest route, one of from 23 to 25 miles in length.

Mr. WALSH. Mr. President, I regret that the argument has been broken in this way, but I am obliged again to pursue this line. The fact about the matter is, that this is a mere recommendation of the commission. As to whether or not the commission thus constituted has reached a wiser conclusion than that which would be drawn from the argument of the Senator is not before us for consideration at all. We are not going to undertake at this time to determine which road is going to be built. I simply pause to remark, Mr. President, that the terminus of that road up the Copper River might as well be at Controller Bay as at Cordova, where it is now, if the harbors were exactly the same. Indeed, the people who built that road spent a million dollars in endeavoring to make a harbor at Katalla, on Controller Bay, from which the coal fields could be reached, as is now suggested by the Senator, by a short line; then they abandoned the effort, because, in their judgment, it was impossible to make a desirable harbor there. The commission apparently agreed with the conclusion at which that private corporation arrived, that the conditions existing in the neighborhood of Controller Bay are not such as to make it a choice terminus for a railroad.

Now, it is a fact, Mr. President, that a Mr. Ryan, who is interested there, is wedded to the idea that Controller Bay enjoys every advantage for a port that any other bay along that coast possesses, and some additional ones. I do not think we ought to stop now to inquire whether his judgment is best or whether the judgment of the commission is best.

Mr. BORAH. Mr. President—
The PRESIDING OFFICER (Mr. Brady in the chair). Does the Senator from Montana yield to the Senator from Idaho?

Mr. WALSH. I do.

Mr. BORAH. Will not the question of the route be left open

Mr. BORAH. Will not the question of the route be left open to be determined finally by the best method that we can adopt for the solution of that problem?

Mr. WALSH. Undoubtedly so. Now, let me proceed. I was suggesting, Mr. President, that if the road to which I have referred in the State of North Carolina was laid out without any real reference to commercial requirements or to economic conditions, but was located as it was by considerations of political expediency or other similar influences—the project was no different in any essential respect from other similar efforts of other States in that time; and I had announced that we have proceeded so far along the line of improvement and advancement that a repetition of that kind of thing was not to be anticipated. I undertake to say, Mr. President, that even Tammany, were it as bold and as buccaneering as its enemies paint it, would not undertake to perpetrate anything of that kind. The State of New York is to-day expending millions of dollars in the improvement and enlargement of its canals. The expenditure of this money economically is assured practically to the people of the State of New York by that spirit of jealous watchfulness that now prevails and that exists by reason of an awakened and enlightened public conscience, which had no existence, even in embryo, so far as we can discern, in those days in which the iniquities of government construction were perpetrated.

It must be borne in mind, Mr. President, that scandals just exactly as revolting characterized the construction of railroads by private corporations in those times. Those were the days of Jay Gould and Jim Fisk and Tom Scott; they were the days of the Missouri Pacific and the Erie. Those were the days when it was the regular thing for the officers of a railroad to organize construction companies, and when stock given for public aid was regularly wiped out by proceedings for the foreclosure of mortgages securing the bonds of the road.

Furthermore, Mr. President, neither the Nation nor any State in those days was able to marshal any such splendid corps of engineers-splendid not only in intellectual but in moral fiber-as those under whose direction the Panama Canal is new nearing completion. Those were the days when a Secretary of War was impeached and declared guilty by a vote of nearly two-thirds of the Senate for petty grafting, that prevailed more or less in practically every department of the Government.

In the report of the railroad commission, Mr. President, there is scheduled a large mass of material and machinery now on the Isthmus of Panama that will be available for this work in Alaska if Congress should authorize it to be undertaken, but the most valuable asset there is not listed at all. It consists of the splendid corps of trained men whom the digging of the canal brought out and developed and who are now eager to place their talents at the command of the Government if this new work should be assumed. I might further remark in that connection that those men have not only been digging and building a canal, but they have been building railroads as well-miles and miles of railroad-and they have been operating

them, too-operating them at a cost, Mr. President, that will bear favorable comparison with the cost that has been attained by some of the very highest class railroads in the United States. When I was on the Isthmus 10 days ago I was handed some comments by a gentleman there showing the marked success which has characterized the operations of the Panama Railroad by the Government. Without attempting to vouch for the figures which purport to come from official sources, I shall ask that the statement be made an appendix to my remarks.

The PRESIDING OFFICER. In the absence of objection.

permission is granted.

[The matter referred to will be found in the appendix to Mr. WALSH'S speech.]

EXTENT AND PHYSICAL FEATURES.

Mr. WALSH. Now, Mr. President, taking up the considerations upon which the commission arrived at the conclusion that has been read, Alaska is a territory having an area of about 570,000 square miles. It is about one-fifth the size of continental United States. It has an extent equal to the combined area of the States of California, Oregon, Washington, Idaho, and Nevada. It embraces a region about equal to that of Norway, Sweden, Finland, and the three northern Provinces of Russia. It lies, as I shall show you soon, in practically the same latitude as do those countries and provinces. It has exactly the same agricultural possibilities. Its waters teem with fish, as do theirs. It has as much fish; it has as many fur-bearing animals; it has as great an extent of agricultural lands; and, besides that, it has mineral resources compared with which theirs are of no consequence at all. It has coal in unlimited quantity, without any considerable quantity in the countries which I have named. It has gold, and they have none; it has copper, and they have none; it has a multitude of minerals which they can not claim.

I want to invite your attention to the mountains. The whole coast of Alaska is skirted by a high range of mountains that frown upon the navigator in those parts, all the way north from 54° 40'. They curve around the Gulf of Alaska, until you reach the Iliamna Lake and bay, to which I point here on the map. [Indicating.] The Endicott Mountains constitute another high range, which proceeds from east to west through the northern portion of the Territory. The Yukon River traverses the entire length of the Territory in the form of a bow. One of its largest tributaries is the Tanana. Another great river of Alaska is the Kuskokwim, running, in a general way, parallel with the Yukon in its lower courses, which I now point out. [Indicating on the map.] These rivers-and this is one of the most important facts in connection with this bill-afford inland waterways 5,000 miles in length and proceeding providentially enough, as you will perceive, through the very heart of this great Ter-

CLIMATE.

Whenever the subject of Alaska is mentioned the mind immediately passes to the contemplation of its climate. When we consider the climate of Alaska it is necessary to regard it as consisting of three distinct regions.

Mr. BACON. Mr. President, will the Senator, before he passes from that matter, allow me to ask him simply one

question?

Mr. WALSH. Yes. Mr. BACON. Do any of the rivers to which he has referred touch these coal fields?

Mr. WALSH. I shall tell you in detail about that later a. The Nenana coal fields are about 50 miles from the Tanana River.

Mr. BACON. That is a navigable river?

Mr. WALSH. It is a navigable river; and it is in fact navigated. Fairbanks is the principal town upon it, and boats ply from there to the ocean at St. Michaels here [indicating on the map], as well as to Lake Bennett, the terminus of the Yukon and White Pass Railroad.

Mr. THOMPSON. How far is that from the Yukon River? Mr. WALSH. This is Fairbanks here [indicating on the map], and there [indicating] is the mouth of the Tanana at

Fort Gibbon.

Mr. BACON. Now, if the Senator will pardon me-he is passing to another branch of the discussion-another question is in my mind, and I ask for information if the coal fields should be made accessible to that river, how many months the year would navigation be open for transportation, so that the coal could be gotten out?

Mr. WALSH. An erroneous idea may possibly possess the mind of the Senator from what I have said. The Nenana coal fields contain lignite coal only, and such coal is not contain the containt for expert. sidered at all when we come to regard the output for export of the coal mines of Alaska. The coal for commercial purposes, so far as known, consists of the Bering fields, to which I point [indicating on the map] close to the coast here [indicating on the map], and the Matanuska fields to which I now point [indicating on the map]. Neither of those is in close proximity to any of these great inland rivers. I shall, however, later on give you more detailed information in relation to the location of those fields.

I was speaking about the climate of Alaska, and how we must consider it as consisting of three distinct regions: First, the coastal region, between the high mountains which closely skirt the coast here [indicating on the map], and the ocean; second, the region which lies north of the Endicott range; third, the great interior portion of Alaska traversed by these mag-

nificent navigable rivers.

It is the Arctic section alone which has the characteristics of climate which we usually assign to Alaska as a whole. That region is comparatively unknown. So far as we know anything about it, it is barren and inhospitable, and little if any mineral

wealth even has thus far been discovered therein.

As to the coastal region. The shores of that region are washed by the Japan Current, which, coming across the Pacific in exactly the same way that the Gulf Stream crosses the Atlantic and laves the shores of Scotland, Norway, and those countries, tempers the climate of the coastal region so that it is mild in summer and is not at all severe in winter. a matter of no consequence to us for the present, however, because, so far as the question before us is concerned, we may practically confine our attention to the climate of the interior region; for the purpose of the bill is not to provide transportation facilities for such industries as may be found to exist or which may be developed along the coast here [indicating on the map] because water transportation is available to them, and the railroads at best must be short and perhaps independent. The important question, so far as climate is concerned, is as to how it affects the resources of this great interior region.

However, I should say that in addition to having the very mild climate of which I spoke, this coastal region has an enormous rainfall. The annual rainfall runs from 50 to 140 inches. The moisture borne by the winds from the ocean being condensed by the high coastal range, falls; and having fallen for centuries in the shape of snow, the great glaciers which

characterize that region have been produced.

Because something was said about the matter this morning, I desire particularly to emphasize the fact that the great glaciers of Alaska of which you have heard lie between the summits of the high coastal range and the ocean-a circumstance, as I have indicated, of no consequence here except so far as the existence of those glaciers may be a barrier to entry

into the interior region.

Something was said, likewise, about this country undergoing geological changes. I trust it will not be urged that we ought to wait for the development of Alaska until some later geological age. The fact about the volcanoes is that the volcano of which you have heard is away down here on one of the Aleatian Islands. It got into a state of violent eruption some time ago, and the ashes were carried a long distance away, so that it became necessary to bring out the cattle that were in that locality.

There are no glaciers in the vast interior region of which I have spoken, though perhaps I should qualify my statement by saying that in the Tanana Valley the primal glacial frost still exists, and the ground there is frozen to unknown depths. I shall show you, a little later on, that that does not at all interfere with the cultivation of the ground there; indeed, it contributes to the growth of crops in that locality.

Now a word further in relation to climate.

We need not stop to consider what are the extremes of temperature in the region adjacent to the coast. What we are concerned in is to find out what they are in the interior region. That region has a comparatively slight rainfall. The winds are robbed of most of their moisture by the high mountains before they reach there, so that the Tanana Valley, for instance—and the records are exact with reference to this matter-has an annual rainfall of from 9 to 14 inches. about the same rainfall that we have in the State of Montana, or perhaps a little less, our rainfall there running from about 11 to 17 inches. The mean annual temperature of that region is from 50 to 58° F.; but we are concerned more particularly with the extremes. In the summer time the mercury goes as high as 96°, or in that neighborhood. Of course, the winter temperature is very low, averaging from zero to 15° below zero. The sunlight is distributed in such a way that about threefourths of all the sunlight which comes to the country is received in the summer season, the season of growth.

We shall better understand about this matter by comparison. Let me invite your attention, then, to the latitude of this region as compared with the northern regions of Europe. For the purpose of comparison, I have caused to be placed upon one side of this map of Alaska a map of Europe and upon the other

side a map of Asia.

Cordova, Valdez, and Seward are all practically in latitude 60. Those are the towns on the seacoast of Alaska which may be made the southern termini of any roads that may be built. The capital of Norway, Christiania; the capital of Sweden, Stockholm; and the capital of Russia, St. Petersburg, coincidently are all upon almost exactly the same parallel of 60. Let me indicate them to you. That is the parallel of 60 in Europe [indicating on map]. Of course, the lines are curved upon the map, and I am obliged to hold the ruler in a horizontal position. I am running the ruler practically in such a direction as that it crosses the three cities of which I spoke—Christiania, Stockholm, and St. Petersburg—as they appear on the map. You will observe, accordingly, that nine-tenths of the Kingdom of Norway, as I should estimate it roughly from the map, lies north of the parallel of the three cities in Alaska which I use for comparison, that perhaps three-fourths of Sweden lies north of it, and I should say one-third of the great Empire of Russia in Europe.

We can not doubt that those regions not only abound in great wealth in other lines, but afford great wealth of agricultural products. They support a population of over 10,000,000 people without the natural resources, as I have indicated to you, which are shown to exist in our own great Territory of Alaska.

I want to read what the commission says by way of comparisen in the matter of climate as between Alaska and these countries. I read from page 28 of the report, as follows:

The climate of the coastal province is comparable with that of Scotland and the Scandinavian Peninsula, in Europe, but is somewhat warmer. That of the inland region is not unlike the climate of Alberta, Saskatchewan, and Manitoba, in Canada. The northerly province bordering the Polar Sea is the only one in which arctic conditions prevail.

The experience of those long resident in Alaska has shown the climate to be very healthful.

Of the Yukon it may be said that the summers are cool and that bright, clear weather prevails most of the time. The aridity of the climate makes the extreme temperatures of winter easy to resist. All who have lived in this inland region are agreed that the winter climate is far more healthful than in many parts of the States where the temperature is higher, but where there is an excess of humidity. Residents of the interior have no fear of the extreme cold that often prevails during the winter months. The winter journey between Fairbanks and Valdez is made by men, women, and children and offers no serious hardships except when storms are encountered.

I spoke of the population of these northern countries of Eu-There are but 35,000 white people in Alaska to-day, with a total population of something like 64,000.

COMMERCE.

What has been done in the past? As told you by the distinguished Senator from Oregon [Mr. Chamberlain] yesterday, since the acquisition of Alaska from Russia it has contributed to the wealth of the world almost \$500,000,000. Its total output-that is, what it produces annually-runs now in the neighborhood of \$50,000,000. It purchases from our merchants and of our products an aggregate now of nearly \$25,000,000 annually, the total commerce of the Territory last year being, as reported from official sources, \$72,000,000.

Thus Alaska has a commerce with us which exceeds what we have with 37 of the countries of the world, including Scotland, Spain, and Russia, and now it surpasses even that of China. China last year contributed a commerce of something like \$50,000,000, and the Philippines only about \$20,000,000.

RESOURCES.

Now, as to the resources of Alaska.

Of the \$500,000,000 thus contributed by Alaska about one-half thereof, or \$250,000,000, consists of gold from its mines. Gold is very widely distributed throughout this region so blessed with mineral wealth. The producing areas may be grouped, however, so that we can understand more definitely about it.

The regions which have produced most bountifully are three. One of those, the Tanana-Yukon region, between the Tanana and the Yukon Rivers, is made prominent upon the map, as you will' see here, by little red dots. That region has already produced something like \$70,000,000 in gold. The annual output amounts to about \$9,000,000.

The Innoko-Iditarod region lies between the Kuskekwim River and the Yukon, the location being indicated likewise by the red dots.

The third region is the Seward Peninsula, a region that is tributary to the city of Nome.

Most of the gold is produced from placers, and the method of working is of particular interest to us here. I advised you a while ago that the original glacial frosts still prevail in this interior region, so that it is impossible to do the placer mining in the ordinary way, by sluicing, without first thawing the ground. In order to do the thawing, fuel is necessary. The digging is ordinarily done in the winter. The earth is taken to the surface, where it lies in a frozen condition, and then, when the spring brings the floods in the streams, and the earth thus taken out thaws again, the gold is washed out of it by the usual process. Immense quantities of fuel, however, are necessary in order to extract the gravel in the first place. In the Tanana region wood is used, with the result that the forests are being rapidly destroyed and consumed in order to provide the fuel. It costs about \$15 a cord in that locality at the present time, the equivalent of about \$40 a ton for lignite coal, which exists in unlimited quantities only 50 miles away.

Under these circumstances it can be very readily understood that it is possible to operate successfully only the extremely rich placers, the attendant expenses making it prohibitive to work

any ground except that of the very highest character.

The next advance in the industry of placer mining, after the ancient one of sluicing, is to operate by means of dredges. Dredges are being operated very successfully in certain parts of this country now. I shall refer to that matter directly. They are being operated very successfully in my State and in the State of California. However, unless electrical energy is available fuel is needed to produce power to operate dredges. From what was told you by the Senator from Oregon [Mr. Chamber-LAIN] in his discussion of this matter on yesterday you will understand that the transportation of great dredging machinery into this interior country is practically prohibited by the high freight rates that prevail. Accordingly, very little progress has been made in the way of working by dredging the leaner placer deposits in that locality, but dredges are being successfully operated down the Yukon at Dawson, and 31 dredges are now extracting gold from placers in the Seward Peninsula which could not be worked by the more primitive method.

Just reflect upon this matter for a moment. With all this coal in sight here, oil is carried from California to provide power with which to operate those dredges and, for that matter, to operate the railroads as well.

In any new country in which gold abounds the prospector ordinarily first discovers, and there are worked out, the placer beds. He knows, however, that the gold found in the placer beds of necessity comes from quartz veins in the adjacent hills. Accordingly, he goes to prospecting for the quartz veins. Quartz veins have been discovered all through the interior region of Alaska from which the placer veins have been fed, but ordinarily quartz veins can be operated in a profitable way only by means of machinery, and it has been found impossible to get the necessary machinery in at any cost which will permit their operation. So quartz mining has not progressed to any considerable extent in the interior region.

Next, I want to refer to the matter of coal. Coal, as well, is very widely distributed in Alaska. The three principal fields, however, are the Bering field, to which I now point [indicating on the map], a distance of only about 25 miles from the seaboard; the Matanuska field north of Seward, adjacent to the Susitna Valley, to which I now point; and the Tanana field, to which I have made reference, in the neighborhood of Fairbanks.

The coal in the Tanana field, as I have told you before, consists of lignite; but in the two other fields are found bituminous, semibituminous, and anthracite coal. In the Bering field anthracite coal has been discovered to the extent of 22 square miles, and bituminous and semibituminous coal to the extent of about 28 square miles more, the total surveyed area in that neighborhood being about 50 square miles.

The Matanuska field is about twice as large. It comprises about 100 square miles, the exact extent of the anthracite coal not yet having been determined.

The Tanana field, however, is the great field in matter of extent and quantity. It covers an area of 165 square miles; and we have the testimony of Dr. Brooks, who is perhaps better informed upon this subject than any other man living, to the effect that there are in sight in that field 9,000,000,000 tons of coal, and he says that he has himself measured seams that were more than 20 feet thick.

Mr. BACON. Right in that connection, can the Senator tell me, in furtherance of the inquiry made of him before, how far that coal field is from a navigable river?

Mr. WALSH. I have miles from the Tanana. I have answered the Senator. It is just 50

Mr. BACON. That is where this inexhaustible supply of coal, suitable for all purposes, is located?

Mr. WALSH. The testimony in respect to that subject is that that coal probably never will be exported. It is too far to carry it to the coast, considering the quality of the coal; but it is invaluable for local use, and it would serve all the purposes of fuel and for the development of power in all of the Yukon-Tanana region to which I have referred.

Mr. BACON. But the statement is that it would not be desirable to be carried to other localities?

Mr. WALSH. No; we must rely on the other two fields for coal for export.

Mr. BACON. How far are they from the water? Mr. WALSH. The Bering field is only 25 miles

The Bering field is only 25 miles from tidewater; but by the branch recommended by the committee, in view of their doubt as to the adequacy of the harbor at Controller Bay, it would be 38 miles by one line and 51 miles by another.

Mr. BACON. How great is that supply?
Mr. WALSH. It is 50 square miles in area, and the veins are remarkably thick.

Mr. LANE. I should like to have the Senator explain to the Senator from Georgia the Matanuska coal fields, how far they are from the ocean, and the type and character of the coal there.

Mr. WALSH. I have already indicated that the coals are bituminous, semibituminous, and anthracite. My recollection now is that those fields are about 185 miles from Seward, which is the southern terminus of the Alaska Northern Railway. They are about 80 miles from the present northern terminus of that road at Kern Creek, which flows into Cook Inlet; but Cook Inlet is frozen in the wintertime and affords a port for only six months in the year. I shall advert to that a little later on when I come to the route considered by the commis-

Mr. BACON. If the Senator will not consider it an undue interruption, I wish to explain the object of my inquiry. As I understand the purpose of this legislation, it is in a large measure, if not in much the larger measure, to secure the means of getting this inexhaustible supply of coal to market. The question I had in mind when I made the inquiry of the Senator was whether the purpose would not be accomplished by a railroad limited to the particular length necessary to get to this inexhaustible supply.

Mr. WALSH. I anticipate for a moment, and will say to the Senator that one might start in at Controller Bay and build a line there of 25 miles to the Bering coal fields and reach what might be considered to be practically an inexhaustible supply of coal.

Mr. BACON. That is what I wanted to know.

Mr. WALSH. But if that was all he did, the interior of Alaska would be left without any transportation facilities by railroad at all. As I view it myself, although I regard the supplying of the Pacific coast and the Navy with coal from this source as a consideration of the very greatest moment and would not attempt to minimize it at all, yet I do not regard it by any means as a consideration deserving of higher regard than the development of the great region of which I shall have the honor to speak more in detail later on.

Inasmuch as some considerable question has arisen in relation to the character of the coal in Alaska, I am going to content myself with a reference to what is found in the record upon which we proceed, the report of the commission, and the testimony of Dr. Brooks, who speaks of his own personal knowledge. I will remark, however, that chemical analyses of these coals have shown that they are quite equal, so far as that kind of a test goes, to the very best coal that is found in the Appalachian region, and that may be said speaking with reference both to the bituminous and the anthracite coal. It is a fact, however, that the coal is considerably broken up-at least in the Bering field, so far as it has thus far been exposed by

developments, which, it may be said, are inconsequential.

However, Mr. President, I ought also to say that some tests of the utility of this coal for naval purposes, not altogether satisfactory, have recently been made. A test has been made, as you were told, of the Bering River coal. About 900 tons have been mined from the Matanuska field for the purpose of making a test on one of the ships of the Navy, but it will be impossible to get it out in order to make a trial of it until some time next season. The test which has been made, however, of the merits of the Bering River coal has not met with the expectation of those most sanguine with relation to it. I do not myself regard that as a matter of any particular consequence at all. I have not the slightest doubt but that after this great deposit is developed and we shall get into the interior of it,

there will be found coal there that will meet every requirement of the Navy. Anyone who is familiar at all with coal mining will recognize that that coal which lies upon the exterior of the bed, that coal which is first reached by slight development, would ordinarily be subjected to the action of the elements and would not have the high qualities that the coal which lies deeply embedded in the earth would be likely to show.

I read you now for your information what is said in the

report concerning this coal.

Mr. OVERMAN. From what page?

Mr. WALSH. I read from page 33:

Mr. WALSH. I read from page 33:

The coal fields of central Alaska are extensive and include some of the best coal of the Territory. High-grade steaming and coking bituminous coals as well as some anthractic are found in the Bering River and Matanuska coal fields. Much of this coal is crushed and will furnish a large percentage of slack, and in many instances the coal beds have been so deformed as to prevent their profitable mining. While the percentage of the coal beds that can be profitably mined can only be determined by actual exploitation, yet the fact remains that these two fields contain much workable coal of a higher grade than any now known in that part of the North American Continent tributary to the Pacific Ocean. Though the high-grade coals, so far as known, are limited to these two fields, lignitic coal is widely distributed. The Nenana field, lying about 60 miles southwest of Fairbanks, is the largest of the lignitic coal fields, but a similar grade of fuel has also been found in the Susitna Basin and reported in the upper Kuskokwim Basin.

Now, Dr. Brooks says

Mr. SMOOT. Will the Senator yield to me for just a moment?

Mr. WALSH. Certainly. Mr. SMOOT. Is it not a fact that the testimony which has been taken shows that the crushed coal is more in the Matanuska field than in the Bering field?

Mr. WALSH. I think, on the contrary, the crushing is more in evidence in the Bering field than in the Matanuska field.

Mr. SMOOT. I will say to the Senator that I have read two or three reports. I may be mistaken, but the impression that was made upon me was that while the Bering field had been worked a little more than the Matanuska coal field, the lay of the country demonstrated the fact in the minds of those who made the examination that the coal would be crushed more in the Matanuska field than in the Bering field.

Mr. WALSH. I may be in error about it, but my recollection

is the other way.

I may pause further to say that according to my recollection the crushing of the coal referred to does not in any manner diminish its value for coking purposes. It does not affect its value greatly for steaming purposes. The beds simply do not provide the lump coal as is the case where the disturbance has not been so great. Dr. Brooks is extremely conservative in his testimony. He says:

To take up the question of coal first, we have here in the Matanuska Valley a coal field which aggregates 80 and possibly 100 square miles. Mr. SMITH of Arizona. From what is the Senator reading,

please:

Mr. WALSH, I am reading from the testimony of Dr. Brooks before the Senate Committee on Territories, at page 530. Mr. SMITH of Arizona. The Senator is reading, then, from

the hearings before the committee?

Mr. WALSH. Yes, before our committee. Dr. Brooks says: Mr. WALSH. Yes, before our committee. Dr. Brooks says:

The coal is of the same general character as that of the Bering
River field. So far as we know, there is little to choose between the
two. The analysis would indicate that the Bering River coal might be
better for steaming purposes and the Matanuska coal a little better for
coking. But I do not believe that the evidence on this is sufficient,
because there has not been enough mining to permit of a fair test of
the coal. So that from our present consideration we have got to regard the two coal fields as very much on a par as to quality. The
Bering River field seems to be somewhat smaller than the Matanuska
field is a bituminous—it varies from a low-grade to a high-grade
bituminous coal. Also there is some anthractie in the eastern end of
the field. Of that we do not know very much, but, in any event, I
think the Alaska anthracite is less valuable than the steaming and
coking coal. coking coal.
Senator Walsh, Is that the only place where the anthracite is

Senator Walsh. Is that the only place where the anthracite is known?

Mr. Brooks. We have anthracite in the Bering River field and in the Matanuska field.

Senator Walsh. Why is not that valuable?

Mr. Brooks. Because the use of anthracite on the west coast is very small. They, as a rule, do not use it for steaming and do not make coke out of it, and the climatic conditions outside of Alaska are such as not to encourage the use of it—domestic use. I suppose, possibly, if you could be assured that the anthracite could be produced at the same cost as the bituminous, it would be used for steaming. But, as a matter of fact, the anthracite of both those fields occur in rocks which are more disturbed than those associated with the bituminous coal. That is probably the reason the coal is anthracite, because the rocks are more folded. This condition will increase the cost of mining. If that is the case, and also because the anthracite seems to be more crushed than the bituminous coai, in the end the product will cost you more and would not be worth much more than this high-grade bituminous coal.

Senator Walsh. Those conditions obtain likewise in Pennsylvania, do they not?

Mr. Brooks. The Pennsylvania anthracite is not crushed. Outside of the railroads the domestic use forms a very large element in the anthracite consumption. The west coast has not been accustomed to use authracite, and it is rather questionable whether it would be extensively, because of difference in climatic conditions compared with the East.

tensively, because of difference in climatic conditions compared with the East.

Mr. Wickersham. How does the anthracite coal of Alaska compare with that in Pennsylvania?

Mr. Brooks. It is not quite as good as the best of the anthracite of Pennsylvania, as far as we know it. There have been only a few analyses made of it.

Mr. Wickersham. How does the bituminous coal compare?

Mr. Brooks. Some of the bituminous coal is as good as our best bituminous coal of the East. That is, the famous Pocahertas, New River, and Georges Creek coal of the Eastern States.

Mr. Wickersham. Those are the naval coals?

Mr. Brooks. Those are the naval coals.

Mr. Wickersham. Do you think the coal of Alaska is equal to that standard?

Mr. Brooks. So far as the chemical composition goes; yes, sir. In the physical composition it leaves much to be desired, so far as we know; that is, the percentage of lump coal would be very much smaller.

smailer.

In regard to Navy use, I will say that if there was a large coalmining industry producing a large quantity of coal, the lump coal could be used by the Navy and the finer other coal consumed by other industries. If you mined only enough for the Navy, you would have to take it as it came, and it might then be found to contain too large a percentage of slack for Navy use.

Mr. CLARK of Wyoming. Will the Senator yield for just a question there in regard to Dr. Brooks's testimony?

Mr. WALSH. Certainly.

Mr. CLARK of Wyoming. I notice he speaks there in regard to the coals used on the Pacific coast. Does he anywhere give an estimate of the amount of coal that is used on the Pacific coast for domestic and power purposes?

Mr. WALSH. He does

Mr. CLARK of Wyoming. Does the Senator recollect how much it is?

Mr. WALSH. I do not, but the commission makes a special report upon the opportunities for marketing the Alaska coal, if it could be produced.

Mr. CLARK of Wyoming. Does the Senator recollect what they estimate the market to be?

Mr. WALSH. No; I have not the figures now in mind. am going to pass now to some of the opportunities for the utilization of the coal if it could be mined, for it will be understood that entries having been made under the provisions of the coal-land laws prior to 1906, all the coal lands of Alaska were withdrawn from entry, and consequently there has been no opportunity since that time to utilize these deposits.

I referred some time ago to the importation of oil from California for the purpose of developing power in Alaska. Alaska, with all its great deposits of coal, imports annually from British Columbia about 30,000 tons of coal, and her total fuel bill for coals imported and oil brought from California amounts to the enormous sum of a million dollars a year. Coal costs in Alaska anywhere from \$9 to \$20 a ton. If this coal should be found available for the use of the Navy-and my own idea of the matter is that there is no doubt that an abundance of coal for that purpose will be found, and of the very highest character-the figures concerning the consumption of coal by the Navy will be of some interest.

The Pacific Fleet now requires about 150,000 tons annually. About 80,000 tons more are needed for the Philippines and about 20,000 tons in Hawaii. So the present consumption of coal in the Pacific waters amounts to about 250,000 tons. When the canal is completed it is estimated that it will require at least 300,000 tons of coal annually to meet the needs of the Navy in the Pacific, and it is contemplated that great depots of coal shall be established at various points along the coast. So for a number of years after the canal is opened the Government will be in the market for the purchase of coal for use in the Pacific to the amount of about 450,000 tons annually. transports such coal as it needs from Norfolk, Va. It costs there about \$3 a ton, and from \$7.25 to \$8.50 laid down at San Francisco or at Bremerton, the carriage being, generally speaking, about \$5 a ton for bringing it around the Horn.

So, Mr. President, if we assume that the Navy consumes 300,000 tons of coal annually in the Pacific and the cost of transportation around the Horn is \$5 per ton, and that Alaska coal could be obtained, as it could be obtained, at a cost of at least \$5 a ton less, the construction of a railroad would result in a saving to the Government upon the coal needed by the Navy alone of an aggregate of at least a million and a half annually.

What can it be produced for there? Mr. Ryan, who is interested in the Controller Bay Railroad, which is projected from Controller Bay to the Bering coal field, a distance of about 25 miles, declared before the committee that if he were permitted to go into the Bering field and simply mine coal-he did

not ask for any grant or title at all, but simply for permission to go there and take the coal from the Government lands and deliver it to the Government at the wharf at Controller Bay he could lay it down for \$2.50 a ton. He says he can mine it for \$2, and that is in conformity with all the testimony, and he would be very glad to get 50 cents a ton for hauling the coal down hill, a water grade we might say.

The construction of a railroad by the Government, such as was suggested by the distinguished Senator from Rhode Island [Mr. Lappitt], of 25 miles from Controller Bay to the Bering field, it is in evidence here, would not cost more than a million So the construction of a railroad from the coast to the Bering field would pay for itself in what the Government

could save on the coal consumed by the Navy in a single year.

Mr. President, the withdrawal of the coal lands of Alaska at the time the order was issued forbidding their further private entry merits universal and unqualified commendation. have kept that great wealth locked up now for a period of eight years, since 1906, under circumstances to which I have adverted here, approaches in gravity to a crime.

Let the issue be clearly understood. Certain interests powerful in Alaska—the evidence is overwhelming and we can not resist the conclusion-had set about to grab these great, rich coal deposits by the common device of dummy entrymen. ningham and his associates located a large number of claims in the Bering River country, and then bonded them to the Gug-genheims. The bond contract is in the record here. Frost and Osborne, who had acquired the Alaska & Northern Railroad, headed for the Matanuska field, went after that. The Cunning-ham claims have, after long delay, been adjudged by the Inte-rior Department to be void. My information is that the Frost and Osborne people have abandoned the effort to patent their alleged claims in the Matanuska field. The withdrawal order operated to prevent further misapprepriations.

Mr. President, it was stated here yesterday, and that declaration has been repeated over and over again, that Congress has been supine; that it has stood by here and done nothing to authorize the lawful appropriation of these lands, and that this body and the coordinate branch are responsible for this condition of affairs. Nothing is further from the truth. Congress acted with reasonable promptitude under the circumstances. The old law, which permitted a single association to appropriate no more than 320 acres, invited evasion, because such an area as that is insufficient to warrant the expenditures necessary in order to make the development, to secure the equipment, and to provide adequate transportation facilities, if the mining of coal is to be carried on upon a commercial basis.

In the year 1908, only two years after the withdrawal, Congress passed an act intended to meet the case. Of course, monopoly of these lands, as they were being monopolized, was to be prevented. So the act of 1908 provided that instead of 320 acres an association could enter four sections, 2,560 acres; and then the people's interests were apparently entirely safeguarded by a provision to the effect that if the lands thus appropriated should ever fall into the hands of a monopoly, or any combina-tion in restraint of trade, the title should be forfeited to the Government of the United States.

From that time until this that has been the law, the sovereign will of the people of the United States, who looked hopefully to the opening of this great source of power in Alaska. people of the Pacific Coast States, particularly, had become tired of paying to British ships \$5 a ton for hauling coal around Cape Horn from the Atlantic ports; the people of Alaska, who were paying a million dollars a year for coal from British Columbia and oil from California, looked longingly, under the safeguards of this law, to the mining of coal in Alaska.

Mr. President, it was not a few men who wanted to steal coal who desired to see this law enforced, but it was millions of people who wanted to buy coal and to burn it, and who were perfectly willing to pay for it, who hoped that when this act

was passed they would have an opportunity to get Alaska coal.

Not an entry has ever been made under the act of 1908. The withdrawal order of 1906 has not only continued in force to this day, but it was confirmed, ratified, and reissued by the order of the President in the year 1910 upon the passage of the act of that year permitting the withdrawal of lands. So it remains to this day.

You ask why. Simply because some men who are powerful in influencing public opinion, who are skilled in the art of using the press and periodicals for the purpose of exciting public sentiment, do not like that law. They do not want any law permitting the sale of coal lands in Alaska. They want a leasing law, and until the present time they have succeeded in paralyzing the hand of the President of the United States,

whose oath of office requires that he shall see that the laws be

faithfully executed.

Mr. CLARK of Wyoming, Mr. President—
The PRESIDING OFFICER (Mr. Brady in the chair). Does the Senator from Montana yield to the Senator from Wyoming?

Mr. WALSH, I do.

Mr. CLARK of Wyoming. If the Senator will permit me, I should like to ask him if he has any well founded belief that this influence will act otherwise than it has acted in case this bill should be passed?

Mr. WALSH. I have not, and that is just the point that I

am coming to.

Mr. BACON. Will the Senator permit me to ask him a question? I am not familiar with the subject. Do I understand the Senator to say that an Executive order has nullified an act of Congress?

Mr. CLARK of Wyoming. It has been done for 20 years. Mr. WALSH. Practically so.

Mr. BACON. The Senator says practically so. I want to know for information in what way. Is there a formal and explicit issuance of an Executive order which conflicts with the

provisions of a statute?

Mr. WALSH. I shall be glad to explain. The statute provides that anyone may go upon the public domain and survey and mark out a claim containing coal, and then he is permitted to go to the land office and enter that land. The statute provides that, if it is within 15 miles of a railroad the price must be not less than \$20, and if it is more than 15 miles it must be not less than \$10 an acre, but the exact price is not fixed. It becomes necessary, therefore, for the Executive authority to fix the price at which any particular tract of coal lands can be entered. Executive then withdraws all coal lands from entry for the purpose of classification. The order in this case specifies also that the withdrawal is in aid of legislation, a ground not contemplated by the statute. In other words, he withdraws the land until it can be classified and the price at which it is subject to purchase shall be fixed. Then he does not attempt to classify and does not attempt to fix the price. Accordingly, you go to the land office and the answer is there that the land is withdrawn. go to the General Land Office, here, and you ask why, and the answer is, "We have not yet classified the land, so that we do not know what price to ask for it."

Mr. BACON. Then, there is that defect in the law, if I understand it correctly, that gives to the Executive power to withhold the rights granted by the law until there is a classification. Is

that it?

Mr. WALSH. Yes, sir.

Mr. BACON. Possibly we had better correct that defect in the statute.

Mr. WALSH. Mr. President, I was speaking about this paralysis of the law. How is it effected? It is done by the very simple process of branding through the public press and other similar means any man as a plunderer of the public or a defender and an apologist for the plunderers of the public who happens to entertain any views upon this and other related questions differing from those entertained by the gentlemen thus influential. They want a leasing law. Thus far they have constituted a minority of this country. The majority of the people of this country, through their chosen representatives, have declared in favor of a law for the sale and disposition of these lands. The advocates of the leasing plan have not yet become a majority, but they are a minority exercising the power of veto over the execution of the law, and they exercise it in the way I have indicated. Dread of an onslaught of that character directed against any public official who should attempt to enforce it has operated to make this law a dead letter.

Now, Mr. President, we are not going to build any railroads in Alaska utilizing power generated from coal carried around Cape Horn or imported from British Columbia or by means of oil transported from the State of California. This bill must be accompanied by another measure which will permit the mining of the coal in Alaska. Why, Mr. President, after the road is built, if it is to be operated at all, the carriage of coal must constitute the chief item of revenue for it. For myself, I have rather despaired of ever seeing the present law executed. I have argued for years against the wisdom or the policy of a law permitting the leasing of coal lands, and I have insisted that the policy which has been justified by a century of our history of the absolute disposition of the public lands is the proper course to pursue. But I am ready to surrender my own convictions in the matter in the hope that these rich coal lands may be made available to the people of the United States. I am ready now to vote for a law providing for the leasing of coal lands in Alaska. I am willing that the experiment at least shall be tried. We tried it in connection with the lead lands of this country and it was a dismal failure; but I recognize, Mr. President, that conditions now are quite different from what they then were. Alaska affords the best field for experimentation in the matter, and I am willing to try it there and see how it will work.

I read with much interest this morning the bill offered by the distinguished Senator from Utah [Mr. Smoot] on yester-day providing for the leasing of coal lands in Alaska, and I trust that we may be able to get together and agree on some measure which we shall be assured beforehand will be actually

put into operation.

The distinguished Senator from Nevada, the chairman of the Committee on the Territories [Mr. PITTMAN], likewise on yesterday introduced a bill providing for the leasing of lands in Alaska, containing a most excellent provision. I have looked with some degree of haste over the bill introduced by the Senator from Utah, and its general features commend themselves very highly to my judgment. There is, however, a feature of the bill offered by the Senator from Nevada which deserves great consideration, in view of the suggestion made by the distinguished Senator from Idaho [Mr. Borah] on yesterday. It contemplates the survey of these coal lands and the leasing of each alternate tract, the Government retaining the intervening tract; so that if by any chance the tracts leased should fall into the hands of a monopoly, the Government would still own the alternate sectious, and it might then itself operate those lands or make some other provision which would prevent extortion or other evils of like character.

I desire to say, however, that I trust that the consideration of this question will not be embarrassed at all by the inquiry which was involved in the question of the Senator from Idaho as to whether, if we did have a leasing law, the lessees would not combine among themselves and thus keep up the price of

coal, so that no benefit would accrue to us after all.

In the first place, Mr. President, that seems to me a condition which we have no right to apprehend will exist. Everybody must admit that there exists to-day the most spirited competition in the production of bituminous coal. I pointed out to you awhile ago that the Navy pays \$3 per ton for coal at Norfolk, Va., which includes \$1.40 for transportation. So, to-day the West Virginia coal is sold at the mines for Navy purposes at somewhere in the neighborhood of from \$1.50 to \$1.60 per ton. You can all understand that such a price as that could not prevail were it not for the fact that a substantial competition does exist. The Senator from Iowa [Mr. tial competition does exist. The Senator from Iowa [Mr. Cummins] attests that competition is the rule in his State among the producers of bituminous coal. I can add my testimony with reference to conditions in my State; competition does exist there; and I see no reason at all why competition should not exist between lessees of the Government operating in these great fields of Bering and Matanuska if that system should be adopted. But if apprehension upon that score should be felt, the condition will be provided for most fully by such a provision as is contained in the bill of the distinguished Senator from Nevada.

So. Mr. President, I trust that we at least shall not be guilty of further delay; but that as soon as this bill is out of the way we may take up these various bills providing for the disposition of the coal lands of Alaska frame a generally acceptable measure and see if we can not put the two on their way together, with some assurance of the success of both.

I now pass to a feature of the subject which is of very great importance, and in which I feel the keenest interest; that is to say, the agricultural resources of this great Territory found in its interior. You will understand, of course, that the agricultural possibilities are confined entirely to the interior country, for those of the coast are for the present entirely negligible. I referred to the temperature of that region which runs, as I said, from 50° to 58° in the summer time with a maximum of 90°, or thereabouts, very like that of our section of the country and of Alberta, Saskatchewan, and the other Provinces of Canada to the north, in the summer season. Bear in mind, likewise, that they have sunlight until 10 o'clock at night, so that annual vegetation, owing to the abundance of sunshine during the growing season, sprouts, grows, and matures at a pace that is scarcely conceivable to those who reside in regions farther Every spot on the earth, Mr. President, has just exactly as much sunshine in a year as has every other spot. The North Pole has six months of sunshine and six months of darkness; the Equator has just exactly the same. Of course here the sunshine is concentrated at the very period when growth is possible. The growing season in the interior of Alaska is from. say, the first or the middle of May until about the middle of September. The growing months might be said to be May, June, July, and August-four months. I appreciate very readily

that by those who live in regions of longer growing seasons it will be thought that that is altogether too brief a period for the maturity of crops; but, as a matter of fact, ours is not so much longer than that; and, although it is not necessary for us to rely upon it except in the higher altitudes, we have a kind of oats in Montana called "90-day oats," because it will reach

its maturity in 90 days from the time it is seeded.

In reference to the agricultural products of Alaska, I am going to refer, as I did in reference to the mineral products of Alaska, to the official evidence before us. They raise annually through all that region, through the valley of the Tan-na and the valley of the Yukon annual crops of oats, barley, rye, and potatoes They have matured in many years wheat, and it is not at all unlikely that varieties of wheat will be developed there that will mature annually. We have official records in relation to the possibilities agriculturally in this region, because the Government has maintained for a number of years two agricultural experiment stations there-one at Fairbanks and the other at Rampart—and the reports from those agricultural sta-tions are available to you all. Last year at the Fairbanks station their oats yielded 115 bushels to the acre; their wheat yielded 67 bushels to the acre; and their potatoes yielded 260 bushels to the acre.

All of that region is covered with reindeer moss, as is most of the interior of Alaska. That moss prevents the sun from penetrating through the soil, so that it is kept in a frozen condition. But once you remove the moss, the soil thaws to a depth of several feet and permits cultivation, while the frozen ground below keeps continually giving up its burden of moisture for the support of the plant life above. Thus the frost below actually aids in the growth of vegetation in that neighborhood.

I am going now to refer to what the commission says con-

cerning the agricultural possibilities of this region. Before reading this I desire, however, to say that the Alsek and White River Valleys, with which the statement is introduced, are in Canadian territory. I now point to them. This [indicating] is the Alsek Valley, and the White River Valley is here [indicating]. They approach the upper portion of the Tanana Valley. With that explanation I read, as follows:

The valley floors and slopes of the Alsek Basin include much grassland. Agricultural development is undoubtedly possible in this field, though little has been done except some gardening at a few places. Grass grows especially luxuriantly in the flats at the eastern end of Lake Kluane—

This [indicating] is the eastern end of Lake Kluaneand around the other lakes. The upper White River Basin has long been known for its excellent pasturage. The gravel bottoms of the White River are covered with wild peas, which furnish excellent feed for stock. In this Province the snowfall is so light that it is possible to winter stock without feeding. This experiment has been repeatedly tried and has been fairly successful.

You will understand that the Tanana Basin is all in our territory. What has thus far been said is with reference to the territory just across the line in the Canadian country. I continue:

Similar conditions prevail in the upper Tanana Basin, which is also known for its extensive tracts of grazing land. These grasslands are found not only in the valley bottoms, but where the forest covering has been burned off extend up the slopes of the mountains to timber line. It may be said that these conditions prevail throughout much of the Yukon-Tanana region, where grasslands are found up to an altitude of some 3,000 feet.

It may be said that these conditions prevail throughout much of the Yukon-Tanana region, where grasslands are found up to an altitude of some 3,000 feet.

The lower Tanana Valley from the Delta to the Yukon is one of the most fertile tracts known in Alaska. Long before any farming was attempted in this region it was known for its fine grass and heavy stand of timber. Since the establishment of Fairbanks as a mining camp, thus giving a market for farm products, many ranches have been taken up, and several hundred acres are under cultivation in the vicinity. Experience has demonstrated that farming is not an experiment, but an industry which can be profitably carried on, provided the product can be marketed. The work of the Government experiment farms at Fairbanks and Rampart indicates the great variety of agricultural products which can be successfully raised. Farming has been carried on in the river bottoms and also on the hill slopes. Experience has shown that the slopes covered with birch forests are specially favorable for raising crops. This land can be easily cleared, and the soil is found to be much richer than that of the valley bottoms, and is apparently less susceptible to early frosts.

It is conservative to estimate the areas of agricultural land in the Tanana Valley at between 2,000,000 and 2,500,000 acres. In addition to this, there are extensive tracts of agricultural land in the adjacent portions of the Yukon Basin. The Government records show that the growing season in this general field varies from 90 to 120 days. It should be noted that plant growth is much more rapid in this latitude than it is farther south, because of the large amount of daylight. Oats, rye, and barley have been successfully ripened at the Government stations as well as on private ranches. The Government records show that certain varieties of wheat can be ripened. At the Government stations as well as on private ranches. The Government for the farm products which are in local demand. These include, above all, potatoes and o

beets, turnips, and cauliflower, though this by no means includes all the varieties which have been raised.

Of the agricultural importance of the Tanana Valley there can be no question. The district can not be expected to raise products which will be valuable for export, at least under conditions which can new be foreseen. It should, however, become in part self-supporting by raising a large amount of the food material now imported from outside. Though cattle raising has not been carried on to any extent; yet it is probable that this can be successfully done in competition with meat brought in from the States. The snowfall is, however, heavier than in the upper White River Valley and some winter feeding would be necessary. Whatever experience may be shown in regard to raising cattle, there should be no question that a local dairy industry could be developed.

Mr. President, of the disadvantages under which agriculture is carried on in this locality we may form some estimate from the fact adverted to a while ago, that wood costs \$15 a cord. Farmers who have already gone into that locality, the tes-timony is, are digging up the stumps on the land which they have cleared in order to burn them for fuel in their homes, while there are limitless quantities of coal from 50 to 100 miles away from them which they can not touch.

I want to add, Mr. President, to this testimony what is said by the commission in relation to another great valley, the Susitna. The Susitna Valley is on the line of one of the routes investigated by the commission in connection with the duties devolving upon it. I point to the Susitna Valley. [Indicating on the map.] It is suggested that a line might be run from Seward in a direction practically north to the Tanana at Fairbanks. That road would pass through the great Susitna

Valley. The commission says in reference to that region:

The agriculture areas of this province, including land suitable for tiliage and grazing, are large. While estimates of the extent of these lands can be little more than guesses, it is conservative to say that the Susifna and Matanuska Basins include 2,000 to 3,000, the Tanana 3,000 to 4,000, and the Kuskokwim 2,000 to 3,000 square miles of agricultural lands lying less than 1,500 or 2,000 feet above sea level. More complete data may show the agricultural lands of the province to exceed the above by many thousand square miles, but in any event the above figures will show that this is an important field for the pioneer farmer when railways have opened up the land, and thus transportation furnished to the local markets. It should be noted that there is also some agricultural land in the Kenai Peninsula—

That is in this neighborhood, between Prince William Sound and Cook Inlet [indicating on the map]-

where there are many gardens and several ranches.

The above-described lands, where not timbered, are in many places covered by the luxuriant growth of grass which gives evidence of their fertility. Their adaptability to growing of potatoes, as well as forage crops, has been proven in many places. It has been shown elsewhere in this report (see pp. 51-53) that in the Tanana and in parts of the Yukon Basin barley, oats, and rye can be matured, also that the experiments in growing of wheat at Fairbanks and at Rampart have been a success. Conditions for agriculture are certainly as good in the lower Susitna Basin as in the Fairbanks district, for, if anything, the growing season will be longer. Taking it all in all, the Susitna Valley offers an excellent field for agricultural development, and probably the best in Alaska. It is also fair to assume that the conditions in the upper Kuskokwim Basin are similar to those in the Tanana Valley.

I point to that basin now. It is the region here [indicating on the mapl.

In addition to the tillable lands there are extensive tracts of grass lands in the Susitna and other valleys tributary to this route. Large areas of reindeer pastures are found in this region above the limit of good grass. This is notably true along the inland front of the Alaska Range, where there is plateau region furnishing 4,000 to 5,000 square miles of reindeer pasture. In conclusion, it may be said that the Susitna, lower Tanana, and upper Kuskokwim Basins contain farming and grazing lands unrivaled in extent and fertility in Alaska, and which in time to come may furnish a food supply for export.

Reference has been made here to reindeer. There is back from the mouths of these two great rivers, the Yukon and the Kuskokwim, in fact all along the coast, west from Cook Inlet, a great area-a plains area-where the summers are particularly cool by reason of proximity to the ocean, in which it is impossible to grow crops. The tillable agricultural areas are further in the interior, but those great plains are covered with reindeer moss and they afford excellent pasture for reindeer. The Government herd introduced into Alaska some years ago has so increased that it now numbers about 40,000 head. It is estimated that it will not be to exceed 20 years before it will reach perhaps 2,000,000 head altogether; and there are pastures easily available for reindeer to the number of at least 10,000,000. So that, outside of cattle raising, the opportunity to provide an abundant meat supply is here.

I want to add the testimony of Dr. Brooks, as given before the committee, concerning the character of the Tanana Valley and its capacity for the production of agricultural crops. now read from page 517 of the hearings before the committee,

as follows:

Mr. Brooks. In regard to the agriculture I want to say that I am a geologist and not an agriculturist. I have, however, seen a good deal of this country and I have studied the problems somewhat. I make no pretense to having a technical knowledge of this subject. In a general

way, in my opinion, there is in the Tanana Valley, below the Deita, a great deal of agricultural land.

The Government maintained agricultural experiment stations at Fairbanks for a number of years, in the Tanana Valley, and also at Rampart for a considerably longer period. My recollection of the report is they have ripened wheat there at Rampart station five years in succession; that is, for five successive seasons. Of course I do not mean to say they are going to raise wheat up there at the present time on a commercial basis, but I think that will give you some idea of the possibilities of agriculture. The ordinary crops there are the hardier grains, such as barley, oats, and rye, also potatoes and vegetables, and, of course, hay. There is a tremendous amount of grass, land in this region. A great deal of this land has been burned off, and after a while the grass comes up very abundantly. I traversed a great deal of this region with pack train, and wherever I found old burned areas I always found good grass, especially on the hill slopes. That indicates to me that the land is suitable for agriculture, and that opinion is borne out by the work of the Government stations at Rampart and at Fairbanks. What perhaps will carry still greater weight with the average person is the fact that there have been a whole lot of very successful ranches in the vicinity of Fairbanks, where there is a local market. I think this committee has seen photographs of some of the agricultural operations in the vicinity of Fairbanks, and perhaps I need not dwell on that. I do not think there is any question that the Tanana Valley has an agricultural future I do not mean to imply that we are going to export wheat from Tanana or going to have any crop export for at least a long time to come; but I do believe that the country is capable of supporting the population and that, with the mining development, the farmer will come to furnish the food supply for the mine operators.

Senator Walsh. How do they get along with the raising of cattle? Mr. Brooks. In part of that region the snowfall is so light cattle can graze during the winter.

Senator Walsh. Is the grass suitable for winter grazing?

Mr. Brooks. Yes, sir.

Senator Walsh. You spoke of grass on the upper Tanana?

Mr. Brooks. Mr. Riggs here can give you something of his experience in wintering horses in the White River country. I believe that this was successful several seasons. In some seasons winter pastures may fall, but I know of a number of occasions in the upper Tanana and White River where horses have wintered simply by being turned loose in the fall. As you go down the river from Tanana you get more precipitation, and I do not know much about the cattle business, but my impression is you would not be able to winter stock in that lower Tanana Valley without feeding, though I believe it is possible to de in the headwaters of the river.

Senator Walsh. Are the conditions such that they could forage to some extent and be fed at other seasons?

Mr. Brooks. I think I had better leave that question to the men who have wintered there. I have not wintered at Fairbanks, so I do not know.

Mr. Wickersham. A good range horse, Senator, will go all winter and come out fat on the hills around Falrbanks.

Mr. Brooks. I know 10 or 15 years ago I was in the upper Tanana country and somebody told me that he was very much surprised—he turned out a horse in the fall there and he was found the next spring in a very fat condition.

Mr. President, my own view about the matter conforms to that of Dr. Brooks. I do not entertain the idea that this will ever be a country that will be distinguished for its export of grains of any character. What I do maintain is that it is fully capable of producing all the essential foodstuffs for the sustenance of the great population that could be attracted there by the mineral wealth, particularly the copper, coal, and gold mines, and that might be engaged in the fisheries and other industries prosecuted along the coast.

I want to conclude that branch of the subject by reading only a part, because the Senator from Oregon [Mr. CHAMBER-LAIN] went into that matter at some considerable length yesterday, of a letter from Mr. Evans, the chief of the Bureau of Insular Statistics of the Department of Agriculture, instituting a comparison between this section and the countries of northern Europe to which I adverted in opening. Under date of February 28 he addressed the chairman of the committee a communication, which is in part as follows:

munication, which is in part as follows:

In order to further establish the possibility of agriculture in Alaska, a comparison has been made of the countries of Norway, Sweden, Finland, and the Russian Provinces of Archangel, Vologda, and Olonetz. All these countries lie between latitudes 58° and 70° north, and for the most part they are north of 60°, the approximate latitude of the northern reach of the Gulf of Alaska. In Europe within the above limits are embraced over 985,000 square miles, or about 599,450,000 acres. Alaska, with its 570,390 square miles, or 365,049,000 acres, extends from latitude 54° 30′ in southeastern Alaska to more than 71° at Point Barrow. A study of the topography, climate, native plants, etc., shows that the conditions are not very dissimilar in the two regions, whatever advantage there is in climate being probably slightly in favor of the European countries. In these countries of European more than 11,000,000 people are living, while the census of 1910 reports 64,356 as the population of Alaska. Recent statistics show in the three countries and three Provinces in Europe which lie mostly north of 60° that 8,373,000 acres of land were producing cereals of all kinds, the total yield being: Wheat, 6,663,840 bushels; rye, 26,509,640 bushels; barley, 26,963,545 bushels; oats, 109,036,780 bushels. In addition potatoes to the amount of 100,321,100 bushels and 7,871,119 tons of hay were reported.

Then he institutes a comparison between the areas of land in these countries that are subject to tillage and the areas of land in Alaska that are subject to tillage, the advantage being altogether in favor of Alaska. It is estimated that there are 30,000 square miles of land in Alaska that can be cultivated to annual crops, and 100,000 square miles that can be devoted to general agricultural purposes.

EXISTING RAILROAD LINES.

I pass to the consideration of the facilities for transportation afforded by the railroads of Alaska. Some reference has been made to this matter by the Senator from Oregon, but I should like to ask your attention in detail to the existing lines.

The Copper River railroad I spoke of in the colloquy with the Senator from Rhode Island [Mr. LIPPITT]. It starts from Cordova and goes up the Copper River to the junction of that river with the Chitina, and then up the Chitina to the Kennicott mines. The road was built with two objects. It was constructed first to get to the copper mines in that neighborhood, and for the transportation of ores from the mines to the seaboard. It was likewise contemplated that a branch line should be constructed into the Bering coal fields. It would be possible to branch off from the Copper River & Northwestern Railroad by a line 38 miles in length and reach the coal fields, but a much easier grade could be pursued by going a distance of 55 miles, and my understanding is that the company never actually decided or determined which one of the two routes to the coal fields it would select.

That line, as you will observe, does not reach the interior of Alaska at all. The opportunity for the construction of railroads from the seacoast in Alaska into the interior are limited. As you go along the coast there are comparatively few rivers that break through the great, high mountain range, and there are comparatively few low passes which will permit you to get into the interior. The Copper River is one of the rivers which thus breaks through. It rises in the interior, breaks through the mountains, traversing a great gorge, and empties into the ocean in the neighborhood of Controller Bay. So, likewise, farther west an opportunity is given to get into the interior by pursuing the line of the Alaska Northern, the southern terminus of which is at Seward, to which I point here. [Indicating on the map.] The interior would be reached pursuing this route by going up the Susitna Valley, to which I have referred.

Those two gateways are the only ones which afford an oppor-

Those two gateways are the only ones which afford an opportunity to get into the inland country from American territory. It can be reached by another line from the Canadian territory originating at Pyramid Harbor, along what is known as the Haines route, which I here indicate. [Indicating on the map.] Those mentioned, however, are the only ones in American territory, and the opportunities they afford were seized in the con-

struction of the two lines shown on the map.

The Copper River & Northwestern line affords an outlet for whatever mining there is in the neighborhood of Mount Wrangell; but that country, you will observe, is upon the east-ern slope of the high coastal range.

The Alaska Northern proceeds in a line almost due north from Seward, on Resurrection Bay, a distance of about 71 miles, and there ends. That likewise, as you will see, up to the present

date does not reach the interior at all.

These are practically all the railroads there are in Alaska. My recollection is that the total mileage of the Copper River & Northwestern is 195 and that the total mileage of the Alaska Northern is 71. There is a little narrow-gauge road running out from Fairbanks to some placer mines, having a length of about 40 miles. There is another one over in the Seward Peninsula here [indicating on the map], which runs out into the interior a short distance and then along the coast in connection with the fisheries and with some mines that are being operated there, are short stretches of railroad, and those are all there are in Alaska.

As to projected lines, we have no evidence that the Copper River & Northwestern Railroad people ever intended to extend their line into the interior region at all. They did intend to build a branch to the Bering coal field. The projectors of the Alaska Northern, however, say that their original purpose was to extend their line clear through to the Tanana Valley; but we are justified, as I think, in the belief that they really never did have any well-defined purpose of going any farther than the Matanuska coal field. I told you that Frost & Osborne, who acquired that road after it had been built for 20 miles, had endeavored to secure claims in the Matanuska field, and undoubtedly they were building that road for the purpose of reaching those coal fields.

ROUTES CONSIDERED BY THE COMMISSION.

Now, let us consider for a moment the routes that have been examined by the commission.

As I indicated to you, the opportunities to get into the interior are limited. The commission considered three routes. One was the Haines route from Pyramid Harbor, which I indicate here, passing through Canadian territory for a long distance, and then reaching the upper Tanana Valley and going to Fair-

banks. The commission dismissed that route, and as it seems to me very properly dismissed it, because, whatever other merit it had, it passed through territory that was foreign to ours for too long a distance. So the commission was practically restricted in its choice of routes into the interior to a route having its southern terminus either at Orca Bay-that is, at Cor-

dova—or at Controller Bay, which is adjacent, or at Seward. Some recent explorations, however, have disclosed, it is said, that by the construction of a tunnel 2 miles long a harbor can be reached on Prince William Sound opposite to Turnagain Arm, which is shown here [indicating on the map], open all the year around. If this route can be utilized the present line of the Alaska Northern need form no part of the route to the interior. Still, as I say, the commission were practically restricted in their choice to either one or the other of the two routes named. They gave their preference to the route from Cordova up the Copper River, and across to the Tanana and Fairbanks in that way, and advised also that a line be built to connect with the Alaska Northern going up what is called Knik Arm to the point I indicate here [indicating on the map]; from which point they recommended the construc-tion of two branch lines, one going to the east into the Matanuska field, and the other to the west into the Kuskokwim Valley.

Those two lines from Cordova to Fairbanks and from the terminus of the Alaska Northern into the Matanuska field and into the Kuskokwim would make up the aggregate of 733 miles recommended by the commission. They reported that these railroads will cost \$48,000 per mile, making an aggregate of \$35,000,000 or less. They also recommended the construction of a branch line from the Copper River & Northwestern to the Bering fields, so that both the coal fields would be

available by the routes recommended by them.

I do not intend to express any view whatever as to which of these routes is preferable. If the Alaska Northern route is selected, you will observe that it will pass through what is known as the Kenai Peninsula, which has some agricultural possibilities, and gold has been discovered all along the route. Then, passing Knik Arm, it will strike the valley of the Susitna, and, following up the valley of the Susitna, will pass over a divide there [indicating on the map], and then reach the Nenana coal fields, and go right through those coal fields to the Tanana and to Fairbanks.

The other line, pursuing the Copper River to its headwaters, passes over another divide there [indicating on the map] and into the Tanana Valley in the manner I have indicated.

The question arose as to whether it would not be necessary, if that route is to be pursued, to acquire the Copper River & Northwestern Railroad; in other words, whether it would not be necessary to buy that railroad from the Guggenheims. course it would be necessary to build only from this point [indicating on the map] where the road leaves the Copper River, so far as the main line is concerned. It might or might not be possible to make a traffic arrangement with the Copper River & Northwestern Railroad; and if it were not, it might be advisable either to purchase or to condemn that railroad, so that the Government itself would control the entire line down to tidewater. I wish, however, to invite your attention particularly to the fact that the Government is not obliged to do either the one thing or the other, because the commission report that one can start from Valdez, to which I point now, and, going over the Marshall Pass, which is a comparatively low pass, strike the Copper River above the mouth of the Chitina [indicating on the map] and thus get into the Tanana Valley without even paralleling, except for a very short distance, the Copper River & Northwestern Railroad.

Mr. MARTINE of New Jersey. What would be the character of the bay at the terminus here? [Indicating on the map.] Mr. WALSH.

There is an ideal bay at Valdez.

Mr. MARTINE of New Jersey. With good water? Mr. WALSH. There is practically no difference, so far as I am myself able to judge, in any of the harbors mentioned. I do not believe there is much difference in value for port purposes between Controller Bay, Cordova, and Resurrection Bay. With respect to that I may be mistaken, but there are excellent facilities for loading and unloading vessels at Valdez, and the best kind of wharves and docks. So we are under no constraint at all either to enter into a traffic arrangement with the Copper River & Northwestern Railroad, nor to purchase that road, nor to condemn it.

Likewise I point to the fact that if the new route from Prince William Sound over to Turnagain Arm is found to be feasibleand it seems altogether likely that it will be—we shall be under no obligation either to make a traffic arrangement nor to acquire by purchase or condemnation the Alaska Northern,

because we will have a seaport there which will be the terminus of the road into the Matanuska field, into the Nenana field, and into the Tanana Valley by that route. So we are in a situation where we can bargain with the Copper River & Northwestern, and if the terms are not satisfactory we can ourselves

construct a road on a line not already preempted.

Mr. CUMMINS. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Iowa?

Mr. WALSH. Certainly.

Mr. CUMMINS. The Senator made a suggestion a moment ago that I did not clearly understand. Is it true that the commission recommended the building of a line, being an ex-tension of the Alaska Northern or Alaska Central, to Fairbanks?

Mr. WALSH. No.
Mr. CUMMINS. The rather slender black line that is on
the map is not a line recommended by the commission?

Mr. WALSH. It is not.

Mr. CUMMINS. So far as the Alaska Central is concerned, as I remember the report of the commission, it recommended the extension toward the west to the Kuskokwim River, and an extension toward the east to the Matanuska field only.

Mr. WALSH. Yes.

Mr. CUMMINS. In that connection, the Senator said a moment ago that the commission had estimated that these new lines would cost \$48,000 a mile. Does it not appear in the hearings that the line of the Alaska Northern or the Alaska Central—I think they changed names at one time was built for about \$17,000 a mile?

Mr. WALSH. Eighteen thousand dollars.

Mr. CUMMINS. Eighteen thousand dollars a mile?

Mr. WALSH. It does so appear.

Mr. CUMMINS. And is it not true that the territory through which the extension is projected is quite as easy for railroad building as the line already built?

Mr. WALSH. I should say not.

I gathered from the report of the com-Mr. CUMMINS. mission, or from the hearings somewhere—I can not put my finger upon it now—that it would not cost very much more, if any more, to build the line north or west than it has cost to build the line now in existence. It might cost more, I think, to construct a branch to the coal fields. If I am wrong about that appearing in the testimony, or evidence from which that might be inferred, I should be glad if the Senator would report it out. point it out.

Mr. WALSH. I will say that in my judgment the average cost of the construction of the entire line will be very much higher than the cost of the construction of the first 20 miles of the Alaska Northern, because that proceeds, except for one place, upon a very easy grade. The conditions, as I understand, are very similar to the conditions existing in the neighborhood of Controller Bay, for instance, and the Bering fields. There are no obstacles there at all. It is practically

a flat surface.

Mr. CUMMINS. That part of the road is built up a ravine or pass, and a large part of it is built on a side of a mountain,

Mr. WALSH. Yes; that is the case. Mr. CUMMINS. With all the incidental cutting and bridging

Mr. CUMMINS. With all the inchestral cutting and bridging which that sort of topography requires?

Mr. WALSH. Yes. I will say that that testimony was given to us by the man who actually built the road—Mr. Ballaine. He built the first 20 miles of the road and then sold it. He came forward and testified that that was what it actually cost, and that his books would verify the statements he made.

Mr. CUMMINS. One more question, to see if I am getting my facts right. The thirty-five million and some hundred thousand dollars named in the bill as originally introduced is the aggregate of the estimate of the engineers for the extensions suggested, both for the Alaska Northern and for the Copper River & Northwestern. This amount does not include the cost of building from the inland termini of these two roads, or from a point proximate to the inland termini, to the sea, as I read

Mr. WALSH. No; that is my recollection.

Mr. CUMMINS. So what is really in contemplation, so far as the provision here made is concerned, is the extension of these two lines of road into the interior?

Mr. WALSH. Exactly.
Mr. CUMMINS. Let me ask the Senator one more question.
If the President were to find it advisable to purchase or condemn these two railroads, or either of them, there would have to be a further appropriation of the money required to make that purchase or pay for that condemnation?

Mr. WALSH. That is my recollection about it. I may be in error about the matter, but that is my understanding.

Mr. CUMMINS. However, under the terms of the bill, the President could obligate the United States to pay the additional sums of money that would be required for the purchase or the condemnation of the two existing lines of railway?

Mr. WALSH. If it should be necessary to acquire them, as I have indicated, he could do so by the further authority of

Congress.

PRESENT TRANSPORTATION PROBLEMS.

I want now to say something in relation to the transportation situation in Alaska as it is to-day. In order to understand that, we shall have to bear in mind the activities of the Alaska Syndicate, which exercises so potent an influence in every department of life in the Territory.

The Alaska Syndicate is a partnership, as nearly as the testimony will enable us to judge, between J. P. Morgan & Co. and the Guggenheim interests, the firm of Close Bros. having stock in the syndicate to the extent of \$500,000. Nothing need be said concerning the power in the financial world of the firm of J. P. Morgan & Co., nor, perhaps, for that matter, of the Guggenheims, except that it might be mentioned that the vast Gugenneims, except that it might be mentioned that the vast and varied activities in which they engage will be found recited in Moody's and Poor's Manuals. It is enough here to say that their business is chiefly mining. They dominate the smelting industry to a very large extent, and are understood to be large owners, if not the controlling owners, of the American Smelting & Refining Co., popularly known as the Smelting Trust. They own and operate all of the smelters on the Pacific coast. The Alaska Syndicate own the Alaska Steamship Co., which is the principal company plying from Seattle to Alaska. which is the principal company plying from Seattle to Alaskan ports. While it is not demonstrated that they own the Northern Navigation Co., which is the principal company engaged in transportation on the lower Yukon River, they sustain the most intimate relations with that company. They do own, however, the Northern Commercial Co., which is the principal mercantile company engaged in business along the Yukon River, with stores at practically all of the important points. They own, as I told you some time ago, the Copper River & North-western Railroad. They own the Kennicott mines, and have recently acquired the Beatson and the Ellamar copper mines in the neighborhood of Prince William Sound. The fact is that they own all of the actually producing copper mines in Alaska. They own the Northwest Fisheries Co.

Mr. OVERMAN. Mr. President, the Senator from Montana has been speaking for several hours. I suggest that he might continue his speech to-morrow and that the Senator from Georgia [Mr. Bacon] move an executive session.

Mr. BACON. If that course is agreeable to the Senator from

Montana, I will do so. Mr. WALSH. It is.

EXECUTIVE SESSION.

Mr. BACON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened, and (at 5 o'clock and 10 minutes p. m.) the Senate adjourned until to-morrow, Thursday, January 15, 1914, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 14, 1914.

MEMBER OF THE CALIFORNIA DÉBRIS COMMISSION.

Maj. Robert R. Raymond, Corps of Engineers, United States Army, for appointment as a member of the California Débris Commission, provided for by the act of Congress approved March 1, 1893, entitled "An act to create the California Débris Commission and regulate hydraulic mining in the State of California," vice Lieut. Col. Charles H. McKinstry, Corps of Engineers, United States Army, to be relieved.

RECEIVERS OF THE PUBLIC MONEYS.

Joseph Allen, of Tulare, Cal., to be receiver of public moneys at Visalia, Cal., vice Arthur H. Swain, term expired.

James P. Folger, of Kemmerer, Wyo., to be receiver of public moneys at Evanston, Wyo., vice Frank M. Foote, resigned.

Charles R. Yeoman, of Newcastle, Wyo., to be receiver of public moneys at Sundance, Wyo., vice Cyrus E. Carpenter, whose term will expire February 21, 1914.

REGISTERS OF THE LAND OFFICE.

Miles Waliace, of Fresno, Cal., to be register of the land office at Visalia, Cal., vice George W. Stewart, whose term will expire March 14, 1914.

Alex Nisbet, of Evanston, Wyo., to be register of the land office at Evanston, Wyo., vice Thomas V. Davis, whose term will expire January 24, 1914.

UNITED STATES MARSHAL.

Joseph P. Dillon, of Arizona, to be United States marshal, District of Arizona, vice Charles A. Overlock, removed.

PROMOTIONS AND APPOINTMENTS IN THE NAVY.

Second Lieut. Francis T. Evans to be a first lieutenant in the Marine Corps from the 17th day of September, 1913.

The following-named citizens to be assistant dental surgeons in the Dental Reserve Corps of the Navy from the 29th day of December, 1913: Meyer L. Rhein, a citizen of New York;

Clarence J. Grieves, a citizen of Maryland; Charles W. Rodgers, a citizen of Massachusetts; Clyde M. Gearhart, a citizen of Ohio; John R. Barber, a citizen of Minnesota; and David J. Alexander, a citizen of Virginia.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 14, 1914.

POTMASTERS.

NEW MEXICO.

M. McCreary, Magdalena.

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Stephen D. Carroll, Painesville. L. H. Chapin, Hudson. David B. Dick, Harrison. A. Ross Rend, Akron. George M. Sizelove, Camden. A. N. Warren, Sylvania. Royal M. Wheeler, Mantua. George G. Wilkinson, East Palestine.

HOUSE OF REPRESENTATIVES.

Wednesday, January 14, 1914.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the fol-

Eternal God, our heavenly Father, inspire us by the stars that shine above us, by the hopes that fill our breast, by the voice that speaks within us, to larger faith and confidence in Thine infinite wisdom, power, and goodness; that doubts may disappear, fear vanish, and overwhelming love bring us to our knees and lift us again to our feet by the light of heaven, in the strength of infinite power; that we may be Thine to struggle, Thine to conquer. And blessing and honor and praise be Thine through Him who taught us the way and the truth and the life.

The Journal of the proceedings of yesterday was read and approved.

ENROLLED BILLS SIGNED.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 3484. An act to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, being chapter 231 of Thirty-sixth Statutes at

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL. Mr. ASHBROOK, from the Committee on Enrolled Bills,

reported that this day they had presented to the President of the United States for his approval the following bill:

H. R. S142. An act to authorize the construction, maintenance, and operation of a bridge across the Bayou Bartholomew at or near Wilmot, Ark.

RAILROADS IN ALASKA.

The SPEAKER. This is Calendar Wednesday, and the House resolves itself automatically into Committee of the Whole House on the state of the Union to consider the bill H. R. 1739, the Alaskan railroad bill, and the gentleman from Mississippi [Mr. HARRISON] will take the chair.

The House resolved itself into Committee of the Whole House on the state of the Union with Mr. HARRISON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 1739, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 1739) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes.

The CHAIRMAN. The gentleman from Tennessee [Mr. Houston] is recognized.

Mr. STAFFORD. Will the gentleman from Tennessee yield for a question before he yields time?

Mr. HOUSTON. Yes. Mr. STAFFORD. I I would like to ask the gentleman from Tennessee whether the entire day is going to be consumed in general debate?

Mr. HOUSTON.

Mr. HOUSTON. Yes. Mr. STAFFORD. Can the gentleman inform the committee whether or not members of the committee are going to speak, or who is going to speak on the bill, in advance, so that Members can be advised as to who will talk on the bill to-day?

Mr. HOUSTON. I can state to the gentleman that several members of the committee have expressed a desire to speak today, and perhaps the entire day may be taken up by members of the committee. It is quite probable.

Mr. STAFFORD. Is the gentleman certain that the entire

day will be consumed in general debate?

Mr. HOUSTON. Oh, yes; it is the understanding that we will give the entire day to general debate. No limitation of time will be placed upon the debate to-day.

The CHAIRMAN. The gentleman from Tennessee [Mr.

Houston) is recognized.

Mr. HOUSTON. Mr. Chairman, it was understood that the gentleman from Ohio [Mr. BRUMBAUGH] would speak first this morning, but I do not believe he is in the Chamber. The Dele-

gate from Alaska [Mr. Wickersham] will be next on the list.

The CHAIRMAN. The gentleman from Alaska is recognized

Mr. HOUSTON. Mr. Chairman, will the gentleman yield to me for a moment before he begins?

The CHAIRMAN. Does the gentleman from Alaska yield? Mr. WICKERSHAM, Yes.

Mr. HOUSTON. I desire to ask unanimous consent that the gentleman from Alaska be allowed time sufficient to conclude his remarks. I feel that one hour will not be sufficient for him to go through the details as he may perhaps want to do, and therefore I ask that he may have time to conclude his remarks.

Mr. DAVENPORT. Is it not understood that those who have prepared speeches may be given sufficient time to conclude their remarks as a general proposition, without limitation of time? I suggest that we have heretofore been operating under that rule.

The CHAIRMAN. Is there objection to the request of the

gentleman from Tennessee?

Mr. STAFFORD. Mr. Chairman, reserving the right to object, I think there should be some limitation as to time. While I do not see fit to object to a liberal amount of time being given to members of the committee, still I think there should be some limitation.

Mr. GARRETT of Tennessee. Mr. Chairman, each request for unanimous consent has to stand by itself in Committee of

Mr. HOUSTON. That was my idea and my understanding, that it would be necessary that the consent be given to each Member. I make that request now, Mr. Chairman, in behalf of the Delegate from Alaska.

The CHAIRMAN. The gentleman from Tennessee Houston] asks unanimous consent that the gentleman from Alaska [Mr. Wickersham] be allowed time to conclude his

speech.

Mr. HUMPHREY of Washington. There is no time fixed for closing debate, is there?

Mr. HOUSTON. No; no time has yet been fixed for closing debate.

The CHAIRMAN. The gentleman from Tennessee HOUSTON] asks unanimous consent that the gentleman from Alaska [Mr. Wickersham] be permitted to continue his remarks until he concludes. Is there objection?

Mr. STAFFORD. Reserving the right to object, would it not be better for the chairman of the committee to ask that the Delegate from Alaska have two or three hours? To grant unlimited time might incline a Member to occupy not only to-day but next Wednesday and the entire session, so far as Calendar Wednesday is concerned.

Mr. GARRETT of Tennessee. I will say to the gentleman from Wisconsin that the request is not unusual in cases like this. Mr. FITZGERALD. Let the gentleman speak for an hour,

Mr. FITZGERALD. Let the gentleman speak for an hour, and then we may agree on it.

Mr. HOUSTON. I think we might as well have the consent now, Mr. Chairman, if we can get it.

The CHAIRMAN. Is there objection?

Mr. STAFFORD. I object, for the present. I will say to the gentleman from Alaska that there will not be any objection

The CHAIRMAN. The gentleman from Wisconsin objects.

Mr. WICKERSHAM. Mr. Chairman, the bill before the House—H. R. 1739—was originally prepared by the Delegate from Alaska. Two opposing schools of thought have given much attention to the question of the development of Alaska. One insists upon the open door, upon allowing the widest lati-tude to individual effort in the Territory, and its most advanced members are those who think the way to develop Alaska is to turn its resources over to those who have the wealth to develop them. They insist that the Government shall do nothing more than to give ready assistance to every effort of individuals to secure title to all the bonanza resources of Alaska, with the privilege of immediately transferring them to monopoly. They insist that all that is necessary to do in Alaska is to raise the embargo and to permit the people of the United States to acquire title to the resources, leaving the laws of trade and commerce to deal with the question of transportation and the operation of production. That is radical reaction. But there is a more progressive view held by many, and it is

clearly stated in the following language:

clearly stated in the following language:

Alaska, as a storehouse, should be unlocked. One key to it is a system of railways. These the Government should itself build and administer, and the ports and terminals it should itself control in the interest of all who wish to use them for the service and development of the country and its people. But the construction of railways is only the first step; it is only thrusting in the key to the storehouse and throwing back the lock and opening the door. * * * It is a part of our general problem of conservation. * * * We must use the resources of the country, not lock them up. * * * The resources in question must be used, but not destroyed or wasted; used, but not monopolize upon any narrow idea of individual rights as against the abiding interests of communities.

That is progressive democracy, and I shall give it my ap-

proval and support.

Pioneers go into a new country hoping to find some of its natural resources in such quantity and under such circumstances that they can be readily acquired and easily turned into wealth. The great West was developed upon that plan. The people were allowed to go upon the public domain, to locate mines and homesteads, and to acquire all of the resources of the public domain in small and individual lots for their own use. Certainly times have changed since those early days when the pioneers thus acquired their individual holdings in the Western States. The disturbing element is monopoly. Big business has learned that bigger business may be acquired by combinations. The great master of financial combinations taught the lesser masters how to acquire property through combination and monopoly. Even the great master himself, in conjunction with the Guggenheims, under the title of the Alaska Syndicate, became the master of monopoly in Alaska. When people inquire what is the matter with Alaska it may be answered: The Alaska Syndicate,

Mr. MADDEN. What does the Alaska Syndicate do, or what

does it not do?

Mr. WICKERSHAM. If the gentleman will possess his soul in patience, I will tell him a great many things they do and a great many things they do not do.

Mr. MADDEN. I am asking for information. Mr. WICKERSHAM. The gentleman will get it if he will be

Mr. MADDEN. I am patient. I supposed the gentleman wanted to tell the House.

Mr. WICKERSHAM. I certainly do, and I shall be glad to have the opportunity.

The Alaska problem is easily presented for discussion, for it is a question of Government or Guggenheim—which? Shall the Is a question of Government or Guggenneim—which? Shall the Territory be controlled by its constitutional trustee or the trusts? Shall it be owned by the people or by monopoly? Shall its resources be opened to acquisition and use by the pioneer prospector and homeseeker or unfairly monopolized by one great syndicate? Shall the Government or the Guggenheims control the destiny of Alaska and its people—which?

The bill under discussion is in the interest of the people and puts the issue of Government or Guggenheim control in Alaska squarely to the vote of this House. Which shall it be—Government or Guggenheim?

DRAFTING THE ALASKA BAILWAY BILL.

Everything we attempt in the way of development in the Territory is hindered by this overshadowing evil. If we begin the building of a railroad, the financial power of the Alaska Syndicate destroys its credit, prevents it from securing money, and renders the whole scheme abortive. If we apply to Congress for aid in building a national railroad in Alaska, it is at once whispered that our efforts will be of some advantage to the Alaska Syndicate—and none whisper this so incessantly as lobbyists for the Alaska Syndicate. They have walked the public corridors, visited the offices of Members, flooded the mails with letters and printed matter, and in every way sought to prejudice Members against the bill now before the House. This insidious warfare was expected, and in the preparation of the bill effort was made to put it upon so high a plane that their efforts would be minimized. For that reason the bill before the House was so drafted as to place the power of locating and constructing the railroad with the President. The bill was largely copied after the present law for the construction of the Panama Canal, which puts the whole power and responsibility upon the President. The bill provides generally that the President shall locate and designate the route or routes for the line of railroad in the Territory of Alaska to be so located as to connect one or more of the Pacific coast harbors with the navigable waterways of the interior and with a coal field or fields yielding coal sufficient in quality and quantity for naval use. If any attempt had been made by the bill to fix a specific route, then a clamor from every other locality would have been raised. Those supporting the bill would have been accused of having some interest in or along the line of location. If the bill had designated a commission to make the location and to build the road, equally vigorous accusations of attempting to secure unfair advantages would have been made. If the bill, like the Pacific Railway bills, had organized a specific corporation, designated its incorporators, and given them a land grant, the clamor would have been greater. If the bill had specifically prevented the President from making any location of the road in connection with any other road that would have brought criticism and increased lobbying. If the bill had limited the President to any particular route, it would have been open to grave criticism, upon the ground that Congress has no such information as would justify it in choosing any particular route or any particular region. The committee having charge of this bill had entire confidence in the President and believed the sauest method of securing the best results was to put the whole burden and responsibility upon his shoulders.

Mr. SCOTT. Mr. Chairman, will the gentleman yield for a question?

Mr. WICKERSHAM. I yield.

Mr. SCOTT. I am asking for information. Is it the proper interpretation of this bill that it shall connect the harbor with the interior waters or merely connect with some existing line which rests upon a harbor of the seaboard?

Mr. WICKERSHAM. That matter, of course, is left entirely with the President, who is given power in the bill to locate the

route of the railroad.

Mr. SCOTT. But there is an appropriation of a specific sum here, which is probably based upon estimates. Do those esti-mates contemplate the construction from some inland point on interior waters or does this contemplate construction from the seaboard?

Mr. WICKERSHAM. There is nothing in the bill which limits the President in any way to any thought which any member of the committee may have had in his mind at the time the bill was prepared, and it is not known what the President will do if the bill passes. The bill provides that the line shall connect the southern coast harbors with the inland waterways of Alaska.

Mr. SCOTT. There is an appropriation of \$35,000,000 and a mileage of 733 miles.

Mr. WICKERSHAM. Yes.

Mr. SCOTT. Is it not impossible with that sum of money to construct a line from the seaboard to the interior waters?

Mr. WICKERSHAM. It is not impossible; it is quite pos-

It is quite possible?

Mr. WICKERSHAM. Yes; according to all the estimates.
Mr. SCOTT. And build the terminals?
Mr. WICKERSHAM. And build the terminals.
Mr. CALLAWAY. Mr. Chairman, will the gentleman yield?
The CHAIRMAN. Does the gentleman from Alaska yield to the gentleman from Texas?

Mr. WICKERSHAM. Yes.

Mr. CALLAWAY. The President is not limited by this bill to any specific route or mileage or anything of that kind. He is just given the power to have \$35,000,000 worth of bonds to go into the railroad business within the Territory of Alaska, is he not?

Mr. WICKERSHAM. That is the gentleman's interpretation

of the bill. 'The bill speaks for itself,

Mr. CALLAWAY. There is no place fixed for him to start and no place fixed for him to stop.

Mr. WICKERSHAM. Oh, yes; there is.

Mr. CALLAWAY. No specific mileage laid out that he is to

Mr. WICKERSHAM. The gentleman is mistaken about that, said that the bill provided for a limitation upon the President to this extent only, that he connect the southern harbors in Alaska with the inland waterways and reach a coal field he may obtain naval coal. Otherwise there is no

Mr. CALLAWAY. There is no particular harbor and no particular coal field designated, is there?

Mr. WICKERSHAM. No.

Mr. CALLAWAY. Any southern harbor and any coal field? Mr. WICKERSHAM. Yes; entirely in the discretion of the President.

Mr. CALLAWAY. And, further, is he not given the power either to build roads for the purpose of being operated by the Government or to buy roads?

Mr. WICKERSHAM. That is all covered by the bill, and the gentleman can read it and understand it just as well as I can, and I think it is better to continue my speech.

Mr. SIMS. Would not the gentleman prefer to make his regular address and answer questions afterwards?

Mr. WICKERSHAM. I would.

Mr. SIMS. Inasmuch as the gentleman in his speech may answer many questions which otherwise would be asked.

Mr. WICKERSHAM. I think I will answer all the questions

before I conclude my speech.

Mr. SIMS. And the gentleman would like to proceed? Mr. WICKERSHAM. Yes.

There have been no surveys made over any of the routes to which Congress has access. If such surveys have been made with sufficient definiteness to justify the choice of a particular route, the Committee on Territories did not have such information. was therefore determined by the committee, in view of all the circumstances, to report a bill to the House which should leave the entire responsibility for the choice of the route and the expenditure of the appropriation with the President. The bill before the House gives him ample authority to organize a force of railroad builders under some competent engineer, to be chosen by him, and to expend the money in the building of the road along the line determined by him, exclusive of any individual interest or influence. But, the opponents of the bill suggest, the President may build this road in such a way as to connect with the Guggenheim road, thereby giving them some advantage in transportation in Alaska which they do not now have. Certainly the bill is open to that objection. It was left open to that objection in the effort to give all authority to the President of the United States, in whom all have confidence. Under the bill the President has the widest latitude of power to locate the proposed railroad over the best route in Alaska, with the general limitation that it must connect one of the southern harbors with naval coal and the interior waterways. The President can build such a road over such a route without giving the Alaska syndicate railway any advantages in doing so. The committee believed that he would so locate and construct the road without seeking to betray the people of Alaska and of the United States in the expenditure of this appropriation.

If there are gentlemen in this House who think the President of the United States can not be trusted to do that, let them vote against the bill. The people of the United States had confidence enough in the President to elect him as their Chief Magistrate. The Committee on the Territories had confidence enough in him to believe that he will locate the railroad designated in this bill and expend the money appropriated in good faith and without misapplication. The committee believed there would be no scandal and no misapplication of the appropriation from the legitimate purpose of the act if the responsibility was left with the President, and so believing the bill was reported in its present form.

AN ADMINISTRATION MEASURE.

The plan proposed in the bill for the location and construction of a railroad in Alaska is a Democratic administration plan; it is strictly within the pledges of the Progressive platform and has the support of that party and of Republican majorities.

In his message to this Congress the President declared that the long-locked resources of Alaska should be opened to use and development without monopolization, and he declared that one key to its storehouse of riches is a system of railroads. he said, "the Government itself should build and administer, and the ports and terminals it should itself control in the interest of all who wish to use them for the service and

development of the country and its people."

The announcement of this definite plan for development in Alaska removes the consideration of Alaska affairs from the domain of muckraking and scandal to that of fair discussion of ways and means. It is a proposition to do in Alaska what was done by the United States in every State and Territory in the South and West, for each State and Territory, except the original thirteen States and Alaska, was permitted to use part of its land resources in the building of turnpikes, canals, or The bill now before the House only proposes to do the usual thing in Alaska, but would do it more wisely, more economically, and with more particular regard to the rights of the people who own the public lands. Instead of conveying large areas of the public land to private corporations as a bonus to procure them to build the railroads, as was the earlier plan, it is now proposed that the United States instead of the corporation shall sell the lands to the people for homes and use the money received for the lands in building the railroad, whereby the people will have both the lands and the railroad. Such is the transaction on its face.

THE STATUS OF ALASKA.

Before entering upon a consideration of the particular merits of the bill before the House, it seems necessary to consider the political status of Alaska and its relationship to other members of the United States of America. If it is truly a member of that national family, though in Territorial infancy, it is justly entitled to the same treatment as its elder brothers and sisters received in their youthful struggles for a start in life, If it shall appear that it has been incorporated into and is a part of the body of the Nation, in the same sense that other Territories were within the present limits of the United States, then it follows that it will be entitled to the same advantages in development as those Territories had. What is the political status of Alaska?

Alaska was purchased from Russia in 1867, and the purchase price of \$7,200,000 paid out of the Public Treasury. The Louisiana territory was likewise purchased from France in 1803, and the burchase price of \$12,000,000 was paid out of the Public Treasury. In exactly the same businesslike way the United States, in 1848, purchased California. New Mexico, and Arizona, and paid the purchase price of \$15,000,000 out of the Public Treasury. The Louisiana, Mexican, and Alaskan treaties each contained substantially the same obligation on the part of the United States to admit the inhabitants of the acquired territory "to the enjoyment of all the rights, advantages, and immunities of citizens of the United States." Alaska thus stands exactly equal with the Louisiana Purchase and all the States carved therefrom, exactly equal with California, Arizona, and New Mexico, in respect to its entrance by purchase into the body of the Nation, and the United States is bound by exactly the same promise of incorporation and statehood to Alaska that it made in the Louisiana and Mexican treaties.

The American statesmen who conducted and concluded the negotiations for the purchase of Alaska from Russia purposely employed the form used in the acquisition of the Louisiana territory, of California, Arizona, and New Mexico. They fully appreciated its effect and officially declared their purpose in so doing. In his fourth annual message to Congress President Johnson expressed his purpose in procuring the cession of Alaska in this significant language:

The acquisition of Alaska was made with a view of extending national jurisdiction and republican principles in the American hemisphere.

And in his great speech in support of the ratification of the treaty of purchase Senator Sumner was even more specific in dedicating Alaska to future statehood in the Union. He said in part:

But your best work and most important endowment will be the republican government which, looking to a long future, you will organize, with schools free to all and with equal laws, before which every citizen will stand erect in the consciousness of manhood. Here will be a motive power without which coal itself will be insufficient. Here will be a source of wealth more inexhaustible than any fisheries. Bestow such a government, and you will bestow what is better than all you can receive, whether quintals of fish, sands of gold, choicest fur, or most beautiful ivory.

The political structure of the present Territory and future State of Alaska is based upon the solid foundation of the national pledge contained in article 3 of the treaty of cession, which reads as follows:

ART. 3. The inhabitants of the ceded territory, according to their choice, reserving their natural allegiance, may return to Russia within three years; but if they should prefer to remain in the ceded territory, they, with the exception of uncivilized native tribes, shall be admitted to the enjoyment of all the rights, advantages, and immunities of citizens of the United States, and shall be maintained and protected in the free enjoyment of their liberty, property, and religion.

We are not left in doubt as to the effectiveness of this effort. to make Alaska part of the body of the Nation, for while its material development has long been neglected by Congress, the Supreme Court of the United States, in a series of well-considered cases coming from Alaska, has declared and firmly established its right to membership in the national family.

In 1896 that court, in the Coquitlam case (163 U. S., 346-352)

declared that "Alaska is one of the Territories of the United declared that "Alaska is one of the Territories of the Chrical States," in the political sense. That decision was affirmed in Binns v. United States (194 U. S., 486-491), where the court added: "Nor can it be doubted that it is an organized Territory." In the case of Rasmussen v. United States (197 U. S. 516), the question whether Alaska was incorporated into the body of the Nation was squarely presented, fully argued, and finally determined. The court said (p. 522):

This brings us to consider the treaty by which Alaska was acquired and the action of Congress concerning that acquisition, for the purpose of ascertaining whether within the criteria referred to in Downes against Bidwell, and adopted and applied in Dorr against United States. Alaska was incorporated into the United States. The treaty concerning Alaska, instead of exhibiting, as did the treaty respecting the Philippine Islands, the determination to reserve the question of the status of the acquired territory for ulterior action by Congress, manifested a contrary intention, since it is therein expressly declared in article 3 that:

"The inhabitants of the ceded territory shall be admitted to the enjoyment of all the rights, advantages, and immunities of citizens of the United States, and shall be maintained and protected in the free enjoyment of their liberty, property, and religion."

"This declaration, although somewhat changed in phraseology, is the equivalent, as pointed out in Downes against Bidwell, of the formula employed from the beginning to express the purpose to incorporate acquired territory into the United States, especially in the absence of other provisions showing an intention to the contrary. And it was doubtless this fact conjoined with the subsequent legislation of Congress which led to the following statement concerning Alaska made in the opinion of three, if not four, of the judges who concurred in the judgment of affirmance in Downes v. Bidwell (p. 335):

"Without referring in detail to the acquisition from Russia of Alaska, it suffices to say that that treaty also contained provisions for incorporation and was acted upon exactly in accord with the practical construction applied in the case of the acquisition from Mexico, as just stated. * * Indeed, both before and since the decision in Downes against Bidwell, the status of Alaska as an incorporated Territory was and has been recognized by the actions and decisions of this court."

Alaska was a territory in 1878, when the following section of the United States Revised Statutes extended the Constitution over it:

The Constitution and all laws of the United States which are not locally inapplicable shall have the same force and effect within all the organized Territories, and in every Territory hereafter organized as elsewhere within the United States.

And in the Rasmussen case the Supreme Court declared:

Under the treaty with Russia ceding Alaska and the subsequent legislation of Congress, Alaska has been incorporated into the United States and the Constitution is applicable to that Territory.

It is not necessary to cite other authorities or argument to demonstrate that Alaska is one of the Territories of the United States; it is an organized Territory; the Constitution of the United States extends over it; it is incorporated into the United States; it occupies the identical plane of relationship to the United States and to the several States that other Territories did in their day; the treaty of cession pledged the United States that the inhabitants thereof "shall be admitted to the enjoyment of all the rights, advantages, and immunities of citizens of the United States," and therefore, in the natural course of events, when its territory shall be settled and organized and when its growth and permanent development shall make it desirable, one or more sovereign States will be organized out of the Territory of Alaska and admitted into the

Assuming, then, that Alaska Territory—the embryo State of Alaska—is equal in right before the Constitution and the law of the land with every other Territory or State, we may also assume that it is entitled to an equal share of internal improvement with every other Territory or State-especially out of its own public lands.

POWER OF THE UNITED STATES TO CONSTRUCT AND OPERATE RAILROADS.

Another preliminary question arises touching the power of the United States to locate, build, and operate a railroad in Alaska, even though it be done out of the income from the sale of its public lands.

Careful attention has been given to a consideration of the power of Congress to enact the legislation offered in the bill as reported. Section 8 of Article I of the Constitution provides

The Congress shall have power * * * to provide for the common defense and general welfare * * *; to borrow money on the credit of the United States * * ; to regulate commerce among the several States * * *; to establish post offices and post roads * * * ; to raise and support armies * * * ; to provide and maintain a Navy * * ; to exercise authority over all places purchased * * * ; for the erection of forts, magazines, arsenals, dockyards, and other needful buildings * * * ; to make all laws which shall be necessary and proper for carrying into execution the foregoing powers, etc.

Section 3, Article IV, also provides that-

The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States.

Each of the foregoing clauses of the Constitution gives warrant to some feature of the bill and affords authority for the legislation proposed.

The objects of this bill are the development of the agricultural and mineral resources of Alaska, the settlement of the public lands in Alaska, to provide transportation for coal for the use of the Army and Navy, to establish post roads, and transport the mails in Alaska.

Certainly it is late to raise the constitutional question, for more than a century ago the United States built the Cumber-land Read, from the Potomac to the Ohio, and paid the cost. \$8,000,000, out of the Public Treasury. Every Congress passes a river and harbors bill appropriating millions of dollars out of the General Treasury for the improvement of rivers for the transportation of freight—there is no difference in principle between these river and harbor appropriations and the one now suggested for building a railroad in Alaska, except that it is proposed to pay for the road in Alaska out of its public lands—just as was done in the building of the land-grant roads in the Southern and Western States and Territories. The Su-preme Court of the United States had before it the question arising out of the objection to the constitutional power of the United States to build the Panama Canal, in the case of Wilson v. Shaw (204 U. S., 24-33), where the court said:

United States to build the Panama Canal, in the case of Wilson v. Shaw (204 U. S., 24-33), where the court said:

Again, plaintiff contends that the Government has no power to engage anywhere in the work of constructing a railroad or canal. The decisions of this court are adverse to this contention. In California v. Pacific Railroad Co. (127 U. S., I, 39) it was said:

"It can not at the present day be doubted that Congress, under the power to regulate commerce among the several States, as well as to provide for postal accommodations and military exigencies, had authority to pass these laws. The power to construct, or to authorize individuals or corporations to construct, national highways and bridges from State to State is essential to the complete control and regulation of interstate commerce. Without authority in Congress to establish and maintain such highways and bridges it would be without authority to regulate one of the most important adjuncts of commerce. This power in former times was exerted to a very limited extent, the Cumberland or National Road being the most notable instance. Its exertion was but little called for, as commerce was then mostly conducted by water, and many of our statesmen entertained doubts as to the existence of the power to establish ways of communication by land. But since, in consequence of the expansion of the country, the multiplication of its products, and the invention of railroads and locomotion by steam, land transportation has so vastly increased, a sounder consideration of the subject has prevailed and led to the conclusion that Congress has plenary power over the whole subject. Of course, the authority of Congress over the Territories of the United States and its power to grant franchises exercisable therein are, and ever have been, undoubted; but the wider power was very freely exercised, and much to the general satisfaction, in the creation of the vast system of railroads connecting the East with the Pacific, traversing States as well as Territories, and employing

These authorities recognize the power of Congress to construct interstate highways. A fortiori, Congress would have like power within the Territories and outside of State lines, for there the legislative power of Congress is limited only by the provisions of the Constitution and can not conflict with the reserved power of the States. Plaintiff, recognizing the force of these decisions, seeks to obviate it by saying that the expressions were obliter dicta, but plainly they were not. They announce distinctly the opinion of this court on the questions

presented and would have to be overruled if a different doctrine were now announced. Congress has acted in reliance upon these decisions in many ways, and any change would disturb a vast volume of rights supposed to be fixed; but we see no reason to doubt the conclusions expressed in those opinions, and adhere to them. The court of appeals was right, and its decision is affirmed.

There is, then, no doubt about the equal right of Alaska before the Constitution and the law to the railway aid asked for in this bill, and no doubt about the power of Congress to grant it. AREA OF ALASKA, 590,884 SQUARE MILES.

Alaska is national in area, in the magnitude and variety of its resources, and in its capacity to support population. It is almost 200,000 square miles greater in area than the original 13 States when they adopted the Constitution and became one of the nations of the world. The following table will give a comparative view of the area of the 13 States and other specified States carved out of their public lands having a smaller combined area than Alaska:

pyu	are mines.
DelawarePennsylvania	2, 050 45, 215
New Jersey	7, 215
Georgia Connecticut Massachusetts	59, 475
Connecticut	4,990
Massachusetts	8, 315
Maryland	12, 210
South Carolina	
New Hampshire	9, 305
Virginia (including West Virginia)New York	67, 230
New York	49, 170
North Carolina	
Rhode Island	1, 250
Area 13 original States	349, 845
Vermont	9, 565

tucky	40, 400
nessee	42,050
0iana	41, 060 36, 350
nois	56, 650
Total area of 20 States	575, 920

as Oklahoma; it is equal in area to 10 average States of the American Union.

Compare it with the following European countries:

Squa	re miles.
Norway Sweden Finland Denmark England and Wales Scotland Ireland	124, 445 172, 867 144, 255 15, 388 58, 575 30, 443 32, 373
Total	578, 346
Alaska	590, 884

France and Germany, in Europe, have only 415,884 square miles, while Spain and Portugal together are not one-half as large as Alaska. Norway, Sweden, and Finland, on the same northern latitude as Alaska, with a combined area of only 441,567 square miles, support a population of 10,884,839 almost exclusively from their agricultural products, for they have no gold, nor coal, nor copper, and their fisheries do not compare in magnitude of value with those of Alaska.

COAST LINE-ISLANDS.

Alaska's coast line is more than 35,000 miles in length, while that of the United States on its Atlantic, Gulf, and Pacific coasts does not exceed 22,000 miles. More than 20,000 miles of the Alaska coast line are washed by the surging tides and the warm waters of the Kuro-shiwo, the Japanese "black stream," ever carrying eastward its tropic waters along the south shores of the Aleutians into the innumerable straits and passages between the thousand islands, great and small, along the continental shores of southern Alaska. The Aleutians, like a rope of pearls, stretch from Unimak to Atka, a distance of more than 500 miles east and west. The islands in the Aleutian group are in a temperate climate and are fit for the habitation of man. Those in southern Alaska, from Kodiak to the Prince of Wales, are well forested, highly mineralized, and offer tempting inducements to hardy settlers. Their waters teem with salmon, halibut, and cod; their shores are covered with shellfish and other sea foods; when the tide is out the table is set. Gold, copper, marble, gypsum, and other minerals are found in quantity and richness in their hills, while the valleys and level areas are fit for agriculture. The climate from Kodiak to Ketchikan is mild and humid; it corresponds, winter and summer, to that of Wash-

ington, D. C., or Richmond, Va. These innumerable Alaskan islands offer homes, happiness, plenty, and prosperity to people who care to accept these blessings. It will not, however, be a "prairie schooner" move nor a "cowboy" existence, but one braver, hardier, and with a more certain future. Here will gather that hardy population of "fisher folk" so familiar in the history of Maine and Massachusetts, supplemented by the marble quarrymen of Vermont and the miners of gold and copper.

MOUNTAIN RANGES, GLACIERS, AND VOLCANOES.

The Cordilleran Mountain Range rises out of the Antarctic seas at Cape Horn, stretches northward along the western coast line of South and North America to Alaska, and thence out upon There it dips into the sea again, only the Alaska Peninsula. the peaks of the Aleutian Islands, stretching away toward the volcanoes of Japan and the Malay Peninsula, to mark the course of the old equatorial earth crack which produced them From Ketchikan to Seward, from Cook Inlet to the end of the Alaska Peninsula, it forms a barrier to the inland progress of the rain clouds which rise off the warm waters of the Japan current and float landward to drop their moisture on its seaward slopes. As the clouds ascend the mountain heights the decreasing temperature wrings them dry. The cloud disappears, the snowfall is added to the glaciers' bulk, and the air current, freed of its burden, drops to the interior region minus its moisture, and dry. And thus are glaciers formed and maintained on the seaward side of the slope, and thus the interior is supplied with dry air and little moisture.

There are no glaciers in Alaska behind the Coast Range except on Mount McKinley, Mount Hayes, and the Mount Wrangell group. No glaciers are found north of the Kuskokwim or the Tanana. None are to be found in the great interior valleys, nor from there northward to the Arctic Ocean. Some people imagine Alaska to be widely glaciated, but less than 1 per cent of its area is covered. Then, too, glaciers have a high economic value. They are generally located in high mountain canyons, unfit for agriculture or other use. When the long, hot days of summer come the streams of the lowlands are parched. The Tanana, the Ohio River of the North, would then disappear but for the glacial waters which pour down from the southern summits. The horde of salmon, the food supply of our Indians, ascending to spawn and renew the race, come on this rise. A Nile-like flood of turbid glacial waters brings richness of silt and top soil, the spawning fish, and the steamboats to a land that would suffer without it. On the coast, from California to Alaska, the high mountain glaciers afford a never-failing source of water power during the season of drought. Alaskan glaciers have a greater potential and economic value for the production of heat, light, and power-for the generation of electricity-than Alaskan forests, and Alaska has forestry reservations larger than the State of Ohio.

Thousands of Americans annually visit the Old World to enjoy its scenery, to view the flords of Norway, the mountains and glaciers of Switzerland, and the fires of Vesuvius, not knowing that these are dwarfed by the greater flords, mountains, glaciers, and volcanoes of Alaska. The highest mountain in the United States is Mount Whitney, in California, whose summit rises 14,500 feet above the sea. Alaska has a dozen peaks which overtop this California giant, the highest, Mount McKinley, rising more than a mile in height above it.

Height in feet of mountains in California and Alaska.

		Feet.
Mount	Whitney, Cal	14, 500
Mount	Blackburn, Alaska	16, 140
Mount	Sanford, Alaska	16, 200
	Crillon, Alaska	
	Fairweather, Alaska	
	Hayes, Alaska	
	Hubbard, Alaska	
	McKinley, Alaska	
	Foraker, Alaska	
	St. Elias, Alaska	
	Vancouver, Alaska	
Mount	Wrangell Alaska	14 000

Europe is proud of her single volcano, Vesuvius, on the shores of the Bay of Naples, but the Italy of America, the peninsula of Alaska, has 10 great volcanoes. The Bogoslovs, near Unalaska, are submarine; to-day with loud noises and ascending volumes of smoke and steam, they throw up a red-hot island; to-morrow it sinks into the depths. Makushin, Pogromni, and Shishaldin light the mariner through Aleutian passes, while Weniaminoff, Popof, and Katmai, at long intervals, explode with detonations louder than the heaviest cannonading and cast their volcanic ash a thousand miles away. Iliamna and Redoubt, on the western shore of Cook Inlet, and Wrangell overtopping the interior range, seem to be old and decadent, though the smoke from their internal fires yet floats lazily away to sea. St. Augustine, rising out of the waters of Cook Inlet, and Edgecumbe, guarding the entrance to the beautiful Bay of Sitka,

are extinct, but justly famed for their symmetry and grace-ful lines. A hundred extinct cones, as far north as St. Michael, prove that in ages gone by the forces of internal heat were, as now, enguged in fashioning the shores of Alaska, and extending her islands and continental land mass toward Asia.

RAIN AND SNOW FALL.

The coastal mountain range divides Alaska into two distinct climatic regions. The coast side of the range is rainy and has a high and equable temperature. The snowfall is excessive. Behind the mountain range, in the interior of the country, it is dry and cold in the winter and hot in the summer.

BAINFALL.

Locality.	Years' ob- servation.		Febru- ary.	March.	April.	May.	June.	July.	August.	Septem- ber.	October.	Novem- ber.	Decem- ber.	Inches.
Valdez, Alaska	11	7.65	5.02	5.74	3. 92	3. 52	2.74	5.13	8.14	8, 82	9.47	5.60	8. 10	73. 9
Sitka, Alaska	29	7.61	6.56	6.68	5. 91	4. 01	3.27	3.99	6.49	10, 15	11.58	9.47	8. 76	83. 8
Loring, Alaska	8	10.93	11.73	10.69	13. 42	8. 50	6.57	7.38	8.54	16, 81	21.12	20.58	15. 89	152. 1
Fairbanks, Alaska	7	1.16	0.23	0.57	0. 35	0. 59	1.43	1.48	1.78	1, 52	0.71	1.07	0. 84	11. 7
		an diffying	nullea New rates			SNOWFA	LL.				V- Venilla			THE STOR
Valdez, Alaska	11	83. 4	53.5	67. 1	33.3	0.7	0.0	0.0	0.0	1.6	11. 4	41.6	72.1	364. 7
Junean, Alaska	15	36. 3	23.1	12. 0	7.1	0.0	0.0	0.0	0.0	0.0	1. 1	6.0	20.9	106. 4
Fairbanks, Alaska	5	11. 0	3.0	5. 0	2.6	T.	0.0	0.0	0.0	0.7	5. 4	5.2	9.9	42. 8

The Weather Bureau reports show a remarkable difference between the fall of rain and snow on the coast and in the interior. While Valdez had an annual average rainfall of 73.94 inches, or more than 6 feet; Sitka, an annual average of \$3.88 inches, or more than 7 feet; and Loring an annual average of 152.16 inches, or more than 12\(^3\) feet, Fairbanks, in the Tanana interior, has an annual average of but 11.73 inches, or less than 1 foot. The proportions may be stated graphically by these figures: Fairbanks, 1; Valdez, 6; Sitka, 7; and Loring, 12. The Tanana Valley has about the same average rainfall as Arizona.

The snowfall in the Tanana Valley, in the interior of Alaska, is proportionally light. While Valdez had 364.7 inches per annum, for a period of observation of 11 years; Juneau, 106.4 inches per annum for 15 years, Fairbanks had but 42.8 inches per annum for a period of observation of 5 years. The proportions may be stated graphically by these figures: Fairbanks, 3.6 feet; Juneau, 8.9 feet; and Valdez, 30.8 feet. The snow in the Tanana Valley and the whole interior of Alaska is light and dry, because of the dry, cold winter climate. There can be no glaciers without an excessive fall of rain and snow, and there being but a light fall of both behind the coast range barrier there are no glaciers there. A road or trail once used for travel over these light interior snows becomes a boulevard for the winter; the snow falls in October and does not melt until April.

Since this bill was introduced I am often asked how many months in the year a railroad can be operated in Alaska. The answer is: Every month in the year and every day in the month as certainly as the Canadian Pacific or the Grand Trunk Pacific, building far north of the Canadian Pacific, can be operated. The light fall of snow in the interior does not even prevent the automobiles from running every day in the winter from Fairbanks to the mines. There will be less annoyance and expense in keeping the Alaska railway open on either of the routes recommended by the Alaska Railway Commission than there is in operating the Northern Pacific, Great Northern, the Chicago, Milwaukee & Puget Sound, or the Canadian Pacific across the Cascade Mountains in Washington and British Columbit. The light, dry snow in the interior is no obstacle at all, the wet and heavier snow through the coast range is largely avoided on the Seward line, and is much less of a burden on the Valdez Line than it now is on the railroads across the coast range in Washington, Oregon, and California.

The triangular Gulf of Alaska thrusts its northern apex far into the southern coast of Alaska. Prince William Sound, Alaska's greatest harbor, is as large as Chesapeake Bay, and as easily protected from assault by an enemy as San Francisco Bay. Its front is protected by Montague and other large islands, while wide entrances between the islands and the mainland afford easy access from the ocean without rock or sand bar to threaten wreck. Fortifications on the headlands commanding these entrances will render it well-nigh impregnable—as safe and easily defended as Seattle or San Francisco.

Numerous interior harbors, unrivaled in position, safety, and comfort, for shipping and naval use branch inland from this greater outer harbor like fingers from the human hand. Cordova, Valdez, Portage Bay, Seward, and many others, are deep, well sheltered, and easily fortified from outer attack, even from Prince William Sound itself. These splendid harbors, nestling behind bristling mountain walls, are each at least 10 miles long, 3 miles wide, have unobstructed approach and deep water, and are sufficiently commodious to hold the

Pacific Fleet at maneuvers. They are ever flooded with the warm tides of the Japanese current and ice never forms in either of them. More ice forms in Boston, New York, or Washington Harbors than in either of these south Alaskan bays. From a strategic and climatic point of view, because they are free from rock, sand bar, or ice, and because they are so naturally defended by the great outer harbor of Prince William Sound and natural mountain sites for fortifications these harbors offer the best natural naval base in the Pacific. With proper fortifications and railroads back to the naval coal fields immediately behind them, they can be turned into impregnable harbors of refuge for our Navy, one-half the distance toward the Orient from our States.

Railroads from the interior must come to these harbors, and the winter trade to the interior now passes through them. Large, safe, commodious, deep, free from ice, ever open and waiting for the coming of commerce, southern Alaska has the finest natural harbors in the world.

Mr. STAFFORD. Will it inconvenience the gentleman from Alaska, while he is describing the advantages and beauties of this country, to stop and point out the different localities on the map?

Mr. WICKERSHAM. Not at all.

Mr. MURDOCK. I wish the gentleman would take his statements seriatim and show us the course of the Japanese gulf stream.

Mr. WICKERSHAM. This is known as the North Pacific current. It rises in tropical waters north of the Equator, in the latitude of the Hawalian Islands, then flows from the coast of California westward across the entire width of the Pacific Ocean, gathering heat as it goes until it strikes the Philippine Islands. There it is deflected to the shore of Japan and is deflected again eastward along the shores of the Aleutian Islands until it strikes southeastern Alaska, and then it flows south along the coast of British Columbia, Oregon, Washington, and California, and strikes on across the Pacific again.

Mr. MURDOCK. That answers my question and I am obliged to the gentleman. At no point does it penetrate the Aleutian chain.

Mr. WICKERSHAM. It does; one branch goes into the Bering Sea, goes through Bering Straits on the American side, and moderates all the climate along the coast.

Mr. MURDOCK. Then it is not a matter that affects the settlement in southern Alaska alone?

Mr. WICKERSHAM. Not at all. I will come to that before I complete my remarks.

So many people going along the Alaska coast see glaciers and mountains above them that they imagine that that condition exists in an increasingly greater degree in the interior, when as a matter of fact the opposite is true. There are no glaciers in the interior of Alaska. They are all on the southern coast and are produced from the excessive moisture coming from the Pacific and falling on the seaward slopes of the mountain side.

We have 20 automobiles at Fairbanks running every day in the winter in opposition to the railroad out to the mines, and they never stop on account of the snow. For nine years in succession the winter stages between Valdez and Fairbanks never missed a scheduled trip.

Mr. GRAHAM of Illinois. How far is it to the mines out of Fairbanks?

Mr. WICKERSHAM. The mines are within 40 miles of Fairbanks.

The CHAIRMAN. The time of the gentleman from Alaska

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent

that the gentleman's time be extended one hour.

Mr. HOUSTON. Mr. Chairman, I ask to amend that by asking unanimous consent that he have time in which to conclude his remarks. [Applause.] The CHAIRMAN. The gentl

The gentleman from Tennessee asks to amend the request of the gentleman from Wisconsin by giving the gentleman from Alaska time to conclude his remarks.

Mr. STAFFORD. I have no objection to that if the time is

limited to to-day

The CHAIRMAN. Providing it does not extend beyond to-day. Is there objection? [After a pause.] The Chair hears

Mr. FERRIS. Mr. Chairman, reserving the right to object, I want to ask the gentleman from Tennessee if it is the purpose through this debate to give each Member all the time he wishes? I make the inquiry because there are many of us who want to be heard at some time during the debate, and of course I take it that the pressure of business behind the bill might crowd out some who want to be heard.

Mr. HOUSTON. My request only refers to the speech made by the gentleman from Alaska because of the fact that he is the Delegate from the Territory, and I think it but just and proper that he should have a full amount of time. So far as the time is given to any other Member, it does not depend upon this. I am willing to give all the latitude that is desirable, but we will have to put some limitation on it.

Mr. MURDOCK. I would like to ask the gentleman if he intends to run until 6 o'clock to-night?

Mr. HOUSTON. Yes; we expect to run until 6 o'clock to-night, Mr. DAVENPORT. I desire to state to the chairman of the committee and to my colleague from Oklahoma [Mr. Ferris] that I do not think there will be any trouble about the time, because I think this is a question that all the Members are anxious to have fully discussed before casting a vote upon it. We are not going to conclude the general discussion of it today, and it is possible that we will run over without fixing any definite time as to when general debate will close.

Mr. FERRIS. Mr. Chairman, I further reserve the right to object for the purpose of saying to the gentleman from Alaska [Mr. Wickersham] that I have no idea of curtailing his speech, because I am enjoying it as well as those who favor the legislation; but at the same time the House will observe that no time has been fixed, and there has been no division of time made. The matter has simply gone along, but if there should come a time when there is to be a division of time I hope the

chairman will be liberal in dividing it.

Mr. HOUSTON. Mr. Chairman, I have no disposition in the world to cut off the time. In fact, I favor the freest discussion

that we can have.

Mr. FERRIS. I so understood the chairman, but I wanted to have that placed in the RECORD, so that there would be no mis-

The CHAIRMAN. The Chair hears no objection, and the gentleman from Alaska has permission to conclude his remarks,

Mr. WICKERSHAM. The navigable rivers in the interior discharge their waters westward into Bering Sea. The Yukon is one of the greatest rivers of the world and ranks with the is one of the greatest rivers of the world and ranks with the Mississippi. It discharges one-third more water per annum than the Mississippi and is constantly navigated in season from its mouth, at St. Michael, to Whitehorse, in the Yukon Territory, Canada, a distance of 2,164 miles. It is only 1,830 miles from St. Paul to New Orleans and 1,930 miles from Pittsburgh to New Orleans. Alaska has more than 6,000 miles of inland navigable rivers which may be connected with the south coast harbors by the railroad provided for in the bill before the House. the House.

	Miles.
Yukon River, navigable for	2, 164
Tanana River, navigable for	275
Kantishna River, navigable for	200
Innoko River, navigable for	370
Iditarod River, navigable for	320
Koyukuk River, navigable for	620
Kuskokwim River, navigable for-	530

This interior system of waterways is now and since 1900 has been navigated by a fleet of large, well-built, flat-bottomed Mississippi River packet steamers, many of which push from two to four barges loaded with machinery, merchandise, provisions, and passengers far up the interior rivers. The system, however, is meager and unsatisfactory. The first drawback to its efficiency is that the Yukon discharges its waters into Bering Sea at St. Michael, and the heavy drift ice in that sea

does not permit the ocean steamers from San Francisco and Seattle to reach the transfer point at St. Michael till June. The Yukon and Tanana are open for navigation by May 10, but it is a month later before the ocean freight can be put into St. Michael, and a fortnight later before it gets into the Yukon for distribution. Here, then, is more than a month at the beginning of a very short summer season lost to transportation. Then freight dare not enter the rivers unless it can get to the distributing point, a distance of 1,175 miles to Fairbanks, before the freeze-up in the fall, and two weeks or more are lost then. The open season for the distribution of freight on these rivers would be extended at least six weeks if the distribution could be made downstream from a central point, like Fairbanks, beginning immediately on the opening of the rivers about May 10. Such a method of distribution from such a central point would extend the efficient period of river transportation at least onefourth longer per annum than is enjoyed under the present method.

Alaska has spacious and ice-free harbors on the south coast and 400 miles in the interior a great river system now capable of distributing freight for four months only, but no transportation line connecting them. Let that link be supplied and at once it increases the efficiency of the river system one-fourth and adds to the railroad mileage quite 6,000 miles of river transportation.

FORESTS.

There are two forest reserves-the Tongass and Chugachin Alaska, which practically cover the coastal front from Ketchikan to Cook Inlet. These two reservations contain 41,815 square miles—a greater area than that of the State of Indiana, or Kentucky, or Ohio, or any of the lesser States. They are reported by the Forest Service to contain over \$5,000,000,000 feet of timber, valued at \$148,750,000. It is estimated that even a greater amount and of a greater value exists in the Susitna, the Tanana, the Yukon, and other interior valleys. The Territory thus has a timber covering of a greater value than \$300,000,000. Much of it is saw timber, more of it is pulpwood, and all of it is valuable for fuel, house building, and mining.

ANIMALS-WILD AND DOMESTICATED.

Alaska is the best big-game country left in the two Americas. The Alaska moose, of which thousands roam the higher vallevs, is the most kingly of the deer family, extinct or alive. Herds of caribou roam over the barren highlands like the herds of buffalo on the Western plains a century ago. White mountain sheep in large bands live on the interior mountains, where the snowfall is light, while mountain goats frequent the windswept peaks of the coast range. Polar bear, walrus, and innumerable seal and other animal life live along the Arctic coasts, while black, brown, grizzly, and Kodiak bear inhabit the southern mountains and fish along the salmon streams. The great Kodiak bear in the Washington Zoological Garden typifies the superior size and wealth of Alaskan land and sea

During the bright dry winter in the interior of Alaska our hunters find plenty of prairie chicken, one of the five varieties of grouse which are abundant there; flocks of ptarmigan are found everywhere from mountain peak to the lower valleys. The raven, owl, hawk, Canada jay, and other winter birds keep us company in the interior, while along the coast the list is greater. But when spring arrives and the snow melts-when the lakes and rivers are opened-then the migratory bird life arrives from the Southland in numbers not to be computed. Swan, geese, brant, ducks of every variety, robins, swallows, martins, and humming birds fill the forests with song and spring cheer. It is estimated that 200 species of birds then inhabit Alaska, and it is truly a birds' paradise.

In the caribou and reindeer herds which now roam over the highlands of Alaska there is an economic promise of the first magnitude. The wild Alaska caribou and the domesticated Lapland reindeer belong to the same species. In 1891 the United States Bureau of Education, under Dr. Sheldon Jack-son, imported a few reindeer from Siberia, and later a few more, and some skilled herders from Lapland. Altogether about 1,280 reindeer were landed on Alaskan ranges, where the herds now aggregate 38,000. The imported reindeer, like the native caribou, live exclusively on the mosses and lichens gathered on the high mountain sides above agricultural possibilities or the grazing lands of cattle. They do not require feeding at any period of the year, increase rapidly, and make fine meat for the market. Their skins are valuable, and the herds solve the problem of meat transportation in the winter season, for they can be driven over the highest and coldest mountain ranges to market without other food than what they readily pick up along the mountain trails. The first ex-

portation of reindeer meat from Alaska was made to Seattle in 1911, and consisted of 185 carcasses, weighing 18,750 pounds, which sold readily for a good price in the market. It is estimated that herds of 2,000,000 of these fine food animals can be permanently maintained in Alaska and that they will support a stock-herding population of 100,000 people and afford a meat supply for a million more.

CLIMATE.

The most serious objection made to the passage of the bill before the House has the least basis of fact to support it. That objection is that the climate of Alaska is so harsh and rigorous that people can not live there in comfort, can not raise gardens or agricultural products sufficient to subsist on, and that a railroad could not be operated in the winter even if constructed with Government aid. The data with respect to the climate of Alaska is so abundant, so exact, and so at variance with the general opinion, that it is offered to the House in the hope that this objection can be effectually and finally disposed of.

North of the Equator, and, of course, in the United States and in Alaska, the date of the winter solstice, December 21, is the shortest day of the year. The sun on that date has reached its farthest point south and begins its return journey toward the north. On the date of the vernal equinox, March 21, it has reached the mid-point of its northern journey, and on the date of the summer solstice, June 21, it reaches its most northern point, stops, and begins its retreat. On September 22 it crosses the Equator on the autumnal journey south, and continues its retreat to the winter solstice on December 22. Those movements of the sun's light and shade produce the four seasons-spring, summer, fall, and winter-and determine the periods in which vegetation may grow for beautifying the earth and providing food for men and animals. We are so familiar with these movements of the sun, with the resulting day and night and the seasons of the year, that few people give consideration to them beyond their effect in the production of their crops. Twice each year, when the sun crosses the Equator, the length of the day and night is everywhere equal, but when the sun is north or south of the Equator days and nights are never equal, though at the end of the solar year the total amount of day and night is everywhere the same. In short, every spot on the earth's surface, in the course of the solar year has the same amount of day and night. Your attention is now directed to a graphic chart representing the years division of sunshine and shadow at Fairbanks, in the Tanana Valley, the central distributing point in the interior of Alaska. Fairbanks is on latitude 65° and on December 22, the date of the winter solstice, the low southern sun skirts the horizon for only two hours and sinks out of sight. It is in the date of the northern midnight.

Immediately after December 22 the sun begins to rise, and from day to day its course across the southern heavens is higher, until on March 21 the day and night at Fairbanks are exactly equal in length. But we are now to have compensation for its long absence during the winter, and it continues to rise until on June 21 its highest culmination is reached and the Tanana Valley is ablaze with 22 hours of sunshine and heat. Not only does nature thus compensate us for the hours of sunshine lost in the winter, but she puts vigor and activity into plant life in an equal measure. Our crops have the same number of sunlit hours for growth that similar crops have in more southern climes, though in a less number of days. In 100 days, between May 20 and September 1, the growing season in the Tanana Valley, the sun shines 1,800 hours, while during the same 100-day period in Oklahoma it shines but 1,500 hours, or one-fifth less time than in the Tanana. For every five days sunshine and heat in Oklahoma during that 100 days the Tanana Valley has six. Our crops grow in equal proportionwhere Oklahoma crops grow five units ours grow six in the same period of time.

During May, June, July, and August, the summer season of the Tanana, the whole earth is ablaze with the glory of the solsticial sun. During that period the Tanana Valley has more hours of sunshine than sunny California, and more hours of summer than Ohio or any other State in the Union. The gardeners and farmers are at work early and late, crops grow vigorously in the long hours of sunshine and heat, and the valleys, the birch-clad hills, and the mountains of the northland respond to the magic touch of the life-giving sunlight.

The summer—no sweeter was ever;
The sunshiny woods all athrill;
The grayling aleap in the river;
The bighorn asleep on the hill;
The strong life that never knows harness;
The wilds where the caribou call;
The freshness, the freedom, the farness;
Tis I who do long for it all.

ture in the valley during the crop-growing season? How does it compare with the temperature in the State of Oklahoma?

Mr. WICKERSHAM. I will come to that in a few moments. But during that period, from the 21st day of March to the 22d day of September-six months-we have the summer, and during that period of time on the latitude of Fairbanks, Alaska, we have 70 per cent of total sunshine out of the total time. is only 30 per cent of night during those six months and 70 per cent of sunshine, and the sun shines just as hot there as it does anywhere, and when the mosquitoes get at you in the brush and the sun pours down upon you you often wish you were back in Oklahoma where it is cool.

Mr. SELDOMRIDGE. I understand that the same percentage of sunshine obtains in latitudes farther north from Fairbanks, but the question of temperature is just as vital to the crop-growing development as the duration of the sunshine.

Mr. WICKERSHAM. Fairbanks and the Tanana Valley are on the same northern latitude exactly as Norway, Sweden, and Finland, and the northern Provinces of Russia, where such vast quantities of wheat are produced. In Norway, Sweden. and Finland more than 10,000,000 people are supported, mostly by agriculture. The climate is similar, and I have the statistics here, and will produce them for the gentleman's edification in very short time.

Mr. ESCH. Mr. Chairman, will the gentleman yield?

Mr. WICKERSHAM. Certainly.
Mr. ESCH. The gentleman's argument about sunshine is very convincing, but does not the production of crops in the Tanana Valley depend upon its elevation above sea level?

Mr. WICKERSHAM. Somewhat, perhaps. The town of Fairbanks in the center of the Tanana Valley is 1,100 miles from the sea down that river, and the town is 512 feet above sea level. It is a very low, wide valley.

Between the 21st day of March and the 22d day of Septem-

ber—the summer six months—the sun shines exactly 70 per cent of the total time, including both day and night. 4.392 hours of time, day and night, the sun shines 3.074 hours. No valley in the United States has that many hours' sunshine in the growing season, and these long hours of sunlight, heat, and growing force give the Tanana its wonderful climate and great agricultural productivity.

THE NORTHERN PACIFIC OCEAN CURRENT.

The Gulf stream of the Atlantic carries the tropical waters flowing from the Carribean Sea into the Gulf across the Atlantic upon the coasts of the British Isles and thence to the western and northern shores of Norway and Sweden. Greenland lies on the same northern latitude as Norway and Sweden, and its continental ice cap graphically demonstrates the condition which would exist in Norway and Sweden if the warming in-fluence of the Gulf stream was withdrawn. The British Isles lie as far north as Labrador-the difference between the genial climate of England and the Arctic climate of Labrador is the result of the influence of the warm ocean current on the English climate.

The equatorial waters of the North Pacific Ocean current, the Kuro-siwo, or "Black Stream," of the Japanese, does for Alaska exactly what the Gulf Stream does for Norway and Sweden. The North Pacific current takes its rise in the tropical waters north of the Equator. It follows the course of the sun westward until the coasts of Japan deflect it north and eastward. One branch enters Bering Sea and passes thence into the Arctic, but the great body flows eastward, along the southern shores of the Aleutian Islands, until it strikes the continental shores of south-Thence it is deflected southward, past the firern Alaska. clad hills of British Columbia, Washington, and Oregon, to turn westward again off southern California, and gather new heat from the Tropics as it flows again westward on its great circuit. This wheel current of the North Pacific is greater in volume than the Gulf Stream of the Atlantic, and its powerful influence. added to that of the long summer days and the heat of the solstitial sun pouring into the valleys of Alaska, is responsible for the genial summer climate of that region. On the same latitude in Norway and Sweden, for exactly the same reasons, there is the same summer climate. The mean annual temperature of the old and the new capitals of Alaska compares favorably with that of the capitals of Norway, Sweden, and Russia.

Equi dinital temperature ar algereus capitalis.	egrees.
Sitka, Alaska	- 43. 4 - 42. 3
Juneau, Alaska Christiania, Norway	_ 41.5
Stockholm, SwedenSt. Petersburg, Russia	- 42.3 - 39.6

Mr. SELDOMRIDGE. Mr. Chairman, may I interrupt the gentleman right there to ask him a question about the temperature of Juneau and Stockholm is exactly the same, while Sitka's mean annual is nearly 1 degree

higher than Stockholm, 2 degrees higher than Christiania, and 4 degrees higher than St. Petersburg, all of them being on the

seacoast and on the same latitude.

Just as the influence of the Gulf Stream is felt throughout the interior of Norway and Sweden, so is the influence of the North Pacific Ocean current felt in the interior of Alaska. The Agorth Facine Ocean current feit in the interior of Alaska. The isothermal lines on the official Weather Bureau map of western Alaska have a strong upward curve from Bering Sea, due to the influence of the warm air currents from the "Kuro-shiwo," which push into the Kuskokwim and Tanana interior after rounding the western end of the Coast Range. Because of this influence from the North Pacific Ocean current it is much warmer at Fairbanks than at Dawson, which has the misfortune to be a thousand feet higher in altitude than Fairbanks and behind a second range of mountains from the sea.

WINTER CLIMATE OF THE TANANA VALLEY.

The minority report in its pessimistic minimization of the arid Arctic waste, which it described as Alaska, propounds this

startling inquiry in its eleventh "view": "Who ever heard of a country where the winter was six months long and the temperature falling as low as 79 and 80 below zero, figuring seriously in the markets of the world as producers and shippers of grain and meat?" That is a very unfair statement and incorrect in correct in strength of the statement and incorrect in every particular. I am in receipt of an official statement from the Department of Agriculture giving full data touching temperatures and precipitation observed for a series of years at the Weather Bureau stations in the interior of Alaska, and now make it a part of my remarks.

DEPARTMENT OF AGRICULTURE, OFFICE OF THE SECRETARY, Washington, March 21, 1912.

Hon. James Wickersham, House of Representatives.

DEAR SIE: Referring to your recent request for data regarding Alaska, I have the honor to transmit herewith certain climatological information prepared by the Weather Bureau.

Very truly, yours,

W. M. HAYS, Acting Secretary.

Temperature (interior of Alaska). MEAN TEMPERATURE

	Sal market				34.	EAN TEMP	ERATURE.			4-1-1	015		H. III	
Stations.	Length of record.	January.	Febru- ary.	March.	April.	May.	June.	July.	August.	Septem- ber,	October.	Novem- ber.	Decem- ber.	Annual.
Eagle, Alaska Fairbanks, Alaska Rampart, Alaska Tanana, Alaska Allachaket, Alaska Point Barrow, Alaska	11 7 7 10 4 6	-16.8 -19.7 -21.9 -16.6 -27.9 -22.2	- 8.8 - 3.5 - 9.5 - 7.2 -10.2 -14.0	8.9 8.2 5.7 6.7 - 7.0 -11.7	25. 6 26. 0 22. 0 22. 7 12. 4 - 0. 9	45. 2 47. 8 46. 3 44. 2 40. 6 21. 4	58.1 58.0 58.6 58.8 56.4 35.8	60.6 59.1 60.1 59.5 58.4 40.4	52, 2 53, 5 55, 5 52, 7 51, 0 39, 2	41. 2 41. 6 40. 9 39. 1 39. 7 32. 6	23. 6 25. 6 19. 6 22. 0 15. 5 16. 0	1.1 3.4 - 2.9 - 2.4 -11.8 - 1.8	-12.9 - 7.4 -12.4 -13.7 -15.8 -13.4	23. 2 24. 4 21. 8 23. 8 16. 7 10. 1
					MEAN M	AXIMUM 7	TEMPERATU	JRE.		HAR.		AL EST	30113	
Eagle, Alaska	10 7 7 10 4 4	-10.8 -11.9 -13.9 - 7.2 -18.6 -17.8	3.3 8.3 0.7 3.3 -0.4 -5.8	23. 5 21. 4 18. 5 19. 7 8. 9 — 5. 6	40. 6 49. 1 37. 5 32. 8 27. 3 7. 4	59. 8 59. 6 60. 0 56. 1 50. 6 28. 0	71. 5 70. 3 73. 9 72. 0 70. 2 43. 4	73. 0 70. 3 74. 1 71. 3 71. 0 47. 5	65.1 64.9 69.6 65.6 64.2 44.6	51. 9 52. 2 52. 0 50. 8 48. 8 37. 2	32. 4 34. 5 27. 1 30. 3 25. 5 23. 1	8. 7 9. 5 4. 5 5. 7 -2. 7 7. 0	-3.5 0.7 -5.2 -6.3 -5.0 -1.4	34. 9 35. 7 33. 2 32. 8 28. 3 17. 3
					MEAN M	INIMUM T	EMPERATU	RE.					ENE	
Eagle, Alaska	11 7 7 7 11 4 4	-28.8 -27.5 -29.9 -25.3 -37.0 -29.3	-19.8 -15.1 -19.6 -17.2 -25.1 -18.1	- 4.2 - 5.0 - 7.2 - 6.1 -22.9 -18.2	11.5 12.1 6.8 9.6 - 2.6 - 9.2	32. 0 35. 7 32. 7 30. 3 30. 6 10. 8	45.5 45.7 43.2 45.1 42.6 31.8	47.8 47.5 46.1 47.8 45.9 34.7	43. 4 42. 2 41. 5 40. 0 37. 8 34. 8	30. 0 31. 0 29. 8 29. 3 27. 0 28. 8	14.8 16.5 13.9 13.0 5.5 12.5	- 6.4 - 7.8 -12.1 -10.5 -21.0 - 6.7	-20.3 -15.4 -21.8 -20.1 -25.5 -17.8	12.1 13.3 10.3 11.3 4.6 4.5
					HIG	HEST TEM	PERATURE.							
Engle, Alaska Fairbanks, Alaska Rampart, Alaska Tanena, Alaska Allachaket, Alaska Point Barrow, Alaska	11 7 7 10 4 6	41 34 38 35 27 24	38 43 42 41 38 35	56 46 51 53 40 33	64 60 65 63 47 32	84 81 85 81 73 42	92 86 91 90 87 64	91: 86: 92: 89: 84: 66:	86 85 96 90 79 60	79 80 85 78 72 54	68 67 54 67 44 42	42 46 37 37 31 33	39 43 30 30 28 29	92 86 98 99 87 66
					LOT	VEST TEM	PERATURE.							
Eagle, Alaska Fairbanks, Alaska Rampart, Alaska Tanana, Alaska Allachaket, Alaska Point Barrow, Alaska	11 7 7 7 11 4 6	-75 -65 -68 -76 -70 -52	-74 -57 -64 -68 -70 -52	-56 -56 -45 -57 -68 -50	-38 -32 -31 -39 -42 -36	10 24 15 11 4 -14	24 31 27 28 30 18	29 30 32 32 32 32 26	20- 19- 25- 23- 20- 26	2 11 7 -3 -3 18	-28 -21 -28 -27 -41 -25	-52 -54 -56 -55 -61 -36	-68 -58 -59 -68 -64 -53	-75 -65 -68 -76 -70 -53
					recipitati E PRECIPIT			C14.1.2.2.2.2.2.2.4.4	are)			CALL STREAM		TI DES
Stations.	Length of record.	January.	Febru- ary.	March.	April.	May.	June.	July.	August.	Septem- ber.	October.	November.	Decem- ber.	Annual.
Eagle, Alaska Fairbanks, Alaska Rampart, Alaska Tanana, Alaska Allachaket, Alaska Point Barrow, Alaska	13 7 6 11 4 6	0. 51 1. 16 . 94 . 86 1. 08 . 13	0.38 .23 .57 .60 .94 .32	0. 54 . 57 . 53 . 55 . 58 . 22	0. 49 . 35 . 33 . 23 . 60 . 31	0. 93 . 59 . 56 . 87 . 79 . 25	1. 43 1. 43 . 89 . 61 1. 28 . 45	2.04 1.48 1.49 2.10 2.03 .93	2. 21 1. 78 1. 65 2. 39 1. 22 . 86	1. 35 1. 52 1. 14 1. 17 1. 13 . 51	0.96 .71 .72 1.10 .66 .70	0. 55 1. 07 . 64 . 82 . 52 . 36	0.48 .84 .89 .68 1.09	11. 87 11. 73 10. 35 11. 98 11. 92 5. 25
		II. 1-10		AV	ERAGE SNO	WPALL (IN	CHES AND	TENTHS).					R L	
Eagle, Alaska Fnirbanks, Alaska Rampart, Alaska Tanana, Alaska Allachaket, Alaska Point Barrow, Alaska	9 5 6 8 4 4	7. 4 11. 0 9. 8 7. 4 20. 1	1.3 3.0 7.0 7.6 12.6 2.4	4.3 5.0 6.2 7.4 9.5 2.1	3.9 2.6 3.7 2.6 9.1 1.5	0.1 T. .5 .1 .5 1.2	T.		0.1	0.9 .7 2.6 1.3 2.0	8.3 5.4 7.2 6.6 8.7 2.0	6.8 5.2 6.2 3.8 8.8 2,1	8.6 9.9 9.6 .4 18.9	41. 7 42. 8 52. 8 46. 2 90. 2 13. 1
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Eagle, Alaska Fairbanks, Alaska Rampart, Alaska Tanana, Alaska Allachaket, Alaska Point Barrow, Alaska	13 7 6 11 4 5	5 7 8 7 12 2	4 2 5 6 10 5	5. 5 6 7 10 6	5 3 2 3 7 6	7 4 5 6 10 8	9 9 7 6 10 6	11 12 12 12 12 0	10 12 11 11 10 8	10 11 10 7 12 5	6 6 8 7 8 6	6 4 7 5 8 6	5 7 10 6 14 3	83 82 91 83 120 67

I now show the House an official Weather Bureau map of Alaska, and on it are shown the lines of the average temperature for the three winter months. Some gentleman wanted to know about the temperature of the winter months. January, February, and March are the cold months in Alaska, and here is a map showing the average temperatures of these three winter months. The average temperature of the region of which Fairbanks is the center during those three winter months is 10 degrees below zero, while above it you find a line of 15 degrees below, so that the average annual temperature of those three winter months ranges between 10 and 15 degrees below zero.

Mr. YOUNG of North Dakota. What are the extremes? Mr. WICKERSHAM. I will show you that in a few moments. I am showing you this map for a moment for the purpose of showing you the effect of the Japanese Current on temperatures in that country. I call attention to the fact that a branch of that current enters Bering Sea and warms that interior coast and flows toward the north, and it will be noticed that the isothermal lines are tilted upward. The highest line runs most northwest and southeast, and although Fairbanks is north of Dawson, the lower temperature of 15 degrees runs through Dawson. Dawson is about fifteen or sixteen hundred feet above sea level.

It is a thousand feet above the level of Fairbanks and the Tanana Valley and it is behind a second range of mountains. It is in the cold region.

Mr. FESS. Is that due to elevation or latitude?

Mr. WICKERSHAM. It is due to both.

Mr. STAFFORD. I notice some minor red lines. Are those higher temperatures to the southward?

Mr. WICKERSHAM. Yes.

Mr. STAFFORD. Will the gentleman mention what those temperatures are?

Mr. WICKERSHAM. The lower one is 30° above zero; the next is 20, the next 10, and the next is the zero line. comes 10 below, and 15 below. Now I call attention to the three summer months in Alaska on this upper map. The annual average temperature in the interior of Alaska is 55° above zero. That is the annual average temperature given by the Weather Bureau in the summer months.

Mr. FESS. What are those months? Mr. WICKERSHAM. June, July, and August. Now I want to call attention-

Mr. FERRIS. Will it interrupt the gentleman if I should ask a question there?

Mr. WICKERSHAM. No.

Mr. FERRIS. I want to ask the gentleman if it was or was not true that in each and every month in Alaska they have frost, and sometimes even a hard, killing frost?

Mr. WICKERSHAM. No; that is not true.

Mr. FERRIS. Do you know Prof. Chubbuck and Prof. Piper?

Mr. WICKERSHAM. I do.

Mr. FERRIS. They are in charge of the four Alaskan stations.

Mr. WICKERSHAM. No, sir; Prof. Georgeson is in charge.

Mr. FERRIS. Do you know him? Mr. WICKERSHAM. I do, very well, indeed. Mr. FERRIS. If Prof. Georgeson, Prof. Chubbuck, and Prof. Piper in a report stated that there was a killing frost on July 31, August 8, August 15, and August 25, and on September 8, would that be true?

Mr. WICKERSHAM. I think it would be true.

Mr. FERRIS. At Fairbanks? Mr. WICKERSHAM. No; not at Fairbanks; it would not be

Well, at Copper Center?

Mr. WICKERSHAM. Copper Center is, of course, very much higher than Fairbanks.

Mr. FERRIS. Is it true of Kodiak?

Mr. WICKERSHAM. No; it is not.

Mr. FERRIS. I will say to the gentleman frankly there is a report that states that.

Mr. WICKERSHAM. I would like to see it.

Mr. FERRIS. I will present it.
Mr. WICKERSHAM. I now show the lowest temperatures ever recorded in Alaska, and a map showing the lowest temperatures ever recorded in the United States, and I will call attention to that in a moment.

Mr. BROCKSON. In the summer months? Mr. WICKERSHAM. No; in the winter months.

Mr. FESS. The gentleman's remarks are luminous and we enjoy them very much, and the gentleman will understand that some questions are asked for information.

Mr. WICKERSHAM. I appreciate that. Mr. FESS. What are the growing months?

Mr. WICKERSHAM. The gentleman asks what the growing months are?

Mr. FESS. For agriculture?

Mr. WICKERSHAM. The farmers begin to put in their crops the latter part of May, and the growing months are the

latter part of May, June, July, August, and September.
Mr. SAMUEL W. SMITH. Will the gentleman tell us what

they raise?

Mr. WICKERSHAM. We raise the finest potatoes in the world. We raise barley and oats which can not be beaten in any climate

Mr. FERRIS. The gentleman has given investigation to this

A MEMBER. Let the gentleman get through with his state-

Mr. FERRIS. . If the gentleman declines to yield, all right.

Mr. WICKERSHAM. I do not decline to yield.

Mr. FERRIS. The gentleman said a moment ago that they raise the best potatoes in the world.

Mr. WICKERSHAM. Yes, sir.

Mr. FERRIS. I would like to ask the gentleman if it is not a fact that the agricultural report from the men in charge of the stations does not show that it is almost impossible to sell those kinds of potatoes at all on the market in Fairbanks because they are in such a watery condition, and that the price of potatoes from the States are not even double or treble the price?

Mr. WICKERSHAM. No; that is not true.

Mr. FERRIS. Does the gentleman deny the statements made in the reports from Alaska?

Mr. WICKERSHAM. I have not seen such reports.

Mr. FERRIS. I will show them to the gentleman. Mr. WICKERSHAM. When they are presented they will prob-

ably be found to be correct.

Mr. FERRIS. The gentleman knows the facts, no doubt.

Mr. WICKERSHAM. I am not raising potatoes.
Mr. FERRIS. Does not the gentleman say that the potatoes raised in Alaska are not watery and inferior in value to potatoes brought in from the outside?

Mr. WICKERSHAM. The gentleman says nothing of the kind. The gentleman says that when the land is first prepared for crops, and when the potatoes are first put in the potatoes are not so good as they are later, when the ground has been tamed, just as it was in the case of Illinois and Indiana and Ohio. where the potatoes were not good until the ground was first tamed.

Mr. FERRIS. Then the gentleman insists that the potatoes raised in Alaska are as good now as those brought in from the outside?

Mr. WICKERSHAM. No; but they are just as good as those that were raised in Indiana, Illinois, and Ohio, for the same identical reason. Those raised on ground which has been cultivated two or three years are just as good and even better than any shipped from the outside, and sell for better prices

Mr. FERRIS. Is not the price of potatoes from the States

higher than that of potatoes raised in Alaska?

Mr. WICKERSHAM. I will state that the price of potatoes from the States was higher for a few years.

Mr. FERRIS. How is it now?

Mr. WICKERSHAM. The prices of outside potatoes and potatoes raised in Alaska are about the same, as our land is becoming more tame and susceptible of better cultivation.

Mr. SAMUEL W. SMITH. Did the gentleman finish the statement as to what is raised there?

Mr. WICKERSHAM. No; not at all.

Mr. YOUNG of North Dakota. Do they raise flax there?

Mr. WICKERSHAM. I do not think anybody ever tried to raise flax, but we raise oats, and barley, and rye, and wheat, and potatoes, and the finest celery in the world. We can beat Kalamazoo for celery, and we also raise garden vegetables of

Now, the gentleman from Oklahoma [Mr. Ferris] will undoubtedly find in some report a statement that we can not raise I have seen that report, but when Mr. Chubbuck comes up there and stays around for a little while and goes out without full information he may say we could not raise toma-toes. But we do raise tomatoes and we raise them to perfec-tion, although it was thought at first we could not do so in that country, and the earliest reports from the experiment sta-tions will show that. 'Now, of course, some of those reports from the experiment stations state one thing and some state another, unless you coufine your research to recent dates. But if the gentleman from Oklahoma will take the last report of our experiment station at Fairbanks and those at other places I will stand by them.

Mr. LINDBERGH. How about fruits? Mr. WICKERSHAM. Good. Wild berries grow in great variety. Alaska is the natural home of the cranberry. great cranberry bogs all through that Tanana country. Of course they do not grow very high. They are low-bush cran-berries generally. We have a great many other berries and small fruits, including strawberries, currants, and berries of that kind. Then, of course, in our gardens a great many more varieties of berries are raised.

Mr. WILLIS. I just wanted to suggest, in answer to the inquiry of the gentleman from Minnesota [Mr. LINDBERGH] and the inquiry of the gentleman from Michigan [Mr. Samuel W. Smith], that if they will get the annual report of the Alaska Experiment Station for the year 1910-a document which is available-they will find very complete information on the question of growing potatoes and other products, and also on the growing of fruits, bearing out completely what Judge Wickersham has stated.

Mr. LINDBERGH. I did not ask the question to object at

all. but simply for information.

Mr. WICKERSHAM. Yes; I understand. And if those gentlemen auxious for the truth in this matter will go to room 115 in the Senate Office Building and see the fine exhibit there of grain and vegetables from the Tanana Valley and other parts of Alaska, they will be amazed at it. Also of fruits. It is very instructive and convincing, and you should all see it.

Mr. SLOAN and Mr. THACHER rose.

The CHAIRMAN. To whom does the gentleman yield? Mr. WICKERSHAM. I will yield to either one.

Mr. THACHER. The gentleman refers to the growth of Mr. VICKERSHAM. They are wild or cultivated?
Mr. WICKERSHAM. They are wild.
Mr. THACHER. Does not the frost interfere with them?

WICKERSHAM. No, sir. They spring up abundantly, and they grow wild everywhere.

Mr. THACHER. I come from a cranberry country, and I am interested in the subject.

Mr. WICKERSHAM. Our cranberries are excellent, and we

have a great field for them in the Tanana country.

Mr. SLOAN. On the same topic, as to the growth of cranberries being favored, is it also true as to the growth of wild

M.; WICKERSHAM. Well, we have ravens up there. Maybe

that would satisfy the gentleman. [Laughter.]
Mr. LOBECK. There seem to be some ravens here. [Renewed laughter.]

Mr. WICKERSHAM. Notice that not in all the years in which the Weather Bureau has maintained stations in the interior of Alaska has the thermometer been officially caught "falling as low as 79° or 80° below zero" for six months or any other period. The lowest it has ever gone in the Tanana Valley, at Fairbanks, in a period of seven years' observation was when it once went down to 65° below zero. Your attention is called to the official Weather Bureau chart, giving the "lowest temperatures ever recorded at points in Alaska." You will notice that 65° below is the coldest ever recorded in the Tanana Valley.

I do this for the purpose of showing that there is no spot in all Alaska where the temperature for six months, or one month, or one minute, ever reaches 79° or 80° below zero. It is amazing that the trustees of this great trust in Alaska should make such statements upon the floor of this House, or anywhere else, when they could get accurate information from the Weather Bureau to show what the truth is.

Mr. ROBERTS of Massachusetts. Will the gentleman yield

for a moment?

Mr. WICKERSHAM. Yes.

Mr. ROBERTS of Massachusetts. I think the gentleman was about to tell the House the extreme ranges of temperature, as shown by the Weather Bureau observations.

Mr. WICKERSHAM. I am going to do it right now.
Mr. BATHRICK. Even if the temperature was as low as 79° or 80° below zero, would it represent any more serious obstacle to agriculture than is produced by 40° to 50° below zero in the northern part of continental United States?
Mr. WICKERSHAM. I do not think so. There are no crops in the ground at that season of the year, and it makes no difference to the next year's crop what the temperature is then.

But that statement as to the temperature being 79° or 80° below zero does not happen to be true. I now call the attention of the House to this official Weather Bureau map, showing the lowest temperatures ever observed in the Territory of They are not average temperatures, they are not Alaska. temperatures which happen every day in the winter or every day in some months in the winter, or any day regularly in Alaska, but they are the exceptionally low temperatures which have been noted by the weather observers in the Territory of Alaska in all the years they have had weather observations there.

I call your attention to the fact that at Fairbanks, Alaska, in the Tanana Valley, the lowest temperature ever recorded was 65° below zero. In all the years that they have kept the Weather Bureau reports there 65° below zero is the lowest that

was ever recorded in the Tanana Valley.

Your attention is now called to the Weather Bureau chart showing "the lowest temperatures ever observed" in the United States, and especially to the fact that a large area in Montana is shown to have recorded 60° below zero, or within 5° of the coldest day ever observed in the Tanana Valley. Fifty degrees below zero was observed over the northern part of Montana, below zero was observed over the horthern part of Montana, North Dakota, Minnesota, and Wisconsin, while 40° below spreads over a greater territory, reaching as far south as Colo-rado and covering the northern parts of New York, New Hamp-shire, and Maine. Why the minority report added 14 or 15 degrees to the single lowest temperature ever recorded in the Tanana Valley, and then by innuendo extended the 79° or 80° below zero thus falsely compounded over a winter period of six months in every year, is for the minority report to expense of the six months in every year, is for the minority report to expense of the six months in every year, is for the minority report to expense of the six months in every year, is for the minority report to expense of the six months in every year, is for the minority report to expense of the six months in every year, is for the minority report to expense of the six months in every year. of six months in every year, is for the minority report to explain. The statement has no support in fact or in any official data reported by the Weather Bureau.

Mr. EVANS. Will the gentleman yield?

Mr. WICKERSHAM. Yes,

Mr. WICKERSHAM. Yes.

Mr. EVANS. I should like to ask, Is it not a fact that that territory which you have pointed out, where the thermometer sometimes reaches 50° to 60° below zero, is to-day the best wheat-growing country in America?

Mr. WICKERSHAM. It is; and the Government is spending immense sums of money in that very region in the Reclamation Service, extending the growth of wheat and oats and other coreals throughout those parts of Montana and other porthern

cereals throughout those parts of Montana and other northern parts of the United States.

Mr. YOUNG of North Dakota. Is it not a fact that the moisture is held in the ground by deep freezing?

Mr. WICKERSHAM, Undoubtedly.

Mr. YOUNG of North Dakota. And that the colder the weather the more certain the ground is to contain a sufficient amount of moisture to grow crops in the following summer?

Mr. WICKERSHAM. Undoubtedly.

Mr. BRYAN. Is it not a fact that the Government donated a larger price for the building of a railroad through that territory you are now discussing than you are now asking for a railroad in Alaska?

Mr. WICKERSHAM. Very many times more. Mr. BRYAN. And then did not own the railroad?

Mr. WICKERSHAM. And then did not own the railroad. Now, you will see from this Weather Bureau chart that it sometimes gets below zero even in the State where my friend [Mr. DAVENPORT] who signed the minority report has his home. I find that it gets 20° below zero in Oklahoma. [Laughter.] That does not prevent the people of the State of Oklahoma from raising good crops the next year, any more than 65° below zero, as an exceptionally low temperature, prevents the people of the Tanana Valley from raising crops.

Mr. SELDOMRIDGE. What is the record on the lack of

rainfall and drought as compared to Oklahoma?

Mr. WICKERSHAM. I guess the gentleman knows as much about that as I do, and maybe more. We never have a drought in our country, never; and we do not have any chinch bugs nor grasshoppers. [Laughter.] And we never have the fever nor the ague, nor a hundred other luxuries which my friend down in Oklahoma has.

Mr. DAVENPORT. Will the gentleman yield? Mr. WICKERSHAM. With pleasure. Mr. DAVENPORT. I should like to ask the gentleman if the reason why they never have any chinch bugs or grasshoppers is not because during the greater portion of the year they can not thrive there?

Mr. WICKERSHAM. I have no doubt the gentleman can say that.

Mr. DAVENPORT. Because they would have no grass to live on there, even if they wanted to.

Mr. WICKERSHAM. I have no doubt the gentleman can say that.

Mr. DAVENPORT. Is not that the fact, that that is true?

Mr. WICKERSHAM. Why, certainly not.
Mr. DAVENPORT. What is the fact, then? months in the year can a grasshopper or any other living being procure anything to live upon in the Territory of Alaska, take

Mr. WICKERSHAM. Just about as many months as he could

in the gentleman's district.

Mr. DAVENPORT. I should like to ask the gentleman if he expects to pass his bill upon the theory that my colleague and I have signed minority views against his bill? Does he expect

that argument will take him through?

Mr. WICKERSHAM. Not at all, Mr. Chairman, but I do feel that I am under some obligations to people in my Territory to answer the unkind and unfair statements in the minority views. Somebody might believe them if I did not. [Laughter.]

Mr. DAVENPORT. Mr. Chairman, I accept the criticism, but I would like to ask the gentleman if he thinks the criticism of my colleague and myself will pass his bill.

Mr. WICKERSHAM. Oh, the gentleman does not want infor-

Mr. DAVENPORT. I want information and am trying to get the gentleman to give it to the House, but he is indulging in criticism of those who signed the minerity report.

Mr. WICKERSHAM. What is the gentleman's question? Mr. DAVENPORT. I ask the gentleman if he expects to pass

his bill by a criticism of my colleague and myself?

Mr. WICKERSHAM. Perhaps it might be of some assist-[Laughter.]

Mr. GOOD. Will the gentleman yield?

Mr. WICKERSHAM. Certainly.

Mr. GOOD. The gentleman from Oklahoma [Mr. DAVEN-PORT] just made the observation that it was so cold in Alaska that grasshoppers could not live so as to produce anything for the people to live on. I would like to know what the grass-hoppers produce in Oklahoma that people live on. It might

have some bearing on the high cost of living. [Laughter.] Mr. DAVENPORT. Mr. Chairman, I did not say anything of the kind, and I do not think the reporter's notes will so show. But if that will have anything to do with taking \$35,000,000 out of the Treasury to construct a railroad in Alaska, I will

bear it with greatest cheerfulness.

Mr. WICKERSHAM. Minority views seemed to forget that no country in the world raises or attempts to raise crops when the temperature is "79° or 80° below zero," or 25° below, or below. But Saskatchewan, Alberta, Manitoba, Montana and other parts of the United States, and Norway, Sweden, Finland, and the northern Provinces of Russia raise crops during the sunlit solstitial summer, though in the winter it sometimes happens the temperature descends to 60° or 65° below zero. What difference does it make to the summer crops how cold it was last winter, or whether it was 65° or 80° below zero?

Railroads in Canada, in a climate substantially the same as that in the Tanana Valley, are operated every day in the year. The Tanana Mines Railway, 45 miles in length, from Fairbanks to the mines, has been operated every day in the year for 10 years, and Fairbanks automobiles run daily during both winter and summer from Fairbanks to the mines in opposition to it. The White Pass & Yukon Railway runs from Skagway across the Coast Range to Whitehorse; and the Dawson Railway, out to its mines, never misses a trip, under identically the same conditions that would confront the operation of a trunk railroad from the coast to the Tanana Valley. There is no climatic or any other reason why a railroad can not be operated from the seacoast to Fairbanks both in the winter and in the summer.

AGRICULTURE.

But "Minority views" declares that even if a railroad can be operated to the interior of Alaska, no agricultural products can be grown there with which to support population. ing that the interior terminal of any road built under this bill will be at Fairbanks, in the Tanana Valley, what is the fact

about the agricultural capacity and value of that valley? When farmers think of Alaska it is with a view capacity for agriculture; a banker only thinks of its ability to support his business; the manufacturer inquires what it will support his business; the manufacturer inquires what it will take in manufactured products; and the merchants judge it by its statistics of trade and commerce. There are those who now object to building a railroad into Alaska because it will not raise corn or watermelons. If their idea of the value of agriculture had been followed there would be no farmers in Norway. Sweden, or Finland, in Manitoba, Alberta, or Saskatchewan, and would never be any in Alaska. Primarily

Alaska is not an agricultural country. It has other more showy attractions, and farmers have been slow to realize the solid returns which agriculture affords in this fertile northern valley. The Tanana Valley is a good agricultural region, compared with the Provinces of Canada, and Norway, Sweden, and Finland, but, unlike them, it is also rich in minerals, which always offer a hope of a speedier return to labor than farming on the frontier.

Mr. HARDY. Will the gentleman yield? Mr. WICKERSHAM. Certainly.

Mr. HARDY. Will the gentleman allow me to put, in brief, what I apprehend to be the situation? As I understand it, the railroad difficulty in going to Fairbanks is simply to get through the ridge of mountains close to it. If that is tunneled through so that you can pass through it the railroad is without diffi-

culty.

Mr. WICKERSHAM. Without difficulty, because the snowfall is only about 3 feet and very light. When you put your foot down you go to the bottom of it; there is no substance to it.

Mr. HARDY. The mountain ridge next to the seacoast is

Mr. WICKERSHAM. It is 20 miles from Skagway to the top of the mountain, and in 110 miles you are at White Horse, on a navigable river, by that route. The distance from the coast to the mountain range varies along the coast.

Mr. HARDY. How far is it from the seacoast to the top of

the ridge?

Mr. WICKERSHAM. About 20 miles at Skagway.

How far is it from Cordova?

Mr. WICKERSHAM. The railroad follows the coast line around to the mouth of the Copper River and then up the Cop-

Mr. HARDY. How far is the mountain ridge back of the

seacoast?

Mr. WICKERSHAM. It is right at the seacoast; the big mountains are not 20 miles back.

Mr. HARDY. How far is it from Seward?
Mr. WICKERSHAM. There is substantially no mountain range back of Seward; the grade does not exceed 1,800 feet at the highest place, and the railway goes through that region at an elevation of about a thousand feet—1,000 or 1,100 feet.

Mr. HARDY. At Cordova there was talk of tunneling through

that mountain range, was there not? Mr. WICKERSHAM. At Valdez.

Mr. HARDY. How long a tunnel would that be? Mr. WICKERSHAM. I do not know the length, but probably a mile. There was another tunnel proposition suggested from Portage Bay to strike the present line running north from Seward, and that would be 2 miles long, I am told.

Mr. HARDY. There is a road owned by private owners from

Cordova and one from Seward, but none from Valdez. Mr. WICKERSHAM. None from Valdez.

Mr. HARDY. Which is the central point.

Mr. WICKERSHAM. Yes.

Mr. WHITE. Will the gentleman yield? Mr. WICKERSHAM. Yes.

Mr. WHITE. The gentleman compares the possibilities of agriculture in Alaska, in the Tanana Valley, with Norway and Sweden and Saskatchewan. Will he tell me whether the ground is frozen in other countries as deep as it is in Alaska?

Mr. WICKERSHAM. I do not think the ground is frozen as

deep in those other countries as in some parts of Alaska.

Mr. WHITE. Is it not a fact that the ground freezes in Alaska to the depth of 50 or 60 feet?

Mr. WICKERSHAM. In some parts of Alaska; yes.

Really the only solid argument against the passage of the bill before the House comes from those who base it upon the lack of agricultural value in Alaska. They forget that railroads are often built for other reasons than hauling corn. instance, Arizona may not raise as much oats, corn, and wheat as one county in Kansas, but her mineral production in 1909 was \$34,217,651. So it is with Montana, Idaho, Wyoming, Colorado, and Nevada. The mining States make little attempt to raise agricultural products, except for local market—they add to the wealth of the country by mining. Alaska is typically a mining country—the richest in the world—but it has agricultural capacity sufficient to feed a population equal to that

of Norway and Sweden. of Norway and Sweden.

Your attention is now directed to a large 6-foot photograph of the town of Fairbanks, situated on the banks of the Tanana River on the north side of the Tanana Valley. This picture gives a correct view of the Tanana Valley, and looking into the center of the picture you are looking due south. The valley here is 50 miles wide; it is well watered, well timbered, wide, flat, and fertile. The soil is a silt brought down in ages past from underneath the great glaciers which ground the mountains far to the south and which the ancient glacial floods deposited over this wide and now fertile valley. As the glaciers ground the mountains down both gradually disappeared, but the beautiful valley remained well fitted for the habitation of the tribes of men who are now settling there. The Mississippl and Ohio Valleys were filled by a great northeastern glacier, which leveled Illinois and filled these valleys with rich soil. In exactly the same way, by exactly the same force, the Tanana Valley was filled with exactly the same rich soil as the Mississippi. It is wide and fertile, with a soil of silt and loam, productive and capable of supporting a large farming and stockraising population.

In the presentation of his objections to Alaska as a land of homes and farms the gentleman from Oklahoma [Mr. Dav-ENPORT] quoted from the statement of Prof. Piper made before the Senate Committee on Territories to show that the agricultural capacity of the great interior valley was low. professor's statements were not enthusiastic, but on turning to his evidence, on page 551, we learn the reason for his conservatism, for on inquiry he testified:

Senator Walsii. What is the character of your information from the farmers in the Fairbanks neighborhood?

Prof. Piper. Only what has been published in the reports. Senator Walsii. Generally speaking, what is that?

Prof. Piper. Generally favorable; that is, vegetables do exceedingly well. Potatoes yield up to the neighborhood of 300 bushels per acre. The quality, where they are properly grown, is said to be very good.

And on page 549, Senate hearings, he is quoted as follows:

There can be no question from these results that there is a possibility of the production of grains in the agricultural lands of Alaska. Just here I may say that the amount of tiliable land in the interior of Alaska has been estimated by most of the men who have attempted to make an estimate at about 30,000 square miles. The total area of agricultural lands in Alaska has been estimated at 100,000 square miles, of which it is assumed that at least one-third is tillable, and that of the tillable lands probably more than two-thirds is in the interior. So there is a very large area of land which is capable of raising profitable crops of grain and would furnish a large amount of freight.

And on page 547 the professor admits:

I know nothing of the interior except from the agricultural reports which have been published and some miscellaneous information that has come to me from time to time.

He then pessimizes professorially, because it cost the experiment station \$200 an acre to clear a birch forest off a south sloping hill at the experiment station at Fairbanks. Well, that is some timber, anyway.

If we have timber enough of that kind in Alaska, we ought to be thankful. I called attention some time ago to the fact that the Forest Bureau figured that we have nearly \$150,000,000 worth of timber in Alaska forest reserves, and that we have \$150,000,000 more in the interior, but it does not cost \$200 an acre to clear if. Everybody knows that when the Government starts in to clear land it hires the highest-priced men at the time of year when they are receiving the highest wages for work in the mines, but an old farmer would clear that by burning it off and knocking the stumps over next year for about \$10 an acre.

Now let us hear the evidence of men who are competent to speak of the area and capacity of the agricultural land in Alaska from actual observation and experience. Prof. C. C. Georgeson is now, and for more than 10 years last past has been, the special agent of the Department of Agriculture in charge of Alaska experiment stations. He resides in Alaska, and has given this subject his constant attention. In a special address before the National Geographic Society in Washington, found in its July, 1909, magazine, at page 676, he makes these declarations about the area and capacity of agriculture in Alaska:

AREA OF AGRICULTURAL LANDS.

AREA OF AGRICULTURAL LANDS.

Alaska has not been surveyed. We have therefore no definite data as to the actual area which can be utilized for agricultural purposes, but I believe that the following estimated figures are approximately correct: The Yukon Valley and the valleys tributary thereto, except the Tanana, 30,000 square miles; the Tanana Valley and its tributaries, 15,000 square miles; the Copper River Valley and its tributaries, 15,000 square miles; the Susitna and the Matanuska Valleys, 15,000 square miles; the valleys of the Kuskokwim and the Nushagak Rivers, 15,000 square miles; and the coast region, 10,000 square miles; total, 100,000 square miles, or in round numbers about one-sixth of the area of the entire Territory. I do not mean to say all of this is good plow land, but I mean that there is at least 100,000 square miles in Alaska which can be utilized for culture and for pasture, and, as a matter of fact, the area is probably very much larger since a considerable of the mountain territory will afford pasture. Perhaps these data can be realized more fully if we compare them with similar data of better-known areas. The States of New York and Pennsylvania have together an aggregate area of 94,000 square miles, which is less than the agricultural area in Alaska. The combined areas of Maine, Vermont, New Hampshire, Massachusetts, Rhode Island, New Jersey, Delaware, Connecticut, and Maryland do not equal the agricultural area of Alaska.

WHAT POPULATION CAN THE TERRITORY SUPPORT?

In the face of these facts it is fair to infer that Alaska can support a permanent population. It would, of course, be too much to assume that Alaska can support a population equal to that of the States mentioned. In 1900, for instance, Massachusetts had a population of 348 persons to the square mile, New Jersey had 252 persons per square mile, New Jork had 152 per square mile, and Pennsylvania had 140 per square mile. It must not be forgotten, however, that these two large States have extensive mountain and lake areas which are not populated at all, but which are nevertheless counted in these density figures. But is it too much to say that the agricultural area of Alaska can support and will eventually support a population of 30 persons per square mile? This is but little more than the average density of the population of the United States, exclusive of Alaska and Hawaii, in 1900, but including our mountains, deserts, and forest areas, which are now uninhabited. The country which affords the best parallel to Alaska in point of latitude and climate is Finland. It is bounded on the south by latitude 60° and on the north by latitude 70°. The main body of Alaska lies within these latitudes, though the two long arms of southeastern and southwestern Alaska extend some 8° farther south. Now, Finland has a total area of 148,000 square miles, or, in round numbers, one-fourth the area of Alaska. But one-third of Finland consists of marsh land and inland lakes and another one-third is forest land. The agricultural area therefore, including the area covered by streams, towns, etc., does not exceed 50,000 square miles. But Finland supports a population of 3,000,000 people, or 60 persons per equare mile of area utilized for agricultural purposes. Would it be unreasonable to suppose that the agricultural area of Alaska can, and eventually will, support an equal population of 6,000,000 people, or 60 persons to the square mile? If it is not, then Alaska can support a population of agricultural crops, and the temperature which

DRAWBACKS TO SETTLEMENT.

As yet there are but few farmers in Alaska, and these are chiefly disappointed prospectors who have found that they can make more money raising products to supply the local market than they can mining. Nor is there any immediate prospect that the country will be settled with a farming population. Congress has generously enlarged the homestead in Alaska to 320 acres, but even this does not attract prospective farmers except to a very limited extent. The reason is that it is too expensive for a farmer in the States to move his family and equipment to the northland and there begin as a pioneer. Lack of transportation facilities is a barrier at once both to the influx of people and to the export of such produce as they might raise. Until the transportation problem is solved, Alaska will have but few immigrants aside from those who come for the purposes of trade and mining; but these conditions will be remedied as the resources of the country are developed. The rich deposits of gold, copper, and coal are bound to be developed, and with this development there will be a general advance, not only in transportation conditions, but there will be a corresponding growth in the number who take advantage of the agricultural possibilities of the country.

Mr. HARDWICK. Mr. Chairman, will the gentleman yield

Mr. HARDWICK. Mr. Chairman, will the gentleman yield for a question?

Mr. WICKERSHAM. Yes. Mr. HARDWICK. Before I ask a question I desire to state to the gentleman very frankly that the question bears upon an entirely different subject from that which he is now discussing, but it does relate to the bill. Will it bother the gentleman at

all if I ask him the question now?

Mr. WICKERSHAM. Not at all.

Mr. HARDWICK. Did this Alaska commission ever survey any of these projected routes?

Mr. WICKERSHAM. No.

Mr. HARDWICK. There has been no survey of any of them? Mr. WICKERSHAM. Not by the Government for Government railway purposes. Of course, there are the topographical surveys by the United States Geological Survey, and a lot of private surveys whose maps are usually on file in the General Land Office.

Mr. HARDWICK. No accurate detailed estimate of what it will cost to build them?

Mr. WICKERSHAM. Accurate and detailed in this: They went over those routes, and assuming that a railroad could be built substantially on the level country which they covered, they made very careful and full estimates, and in the worst parts of those routes other railroads had made estimates and surveys, and they secured the benefit of those exact estimates and surveys and based their estimates and report upon that.

Mr. HARDWICK. After all, that is more or less of a guess?

Mr. WICKERSHAM. Not at all.
Mr. HARDWICK. How much of those 752 miles of projected railroads carried in this bill have ever been surveyed either by this commission or anyone else?

Mr. WICKERSHAM. All of it.
Mr. HARDWICK. Will the gentleman tell me where I can
get the information that shows that?

Mr. WICKERSHAM. Yes; the gentleman can get the information if he will go to the Alaska Syndicate headquarters for the survey of the Alaska Syndicate route up to Chitna and their survey across to Fairbanks, and if the gentleman will go to the Alaska Northern Railroad headquarters they will give him a survey of that route, and he will find all of the facts with respect to that stated in the hearings. They testified they had made accurate surveys over those routes.

Mr. HARDWICK. Does that include them all? Mr. WICKERSHAM. That includes only those two

Mr. HARDWICK. But about the balance of it, which is the greater part; has that ever been surveyed?

Mr. WICKERSHAM. That has been surveyed by the Alaska Road Commission in the location of a road along that route.

Mr. HARDWICK. But not by a railroad? Mr. WICKERSHAM. No.

Mr. HARDWICK. It has not been surveyed at all for a railroad?

Mr. WICKERSHAM. Not by the Government.
Mr. HARDWICK. That is true of a large bulk of this?
Mr. WICKERSHAM. No; very largely the surveys have been made, as I have told the gentleman.
Mr. HARDWICK. These private corporations have done that?
Mr. WICKERSHAM. Yes.
Mr. HARDWICK. The commission itself did not survey it?

Mr. HARDWICK. The commission itself did not survey it?

Mr. WICKERSHAM. They did not.

Mr. HARDWICK. It had no civil engineer's report or anything else on which to base what they claim in their report?

Mr. WICKERSHAM. The commission was composed of the best civil engineers in the United States.

Mr. HARDWICK. They had one?

Mr. WICKERSHAM. They had more than one; they had three, at least.

Mr. HARDWICK. They did not do civil-engineering work?

Mr. HARDWICK. They did not do civil-engineering work?
Mr. WICKERSHAM. Oh, no.
Mr. HARDWICK. Such as a private corporation would require it to be done before it constructed railroads?
Mr. WICKERSHAM. Not at all.
Mr. HARDWICK. That claim is not made?
Mr. WICKERSHAM. No.
Mr. HARDWICK. I just wanted to be sure if I were right in my own mind. I thank the gentleman.
Mr. WINGO. Is there any difference between the effect the freezing has on the soil there, and the resultant thaw, from what it is in this country? what it is in this country?

Mr. WICKERSHAM. In what respect does the gentleman

-in the cultivation of crops?

Mr. WINGO. No; I am talking about the physical effect on the roads.

Mr. WICKERSHAM. I do not think so.

Mr. WINGO. The gentleman thinks they are practically the

Mr. WICKERSHAM. I do not know of any difference. Mr. WINGO. What kind of ballast have they used on the rallroads constructed there?

Mr. WICKERSHAM. The railroad that is constructed out

of Fairbanks, 45 miles, is a dirt ballast.

Mr. WINGO. What does the gentleman mean by dirt ballast? Mr. WICKERSHAM. Just the dirt thrown from the sides of the road. Of course, there are some places on the mountain top-one or two places, perhaps-where they may use gravel, but 90 per cent of it is dirt ballast.

Mr. WINGO. What effect does the freezing and the resultant thaw have on the dirt ballast?

Mr. WICKERSHAM. None. Mr. WINGO. None whatever?

Mr. WICKERSHAM. No. Mr. WINGO. There is a difference. Why is it that they can run a railroad in Alaska on dirt ballast with such a low temperature at certain times during the year and you can not run one in the States?

WICKERSHAM. When the temperature is low the ground is frozen as hard as a board and you could run the rail-

road on the ground.

Mr. WINGO. Now, when the thaw comes in the summer time, how deep does it thaw in this dirt ballast?

Mr. WICKERSHAM. That would depend upon the condition. There are many places where it is not frozen at all, other places where it is frozen for several feet, and other places it will thaw deeper, but it always thaws the depth of the grade.

Mr. WINGO. It always thaws the depth of the grade. What
effect does that have on the dirt ballast?

Mr. WICKERSHAM. Nothing serious. There is no more

trouble than on the Canadian Pacific or on the Grand Trunk Pacific, and all those roads at Manitoba and in Canada.

Mr. WINGO. I assume the gentleman understands they are not altogether dirt ballast?

Mr. WICKERSHAM. The new ones are.

Mr. WINGO. They have not used chert or other ballast? Mr. WICKERSHAM. Very little; they have used dirt ballast.

Mr. WINGO. How often do they have to reballast those roads already in Alaska?

Mr. WICKERSHAM. I have no definite information about that.

Mr. WINGO. The gentleman says all these proposed routes

have been surveyed? Mr. WICKERSHAM. I did not say so; I pointed out those

that had been surveyed.

Mr. WINGO. What kind of a survey did they make?

Mr. WICKERSHAM. I do not know.

Mr. WINGO. When the gentleman speaks of "surveyed,"
what does he understand the word "survey" to mean?

Mr. WICKERSHAM. I understand it to mean at least a temporary survey that gives the contour of the country over which the route passes

Mr. WINGO. That is the gentleman's understanding of a

railroad survey?

Mr. WICKERSHAM. It is not my understanding of a railroad survey at all, but it is my understanding of what these people generally did on these temporary surveys through that country.

Mr. GORDON. Will the gentleman yield? Mr. WICKERSHAM. Yes.

Mr. GORDON. What would be the gentleman's objection to assessing the cost of the construction of these roads upon the adjacent land, on the same principle of ditch and road assess-

ments that are assessed throughout the United States?

Mr. WICKERSHAM. The Government owns this land, and if you pay the assessment I will agree to it. [Applause.] I do

not object.

Mr. GORDON. I understand that, sir. Mr. WICKERSHAM. They are Government lands.

Mr. GORDON. Certainly they are. Mr. WICKERSHAM. Well, I have no objection.

Mr. GORDON. The gentleman has not proposed that in his bill, has he?

Mr. WICKERSHAM. No; but we propose to put a mortgage upon all the lands in Alaska.

Mr. GORDON. Half?

Mr. WICKERSHAM. No; 75 per cent of all the sales of

public land is proposed.

Mr. GORDON. The copy of the bill I have only provided 50 per cent.

Mr. WICKERSHAM. Maybe it is the Senate bill that has the 75 per cent.

Mr. GORDON. Does the gentleman see any injustice in that simple assessment upon those lands adjoining this railroad for the cost of construction upon the theory of the great benefit growing from the construction and operation of this railroad

growing from the construction and operation of this failroad accruing to the lands, as there are no people up there?

Mr. WICKERSHAM. Well, the gentleman is mistaken in all of his premises. The whole benefit does not accrue to the adjacent lands, and there are a lot of people up there.

Mr. GORDON. How many people are there up there?

Mr. WICKERSHAM. There are 35,000 of the best people in

the world.

Mr. GORDON. Undoubtedly they are the best people in the world, but 35,000 are not many people for a Territory of that That is just about as many as live in one ward in my size. city.

Mr. WICKERSHAM. Yes; and I am sorry for them. If they will come to Alaska, we will give them homes and something to live on. Mr. PAYNE.

Mr. Chairman, will the gentleman yield?

Mr. WICKERSHAM. Certainly.

Mr. PAYNE. How many of these 35,000 people earn their livelihood by tilling the soil?

Mr. WICKERSHAM, Very few of them. Mr. PAYNE. How large is Fairbanks?

Mr. WICKERSHAM. It has about 4,000 population.

Mr. PAYNE. What proportion of them depend upon the soil for their support?

Mr. WICKERSHAM. Last year about 90 per cent of the potatoes consumed was raised at home.

Mr. PAYNE. Can you give any information in regard to the raising of cereals?

Mr. WICKERSHAM. We raise all the garden vegetables that are used in the country.

Mr. PAYNE. You have no cereals and no flour mills? Mr. WICKERSHAM. No; we have no flour mills.

year we began to take in harvesters and reapers, and other machines for cutting grain, for the first time.

I will say that I went to Fairbanks in 1903, and at that time there were but three houses there. It was in the midst of a dense wilderness, at that time 500 miles from civilization. In 10 years those people have made the most wonderful prog-ress in that country. They have taken \$74,000,000 in gold out of the creeks at Fairbanks in those 10 years, and we have in those creeks now a great area of low-grade placer ground; and if we had the railroad there, so that we could get cheap freight rates, we could take out 10 times the amount we have taken out before our placers are exhausted, and then our quartz mines could be worked.

Mr. PAYNE. It would seem that those people who are taking this gold out might themselves build this railroad and own it Mr. OGLESBY. But the trouble is they have to have a railroad to take it out.

Mr. MADDEN. Mr. Chairman, will the gentleman yield? The CHAIRMAN. Does the gentleman yield? Mr. WICKERSHAM. Yes.

Mr. MADDEN. What proportion of the people of Alaska would be served by the construction of these 400 miles of railroad?

Mr. WICKERSHAM. If the railroad were built to Fair-banks it would serve all the interior of Alaska and all the waterways of the interior.

Mr. MADDEN. What percentage of the population would be served?

Mr. WICKERSHAM. One-half of the population, of course, does not live in the interior.

Mr. MADDEN. Would the construction of this system of railroads serve one-half of the present population?

Mr. WICKERSHAM. Oh, yes; it would, because this country right through here, in the south, has more than one-half of the population, and it would be served by the building of the rail-

Now, gentlemen want to know what is raised in this country. If you will let me. I will read from a letter of a farmer who resides in Fairbanks; and out here, hanging in one of these windows, where you can see it, is a picture of this particular farmer cutting his grain on his own farm in Fairbanks. I have visited him many times. I will be glad to show you this letter to demonstrate what he raises and what he gets for it. He says:

FAIRBANKS, ALASKA, November 8, 1909.

Hon. James Wickersham, Delegate to Congress, Fairbanks, Alaska.

Delegate to Congress, Fairbanks, Alaska.

My Dear Judge: In answer to your suggestion that I write you a letter about my farming operations, I take pleasure in doing so. When you and Mr. Joslin were at my place last fall I had not begun to take in my crops, but since then I have done so. I had 3 acres of potatoes and they yielded me 18 tons, and the market price was \$120 per ton, for which I sold most of them. I had 1 acre of beets upon which I had a crop of 8 tons; 2 acres of carrots which yielded me 7½ tons, with a market price of \$140 per ton. One acre of turnips from which I gathered 200 sacks of 80 pounds to the sack, or 8 tons, at \$80 per ton. I had 2½ tons of rutabagas upon one-fourth of an acre of ground, for which the market price was \$100 per ton; I had 1 ton of red beets on one-quarter of an acre of ground, at \$140 per ton; I had 15 acres of barley which I cut and sold for hay. I had 3½ tons which I sold for \$75 per ton, and still have enough left to fill my barn chuck full for my own use for the winter. I raised 2 tons of cabbage which I put away for the winter, besides which I sold between 3½ and 4 tons during the summer at an average selling price of \$140 per ton.

I raised 29 suckling pigs, also 13 pigs which weighed about 100 pounds each, and 23 big hogs. I sold 5 of my hogs to the butcher for \$60 each.

Whis fell I put in 6 acres of winter wheat—Bluestern—which I

\$60 each.

\$60 each.

This fall I put in 6 acres of winter wheat—Bluestem—which I sowed the second week in August, and before the snow came in October the wheat was up 2 or 3 inches high, and I never saw a better stand of wheat anywhere. I have raised good winter wheat, barley, and oats, and all kinds of garden vegetables, and in my judgment as a farmer of more than 30 years' experience the Tanana Valley is a first-class agricultural country.

My farm is near the river and is perfectly level. The soil is a sandy loam and is very rich, and is made up of sediment and siit and sand brought down by the river in ages gone by. The Tanana Valley opposite my farm is 60 miles wide, and there are probably 5,000,000 acres

of as good ground as mine in this vicinity. I know from six years' experience on this farm that farming can be made entirely successful and that this valley can be made to produce everything which can be raised in Minnesota and the Dakotas, and there is no valley in the North so wide and rich and variable for agricultural purposes as the Tanana Valley.

I have several neighbors immediately around the town of Fairbanks who are engaged in successful farming, and we have in the last year raised almost enough to supply the local market, and there is no question hereafter that the whole local market in the Tanana mines can be supplied from our farms and gardens.

Respectfully,

As you will observe, he goes on to tell what he is putting in for the fall. I call your attention to this letter, which I intend to put in the RECORD complete, for two purposes-first, to show what the writer actually raises there and what enterprise he has and what can be raised there, and, second, to show you

what he charged the poor fellows around there for it.

The charge is very high. It is so high that if men did not get \$5 a day working in the mines they could not afford to buy what this farmer raises; and he is enabled to charge these high prices because of the lack of transportation. We can not get food into that country without paying \$125 a ton freight.

Dr. Walter H. Evans, chief of the division of insular stations in the Office of Experiment Stations in the Department of Agriculture, prepared the following careful study of the conditions in Alaska in comparison with those countries in Europe lying under the same latitude and climatic conditions:

lying under the same latitude and climatic conditions:

As a result of the investigations at Sitka, Rampart, and Fairbanks, supplemented by hundreds of letters from settlers, it can be safely asserted that in almost any part of Alaska south of the Arctic Circle hardy vegetables of good quality can be produced, so far as the climate is concerned. A list of these vegetables would embrace radishes, turnips, kale, mustard, lettuce, carrots, parsnips, parsley, peas, cress, cabbage, cauliflower, Brussels sprouts, kohl-rabl, onions, spinach, cndive, leeks, beets, potatoes and rhubarb, and, among the herbs, caraway, catnip, mint, and thyme. In specially favored localities and in favorable seasons, asparagus, beans, celery, cucumbers, squash, and salsify have been grown by taking advantage of warm sheltered spots with exposures toward the sun. Under ordinary conditions, corn, melons, tomatoes, eggplant, and pumpkins have proved fallures.

In the interior valleys grain can be successfully grown, and there has not been a year since 1900 when the majority of the varieties of oats, barley, and rye have not ripened at the Rampart Station (lat. 65° 30° N.). Wheat, both fall and spring sown, has ripened some years. Similar results have been secured at Fairbanks in the Tanana Valley, but the work has not been in progress for as many years. In 1909, out of 60 varieties of grain of all kinds, 55° ripened their entire crop, as follows: Spring wheat 1, winter wheat 1, winter rye 7, spring rye 1, spring emmer 1, spring barley 29, and spring oats 15.

AGRICULTURE IN NORTHERN EUROPE,

In order to further establish the possibility of agriculture in Alaska a comparison has been made of the countries of Norway, Sweden, Finland, and the Russian Provinces of Archangel, Vologda, and Olonetz. All the countries lie between latitudes 58° and 70° north, and for the most part they are north of 60°, the approximate latitude of the northern reach of the Gulf of Alaska. In Europe, within the above limits, are embraced over 985,000 square miles, or about 599,450,000 acres. Alaska, with its 570,390 square miles, or about 599,450,000 acres. Alaska, with its 570,390 square miles or 365,049,000 acres, extends from latitude 54° 30' in southeastern Alaska to more than 71° at Point Barrow. A study of the topography, climate, native plants, etc., shows that the conditions are not very dissimilar in the two regions, whatever advantages there is in climate being probably slightly in favor of the European countries. In these countries of Europe more than 11,000,000 people are living, while the census of 1910 reports 64,356 as the population of Alaska. Recent statistics show in the three countries and three Provinces in Europe which lie mostly north of 60° that 8,373,000 acres of land were producing cereals of all kinds, the total yield being: Wheat, 6,683,840 bushels; rye, 36,500,640 bushels; barley, 26,963,545 bushels; oats, 109,036,780 bushels. In addition, potatoes to the amount of 100,321,100 bushels and 7,871,119 tons of hay were reported. Live stock are returned for these countries as follows: Horses, 1,516,251; cattle, 6,110,476; sheep, 4,033,578; hogs, 1,484,124; goats, 368,021; and reindeer, 564,732.

The area reported under cultivation varies from less than 0,01 per cent in Archangel and 0.5 per cent in Norway to 41 per cent in Second

cattle, 6,110,476; sheep, 4,033,578; hogs, 1,484,124; goats, 368,021; and reindeer, 564,732.

The area reported under cultivation varies from less than 0.01 per cent in Archangel and 0.5 per cent in Norway to 4.1 per cent in Sweden. In Finland, Vologda, and Olonetz only about 1 per cent of the total area is in cultivation, as the term is commonly used. In nearly every country there are natural meadows of large extent used as pasture and for haymaking, so that the total under agricultural use is probably about double the figures quoted above. On a basis of 1 per cent of the total area available for crops and 2 per cent for crops, pasture, and haying, there should be over 3,650,000 acres capable of cultivation, or 7,300,000 acres available for possible agricultural development in Alaska. In 1894 the Director of the United States Geological Survey, in a letter to the House Committee on Agriculture, estimated the area of tillable land in southeastern Alaska, in the Cook Inlet country, the Alaskan Peninsula, and adjacent islands at from 3,000 to 5,000 square miles, or 2,000,000 to 3,000,000 acres. In 1900, after traveling repeatedly throughout Alaska and comparing estimates from various sources, Frof. C. C. Georgeson estimated the tillable and pasture land of Alaska at 100,000 square miles, or 64,000,000 acres. In 1910 Mr. J. W. Neal, who is in charge of the agricultural experiment station near Fairbanks, made a reconnoissance survey of the Tanana Valley, and he estimated the agricultural and grazing lands of that valley and the small valleys leading from it at about 15,000 square miles, or 9,700,000 acres. or more than the total area reported under crops in the specified countries of Europe.

With the same development of agriculture in Alaska as in Europe, to

Europe.

With the same development of agriculture in Alaska as in Europe, to supplement its mining, fisheries, and other industries, Alaska should support a population almost equal to that of Europe north of 60° latitude and a commerce of equal or of greater importance.

Comparative area of some European countries.

	Lat	atitude north.			Popula-	Total area.	Area cultivated to cereals.		
Norway		30	to 70 to 68 to 70	0	2,000,917 4,919,260 2,335,916	Acres. 76, 226, 000 101, 563, 000 82, 025, 000	Acres. 402,000 4,113,900 1,578,300	Per cent. 0.5 4.1 1.9	
Archangel Vologda	62 58 60	0	to 70 to 65 to 64	0	413,500 1,565,800 422,200	208, 680, 320 99, 369, 600 31, 587, 200	162,200 1,656,930 359,770	.075 1.7 1.1	

Crop production in some European countries.

Wheat.

Rye

Barley.

	137		
Norway (1905) Sweden (1905) Finland (1907). Russian Provinces: Archangel (1909)	Bushels. 318,880 5,769,520 147,000 5,700	Bushels. 951,360 16,929,120 11,661,000 451,940	Bushels. 3,357,120 13,134,000 5,415,000 1,395,250
Vologda (1909) Olonetz (1909)	431,640 11,100	5,037,700 1,478,520	3, 053, 400 608, 775
	Oats.	Potatoes.	Нау.
Norway (1905). Sweden (1905). Finland (1907). Russian Provinces:	Bushels. 9,562,88 65,646,86 21,822,00	0 25,033,400 50,654,730	Tons. 2,572,920 3,361,390
Archangel (1909). Vologda (1909). Olonetz (1909).	226, 20 9, 567, 11 2, 211, 73	0 2,923,140	295, 153 1, 216, 482 425, 174

Live stock in certain European countries.

	Horses.	Cattle.	Sheep.	Hogs.	Goats.	Reindeer.
Norway (1906)	172, 468 566, 227 327, 817	1,094,101 2,628,982 1,491,264	1,393,488 1,021,727 904,447	318, 556 878, 828 221, 072	296, 442 65, 300 6, 279	142, 623 288, 360 133, 749
Russian Provinces: Archangel (1908) Vologda (1908) Olonetz (1908)	62,050 313,872 73,817	118, 675 622, 619 154, 835	133,096 464,138 116,682	253 60,957 4,458		

And, finally, the attention of the House is directed to the annual report of Alaska agricultural experiment stations for 1912, and particularly to pages 46-57, relating to Fairbanks, and pages 57-67, relating to the work at Rampart, Alaska, a hundred miles farther north.

The attention of the House is also directed to the official report of the governor of the Territory of Alaska to the Secretary of the Interior, since it calls attention to the agricultural value of Alaska and to many other elements of value that are noticed in these remarks.

The call of Alaska to the immigrant spirit has been rendered into beautiful verse by the Alaska pioneer Presbyterian preacher, Dr. S. Hall Young:

Ho! Viking brood, ho! Norsemen, all;
The sturdy Swede, the hardy Gael;
Ye Finns, ye Celts, to you I call;
Ye Germans, Danes, I bid ye hail!
Who'er has breathed the Ice King's breath,
Has braved his wrath, nor feared his death;

My gold, deep locked with icy bands;
Come, rive it, mine it, fling it free!
Come, dig my coal and plow my lands;
Snatch finny hordes from streams an
My copper rend from mountain walls;
My marble blast for stately halls. and sea:

Here life is freedom, blessed health;
I break all chains, I fashion men;
Ye scale my hills of boundless wealth,
And win—ye win yourselves again.
I smite to bless, I bind to free;
Lag not in cities; haste to me.

Now, gentlemen, I want to call your attention to the rate side of this question and to the present railroad conditions in that country. I want to show you why this farmer could charge \$125 to \$140 per ton for the produce which he raised on his farm and get the money out of the miners. Of course at that time the miners were taking out enormous sums of money. Up to date we have taken out \$75,000,000 from the streams immediately around Fairbanks.

THE GUGGENHEIM COPPER TRUST.

The greatest obstacle to the development of Alaska by Alaskans for Alaskans and the people of the United States is the Alaska Syndicate. This syndicate is a New York trust, composed of the Morgans, the Guggenheims, and the Close Bros., of London, together with their immediate lieutenants and confidential employees.

Those members of this House who have examined the charts prepared by the committee which investigated the Money Trust must have been impressed with the demonstration that interlocking directorates in banking and industrial corporations virtually made one man the financial king of the world. A similar chart showing the widespread ramifications and powerful financial alliances of the Copper Trust, all centering in the Alaska Syndicate, would prove equally striking. Whoever wishes to know what is the matter in Alaska must understand what the Alaska Syndicate is, for it is what is the matter in Alaska.

The real power in the Alaska Syndicate, so far as Alaska and the western mining is concerned, is with the Guggenheims, whose head is Daniel. Here is a partial list of the activities of the Guggenheims, and one who wishes more details will find them in Poor's Manual of Industrials, 1913, at pages 1641–1644; in the Copper Handbook, 1910–11, at pages 311–316; in Poor's Manual of Railroads, 1913, at page 1212; and in the hearings before the Senate and House Committees on Territories on the Alaska railroad bill. Briefly these evidences show that on the Alaska railroad bill. Briefly, these evidences show that the Alaska Syndicate is financially connected as follows:

Alaska Syndicate is inflationly connected as follows:

Alaska Syndicate partners: J. P. Morgan & Co., New York; Guggenheim Bros., New York; Close Bros., London.

Some of the Alaska Syndicate's Alaska enterprises are: Copper River & Northwestern Railway Co., Alaska Northern Railway Co., Alaska Steamship Co., Kennecott Copper Mines Co., Beatson Copper Mines Co., Ellemar Copper Mines Co., Northwestern Development Co., Yukon Gold Co.

The Copper River & Northwestern Railroad is the road going up the Copper River to the Chitna, and thence branching out to other copper mines. The Alaska Northern Railroad is this 71 miles of road running north from Seward.

Mr. STAFFORD. I understood that that was the road that

broke the Sovereign Bank of Canada. Mr. WICKERSHAM. Yes.

Mr. STAFFORD. Have the Guggenheims got control of the bonds of that road since then?

Mr. WICKERSHAM. Not the Guggenheims, but the Morgans. They had them all the time.

Mr. STAFFORD. Have the Morgan interests got control of those bonds?

Mr. WICKERSHAM. I believe so.

Mr. STAFFORD. I am acquainted with one gentleman in Milwaukee who has some of those bonds which are not covered by the mortgage.

Mr. WICKERSHAM. Certainly not. He is in the minority. That is another bad feature of it. If you are in the minority, you do not count.

Mr. OGLESBY. The hearings showed that the syndicate had 26 to 28 per cent of the bonds.

Mr. WICKERSHAM. I call your attention to the fact that the Tacoma Smelting Co., at Tacoma, Wash.; the Everett smelter at Everett, and the Selby smelter at San Francisco are the only smelters on the Pacific coast of the United States, and all three of them belong to the Guggenheims. The richest copper deposits in the world are in Alaska. If you do not believe it, I have a specimen here for you to look at. There is a piece of Guggenheim copper from the Kennicott mines, near Cordova, Alaska. That is 75 per cent pure copper, and there is enough gold in it to pay for working it. They have \$25,000,000 worth of that rock at the top of the ground,

ready to ship out.

Mr. MADDEN. There is nothing to prevent anybody else

organizing smelters, is there?
Mr. WICKERSHAM. Yes. Mr. MADDEN. What is it? Mr. WICKERSHAM, Money.

Mr. MADDEN. If you had the money, you could go and organize one?

Mr. WICKERSHAM. No; I could not; and I could not build a railroad in Alaska.

Mr. MADDEN. Why not?

Mr. WICKERSHAM. Because the great overwhelming Alaska syndicate, the Morgans and Guggenheims, would not permit it.
Mr. MADDEN. Do you mean to say that if you had the
money to put into a railroad, they would not permit you to build it?

Mr. WICKERSHAM. Yes. Mr. MADDEN. How could they prevent it?

Mr. WICKERSHAM. They would break down my credit. Mr. MADDEN. You would not need any credit if you had the money

Mr. WICKERSHAM. The/ would hire away my men. They would kill you if necessary, as they have on these roads in Alaska. If the gentleman will be patient I will present the evidence to him.

Mr. MADDEN. I shall be glad to have it.
Mr. WICKERSHAM. I will do it with pleasure.
The following are among the great enterprises in the United States which, with interlocking alliances and the vast capital invested, give this Guggenheim Copper Trust such a commanding position in the financial world, and especially in the West. Their corporations and principal mines controlled are as fellows:

Balaklala Consolidated Copper Co., Coram, Cal.
Dairy Farm Miniag Co., Van Trent, Cal.
Selby Smelting & Lead Co., Leadville, Colo.
Selby Smelting & Lead Co., Leadville, Colo.
Selver Lake Mines, Silverton, Colo.
Federal Lake Mining & Smelting Co., Wallace, Idaho.
Federal Lead Co., Flat River, Mo.
More Cristo Mining Co., Tacoma, Wash.
Monte Cristo Mining Co., Monte Cristo, Wash.
Bonanza Mines and others in Mexico.
Baltimore Copper Smelting & Rolling Co., Baltimore, Md.

The following is a list of metallurgical plants owned by them:

neui:

Perth Amboy plant, Maurer, N. J.

National plant, South Chicago, Ill.
Omaha plant, Omaha, Nebr.
Globe plant, Denver, Colo.
Pneblo plant, Pueblo, Colo.
Ellers plant, Pueblo, Colo.
Ellers plant, Pueblo, Colo.
Ellers plant, Durango, Colo.
Arkansas Valley plant, Leadville, Colo.
Murray plant, Murray, Utah,
Everett plant, Everett, Wash.
Helena plant, East Helena, Mont.
El Paso plant, El Paso, Tex.
Entimore plant, Baltimore, Md.

Through their ownership of innumerable companies purchased, the monopolization of copper and lead properties, and the acquisition of numerous smelting and metallurgical plants throughout the United States and Mexico, and through their manipulation of the copper markets, the Guggenheims have acquired vast wealth and great financial and political power. All these have taught them the line of least resistance to follow in securing the complete monopolization of the copper, the gold, and the steamship and railroad transportation in Alaska. They long ago discovered they had a free hand in securing title to unlimited quantities of Alaska's undeveloped wealth at Government rates. If the policeman will only continue to sleep, they will continue to help themselves. Will the policeman wake?

RAILWAY CONDITIONS IN ALASKA.

Any effort to secure Government aid for the building of a trunk line of railway in Alaska meets with the prompt objection that there are private interests which will build this road if the Government will keep its hands off. This objection to Government aid and to Government control is of such serious moment that it must be fully and fairly answered before Members of the House will be satisfied to vote for the bill under consideration. If it is true that private interests will build railroads into the interior under such circumstances as to freely and fairly open the country for development and give such transportation facilities as will enable the citizens of the United States to go there and acquire property and enter into business, develop mines, settle the land, and generally open up the country, then there will be little need for Government aid.

I beg the attention of the House while I sketch for you a few

graphic pictures of railway conditions in Alaska, and show you how impossible it is for there to be any such development in the way of transportation by private interests as you would wish to see there. These few pictures will show you that Alaska is substantially in the hands of the Alaska Syndicate and that all of its transportation lines are under the control of that one powerful influence. My effort will be to show you that their monopoly of transportation is used by them, not for the purpose of settling the country or to open up its mines, but for the purpose of excluding every effort at independent development which will in anywise interfere with the monopoly which they are building there. They have been in control of the transportation lines in Alaska for a decade, and during that 10 years they have unfairly crushed every attempt to create independent transportation down to the date of this bill. If this bill is defeated the grip of the old Southern Pacific on California will be gentle to the hold which this national devilfish will have on

WHO COMPOSE THE ALASKA SYNDICATE

On February 18, 1910, before the Senate Committee on Territories appeared Mr. Stephen Birch and Mr. John N. Steele, representatives and members of the Alaska Syndicate, who, being examined, testified as follows, at page 73 of the hearings:

Mr. Steele. Who compose what is known as the Alaska Syndicate?
Mr. Biach. The Messrs. Guggenheim and J. P. Morgan & Co.
Mr. Steele. When you say "the Messrs. Guggenheim" do you mean
M. Guggenheim Sons?
Mr. Biach. M. Guggenheim Sons.
Mr. Steele. Who have charge of the affairs of that syndicate in New
York?

Mr. BIRCH. Mr. S. W. Eccles, Mr. John N. Steele, and myself.

Mr. Steele. About when was this Alaska Syndicate formed? In the spring of 1906, was it not?

Mr. Buchl. In the spring of 1906.

Mr. Steele. In what enterprises in Alaska is that syndicate interested?

ested?

Mr. Brach. They are interested in the Northwestern Commercial Co., the Alaska Steamship Co., the Northwest Fisheries, the Kennecott Mines Co., the Copper River & Northwestern Railway, and the Katalla Co.

Mr. Steele. We will take up first the Northwestern Commercial Co. On page 88 of those hearings these gentlemen were interrogated with respect to the community of interest of the White Pass owners in the Alaska Syndicate, and they testified as

follows:

Mr. Steele. Who at that time owned the Copper River Railway?
Mr. Birch. At that time—
Mr. Steele I mean at that time.
Mr. Birch. The Alaska Syndicate owned it.
Mr. Steele At the time the Copper River & Northwestern Railway was first acquired by the Alaska Syndicate who owned the Copper River

was first acquired by the Alaska Syndicate who owned the Copper Rialway?

Mr. Birch. M. J. Hency, Mr. Graves, and Close Bros., of London, Mr. Steele. Did the Alaska Syndicate acquire the entire interests of those gentlemen in the Copper River Railway?

Mr. Birch. Yes, sir; by permitting them to participate in the Alaska Syndicate up to the amount they had expended.

Mr. Steele. In other words, they gave them a participation in the syndicate up to the cash amount they had expended in the construction of the Copper River Railway to that time?

Mr. Birch. Yes, sir. Mr. Chairman, I have a map showing this railroad, if you desire it.

The immediate facts relating to the partnership between the Alaska Syndicate and the White Pass & Yukon is stated by Mr. O. L. Dickeson, the president of the White Pass & Yukon, in his testimony before the Senate Committee on Territories of May 8, 1913, and will be found in full on page 155 of those hearings, where he testified as follows:

Senstor McLEAN. Have you any interest in common with the Gug-

hearings, where he testified as follows:

Senstor McLean. Have you any interest in common with the Guggenheims?

Mr. Dickeson. Yes, sir; we have. Frankly, I might say here that, in this talk that I have made against the extension of that line, I am talking against a part of our interests. The interest comes about in this way: The firm of Close Bros. & Co. and a man by the name of M. J. Heney, who built the White Pass & Yukon Road, entered into the original scheme of building the Copper River & Northwestern Railroad. We went down in our pockets and each of us put up 50 per cent of the money to start that project. We got to the 20-mile point and we found that some one was building over the Valdez route—I think it is the Valdez route—and we found that this man was one John Rosene, who is now projecting the Haines route, and we also found that this man was bucked by the Morgan-Guggenheim syndicate, and that being true, and our making efforts to raise money in New York to complete the extension of this plan, we did not feel that we were likely to be very successful, and we therefore thought that the only other thing to do was to go to England to get the money.

Mr. Wickershiam. Why could you not raise the money in New York in opposition to them?

Mr. Dickeson. I was not with the road then, Mr. Wickersham. We thought the only thing to do—

Senator Jones. If you had been do you think you could?

Mr. Dickeson. No, sir; I do not believe I could. We thought the only other thing to do was to go to England, and, in going to England, the English people, who had or could have raised the money to put up for a railroad project, said the White Pass & Yukon route had not paid anything, and they said, "Why ask us for money to build another railroad?" So, we could not raise the money there. We had considerable difficulty, so we dropped the whole scheme and sold out to the Morgan-Guggenheim syndicate, which is known as the Alaska Syndicate, and accepted paper for our interests. We sold for the paper.

These admissions show how intimate the association is between those who own the Skagway gateway into Alaska and those who own the Copper River gateway; they also show that these two gateways are controlled by the Alaska Syndicate, and that the Close Bros. could not get financial aid to finish their Copper River Railroad, but were forced to sell to the Alaska Syndicate. It was another instance where the Alaska Syndicate. Syndicate choked an independent railroad to death and bought its trust estate for participation in its general scheme of monopoly.

HOW THEY GOT THE ALASKA NORTHERN.

The Alaska Northern Railway is constructed from Seward, on Resurrection Bay, 71 miles north to Kern Creek, at the head of Turnagain Arm. The first few miles were built before the firm of Frost & Osborne took them over and completed the construction to Kern Creek. The testimony with respect to the real ownership of this road is quite fully stated in the testimony of Mr. F. J. Jemmett, who is now the trustee in charge of the Sovereign Bank of Canada, and also the treasurer of the Alaska Northern Railroad, which connects these two defunct institu-tions directly. Beginning at page 386 in the Senate hearings before the Committee on Territories, Mr. Jemmett is interrogated quite fully in respect to advances of money made by the Sovereign Bank, of Toronto, Canada, for the building of the Alaska Northern Railway. It appears that the Sovereign Bank, through its officers, entered into some combination with contractors for building this road and furnished large sums of money, some portions of which went into the building of the road and some portions into other enterprises. How much money went into the Alaska Northern road does not appear from Mr. Jemmett's statement, but it does clearly appear that the Sovereign Bank, of Toronto, Canada, acquired the title to the Alaska Northern through advancing money to build the road. It became the owner of all the bonds, foreclosed its mortgage, bought it in, and is therefore the present owner.

THE SOVEREIGN BANK OF CANADA A MORGAN BANK.

Now, who is the Sovereign Bank, of Toronto, Canada? An examination of the bankers' directory of that date shows that its New York correspondent was J. P. Morgan & Co., and it is conceded to have been known as the Morgan bank in Canada. Some effort was made to show the exact amount which the Morgans owned in the Sovereign Bank, and on page 399 of the Senate hearings Mr. Jemmett testified:

Mr. Wickersham. I will pursue that further. Mr. Jemmett, the Sovereign Bank of Canada—was that the correct name of the bank? Mr. Jemmett. Yes. Mr. Wickersham. Was it not known as the Morgan bank? Mr. Jemmett. I did not know it, Judge, but I will take your word for it.

Mr. Jemmett. I did not know it, Judge, but I will take John for it.

Mr. Wickersham. You did not know of that before?

Mr. Jemmett. I never heard of it before.

Mr. Wickersham. Did you ever hear at this time that J. P. Morgan & Co. were New York representatives of the bank?

Mr. Jemmett. There is no question about the fact that J. P. Morgan & Co. were stockholders, and were the New York representatives. I never heard it called the Morgan bank.

Mr. Wickersham. Did they represent any other bank in Toronto, or Canada, in the same respect as they did this one?

Mr. Jemmett. I would say no. I do not know of my own knowledge.

Mr. Wickersham. To that extent, then, this was the Morgan bank in Canada?

Mr. Wickersham. To that extent, then, this was the Morgan bank in Canada?
Mr. Jemmett. To that extent; yes.
Mr. Wickersham. How much stock did J. P. Morgan & Co. own in the Sovereign Bank of Canada?
Mr. Jemmett. They owned about one-sixth.
Mr. Wickersham. Who owned that one-sixth—J. P. Morgan?
Mr. Jemmett. J. P. Morgan & Co.'s nominees held it for them.
Mr. Wickersham. J. P. Morgan & Co. owned it, and it was held by an agent for them?
Mr. Jemmett. It was recognized that it was their stock.
Mr. Wickersham. Were there other allied or interlocking interests in the United States with the Morgans who held an interest in the bank?
Mr. Jemmett. Not to my knowledge. I think that one-sixth repre-

Mr. JEMMETT. Not to my knowledge. I think that one-sixth represents the whole thing.

Mr. Wickerham. Did they advance moneys after they found these matters out to help tide the situation over? If so, how much?

Mr. Jemmett. After I took charge?
Mr. Wickersham. Yes.
Mr. Jemmett. Yes; they lent us some money. That was part of the conditions on which I arranged to go in, that the Morgan shareholders should give us some support. I do not know the exact amount.

Mr. Wickersham. Did they give you any support except in proportion to the interest they held in the bank?

Mr. Jemmett. Oh, yes. The scattered shareholders all over the country could not be got at as a practical matter.

Mr. Wickersham. To what extent did J. P. Morgan & Co. give you support in the way of cash loans?

Mr. Jemmett. I should think that it ran up a couple of million dollars, but I may be absolutely wrong on that. I think it was about a couple of million dollars.

There are some differences in the festimony as to whether

There are some differences in the testimony as to whether the Morgans owned a one-sixth or a one-third interest in the Sovereign Bank of Canada, the evidence being strongly, in my mind, that they owned a one-third interest. It was the Morgan bank in Canada, it was controlled by the Morgans, and its investment in the Alaska Northern Railway Co. was a Morgan investment. When the Alaska Northern Railway was taken over by the Sovereign Bank of Canada it became either a one-

third or a one-sixth Morgan railroad. It is that now, and is wholly a Morgan road in its control.

When George W. Perkins went to Seward in 1909 with the purpose of resuscitating this road and extending it to the interior of Alaska in connection with Ballaine's efforts, it was stated that it was for the purpose of saving their investment in the road and for the purpose of securing a further investment of money in their favorite work in the exploitation of railroads. However, in 1906, the Morgans had entered into the Alaska Syndicate with the Guggenheims, and according to that agreement they could not go into Alaskan enterprises without the consent of the Guggenheims. The Guggenheims refused to give their consent to Perkins resuscitating the Alaska Northern

Railway to save the Morgan investment in it, and it was not done. That refusal was based upon their claim that the road in which they were interested, the Copper River road, had the first right to the ownership of the Tanana Valley, a right which the Morgans conceded, and thereupon they gave up the rejuvenation of the Seward road.

I have gone into this matter thus carefully to show you that the Alaska Syndicate not only owns the Copper River & Northwestern Railroad gateway into the interior of Alaska, and that it is a partner with the owners of the White Pass & Yukon gateway, but that it is the owner of the Alaska Northern Railway and in control of that gateway. In short, we find the Alaska Syndicate in control of three of the principal gateways to the interior of Alaska.

Who are these Colossi who stand astride not one but three of the harbor gateways to the territory of Alaska? Alaska Syndicate a law-abiding, liberty-loving, and developing power, to whom we may look for justice and fairness if we shall abandon Alaska to its control? May Congress abdicate its power and duty over the trust estate in Alaska and leave the performance of that duty to this great syndicate with the certainty that the rights of the people in that trust estate will be well cared for? Permit me to offer some concrete facts in answer to these inquiries.

Mr. MADDEN. As I understand, they claim that this rail-

road cost \$80,000 a mile? Mr. WICKERSHAM. Yes; but we know that it did not cost one-third of that.

Mr. MADDEN. I was wondering if that road cost \$80,000 a mile, how we were going to build this road for \$40,000 a mile.

Mr. WICKERSHAM. The 71 miles are built over what is doubtless the most expensive portion, from the coast over a little range of mountains, but we are sure it did not cost that amount of money.

Mr. OGLESBY. Will the gentleman yield?

Mr. WICKERSHAM. Certainly.

Mr. OGLESBY. Is it not a fact that the first 20 miles of that road cost less than \$20,000 a mile?

Mr. WICKERSHAM. That is in the evidence given upon the committee hearings.

Mr. LA FOLLETTE. Will the gentleman yield?

Mr. WICKERSHAM. Certainly. Mr. LA FOLLETTE. I have a letter from a contractor who built the first 20 miles of the road, and that letter shows that the road was built and equipped, the first 20 miles of it, for less than \$20,000 a mile.

Mr. WICKERSHAM. Yes; everybody knows that.

Mr. MANAHAN. Will the gentleman state how many gate-

ways there are?

Mr. WICKERSHAM. There is a side gateway from Valdez, which cuts into the Copper gateway, and there is said to be a side gateway that opens into the Seward route. It would not be much of a trial to condemn the Seward road and take it over by paying its value. It is a bankrupt concern, closed down, and has not been in operation for three or four years. At any of these places we can get an independent route. But let me say that this is true. Take the Seward route, and it is wide and can be paralleled for 71 miles. It is a wide route, and we could build parallel to it if the Government had to do so.

Mr. TOWNER. Mr. Chairman, will the gentleman yield?

Mr. WICKERSHAM. I desire first to yield to the gentleman

from Illinois [Mr. Madden].
Mr. MADDEN. Mr. Chairman, I was just going to ask the gentleman to tell us how the Government was going to get in through either one of those three gateways. They are the only gateways. I would ask whether the Government is going to get in by condemning the properties already there or by paralleling them?

Mr. WICKERSHAM. That can be done either way.

Mr. MADDEN. Is it the intention of those who are promoting the passage of this bill to take over the railroads that are already there?

Mr. WICKERSHAM. I have no such intention. Mr. HUMPHREY of Washington. Mr. Chairman, will the gentleman yield?

Mr. WICKERSHAM. Yes. Mr. HUMPHREY of Washington. Is it not a fact that there is a way to get into Prince William Sound so as to avoid the grade of the present road? I will show first on the map. I want to know whether or not it is true that a road could be built from, say, this point across here to Prince William Sound?

Mr. WICKERSHAM. Yes. Mr. HUMPHREY of Washington. By avoiding the taking over of this road?

Mr. WICKERSHAM. Yes.

Mr. HUMPHREY of Washington. Not only that, but according to the reports I have seen you would avoid this grade of some 1,700 feet and 50 miles distant get isto Prince William Sound here at a very good harbor, perhaps better than the one

Mr. WICKERSHAM. Possibly, but that would require a

tunnel 2 miles long.

Mr. HUMPHREY of Washington. I do not know whether that is true or not, but I have heard that statement made.

Mr. WICKERSHAM. It is stated that those surveys have

been made:

Mr. HUMPHREY of Washington. That would give at least one way and avoid taking over that route?

Mr. WICKERSHAM. Oh, yes; and the Valdez is the sec-

ond, and both are fine routes.

Mr. TOWNER, Mr. Chairman, that it the matter that I was going to ask about. I will ask if it is not true that the Geological Survey have finished their survey and have reported that by a 12-mile route, at about the sixty-third mile north from Seward, you can go into Portage Bay and secure there a line that will be almost without a grade, and about as good a harbor as perhaps Resurrection Bay.

Mr. WICKERSHAM. That is stated.
Mr. TOWNER. So that the entire route shall be brought into the Susitna Valley, and will be shortened as much as 63 miles, and be made very much better than it would be if the Government took over or purchased or in any other way acquired the present line north from Seward.

Mr. WICKERSHAM. Substantially that is true, I think. do not know what the surveyors would say about it, but I have seen the survey recently made by one of the bureaus, which

substantially shows that to be correct.

Mr. STAFFORD. Will the gentleman inform the House what negotiations were carried on by the last administration and the recommendations made by Secretary Fisher concerning the taking over by the Government of this Alaska Northern Railroad?

Mr. WICKERSHAM, I can; and I will do so a little bit

Mr. HUMPHREY of Washington. Right there, if I may be permitted to interrupt the gentleman again, if that condition of which we were speaking is correct, might not that then furnish some clue as to why certain parties refused to negotiate for buying that road? I saw a lot in the hearings about where Mr. Perkins was asked to buy that road and there were a lot of negotiations carried on, and it occurred to me afterwards that perhaps Mr. Perkins would not want to buy a road that would be of no use.

Mr. WICKERSHAM. I do not think the testimony shows I think the testimony shows that Mr. Perkins already

owned the road himself.

Mr. HUMPHREY of Washington. No; there is some testimony that I recall which I read somewhere where one of the parties was negotiating with Mr. Perkins about the purchase

Mr. WICKERSHAM. Now, I have called attention to the fact there are but three gateways in Alaska and those are occupied by the Alaskan Syndicate. Now gentlemen asked me if it is possible, that being true, to build a railroad into the interior of Alaska. I say, yes, we can build through either one of those gateways if it is done by the Government of the United States, but there is no other power that has the financial ability and the willingness to do that but the Government of the United States, to go into one of those passes and build a railroad through into the interior of Alaska and invade the territory belonging to the Guggenheims. The Alaska Syndicate will not let you get any money on the market. They will trent you as I will show in a moment how they have treated every other attempt to build an independent railroad.

Mr. PAYNE. When the gentleman speaks of the character of this syndicate does be mean land accordance.

this syndicate does he mean land owned and occupied by them,

or territory from which they draw freight?

Mr. WICKERSHAM. I mean they claim the Tanana Valley is a part of their territory because they now furnish a good deal of transportation, and they do not want anybody else to build another railroad there.

Mr. MADDEN. Are these railroads being operated at a profit

Mr. WICKERSHAM. The Guggenheim railroad is being opcrated at a great profit.

Mr. MADDEN. How many miles is that? Mr. WICKERSHAM. It is 196 miles long. Mr. MADDEN. What does it haul? Mr. WICKERSHAM. It hauls copper.

Mr. MADDEN. From what?
Mr. WICKERSHAM. From the Guggenheim copper mines.
Mr. MADDEN. And that is the only freight it has?
Mr. WICKERSHAM. Yes. Of course, they have the winter stage route from Chitina to Fairbanks, and haul considerable freight during the winter, and handle the large passenger traffic

and winter mails to Fairbanks and the interior.

Mr. MADDEN. What about the other roads?

Mr. WICKERSHAM. Substantially doing nothing except the White Pass & Yukon, which is supplying the Yukon interior.

Mr. MADDEN. How long has it been in existence? Mr. WICKERSHAM. Fifteen years.

Mr. MADDEN. Is there any increase in population in the territory embraced around the railroad?

Mr. WICKERSHAM. Very little. Mr. MADDEN. Why?

Because it is a mining country. Mr. WICKERSHAM.

Mr. MADDEN. Is there anything in the laws of the United

States that prevents an increase in population?

Mr. WICKERSHAM. Not at all; but there is something in the law which enables the Alaska Syndicate to prevent it, and if the gentleman will possess his soul in patience I will get to that in a few moments.

Mr. SHERLEY. Will the gentleman yield? Mr. WICKERSHAM. I yield to the gentleman from Ken-

tucky.

Mr. SHERLEY. Is it the gentleman's contention that these railroads can not be controlled in the interest of the public, but we must ignore them and build? Do not we have sufficient power in the United States to control them?

Mr. WICKERSHAM. Railroads; yes.

Mr. SHERLEY. These railroads?
Mr. WICKERSHAM. Yes; these railroads.
Mr. SHERLEY. What is the gentleman's statement predicated upon of this syndicate bottling up the country and then saying the only way to unbottle it is by building another rail-

Mr. WICKERSHAM. Because there are only 100 miles of railroad in Alaska controlled by the Alaska Syndicate. All the rest of the transportation in Alaska is water transportation, and the Interstate Commerce Commission has no jurisdiction over

Mr. SHERLEY. That is a matter that can be easily remedied.

Mr. WICKERSHAM. But it has not been remedied.

Mr. SHERLEY. I know; but I am asking the gentleman why it is necessary to build a railroad in order to control the transportation facilities.
Mr. WICKERSHAM, I think so.

Mr. SHERLEY. Does not the gentleman think it possible to do it by regulation?

Mr. WICKERSHAM. Possibly on the railroad.

Mr. LENROOT. I would like to suggest to the gentleman

we can not compel them to build railroads by law.

Mr. SHERLEY. I understand; but I am not expressing the opinion. The gentleman has given the opinion that we have railroads sufficient; but being a monopoly, we must build another in order to control the situation.

Mr. WICKERSHAM. If I have given the gentleman any idea that there are sufficient railroads there, I have quite failed

to give the impression which I wished.

Mr. TOWNER. I would like to ask the gentleman a question. The CHAIRMAN. Does the gentleman yield?

Mr. WICKERSHAM. Yes.
Mr. TOWNER. Has there ever been any real attempt to build any railway in Alaska that did not deal either with a syndicate or by a syndicate or for a syndicate?

Mr. WICKERSHAM. None whatever, except those they

throttled and killed.

Mr. TOWNER. Has there ever been an attempt to build a railway in Alaska for the purpose of developing the interior of the country

Mr. WICKERSHAM. None whatever, Mr. TOWNER, Or for developing any agricultural interests? Mr. WICKERSHAM. No.

Mr. TOWNER. Or anything excepting mines or private interests?

Mr. WICKERSHAM. No.

Mr. SWITZER rose Mr. LENROOT. W Will the gentleman yield for a question?

Mr. Mr. WICKERSHAM. In a moment.
Mr. SWITZER. Can the gentleman state how many people are employed by the Guggenheim syndicate and operate the copper mines and the railroad running to them?

Mr. WICKERSHAM. In Alaska? Mr. SWITZER. Yes; in Alaska.

Mr. WICKERSHAM. Oh, I should judge two or three or four hundred

Mr. SWITZER. Are they developing the copper industry there?

Mr. WICKERSHAM. Yes. They took out \$3,000,000 last rear and something like \$4,000,000 the year before.

Mr. SWITZER. They are taking it out fast enough for the

people of Alaska, are they?

Mr. WICKERSHAM. They are taking it out too fast, under all the circumstances.

Mr. HAMILTON of Michigan. I would like to ask the gentleman a question.

The CHAIRMAN. Does the gentleman yield?

Mr. WICKERSHAM. Yes. Mr. HAMILTON of Michigan. I was called out and could not hear all that the gentleman said in reference to these various gateways into Alaska. I wanted to inquire whether the Alaska Northern has passed into the control of the so-called syndicate?

Mr. WICKERSHAM. Yes.

Mr. HAMILTON of Michigan. How did that happen?

Mr. WICKERSHAM. That happened in a technical and legal sense when their mortgage was foreclosed about 1909, and they bought it in at the sale.

Mr. HAMILTON of Michigan. They had reached mile 71 in

their construction?

Mr. WICKERSHAM. Yes; they have.

Mr. HAMILTON of Michigan. Is it proposed in this pian of railways that has been submitted by the commission to connect with the northern end of this Alaska Northern road?

Mr. WICKERSHAM. The commission recommended that, but the President is not bound by anything that the commission recommended.

Mr. HAMILTON of Michigan. However, if it could be bought at a reasonable price it would be advisable, I suppose?

Mr. WICKERSHAM. Yes.

Mr. HAMILTON of Michigan. I believe it has been stated in the testimony that that road has cost about eighteen thousand and some odd dollars a mile for construction?

Mr. WICKERSHAM. Yes; the first 20 miles or so, anyway. Mr. HAMILTON of Michigan. And that the actual cost is known?

Mr. WICKERSHAM. Yes.

Mr. LENROOT. Now, Mr. Chairman, will the gentleman

Mr. WICKERSHAM. Yes.

Mr. LENROOT. The gentleman from Iowa [Mr. Towner] asked the gentleman whether private capital had ever been secured to build a railroad into the interior of Alaska. I understood the gentleman to say that it had not been secured.

Mr. WICKERSHAM. I did not say that, and yet that is substantially true. The Alaska Northern was built substantially with the money of the Morgans. They loaned money to the builders, and they afterwards foreclosed the mortgage held for the security of the loan and now own the road.

Mr. HAMILTON of Michigan. And was started from Fair-

banks?

Mr. WICKERSHAM. Yes; from Seward for Fairbanks. Mr. HAMILTON of Michigan. And it was intended to tap the interior of Alaska?

Mr. WICKERSHAM. Yes.

Mr. LENROOT. I thought it was sold by Frost & Osborne to the Alaska Syndicate.

Mr. WICKERSHAM. I do not know as to that; but they

certainly owned it at the end.

Mr. TOWNER. Is it not now generally thought by the people of Alaska that there never was an intention of extending that road to Fairbanks, and that it was only intended to go as far as the Matanuska coal field?

Mr. WICKERSHAM. It was thought at first, when Mr. Ballaine and his people undertook to build that road, that it would go into the interior, but after his successors took over another situation began to develop. Then creditors or representatives of the Sovereign Bank of Canada came in and bought it, and it was announced that it would go only to the coal fields; and it certainly did not go farther than mile 71.

Mr. TOWNER. Was it the Sovereign Bank of Canada?

Mr. WICKERSHAM. Yes.

Mr. WICKERSHAM, Yes.

Mr. HAMILTON of Michigan. I thought they came in later,
Mr. WILLIS. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman yield?

Mr. WICKERSHAM. Yes.

Mr. WILLIS. Possibly the gentleman has already covered this in his statement, but I have not heard all of his interesting and instructive explanation. Is it not a fact that this bill con- across from Valdez would be a good route, I take it, is because

templates that all the Copper River Railroad could be taken over by the Government?

Mr. WICKERSHAM. No; not at all. Mr. WILLIS. What is the fact as to that? I am asking en-

tirely for information on that point.

Mr. WICKERSHAM. There is nothing in the bill that refers to that in any way, shape, or manner. It is left entirely to the President to build the road or roads on such route or routes as he shall deem best.

Mr. WILLIS. Then let me put the inquiry in another way: Does the recommendation of the commission contemplate the

taking over of that road?

Mr. WICKERSHAM. No. The commission did not recommend it. The commission recommended the building of an additional line from Chitina to Fairbanks, which would be a substantial extension of the Copper River road to Fairbanks, but did not recommend the purchase of the Copper River road.

Mr. WILLIS. The point I want to bring out is this: There is a portion of the Copper River Railroad that runs over to the Kennicott copper mines.

Mr. WICKERSHAM. Yes.
Mr. WILLIS. Is it contemplated by the commission that that shall be taken over, or simply this necessary part of the line up to Fairbanks?

Mr. WICKERSHAM. The commission did not recommend taking any of it over. They recommended the building of a railroad on the Copper River route to Fairbanks, but a road can be built from Valdez, which gives the Government an independent outlet. If you build from Fairbanks to Chitina, you have got to go over the Alaska Syndicate road.

Mr. GREEN of Iown. Does the gentleman consider that the bill authorizes either the purchase or condemnation of any of

these railroads that have already been built?

Mr. WICKERSHAM. I do not think it does. That is a question. The Senate bill certainly did not.

Mr. GREEN of Iowa. The Senate bill did?

Mr. WICKERSHAM. The Senate bill as reported does not.

Mr. HAMILTON of Michigan. Suppose the plan should contemplate the construction of a road from Chitina to Fairbanks, could not the Government control the traffic over the Copper River & Northwestern road through the Interstate Commerce Commission?

Mr. WICKERSHAM. It could.

Mr. HAMILTON of Michigan. And would not that be a good route from Chitina across to Fairbanks?

Mr. WICKERSHAM. It is one route, and one of the routes recommended by the commission, but the bill does not confine the President to this route or to any routes,

Mr. McGUIRE of Oklahoma. I have read the bill carefully. The impression I obtained was that the President has the discretionary power to determine as to whether any other road shall be taken over, or any part of any other road shall be taken over.

Mr. WICKERSHAM. That may be. I heard the argument on the Senate bill yesterday, and I may have got that mixed.

Now, I want to say to the House that not only has the Alaska Syndicate gone into these gateways and got possession of the roads through them substantially, but that it exercises every power which it possesses, and it has greater power than the Government of the United States in that regard, to prevent the building of any other road through these passes, because such a road would go into its territory. I want to call the attention of the House to that, and I want to show you the means by which this great Alaska Syndicate moves to accomplish its purposes.

Mr. HAMILTON of Michigan. One more question.

Mr. WICKERSHAM. Yes.
Mr. HAMILTON of Michigan. I know that no one knows

Mr. HAMILTON of Michigan. I know that no one knows
Alaska better than the gentleman who is addressing the House.
Mr. WICKERSHAM. Thank you.
Mr. HAMILTON of Michigan. I wish to ask whether it
would be possible to construct a railroad from Valdez across to Fairbanks over what is substantially now the wagon road?

Mr. WICKERSHAM. Yes. Mr. HAMILTON of Michigan. Would not that be a good route to open up Alaska?

Mr. WICKERSHAM. It would.

Mr. HAMILTON of Michigan. The gentleman likes that better than the proposal to construct a road from Chitna across to Fairbanks?

Mr. WICKERSHAM. Oh, certainly. I would oppose that kind of an extension.

Mr. HAMILTON of Michigan. One reason why the road

it would open up agricultural possibilities sooner than any other route, except the route from Seward northward.

Northward through the Susitna Valley. Mr. WICKERSHAM. Mr. SHERLEY. Will the gentleman allow a question?

Mr. WICKERSHAM. Yes.

Mr. SHERLEY. Why does the gentleman oppose the ex-

tension of what he calls the syndicate railroad?

Mr. WICKERSHAM. I oppose it for several reasons. The first reason is that that route goes up the Copper River can-yon, which is a very narrow canyon. It is in the region of greatest snowfall in Alaska. The snowfall there is something like 30 feet per annum. The glaciers on both sides of it come down almost to the railroad. It is a narrow gorge-

Mr. SHERLEY. Then the gentleman thinks the syndicate did not use very good judgment in locating their road. Is

that it?

Mr. WICKERSHAM. Oh, they were building to their rich

copper mine, a mine they own themselves.

Mr. SHERLEY. The thing that strikes a man who knows nothing about it is that the syndicate should be so all powerful and also should be so all ignorant.

Mr. WICKERSHAM. The gentleman is mistaken if he

thinks that they are ignorant.

Mr. SHERLEY. I am only drawing conclusions from the gentleman's statements that the road has been unwisely built. Mr. HAMILTON of Michigan. Oh, they constructed it so as to get into the copper field.

Mr. SHERLEY. Is not that a proper reason for building

the road?

Mr. HAMILTON of Michigan. Certainly.

Mr. HOUSTON. The object of building this road up the Copper River Valley was solely to exploit the copper mines owned by the syndicate.

Mr. SHERLEY. But there is plenty of copper there besides

what the syndicate owns, is there not?

Mr. HOUSTON. No; I take issue with the gentleman on

Mr. SHERLEY. I can conceive of no better reason for building a road than to get at the mineral wealth.

Mr. WICKERSHAM. That is right.

Mr. HOUSTON. The main reason was to get at the copper

Mr. WICKERSHAM. Now, you can build a railroad from Valdez across to the same copper region over a very much better route, I think, than their route. In 1908, when the Close Bros. were building, the Guggenheims came down on them one day and shut off their wind, except upon some sort of participation from which they have not been able to receive anything.

Mr. COOPER. Will the gentleman yield?
Mr. WICKERSHAM. Yes.

Mr. COOPER. The gentleman speaks of the syndicate being able to shut off their wind and close them out; was there not some occasion when there was actual killing of men there, or the commission of murder?

Mr. WICKERSHAM. Yes.

Mr. COOPER. To prevent the building of a road by other people?

Mr. WICKERSHAM. Yes.

Mr. WILLIS. Will the gentleman from Alaska yield?

Mr. WICKERSHAM. I will. Mr. WILLIS. I understood the gentleman to say a few coments ago that in his judgment this bill did not contemplate the condemnation or taking over of any other line of road.

Mr. WICKERSHAM. I may be mistaken about that. I have not read the bill since I heard the argument in the Senate, and may have got the two mixed up.

Mr. WILLIS. I want the gentleman's interpretation of this language. On page 9 of the bill this language occurs:

To purchase or otherwise acquire all real and personal property necessary to carry out the purposes of this act; to exercise the power of eminent domain in acquiring property for such use, which use is hereby declared to be a public use, by condemnation in the courts of Alaska in accordance with the laws now or hereafter in force there; to acquire rights of way, terminal grounds, and all other rights.

And then, in connection with that, I invite the gentleman's attention to the language on the following page:

To lease, purchase, condemn, or otherwise acquire any other line or lines of railroad in Alaska which may be necessary to complete the construction of the line or lines of railroad designated or located by him in the first instance, upon such terms as he may deem proper.

Mr. WICKERSHAM. That would cover it.

Mr. WILLIS. That gives the President full power.

Mr. SHERLEY. Does not the gentleman think that the President should have that power?

Mr. WICKERSHAM. I should be willing to give him all that power if I had the money.

Mr. SHERLEY. I think it would be foolish for us to undertake to restrict his power to buy, if it was wise to buy, instead of paralleling.

Mr. WICKERSHAM. I agree with the gentleman. I am willing to trust the President with the power. I think it is

right. I do not want any limitation placed on him.

Now, with respect to the railway conditions in Alaska-why they are as they are. The gentleman intimates that I think Guggenheims are not wise railroad builders and did not build to the right place to accomplish the right result. No man in this House has a higher regard for the eminent ability of the Guggenheim family than I have. I think they are the wisest monopolists that ever hit the turf in America. I think the situation in Alaska shows it, and their monopolistic efforts have gone largely to transportation in that region where it is possible to develop copper and gold. They have not hesitated at any sort of crime to accomplish their purpose. Wherever another railroad is started, wherever a steamship line has gone in opposition to them, which goes into their territory, they have gone after that with hammer and tongs and always destroyed it.

Mr. MANAHAN. Can the gentleman give us the details of

Mr. WICKERSHAM. I can.

THE ALASKA SYNDICATE A CRIMINAL ORGANIZATION.

The community of interest between the Alaska Syndicate and its partners, the Close Bros., the owners of the White Pass & Yukon Railway, extending through the first gateway to the headwaters of the great Yukon, which supplies the interior from that source, is shown in the case of the United States v. Pacific & Arctic Rallway & Navigation Co., the Alaska Steamship Co. et al., decided by the Supreme Court of the United States April 7, 1913 (228 U. S., p. 87). The facts in that case are that the Alaska Steamship Co., in connection with the Pacific Coast Steamship Co. and the White Pass Railway Co., entered into a combination in violation of the Sherman antitrust law to exclude all other transportation companies from any participation in the carrying trade over the White Pass Railway to the interior of Alaska. Their insolence became so notorious and their efforts so detrimental to the development of Alaska that they were indicted by the United States grand jury at Juneau, Alaska, and the case was on appeal from the district court of Alaska upon that indictment. The following statement is copied from the opinion of the Supreme Court of the United States (228 U. S., 87):

the United States (228 U. S., 87):

The indictment contains six counts. The first and second counts charge violations of the antitrust law. The first, by the defendants engaging in a combination and conspiracy in restraint of trade and commerce with one another to eliminate and destroy competition in the business of transportation in freight and passengers between various ports in the United States and British Columbia in the south and the various cities in the valley of the Yukon River and its tributaries, both in British and American territory, in the north upon a line of traffic described for the purpose and with the intention of monopolizing such trade and commerce. The second count charges the monopolization of trade and commerce in the same business and between the same ports. The manner of executing the alleged criminal purpose is charged to be the same in both counts.

The places of the incorporation of the corporate defendants are alleged, and the following facts: The Pacific Coast Steamship Co. and the Alaska Steamship Co. operate, respectively, lines of steamships as common carriers of freight and passengers running in regular route between Seattle, State of Washington, and Skagway, Alaska.

Without going into details of the case the facts are that the

Without going into details of the case the facts are that the Alaska Syndicate, through its Alaska Steamship Co., in combination with the White Pass Railway and the Pacific Coast Co., had monopolized the carrying trade through this gateway for many years and thereby maintained excessive rates to the great harm and injury of American citizens in the interior of Alaska.

Not only was this gateway thus monopolized by this unlawful monopoly, but the White Pass partner of the Alaska Syndicate for many years maintained a contract with the Northern Navigation Co. and its twin, the Northern Commercial Co., at Dawson, whereby the White Pass carried this monopoly freight down to Dawson, and there turned it over to the Northern Navigation Co. for transportation into the Yukon Alaska. The Northern Navigation Co. agreed not to carry freight above Dawson and the White Pass Co. agreed not to carry freight below, and in this way the community of interest between the Alaska Syndicate, the White Pass, and the Northern Navigation Co. extended down the full length of the Yukon River, in violation of the Sherman antitrust lew. For 15 years the people of the interior have been paying enormously excessive freight rates on account of this unlawful contract. Instead of "leaving the laws of trade and commerce to deal with questions of transportation and operation of production," as the minority report somewhat vaguely recommends, the Alaska Syndicate, with insolent disregard to those or any other laws, with a strong arm and the might of its financial influence, has forced all competitors into their combination or destroyed them. .

I now call the attention of the House to this map and the colors upon it. The orange color here represents the route of the Alaska Steamship Co. to the end of their railroad, and then it represents their railroad out to their mines. Here it represents the Alaska Steamship Co. in its approach to Skagway, and it is at this place that they held such a combination that they were indicted, and the indictments are now pending against them, for violation of the Sherman law. The facts are that the combination of the Alaska Syndicate Co. and the White Pass Co. shut out all other boats from that port by excessive rates, by every form of opposition, which excluded them from equal facilities for doing business over that road.

Mr. FORDNEY. Mr. Chairman, will the gentleman yield?

Mr. WICKERSHAM. Yes.

Mr. FORDNEY. I would judge from reading the records and the question put by the gentleman from Wisconsin [Mr. COOPER] about the commission of crime up there, and the statement of the gentleman from Alaska [Mr. Wickersham] so far, that the Guggenheims are guilty of murder there. What evidence has the gentleman to that effect?

Mr. WICKERSHAM. The evidence was in court, and the

evidence was that their high officials gave instructions to shoot, and a fellow did the shooting and killed a man, and he was sent to the penitentiary for it, and the other man who was shot alongside him brought suit against the Alaska Syndicate corporation for shooting him, and the court and the jury sustained

him and gave judgment against them.

Mr. FORDNEY. I think a copy of that evidence should go into the RECORD, because it will go out to the world that the Guggenheims are murderers, and there should be some evidence of that with such a statement in the Congressional Record. I am not defending the Guggenheims, but that is what the RECORD will show.

Mr. COOPER. Mr. Chairman, the gentleman from Michigan is unduly sensitive on behalf of the Guggenheims. I did not mention the Guggenheims, and nobody knows it better than the gentleman from Michigan.

Mr. FORDNEY. I know the gentleman did not. Mr. COOPER. Then the gentleman should not have assumed what he did.

Mr. FORDNEY. Oh, yes; I should; but I will not interrupt

the gentleman now.

Mr. COOPER. Mr. Chairman, I did not charge anybody by name as being a murderer, but I said this syndicate, the personnel of which I do not know, was instrumental, so it had been reported in the press, and the gentleman from Michigan knows-and that is all I said-in preventing the building up there, keeping these other people out of there, as the gentleman from Alaska said, and murder had been committed, crime had been committed. The gentleman said yes. I do not suppose that any one of the Guggenheims personally committed murder, The gentleman said yes. I do not suppose or that they authorized it. What I said was that the newspapers had reported it. It seems that in preventing other people from going in there murder was committed; that the murderer was convicted and sent to the penitentiary; and to that extent merely the rumor cited was correct.

Mr. FORDNEY. Mr. Chairman, I did not say that the gentleman from Wisconsin [Mr. Cooper] had said that the Guggenheims had committed murder. I say the question asked by the gentleman from Wisconsin of the gentleman from Alaska would carry the inference that the Guggenheims were responsible for the crime, and that it would go out to the country that the Guggenheims are murderers. I do not know the Guggenheims, and I do not care anything about them. I am not defending them here, but it is a pretty broad statement to go out to the world from the House of Representatives that the Guggenheims are murderers without some evidence along with that statement

to go into the RECORD to that effect.

Mr. HAMILTON of Michigan, Mr. Chairman, will the gentleman yield?

Mr. WICKERSHAM. Certainly, Mr. HAMILTON of Michigan. So that the gentleman may state the facts and so that the facts may go into his interesting address, let me put a question: Did not this controversy in which one man was killed and other men were injured arise over a conflict of surveys? I am not quite clear in my own mind in relation to it, but I have the impression that the syndicate had a survey and that another road had a survey also, and that those surveys intersected and that at the point of intersection they got into a row, and somebody on one side or the other constructed a sort of go-devil, and that go-devil was a dangerous thing. Somebody sought to get possession of the go-devil and they had a fight there. How near right am I?

Mr. WICKERSHAM. The gentleman is about 200 miles

from the fact. [Laughter.]

Mr. HAMILTON of Michigan. All right. This is merely from recollection-

Mr. WICKERSHAM. The incident the gentleman has reference to occurred at Katalla, and the incident referred to by the other gentleman occurred over at Valdez, about 200 miles away, Both of them were incidents where this great overwhelming monopoly in Alaska tried to take other men's property away from them by force.

Mr. HAMILTON of Michigan. Was it true there was a con-

flict between right of way in each instance?

Mr. WICKERSHAM. No; it was not a conflict over right of

Mr. HAMILTON of Michigan. Let us get at the facts-Mr. WICKERSHAM. One was a conflict over right of way at Katalla-

Mr. HAMILTON of Michigan. So I was not 200 miles away? Mr. WICKERSHAM. The case the gentleman was taking about occurred at Valdez

Mr. HAMILTON of Michigan. I was not talking about the same thing that they were talking about. I was talking about a conflict over right of way.

Mr. COOPER. If the gentleman will permit, the gentleman from Michigan referred to what I have been talking about and the gentleman does not know the facts at all,

Mr. HAMILTON of Michigan. He does not dispute the facts. Mr. COOPER. He does dispute the facts. The gentleman from Michigan when he rose referred specifically to what I have been talking about.

Mr. HAMILTON of Michigan. Precisely; I do now. Mr. COOPER. The gentleman said he wanted to get the facts and that he understood them to be so-and-so-

Mr. HAMILTON of Michigan. And the gentleman from Alaska confirmed it.

Mr. COOPER. No; the gentleman from Alaska said the gentieman from Michigan was referring to another incident en-

Mr. HAMILTON of Michigan. He was mistaken about that. Mr. DAVENPORT. Mr. Chairman, will the gentleman yield? Mr. WICKERSHAM. I yield to the gentleman from Okla-

Mr. DAVENPORT. I would like to ask the gentleman from Alaska who was the other syndicate that was responsible or was at least present when this fight came up where these parties were killed, where the Guggenheim interest was involved to which he referred awhile ago? What is the name of the syndicate, in order that we may have in the RECORD, where the Guggenheims were on one side at Cordova or Valdez and another syndicate on the other side when this shooting took place? I remember distinctly the first Cordova affair. The gentleman from Michigan was chairman of the Committee on Territories at the time and the gentleman from Alaska made reference awhile ago to another syndicate. Which was the other syndicate on the other side where the shooting took place?

Mr. WICKERSHAM. The other syndicate was the Home Railway of Valdez, composed of residents of that community who formed themselves together to get an independent outlet from that community to the interior.

Mr. DAVENPORT. Who financed it?

Mr. WICKERSHAM. The Home Railway Co. Mr. DAVENPORT. Who were the financiers?

Mr. WICKERSHAM. The residents of that community-to build a little narrow-gauge railroad. It was not a syndicate

Mr. DAVENPORT. Does the gentleman undertake to say now that the Home Railway Co. was financing that enterprise? Mr. WICKERSHAM. Yes, sir; and they were all residents of Alaska.

Mr. DAVENPORT. All residents of Alaska? Mr. WICKERSHAM. Yes, sir; all of them. Mr. FRANCIS. Will the gentleman permit a question—just

Mr. WICKERSHAM. Well, for the last one. Mr. FRANCIS. I want to know if it is possible to build a practical railroad in Alaska without first settling with these interests of which the gentleman has spoken? Is it a fact that we will have to settle with them before we can build a railroad? Mr. WICKERSHAM. Not at all.

THE ALASKA SYNDICATE OPPOSES EXTENSION OF INTERSTATE-COMMERCE LAWS TO ALASKA,

The closing of the port of Skagway to independent steamships brought on a contest with the Humboldt Steamship Co. It was an independent company and sought to do business through the port of Skagway over the wharves and railroad of the White Pass Co., which was controlled by the Alaska Syndicate agreement. It failed to get any facilities for business and

was met with excessive special rates and all forms of opposition. It appealed to the Interstate Commerce Commission in 1909 for an order establishing fair rates at this port and over the White Pass route. The Interstate Commerce Commission denied the application of the Humboldt Steamship Co. upon the ground that Alaska was not a Territory within the meaning of the interstatecommerce law. The Humboldt Co. appealed to the courts in the District of Columbia for a writ of mandamus to compel the Interstate Commerce Commission to take jurisdiction and to establish a rule of equal right and facility over this line of transportation. Both lower courts denied the application, but the Supreme Court of the United States, on April 29, 1912 (224 U. S., 474), reversed the action of the Interstate Commerce Commission and the lower courts and held that Alaska was a Territory within the meaning of the interstate-commerce law and ordered the issuing of the writ of mandamus. Two of these companies in combination fought this effort of the people of Alaska to extend the benefit of the interstate-commerce laws to Alaska and through this gateway-the White Pass & Yukon Railroad, by its general counsel, who is now in the city of Washington walking the corridors, writing letters, and interviewing Members of the House in opposition to this bill, and the Copper River & Northwestern Railread Co., the Alaska Syndicate's company. Both of these great companies fought every effort that was made by the people of the Territory of Alaska to get the interstateby the people of the Territory of Alaska to get the interstatecommerce laws extended there, and we were finally forced to
come to the District of Columbia and begin a suit against the
Interstate Commerce Commission to compel it to take jurisdiction, and we only got a decision of the Supreme Court of the
United States in April a year ago.

Mr. HUMPHREY of Washington. Mr. Chairman, will the

gentleman yield?

gentleman yield?

The CHAIRMAN. Does the gentleman yield?

Mr. WICKERSHAM. Yes.

Mr. HUMPHREY of Washington. I want to ask the gentleman this question: Are the British vessels running from Vancouver to Alaska in this combine?

Mr. WICKERSHAM. Yes; but of course they carry only British freight. They do not carry local freight. Going from Vancouver to Skagway, they send their freight into the interior of Yukon territory, and it is not covered, of course, by the interstate-commerce law.

Mr. HUMPHREY of Washington. That is two but at the

Mr. HUMPHREY of Washington. That is true, but at the same time the British vessels carry freight from Seattle to Van-

couver, and thence to points in Alaska.

Mr. WICKERSHAM. That is something that I do not know anything about; but I am not talking about that, and I wish

the gentleman would not interrupt me with it.

Mr. HUMPHREY of Washington, I did not intend to bring that out; but inasmuch as the gentleman has answered the question in that way, I will say that the reason I asked the question is that a year ago I introduced a bill to prevent these vessels from engaging in the coastwise trade, and I remember the gentleman opposed it on the ground that it would destroy

the competition between that syndicate and the combine.

Mr. WICKERSHAM. Yes; on the ground that it would de-

stroy another competitor.

Mr. TOWNER. Still, it would not be impossible for English vessels to take freight of any sort from Seattle to Alaska?

Mr. WICKERSHAM. Yes. They took it to Vancouver and there transferred it.

Mr. TOWNER. That would be an evasion of the law.

Mr. WICKERSHAM. Yes; but it was carried. Mr. HUMPHREY of Washington. They are still carrying it out, so far as freight is concerned, every day. I introduced a bill to correct that,

Mr. WICKERSHAM. What I was trying to call to the attention of the House was the fact that for years and years we undertook to get the interstate-commerce laws extended to Alaska, but had to get the case before the Supreme Court of the United States after years of waiting in order to do that.

THE ALASKA SYNDICATE RESORTS TO KILLING ITS OPPONENTS.

Now, I wish to call to the attention of the House a matter

that was mentioned a few minutes ago.

In 1906 the Alaska Syndicate began the building of a railroad out of Valdez toward its copper mines, 180 miles from that harbor on the headwaters of the Chitina River. 10 or 15 miles of grade, but about that time found the Close Bros., representing the White Pass Railway, building from Cordova up the Copper River to the same common point at Chitina. The Alaska Syndicate forced the Close Bros. to join their combination, giving them participation in the Alaska Syndicate as a partner for the 20 or 21 miles they had then completed toward Copper River. Thereupon the Alaska Syndicate abandoned the Valdez grade. Immediately thereafter

the people of Valdez organized the Home Railway Co. and began the building of a railroad from the harbor of Valdez through the mountain pass toward the common point at Chitina. The officials of the Alaska Syndicate corporation sought in every way possible to prevent the building of this Valdez road. Every effort was made to bankrupt it, but the people of Valdez with picks and shovels went to work on the road, regardless of money, and sought to overcome all obstacles. Thereupon the Guggenheim officials employed two or three gunmen and sent them into Keystone Canyon with instructions to build a barricade and not to permit the laborers of the Home Railway Co. to come along their abandoned roadway. The laborers came along one morning with their picks and shovels on their backs and one of the gunmen, from behind the rocky barricade, fired upon them, killing one instantly, and as the frightened laborers ran he shot others in the back. The gunman was arrested and indicted for manslaughter, tried, and found guilty and sentenced to the penitentiary. The Alaska Syndicate employed an array of attorneys to defend this gunman and spent \$70,000 in that effort.

Here is a copy of an account and an explanatory letter signed by the attorney for the Alaska Syndicate to its treasurer, which shows how the case was tried. I will read the letter first. It is in possession of the United States, and has been for some years. It is a letter written by John A. Carson, an attorney at Salem, Oreg., who went up there for the Guggenheims and defended these fellows who did the shooting in the Keystone Canyon, to a personal representative of the Morgans in Seattle

and another Alaska Syndicate corporation:

SEATTLE, WASH., May 6, 1908.

Capt. D. H. Jarvis,

Treasurer, Lowman Building, Seattle, Wash.

My Dear Captain: The inclosed account of Mr. M. B. Morrisey has been submitted to me by him. I do not claim to have personal knowledge of all of the items therein mentioned—necessarily I could not have such—but I do know that Mr. Morrisey was taking care of several of the Government's witnesses. I saw him take them into restaurants very many times (it was generally rumored around Juneau that the majority of the Government's witnesses were broken), and I have not the least doubt that Mr. Morrisey cared for them in the manner shown in his account.

In addition to this, I wish to express my appreciation of the services rendered by Mr. Morrisey, not only in Juneau but also at Valdez during the session of the grand jury there. I found him very efficient and competent, and his acquaintance with many of the Government's witnesses and control over them placed him in a position to be of the greatest possible service in defending this action.

I scarcely need tell you that Mr. Morrisey is an expert accountant employed by Mr. Heney at Cordova. He is anxious to return there promptly to resume his duties, and I trust that you will treat him in a very liberal manner.

Yours, very truly.

John A. Carson.

JOHN A. CARSON.

Entered, Voucher No. 3408.

It may be understood that the Katalla Co. was the construction company for the Alaskan syndicate, engaged in building the Alaska Syndicate road up the Copper River. This was an account against them by Morrisey-

Mr. MANAHAN. A representative of a subsidiary company? Mr. WICKERSHAM. Yes; of a subsidiary company. I want the lawyers to listen to these disbursements, or any other honest man that happens to be in the House. [Laughter.] Here is the

SEATTLE, WASH., May 6, 1908. Katalla Co., in account with M. B. Morrisey: Moneys received from John A. Carson \$650.00 Balance due me 483.40 \$1, 133, 40 DISEURSEMENTS.

Expense on S. S. Farallon, Cordova-Juneau
Occidental Hotel, for M. B. Morrisey
Occidental Cafe, for witnesses
Alaska Grill, for witnesses
Cash to Jimmy Kelly
Cash to J. E. O'Riley
Cash to F. Rummel
Cash to J. A. Briggs
Cash to J. Tom Corcoran
Cash to Tom Corcoran
Cash to Whitey Graham
Expense entertaining witnesses and jurymen
Personal expense for March and April
Expense cable, F. E. Youngs
Hotel Seattle, 6th to 8th (estimated)
Rent of typewriter
Stationery, etc
Expense incurred at Valdez during grand jury session
Ticket, Seattle-Cordova, deduct DISBURSEMENTS.

1, 088. 40

Entered, voucher No. 3408. Approved: W. H. Bogle.

That is approved by the general counsel for the Guggenheims at Seattle.

Mr. MANAHAN. Who is it?
Mr. WICKERSHAM. W. H. Bogle. It is entered voucher
No. 3408 in the accounts of the company.

All of these matters have been brought out in other proceedings, and it is true that these people used the money charged for in this account for fixing jurors and witnesses, and so forth, in that case,

I call it to your attention, not as an attack upon the Guggenheims or upon the Alaska Syndicate, although there are many more things that we could attack them on if it is necessary, but to show the means to which they esort to kill other railroads in that country. And I want to say to you that nothing has been left undone by them, from manslaughter down to maintaining the worst lobby in this city at this moment that has ever been here, to kill this bill, and to kill every other independent railroad that has ever started in that country. [Applause.] And unless this House shall do its duty as trustees for that great Territory, it will be in their hands for the future. Talk about crime! The Alaska Syndicate is an organized crime, as far as Alaska is concerned.

Nor have its activities in a criminal way been confined to the

coast of Alaska.

In 1908 certain citizens of Alaska sought to establish a base of operations on Controller Bay, and applied to Congress for an act giving them terminal rights for a railroad from Controller Bay to Bering River coal fields, and from Controller Bay up

the Copper River toward the interior of Alaska.

Here is Controller Bay, opposite the Bering River coal field. These people applied for the organization of a corporation, through Congress, in order that they might build a railroad into that coal field and up the Copper River in 1908. It conflicted with the territory claimed by the Alaska Syndicate, and this is what happened. This application, of course, invaded what the Alaska Syndicate called its territory. In the Congressional Record, page 6226, under date of May 14, 1908, is this state-

Mr. Flint, from the Committee on Public Lands, to whom were referred the following bills, reported them each with an amendment and submitted reports thereon; * * A bill (S. 6925) for the relief of the Alaska Terminal & Navigation Co. (Rept. 657).

In the RECORD, page 6325, of May 15, 1908, is this statement in relation to the same bill:

ALASKA TERMINAL & NAVIGATION CO.

The bill (S. 6925) for the relief of the Alaska Terminal & Navigation Co. was announced as next in order.

Mr. Guggerifeim. I object to the consideration of the bill.

The Vice President, Objection is made by the junior Senator from Colorado to the consideration of the bill.

In the RECORD, page 6533, for May 19, following, we touch a new interlocking interest:

ALASKA TERMINAL & NAVIGATION CO.

Mr. Kean, I ask that the next bill on the calendar (S. 6925) for the relief of the Alaska Terminal & Navigation Co. be placed on the calendar under Rule IX.

The VICE PRESIDENT. The bill will go to the calendar under Rule IX at the request of the Senator from New Jersey.

When the junior Senator from Colorado objected to this bill, Hon, Simon Guggenheim was a member of the Alaska Syndicate and directly interested in the matter before the Senate. When the Senator from New Jersey performed the last act of slaugh-tering it, Hon. John Kean, of New Jersey, was the treasurer of the Pacific Coast Co., a steamboat company engaged in Alaska transportation, and then in criminal combination with the Alaska Steamship Co. in maintaining monopoly and excessive rates at the port of Skagway, Alaska. Both these companies were indicted by the United States grand jury at Juneau, Alaska, for violation of the Sherman antitrust laws for this long-continued violation of the law, all of which is fully stated in the case of the United States v. Pacific & Arctic Railway & Navigation Co., Pacific Coast Steamship Co., Alaska Steamship Co., et al., decided by the Supreme Court of the United States on April 8, 1913 (228 U. S. Rep., 87).

Nor was this the only instance. The Assistant Attorney Gen-

eral fold me that they had filched more than \$3,000,000 out of the Government in the sale of coals on the west coast.

I am trying to show you the connection between these peopletrying to show you that, notwithstanding what the gentleman said a while ago, they do not hestitate to go to any length, from shooting men in the back to killing bills on the floors of Congress, to accomplish their purposes, and the records are perfectly clear on that. Many other instances could be shown, if the House had the patience to listen.

Nor have the criminal activities and combinations of the Alaska Syndicate and the Pacific Coast Co. been entirely confined to the port of Skagway. An indictment was re-

turned by the United States grand jury at Tacoma on August 12, 1911, against the treasurer of the Alaska Syndicate corporations in Alaska, the coal manager of the Pacific Coast Co., and another, for conspiracy to rob the Government by agreed bids in the sale of coal to Alaskan military posts. The representative of the Alaska Syndicate died before the indictment was returned, but the coal manager of the Pacific Coast Co. and another were tried, found guilty, and sentenced to a year in jail and a fine of \$2,000.

At the time when the coal manager of the Pacific Coast Co. and the confidential manager of the Alaska Syndicate engaged in this long-continued robbery of the Treasury of the United States in the transportation of coal to Alaskan military posts, Hon. John Kean, of New Jersey, was treasurer of the Pacific Coast Co. and received their share of the plunder, while Hon. Simon Guggenheim was a member of the Alaska Syndicate, which received its share. The United States is now maintaining a civil suit in the United States courts at Seattle to recover \$100,000 thus stolen, but it was found that the statute of limitations barred the greater amount, for they had been engaged in this robbery of the Treasury for years. No wonder the United States itself is beginning to prefer Government ownership to this kind of Guggenheim ownership. And no wonder that Congress has been laggard in transportation matters in Alaska when these masters of finance sat in high places and controlled legislation.

Many other instances could be shown, if the House had the patience to listen, where the Alaska Syndicate, in ways that are criminal and with a strong arm, prevented independent efforts to construct railroads into the interior of Alaska, which it claims as its territory. Their efforts along these lines have been incessant for 10 years or more, and their activities have covered the field of crime from manslaughter, assault, bribery of witnesses, conspiracy, and robbery of the Government down to maintaining an insidious lobby in the city of Washington at this moment to prevent the passage of this bill. Alaska Syndicate do not intend to permit any other railroads to be built in Alaska unless the extension is grafted upon its road and it is given control to the sea.

COMBINATION WITH THE NORTHERN COMMERCIAL AND NORTHERN NAVIGATION COS.

During the four months' navigation possible in Bering Sea the Alaska Steamship Co., owned by the Alaska Syndicate, runs its vessels to St. Michael with freight from Seattle. The freight is transferred at St. Michael to another large interest in alliance with the Alaska Syndicate in Alaska transporta-The Northern Commercial Co. is the commercial side and the Northern Navigation Co. is the transportation side of this interest. The Northern Commercial Co. owns mercantile establishments at every steamboat landing along the 1,600 miles of the Yukon River to Dawson, and the 275 miles additional up the Tanana to Fairbanks. The Northern Navigation Co. is its Siamese twin and is the other half of the mercantile company. These twins are owned by the Sloss interests at San Francisco, which also owns the Alaska Packers' Association—the Alaska Fish Trust. The community of interest between the Northern Commercial and the Northern Navigation Co. is with the Alaska Steamship Co. in transportation matters. Through this combination these two companies jointly control the transportation of freight up the Yukon River to Dawson and up the Tanana River to Fairbanks.

EXCESSIVE FREIGHT RATES.

Now, I want to talk about freight rates in Alaska, and to show why these people are going so seriously into their opposition, not only to the building of this railroad in Alaska, but in their opposition to all other attempts to build independent transportation into that country.

It is in its control of the transportation business in Alaska, however, that the Alaska Syndicate is able to do the people of Alaska the greatest injury and themselves the greatest good. Its freight rates are the highest in the civilized world, and are so manipulated in connection with their mining business as to drive all mining competitors to bankruptcy, and to procure their assets at the minimum cost to the trust. It is in supreme control of transportation in Alaska, and it has abused that control to a greater extent than it has ever been abused elsewhere in American territory. Of course, the first result of unlimited power over transportation is excessive rates. The attention of the House is called to the United States Geological Survey Bulletin No. 442, Mineral Resources of Alaska, 1909. Upon page 25 of this official document it is stated:

The total transportation charge on the supplies of Seward Peninsula will, then, be about \$1,200,000, or nearly 30 per cent of the value of the entire gold output of the year.

This camp is supplied with transportation by the syndicate boats, the Alaska Steamship Co.

On the next page this official statement is made:

No exact figures are available in regard to the amount of freight annually shipped to the Alaska portion of the Yukon Basin, but it is probably safe to say that this amounts to 30,000 tons, and that it costs over \$2,500,000 to land it at the end of steamboat navigation.

It does not take much of a mathematician to determine that if it costs \$2,500,000 to land 30,000 tons at the end of steamboat navigation, it is at the rate of \$83.33 per ton. The only incorrect part of that statement is that the lowest transportation rate that we get in that country amounts to nearly \$120 per ton instead of \$83.

The report goes on:

The total annual cost of freight for the Yukon basin is therefore probably between \$4,500,000 and \$5,000,000, or nearly 50 per cent of the value of the entire gold output. * *

The miners in the Tanana region have taken out \$74,000,000 in gold by hard work, and they paid one-half of all of it, or \$37,000,000, in freight in less than 10 years. Now, if they have paid 50 per cent of \$74,000,000 in freight, and you build a road, even if it costs \$35,000,000, upon that freight basis alone it will be paid for in 10 years.

Mr. SAMUEL W. SMITH. Will the gentleman allow a ques-

tion?

Mr. WICKERSHAM. Certainly. Mr. SAMUEL W. SMITH. Are there any oil fields in Alaska?

Mr. WICKERSHAM. We do not know. It is thought there are, but there has not been sufficient work done to show.

This official statement goes on:

This official statement goes on:

The data at hand seems to justify the conclusion that Alaska's annual expenditure for transportation of supplies and equipment is between \$7,000,000 and \$8,000,000. * * * The great tax on the mining industry of Alaska caused by the present system of transportation is strikingly illustrated by the fact that the annual freight bill—much, to be sure, paid indirectly—for every white man, woman, and child living in inland Alaska and on Seward Peninsula is over \$350. * * If these estimates are correct the amount paid for freight in the placer mining camps of Alaska is equal to nearly half of the value of the annual gold production. The freight charges are reflected in the high cost of all supplies and of labor.

All of this clearly indicates why only the richest placer ground is being mined and suggests that the present industrial advancement of inland Alaska is small when compared with that which will take place when railway communication with tidewater has decreased the cost of operating.

These excessive freight charges prevent the opening of the mines in the interior of Alaska. Only the bonanzas can be worked, while the greater areas of low-grade ground await the coming of cheaper transportation and lower freight rates. The amount of gold which has been taken out of that region, as large as it is, is small in comparison to what the country will produce under better transportation conditions. Given a railroad from the coast to the Tanana River, with interstate com-merce control of transportation rates of freight and passenger rates, the Fairbanks country will produce 10 times the amount of placer gold that has heretofore been produced there, and will open her quartz mines for a still greater production for an indefinite future.

Now permit me to give you some exact figures concerning the freight rates which are charged the people of Alaska by this dominating transportation trust which controls them.

THE NORTHERN NAVIGATION FREIGHT RATES.

I shall only present two freight tariffs, one affecting the interior rivers, and the other upon the Alaska Syndicate railroad and over its Alaska steamship line to Puget Sound. These are the lines which we are now obliged to patronize. When the Senate committee conducted its hearings upon the Alaska railway bill I filed a copy of the rate sheet of the Northern Navigation Co., in connection with the Alaska Steamship Co. and the Pacific Coast Steamship Co., for rates charged between Seattle and San Francisco and the Yukon and Tanana River points. That rate sheet will be found on page 637 of the Senate hearings. I call your special attention to it. Fairbanks is the central point in that entire country. It is the distributing point for all freight, passengers, and mail. An inspection of this tariff sheet for the transportation of freight to the interior of Alaska will show that it provides a flat rate from Seattle and San Francisco to Fairbanks of \$60 per ton. That does not include the transfer charges from the Alaska Steamship Co.'s steamer at St. Michael to the Northern Navigation Co.'s boats. On first glance it would not appear that that rate is so excessive, even for all-water transportation, but upon a more careful examination you are led to inspect what is called a "list of exceptions" on the back of the tariff sheet. It is provided in the "list of exceptions" that all commodities mentioned in the list take the flat rate of \$60 per ton, plus the percentage of such rate shown opposite each article on the list of exceptions. Here is a statement showing the flat rate per ton, the additional percentage of exceptions, and the real rate per ton paid by the shipper.

Northern Navigation Co. in connection with Alaska Steamship Co. and Pacific Coast Steamship Co. [Freight tariff from Seattle or San Francisco to Fairbanks, Alaska, via St. Michael.]

	Flat rate per ton.	Additional percentage on exceptions.	Rate per ton.
Automobiles Boats and canoes Burial cases Cash registers Cigars, not corded. Clothing and robes Dry goods Cornice, etc Explosives Explosives Explosives Fresh fruits Furniture Glass, boxed Hats, millinery Live stock and poultry Lumber Merchandise Oils. Personal effects Planos and organs Sewing machines Show gases. Trunks and valises Typewriters Vehicles	60 60 60 60 60 60 60 60 60 60 60 60 60 6	200 150 100 200 50 205 200 200 200 100 25 100 50 60 (1) 50 50 50 50 50 50	\$190 156 122 122 123 188 188 188 122 277 277 200 00 00 (1) 90 90 90 90 90 90 90 90 90 90 90 90 90

Special contract.

Machinery

and the second of the second o	
Weight of machinery—	Rate per ton.
Under 2,000 pounds	\$60, 00
2,000-4,000 pounds	66.00
4.000-6.000 pounds	69.00
6.000-8.000 pounds	73, 50
8,000-10,000 pounds	78, 00
10.000-12,000 pounds	82.50
12,000-14,000 pounds	87, 00
14,000-16,000 pounds	91, 50
16,000-18,000 pounds	96, 00
18,000-20,000 pounds	100, 50
20,000-22,000 pounds	105. 00
22,000-24,000 pounds	109, 50
24,000-26,000 pounds	114.00
26,000-28,000 pounds	118, 50
28,000-30,000 pounds	123, 00
30,000-32,000 pounds	127, 50
32,000-34,000 pounds	182, 00
34,000-36,000 pounds	136. 50
36,000-38,000 pounds	141.00
38,000-40,000 pounds	145, 50

The first article mentioned in the list of exceptions is automobiles, boxed or crated, and upon that class of freight the shipper pays 200 per cent additional, which makes the rate charged \$180 per ton upon automobiles, and this will be charged either by weight or measurement, as the Transportation Trust shall determine, and the transfer charge at St. Michael will be added. Following automobiles come bicycles, with a 50 per cent additional charge, or \$90 per ton. Boats and canoes, 150 per cent additional, or \$150 per ton. Burial cases, 100 per cent additional, or \$120 per ton, weight or measurement; cash registers, 100 per cent additional, or \$120 per ton; clothing and robes, 50 per cent additional, or \$90 per ton; and so on down

But when it comes to mining machinery the rates mount up more rapidly. Our mines require much heavy machinery-such as boilers, engines, and hoists-and for this class of freight the extra rate is all the way from \$6 to \$85 a ton additional. Notice that on this class of freight the rate ranges from the lowest, or \$60 per ton, to the highest, or \$145.50 per ton. The average freight rate into the Tanana interior over the Northern Navigation Line, in connection with the Auska Symulcate steamers, is more than \$125 per ton, or, as it is more graphically put by the Geological Survey, it amounts to more than \$350 per annum for every white man, woman, and child in the Territory.

The minority report innocently says the Yukon Basin "is gation Line, in connection with the Alaska Syndicate steamers,

The minority report innocently says the Yukon Basin "is already served by water transportation," and passes the matter with that remark, as if it was satisfactory to the minority members. I assume that the minority members understood the situation in the Tanana Valley and along the Yukon and Tanana Rivers when they approved that transportation system, but I earnestly protest that that country can not be developed when its shippers are obliged to pay from \$60 to \$180 per ton for the freight brought into the country, or a freight rate which in the aggregate amounts to 50 per cent of the total output of its mines and is equal to \$350 per capita for each man, woman, and child in the country.

THE SIAMESE TWIN TRANSPORTATION COMPANIES.

The Northern Navigation Co., which carries the freight from St. Michael to Dawson, 1,600 miles up the Yukon River and 275

miles up the Tanana River, is a Siamese twin with the Northern Commercial Co., both being owned by the Sloss interests in San Francisco, who also own the Alaska Packers' Association, the Alaska Fish Trust. The Northern Commercial Co. owns large mercantile establishments at every landing along the Yukon and Tanana Rivers. The Northern Navigation Co. carries all the merchandise for the Northern Commercial Co., as well as for the independent merchant in the Yukon interior. It is not under the control of the Interstate Commerce Commis sion, since the freight is entirely carried by water. For this reason the navigation company gives the commercial company the lowest rate the traffic will bear, while it charges the common energy, the independent merchant, its competitor, the highest rate the traffic will bear. That system has lasted for 15 years in the Yukon interior, is the rule to-day, and has resulted in bankruptcy to every merchant who has attempted to establish a store in the Tanana or Yukon interior. It has resulted in giving the Northern Commercial Co. a monopoly in the sale of all groceries, mercantile supplies, and mining machinery sold in that region.

ANOTHER SIAMESE TWIN.

While I am on this point, I call the attention of the House to the fact that the Alaska Syndicate railroad, the Copper River & Northwestern Railway, down the Copper River, carries the ore produced by the Kennecott Copper Mines Co., also owned by the Alaska Syndicate, in connection with the Alaska Steamship Co., also owned by the Kennecott Copper Mines Co., also owned by the Alaska Syndicate, in connection with the Alaska Steamship Co., also owned by the Kennecott Copper Mines Co., also owned by the Alaska Syndicate, in connection with the Alaska Steamship Co., also owned by the Alaska Syndicate, in connection with the Alaska Steamship Co., also owned by the Alas ship Co., also owned by the Alaska Syndicate, to the Tacoma Smelter, also owned by the Alaska Syndicate. Mr. LINDBERGH. Are the passenger rates in proportion?

Mr. WICKERSHAM. The passenger rates are in proportion. No man knows Alaska better than Dr. Brooks. No man has given better service to the people of Alaska and to the people of the United States than the man who has charge of the Alaska branch of the Geological Survey. He is unprejudiced, is a good man in every respect, and thoroughly competent to speak of matters in Alaska. If this House would consider the statements made by Dr. Brooks in his official reports, which I can not read, because I have not the time, you would have no hesitation or doubt as to the duty which you should perform in voting on this bill.

Now, I place a good deal of stress on this Siamese-twin cor-poration method of doing business on the Yukon River, because these two big interests—the Sloss interest, of San Francisco, and the Alaska Syndicate in New York—largely control all the transportation of Alaska. They have duplicate companies in the commercial interests

Mr. MANAHAN. Is there any connection between the two

groups?

Mr. WICKERSHAM. Yes. That enables the transportation companies to charge independent miners in the country as much as they please and still do their own company no damage. It enables the company to charge merchants as high as they likeand they do charge \$180 a ton-and they get their own freight at a low rate. It enables them to charge a competitor about as much as he can make in the matter of profit, and thereby take his business away from him, and it thereby enables the Alaska Syndicate and copper business to destroy all competition.

Mr. MANAHAN. I meant to ask if there was any connection between the copper syndicate twin and the commercial transpor-

Mr. WICKERSHAM. There is. I will be able to give some evidence about that, but not as much as I would like to, because there is not enough of it in the record, but they work together in every respect.

Mr. TOWNSEND. Will the gentleman yield?

Mr. WICKERSHAM. Certainly. Mr. TOWNSEND. Who are the individuals at the New York end of it? The gentleman spoke of the Sloss interest in San Francisco controlling the navigation on the Yukon from San Francisco up to that point.

Mr. WICKERSHAM. No; from San Francisco to St. Michael is controlled by the Alaskan syndicate. It controls rates at sea, but the Northern Navigation Co. controls the inland river rates. The syndicate is composed of Morgan & Co., Guggenheim, and

Close Bros. That has all been gone over.

The opposition made to this bill by the gentlemen from Oklahoma is interesting from this point of view, for none of these Siamese-twin corporations could exist for one moment in the

progressive State of Oklahoma.

Section 12 of article 9 of the Oklahoma constitution reads as follows:

Sec. 12. No railroad company shall ship within this State any article or commodity manufactured, mined, or produced by it or under its authority or which it may own, in whole or in part, or in which it may have any interest, direct or indirect, except such articles or commodity as may be necessary to and intended for use in the conduct of its business as a common carrier.

If the Alaska syndicate transportation lines, in connection with its Copper River & Northwestern Railway Co., should undertake to do this kind of business in the State of Oklahoma, under that constitutional provision, and should undertake there to carry freight for a Siamese-twin corporation, as these Alaska corporations do, the Siamese-twin connection would be promptly and rudely severed by the meat ax of the Oklahoma constitu-Such a system is vicious and in violation of every principle of just government and honest trade. From the viewpoint of the constitution of Oklahoma, adopted by the people of that progressive State, that which the minority report recommends Congress to do for Alaska is denounced and forbidden; that which the minority report denounces in unmeasured scorn is approved in Oklahoma and reserved by the fundamental law as among the most sacred rights of the people.

No government control is ever exercised over freight rates in the interior of Alaska. The millions of dollars of excessive rates that shippers are obliged to pay these transportation pirates prevents the development of Alaska. The rates are so excessive and the business is so manipulated by rebates and private contracts that independent merchants can not exist there. These transportation carriers—the Northern Navigation Co., with its mercantile Siamese twin; the Northern Commercial Co. and the Copper River & Northwestern Railway, with its mining Siamese twin; the Kennecott Copper Mining Co., whose ore it carries, are able to destroy every competitor and take their business or mine by charging the mercantile or mining competitor excessive rates equal to the profits which its twin wishes to make on merchandise or mining. And yet we find this infamous scheme for building monopoly and destroying competition calmly approved by the minority report.

THE FAIRBANKS-CHITINA LINE.

Fairbanks is the upriver end of the Northern Navigation Co.'s steamer line; Chitina, on the Copper River Railroad, is the point where travel and freight from that railroad leaves the line for the interior. Fairbanks and Chitina are connected by a wagon road built by the United States, and the more money the Government expends upon the wagon road the more the stage line which uses it charges the people of Alaska to travel on it. In 1906, when the road was first established, it cost a traveler \$125 to ride on the Orr Stage Line from Fairbanks to Valdez, a distance of 365 miles, but in 1908 this stage line was taken over by the one or both of these big transportation companies as a connecting link between them, and the terminal was changed from Valdez to Chitina, a point only 310 miles distant from Fairbanks. Notwithstanding the lessening of the distance, the rate was increased from \$125 to \$135 to Chitina. The Alaska Syndicate Railroad then taxes the traveler \$17.50 additional to get to Cordova where he meets the steamer, making his total passenger fare \$152.50, as against the original \$125 for the same service—an increase of 22 per cent.

Here is a receipt for money which I paid to the Orr Stage Co. for baggage from Fairbanks to Chitina, a distance of 310 miles. It is offered to show what this transportation monopoly makes the people of Alaska pay—at the rate \$1,000 per ton—for baggage, in addition to the \$135 for fare, over the national road, which the United States built, and over which it permits the Alaska Syndicate to fix rates of transportation without limit.

Trip No. 11. Consignee, Judge Wickersham, Chitina-Fairbanks, November 7, 1912. Ed. S. Orr & Co. (Inc.), Fairbanks-Valdez Stage Line.

Description of article.	Weight.	Rate.	Amount.
1 trunk, 1 valise	173 80		
	93	€0.50	\$46.50

Paid, Nov. 7, 1912. J. R. Fowle, agent.

Mr. Chairman and gentlemen of this House, we pay at the rate of \$1,000 a ton for taking our light freight and baggage over that wagon road, because the Guggenheims have charge of transportation on it.

Mr. COOPER. How long a distance is that?
Mr. WICKERSHAM. Three hundred and ten miles.
Mr. MADDEN. How did they get charge of it?
Mr. WICKERSHAM. By building all of the road houses along the line and owning and controlling the stage line over it.

Mr. MADDEN. Why does the Government allow anybody to take charge of this road?

Mr. WICKERSHAM. That is what I am putting up to you

Mr. MADDEN. Who is responsible for it?

Mr. WICKERSHAM. You are. I do not mean you personally, but I mean the House of Representatives.

Mr. MADDEN. How?

Mr. WICKERSHAM. Because it does not take charge of fixing rates

Mr. MADDEN. Does anybody pretend to say that the executive officials of the Government, charged with the expenditure of millions of dollars for building private highways, have the audacity to turn that highway after it is built over to some private enterprise and then not be charged with the responsibility for neglect of duty?

Mr. WICKERSHAM. They did not turn it over in that

sense.

Mr. MADDEN. The gentleman does not mean to assume that the House of Representatives is responsible for the failure of the executive branch to perform this duty?

Mr. WICKERSHAM. Yes, I do; because the executive branch has nothing to do with fixing the rates and the House has. Mr. HUMPHREY of Washington. Mr. Chairman, will the

gentleman yield?

Mr. WICKERSHAM. Yes.
Mr. HUMPHREY of Washington. There is a Government road built in British Columbia running from Ashcroft, about the same distance as this road. Does the gentleman know the relative rates charged on the Government road in British Columbia and this road?

Mr. WICKERSHAM. No; I do not. Mr. HUMPHREY of Washington. I was in hopes that the gentleman did.

Mr. LEVY. Will the gentleman yield? If you build the railroad, would not that kill these excessive high freight rates?

Mr. WICKERSHAM. At present the only means of trans-

portation into the interior of Alaska—
Mr. LEVY. If you build a Government railroad, that would kill the high-price freight rates that they have upon this line, would it not?

Mr. WICKERSHAM. I think so; yes.

RATES OVER THE COPPER RIVER & NORTHWESTERN RAILWAY.

At present the only means of transportation to the interior of Alaska from the southern harbors is over the Copper River & Northwestern Railway, the Alaska Syndicate road, extending from Cordova, on one of the beautiful harbors of Prince William Sound, eastward 25 or 30 miles to the Copper River, and thence up the canyon of the Copper River to Chitina. The stage line from Fairbanks connects with the Copper River & Northwestern Railway at Chitina. During six months of the year this is the route to the interior. At Fairbanks connection is made with the Northern Navigation Co.

A COMPARISON BETWEEN THE ALASKA SYNDICATE RATES IN ALASKA AND TRANSCONTINENTAL RAILWAY RATES.

I want to call the attention of the House to the rates charged on the Copper River & Northwestern Railroad, which belongs to the Guggenheim-Alaska Syndicate Co., a road only 196 miles from one end of it to the other. See what they charge for rates:

Alaska rates over Copper River & Northwestern Railroad from Cordova to Chitina, 131 miles.

Hay	20, 00
Hardware	34. 00
Mining machinery	34. 00
Coal	7, 00
Lumberper M feet	
Alaska steamship rates from Seattle to Cordova, 1,236 mile	8.
	Per ton.
Grain and feed	\$11.00
Hardware	20.00

Mining machinery _____ Transcontinental rates, Chicago or New York to Seattle, 3,184 miles. Per ton

Grain and feed, from Chicago

Hay, from Chicago

Hardware, from New York

Mining machinery, from New York

Coal, from Chicago \$15.00 22.00 35.00 30.00 8.80

From Cordova to Chitina it is 131 miles. It is a mining country above Chitina, and hardware and mining machinery, grain and feed, hay, lumber, coal, and live stock are all necessary freight over the road. For transportation over this 131 miles the Alaska Syndicate Co. charges, for grain and feed, \$25 per ton; hay, \$20 per ton; hardware, \$34 per ton; mining machinery, \$34 per ton; lumber, \$11 per thousand feet; coal, \$7 per ton; live stock, per car—on horses, \$200; cattle, \$180; hogs, \$160; and sheep, \$160.

These rates are transcontinental rates. It costs only \$15 a ton to ship grain and feed from Chicago to Seattle, while the

Alaska Syndicate taxes the people of Alaska \$25 a ton for 131 miles. It costs \$22 a ton to ship hay from Chicago to Seattle and \$20 a ton from Cordova to Chitina.

But the real difficulty comes with hardware and mining machinery. They serve a really distinct mining country, where hardware and mining machinery are necessary to development. For these classes of freight the Alaska Syndicate railroad charges \$34 a ton, or 27 cents per mile, for the haul of 131 miles from Cordova to Chitina. The rate from New York to Seattle on hardware is \$35 per ton, while it is only \$30 a ton on mining machinery. If the transcontinental rate was charged at the Alaska rate it would amount to \$859.68 per ton. They charge \$7 a ton for coal from Cordova to Chitina, while the transcontinental lines charge only \$8.80 from Chicago to Seatthe. And so it is with live stock and all other necessary freight for this mining country. The local rate is 10 times more in proportion for the same freight transportation than railroads in the United States charge.

Nor is this all—it is only a good beginning. You have seen that the freight from Cordova to Chitina, 131 miles, is the same or greater than the total transcontinental rate. The Alaska Syndicate owns the Alaska Steamship Co. and carries the freight from Seattle to Cordova on these steamers before it is transferred to their railroad and carried into the interior 131 miles. From Seattle to Cordova they charge an additional amount of \$12 a ton on hardware, \$15 a ton on mining machinery, \$11 a ton on grain and feed, \$20 a ton on hay, and \$8 a ton on coal. So that the Alaska miner pays freight at Chitina on grain and feed, \$36 a ton; upon hay, \$40 a ton; upon hardware, \$46 a ton; upon mining machinery, \$49 a ton; and upon coal, \$15 a ton, being the two local rates added. This is the highest freight rate paid anywhere in American territory. There is no limit upon the amount which this great syndicate may, charge the people of Alaska for freight upon their steamers, for they carry only local freight at sea from Seattle to their wharf at Cordova, and in that way evade any control of the Interstate Commerce Commission.

Add the freight from Seattle to Cordova by boat, the railroad freight from Cordova to Chitina, and the freight from Chitina to Fairbanks by stage or by any conveyance which the shipper may employ, and it amounts to confiscation. No independent concern can do business in the interior of Alaska with the Northern Commercial Co. and its Northern Navigation Co. twin at that end of the line, and with the Alaska Syndicate charging 25 times the transcontinental rate for its brief 131 miles, and both these in charge of the stage line connecting Chitina with Fairbanks.

We pay a freight rate of \$34 a ton for carrying mining machinery and \$34 for hardware over this line for a distance of 131 miles. Now, from New York to Seattle over the transcontinental lines, this same machinery is carried a distance of 3,184 miles for hardware \$35 a ton and for mining machinery \$30 a ton.

Mr. MADDEN. Will the gentleman permit one question in connection with the dialogue we had a moment ago?

Mr. WICKERSHAM. Yes.

Per ton.

Mr. MADDEN. Did the gentleman, knowing the facts with reference to the excessive charges there, ever introduce a bill to change the rate?

Mr. WICKERSHAM. The gentleman never has, for the very good reason there never was the slightest sympathy for the Territory of Alaska until Woodrow Wilson became President. [Applause on the Democratic side.] Now, over this road from Cordova to Chitina, a distance of 131 miles, we pay the same rate which is paid from New York to Seattle on the same identical machinery and hardware. Nor is this all. We not only pay \$34 upon these commodities for this 131 miles of road, but we have to take those commodities from Seattle to Cordova. We can not get a through rate. You can not get through rates upon goods shipped upon any railroad in Alaska. The steamship companies will only take your freight from Seattle or San Francisco to the dock at Cordova. The contract from Seattle or San Francisco to Cordova is a contract for a shipment upon water, and does not come under control of the Interstate Commerce Commission. When you get the freight to the railroad in Cordova, you have to pay the rates approved by the Interstate Commerce Commission over the railroad; but that commission has no control over the steamship companies' rates from Seattle or San Francisco to Alaska, and there is no local control whatever over either the water or railroad rates.

I have shown the connection between the rates on the Yukon and Tanana Rivers, the rates over the connecting line between Fairbanks and Chitina, the rates on the Copper River & North-western Road and the Alaska Syndicate twin transportation line, the Alaska Steamship Co., for the purpose of demonstrat-

Grain and feed

ing to this House that there is no possibility of any independent business in the interior of Alaska unless we get an independent transportation line which will deliver freight there at competitive rates. There is no competition now; it is an inso-

lent monopoly.

Let us look at a new feature of this transportation question for a moment. I have attempted to explain to the House that the Northern Commercial Co., on the Yukon and Tanana Rivers, through its ownership of its own line of steamers under the corporate name of the Northern Navigation Co., is able to monopolize the whole mercantile business of that region as well as all the transportation business. It has been enormously profitable to this company, first, because it had a monopoly of the transportation, and, second, by reason of its monopoly of the transportation it has had a monopoly of all the mercantile business in the country, which it manages through its stores at every steamboat landing for 2,000 miles along the Yukon and Tanana Rivers. Its intimate relationship with the Alaska Syndicate line is well shown by their joint tariff rates, their joint management of the connecting line from Fairbanks to Chitina, and their joint control and management of the lines to the mouth of the Yukon River and from the White Pass Railway line down the Yukon to the interior, via Dawson.

There is no competition at all. The Alaska Syndicate controls the transportation to Alaska and in Alaska, and it manipulates the rates with water transportation and controls it in such a way as to exclude the control of the Interstate Commerce

Commission.

Now, I want to call attention to another thing. Syndicate is very largely controlled by the Guggenheims. The Guggenheims are not railroad men. They are not engaged in railroad exploitation anywhere except as it becomes a part of their mining operations. The Guggenheims are the greatest mining trust in the world, and I expressed an admiration for their greatness a while ago. They control all the smelters on the Pacific coast. They control all the ore carried from Alaska to those smelters. They control the railroad up the Copper River to their great copper field, and they fix the rates. Now, I want to call attention to those rates and why they are fixed as they are.

Mr. FESS. Will the gentleman yield? Mr. WICKERSHAM. I do not want to be bothered, if the gentleman will excuse me.

Mr. FESS. I would like to know why the Interstate Com-

merce Commission has not control over that?

Mr. WICKERSHAM. Because it has no jurisdiction on transportation carried by water, but only on railroads. They do not carry by railroad, but by water. If they used the railroads the Government would have power over them. They opposed the application of the interstate-commerce laws to Alaska down to the last minute.

Permit me to call your attention to the excessive rates fixed by the Alaska Syndicate for carrying ore out of the Copper River country over its line of railroad and its ore-carrying steamship line—the Alaska Steamship Co. At page 616 of the Senate hearings on the Alaska railway bill will be found a copy of the Alaska Syndicate's ore rate sheet No. 1. It is marked "The rate sheet of the Copper River & Northwestern Railway Co. in connection with the Alaska Steamship Co.," which are, of course, mere divisions of the Alaska Syndicate investments in Alaska. This ore tariff sheet fixes the rate of transportation from all points on this line of road in Alaska to their Tacoma smelter on Puget Sound.

The Guggenheim Copper Trust owns the Tacoma smelter, and all the copper from Alaska is carried in its boats to this smelter for reduction. The freight rate is based upon the value of the ore as given by this smelter on reduction of the ore.

Freight rate from points on the Copper River & Northwestern Railroad to Tacoma Smeilter, Tacoma, Wash.

[Rates in cents per ton of 2,000 pounds, on value of ore at Tacoma Smeiter.]

	Actual value per ton of 2,000 pounds not to exceed-								
To Tacoma from—	\$25	\$40	\$50	\$65	\$80	\$200	\$300	\$400	\$500
Alaganik. Brenner Chitina. Kotsina Strelna.	575 985	750 1,150			1, 250 1, 650				1,970 2,530
Chokosna Moose Lake Long Lake Porphyry McCarthy Kennicott.	1,100	1,400	1,700	2,050	2, 250	2,450	2,910	3,140	3,370

This table and the one following show the rates on carload lots, but on less than carload lots the rate is very much higher:

Table showing general average rates.

Value of ore.	Freight rate.	Average rate,1
RI to \$25 \$26 to \$40 \$41 to \$50 \$51 to \$65 \$61 to \$65 \$61 to \$30 \$61 to \$200 \$201 to \$200 \$201 to \$200 \$401 to \$500	Per ton. \$11,00 14,00 17,00 20,50 22,50 24,50 29,10 31,40 33,70	Per cent. 2 72 2 46.9 2 37.7 2 35.8 2 31 2 21, 2 2 12 2 9.1 2 7.37

¹ General average rate 30½ per cent total value.

² Of the total value.

In addition to the freight rate deducted at the Tacoma smelter there is a smelter charge of \$3.75 per ton, and the trust then takes the product at 3 cents a pound, or \$60 per ton, less than the market price. Of course this system of robbery is based upon monopoly and the fact that Congress is asleep while the trust is awake and active. Will Congress awake and perform its duty?

The Alaska Syndicate mines at Kennecott embrace about 4,000 acres and contain a copper deposit of unrivaled richness and magnitude. This area was obtained from the United States at \$5 per acre, and the Alaska Syndicate has United States patent for title. The ore is of beautiful peacock blue and is 75 per cent copper, with some values in gold. At one time this ore deposit occupied a solid vein in the mountain high above its present position. As the ages were on more and more of the rock holding the vein was undermined, and the ore fell into the canyon where it now lies. When the Alaska Syndicate bought it for \$5 an acre from the United States this immense deposit of highgrade ore, quarried and ready for shipment, lying in this gorge was of the value of more than \$25,000,000. The vein yet remaining in place is of great extent and unknown depth, so that

it really represents one of the great copper mines of the world. But it may be asked, Why does the shipper not patronize another line of railroad, another line of ore-carrying boats, or another smelter, where he can get better rates? The answer to that is: There is no other line of railroad; there is no other line of ore-carrying boats; there is no other smelter. The miner of Alaska and those who are obliged to transport mining machinery or anything else for the development of the country are entirely at the mercy of a single transportation monopoly,

headed by the Alaska Syndicate.

In 1910 copper to the extent of \$230,000 was mined in Alaska. In 1911 it had increased to nearly \$3,000,000; in 1912 it had increased to \$4,904,000, and it is expected to increase or diminish at the caprice or interest of the Copper Trust. Every dollar of all that ore was taken out by the Guggenheims and carried either to their Tacoma smelter or shipped to New Jersey, to one or the other of their smelters. No other person or corporation has mined or can mine copper in Alaska.

The opposition to our effort to relieve Alaska from this monopoly taunts us with the fact that there is but one copper mine in the interior of Alaska which is producing. That is undoubtedly true, and the reason for it is that the great Copper Trust, the American Smelting & Refining Co., of which the Guggenheims are masters, has used all the force and brutality of the Alaska Syndicate and its various transportation lines to present any Syndicate and its various transportation lines to prevent any other mine from being opened in that country except by themselves. There will not be any other copper mine opened there except by the Copper Trust, however rich and extensive the copper property may be, until the Government shall take hold of the situation with a strong hand and undo the monopoly which now exists there. Nowhere has monopoly so firm a hold on the undereload natural recourses of a country as the Alexander Strong undeveloped natural resources of a country as the Alaska Syndicate (Guggenheim Copper Trust) has upon the undeveloped copper resources of Alaska.

There is no power in the people of Alaska, nor by a combination of small interests, to compete with the Alaska Syndicate and its allied interests in Alaska. Unless this bill shall pass and its ailied interests in Alaska. Unless this bill shall pass the syndicate will continue to be supreme in the Territory of Alaska, and will continue to gather to its owners the undeveloped resources of the country at Government prices. Shall the Government or the Guggenheims control Alaska? If this House shall refuse to pass this bill and, on the contrary, shall go back to the old system of the open door in handing out the resources. of Alaska, it will be but a short time until they will all belong to the Alaska Syndicate, or at least all that it wishes to obtain,

There is no power in Alaska to restrain the entire monopoly of its resources by the Alaska Syndicate—there is none anywhere except in Congress itself. If you shall refuse to exercise that power in accordance with the highly patriotic policy announced in his message by President Wilson, your refusal means to aid the Alaska Syndicate in its campaign to further monopolize the resources of the Territory which the Constitution places under your charge as its guardian. Will you aid in its protection or permit monopoly to take it with your silent connivance?

GOVERNMENT OWNERSHIP.

Some of the opponents of this bill object to it on the ground that it establishes Government ownership in Alaska, which they seem to fear more than they do Guggenheim ownership. Upon its face the bill authorizes the President to locate and construct a railroad in Alaska from one of its southern harbors to its great interior waterways. The bill creates a mortgage upon the public lands of Alaska as security for bonds to be issued in the sum of \$35,000,000. The President is authorized to sell the bonds and with the proceeds obtained therefrom to build the railroad. The bonds are to run for a series of years and are to be secured, not only by the public lands of Alaska but upon the property of the railroad itself. It is provided that 50 per cent of all the sales of public land in the Territory of Alaska shall be deposited in a sinking fund for the payment of the bonds when due.

Of course, the credit of the United States stands behind the transaction, because the public domain in Alaska belongs to the United States and the expenditure is to be met from a sale of the But that seems a better plan than to give the lands to a private corporation and also a monopoly in transportation. Substantially the bill creates a plan for mortgaging Alaska, its resources, and its people to secure the money with which to build this road, but, of course, if they fail, which they can not,

the Government must pay.

It will readily be seen that upon the face of the transaction it differs but little from the efforts heretofore made by Congress to develop other new territories. Congress appropriated millions of acres of the public domain in the West and South, and gave them as a bonus to private corporations to enable them to build trunk-line railroads for the development of those terri-There is no difference in principle between those appropriations of the public funds and public lands and the one under discussion, except that in this instance Congress acts more wisely, because it subjects the lands to be used for the building of the Alaska road to a mortgage upon which it procures the money, and with that money builds the road. In the meantime Congress will sell these lands to our own people, and thus we will have the land and the Government will have the railroad. Under the old system Congress made millionaires out of impecunious speculators, like those now roosting on the gallery rails of this House and crying out against this bill.

So far as the bill under discussion is concerned, there is no purpose in it to establish a system of Government ownership in Alaska or to acquire the railroads now constructed there. The purpose of the bill is to connect the Alaskan seaboard with the navigable rivers in the interior, and to build and operate a standard-gauge trunk line of railroad over the route. The bill provides that the President may either lease or operate this

AN ALASKA NAVAL BASE,

Under its constitutional grants of power Congress has authority to establish a naval base on any one of the great harbors in southern Alaska, and to erect such forts, public buildings, arsenals, dockyards, and other structures needed for the general welfare and protection of the United States. Under this constitutional authority Congress has the power to appropriate money, not only to pay for all these necessary public buildings and structures, but to build a railroad in connection therewith to any coal fields where fuel may be obtained for the use of the Army, the Navy, or other public use. Congress has the power under these constitutional provisions to extend that railroad from the seaboard to the great interior river waterways for the extension of trade and commerce and the general welfare and development of the territory there owned by the United States. Under its general authority " dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States Congress has authority to create a mortgage upon the public lands of Alaska, and to provide for the payment of that mortgage out of the sale of the lands, and to use the proceeds for the purpose of building the railroad in question. These questions have been determined affirmatively by the Supreme Court of the United States so many times that it is not necessar; to cite authorities, thou (204 U. S., 24-33) is in point. to cite authorities, though the case of Wilson v. Shaw

It follows that "Government ownership," so far as it affects the location and construction of the railroad in question, is a constitutional power possessed by Congress. It is the Juty of Congress to exercise its constitutional powers whenever a duty arises which requires it to do so. It is the duty of Congress to legislate in and for the development of the Territory of Alaska, and the time has now arrived in the development of the Territory of Alaska when we must either have "Government ownership" or "Guggenheim ownership," and it is now for the House to choose which it will take.

Under the constitutional power to provide for the common defense and general welfare, to borrow money, to maintain an Army and Navy, and to perform acts necessary for the protection of the country, Congress may, and when necessary its duty is, to establish a naval base on one of those great Alaskan har-It is necessary to do that at this moment, and this bill is

the beginning of such an establishment.

Since the pillars of Hercules guided the first frail raft from the Mediterranean into the Atlantic the active scenes of maritime civilization have taken place on the Atlantic Ocean. Columbus extended their activities to the New World the civilized nations of the Old were gathered along the European shores of the Atlantic. As people in the New World increased in number and erected new nations there, their hardy pioneers crossed the great deserts to the Pacific and built cities along its shores. California was made a State overnight without having

worn the swaddling clothes of a Territory.

Trade and commerce have now gone into the Pacific; new lines of trade and travel have been established from our American shores to Yokohama, Shanghai, Hongkong, and the harbors of the Indian Sea. Our alliances with these Asiatic millions are becoming more fixed and valuable to us, and rapidly the scene of the world's activities in trade and commerce is changing from the Atlantic to the Pacific. Certainly the trade and commerce of the United States will be greater over the Pacific than over the Atlantic. Our trade relations with the Orient have so far been pleasant, agreeable, and profitable, but as our Nation is rapidly becoming the great maritime and commercial power in the Pacific we must make cautious provision for protecting that trade and commerce from unfair encroachment. It is the part of wisdom and it is your constitutional duty to make provision for the protection of our coasts in case of war with any of our neighbors on the Pacific. Congress has already spent millions of dollars in building forts, arsenals, dockyards, and other defensive works upon the Pacific, upon the Hawaiian Islands, and at Manila. But none of these are of value without the Navy. We need and must have such a navy upon the Pacific that no enemy will dare to attack us, and we will therefore always be at peace. There can be no navy without coal, and there is no naval coal on the Pacific coast except in Alaska.

In the hearings upon this bill before the Senate Committee on Territories naval officers were invited to be present, and their testimony was taken at some length in respect to quantity and quality of the coal needed by the Pacific Fleet and the price to be paid therefor. This testimony was not repeated in the House hearings, but will be found in full in the Senate hearings, beginning on page 290, where there are also long extracts from the testimony of the Secretary of the Navy, given before the House Naval Committee in February, 1912, in which the Secretary speaks authoritatively and officially in respect to the quality of the coal in Alaska and the quantity of coal needed on the Pacific coast.

Now, I want to call attention to the fact that the rate for carrying ore in Alaska is fixed on the value of the ore in the Tacoma smelter. If you had ore on the line of this road you would have to transport it to Tacoma, because that is the only smelter that reduces copper; you would have to transport it on the Alaska steamship boats, and on their railroads, and finally they fix the value of the ore at their own smelter.

Mr. MANAHAN. Wherein would the building of a railroad break the control of their ore-carrying steamship companies? Granting the monopoly of the syndicate on the ore business, wherein would the building of the railroad alone by the Government break the control of that syndicate in the matter of charging by water and charging by smelting, and in the other re-

spects?

Mr. WICKERSHAM. Well, that is a very serious question; but if a railroad were built from Valdez to the copper region it would give the independent copper men in that country a chance for independent shipments. There is a new smelter in British Columbia. The Alaska ore could be shipped to that smelter, but there would have to be an independent railroad to get it out, and there would have to be an independent shipment on the sea down to the smelter. If the Government would build

a railroad from Valdez to that common point and afford the copper people an independent outlet for their copper, there would be plenty of boats to take the copper to where some chance of

competition exists, but there is none there now.

Mr. GARRETT of Texas. Mr. Chairman, will the gentleman

yield?

The CHAIRMAN. Does the gentleman yield?

Mr. WICKERSHAM. Certainly.
Mr. GARRETT of Texas. The exerbitant rates that the gentleman is discussing are fixed, are they, wholly in the Territory of Alaska?

Mr. WICKERSHAM. Yes. Mr. GARRETT of Texas. Who controls and fixes those rates? Have you a railroad commission in Alaska?

Mr. WICKERSHAM. No. sir; there is nothing in Alaska in the way of a rate-fixing body except the Alaska Syndicate [laughter], which controls the rates in that Territory.

Mr. GARRETT of Texas. Have you any authority up there

anywhere by which that situation can be remedied?

Mr. WICKERSHAM. I said a moment ago that only a year ago we got a writ of mandamus from the Supreme Court of the United States to compel the Interstate Commerce Commission to take jurisdiction. But the Interstate Commerce Commission has no control over water rates. That is the trouble.

Mr. McGUIRE of Oklahoma. Mr. Chairman, will the gentle-

man vield?

Mr. WICKERSHAM. Yes.

Mr. McGUIRE of Oklahoma. Have the Interstate Commerce Commission taken any action or have they fixed any schedule

Mr. WICKERSHAM. Yes; they have fixed the rates that I am talking to you about. They fixed them at that rate because nobody objected. Nobody is in a position to object, because if you fight their railroad rates and ship over their roads later they will take it out of you on the water rates and then again at the smelter. They have a chance at you in so many other ways where they now have a monopoly that no shipper dares to protest. But if we had some independent outlet from that country and some independent ore-carrying boats by which we could reach an independent smelter, our miners would have some chance to secure results. Now, what does this amount to? It amounts to so much that the Alaska Syndicate spent \$20,000,000 in building a railroad to their Kennicott mines. Those are the greatest copper mines in the world. That is a copper region. There are immense deposits of copper there, but the syndicate people have been able to get title to all portions of it which they wish, through the monopoly which they exercise over freight rates and the smelting of the ore.

Mr. SCOTT. What mileage does that cover?

Mr. WICKERSHAM. One hundred and ninety-six miles on the railroad.

Mr. SCOTT. Does that carry it to Chitina?

Mr. WICKERSHAM. That covers the whole line from Cordova to Kennicott. A new line of 160 miles of road would cover the whole situation. It would be sufficient to give competition with the Alaska Syndicate road. That is why we want two railroads in the bill. We want a railroad built from Valdez out to this copper region, so there may be an independent outlet for the copper independents. Then we want a railroad from Seward through the great Susitna Valley into the interior.

Mr. McGUIRE of Oklahoma. I should like to ask the gentle-

man whether he is familiar with the acreage of copper mines

that this company owns?

Mr. WICKERSHAM. I am—only in a general way.

Mr. McGUIRE of Oklahoma. And the supposed acreage not owned by the company, but by the Government and by other

persons?

Mr. WICKERSHAM. There was some testimony taken on that subject before one of the Senate committees, and at that time it was admitted that the Alaska Syndicate had title to 3.240 acres of this copper land at Kennecott. I am told that since then they have acquired title to a large area on Prince William Sound; and wherever a bit of copper shows up that is of any value they sit right there until they get it away from the man for a song, and they usually sing the song themselves.

But it may be asked, Why does not the miner patronize another line of railroad, another steamboat company, and an-

other smelter? The answer is, There is no other line of railread; there is no other line of ore-carrying boats; there is no other smelter. Everything in the way of transportation which is worth having is owned by the Alaska Syndicate, and if it is not owned by them it is controlled by them.

If the House would have some committee inquire into these matters and secure the exact facts, it would be of great benefit

to the House, to the country, and to Alaska.

Mr. MADDEN. Will the gentleman yield?

Mr. WICKERSHAM, Yes.
Mr. MADDEN, If the syndicate owns all of this country, what is the use of building a railroad there, to turn what is left over to those people who own or control everything there?

Mr. WICKERSHAM. The syndicate does not own all of this country

Mr. MADDEN. I thought the gentleman said it did. Mr. WICKERSHAM. I said it owned everything that was of any known value at this time.

Mr. MADDEN. Then there is nothing left.

Mr. WICKERSHAM. The gentleman is mistaken. There is much left.

Mr. TOWNER. Will the gentleman yield for a question? Mr. WICKERSHAM, Yes,

Mr. TOWNER. I understood the gentleman to say a moment ago that you ought to have two routes, and one of those would be a route connecting the port of Valdez with the copper re-

Mr. WICKERSHAM. Yes.

Mr. TOWNER. Does the gentleman think this bill would authorize the building of such a railroad?

Mr. WICKERSHAM. Undoubtedly.

Mr. TOWNER. I should like to know where the language is that authorizes it.

Mr. WICKERSHAM. It authorizes the President to locate such a route.

Mr. TOWNER. No; it authorizes the President to locate it,

with two objects in view, and only two.

Mr. WICKERSHAM. Yes.

Mr. TOWNER. One to connect a port on the open sea with the interior, and that certainly would not be within the purview of this act, and the other is to reach a coal field. Those are the only two objects. Now, the gentleman says he would like a road from Valdez to the copper mines, which is not included within any language, that I can see.

Mr. WICKERSHAM. I think it is. It is in the interior, and

it is for the development of the interior.

Mr. TOWNER. Oh, no; the interior, as the gentleman has told us a dozen times, means the valleys of the Yukon and its tributaries and the valleys of the Koskokwim and its tributaries. That is the interior of Alaska.

Mr. WICKERSHAM. Yes; that is one interior, and I may

have talked more of that than of the other; but I think the lan-

guage is broad enough to cover both.

Mr. TOWNER. When I refer to the interior of Alaska I mean those valleys that contain the copper fields.

Mr. WICKERSHAM. Well, it may be necessary to make an

amendment if the gentleman is correct.

Mr. TOWNER. I am sure there would have to be an amend-

ment. Mr. WICKERSHAM. Now, I want to call attention to this map of the great circle sailing route made by the Hydrographic Office. I call attention to the fact that it is so constructed that a straight line drawn on the map is the shortest line between two points, and I make that Irish statement because the rotundity of the earth would render it untrue on a Mercator's map. A. line drawn from Seattle to Yokohama passes through the Aleutian Islands. A line drawn from San Francisco to Yokohama and then to Hongkong, Shanghai, or Manila passes a little south but substantially near it. The navy yard and naval base at Hawaii are 1,500 miles off the line. In other words, all naval vessels going from Puget Sound should go by the Aleutian They should take the great northern route which was used by the Spaniards in the early days when they sent their ships from Manila to Acapulco, Mexico, and sought to escape the freebooters which infested the more southern routes. It is the old northern route, the great circle sailing route.

Now, in these great harbors in Alaska we have the finest naval base in the world. We have the navy coal back of the harbors, and this Government railroad, if built from one of the harbors back to the coal, would supply the naval base.

Mr. McGUIRE of Oklahoma. Will the gentleman yield?

Mr. WICKERSHAM. Yes.

Mr. McGUIRE of Oklahoma. In that connectica, I understood that the Secretary of the Navy had recently said that this coal is not of a quality that can be used for naval purposes on board ships. Does the gentleman know whether that is

Mr. WICKERSHAM. Yes; there was some coal taken out of the Bering River coal fields-taken out in a very inefficient way, filled with rubbish and rock. It was sent down and put on the dock at San Francisco or Puget Sound, and they under-took to clean and use it. It was not mined by miners; it was not mined by coal men, and I believe the report on that coal

was against it. It came from the Bering River coal fields and has nothing to do with the Matanuska fields.

Mr. DAVENPORT. Will the gentleman yield?

Mr. WICKERSHAM. Yes.

Mr. DAVENPORT. Was not this test made at Annapolis,

where the most scientific tests can be made for the properties

Mr. WICKERSHAM. I suppose it was. If the gentleman

says so, I have no reason to dispute it.

Mr. DAVENPORT. I will ask the gentleman if the same authority that he relied upon a while ago-Dr. Brooks-did not say, in his testimony before the Senate committee, that the Bering River coal fields were better than the Matanuska fields for steam purposes?

Mr. WICKERSHAM. He might have said that, and he might

have been right about it.

Mr. MADDEN. I want to ask the gentleman if the fact that the coal was not mined by miners had anything to do with the quality of the coal?

Mr. WICKERSHAM. Yes; it might be clean or dirty coal. Mr. MADDEN. In making the test for coal you do not test

the dirt.

Mr. WICKERSHAM. Yes; they tested the dirt.

Mr. MADDEN. Well, I do not know about that.
Mr. WICKERSHAM. I do not know that I do, either.
[Laughter.] But I am informed they did.

Mr. DAVENPORT. Mr. Chairman, I desire to ask if it is not a fact that the Secretary of the Navy stated that they used the washing, screening, and evaporating test at Annapolis in order to test this coal?

Mr. WICKERSHAM. I do not know; but it may be.

Mr. TOWNER. Mr. Chairman, will the gentleman yield?

Mr. WICKERSHAM. Certainly.

Mr. TOWNER. Is it not true that this coal that was taken out was merely surface coal? Mr. WICKERSHAM. Yes.

Mr. TOWNER. And was taken out by the Geological Survey men, or under their supervision at least?
Mr. WICKERSHAM. It was surface coal.

Mr. TOWNER. It was not mined at all; and is there not a ery large difference between surface coal and coal taken from the interior of the mine?

Mr. WICKERSHAM. I do not know. I am not a coal miner, and know very little about it, but I know it was surface coal.

I want to say to this House on this subject that you have not coal enough on the Pacific coast to last your Navy for 60 days in case of war. If to-morrow we had a war with a foreign nation on the Pacific coast, within 60 days your Navy would have to go into a harbor and get behind the fortifications. I want to say another thing. It costs you \$9 a ton to ship your coal around from Virginia and Baltimore for the use of the Pacific Navy, and you ship it in foreign bottoms manned by foreign seamen. You do not get the advantage of it at all in America. You are paying \$9 a ton for shipping coal around in that way which you could get in an independent naval-base harbor in Alaska for about \$2.50 a ton. You are not only paying \$9 a ton freight, but you are paying \$3 a ton for the coal on board of the collier at Norfolk or Baltimore, making \$11 to \$12 a ton for what coal you do get around there. You are getting about 250,000 tons per annum, according to the statement of Secretary Meyer. He also testified that in case of war you would need 2,400,000 tons in a year on the Pacific coast, and 2,400,000 tons, at \$9 per ton, would be \$21,600,000 that we pay for freight. We would almost pay for the railroad in one year under those circumstances, and, besides, you would have security for your country and a naval base that could not be at-

tacked halfway between our ports and the Orient. [Applause.]
That is another reason why you ought to build a railroad in
Alaska. It is for the benefit of your country. You could save almost enough out of that railroad in one year, certainly in 10 years, in your naval coal to pay for the railroad, and as we people in the interior of Alaska would save a million and a quarter dollars in freight per annum, you will see what an advantage it would be to the people of the United States, even if the road did not pay a profit on its running.

Mr. BRYAN. Mr. Chairman, will the gentleman yield?

Mr. WICKERSHAM. Yes.

Mr. BRYAN. The gentleman said awhile ago that the Guggenheims had gotten the copper. Why did they not get the coal?
Mr. WICKERSHAM. They did not get the coal, because President Roosevelt stopped them.
Mr. BRYAN. When?

Mr. WICKERSHAM. In 1906, just as they had it in their hands and the price was practically paid and the deed delivered.

Mr. BRYAN. Then, if Roosevelt had not stopped them from getting the coal, Woodrow Wilson would not have been very much interested in establishing a naval base out there?

Mr. WICKERSHAM. I am not criticising Mr. Roosevelt, for he did right and saved the situation in the first instance; but Mr. Wilson is the first influential force since that day to give any aid to open up the Territory of Alaska or develop it, and now we have sympathy and assistance not only from the administration, but from both sides of this House.
Mr. FESS. That is right.

Mr. WICKERSHAM. On page 292 he said:

Secretary MEYER. The Navy now consumes 160,000 tons a year on the Pacific coast. If the entire fleet were operating there at times after the canal is opened the amount will be about 300,000 tons. In time of war a fleet operating in the Pacific would require 200,000 tons a month. The analysis made of the sample recently obtained by the experts of the Bureau of Mines while in Alaska show that the Matanuska and Bering River coals are exceptionally low in ash and sulphur and very high in heating value, the British thermal units in some cases running as high as 15,400, while the eastern coals average a little under 14,800.

Mr. BUTLER. What is the freight from Newport News to the Pacific coast?

Secretary MEYER. From \$5 to \$8.

Even if you did not use any more on the Pacific than now, even if it is confined to what is used to-day, you can save a million and a quarter dollars per year by building this road to these coal fields, and in case of war it might save the fate of the Nation. The people of the interior would save a million and a quarter on freight per annum. I think it is time for the patriotic men of this House to get together and lay aside this talk about watermelons in Alaska and build this road and develop the coun-It is a storehouse of great wealth and belongs to the people. If you will take up and understand the situation, in-stead of talking about watermelons and fighting about Government ownership, we will get something done in Alaska, and the people will thank you for it. [Applause.] Mr. MADDEN. What is the total tonnage hauled over the

railroads there now per year?

Mr. WICKERSHAM. The Guggenheims hauled about four million dollars' worth of copper last year and about three and a half to four million this year.

Mr. MADDEN. How many tons?
Mr. WICKERSHAM. I can not give you any idea, but it is the richest copper mine in the world.
Mr. MADDEN. The gentleman does not know what the total tonnage hauled over the railroads is?
Mr. WICKERSHAM. It is not a long railroad; it is only a

short road of 196 miles.

Mr. MADDEN. They have five railroads? Mr. WICKERSHAM. About 500 miles in Alaska, and some only about 10 miles long.

Mr. MADDEN. Does anybody know the tonnage hauled on those railroads?

Mr. WICKERSHAM. They are not hauling anything now. Mr. MADDEN. Then they are not running successfully?

Mr. WICKERSHAM. No.

Mr. MADDEN. Is there any evidence this road would run successfully if operated?

Yes. Mr. WICKERSHAM. Mr. MADDEN. Why?

Mr. WICKERSHAM. Because it would run into a great rich, new country, and would not be under the control and domination of the Alaska Syndicate like these are.

Mr. MADDEN. Are there any laws now on the statute books of the United States that authorize the settlement of this country on an equitable basis?

Mr. WICKERSHAM. Yes. Mr. MADDEN. What are they? Mr. WICKERSHAM. The homestead laws.

Mr. MADDEN. Under what conditions are men allowed to homestead there?

Mr. WICKERSHAM. You are allowed to take 320 acres and

prove up after three years, as they do in the States.

Mr. MADDEN. What do you have to do before you are entitled to the land?

Mr. WICKERSHAM. You have to live on your land and improve it, and other work has to be done, of course.

From this testimony it appears that when the Panama Canal is finished and the entire Pacific Fleet is operating there it will need 300,000 tons of coal per annum, and it will cost substantially \$8 a ton freight around the Horn or perhaps \$4 a ton through the Panama Canal. At the lowest price there is a direct loss of \$1,200,000 per annum on freight, upon coal for the Pacific Fleet, if brought from the Atlantic coast; but, the Secretary said, in time of war the fleet operating on the Pacific would require 200,000 tons per month, or 2,400,000 tons per annum. Upon this basis, the freight rate alone on coal from

the Atlantic coast through the Panama Canal would be \$9,600,-000 per annum. Certainly these facts will make it the duty of Congress to provide transportation, so that if there is naval coal in the Territory of Alaska which can be obtained for the Pacific Fleet and delivered at a good naval base near the fleet it may be done. Not only that, but this House now has before it the statement of the officers of the Navy that there is not to exceed 90 days' supply of coal for the Pacific Fleet on the Pacific coast. If to-morrow a war should occur, which God forbid, between this country and any other country in Pacific waters, our fleet would have no more coal than is necessary to enable it to get safely into a harbor behind fortifications for protection. All our naval coal is carried to the Pacific Fleet in foreign bottoms, manned by foreign sailors. Coal is contraband of war, and it could not be obtained from a neutral or by neutral transportation in time of war, and we would have to depend upon our own resources to secure a sufficient supply in case of war.

This is the situation on the Pacific and must continue unless an Alaska railway is built to the naval coal fields in Alaska, for it is the only naval coal on the Pacific coast. Without coal a fleet is an expensive luxury in time of peace and impotent in time of war. We maintain our Navy now at an enormous expense for fuel, and for the want of a large and ready supply of fuel, in case of war, we might as well have no fleet.

For these reasons there is an immediate necessity to create naval base in Alaska, and the railroad provided for in this bill is the first unit in that great establishment for the defense of our Pacific frontier. This railroad should be built, maintained, and operated by the Government rather than by the Guggenheims or any other corporate influence so that it may be as readily used for national protection in case of need, as the fleet itself.

Your attention is called to this official map entitled "Great Circle Sailing Chart of the North Pacific Ocean." scientifically arranged that the shortest distance between any two points on the rotund earth represented by it is a straight line drawn between those two points on this map.

Your attention is called to the fact that a line drawn from the great navy yard at Bremerton, on Puget Sound, to Yokohama, Shanghai, Hongkong, or Manila, runs through the Aleutian Islands. It is a fact that vessels sailing between San Francisco or Seattle and the Orient go and come by the "northern route," as it is called, rather than by the southern route, via the Hawaiian Islands. The reason for taking the northern route is that it is much shorter in a straight line via the Aleutian Islands. From the Puget Sound Navy Yard to Yokohama it is only 4,280 miles, while it is more than 1,500 miles farther if the vessel sails via Hawaii. There is no coaling station on the short northern route and no place where a naval vessel can be repaired, victualed, or take on water or other supplies. Consequently in case of war there would be no resting place. However, the Government is establishing a base of supplies for just such an emergency on the Hawaiian Islands at Pearl Harbor, near Honolulu, where millions of dollars are being spent in building dry docks, wharves, and other structures, and in establishing a coal yard for the Navy. But it is 3,000 miles from the Bremerton Navy Yard to Pearl Harbor, and 3,450 miles from Pearl Harbor to Yokohama, making 6,450 miles by that route to the Orient as against 4,280 miles by way of the northern route, or more than 2,000 miles greater distance to be traveled. The purpose of the Government now is to save that 2,000 miles of extra travel, for which extra coal must be carried, and go by the northern route, and to do that a naval base must be established in Alaska.

Secretary Meyer's attention was called to this, and he was

Mr. Butler. How far is the travel out of the beaten track to obtain this coal in Alaska?

Secretary Meyer. One hundred and eighty-four miles.

Mr. Butler. How far would the ships have to travel?

Secretary Meyer. The coal would have to come to the ships. It is cheaper for us to have the colliers bring it down than for the vessels to run up to Alaska.

Mr. Butler. What is the freight from Newport News to the Pacific coast?
Secretary Meyer. From \$5 to \$8.
The CHAIRMAN. Some one was asking about the distance awhile ago. This says that Resurrection Bay is 1,236 miles from Seattle, 1,750 miles from San Francisco, 3,000 miles from Japan, and 390 miles north of the great-circle route.

Briefly, then, in the establishment of this needed Alaskan naval base the first act to be done is to build the railroad provided for in this act. The Matanuska and Bering River coal mines will yield the best of their naval coal, which can be delivered at the naval base behind the islands fronting upon and protecting the great outer harbor of Prince William Sound.

Such other structures will be erected as dockyards, dry docks, buildings, and so forth, as may be necessary upon one of those great natural naval harbors, and with a railroad connecting the naval base with the naval coal fields and with the river systems in the interior the Navy can be certain of fuel supplies and protection in case of war. This naval base will be the outpost between the coast of the United States and the Orient, so that in case of war with any Asiatic power we will have an impregnable depot more than 1,200 miles away from our coast in the direction of the coast of Asia. Conceding that coal may be carried to the Hawaiian Islands and that a naval base should be established there, it is much more necessary that one be established in Alaska where there are so many great natural advantages to justify it.

Under the Constitution of the United States it is the duty of this House to establish a naval base on the Pacific for the protection of our country, with a railroad to the naval coal field. It is not "Government ownership" in the sense in which its opponents object to that principle, but a wise and constitutional exercise of the power with which Congress is invested, to protect the United States in time of war and to pass laws for the development of trade and commerce in its Territories.

Now, I hope the gentleman from Oklahoma will give me his undivided attention for a few moments, as I am going to talk to him about Government ownership.

OKLAHOMA DENOUNCING GOVERNMENT OWNERSHIP.

The minority report, signed by two members of the Committee on the Territories from the great State of Oklahoma, makes the formal objection to this bill that it is the establishment of Government ownership of railroads in Alaska. In the thirteenth "view" they say: view" they say:

The bill stripped of its dreams means Government ownership and operation, to be followed by Government leasing and operation of resources and utilities.

And in "view" No. 2 they say:

The construction of the railroad will in no sense solve this problem, because we think we have the right to assume that the Federal Government is not going to launch into agriculture in Alaska, launch in coal mining in Alaska, launch in logging in Alaska, and we are opposed to the Federal Government being committed to any such scheme or propaganda.

Of course there is nothing in the bill which justifies this flaming denunciation of Government ownership in Alaska. Upon the face of the bill and upon the face of all the hearings before the committees it was perfectly apparent that this bill was an effort to give Government aid to the building of a railroad in Alaska upon the same principle and as nearly as possible in the same way that it was given to other States and Territories in the West and South. But it is surprising to hear such a vigorous denunciation of Government ownership from the Representatives of the State of Oklahoma. That great State adopted a constitution in 1907 containing a bill of rights and constitutional provisions of the most progressive type. The right of initiative and referendum was reserved to the people and complete control over corporations, and especially over public utilities, and the constitutional right is reserved to construct and operate them. But its most interesting reservation to the people, in view of the fierce assault made upon Government ownership contained in the minority report, which is signed by the two Representatives from that progressive State, is the reservation contained in article 2 of the constitution, being section 31 of the bill of rights. It reads as follows:

SEC. 31. The rights of the State to engage in any occupation or business for public purposes shall not be denied or prohibited, except that it shall not engage in agriculture for any other than educational and scientific purposes and for the support of its penal, charitable, and educational institutions.

Here, then, in the bill of rights, in the constitution prepared by the people of Oklahoma, is a reservation to the State as one of the "sisterhood" of the right of "Government ownership." The right is reserved to the State to engage in any occupation or business for public purposes. The State of Oklahoma may "locate, construct, and operate" a railroad in aid of her development. The State may "launch into agriculture in Oklahoma; launch in coal mining in Oklahoma; launch in coal mining in Oklahoma; launch in coal mining in Oklahoma; launch in gold mining in Oklahoma; launch in logging in Oklahoma." If the principle of Government ownership is thought to be vital to the prosperity and welfare of the people of Oklahoma, why is it declared to be "monstrous" several times in one letter to Members of the House? The people of Oklahoma prefer "Government ownership" to Guggenheim ownership. Why do gentlemen from Oklahoma try to force Guggenheim ownership on Alaska when President Wilson and Alaska ask for Government ownership?

The gentlemen who signed the minority report declare "we are opposed to the Federal Government being committed to any such scheme or propaganda." What is the difference between such "a scheme or propaganda" in Oklahoma and in Alaska?

Mr. DAVENPORT. Will the gentleman yield The CHAIRMAN. Does the gentleman yield? Will the gentleman yield?

Mr. WICKERSHAM. No. The people of Oklahoma prefer Government ownership to Guggenheim ownership. [Applause.]

Mr. DAVENPORT. Mr. Chairman—
The CHAIRMAN. Does the gentleman yield?
Mr. WICKERSHAM. No; I do not.
Mr. DAVENPORT. I think the gentleman ought to do so when he asks that kind of a question.
Mr. WICKERSHAM. All right, I will yield for a question,

but not for a statement.

Mr. DAVENPORT. The gentleman knows, as he is a member of the committee, that from the time this bill was introduced up to this day not one single representative of the Gugenheims ever raised their voice against the bill, but the representatives before the Committee on Territories sat silently by and acquiesced in its report.

Mr. WICKERSHAM. That is another question. Mr. WICKERSHAM. That is another question. We are talking about Government ownership, not Guggenheim lobbyists.

Mr. DAVENPORT. I am asking the gentleman a question, and that question is, Why is he preferring Guggenheim ownership to Government ownership? I myself am opposed to it in everything where there is nothing to haul and nothing to produce

Mr. WICKERSHAM. What is the difference between such a

scheme in Alaska and in Oklahoma?

Mr. DAVENPORT. Oklahoma has not undertaken to build any railroads there.

Mr. WICKERSHAM. But she has reserved the constitu-

tional right to do it.

Mr. DAVENPORT. That may be; but it does not bind all the people and guarantee that they will advocate it when it comes up. I am not going to pledge myself to a scheme of this kind until there is something to be brought out of Alaska and until steamships can be arranged for from the bays down to our ports.

Mr. WICKERSHAM. The gentleman from Oklahoma does not seem to understand what resources we have in Alaska, but I assure the gentleman that the Guggenheims are not as ignorant of them as the gentleman is. They know what is up there.

Mr. DAVENPORT. I want to say to the gentlemen this that when he speaks of the Guggenheims he has perhaps at some time in his career represented the Guggenheims and has known them.

Mr. WICKERSHAM. Oh, the gentleman is mistaken about that.

Mr. DAVENPORT. Well, the gentleman has met them. The CHAIRMAN. Gentlemen should rise and address the Chair before interrupting a Member on the floor.

Mr. WICKERSHAM. I have met some of their employees

Mr. WICKERSHAM. I have met some of their employees out on the coast. But when the gentleman has seen men here lobbying against this bill he has seen Guggenheim lobbyists.

Mr. DAVENPORT. I would like to know what Guggenheim representatives the gentleman has reference to. If there are any in Washington, the gentleman from Alaska should state their names, so that the Members of the House can be apprised of it.

Mr. WICKERSHAM. I will tell you who they are in such a way that no mistake can be made about it. If the gentleman will get the Senate hearings and the House hearings, taken before the Committees on Territories, and will hunt up the fel-'lows there who appeared fighting this bill, he will have them, and every one of them is a Guggenheim lobbyist.

Mr. DAVENPORT. I did not know it before. Mr. WICKERSHAM. You know it now. [Laughter.]

Mr. DAVENPORT. I want to ask the gentleman whether he means Members of Congress who are fighting the bill, or whether he means other parties who testified?

Mr. WICKERSHAM. Oh, no; only those who testified.

have no reference to the gentleman at all; not at all.

WILL PRIVATE CAPITAL BUILD A FREE ROAD IN ALASKA?

As a final blow to the bill its opponents declare that if Congress will refuse to pass the bill private capital will build the railroads needed to develop the Territory.

This blow is struck in the minority report in the twelfth

paragraph, which reads as follows:

The testimony of the hearings before the committee on this bill show that private parties were ready and willing, and had provided the funds to construct and operate railways to the coal mines, and had it not been for the withdrawal of the coal from entry there would have been no necessity of the contemplated action of the United States Government, as stated in the bill before the House.

It is said that somebody has already offered to build these roads at once if this bill can only be defeated. No such proposal has ever been made except possibly as a final argument by

some of the impecunious lobbyists before the committee. gentlemen have not two dollars among them to rattle one against the other, and could not obtain money for the building of a railroad in Alaska except from or with the consent of the Guggenheims.

Mr. DAVENPORT. Mr. Chairman, will the gentleman yield? The CHAIRMAN. Does the gentleman yield? Mr. WICKERSHAM. Yes.

Mr. DAVENPORT. I will ask the gentleman if there is anything in the hearings where these parties stated that they had the funds to build a railroad, and later it was shown that they were impecunious really and do not have the necessary funds?

Mr. WICKERSHAM. Yes; and if the gentleman from Oklahoma had attended the meetings he would have known those things.

Mr. DAVENPORT. I will say to the gentleman that I attended the meetings as much as I could, but the meetings were finished so quickly that I could not attend them; but I have read the hearings, and I have them here before me now, and I challenge the gentleman to show where any man proposed to build a railroad and it was shown that he did not have the money and could not raise it.

Mr. CURRY. Mr. Chairman, will the gentleman yield? The CHAIRMAN. Does the gentleman yield?

Mr. WICKERSHAM. Yes.
Mr. CURRY. Does the gentleman remember that during the hearings I asked each and every representative of every proposed railroad that was before the committee who were behind them?

Mr. WICKERSHAM. Yes.

Mr. CURRY. And where they had their money? Mr. WICKERSHAM. Yes.

Mr. CURRY. And each and every one of them said they were under pledge of secrecy and could not tell us, and said that if they could be relieved and released from that condition that existed between the attorney and the employer they would But they have not told up to this time?

Mr. WICKERSHAM. They have not,

Mr. CURRY. And the gentleman will remember that I asked each one, if he was not in a position to tell the committee, to give that information confidentially to the chairman, and that none of them has thus far stated to the chairman who was behind them and where the money is.

Mr. WICKERSHAM. I remember that distinctly, and if they had told you, and told you the truth, they would have carried it right to the Alaska Syndicate in each instance. I know them. I have watched the same fellows here for almost 10 years, lobbying and logrolling for the Guggenheims. There has never been an effort to do anything for the Territory of Alaska that that same bunch of pirates has not shown up here as lobbyists against it, not one. [Applause.]

against it, not one. [Applause.]
Mr. Ballaine in his testimony, at page 36 of the Senate hearings on the Alaska railway bill, testified that in 1909 Mr. George W. Perkins, then a partner in the Morgan branch of the Alaska Syndicate, came to Seward to examine the Alaska Northern's 71 miles of railroad and see if it might be resuscitated. Mr. Ballaine testified about this conversation with Mr. Perkins, as

He agreed with me that he should recommend favorably their taking up this plan, not alone on account of its merits, but because the firm of J. P. Morgan & Co., and their friends held one-third of the stock in the Sovereign Bank of Canada, which at that time was going through liquidation.

The Sovereign Bank had advanced the money for the building of

includation.

The Sovereign Bank had advanced the money for the building of the Alaska Northern and owned the bonds, and therefore the road. Later in the winter, or possibly in the spring, Mr. Perkins told me that the Guggenheim brothers had refused to give their consent to the plan for Morgan & Co. to take over the financing of this project as a narrow-gauge railroad from Seward, through the Susitna Valley, to the Tanana, on the ground that they regarded the Tanana Valley as their field. Mr. Perkins told me at the same time that Morgan & Co. were not prepared to encourage any railroad building in Alaska until the Government issued patents to coal calmas then pending. I asked Mr. Perkins: "Do I understand from this that if I or any other individual, or any company, should go to some other bank or banker to raise money for building a railroad from Seward through the Susitna Valley to the Tanana I should meet with the opposition of the owners of the Alaska Syndicate?" He replied: "We could not allow a railroad to be built through the Susitna Valley into the Tanana. There will be no more railroad building in Alaska until the coal fields are opened."

That is not denied. Copies of that testimony were sent to

That is not denied. Copies of that testimony were sent to George W. Perkins from the Senate committee officially, and he was given an opportunity to deny that and did not do it. There is no question about the truth of it.

This statement is not denied by Mr. Perkins or by any other member of the Alaska Syndicate, and undoubtedly states the determination of the Alaska Syndicate with respect to railroad building from the coast to the interior of Alaska, at least in what they are pleased to call "our territory." But there is

some basis for the statement made in the minority report and quoted above. There was a proposition made to extend the Alaska Northern Railway from Seward, and to that I now invite your attention.

At page 403 of the Senate hearings upon this bill will be found a letter from the Alaska Northern Railway Co. by its attorney, directed to the Secretary of the Navy, and dated March 30, 1912, in which such a proposal is made. That letter reads as follows:

WASHINGTON, D. C., March 30, 1912.

The Secretary of the Navy, Washington, D. C.

Washington, D. C.

Sia: Referring to various interviews we have had with officials of your department, with the object of devising means whereby the department may be able to obtain at an early date, for the use of the Navy in the Pacific regular supplies of high-grade Alaska coal at a large saving in cost, we now have the honor to state that, as soon as the department will be in control of coal lands in the Matanuska district containing coal suitable for the Navy's use, the Alaska Northern Railway Co. will be prepared to enter into either of the following contracts, at the option of the department:

A. A 10-year contract to deliver each year at the department's depot on Resurrection Bay 400,000 tons of bituminous coal, taken from seams to be designated by your department, at actual cost plus 10 per cent, the maximum total cost to the department not to exceed \$5.50 per ton, delivery to begin, under penalty, on or before December 31, 1913.

B. A 10-year contract to deliver each year at the department's depot on Resurrection Bay 400,000 tons of bituminous coal, taken from seams to be designated by your department, at actual cost plus 10 per cent, the maximum total cost to the department not to exceed \$4.50 per ton, delivery to begin, under penalty, on or before December 31, 1913,

CONTRACT B.

Contract B to be conditioned upon the passage, at this session of Congress, of an act guaranteeing principal and interest of 50-year 3 per cent bonds of the railway company to the extent of \$7,000,000, such bonds to be a first lien on the main line of the railway company from Resurrection Bay to the coal fields, with branches, spurs, equipment, etc., all representing an approximate cost value of at least \$11,000,000. In the mortgage securing these bonds the Government would be given full protection, both for its liability under the guaranty and for the due fulfillment by the company of its contract with the department; and out of any moneys due to the company under its contract, the department would be entitled to pay each year, direct to the trustees for the bondholders, a sum sufficient contribution to a sinking fund to provide for the payment in full of the bonds at maturity. Our only reason for any reference here to a guaranty of bonds is that with such guaranty the company would be put in position to furnish coal to the department at \$1 per ton less than would otherwise be the case; and unless we are able to obtain such guaranty from Congress it would not be possible to enter into a contract at a lower rate.

COMPARISON OF CONTRACTS A AND B.

COMPARISON OF CONTRACTS A AND B

Under contract A the department would save approximately \$1,000,000 per annum, as compared with the present cost of taking 400,000 tons of coal from the Atlantic coast. Under contract B this saving would be increased by \$400,000 per annum, or \$120,000 more than the total annual liability for both interest and sinking-fund payments on the company's bonds, the total saving to the department being about \$1,400,000 per annum, while the present annual coal appropriation is \$4,000,000 for the entire Navy.

ADVANTAGE TO THE GOVERNMENT.

The saving as shown above would result in time of peace; in the event of war, in which the fleet in the Pacific should play an active part and the coal consumption be correspondingly increased, the financial saving would be several times as great. In addition to any saving in money, the Navy would be in a position to obtain, both in peace and in war, uninterrupted supplies of the highest grade steaming coal, delivered by land in an impregnable harbor, occupying an ideal strategic position in the north Pacific. Having regard to the efficiency of the fleet in the Pacific and the safety of the country, the value of such a position can not be measured in money.

POLICY OF GOVERNMENT OWNERSHIP.

The Secretary of the Interior has publicly advocated the purchase of the property of the Alaska Northern Railway Co. by the Government, and has asked us on what basis we can meet his views. We have stated to him that we are willing to sell at what, having regard to all the circumstances and considerations, may be considered a fair and equitable price. At present, however, the Government has no legal authority to carry out such a policy, and it is uncertain if and when Congress will give such authority. Having regard to interest charges, deterioration of property, etc., the company can not resign itself to inaction until the question of Government ownership as opposed to private ownership is determined, and it desires to proceed at once with construction. If, however, the Government should within a reasonable time be able to carry out the policy enunciated by the Secretary of the Interior, the company will still be willing to sell on the understanding set out above, making no addition to whatever price might be payable now beyond the actual cost of further construction with interest; and in consideration of the coal contract with your department the company would now enter into a binding agreement to make such sale to the Government. In this way any construction now undertaken by the company will be of great assistance to the policy of the Secretary of the Interior, inasmuch as access to coal for the Navy, as well as the beginning of the general development of the interior of Alaska, will be possible at a much earlier date than would otherwise be the case.

LEGAL POINTS.

LEGAL POINTS.

We inclose a memorandum dealing with the law points involved. ADDITIONAL INFORMATION.

We shall be glad at any time to meet you or any of the officials of the department to discuss any point on which you desire information, and in the meantime we submit these proposals for your valuable con-

sideration and such action as you may deem appropriate in furtherance of their object.

Very respectfully,

ALASKA NORTHEEN RAILWAY CO., By GEO. H. PATRICK, Its Attorney.

The attention of the House is directed to the fact that here is a proposition by this company to extend the Alaska Northern Railroad to the Matanuska coal fields, and no farther. This extension is to be based upon a monopoly contract to be given by the Government of the United States to that company for mining and transporting 400,000 tons of coal from the Matanuska field to the Government bunkers in Seward at \$5.50 per As an option, the second contract proposed was for the mining and delivery of 400,000 tons of coal at \$4.50 per ton, but this contract was to be conditional upon Congress passing an act guaranteeing the principal and interest on 50-year 3 per cent bonds of the company to the extent of \$7,000,000, such lien to be a first lien upon the main line of the railroad going from Resurrection Bay to the coal fields. The proposition then sets out in glowing terms how it would be possible, at either of these rates, for the Government, without assuming any great liability, to save enormous sums in the delivery of naval coal to it- bunkers on Resurrection Bay.

Let the House note that this proposition, which seems to meet with the definite approval of the minority report, was to give this Alaska Syndicate Corporation a monopoly for 10 years upon mining and carrying the coal for the Government for naval purposes to the port of Seward at an enormous price.

Now, that was the only proposition ever made by anybody Now, that was the only proposition ever made by anybody who had any money behind them to build a railroad into the interior of Alaska, and that was the proposition that was approved by the minority of this committee in the language I have read. It is the only proposition anywhere in the record, and it is an infamous proposition on its face. [Applause.]

I wish I had the opportunity to tell you more about it, but I have exceeded the patience of the House and I must hasten on. When they heard that sort of a proposition offered to create a monopoly in the Guzgenheims again, the Secretary of the Navy

monopoly in the Guggenheims again, the Secretary of the Navy and the Secretary of the Interior both turned it down cold and it never got any further. And that is the effort, and the only effort, that was every offered to open the interior of Alaska by the building of a railroad by private parties. It was simply another bright scheme on the part of the Alaska Syndicate to get its Alaska Northern Railway resuscitated by the United States, its losses returned, and a monopoly of Matanuska coal on a ten-year plan. It was, of course, refused consideration by Secretary Fisher.

Paymaster John S. Higgins, of the United States Navy, was before the Senate Committee on Territories, and his testimony will be found in full in the Senate hearings beginning at page 569. In his testimony he testified that the naval coal delivered at either Norfolk or Baltimore from the Virginia fields cost about \$1.40 per ton for transportation, and that the coal was delivered upon the colliers at Norfolk at \$3 per ton, including the price of mining and transportation. The distance is about the same as that from the Matanuska fields to Seward. The price demanded by the Alaska Syndicate Railroad from the Matanuska field is 50 per cent higher than the Virginia rate, for the lowest price, and almost 100 per cent higher for the higher rate. The lower price demanded by the Alaska Syndicate in its proposal to the Secretary of the Navy depended upon the guaranty of \$7,000,000 of Alaska Northern Railway bonds, while the higher price of \$5.50 is \$2 per ton more than the Virginia price.

There is more to this proposition of the Alaska Northern Railway. It is proposed to sell its railroad to the Government, and there are pages following this interesting letter devoted to persuading the Secretary of the Navy and the chairman of the Naval Committee of this House that it would be a great scheme for the Government of the United States to purchase the Alaska Northern Railway and complete it to the coal fields. On page 411 of the Senate hearings is a long argument upon this proposition addressed to the chairman of the House Naval Committee.

The proposal by which this syndicate railroad in disguise was to secure \$7,000,000 worth of Government guaranty was declined by the Secretary of the Navy and the Secretary of the Interior. Thereupon the officers of the Alaska Northern became violently opposed to Government ownership, and they have been most active lobbyists, both before the committees of both branches of Congress and around the corridors in the effort to defeat the bill now before the House. If Government ownership was honest when they proposed in their letter to sell their railroad to the Government, it is honest now, as a principle. Of course, their effort to procure Congress to give them monopoly of traffic, the control of the naval coal fields, and immense profits in the way of a Government guaranty upon the Morgan-Sovereign Bank Railway can not be defended upon any honest

ground.

This is the proposal, and the only one ever made by anyone speaking definitely or in a businesslike way, to build a privately owned railway for the development of Alaska, and it is the proposal which the minority report approves as justifying the Government to surrender its Matanuska naval coal field to the Alaska Syndicate monopoly. But notice that this proposal did not offer to build beyond the Matanuska coal fields. The reason for that was disclosed by George W. Perkins in his conversation with Ballaine. The Tanana Valley is claimed by the Alaska Syndicate as the territory of the Copper River & Northwestern Railway, and it did not intend and does not now intend to let any other railroad be built from Seward through the great Susitna Valley to the Tanana by private capital or otherwise. It is an invasion of their territory

The Guggenheim branch of the Alaska Syndicate, which has control under its contract with the Morgans of the exploitation of Alaska, refused, and always has refused, to permit any rail-road to be built to the Tanana country which does not connect with their line at Chitina. They have prevented the construction of every railroad attempted to be built from the coast near their territory to the interior, and they intend to continue to do so without it is constructed as an extension of their Copper River & Northwestern Road. They would agree, of course, to the building of a coal road from Seward to the Matanuska coal fields, as proposed by the Alaska Northern in its letter to the Secretary of the Navy, first, because it gave them a monopoly of Matanuska coal mining and transportation; second, it gave them a monopoly contract with the Government of the United States for 10 years for furnishing naval coal from this field; and, third, it gave them assurance doubly sure that there would be no road from Seward to the Tanana Valley into what they call their territory.

But the minority report is wrong when it asserts that there ever was any offer from responsible financial interests with ability to construct an independent line of railroad for the development of the Tanana Valley from Seward or Valdez or from any other harbor. All the evidence is against them on that proposition. If the two gentlemen who signed that report had attended the meetings of the Senate and the House Committee on Territories and had heard and understood the evidence, they would not have made such an unwarranted statement in their "minority views."

OKLAHOMA V. ALASKA-A SELFISH OBJECTION.

The fourth objection made by the minority report is a selfish one. The minority report declares they are opposed to the passage of the bill under consideration because there are but 35,000 white people in Alaska and because the appropriation and bond issue provided for in the bill is more than \$1,000 for each and every white person living there. They declare this sum to be out of proportion to the Federal aid granted to other sections of the United States for waterways, docks, good roads, rural routes, parcel post, and other internal improvements.

Of course, Alaska has more than 35,000 white inhabitants; but let us assume that number. The bill proposes to appropriate \$35,000,000 for the building of a railroad in Alaska. It is not to be assumed, however, that that is to be the end of population in Alaska. The Panama Canal has cost nearly \$400,000,-000, and there were but 6,500 white people in the Canal Zone at the time it was begun; but the canal was not built for the few people who then resided there, but for the benefit of commerce and trade and the welfare and protection of the whole United States. And so it is in Alaska. It is also true with respect to this Alaskan population that since the purchase of Alaska in 1867 they have produced more than \$525,000,000 out of Alaskan

fisheries and mines, and the end is not yet. In 1912 Alaska produced \$40,354,178 in gold, copper, fish, and furs. or more than \$1,000 for each white man, woman, and child in the Territory. The trade and commerce that year was \$72,741,060, or more than \$1,130 for each of the 64,356 population, including Indians and Eskimo, and more than \$2,258 for each white person residing there. A population which produces \$2,258 per annum in actual wealth per capita each and every year as a beginning may well ask the Government to make an appropriation of \$1,000 per capita once in a century, especially when the Government retains the ownership of the investment and is merely aiding in the general purposes for which government is organized.

The minority report complains that such an appropriation for Alaska is unfair to the "sisterhood of States," and declares that Alaska is getting more than her share. Let us see how this

argument would apply to Oklahoma. In 1863 Congress passed an act making a grant of public lands in Kansas to the Leavenworth, Lawrence & Galveston Railway Co. (12 Stat. L., 772) and for the southern branch of the Union Pacific, which became the Missouri, Kansas & Texas. In 1866 Congress passed an act making a land grant for the Atlantic & Pacific Railway Co. (14 Stat. L., 292).

These grants applied in Kansas, Missouri, and New Mexico, and under these grants the Missouri, Kansas & Texas Railway, the Atchison, Topeka & Santa Fe, and the St. Louis & San Francisco trunk lines of railway were built through what is now Oklahoma. Upon an inspection of the census for 1870 one is surprised to find that neither Oklahoma nor Indian Territory are mentioned officially. There was no population officially acknowledged in what is now Oklahoma at that time, but in a footnote we discover that there were 2,409 white persons somewhere within its area. In short, when Congress passed these landgrant acts under which Oklahoma secured three trunk-line railways to be built across her territory she had no white popula-tion—not even 35,000, as "dinky" as that may seem to them now. Not only that, but Oklahoma got these first trunk-line Government railroads at the expense of her neighbors—at the expense of that "sisterhood" whose rights are now so jealously guarded by her Representatives. The Oklahoma railroads were built out of land grants given out of the lands of the surrounding States Kansas, Missouri, Arkansas, and New Mexico gave their lands to the building not only of the roads within their own territory, but to build the connecting lines across Oklahoma. Oklahoma never lost a foot of her land in aid of the development of her own railroads. Her neighbors built her early trunk-line railroads for her, and now she objects to her more distant neighbors building their own road out of their own resources. these early roads were thus provided for by the United States aid and public lands Oklahoma had no white population, not even one-twentieth part of what Alaska has before it secures even first aid.

When the Northern Pacific Railroad land grant was made July 2, 1864, there was a very small population in all the great territory along its route. In 1870, six years after Congress created the grant, Dakota had only 14,181 population, Montana created the grant, Dakota had only 14,181 population, Montana 20,945, Idaho 14,999, and the Territory of Washington 23,955, making a total of only 73,730, against a total population in Alaska in 1910 of 64,356. The Atlantic and Pacific land grant was made by Congress on July 27, 1866. By the census of 1870, four years later, the population of Arizona was 9,658, and all Indian Territory and the present State of Oklahoma had but 2,409. What argument there is in this matter of population is greatly in favor of the Territory of Alaska, and Oklahema's Representatives ought to be ashamed to advance it in opposition

to the development of Alaska.

The minority report also complains that the "sisterhood of States" is going to be cruelly treated if a railroad is built in Alaska. Not only were all the early railroads built across the State of Oklahoma at the expense of her neighboring "sisters," but no State in the Union has been so richly endowed out of the public funds and public lands as the State of Oklahoma. Under her organic act she has been given sections 13, 16, 33, and 36 in every township, or one-ninth of her whole area, for the maintenance of her schools and other public institutions. For certain of those lands lost to them by Indian settlements she was given \$5,000,000 out of the United States Treasury by the organic act creating the State. eral and oil lands were granted to her. Aside from these specific sections of land, the organic act creating the State of Oklahoma gave to the State more than a million acres of public land for the support of her universities and normal schools. A recent Oklahoma publication declared that the lands given to Oklahoma by the United States for the support of her State institutions are of the value of \$50,000,000, and I hope they are. Oklahoma is a great State; she has a great and progressive people, but they ought not to forget so quickly what the "sisterhood" did for them in their efforts to secure early railroad aid and later development from the public funds. They ought—and would if consulted—to do as they were so generously done by. Nothing can be more unfair to the "sisterhood of States," which the minority report seems so anxious to protect, than an objection which prevents the people of Alaska from having relief from Guggenheim domination.

The bill before the House does not assume to locate any route for the railroad authorized to be built; that matter is left entirely to the President of the United States. No restraint is put upon the President in this respect by the bill, and any location made under the bill must be made in the name of the President and by his authority. This bill was prepared with a view of placing the responsibility entirely with the President,

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so that might be assurance of the highest integrity in the location and construction of the railroad if the bill shall pass.

There is another small matter which is not a very serious one, and yet it seems to have appealed strongly to some gentlemen. It is that Alaska has only 64,884 people, and that there are only 35,000 white people in the Territory—that here is a proposition to appropriate \$35,000,000—\$1,000 for every white man, woman, and child in the Territory in the way of building a railroad there. Well, what of it? Suppose there are only 35,000 white people in that Territory and an appropriation is made of \$35,000,000. It is for the building of a great railroad, for developing one of the greatest unde-veloped territories in the world, a Territory 99 per cent of which belongs to Congress as the trustee of the people. It is Government land, it is public domain, and it is under your control, and it is for you to develop it. It is now being monopolized by the Guggenheims, and I am appealing to you to take it away from them and develop it for the people. It does not make any difference whether we have 35,000 people or only 3,500 people. [Applause.] There were only 6,500 people in the Panama Canal Zone when we began spending \$400,000,000 to build a canal there, but nobody thought of objecting to it on that ground, because the canal was being built for the benefit of the whole people. This railroad ought to be built for the benefit of the whole people of the country. [Applause.]

Mr. HARDY. How many people were there in Alaska when

Mr. HARDY. How ma we paid \$7,200,000 for it?

Mr. WICKERSHAM. When we purchased Alaska and gave \$7,200,000 for it there were not 10 of our people there, and only perhaps 1,000 Russians. I do not think that objection is a serious matter, but if it is let us stand Oklahoma up again as a standard. [Laughter.] In 1862 this House passed a bill giving a land grent for a railroad across what is now Oklahoma, then called the Indian Territory. Between that date and 1866 two more bills were passed for building railroads across the Indian Territory, that part which is now Oklahoma. For information I examined the census of 1870 and could not find any report on the Indian Territory, or Oklahoma, either. I learned subsequently that it was because there were no white people in the country, but only Indians not taxed. So that in 1870, after three land-grant bills had passed Congress which resulted in the building up of that great progressive State, there were less than 2,400 people in that region, and they were cattle rustlers from Kansas, Arkansas, and Texas. [Laughter.]

So if there is anything in this 35,000 proposition there ought never to have been any railroad grants made for roads in Oklahoma. Not only that—that is only half the Oklahoma story. Here is an efficial map showing the locations and areas of land grants made by Congress for western and southern roads. You may search the records and you will not find that Oklahoma ever gave up a foot of her land for building railronds across her area. Look at this map and the location of the land grants and you will see they run to the Oklahoma line and there they stop. Oklahoma got all of her railroads in those early days without giving up any of her land. The railroad land grants in Kansas, Missouri, Arkansas, and New Mexico built the first railroads across Oklahoma, and she never gave up a foot of her land. And yet you stand here and object to us having the benefit of our lands in Alaska that we want to mortgage and which we are willing to put up to build our own roads.

Mr. DAVENPORT. Will the gentleman yield? Mr. WICKERSHAM. Yes.

Mr. DAVENPORT. I want to say that that part of the Indian Territory new embraced in Oklahoma was an Indian country.

Mr. DAVENPORT. And they could not give land grants to

rallroads anywhere in the United States.

Mr. WICKERSHAM. Certainly; but Alaska is not Indian country and has 35,000 white settlers. When the Northern Pacific land grant was made in 1864 no consideration was given to the question of population. If population had been considered there would have been no land grant and no Northern Pacific. Its grant was not based on a population scheme as now suggested. the contrary, the grants for the building of the Northern Pacific and the early roads across Oklahoma were given to help build up the waste places. The grants were made to assist in an undeveloped country, and the Congress did not wait until the people had done all the work before it assisted. And it is assistance of that kind that we want in Alaska. We want help to build up the country and to protect it from monopoly. Gentlemen talk about a "prairie schooner" and a "cowboy existence" in Alaska, as if somebody could go to Alaska in a "prairie schooner" and be a "cowboy." [Laughter.] The gentleman from Oklahoma

did not go to Oklahoma in a prairie schooner; he went in a Pullman palace car, upon a railroad built at the expense of the surrounding States. [Laughter.]

Mr. DAVENPORT. I want to say to the gentleman that I went to Oklahoma as a farm laborer. [Applause.] I rode in a railroad train in the smoker, as my friend did to Alaska, and the reason why was we were both broke. [Laughter.]

Mr. WICKERSHAM. There are those who know the value of the undeveloped resources of Alaska, though few of them are in Congress. Congress is the trustee for this tremendous storehouse and ought to have the most intimate knowledge of its A trustee of an express constitutional trust ought not to permit the trust estate to be wasted, squandered, or acquired by any other interest to the great loss of those whom he represents. It is quite possible that if an individual gave as little attention to his guardianship of a trust estate he would be compelled to pay the loss out of his private fortune.

Population is of value to a territory. Herewith is a statement of the population of Alaska according to the last census, after which follows a table showing the percentage of increase in the

white population in Alaska from 1880 to 1910:

Population of Ataska by judicial districts, 1910.	
leial district dicial district	15, 210 12, 351 20, 078
HCBH GISUBCL	20, 07

Third judicial district Fourth judicial district	20, 078 16, 711
Total	64, 356

Population of All	uska, 1900-	1910.	Take (IEU)	
Class,	1900	1910	Decrease.	Increase.
White Indian Negro Chinese Japanese All other	30,493 29,536 168 3,116 279	36, 247 1 25, 331 209 1, 209 913 347	4, 205 1, 907	5,854 41 634 347
Total	63,592	64,356		764

⁴ Includes persons of mixed parentage; that is, of native Indian and Russian or other parentage, as follows: 1900, 2,497; 1910, 3,887.

Per cent of increase in white nonulation in Alaska

and the same dentity of the	1890	1800	1900	1910
Total	33, 423 2, 185	32,052 6,121	63, 592 30, 493	64, 353 36, 347
Per cent white	6.5	19.1	48	56.5

Congress will notice that the population of Alaska is small and is not increasing rapidly. The want of resources in the Territory of Alaska has nothing to do with this small population or its slow increase. The whole difficulty in the way of a large increase in the population is due to transportation. The western Provinces of Canada—Alberta, Saskatchawan, Manitoba—have taken thousands of hardy immigrants of the United States because they have railroads to carry these peo-ple, their household goods, and live stock to farms in those northern regions. Given the same transportation facilities in Alaska, and the population of the Susitna and Tanana Valleys will increase very rapidly.

THE PRIZE-ALASKA'S VALUE.

A copy of the last report of the collector of customs of Alaska, dated January 31, 1913, will be found in full at pages 576-578 in the Senate hearings on this bill. The report begins:

576-578 in the Senate hearings on this bill. The report begins:

Although there was no material increase in the population of Alaska during the calendar year 1912, the commerce of the Territory broke all former records in almost every particular. The total trade, valued at \$72,741,060, is 27 per cent higher than that for any previous year. The balance of trade in favor of Alaska is the largest on record, amounting to almost \$20,000,000. Gold, which until recent years has constituted the bulk of the Territory's export, though greater than for the two previous years, was 50 per cent less in value than the total of the other Alaskan produce shipped to the United States and was exceeded by the single item of salmon, canned and otherwise preserved.

For the first time both the shipments of merchandise from the United States and from Alaska to the United States passed the \$20,000,000 mark. The shipments to southeastern Alaska show an enormous increase and are more than double those of any one of the other three divisions. This increase was principally due to the establishment of 20 new salmon canneries throughout the division and the extensive development of mining properties in the Juneau district.

This report shows that for the year 1912 the people of

This report shows that for the year 1912 the people of Alaska purchased from the merchants of the United States nearly \$22,000,000 worth of merchandise and sent to the United States nearly \$25,000,000 worth of merchandise and more than \$16,000,000 in Alaskan gold.

THE PRODUCTION OF FISHERIES AND MINING IN ALASKA.

The production of the fisheries and mining of Alaska for the year 1912 amounted to \$40,354,178. To those who hesitate to give assistance to Alaska because she can not raise watermelons I suggest that \$40,000,000 worth of fish and gold is as good a crop as any State can raise.

The Tanana interior of Alaska is criticized because of its supposed want of value, yet the customs report shows that \$8,117,459 worth of gold was produced in that division during 1912, being more than one-half of the total output of gold for the Territory. When we shall get a railroad to the Tanana the Territory. When we shall get a railroad to the Tanana country it will be one of the greatest gold-producing territories in America. There are immense areas of low-grade ground which can not now be worked, but which will then employ a large force of men and machinery.

The customs report shows that in 1912, 22,712 persons came into Alaska, but it also shows that 21,877 departed from the

Territory. I mention this fact to show that there is a very large movement of population in Alaska, and that as soon as there is a transportation route to the interior much of this

movement will use it.

Of the \$21,992,761 worth of merchandise purchased from merchants of the United States in 1912, \$3,732,914 went into the Tanana country, or about one-fifth of the whole imports. This freight paid on an average \$125 per ton. If the rate had been reasonable, the merchants of the United States would have sold more than double that amount of merchandise to the

I think Oklahoma is a grand and a great State, but I do beg her Representatives to give us a fair deal in Alaska and let us get out from under the domination of the Guggenheims.

Mr. DAVENPORT. I will say to the gentleman that I will

vote with him-

Mr. WICKERSHAM. Thank you. [Laughter.]
Mr. DAVENPORT. Wait a moment—for the purpose of giving to the Territory of Alaska any reasonable help for its institutions, educational and otherwise, that he may think is proper and right. I am not standing in the way of the Guggenheims. Let the gentleman present the facts and not refer to the Guggenheims and we will get through with this discussion.

Mr. WICKERSHAM. I expect it irritates the gentleman somewhat, but I have been relating the facts. [Laughter.]

Mr. DAVENPORT. Not at all. I never represented them,

and I never tried to represent them.

Mr. WICKERSHAM. And I surely am not representing

Mr. DAVENPORT. I know the gentleman is not. Mr. WICKERSHAM. All that gentlemen need to do is to get the report of the collector of customs for 1912 and see what the commerce of Alaska amounts to. The United States maintains a fleet and a large force on the Pacific to keep an open door with China, and yet the trade in Alaska is within a million dollars of the total trade with China. The trade with Alaska is greater than the trade the United States has with 20 or 30 of the great countries in the world. People are not acquainted with the great resources of Alaska and the immense amount of merchandise that your merchants sell to it in the way of machinery, dry goods, and other merchandise. You are not acquainted with the fact that you get \$20,000,000 of gold out of the country every year and from seventeen to twenty millions of dollars' worth of fish. We ship fish from Alaska now to Boston. We compete with the Banks, and we ship better fish into Boston than they ever got from the Banks. Alaska is one of the richest regions in the world. And the Guggenheims are not ignorant; they know it; and they are getting control of its resources because they are lying around loose and they are valu-

Mr. STAFFORD. Will the gentleman explain to the committee how the gold and fish are dispatched from the interior of

Alaska to the United States?

Mr. WICKERSHAM. The gold is dispatched from the in-terior of Alaska over this line from Fairbanks and over the Copper River road to the States. The fish is canned on the coast and not in the interior. We pay so much greater prices for meat in the interior than you have to pay here that you would be amazed if you knew what the situation is, and yet we can not get the fresh fish from the coast, which we could get very cheap if we had a railroad.

I shall put into the RECORD a balance sheet showing on the debit side the production in Alaska of gold, silver, copper, gypsum, marble, tin, and coal, and its fur and fishery products, and also a statement showing the total amount of cash receipts that we have paid to the Government of the United States, and

you will be surprised when you learn that since 1867 the production of Alaska amounts to \$525,685,327.

Mr. MADDEN. But that has not gone into the Treasury of the United States.

Mr. WICKERSHAM. No; but it went into the pockets of the people of the United States, which is a great deal better place for it.

Herewith is a balance sheet of the production of Alaska upon one side and the total cash disbursements of the United States upon the other:

Balance sheet-United States in account with Alaska, 1867 to 1913, inclusive.

Dr.			CI.
Production.	Dollars.	Total cash disbursement.	Dollars.
Minerals: Gold. Silver. Copper. Gypsum. Marble. Tin. Coal. Sea and fur products: Fur-seal skins. Aquatic furs, except seal. Furs of land animals. Walrus products. Whalebone. Fishery products. Total eash receipts.	228, 512, 471, 00 2, 037, 280, 00 16, 074, 625, 00 647, 345, 00 555, 443, 00 88, 662, 00 340, 189, 00 52, 042, 528, 00 12, 616, 937, 00 9, 537, 081, 00 9, 537, 081, 00 1, 707, 410, 00 182, 569, 625, 00 18, 588, 278, 72	Purchase price	7, 200, 000. 00 27, 795, 525, 92 6, 564, 642, 90 41, 560, 168, 82 484, 125, 158, 90
	525, 685, 327. 72		525, 685, 327. 72

On the debit side of this balance sheet is a complete statement of the total amount of gold, copper, sea and fur products, and all the production of the Territory of Alaska from 1867 to 1913, inclusive; there is also an item showing the total cash received by the United States from the Territory of Alaska in the way of customs duty, payment for lands, taxes upon seal skins, etc., and items of receipts by the Government from Alaskan resources. On the other side is the amount which we paid Russia for the purchase price of this Territory, together with the appropriations expended through the Treasury and Post Office in maintaining government there from 1867 to 1913. The total expenditures of the United States in Alaska to the end of 1913 are only \$41,560,168.82, while the Government has received from Alaska \$18,588,278.72, leaving a balance against Alaska, including its purchase price, of about \$23,000,-000. But this small balance against Alaska is overwhelmed by the production of the Territory, which gives a total balance due to Alaska of \$484,125,158.90. This shows the immense value of the Territory, because it is an actual demonstration of the amount of its production to date. We have not begun to develop the latent resources of this great Territory, although it has returned almost \$10,000,000 per annum profit since the purchase in 1867. Congress is not aware how valuable this great estate is, but the Guggenheims are well informed. The Alaska Syndicate has not expended \$20,000,000 in building a railroad in Alaska, more millions in purchasing steamboat lines, other millions in other developments, and other large sums in the accumulation of information about every little detail known of its natural resources without a purpose. The Alaska Syndicate knows that its resources are unprotected and that these immense values lie there to be taken by him who has the courage, the money, and the power to take them. It has already secured tremendous values of this undeveloped wealth of the sective tremendous varies of this indeveloped weath of the people, and is securing a monopoly upon the remainder. It is not ignorant; it is not a pessimist; it knows; it acts upon knowledge acquired after the most patient research. The Alaska Syndicate knows that the strong bond of control is transportation. It realizes that with a monopoly of the transportation under its control, it will control all other resources.

With the transportation in their hands, the Alaska syndicate has no fear of any law which Congress is likely to pass. prize in this great warfare is the wealth of Alaska, and it is to be acquired through monopoly and transportation. It is the duty of Congress to prevent monopoly and to secure the welfare of the people in that Territory through an independent line of

transportation.

It is easy to get exact statistics of the value of the productions of Alaska, but it is not so easy to give the House a definite understanding of the value of the undeveloped resources of the Territory. One of the greatest of these is coal. I now exhibit to the House a large photograph of the Nenana coal measures as they actually appear in a state of nature near the mouth of

Lignite Creek, a branch of the Nenana River, some 50 miles southwest from the city of Fairbanks. This immense lignite bed is a valuable coal supply for the interior of Alaska, though we have not been able to touch a pound of it for many years.

On the opposite side of this picture of this Nenana coal measure is a map prepared by Dr. Brooks, of the Geological Survey. It shows the known area of coal-bearing measures in the Territory of Alaska. About one-fifth of this territory has been surveyed, according to the geological plan. On the same map is a map of Pennsylvania, drawn to the same scale as that of Alaska. The Pennsylvania map shows the location of the coal fields of that State on exactly the same scale. Compare the area of the Pennsylvania field with the present known area of the coal measures of one-fifth of Alaska and discover how much greater the one-fifth area in Alaska is than the whole of the Pennsylvania measures.

I quote from the official report of the United States Geological Survey, "The Mineral Resources of Alaska, 1909," prepared by Alfred H. Brooks, Bulletin No. 442, at page 49, where he

About one-half of the known tonnage of Alaska coal is lignite, a little over one-fifth is anthracite and high-grade bituminous coal, the rest falls into the bituminous and subbituminous classes. It is fair to assume that these ratios will hold for the coals of the areas on which no tonnage estimates are possible.

The anthracite of the Bering River and Matanuska fields is but little below that of Pennsylvania in composition. * * * The coals classed as semianthracite are of about the same composition as the Loyalsock or Bernice Basin coals of Pennsylvania. The higher grade bituminous (semibituminous) coals of the Bering River and Matanuska fields are comparable in composition and heating power with the Georges Creek, New River, and Pocahontas coals of the East. * * * The lower grade Alaska bituminous coals compare favorably in composition with the coals of Japan, Vancouver Island, Washington, and Australia. This is an important point, as these are the fuels with which the Alaskan coal must come into competition.

On page 50 Mr. Brooks says:

On page 50 Mr. Brooks says:

As only about one-fifth of Alaska has been surveyed geologically, it is evident that any estimate of the area of the coal fields serves only as a measure of the minimum area. With these limitations on the accuracy of the figures the total known coal fields included an area of about 12,667 square miles. It is not impossible that future surveys may prove that the coal fields embrace many times this area.

On page 68 Mr. Brooks further says:

On page 68 Mr. Brooks further says:

On the other hand, the Bering River and Matanuska fields furnish the only known source of high-grade fuels near either the eastern or the western shore of the Pacific Occan, unless such fuels may be had from the inland coal fields of China. They have, therefore, a great importance to industries of the Pacific coast. From them must come the high-grade steaming and coking coals and anthracite needed by the growing population of the Pacific seaboard States. Unless they are utilized the manufacturing and smelting industries and the Navy must depend largely on foreign fuels, except as coal may be brought around Cape Horn or until after the completion of the Panama Canal. Alaska's own need for high-grade coal can be supplied only from these two fields, unless it is furnished by such foreign fuel as is transported for a thousand miles or more.

Railway construction is necessary before the Bering River and Matanuska coals can be brought to tidewater. (See pp. 73-76.) The lack of railways is one of the causes which has delayed the development of these coals, as a large investment of capital is necessary before any returns can be expected. Moreover, it increases the cost of the product and places the coal at a corresponding disadvantage with that of such fields as those of Vancouver Island, New South Wales, and some of China and Japan.

No part of the immense coal deposits of Alaska have yet been

No part of the immense coal deposits of Alaska have yet been mined; nor is there any means of transporting it if it was mined; nor is there any chance to secure the building of railroads for the development of these coal fields unless the Government will substantially give the builders of the railroad a monopoly of the coal as well as of transportation. The only proposition made to the Government—to which I have called your attention in these remarks-was based upon a proposed monopoly of transportation and mining. It fairly discloses the desire of the Alaska Syndicate in its dealings with transportation and coal matters. There is but one means of securing the development of Alaska and of these valuable resources of Alaska, and that is for the Government to build the railroad fror the southern harbor to the Matanuska coal fields and thence into the interior. Not only must the Government build this trunk line, but it must take hold of the question of rates in the Territory of Alaska.

CONTROL OF FREIGHT RATES ON RAILBOAD AND WATER.

Since the Interstate Commerce Commission was mandamused into jurisdiction in Alaska transportation the White Pass Railroad, the Copper River & Northwestern Railroad, and the Alaska Northern Railroad each filed its tariff rates with the commission, which approved them. I have quoted from the official figures given me by the commission to show what excessive rates the Alaska Syndicate railroad, the Copper River & Northwestern, can still charge under the control of the Government. These rates must be reduced to fair and reasonable

Railroad rates, however, as the situation stands in Alaska to-day, are not the rates which do the greatest harm to the

development of the Territory. The rates which rob the Territory of any chance of growth and development are those charged by the steamship companies carrying the freight by ocean to Alaska and the river steamers which carry the freight up the rivers to the interior points.

Now, these steamship and steamboat companies are not under interstate-commerce control, unless they undertake to transport through freight received from some railroad or to be delivered to some railroad in Alaska for continuous carriage. They take care not to do that. They do not receive freight for continuous carriage, except the Copper River & Northwestern receives the copper mined by its Kennecott ing Co. twin and carries it to Tacoma under a through rate with its parent. But that is merely taking money out of one pocket and putting it into another, or rather it is bookkeeping. But if you attempt to get the Alaska Syndicate Steamship Co. to carry through freight for you it declines. It will carry your freight from the wharf in Seattle to the wharf in Cordova, but no farther. At the wharf in Cordova, after paying \$1.60 wharfage on each ton, you can still employ the railway com-pany to carry your freight to Chitina or any other point on the road. If from Chitina you wish it conveyed into the interior you are obliged to do business with the third carrier, although it may belong, as the other two do, to the Alaska Syndicate. The point I am making is that water-transportation rates in Alaska are not covered by the interstate-commerce law, and the Interstate Commerce Commission has substantially no jurisdiction over such rates. So far as its jurisdiction could be extended it is met by the refusal of the steamship and steamboat companies to carry through freight in connection with the rail-road. Ninety per cent of all the freight carried in Alaska is not under the control of the Interstate Commerce Commission. Ninety per cent of all freight carried in Alaska is carried upon rates fixed by the Alaska Syndicate without any control on the part of the Government. Ninety per cent of all the freight charged shippers in Alaska is carried by the Alaska Syndicate or its allied companies, upon rates fixed by themselves as high as their interests dictates. What Alaska needs is, first, a Government built, owned, and controlled railroad from one of the southern harbors to the interior waterways, and, second, complete Government control over transportation by water as well as by railroad. Until the Government shall take charge of and control rates from ports in the United States to ports in Alaska, and upon the interior waters of Alaska, that Territory will be restrained in its development by excessive and unconscionable rates

Alaska has more coal than Pennsylvania, Ohio, West Virginia, and Virginia, and as good coal. It has more copper than Michigan, Montana, and Arizona; it has more gold than California and Colorado; it has more agricultural lands than Norway, Sweden, and Finland; it has more fish than all the balance of American waters together. This is the prize for which the Alaska Syndicate is seeking to control and to secure, as far as it can be secured, by corporate greed and monopoly.

INTERIOR TONNAGE.

The minority report admits very reluctantly that there is production and wealth in the coastal region of Alaska, but declares that there is nothing in the interior which will produce outcoming tonnage. It admits that there will be an inbound tonnage equal to the amount of merchandise purchased by the people of interior Alaska from the merchants of the United States, but insists that there is no chance for the creation of any tonnage coming out of the interior over the road. This statement is entirely assumed and is based upon a misunderstanding of the situation. When the Union and Central Pacific bills were before Congress a Senator with very much the same pessimistic turn of mind declared that while there might be westbound tonnage over this line equal to the amount of merchandise which the people near the Pacific terminus would buy from the manufacturers of the East there never would be any eastbound freight over the road. Very earnestly the Senator declared that there was nothing on the Pacific coast which could be utilized as tonnage toward the Atlantic, and he facetiously insisted that the only freight which might be transported eastward over this road would be "silks and opium" from Asia. The gentlemen who drew the minority report seem to have been afflicted with this "silk and opium" idea,

In the first place, I think it is altogether unimportant. If the road carries sufficient tonnage to the interior to pay maintenance and a profit, it would be a good investment even if not a dollar's worth of freight came out. Let us see what the facts show in respect to the ingoing tonnage alone. In his report on the mineral resources of Alaska for 1909, Mr. Brooks says:

No exact figures are available in regard to the amount of freight annually shipped to the Alaskan portion of the Yukon Basin, but it is

probably safe to say that this amounts to 30,000 tons and that it costs over \$2,500,000 to land it at the end of steamboat navigation.

The mining freight must then be hauled by wagon or sied, except at Fairbanks, where there is a railroad. It is estimated that this haulage from steamer to mines for the Alaska Yukon costs from \$2,000,000 to \$2,500,000 a year. The total annual cost of freight for the Yukon Basin is, therefore, probably between \$4,500,000 and \$5,000,000, or nearly 50 per cent of the value of the entire gold output.

Assuming this extract as my text, let us see what it leads to. A little further on in his statement Mr. Brooks declares that a trunk railway into the Yukon," with a freight rate, for example, of 10 cents a ton-mile, would make a saving of at least 50 per cent in the cost of transportation of supplies and equip-

ment to the Yukon camp.

Here would be a saving instantly to the people of the interior of Alaska of \$2.500,000 per annum. If the railroad is being constructed for the benefit of the people, here is a single item which would pay 7 per cent upon the investment of \$35,000,000. A 7 per cent dividend to the people would pay the entire cost of this road in 15 years, and the Government would have the road left. But, it may be said, the Government is to be considered rather than the people-that the saving of money to the people of the interior is not the important consideration for the building of the road. While I do not admit this, let us assume it for a further examination of the situation.

Leaving the question of the people's interest aside for the moment, let us see what the result would be to the enterprise itself. If it cost \$2,500,000 to land 30,000 tons of supplies in the interior at the end of steamboat navigation, it ought to be worth one-half that sum over the railroad, or \$1.250,000. expense of carrying the mails to the interior would be reduced at least \$200,000 if they were carried over this road, while the Army freight bill would be substantially saved in the same way, amounting to \$75,000 per year. Thirty thousand tons of freight at a cost of \$2,500,000 is equal to \$83.33 per ton at the steamboat landing in the interior. Reduce that one-half to \$41.66 per ton, and the road would then have an income of \$1,250,000 for present freight demand for the interior.

The people of the interior now pay double what Mr. Brooks assumes as the interior freight rate. Instead of \$83.33 the freight rate will more nearly average \$160 per ton, but reduce it one-half from Mr. Brooks's statement and make it \$41.66; the freight rate then to the interior would bring the Government railroad \$1,250,000. Add the \$275,000 saved on mail and Government supplies and you have about \$1,500,000 income for the road. That is \$125,000 per month, and will much more than pay operating expenses if only the present amount of freight be carried; but if you add the passenger traffic it will be much more. We now pay \$152.50 to ride on the stage and the railroad from Fairbanks to the coast. Cut that to 10 cents a mile, or make the passenger rate \$40. At least 2,000 persons travel in and out per annum, which would make \$80,000 additional for passenger Assuming that a branch is run to the Matanuska coal fields and the Government shall haul coal for naval use and for sale to the coast towns—to Washington, Oregon, and California—that would add a very large traffic. The coal traffic would be largely outbound and not inbound.

Altogether it is safe to assume an income based upon present conditions of \$2,000,000 per annum. That is more than 6 per cent upon the amount required to build the road, and would save the people of the interior of Alaska substantially \$4,000,000 per annum on freight. Even if it is insisted that this road must be made to pay the usual percentage upon the investment, it is safe to say that it will do it when you consider the present freight rates to the interior of Alaska and the immense reduction which can be made from these rates. If you can save the people of the interior of Alaska \$2,500,000 per annum upon their freight bill and then secure a return to the road for freight in and out of \$2,000,000 per annum, it is a paying investment both to the people and to the Government. That appears to be the situation, based upon the amount of the present freight tonnage carried to the interior. But add the outgoing coal freight from the Matanuska coal fields and the saving on mail and it is without question a good investment both to the Government and to the people.

We have assumed that it will pay both the people and the Government to build this road, though there may be no increase in the development of the mineral or agricultural resources in the interior. But the building of this road will bring our mining machinery and our hardware and merchandise in for one-quarter of what we now pay for it, and will thereby enable the miners to extend their placer mining to an indefinite area of ground which is now too low grade to pay at the present excessive transportation rates. The quartz mining in the Fairbanks country is increasing very rapidly, and the lower transporta-tion rate for machinery and supplies would enable the miners to

in value. The argument that there is no outcoming freight is entirely wrong. The Matanuska coal field would furnish sufficient freight of itself to pay one-half of the running expenses of the road.

Assuming that the road is built either from Seward or Portage Bay through the great Susitna Valley, over Broad Pass, via the Matanuska and Nenana coal fields to Fairbanks, it passes through a wonderfully rich country every foot of the From the moment it leaves Seward or Portage Bay it is in a highly mineralized region until it reaches the Susitna Val-This great valley is an agricultural country, though the high land all around it is highly mineralized and contains some of the best mining prospects in the Territory of Alaska. Over every foot of the route of this 400 miles of road there are resources sufficient to maintain a large population, and it is the richest portion of the Territory of Alaska. The opportunity for return tonnage is far greater over this short line of road than it was over the long Union and Central Pacific. great road has furnished immense eastward tonnage, and by the same token the trunk line into the interior of Alaska will furnish a large southbound tonnage as well.

Mr. MADDEN. How much of that \$1,250,000 would be ab-

sorbed in the management of the road?

Mr. WICKERSHAM. Of that \$1,250,000 I speak about it might take it all, but I am not a railroad authority.

Mr. MADDEN. It would not take twice as much?

Mr. WICKERSHAM. I should not think so. take into account the needs of the Navy for naval coal and the Matanuska coal coming out. If that coal is what Mr. Brooks and other men who have examined it say it is, you would have a large tonnage from the Matanuska to the sea. If that coal is in demand for naval use and on the Pacific coast for mercantile uses, you would have another million and a quarter in carrying that coal out. There is no coal in California substantially, there is very little coal in Oregon-no valuable coal. There is a little more coal in the State of Washington, but it is not a high-grade coal. All of the high-grade coal we have on the Pacific coast is in Alaska, and the people want that highgrade coal and you can not get it outside of Alaska.

Mr. MADDEN. What does the gentleman think the royalty on that coal would be worth on the ground?

Mr. WICKERSHAM. That is a matter I could not tell you

Mr. MADDEN. The Government would be interested in that in the manner of the expenditure of the \$30,000,000.

Mr. WICKERSHAM. That would be in addition to what the Government would make on the road.

Mr. MADDEN. You can not get over 5 cents a ton at the

Mr. WICKERSHAM. Let me suggest to the gentleman, if you have ever read the Cunningham-Guggenheim contract you will know the Guggenheims—the greatest mining concern in the United States—agreed to pay the Cunninghams 50 cents a ton royalty for that coal. That is in the Cunningham con-It is in this record.

Mr. MADDEN. Mines all over the United States are being

operated on the basis of not to exceed 8 cents.

Mr. WICKERSHAM. The gentleman is mistaken about that. If you will look at the record contained in the geological reports you will see it goes all the way from 5 cents up to a

I am talking from experience. Mr. MADDEN.

Mr. WICKERSHAM. The gentleman may have some experience. In Illinois, where your country is underlaid with coal, of course the rate is cheap; but in Alaska where nature has given that Territory a monopoly the rate may be higher than in Illinois.

Mr. MADDEN. Miners all over the United States in bituminous coal think they are getting a good price if they get a dollar a ton for coal on the car.

Mr. MONDELL. Will the gentleman yield?

LOBBYISTS.

Mr. WICKERSHAM. I must decline to yield. Now, I am going to talk about lobbyists for a moment and then I am going to quit. In his speech, and again upon the floor of this House, the gentleman from Oklahoma [Mr. Davenport] has referred very feelingly to lobbyists, and has pointed the finger of scorn at this bill, based upon the assumption that some lobbyist sat in the committee rooms and did not say anything. But the gentleman is mistaken. A lobbyist was in the committee rooms, and

Mr. DAVENPORT. The gentleman is mistaken. I did not say "lobbyist." I said "the attorneys for the Guggenheims," develop large mines which are now worthless because too low or one of them; and if the gentleman has any doubt about it,

and if he will get the city directory and get the firm with which

Mr. Law is connected, he will find him.

Mr. WICKERSHAM. I have the gentleman's language here. He said:

This proposed road, if constructed from Chitina to Fairbanks, will connect with the Guggenheim road that runs from Cordova to the Bonanza mine, and, as I said awhile ago, during the hearings, notwithstanding the fact that Mr. Law, one of their firm, sat in the committee room, he never once opened his mouth in objection to it. That means that just as quickly as this appropriation is made they would try to get their road taken over.

Now, the gentleman was a member of that committee, although he did not attend its meetings; yet if he knew there was any scheme that looked like unfair dealing on the part of those people, he ought to have told his brothers on that committee. He never did that, and never did come to the committee and complain of anybody, and he never did anything else.

Mr. DAVENPORT. If the gentleman will permit me, I have not said that there was a scheme with the committee. not said that yet. I stated the parties that represented them, and I said then and say now that let the Government start to build this road and you will see if they do not try to get the road taken over at Chitina, where the road stopped that was to run from Fairbanks, 313 miles.

Mr. WICKERSHAM. Well, I will say to the gentleman that have confidence in President Woodrow Wilson. [Applause.]
Mr. DAVENPORT. But he will not go up there and see to it.

Mr. WICKERSHAM. No; but his secretary will, and Frank-lin K. Lane is just as honest a man as Woodrow Wilson is.

Mr. DAVENPORT. Mr. Chairman, will the gentleman yield? The CHAIRMAN. Does the gentleman yield?

Mr. WICKERSHAM. I decline to yield further. Quotation is also made from Senator Nelson's conference with Senator Guggenheim to show that if this bill passes the money appropriated by it will be misapplied by the purchase of the An assumption of this character is without Guggenheim road. any foundation either in the bill or in any of the hearings. It assumes a connivance of the President with the big interests for the purpose of taking over their bad investment, if it is bad, and thereby misappropriating the fund from the building of a trunk line of railroad for the development of Alaska into one of relief of the Guggenheims. It is amazing that such a statement should be made upon the floor of this House. tainly the purchase of the Guggenheim railroad for ten millions or twenty millions of dollars or any other sum would be a misapplication of the fund. It is not the purpose for which the appropriation is made. The people of Alaska and the West—the people of the United States—would be shocked if any such disposition should be made of this appropriation, and nobody expects any such action on the part of the President. It is an amazing argument, without foundation in fact, to prevent the passage of the appropriation, and its proper application to the building of a railroad in Alaska for the relief of that great territory from the monopoly of the Guggenheims.
The reference to lobbyists, however, is interesting.

Mr. Law should have been mentioned by the speaker is not apparent in his statement. Certainly lobbyists have surrounded the committee rooms during the hearings and arguments upon this bill. Had the gentleman from Oklahoma when he made this reference to lobbyists turned his gaze to the right and looked into the gallery just behind him he would have noticed three men sitting together, waiting with bated breath for the arguments as they fell from his lips in opposition to a people's road in Alaska. One of them, the president of the dummy Controller Railway & Navigation Co., who since the disappearance of the late Col. Mulhall is the dean of the Washington lobby, has been present at every hearing on these Alaska railway bills, always fighting in the opposition. His alliance with the Gug-genheims is so intimately established in the hearings that there can be no doubt about it. Next to him sat the general counsel for the White Pass & Yukon route, whose owners are partners in the Alaska Syndicate. This general counsel represents the president of the White Pass & Yukon road, who had also appeared before the committee in opposition to this bill. At his right hand sat a banker from Alaska, who has long been the Alaska representative of the Guggenheims in the Territory of He is one of their business associates, engaged in the closest interlocking alliance with them in their financial matters in that Territory.

Had the gentleman from Oklahoma turned to the left and looked into the gallery he would have discovered another small group of gentlemen greatly enjoying his opposition to the Alaska railway bill. The principal one of this group was the general manager of the Northern Commercial Co., the maker of rates and tariffs of the Northern Navigation Co., and the personal representative of the Alaska Packers' Association, all of which companies are so intimately interlocked with the Guggenheim

corporations in that Territory, in the maintenance of rates and in the exclusion of the interstate-commerce control, as to be substantially a part thereof.

If the gentleman from Oklahoma had attended the meetings of the Senate and House Committees on Territories and noted the combination of these lobbyists which appeared in opposition to this bill, he would have known, as other members of the committees did, that they were Guggenheim lobbyists.

There are lobbyists and then there are lobbyists, but the most venal and corrupt lobbyist is the literary lobbyist who sells his talents to monopoly to inflict wrong upon his countrymen. The Alaska Syndicate has long maintained a literary bureau for the purpose of minimizing the resources of Alaska, throwing obstacles in the way of others who wish to do business there, and thereby enable its members to secure more easily its undeveloped resources. Under this guise they are frequently enabled to get misleading articles published in magazines of the highest character and sometimes even in public documents. Such an article was published by one of their paid agents in the Saturday Evening Post, in February, 1910. And on February 25, 1910, the Senator from Colorado arose and asked that aty 20, 1910, the Senator from Colorado arose and asked that it be printed at length in the Record, where it will be found at page 3386 of February 25, 1910. That article was prepared in the interest of the Alaska Syndicate by one—or two—of their literary lobbyists in an effort to "bear" the resources of Alaska at a time like this, when it was to their interest to "bear." A careful reading of that article might induce a miserably suspicious person to accuse its author—or authors—of plagiarism in borrowing ideas from the minority report in opposition to the bill now before the House. And the gentleman from Oklahoma has been imposed upon in very much the same He asked leave to extend his remarks in the RECORD by printing two statements prepared by literary lobbyists, one hailing from Chicago and the other from New York.

The attention of the House is called to the advertisement at the head of the first of these literary curiosities. It is, "Our Colonies. Article No. 45. By W. D. Boyce, organizer and leader of the Saturday Blade's South American expedition, African balloonograph expedition, and old Mexican research. This is the seventh article of Mr. Boyce's series on Alaska."

I repeat, the gentleman from Oklahoma [Mr. DAVENPORT] in his speech here permitted these people and those literary

lobbyists to impose on him.

Mr. DAVENPORT. They did not impose upon me at all, and I challenge the gentleman to deny the truth of Mr. Boyce's article and show that the conditions in Alaska are not as Mr. Boyce says they are.

Mr. WICKERSHAM. Well, Mr. Boyce went on the trip to Alaska in the past summer with 114 representatives of the business interests and the press of the United States. hundred and thirteen of them came back and went enthusiastically to work in aid of the development of Alaska in support of this railroad, and Mr. Boyce himself is the single exception.

Mr. DAVENPORT. The gentlemen stated that I placed in

the RECORD what is not true. I deny it.

Mr. WICKERSHAM. After this flamboyant announcement we are prepared for the balloonatic declaration that during the few hours he spent in Alaska he saw a shaft 2,000 feet in depth and frozen from the bottom up. Of course, he saw nothing of that kind in Alaska. It is possible that during the 24 hours which he remained in the great Tanana Valley he saw some mining shaft out on the north hillside in the placer mining district near Fairbanks 200 feet deep and frozen. But what kind of entertainment my friends up there gave him to make him be-lieve that it was 2,000 feet deep and frozen from the bottom up I do not know

I have read his article with some amusement, but more disgust. He certainly discovered more things that are not true than any other literary lobbyist who ever spent so brief a time in Alaska

Mr. BRYAN. That statement was used by the gentleman from Michigan [Mr. FORDNEY].

Mr. WICKERSHAM. Yes.

Mr. PAYNE. That was a clincher. [Laughter.]

Mr. WICKERSHAM. Yes; that was a clincher. One hundred and fourteen representatives of the press of the country went through Alaska on the same excursion with him. One hundred and thirteen came back enthusiastically supporting every effort to develop Alaska, and especially this railroad bill, and he is the single one in opposition. However, he seems to reside very near to the White Pass & Yukon offices in the city of Chicago, and for some reason assumes to make their lobby fight. Of the other literary lobbyist quoted by the gentleman from Oklahoma little need be said. He is apparently the successor to the Alaska Syndicate's old literary bureau in New York, and does the best he can under the circumstances. Neither of these men has any knowledge of Alaska which entitles him to speak with credit, and they are both discredited by the character of the lobby stuff they send to every Member of Congress. It is perfectly apparent that they have some special interest in defeating this bill. The gentleman from Oklahoma is right when he declares that there is a strong lobby at work on this bill. Any Member of this House who will examine the Senate and House hearings will soon discover that the lobby is maintained here by the Alaska Syndicate for the purpose of defeating this bill and protecting the strangle hold which they now have on Alaska, its natural resources, and transportation.

Mr. Boyce is the single exception among those who went on that trip. He went up there to secure a statement and firsthand information by which he might assist the White Pass route in its opposition to this bill.

Now, with respect to this loobyist in New York. The Alaska Syndicate has long maintained this New York lobby and the literary lobbyists. They got a fine article published in the Outlook some two years ago, and another published in the Saturday Evening Post, which is copied in the Senate hearings. impose them on the people.

They lay a cuckoo's egg of that kind in a nest every once in while, and they even get some of them into the House.

[Laughter.]

PESSIMISTIC ECHOES.

If Alaska is as utterly worthless as it is declared to be in "Minority views" in opposition to this bill and in the very interesting speech in opposition made by the gentleman from Oklahoma, then there is little need for legislation in aid of its development.

It is strange that the Guggenheims have not discovered how worthless it is. It is singular that the Alaska Syndicate was formed by the Morgans and the Guggenheims, and the wealth at their command expended in securing properties there and the control of its alleged resources. It is singular that those gentlemen, who are generally so discreet and well advised, should not have discovered what my friend from Oklahoma saw at a glance. They have had scores of agents throughout Alaska for years critically examining its fisheries, its mining resources, its transportation routes, its agricultural resources, and all of its undeveloped wealth, and they seem to have completely failed to discover how lacking in value it is. The Alaska Syndicate has invested \$20,000,000 in a railroad from Cordova to what it thinks is the most valuable copper deposit in America, probably as many more millions in steamship lines, and large sums in the exploitation of the region; but it has been reserved for a gentleman who never saw the Territory and who knows nothing about it from personal observation to balance accounts with it and place all its supposed wealth in the debit column. Like the poor, the pessimists are always with us, and other pessimists have occupied seats in Congress. Senator Benton, in a speech in 1825, said of the great West, with which he was subsequently acquainted:

The ridge of the Rocky Mountains may be named as the convenient, natural, and everlasting boundary. Along this ridge the western limits of the Republic should be drawn and the statue of the fabled god Terminus should be erected on its highest peak, never to be thrown down.

The Oregon controversy from 1825 to 1846 brought out a new crop of congenital unbelievers. Senator Dickerson, of New Jersey, was thus afflicted, as all Oregonians will agree. He said of Oregon in the period when national legislators knew as little of that region as some of them now do of Alaska:

Oregon can never be one of the United States. If we extend our laws to it we must consider it as a colony. 101 * .

But is this Territory of Oregon ever to become a State, a member of this Union? Never. The Union is already too extensive and we must make two or three new States from the Territories already formed. * * Yet a young able-bodied Senator might travel from Oregon to Washington and back once a year, but he could do nothing else. It would be more expeditious, however, to come by water around Cape Horn or to pass through Berings Straits, around the north coast of this continent to Baffins Bay, thence through Davis Strait to the Atlantic and on to Washington. It is true, this passage has not yet been discovered, except upon our maps, but it will be as soon as Oregon shall be a State.

There are gentlemen from Oregon here who know whether the Senator's statement is correct or not. [Laughter.]

Pessimism never dies, and even some great men are of this mournful type. Daniel Webster was a great man, but listen to

What do we want with the vast, worthless area, this region of savages and whirlwinds of dust, of cactus, and prairie dogs? To what use could we ever hope to put these great deserts, or these endless mountain ranges, impenetrable, and covered to their base with eternal snow? What can we ever hope to do with the western coast, a coast of 3,000 miles, rock-bound, cheerless, and uninviting and not a harbor

on it? Mr. President, I will never vote one cent from the Public Treasury to place the Pacific coast one inch nearer to Boston than it is now.

[Laughter.]

And that from Boston, too! Just think of it! And at that time that coast which he said was rock-bound and did not have a harbor on it, had the most beautiful harbor in the world-Puget Sound.

Daniel was here speaking of what is now known as Oregon, Washington, and Idaho, and of a coast which has many good

Another Senator was equally as doubtful as the Senator from

Massachusetts or my friend from Oklahoma.

Senator McDuffie, of South Carolina, characterized the Oregon country in the following way, and incidentally damns the agricultural resources of the States between the Mississippi and the Rocky Mountains with faint praise:

The Rocky Mountains with faint praise:

What is the character of this country? As I understand it, there are 700 miles this side of the Rocky Mountains which is uninhabitable, where the rain never falls, mountains wholly impassable except through gaps and depressions to be reached only by going hundreds of miles out of the direct course. Well, what are you going to do in such a case? How are you going to apply steam? Have you made an estimate of the cost of a railroad to the mouth of the Columbia? Why, the wealth of the Indies would be insufficient. Of what use would it be for agricultural purposes? I would not, for that purpose, give a pinch of snuff for the whole territory. I wish the Rocky Mountains were an impassable barrier. If there was an embankment 5 feet high to be removed, I would not consent to spend \$5 to remove it and enable our population to go there.

And on another occasion, when his digestion must have been worse than usual, the same Senator declared:

And if there ever was a country upon the face of the earth in which I should consider it a great misfortune for the poorest man to settle—
if there be any country in the world which has been blasted by God,
which is utterly destitute of all conceivable attraction, in so much as to
be scarcely capable of sustaining the life of human beings, it is this very
Territory of Oregon."

And Senator Dayton, of New Jersey, declared:

That with the exception of land along the Willamette and strips along other water courses the whole country is as irreclaimable and barren a waste as the desert of Sahara; nor is that the worst, the climate is so unfriendly to human life that the native population is dwindling away under the ravages of malaria.

This region was alleged to be utterly worthless only when it was as unknown to the Members of this House as Alaska seems to be now.

And then, in answer to the nugacious opinion so freely announced by my friend from Oklahoma, that Alaska is not and can never become an agricultural country, permit me to make a further quotation from Senator Dickerson, by way of giving his then generally accepted opinion of the value of the Great American Desert, and particularly of that part of it which is now occupied by the truly agricultural State of Oklahoma, for the purpose of demonstrating what such opinions are worth:

pied by the truly agricultural State of Okishoma, for the purpose of demonstrating what such opinions are worth:

From the meridian of Council Bluffs there is an immense region, extending to the Rocky Mountains, containing about 160,000 square miles, which from the sterility of the soil, the want of wood and water, can never be cultivated and, of course, never admit of civilized population. An accurate description of this region may be found in Maj. Long's Expedition (vol. 2, p. 350). After describing this country, he says, on page 361:

In regard to this extensive section of country I do not hesitate in giving the opinion that it is almost wholly unfit for cultivation and, of course, uninhabitable by a people depending upon agriculture for subsistence. Although tracts of fertile land considerably extensive are occasionally to be met with, yet the scarcity of wood and water almost uniformly prevalent will prove an insuperable obstacle in the way of settling the country. This objection rests not only against the immediate section under consideration, but applies with equal propriety to a much larger portion of the country. Agreeably to the best intelligence that can be had concerning the country both northward and southward of the section, and especially to the inferences deducible from the account given by Lewis and Clarke of the country situated between the Missouri and the Rocky Mountains above the River Platte, the vast region commencing near the sources of the Sabine, Trinity, Brazos, and Colorado and extending northwardly to the forty-ninth degree of north latitude, by which the United States territory is limited in that direction, is throughout of a similar character. The whole of this region seems peculiarly adapted as a range for buffalces, wild goats, and other wild game, incalculable multitudes of which find ample pasturage and subsistence upon it.

[Laughter.]

When the gentleman from Oklahoma described my beloved Territory in language of mournful pessimistic minimization the other day I was grieved, but since it is officially admitted that a member of the United States Senate once declared the region of Oklahoma to be unfit for any other agricultural purpose than to serve as a pasture for wild goats, the score is settled. I forgive him. [Laughter.]

The Great American Desert, and especially the region described as so utterly worthless by the Senator from New Jersey, is now occupied by the agricultural States of Nebraska, Colorado, Kansas, Oklahoma, and Texas. This region was alleged to be utterly worthless only when it was as little known as Alaska is in Congress to-day. To those of us who know Alaska and the States of the Great American Desert it is clear that those States do not have the great natural resources now possessed by the Territory of Alaska and which will in due time compel the formation there of four or five great States in the Union, each equal to any one of those mentioned.

The minority report in opposition to this bill, with its excessive depreciation of the natural resources of Alaska and its mournful prognostications with respect to its future development, brings to mind another minority report of a similar kind.

In 1868, when the bill for the payment of the purchase price of \$7,200,000 to Russia for Alaska was before the House, it was referred to the Committee on Foreign Affairs. That committee made a favorable report, supported by all the members but two, and those two, as now, made a minority report. That minority report is an interesting document. There is much in common between the two reports besides the fact that both were minority reports and both were signed by but two members of the committee. Both are depreciatory in the extreme. That of 1868, however, can now be examined in the light of history and development. It denounced the Territory, alleging that it had neither fisheries nor mines, nor agriculture, nor any other known resource of value. Concerning its fisheries that report said:

The report of Prof. Davidson in the main seems candid and truthful, but when he, with seeming honesty, tells us that salmon are so plenty that the bears come down in numbers to feed upon them, their delicate appetites selecting the heads only; that the bays south of Alaska are so crowded with that fish as to impede the passage of boats and that the beaches are sometimes strewn with stranded salmon 2 or 3 feet thick, and that the fish sell for 8 cents per pound, the minority of the committee may be pardoned if they manifest some incredulity. The story is a good one and would have done no discredit to Capt. Lemuel Balliver or Baron Munchausen.

This was considered "a clincher" in the effort of the minority to laugh the fishing resources of the Territory of Alaska out of court, yet since that time the people of the United States have taken from those same waters nearly \$200,000,000 worth of salmon.

The minority report of 1868 declared there was no coal in the Territory of Alaska, but to-day we know that Alaska has more coal than Pennsylvania, Ohio, and West Virginia.

They declared that there was no gold or other mineral in the Territory of Alaska, oct since the date of that report the miners in Alaska have extracted more than \$200,000,000 from its gravels and are now beginning work upon the greatest quartz mines ever discovered in the world. And so it usually is with pessimistic statements by men who do not know what they are talking about. The Territory of Alaska has yielded more than \$500, 000,000 in actual production since those two minority members in 1868 sought to minimize its wealth and to prevent its pur-To those who now know Alaska the pessimistic statements contained in the minority report seem as humorous as these early declarations about regions of which the speakers were as little acquainted as the opponents of this bill are with Alaska.

THE REMEDY.

The remedy which the two minority members propose in their report to cure the ills of Alaska is hardly in keeping with their pessimistic statements touching the value of the resources of the Territory. In paragraph 2 of their "minority views" they say:

Alaska needs more than anything else clear-headed, patriotic attention looking to the early revision of her land and mineral laws.

And so forth.

Why should there be any clear-headed, patriotic revision of the land and mineral laws if there is no land fit for agriculture, nor mineral lands worth developing? If Wyoming has more coal than is needed "to supply this sisterhood of States for a thousand years," and there is no naval coal in Alaska, why should a "clear-hended, patriotic" statesman waste his time in revising the land and mineral laws that "the sturdy pioneer may go there and develop Alaska in an honorable, straightforward manner"? Did it ever occur to you that a revision of the land and mineral laws which would compel "the sturdy Alaska Syndicate to go there and develop Alaska in an honorable, straightforward manner, free from graft and free from would be a wise effort? Would it not be just as clear-headed and patriotic to erect a barrier against the further monopoly of the resources and the transportation of Alaska as to "raise the embargo" and let the syndicate acquire the coal and other resources? But if there is no coal of value there, and no agricultural lands, and nothing to justify Government aid in building a trunk line of railroad, why not go to sleep again and let the burglar help himself? If all the statements made in the minority report and in the speech of the gentleman from Oklahoma are correct, nothing ought to be done with Alaska except to forget it.

The minority report opposes the bill under consideration and declares the only thing needed to secure free development in Alaska is to raise the embargo and let the coal and other lands go free to whoever will take them. In short, it means to return to the conditions which existed in December, 1906, when President Roosevelt blocked the most gigantic monopoly of our public coal lands ever undertaken by the Alaska Syndicate. means to invite the Alaska Syndicate to take up this original plan and carry it to the conclusion which they thought they had attained at that moment. It means to give to the transportation monopoly which now exists in Alaska the approval of It means to open wide the door to all the efforts Congress. which the Guggenheims made and which they now wish to continue to further monopolize, the resources of Alaska by entries of the land which contains her mineral resources. It means to take away from the people of Alaska all hope of any assistance from the United States in developing the Territory. It is an invitation to the Alaska Syndicate to come back to Alaska and do it again. It is reactionary and an abandonment of those progressive pledges which the Democrtic Party made to the people of the United States upon which they elected President Wilson. It is the adoption of a plan which the Alaska Syndicate wishes adopted. It is the adoption of a plan which the Alaska Transportation Trust, represented by the Alaska Syndicate, wishes adopted. It is a violation of the pledge made by the Democratic Party in its Baltimore platform when it declared that-

Immediate action should be taken by Congress to make available the vast and valuable coal deposits of Alaska under conditions that will be a perfect guaranty against their falling into the hands of monopolizing corporations, associations, or interests.

It is in violation of every principle of true Democracy, for it means the surrender of the rights of the people in Alaska and of its resources to a single monopolizing interest which now almost controls both. It is a remedy which meets the immediate approval of the Alaska Syndicate, the Alaska copper trust, the Alaska fish trust, the Alaska transportation trust, and all of the subsidiary trusts which gather under the wing of the Alaska Syndicate. It is a refusal to do for Alaska, out of her own resources, what Congress has done for every other Western State and Territory, in giving aid to the building of railroads for the development of Alaska.

If Congress will pass this bill and support President Wilson in his efforts to settle these Alaskan problems he will be successful. We people in the great Northwest have long waited for sympathetic assistance from Congress and the administra-

We have confidence that President Wilson intends to stand by the pledges in the Baltimore platform and see that Alaska is developed without monopoly, and the people in Alaska intend to give him hearty support and cooperation. We believe that the day of development and prosperity is soon to dawn in that great Territory. We have confidence in the plan which the President announced in his message to secure that result. It is a progressive plan and ought to have the support of every progressive legislator, whether he is called Democrat, Republican, or Progressive.

Give Alaska an opportunity to mortgage her own land and secure the building of a trunk line of railroad from some of her southern harbors to our interior waterways that she may be freed from burdens which now oppress her. Pass this bill and give her freedom from the robber barons of 165 Broadway. We have wealth of every variety in that great Territory. We have more coal than Pennsylvania, Ohio, and West Virginia; more copper than Michigan, Arizona, and Montana; more gold than California and Colorado; more agricultural land than Norway, Sweden, and Finland; and more fish than all the balance of American waters together.

What we need is a clear understanding by Congress of the true value of Alaska and a proper appreciation of its duty as the trustee of the people there. Give us some attention and your sympathy. Get information and learn something of the great wealth of the resources of that Territory. Pass this bill and let the President build a railroad for its development, and Alaska will then offer homes to 10,000,000 people who will live happily within its borders. What we need is wisdom, knowledge, and wise action on the part of Congress, and immediately population will fill Alaska's thousand valleys, open her mines, build roads, churches, schools, and homes, and establish there the last and best American State. For the Americans now there, your brothers and sisters from New England, from the North and the South—from Massachusetts, Virginia, and Texas—from the Mississippi Valley, the plains and far coasts of the West, I beg you to vote for the bill now before the House and give them aid in nation building. [Prolonged applause.]

The CHAIRMAN. The gentleman from Kansas [Mr. Mur-

DOCK] is recognized for 15 minutes.

Mr. STAFFORD. Before the gentleman from Kansas proceeds I should like to inquire whether the gentleman from Tennessee [Mr. Houston], chairman of this committee, intends to ask the committee to proceed after the gentleman from Kansas concludes his remarks?

Mr. HOUSTON. That will depend upon how much time is

occupied by the gentleman from Kansas.

Mr. MURDOCK. I expect to occupy 15 minutes.

Mr. HOUSTON. One or two other gentlemen have asked for the opportunity to speak 5 or 10 minutes.

Mr. STAFFORD. Will there be any business transacted tonight after that?

Mr. HOUSTON. I presume not.

Mr. STAFFORD. Can the gentleman give any assurances

on that point?

Mr. CLARK of Missouri. The Speaker will give the assurance that as soon as the committee rises the House will adjourn.

Mr. MURDOCK. Mr. Chairman, to my mind the most remarkable part of the remarkable speech which we have just heard, carrying the abundant information it did, was this: That until now it has not been possible for any man to give as much information about Alaska as the gentleman who has preceded me [Mr. Wickersham] gave us—for new wonders about this vast and interesting Territory have opened before us almost daily since the gold discoveries—and I think all will agree with me when I say there is no one on earth who could have given that information with the completeness that marked the address of the gentleman from Alaska. [Applause.]

And while I am loaded up with flowers, I should like to drive around to the front door of the gentleman from Tennessee [Mr. Housron], the chairman of this committee, and leave a bouquet for him, for the expedition, the dispatch with which he has brought this measure before the House. [Applause.] That activity is just as commendable in him as has been the splendid initiative in this matter shown by President Woodrow Wilson. [Applause.] We have no time to lose in this matter of protecting and developing Alaska. I favor the measure, and my advocacy of it is touched peculiarly with an element of personal observation. I, as boy and man, saw one new country develop. I came into consciousness in this world in a little collection of yellow, unpainted houses, out on a floor-flat, tree-

less, unbroken prairie.

I saw this collection of crude stores and homes grow into a city. For the men who settled there built up a great city, reared a magnificent mart, a milling, jobbing, packing center, Wichita, now a prosperous metropolis, surrounded by a populous territory. That process of building was made more diffi-cult because of the early practices of those who controlled privately owned railroads. It is a common thing among rail-road men to say that the development of the great prairie West was due primarily to the railroads. It was not due primarily to the railroads; it was due to the settlers. And the chief instrument in his hand was not the railroad; it was the small unit of 160 acres as a homestead. Originally greeted with enthusiasm by the settlers and with gratuities, the railroads came to be regarded with distrust and bitterness by the I saw my community and communities like it struggling with increasing intensity against extortions and discriminations and abuses by these corporations. This was true not only in small matters but in great ones. Economic alliance in my part of Kansas is not naturally with the eastern seaboard. We are at one economically with the territory south-Oklahoma and Texas--our ports are naturally the ports of Houston and Galveston. Much of the heavy shipments from my city, which is a grain center, should go to Galveston and Houston.

The haul is short, the grades easy, and yet for over a quarter of a century those who controlled the privately owned railroads forced by artificial means the traffic to the east and in other ways took an extortionate toll from the people who were getting the product from the ground in the sweat of their brow. Therefore I was pained to find that the only report in protest against this new proposition of aiding Alaska by a Governmentowned railroad came from two Representatives from Oklahoma. These gentlemen from Oklahoma can not have forgotten the arrogance of the corporations which their own State has witnessed. They can not have forgotten the experience of the cities in the Cherokee Strip, which were designated as town sites by the Government. For instance, under the administra-tion of Grover Cleveland the Government designated as a The railroad established another town a few town site Enid. miles north, and called it North Enid. Then the officials of the railroad shot their train through Enid and stopped them only

at North Enid, to break the Government town and build up the railroad town.

I remember of hearing in my youth a story to this effect: The commissioners of my county had in their possession some of the securities of the Santa Fe Railroad, and at that time there was a conflict between two factions of financiers for the control of that system. One of the factions came to the county commissioners and asked them to surrender this block of securities. The three commissioners, honest men, who wanted to serve the community and not the corporation, decided to ask the market price for their securities, and the faction which purchased them had to give the market price. But thereafter, for 20 years, because of that transaction, because three men served the people who elected them and not the corporations, our town was penalized by the system. For in the development of the new country, railroads discriminated not only between men but between towns. They had their favorites and their victims, and most of the development which came in my country came through the hardest sort of hard work and against evil practice and injustice; not half the story of the struggle has ever been told or ever will be.

Here is Alaska, a new proposition. It will not be an easy Territory to develop; it will prove a difficult one. Because of physical peculiarities, it is absolutely necessary that the Government take hold of this Territory to save it and the people's right to it. Men have heard here to-day that not all Alaska is cold, that there are portions that are mild, that there are parts of it very fertile, that it has magnificent valleys, broad streams, untold deposits of wealth, and rich fisheries. Now, how can we develop it? Best of all by taking off from the shoulders of the people of Alaska the embargo of privately owned railroads and by giving them the assistance in development that will come through Government-owned railroads. There are 50,000 people only in Alaska, the bulk of which is above 60°. Yet there are north of 60° in Europe—in Norway, Sweden, Finland, and the Russian Provinces—11,000,000 people supported by agriculture, and they are among the sturdiest people on the face

of the earth.

The political authority given by the chairman of this committee, the gentleman from Tennessee [Mr. Houston], for this bill is a plank from the last Democratic national platform. I read it with great interest, because I could not find precisely the specific authority for the bill, much as I favor the measure and glad as I am that it has been advanced so far. He quotes the national Democratic platform adopted at Baltimore as follows:

Conservation. Immediate action should be taken by Congress to make available the vast and valuable coal deposits of Alaska under conditions that will be a perfect guaranty against their falling into the hands of monopolizing corporations, associations, or interests.

The proposition of a Government-owned railroad, so far as that text is concerned, is only inferential. But the chairman of the committee is fair enough to quote the Progressive national platform upon this subject, and, like all of that platform, this plank means precisely what it says:

Alaska. We demand also that extortion or monopoly in transportation shall be prevented by the prompt acquisition, construction, or improvement by the Government of such railroads, harbor, and other facilities for transportation as the welfare of the people may demand.

Mr. Chairman, this is specific; this is definite; it is unmistakable. The Progressive Party made this, the only real Alaskan pledge. The Democratic leaders came to the Progressive platform for the suggestion of a real reform, and I congratulate them upon it.

Mr. WINGO rose.

Mr. MURDOCK. Oh, I have only a few moments, and I want to show the origin of this legislation.

Mr. WINGO. Can the gentleman give me the origin of that plank and who wrote it?

Mr. MURDOCK. It is a mighty fine plank, and I am not concerned about its origin.

Mr. PAYNE. Will the gentleman please tell us what the

Socialist Party said about that?

Mr. MURDOCK. I do not know; but I have looked carefully through the Republican platform, and, as usual on vital questions, it said nothing. [Laughter.]

Mr. PAYNE. It says nothing that comes from the Socialist

platform, as this does.

Mr. MURDOCK. Mr. Chairman, what is the origin of this proposition? During the administration of the lest Republican President, Mr. Taft, it developed that the administration of the Department of the Interior was giving Alaska over to the Guggenheims. An investigation resulted, and the commission appointed to investigate this matter reported. All of the Republicans upon that committee save one upheld the Taft-

Ballinger-Guggenheim policy in Alaska. One Republican, Mr. Madison of Kansas, held against the Guggenheim policy, and with him were all of the Democrats. I do not know what the attitude of the Republican leaders upon this subject is to-day. I do not know what their attitude will be upon this bill. not know whether they are still standing for the Taft-Ballinger-Guggenheim policy. I suspect they are, and I base my suspicion upon the fact that they still indorse the action of their national committee in perpetuating a system which perpetrated in 1912 the Chicago convention outrage. I do not think it is possible for them to change; I do not think they will; they never learn; but so far as I am concerned, and I think I speak for every Progressive on this floor, I am glad, with all my heart and soul, that the Democratic leader, President Wilson-and he is in this a leader-took this thing up at once; that he found perfect accord in the gentleman from Tennessee [Mr. Hous-TON]; that they brought this matter out of committee quickly; that they got it on the calendar speedily; that they took posses sion of Calendar Wednesday; and that they are occupying that day until they shall write this measure into law. The Nation wants it, Alaska needs it, and I, speaking for all the Progressives here, I think, without exception, rejoice at the good work. For in this House and in the country a Progressive is always for a meritorious measure no matter what its origin. [Applause.]

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. SHACKLEFORD having taken the chair as Speaker pro tempore, a message, in writing, from the President of the United States was communicated to the House of Representatives by Mr. Latta, one of his secretaries, who also informed the House of Representatives that the President had, on December 23, 1913, approved and signed bills of the following titles:

H. R. 7837. An act to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish more effective supervision of banking in the United States, and for other

H. R. 11003. An act to provide for expenses of representatives of the United States at the International Maritime Conference for Safety of Life at Sea.

RAILROADS IN ALASKA.

The committee resumed its session.

Mr. PAYNE. Mr. Chairman, I would like to ask the gentleman from Tennessee if he is going to rise to-night, because he will have to have a quorum here in order to prolong this session very much longer.

Mr. HOUSTON. Mr. Chairman, I would ask the indulgence

of the gentleman for 5 or 10 minutes longer.

Mr. DAVENPORT. Mr. Chairman, I think at the conclusion of the remarks of the gentleman from Ohio [Mr. BATHRICK], who speaks next, the committee will rise.

Mr. HOUSTON. Mr. Chairman, I yield five minutes to the

gentleman from Ohio [Mr. BATHRICK].

Mr. BATHRICK. Mr. Chairman, I intend to support this bill for the very essential reason, as I look upon it, that it is a proper expression of government; that it does something for the people that is material and important; that it does not go to the people and hand to them a disquisition upon government philosophy in the place of material help. The time has come in this country, and some of us have noted it fully, that we must perform the functions of government in a manner that will give satisfaction to the people and make them believe that government really means something for them. The time has gone when we can throw a bare philosophical government out into the hands of the people and say to them, "Now, help yourselves." What has been the result of doing this heretofore? Private profit, a strong element of monopoly, a system of money control, a system of industrial control has operated to put the privileges of the people in the hands of the few so that the many have been totally unable to help themselves. And so we come to this Alaska proposition, which is essentially a matter of Government aid to a depressed portion of the people of this country, a governmental aid for a very worthy object, Government aid extended to the people of the Territory of Alaska which, if it works out as I hope it will and as it appears it will, will give us an example for Government aid for other directions in this country. I trust that after this bill has been passed and this railroad is in operation that the people of this country will discover there an example of what their Government can do for them aside from merely saying, "We will give you the right to work out your own salvation." That is why I am standing here, gentlemen, and telling you that I am in favor of this bill. I know that later on in this session other matters of Govern-

ment aid will be brought to our attention, but here is a glowing example of the extension of Government credit to the people in order to assist them to help themselves. It will serve as a start toward accomplishing actual help instead of forever feeding the people upon theory.

Mr. HOUSTON. Mr. Chairman, I move that the committee

The motion was agreed to; accordingly the committee rose, and the Speaker having resumed the chair, Mr. HARRISON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 1739, and had directed him to report that it had come to no resolution thereon.

PANAMA RAILROAD CO. (S. DOC. NO. 362).

The SPEAKER laid before the House the following message from the President of the United States.

The Clerk read as follows:

To the Senate and House of Representatives:

I transmit herewith, for the information of the Congress, the Sixty-fourth Annual Report of the Board of Directors of the Panama Railroad Co., for the fiscal year ended June 30, 1913.

WOODROW WILSON.

THE WHITE HOUSE, January 14, 1914.

The SPEAKER. The message is ordered to be printed and referred to the Committee on Interstate and Foreign Commerce, but the accompanying documents are not ordered to be printed yet.

ADJOURNMENT.

Mr. HOUSTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 6 minutes p. m.) the House adjourned to meet to-morrow, Thursday, January 15, 1914, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Acting Secretary of War, transmitting draft of proposed legislation authorizing the Secretary of War to prescribe regulations under which licenses may be granted to persons qualified to act as guides to the Gettysburg Battle Field (H. Doc. No. 591); to the Committee on Military Affairs and ordered to be printed.

2. A letter from the Attorney General, transmitting a copy of a letter from the presiding judge of the United States Commerce Court, inviting attention to a typographical error in the statement of expenditures (H. Doc. No. 451, pt. 2); to the Committee on Expenditures in the Department of Justice and ordered to be

printed.

3. A letter from the Secretary of the Interior, transmitting reports from this department and the various bureaus and offices thereunder, showing the name of the offices, date and destination of travel, nature of official business, and total travel expense incurred by each (H. Doc. No. 592); to the Committee on Expenditures in the Interior Department and ordered to be printed.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 9479) granting an increase of pension to Juliett Fields; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 10034) granting an increase of pension to Frank Godfrey; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 8326) granting a pension to James A. Crowley; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials

were introduced and severally referred as follows.

By Mr. MONDELL: A bill (H. R. 11616) to provide for the

leasing of coal lands in the Territory of Alaska, and for other purposes; to the Committee on Public Lands.

By Mr. ESCH: A bill (H. R. 11617) to provide for a site and public building at Viroqua, Wis.; to the Committee on Public

Buildings and Grounds.

By Mr. GERRY: A bill (H. R. 11618) appropriating money for the improvement of Wickford Harbor, R. I.; to the Committee on Rivers and Harbors.

By Mr. BURGESS: A bill (H. R. 11619) to amend section 108, chapter 5, of the act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3,

1911; to the Committee on the Judiciary.

By Mr. STEPHENS of Texas: A bill (H. R. 11620) pensioning the surviving officers and enlisted men of the Texas Volunteers employed in the defense of the frontier of that State against Mexican marauders and Indian depredations from January 1, 1859, to January 1, 1861, and from 1866 to 1876, inclusive, and for other purposes; to the Committee on Pensions.

Also, a bill (H. R. 11621) providing for the purchase of a national forest reserve and park in the State of Texas to be known as "The Palo Duro National Forest Reserve and Park";

to the Committee on Agriculture.

By Mr. LA FOLLETTE: A bill (H. R. 11622) to provide water for the irrigable lands of the Yakima Indian Reservation, State of Washington, and for other purposes; to the Committee on Irrigation of Arid Lands.

By Mr. EVANS: A bill (H. R. 11623) authorizing a preliminary examination and survey of Flathead River, Mont.; to the

Committee on Rivers and Harbors.

By Mr. DUPRÉ; A bill (H. R. 11624) to repeal an act approved March 2, 1895, entitled "An act to amend section 3 of an act entitled 'An act to regulate the liens of judgments and decrees of the courts of the United States,' approved August 1, 1888"; to the Committee on the Judiciary.

By Mr. LINTHICUM: A bill (H. R. 11625) to increase the

appropriation for the erection of an immigration station at Baltimore, Md.; to the Committee on Public Buildings, and

By Mr. O'SHAUNESSY: A bill (H. R. 11626) to construct and place a lightship near Block Island, in the State of Rhode Island; to the Committee on Interstate and Foreign Commerce.

By Mr. HAYDEN; A bill (H. R. 11627) to authorize a survey for a bridge across the Colorado River near the Fort Mohave

Indian Reservation, Ariz.; to the Committee on Indian Affairs. By Mr. VOLSTEAD: A bill (H. R. 11628) to prevent over-capitalization and consolidation of interstate carriers; to the Committee on Interstate and Foreign Commerce.

By Mr. HINDS: Resolution (H. Res. 368) authorizing preliminary survey of York Harbor, Me.; to the Committee on Rivers and Harbors.

By Mr. LA FOLLETTE: Concurrent resolution (H. Con. Res. 27) directing the Secretary of War to have a survey made and estimate submitted of the cost of improving the Columbia River

at Kennewick, Wash.; to the Committee on Rivers and Harbors. By Mr. JOHNSON of Washington: Concurrent resolution (H. Con. Res. 28) directing the Secretary of War to have survey and estimate made of the cost of improvement of harbor at Olympia, Wash.; to the Committee on Rivers and Harbors.

Also, concurrent resolution (H. Con. Res. 29) directing the Secretary of War to have a survey and estimate made of cost of a canal from Olympia to Grays Harbor and other points; to the

Committee on Rivers and Harbors.

By Mr. PETERS of Massachusetts (by request): Joint resolution (H. J. Res. 194) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions

were introduced and severally referred as follows:

By Mr. ADAIR: A bill (H. R. 11629) granting an increase of pension to John H. M. Harrison: to the Committee on Invalid Pensions.

Also, a bill (H. R. 11630) granting an increase of pension to Michael H. W. Jameson; to the Committee on Invalid Pensions. Also, a bill (H. R. 11631) granting an increase of pension to

Ezra Deeren; to the Committee on Invalid Pensions.

By Mr. ASHBROOK: A bill (H. R. 11632) granting an increase of pension to Wilson S. Fouts; to the Committee on Invalid Pensions.

By Mr. BROWNE of Wisconsin: A bill (H. R. 11633) granting an increase of pension to William Armon; to the Committee on Invalid Pensions

By Mr. CLAYPOOL: A bill (H. R. 11634) granting an increase of pension to Noah Blauser; to the Committee on Invalid

Also, a bill (H. R. 11635) placing the name of Lafayette Hawk upon the unlimited retired list of the Army; to the Committee on Military Affairs.

By Mr. COLLIER: A bill (H. R. 11636) for the relief of the heirs or estate of William J. Milligan, deceased; to the Committee on War Claims.

By Mr. COX: A bill (H. R. 11637) granting an increase of pension to George W. Coward; to the Committee on Invalid Pensions.

By Mr. DAVENPORT: A bill (H. R. 11638) granting a pension to John T. Biggers; to the Committee on Pensions.

Also, a bill (H. R. 11639) granting a pension to Ernest W.

Hilliard; to the Committee on Pensions.

Also, a bill (H. R. 11640) granting a pension to James W. Sullivan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11641) to correct the military record of William Warner, alias Samuel Mee; to the Committee on Military Affairs.

Also, a bill (H. R. 11642) to correct the military record of Jefferson Bailey; to the Committee on Military Affairs. By Mr. DONOHOE: A bill (H. R. 11643) for the relief of

Kate Cunningham; to the Committee on Claims. By Mr. ELDER: A bill (H. R. 11644) for the relief of John

W. Wright; to the Committee on Military Affairs.

By Mr. ESCH: A bill (H. R. 11645) granting an increase of pension to John W. Marshall; to the Committee on Invalid Pensions.

By Mr. FIELDS: A bill (H. R. 11646) granting a pension to James H. Gilley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11647) for the relief of the legal representatives and heirs of Nathan Gibbs, deceased; to the Committee on War Claims.

By Mr. FITZGERALD: A bill (H. R. 11648) for erecting a suitable memorial to John Ericsson; to the Committee on the

Library.

By Mr. GRIEST: A bill (H. R. 11649) to carry into effect the findings of the Court of Claims in the matter of the claim of the Columbia National Bank, of Columbia, Pa.; to the Committee on War Claims.

By Mr. HAUGEN: A bill (H. R. 11650) granting a pension to Christina Whitcome; to the Committee on Pensions.

By Mr. HAYES: A bill (H. R. 11651) granting an increase of pension to Henry B. Haines; to the Committee on Pensions.

By Mr. HENSLEY: A bill (H. R. 11652) granting an increase of pension to Catherine C. Burmingham; to the Com-

mittee on Invalid Pensions.

By Mr. JACOWAY: A bill (H. R. 11653) granting an increase

of pension to Samuel R. Price; to the Committee on Pensions. By Mr. KEATING: A bill (H. R. 11654) granting an increase of pension to Joseph Clucas; to the Committee on Invalid Pensions. Also, a bill (H. R. 11655) granting an increase of pension to George S. Merritt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11656) granting a pension to George C. Hazeltine; to the Committee on Pensions.

Also, a bill (H. R. 11657) granting a pension to Flora V.

Turnbull; to the Committee on Invalid Pensions. Also, a bill (H. R. 11658) granting a pension to Alice Connors;

to the Committee on Pensions.

Also, a bill (H. R. 11659) granting a pension to Tomasita M. Bustos; to the Committee on Pensions.

Also, a bill (H. R. 11660) for the relief of James Noble; to

the Committee on Military Affairs.

By Mr. KIESS of Pennsylvania: A bill (H. R. 11661) granting a pension to Letitia M. Leepard; to the Committee on Invalid Pensions.

By Mr. LINTHICUM: A bill (H. R. 11662) granting a pension to John L. Shields; to the Committee on Invalid Pensions.

By Mr. METZ: A bill (H. R. 11663) granting a pension to John Bleiweiss; to the Committee on Pensions.

Also, a bill (H. R. 11664) for the relief of Frederick Wyneken; to the Committee on Claims,

Also, a bill (H. R. 11665) for the relief of John O. Nelson; to the Committee on Claims.

Also, a bill (H. R. 11666) for the relief of Cornelius Ver Planck; to the Committee on Military Affairs. By Mr. MOSS of Indiana: A bill (H. R. 11667) for the relief

of John H. Kidd; to the Committee on Military Affairs.

By Mr. MURDOCK: A bill (H. R. 11668) granting an increase of pension to William McCracken; to the Committee on Invalid Pensions.

By Mr. PETERSON: A bill (H. R. 11669) granting a pension to Euceba H. Sherman; to the Committee on Invalid Pen-

By Mr. POST: A bill (H. R. 11670) granting an increase of

pension to Albert Fletcher; to the Committee on Pensions.

Also, a bill (H. R. 11671) to remove the charge of desertion from the record of John M. Lower; to the Committee on Military Affairs

By Mr. REED: A bill (H. R. 11672) granting an increase of pension to Adams H. Eastman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11673) granting an increase of pension to George P. Doeg; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11674) granting an increase of pension to Isaac F. Jenness; to the Committee on Invalid Pensions,

By Mr. STEDMAN: A bill (H. R. 11675) for the relief of the legal representatives of James Rierson, deceased; to the Committee on War Claims.

By Mr. STEPHENS of California: A bill (H. R. 11676) granting an increase of pension to Samuel S. Householder; to the Committee on Pensions.

Also, a bill (H. R. 11677) for the relief of Lewis W. Crain;

to the Committee on Military Affairs.

Also, a bill (H. R. 11678) for the relief of George H. Burton, United States Army, retired; to the Committee on Claims.
Also, a bill (H. R. 11679) for the relief of Andrew A. St.

Also, a bill (H. R. 11649) for the relief of Andrew A. St. John; to the Committee on Military Affairs.

By Mr. STONE: A bill (H. R. 11680) granting a pension to Odillon C. Schupp; to the Committee on Pensions.

Also, a bill (H. R. 11681) granting an increase of pension to Charles Montooth; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11682) granting an increase of pension to W. W. King; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid

on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Memorial of the Thomas Davis Club, of Philadelphia, Pa., protesting against appropria-tion of funds for celebration of "one hundred years of peace among English-speaking people"; to the Committee on Foreign

Also (by request), memorial of the Socialist Party of New York City, favoring a congressional investigation of strike con-ditions in Michigan; to the Committee on Rules. Also (by request), memorial of Ancient Order of Hibernians,

Division 17, Wilmerding, Pa., protesting against appropriation for "one hundred years of peace among English-speaking peo-

ple"; to the Committee on Foreign Affairs.

Also (by request), memorial of C. O. De Long, of Homestead, Pa., favoring Burnett immigration bill; to the Committee on

Immigration and Naturalization.

Also (by request), petition of C. O. De Long, of Homestead, Pa., protesting against House bill 9836, making Columbus Day a national holiday; to the Committee on the Judiciary.

Also (by request), petition of James G. Thrasher, of Munhall,

Pa., protesting against House bill 9836, making Columbus Day

a national holiday; to the Committee on the Judiciary.

By Mr. BAILEY (by request): Memorial of Blandburg Local, No. 2002, favoring an investigation of conditions in the copper

regions of Michigan; to the Committee on Rules

Also (by request), petition of citizens of Six Mile Run, State of Pennsylvania, protesting against the passage of the Sabbath-observance bill (H. R. 9674); to the Committee on the District of Columbia.

By Mr. BRUCKNER: Memorial of Brand's Local Bronx (N. Y.) Socialist Party of America, favoring an investigation of the conditions in the copper region; to the Committee on Rules.

By Mr. BUTLER: Memorial of Anna M. Ross Council, No. 101, Daughters of Liberty, of Spring City, Pa., favoring the passage of a bill restricting immigration; to the Committee on Immigration and Naturalization.

By Mr. CALDER: Petition of F. M. Crouch, of New York City, N. Y., favoring the passage of House bill 29, relative to

the hours of working women; to the Committee on Labor.

Also, petition of the Twelfth Assembly District Regular Democratic Club, favoring the direct primary as applied to presidential elections; to the Committee on Election of President, Vice President, and Representatives in Congress

By Mr. DALE: Petition of Regular Democratic Club Twelfth Assembly District of Brooklyn, N. Y., favoring the direct primary as applied to presidential elections; to the Committee on Election of President, Vice President, and Representatives in

Also, petition of National Camp Patriotic Sons of America, at Trenton, N. J., favoring the passage of the immigration bill (S. 2453); to the Committee on Immigration and Naturaliza-

By Mr. DICKINSON: Petition of members of Socialist Local of Nyhart, Mo., favoring congressional investigation of strike conditions in Michigan; to the Committee on Rules.

Also, petitions of John F. Harder and other citizens of Clinton, Mo., protesting against the passage of the Heflin bill (H. R. 9674); to the Committee on the District of Columbia.

By Mr. DONOHOE: Memorial of Business Men's and Taxpayers' Association of Frankford, Philadelphia, Pa., favoring the Philadelphia Navy Yard for new dry dock; to the Com-

mittee on Naval Affairs.

By Mr. ELDER: Papers to accompany a bill (H. R. 11644) for the relief of John W. Wright; to the Committee on Military

Affairs

By Mr. ESCH: Petition of general council of Winnebago Indians in Nebraska, favoring the passage of the amended Stephens bill to open the Court of Claims to all tribes and bands of Indians; to the Committee on Indian Affairs.

By Mr. FITZGERALD: Resolutions of the twelfth assembly district, Regular Democratic Club, of Brooklyn, N. Y., indorsing extension of the direct-primary system for selection of candidates for President and Vice President; to the Committee on Election of President and Vice President and Representatives in Congress

Also, petitions of sundry citizens of Brooklyn, N. Y., favoring legislation in the form of pension bills for the relief of the United States Military Telegraph Corps; to the Committee on

Invalid Pensions

By Mr. GARDNER: Memorial of Socialist Local of Cape Ann, Mass., favoring a congressional investigation into strike

conditions in Michigan; to the Committee on Rules,
By Mr. GRAHAM of Pennsylvania: Memorial of the Daniel H. Comber Club, of Philadelphia, Pa., protesting against an appropriation by Congress for the celebration of "One Hundred Years of Peace With England"; to the Committee on Appropriations.

Also, petitions of Fredonia Council No. 52, Order United American Mechanics, of Philadelphia, Pa.; National Camp Patriotic Order Sons of America, Trenton, N. J.; Olney Council No. 7, Olney; Philadelphia and Washington Camp, No. 303, Patriotic Order Sons of America, Philadelphia, Pa., favoring the passage of the Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, petition of the Philadelphia Board of Trade, of Philadelphia, Pa., protesting against the passage of House bill 8826, relative to the hours of labor for persons engaged in producing

interstate commerce; to the Committee on Labor.

By Mr. HAYES: Memorial of Central Labor Council, of Santa Clara County, Cal.; United Laborers' Union, No. 14190, San Jose, Cal.; Local 393, Plumbers' Union, Local 162, Car-penters' Union, San Mateo, Cal.; Local 848, Carpenters' Union, San Bruno, Cal., favoring seamen's bill; to the Committee on the Merchant Marine and Fisheries.

Also, resolution of California Branch of the American School Peace League, favoring plan for a "naval holiday"; to the Committee on Naval Affairs.

Also, memorial of the Associated Chambers of Commerce of the Pacific Coast, Lavoring the strengthening of the United

States Army; to the Committee on Military Affairs.

By Mr. HELVERING: Petition of sundry citizens of the State of Kansas, favoring the passage of the Burnett immigration bill; to the Committee on Immigration and Naturalization.

By Mr. KENNEDY of Rhode Island: Petition of O. R. Preble and other residents of Rhode Island, favoring passage of House

bill 1873; to the Committee on the Judiciary.

By Mr. KIESS of Pennsylvania: Memorial of the Tenth Ward Branch Local, Lycoming, Socialist Party of America, favoring an investigation of the conditions in the copper regions of Michigan; to the Committee on Rules.

By Mr. LONERGAN: Petition of the National N. L. W. V. of Denver, Colo., favoring the passage of House bill 1672, ing on the pension rolls the survivors of the early Indian Wars; to the Committee on Indian Affairs.

By Mr. MADDEN: Petition of United Lithuanian Societies of Chicago, Ill., protesting against the literacy test in the Burnett immigration bill; to the Committee on Immigration and

Naturalization. By Mr. MAHER: Memorial of State Administration of Vocational Education at a conference in New York City, December 13, 1913, favoring the passage of Senate joint resolution 5, for national aid for vocational education; to the Committee on Education.

Also, petition of Cigar Makers' Union No. 149, of Brooklyn, favoring the passage of legislation for a thorough congressional investigation of the whole strike system in the copper regions of Michigan, as well as in other parts of the United States, and that the Government acquire possession of the copper mines and operate them under union conditions; to the Committee on

Also, petition of members of the Twelfth Assembly District Regular Democratic Club, of Brooklyn, N. Y., favoring the

direct primary as applied to presidential elections; to the Committee on Election of President, Vice President, and Representatives in Congress.

Also, petition of Women's Trade Union League of New York City, N. Y., favoring an investigation of the conditions of the copper regions of Michigan; to the Committee on Rules.

By Mr. RAINEY: Resolution of Socialist Party of Beardstown,

Ill.; White Hall, Ill.; and Havana, Ill., favoring investigation of strike conditions in Michigan; to the Committee on Rules.

Also, petitions of C. Hopewell and 48 others of San Jose, Ill., favoring the passage of the Burnett immigration bill; to the

Committee on Immigration and Naturalization.

Also, petition of C. Hopewell and 48 other citizens of San Jose, Ill., protesting against the passage of the Columbus Day

bill; to the Committee on the Judiciary.

By Mr. ROBERTS of Massachusetts: Evidence in support of bill (H. R. 9960) granting a pension to Elizabeth N. Hussey; to the Committee on Invalid Pensions.

Also, evidence in support of bill (H. R. 10923) granting a pension to George Downing, alias Henry Harris; to the Committee on Invalid Pensions.

By Mr. SCULLY: Petition of International Brotherhood of Stationary Firemen, Local No. 55, of Newark, N. J., and vicinity, favoring an investigation into the conditions of the copper regions of Michigan; to the Committee on Rules.

Also, petition of American Association of Foreign Language Newspapers, of New York City, protesting against the passage of the Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, memorial of the Sea Bright Board of Trade, of Sea Bright, N. J., favoring an appropriation by Congress for protecting the shore front; to the Committee on Appropriations

By Mr. SELDOMRIDGE: Petition of Washington Camp, No. 15, Patriotic Order Sons of America, of Denver, Colo., favoring Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, petition of citizens of Colorado Springs, Colo., favoring a two-battleship program; to the Committee on Naval Affairs.

By Mr. J. M. C. SMITH: Memorial of Painters, Paperhangers, and Decorators, Local No. 812, of Kalamazoo, Mich.; Cigar Makers' Union of Battle Creek, Mich.; and Bakers' Union No. 159, of Kalamazoo, Mich., favoring Federal investigation of strike conditions in Michigan; to the Committee on Rules.

Also, petition of editor of Hollandsche Amerikan, protesting

against Burnett immigration bill; to the Committee on Immigration and Naturalization.

By Mr. STEPHENS of California: Memorial of Local No. 374, Iron Molders' Union of North America, Los Angeles, Cal.; Lodge No. 311, Machinists' Union, Los Angeles, Cal.; Local No. 1763, United Brotherhood of Carpenters and Joiners of America, Los Angeles, Cal.; Local No. 949, Brotherhood of Painters, Decorators, and Paper Hangers of America; and Local No. 3818, International Longshoremen's Union, Los Angeles, Cal., favoring seamen's bill (S. 136); to the Committee on the Merchant Marine and Fisheries.

Also, petitions of California Veekoblad and Italio Americano, Los Angeles, Cal., protesting against Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, petitions of citizens of Burbank and Los Angeles, Cal., favoring Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, petition of certain citizens of California, favoring a bill granting relief to persons who served in the Military Telegraph Corps of the Army during the Civil War; to the Committee on Invalid Pensions.

Also, petition of Miss H. R. Heapp, of Sawtelle, Cal., favoring increased pensions for Army nurses who served in Civil War; to the Committee on Invalid Pensions.

Also, petition of the Anti-Saloon League of Hawaii, favoring Gronna bill relative to Federal prohibition of liquor for Hawalian Islands; to the Committee on Insular Affairs.

Also, petition of Ex-Union Volunteer Officers' Association, Pasadena, Cal., favoring the Volunteer officers' retired list bill; to the Committee on Military Affairs.

Also, petition of citizens of Los Angeles, Cal., protesting against the Sabbath observance bill; to the Committee on the District of Columbia.

By Mr. SUTHERLAND: Papers in support of bill (H. R. 9108) granting an increase of pension to James H. Clutts; to the Committee on Invalid Pensions.

Also, petition of McMillan Lodge, No. 445, International Association of Machinists, of Williamson, W. Va., favoring an investigation of strike conditions in Michigan and elsewhere; to the Committee on Rules.

Also, petition of 130 members of the Ohio Valley Trades and Labor Assembly of Wheeling, W. Va., protesting against the circulation of petitions in sympathy with and opposed to Government dissolution of the United States Steel Trust; to the Committee on the Judiciary.

By Mr. WALLIN: Petition of editor of Il Messageri, of Amsterdam, N. Y., favoring elimination of the literacy test from House bill 6000; to the Committee on Immigration and Natu-

ralization.

By Mr. WILSON of New York: Petition of the Women's Trade Union League of New York, favoring the passage of the eighthour-a-day bill for women employed in various occupations; to the Committee on Labor.

Also, petition of the members of the Twelfth Assembly District Regular Democratic Club, favoring the direct primary for presidential elections; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. WINGO: Petitions of Local No. 2110, United Mine Workers of America, of Millard; Local No. 1526, of Hartford; Central Trades Council of Hartford; and Rose Hill Lodge, No, 479, Arkansas, favoring an investigation of conditions in the copper regions of the State of Michigan; to the Committee on Rules.

By Mr. WOODRUFF: Memorial of the International Union of the United Brewery Workmen of America, favoring an investigation of the conditions in the copper regions of Michigan; to the Committee on Rules.

SENATE.

THURSDAY, January 15, 1914.

Prayer by the Chaplain, Rev. Forrest J. Prettyman, D. D. The Journal of yesterday's proceedings was read and approved. TRAVEL OF EMPLOYEES OF INTERIOR DEPARTMENT (H. DOC. NO. 592).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, statements giving the names of officers of the various bureaus and offices in the Interior Department who have traveled on official business, together with the date and destina-tion of travel, nature of official business, and total expense incurred by each, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

FINDINGS OF THE COURT OF CLAIMS.

The VICE PRESIDENT laid before the Senate communications from the assistant clerk of the Court of Claims transmitting certified copies of the findings of fact and conclusions filed by the court in the following causes:

In the cause of Mary Ann Jackson v. The United States (S. Doc. No. 363);

In the cause of Henry Comeaux v. The United States (S. Doc. No. 364); and

In the cause of A. A. Goodwin, jr., administrator of succession of Emile Rost, deceased, v. The United States (S. Doc. No.

The foregoing findings were, with the accompanying papers, referred to the Committee on Claims and ordered to be printed. CHESAPEAKE & POTOMAC TELEPHONE CO. (H. DOC. NO. 597)

The VICE PRESIDENT laid before the Senate the annual report of the Chesapeake & Potomac Telephone Co. for the year 1913, which was referred to the Committee on the District of Columbia and ordered to be printed.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented memorials of George Washington Branch, American Continental League, of Brooklyn, N. Y.; of Local Division, No. 17, Ancient Order of Hibernians, of Wilmerding, Pa.; and the Wolfe Tone Society, of Pittsburgh, Pa., remonstrating against any appropriation by Congress for the proposed celebration of the so-called "100 years of peace among English-speaking peoples," which were referred to the Committee on Foreign Relations.

Mr. MARTINE of New Jersey. I received a telegram this morning that I wish to lay before the Senate.

The VICE PRESIDENT. Does the Senator desire to have it

Mr. MARTINE of New Jersey. Let it go in the RECORD. There being no objection, the telegram was ordered to be printed in the RECORD as follows:

[Telegram.] CHICAGO, January 13, 1914.

Hon. James E. Martine,
United States Senate, Washington, D. C.:
The national executive committee of the Socialist Party commissioned
Victor L. Berger, Charles Edward Russell, and Seymour Stedman to

investigate the Michigan strike. They report claims of men just; also report companies guilty of peonage and importation of 1,600 gunmen from outside. Leaders of miners maltreated and deported. General reign of terror on part of gunmen. The strikers firm and law abiding. On grounds of above report and on behalf of Socialist Party, we demand congressional investigation of this situation.

VICTOR L. BERGER,
ADOLPH GERMER.
GEORGE H. GOEBBEL.
JAMES H. MAURER,
J. STITT WILSON.

Mr. NELSON presented the petition of E. D. Titus, of Minneapolis, Minn., relative to the effect of the insecticide law of 1910 and the so-called Sherley amendment to the pure-food law, which was referred to the Committee on Agriculture and For-

He also presented resolutions of Local Lodge No. 274, Inter-No. 186, Brotherhood of Painters, Decorators, and Paperhangers, of Minneapolis; and of Local Lodge No. 232, International Molders' Union, of St. Paul, all in the State of Minnesota, favoring the constraint of Local Lodge No. 232, International Molders' Union, of St. Paul, all in the State of Minnesota, favoring the constraint of Local Lodge No. 232, International Molders' Union, of St. Paul, all in the State of Minnesota, favoring the constraint of Local Lodge No. 244, International No. 250, International Molders' Union, of St. Paul, all in the State of Minnesota, favoring the constraint of Local Lodge No. 244, International No. 186, Brotherhood of Painters, Decorators, and Paperhangers, of Minnesota, favoring the constraint of Local Lodge No. 252, International No. 186, Brotherhood of Painters, Decorators, and Paperhangers, of Minnesota, favoring the Constraint of Local Lodge No. 232, International No. 252, International No. 25 voring the enactment of legislation to make lawful certain agreements between employers and laborers and persons enagreements between employers and laborers and persons engaged in agriculture or horticulture and to limit the issuing of injunctions in certain cases, and for other purposes, which were referred to the Committee on the Judiciary.

Mr. LIPPITT presented a petition of sundry citizens of

Rhode Island, praying that an appropriation be made for the construction of two new battleships, which was referred to the

Committee on Naval Affairs.

Mr. KERN. I present a petition, signed by the governor and a large number of citizens of Indianapolis, Ind., praying that relief be granted members of the United States Military Telegraph Corps who served in the Civil War. I move that the petition be referred to the Committee on Pensions.

The motion was agreed to.

Mr. TOWNSEND presented a memorial of sundry citizens of Battle Creek, Mich., and a memorial of sundry citizens of Urbandale, Mich., remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which were referred to the Com-mittee on the District of Columbia.

Mr. CLARK of Wyoming presented a petition of Local Union

No. 2616, United Mine Workers of America, of Superior, Wyo., praying for the enactment of legislation to make lawful certain agreements between employers and laborers and persons engaged in agriculture or horticulture and to limit the issuing of infunctions in certain cases, and for other purposes, which was referred to the Committee on the Judiciary.

CONDITIONS IN MINING DISTRICTS IN MICHIGAN.

Mr. TOWNSEND. Mr. President, I have received several communications from the copper country of Michigan, one from a business committee, which I desire to have read, and the others to be published in the RECORD.

The VICE PRESIDENT. Is there objection to reading the communication? The Chair hears none, and the Secretary

will read it.

The Secretary read as follows, the part read and subsequently withdrawn being indicated by asterisks:

[Telegram.]

CALUMET, MICH., January 14, 1914.

Hon. CHARLES E. TOWNSEND, Washington, D. C .:

Washington, D. C.:

Washington, D. C.:

The undersigned are a committee representing some 20,000 citizens of the copper country of Michigan. It is reported that Congressman MacDonald has stated that there is no constitutional law in this district. We most emphatically wish to say that in so speaking MacDonald does not represent the great bulk of the people here, but on the contrary deliberately misrepresents conditions. The copper country is at peace. There is no disorder, no rioting, no violation. A grand jury is in daily session taking testimony bearing on the past disorders. The circuit court for this circuit is in peaceful session in Baraga County trying strike cases. Over 26 cases have already been tried, resulting in a large number of convictions, some acquittals, and some disagreements. The last of the State troops have left the district, and yesterday the supervisors decided to reduce materially the sheriff's forces. There have been no arrests for violence for several weeks. All this proves that the law is now and will continue to be enforced. The people of the copper country are trying to resume their former peaceful and friendly relations with each other and to eliminate the bitter feeling engendered by the strike, and resent most bitterly the attitude of MacDonald. * * We ask you to give the true sentiments of our people as herein expressed as much publicity as was given to MacDonald it responsible and utterly uncalled for statement.

Mr. HUGHES. Mr. President, I make a point of order

Mr. HUGHES, Mr. President, I make a point of order against the further reading of that paper. It is quite evident that it is an attack upon a Member of the other House,

Mr. TOWNSEND. If it could be construed as an attack by me, I certainly would not wish to present it. The fact is that day before yesterday, on the 13th, the following language was

used by the Senator from Arizona [Mr. ASHURST] on the Senate floor:

Before I take my seat, however, I should say that I have not introduced this resolution with precipitation. Indeed, I deliberated two months before I concluded to introduce the same, After a conference with the Representative in Congress [Mr. MacDonalo] from the district in Michigan in which these troubles now exist. I am at liberty to quote him and to say that he has told me that his district—the twelfth district of Michigan—is a part of the United States where constitutional government no longer exists; that the rights of citizens under our Constitution and our laws are overthrown, and the laws and Constitution defied.

When a Representative of a sovereign State in Congress says that in his district the Constitution and laws are overthrown, surely it does not misbecome a Senator to ask for an investigation, which is particular of a

The request of the signers of this telegram in the nature of a petition is that this charge be denied and that the denial be given the same publicity that was given to the original statement. I do not present this matter with any idea of making an attack upon Mr. MacDonald. I simply have presented it as a statement of the citizens of that district who feel that the utterance was entirely unwarranted and untrue.

Mr. HUGHES. I have no quarrel with the Senator from Michigan and I have no objection to his people making any respectful statement in relation to any alleged statement made by Congressman MacDonald. I simply make the point of order that the telegram is couched in language which makes it subject to a point of order. It contains matter which is an attack upon the integrity of a Member of Congress, and in my judgment it should not be printed in the Congressional Record. If they desire to make a protest, they should couch it in proper lan-

Mr. TOWNSEND. If it shall be construed by the Chair as an attack by a Senator upon the integrity of Mr. MacDonald, I certainly do not wish to have it presented and I am perfectly willing to withdraw it. I should like to have the Chair look it over and see if in his judgment he believes it to be an attack upon the character of this man under all the circumstances

surrounding it.
The VICE PRESIDENT. The Chair assumes that a point of order has been made with reference to the rules of the Senate. There is no regularly adopted rule of the Senate of the United States which prevents any Senator from criticizing the conduct of a Member of the House of Representatives. There is a common rule in parliamentary assemblies, however, laid down by Jefferson in his manual, to the effect that it is improper for any Senator to criticize the conduct or language or demeanor of a Member of the House of Representatives. However, in investigating the precedents of the Senate it will be found that upon one occasion when a point of order of this kind was made the Senate gave a Senator permission to freely express his opinion of the conduct of a Member of the House of Representatives.

This matter must be left, in the opinion of the Chair, entirely to the Senator from Michigan. The Chair understands that the Senator from Michigan is not presenting it as a criticism of Representative MacDonald, but in response to a statement contained in the RECORD, made by the Senator from Ari-The Chair refuses to decide the question as to whether the well-known principle of the common law of parliamentary practice shall be enforced in this case, leaving it to the Senate to determine whether this is a breach of that comity which exists between the Senate and the House of Representatives.

Mr. TOWNSEND. Mr. President, the President of the Senate has well stated my position. I am not presenting this as a criticism of Congressman MacDonald, and I wish to withdraw it now if the Senator from New Jersey or any other Senator believes that it can be honestly construed as an attack upon

Mr. MACDONALD.

Mr. HUGHES. I will say to the Senator that I believe it to be an attack upon him. In terms it is an attack upon him. says that instead of taking the action he has taken or making the statement he has made in his capacity as a Representative in Congress and in accordance with his oath of office, he does it for the purpose of seeking notoriety and deliberately misrepresenting the people whom he ought to represent. If that does not constitute an attack upon a Member of Congress it is hard for me to perceive what would constitute an attack upon him. I leave that for the Senator from Michigan to determine. I ask him, if a telegram couched in that identical language does not constitute an attack, what does?

Mr. TOWNSEND. The Senator does not assume or presume

that the Senator from Michigan presents this as an attack on

MACDONALD.

Mr. HUGHES. Certainly not. I never intended that I should be understood as making that charge. I am objecting to the telegram itself. Perhaps it was the Senator's duty to lay it before the Senate and have it read. I think I myself would hesitate about laying a telegram couched in that language before this body. Citizens are entitled to petition if their peti-

tions are couched in respectful language.

Mr. GALLINGER. Mr. President, I was not in the Chamber when the telegram which is under discussion was read, but I would like to have the provision in Jefferson's Manual relating to the relations between the two Houses read to the I think it has been stated more broadly than it actually is.

Mr. TOWNSEND. While the Chair is looking for that-I beg pardon of the Senator from New Hampshire

Mr. GALLINGER. Certainly.

The VICE PRESIDENT. The Chair was only stating it

from memory, and not accurately.

Mr. TOWNSEND. My understanding of the rule has been that no Senator has a right to criticize or attack a Member of the other body. I certainly do not wish to do that or have anything I may say construed as attempting to do that. I had never supposed, however, that the citizens of any community were denied the right to express their views on a matter which affects them as directly as the matter which was presented by the Senator from Arizona, and quoting from the Congressman from the twelfth district of Michigan, does affect the citizens of the twelfth congressional district of Michigan.

Mr. CUMMINS. Mr. President-

Mr. GALLINGER. I would ask that the paragraph in Jefferson's Manual be read. I think it is important that it should be accurately stated.

The VICE PRESIDENT. The Chair is looking fo. it now.

Mr. CUMMINS. Whatever rule there may be limiting the right of a Senator to speak of a brother Senator or whatever parliamentary rule there may be restricting the right of a Senator to speak of a Member of the House of Representatives, it certainly can not be true that a citizen of the United States, who is not a member of either of these bodies, is denied the right of petition or memorial in which he may criticize not only the act of one Senator or one Member, but the act of all Members of both bodies.

Mr. HUGHES. Will the Senator yield to me?

Mr. CUMMINS. I yield to the Senator. Mr. HUGHES. Of course I agree fully with the Senator from Iowa upon that proposition, but does he think that an individual has a right to address a libelous telegram to a Senator and have it given publicity under the protection of the privilege of petition? That is all there is in this case. statements made in the telegram, if the Senator has heard them read or will read them, are plainly libelous, and I doubt if any one of these gentlemen would dare to make them without

the protection of the privilege of petition.

Mr. CUMMINS. I am not applying what I say to this particular case; I did not hear the telegram read; but I could not allow the impression to prevail, with my consent, at any rate, that the people of this country have not the privilege of addressing a communication or communications to the Senate and House of Representatives in which they criticize or condemn the act either of the Congress as a whole or the act of any Member of Congress. I am sure that we must preserve intact and in full vigor the right of the people of the country to express their views in the form of petitions to the Congress of the United States.

Mr. TOWNSEND. Mr. President, I desire to say, in answer to the statement of the Senator from New Jersey [Mr. Hughes], that this is not a petition or a statement by an individual, but

by many individuals,

I also wish to state that there is one sentence in this telegram which I had overlooked, which I think is proper if the petitioners wished to express it, but it does not add to the force of their protest, and inasmuch as it seems offensive to a Senator I will assume to strike it from the communication. I think the objectionable words are these:

whose only purpose for so deliberately and flagrantly misrepresenting conditions here at the present time must be to attain personal

Mr. HUGHES. That is the objectionable phrase. know what power the Senate has to amend a petition or to amend a telegram sent here by other men, but my object is simply to keep scandalous and libelous matter out of the RECORD

Mr. TOWNSEND. And with that I agree. I am very much opposed to anything that may look like misrepresentation or scandalous matter coming into Congress. But are we sure that the scandalous matter was not published on Tuesday? I have presented this telegram because I thought things had been said

here which ought not to have been said; but having been said, the people interested must have the right and privilege to deny Therefore, Mr. President, I will assume to eliminate the objectionable words.

Mr. GALLINGER. Mr. President, before proceeding further, I think I have a right to have read the paragraph from Jefferson's Manual relating to comity between the two Houses. do not think it affects this matter at all.

The VICE PRESIDENT. This is all the Chair finds in Jef-

ferson's Manual-

Mr. GALLINGER. On page 96, I think it will be found. The VICE PRESIDENT. There is, on page 93 of Jefferson's Manual, also

Mr. GALLINGER. And on page 93, likewise.

The VICE PRESIDENT. The language there used is:

No person is to use indecent language against the proceedings of the House; no prior determination of which is to be reflected on by any Member, unless he means to conclude with a motion to rescind it.

Then, on page 96, is found this language:

Then, on page 96, is found this language:

It is a breach of order in debate to notice what has been said on the same subject in the other House, or the particular votes or majorities on it there, because the opinion of each House should be left to its own independency, not to be influenced by the proceedings of the other, and the quoting them might beget reflections leading to a misunderstanding between the two Houses. (8 Grey, 22.)

Neither House can exercise any authority over a Member or officer of the other, but should complain to the House of which he is, and leave the punishment to them. Where the complaint is of words disrespectfully spoken by a Member of another House, it is difficult to obtain punishment, because of the rules supposed necessary to be observed (as to the immediate noting down of words) for the security of Members. Therefore it is the duty of the House, and more particularly of the Speaker, to interfere immediately and not to permit expressions to go unnoticed which may give a ground of complaint to the other House and introduce proceedings and mutual accusations between the two Houses which can hardly be terminated without difficulty and disorder. (3 Hats., 51.)

That is all the Chair finds in Jefferson's Manual on the sub-

That is all the Chair finds in Jefferson's Manual on the subject; but the Chair remembers that in 1867-

ject; but the Chair remembers that in 1867—

The Senate proceeded to consider the resolution of the House of Representatives, communicating for the information of the Senate certain testimony taken before one of its committees, "which apparently affects one or more Members of the Senate"; and

That portion of the testimony contained in the examination of D. A. Hull, a witness before the Committee on Public Expenditures of the House of Representatives, having been read,

Mr. Doolittle, while addressing the Chair, was called to order by the President pro tempore for indulging in language disrespectful to the House of Representatives, and impugning the motives of the members of one of its committees.

Mr. Doolittle having taken his seat,
On motion by Mr. Johnson, it was

Ordered, That Mr. Doolittle have leave to proceed with his remarks in his own way.

That is the ground of the ruling of the Chair in submitting

That is the ground of the ruling of the Chair in submitting the question to the Senate.

Mr. BRISTOW. Mr. President, I was detained from the Senate by a committee meeting, and did not arrive in the Chamber in time to hear the telegram under consideration read, but, as I understand, it is in the nature of a petition or memorial from citizens of Michigan in regard to some matter. I do not think the Senate has any right to amend or change or alter it, and I certainly shall object to any change being made. If it is a proper petition, according to the judgment of the Senator from Michigan [Mr. Townsend], to whom it was sent, to file here for the information of Congress, it is his privilege to file it, as the citizens sending it have a right to have it filed; but we have no business to change or to amend it before it is filed.

Mr. BACON. I do not understand that the Senate is undertaking to change what has been presented, but the Senator from Michigan [Mr. Townseno] himself practically with-draws—that is what it amounts to—that much of it. That is what it is. The Senator from Michigan withdraws that much of the petition, and does not ask that it be presented to the

Senate

Mr. TOWNSEND. That is the exact situation that I desire

to be placed in with reference to the matter.

Mr. GALLINGER. Mr. President, I only wish to say this much: I trust this difficulty may be amicably adjusted. The fact is, very serious accusations were made on the authority, as stated by the Senator from Arizona [Mr. ASHURST], of a Member of the House of Representatives against the citizens of an entire district in Michigan. Those citizens, through a committee, I judge-at least there are more than 50 names attached to this telegram—repudiate the allegation that was made against those people, and they say that they represent 20,000 citizens. In that telegram they take exceptions to the statement that the Senator from Arizona made on the authority of a Member of the House of Representatives. Whether their statement that in their opinion the Member of the House of Representatives was seeking notoriety is in good taste or not, of course we

must leave to each individual Senator to determine; but the controversy is really between Mr. MacDonald, a Member of the House of Representatives, and the 20,000 citizens of that district, and I do not see that we have very much to do about it.

If the Senator from Michigan [Mr. Townsend] wishes to present the telegram in an abbreviated form, of course I agree with the Senator from Georgia [Mr. Bacon] that that may well be his privilege; but I do not think that we ought to pay very serious attention to this matter, because it is, after all, in the nature of a protest by citizens against allegations that have been made against the district which they represent and in which they live. They surely had a right to make such an allegation and repudiation of the serious charge that was made against them.

Mr. President, I think the Senator from Michigan might well present the petition, as I have stated, in an abbreviated form if he chooses to do so; and, then, that the matter might well pass

from the consideration of the Senate.

The VICE PRESIDENT. Does the Senator from New Jersey desire the opinion of the Senate on the petition as amended?
Mr. HUGHES. I am satisfied with the disposition suggested by the Senator from Michigan. I have not had an opportunity to examine the telegram, and my ear only caught one highly

objectionable phrase in it.
Mr. GALLINGER. I would add, Mr. President, that the provision of Jefferson's Manual relates to comity between the two

Houses; and this is not a case of that kind.

Mr. HUGHES. I will say to the Senator that I did not cite any rule, for I do not know of any rule that governs this matter, except the inherent right which must exist in every body to protect its own record. I think any Senator can well object to a scurrilous, slanderous, and libelous statement being read into the Record here, directed against a Representative in the coordinate body.

Mr. GALLINGER. I agree to that; and yet I do not think this is a slanderous, libelous, and scurrilous statement.

Mr. HUGHES. I do not think that this was, but I am op-Mr. GALLINGER.

posing a statement of that kind being submitted here and being read into the RECORD affecting a Member of the other House. I think it is within our power to exercise our discretion in such a matter.

Mr. MARTINE of New Jersey. Mr. President, I was quite content with the disposition of the telegram I offered in the

first instance, namely, that it be—
The VICE PRESIDENT. The Chair was proposing to submit the question to the Senate if the Senator from New Jersey [Mr. Hughes] further objected. The Senator from New Jersey said he did not object to the portion of the telegram referred to being stricken out, and the telegram goes in the Record.

Mr. TOWNSEND. I now ask that the other telegrams submitted by me may be printed in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

[Telegram.]

HOUGHTON, MICH., January 14, 1914.

Hon. Charles E. Townsend, United States Senate, Washington, D. C.:

United States Senste, Washington, D. C.:

Am informed Congressman MacDonald, of this district, says there is no constitutional government in this district and the rights of citizens are not protected here. Mr. MacDonald was here about the first of the year and ought to know that this statement is misleading and untrue. There are no unusual violations of the peace laws, and very few of the arrests made since January 1 are due to the strike situation. Last Saturday the last of the State troops were withdrawn from the district, being those stationed in Keweenaw County, adjoining the county. Yesterday the number of deputies on my pay roll was reduced from 184 to 60. Men formerly on strike are returning to work voluntarily at all the mines. Over 10,000 are now at work out of about 14,000 when the strike was called. There is a better feeling throughout the county than I have noticed for some time. Protest against any insinuations from Mr. MacDonald, or anyone else, that the laws in my county are not now enforced. Last summer, when the district was overrun with socialists and anarchistic preachers and teachers of violence and criminal acts of every nature, it was difficult to preserve order. That situation has been entirely corrected and law and order have been for the last six weeks, and will continue to be, enforced.

Sheriff Houghton County, Mich.

[Telegram.]

[Telegram.]

HOUGHTON, MICH., January 14, 1914.

Hon. CHARLES E. TOWNSEND, United States Senate, Washington.

Dear Str: Senator Ashurst's assertion that constitutional government no longer exists in the copper country is absolutely unfounded. Civil authorities have full control of situation, and so free is district from disorder that only 60 deputies now are retained by sheriff to protect a region 40 miles long and 20 wide. All of the State troops have been withdrawn. Moyer and other foreign agitators have left the district. More strikers are returning to work each day, and there is no possible cause for alarm. No disturbances have occurred here for more than a month and the situation is improving daily.

COPPER COUNTRY COMMERCIAL CLUB, G. L. Paice, Secretary.

Mr. GALLINGER. Regular order!

Mr. MARTINE of New Jersey. I desire to say, Mr. President, with reference to the telegram I offered in the first instance, that I was quite content with the disposition suggested, namely, that it might go in the Record without reading, but immediately afterwards the Senator from Michigan [Mr. Townsend] submitted a telegram much longer and taking absolutely a counter position from that taken by the parties who telegraphed me. I feel that, in justice to them, the telegram presented by me should be read before the Senate. I did acquiesco that it go into the Record without reading, but I think it would be quite as well that it be read, for those who signed the telegram are gentlemen of high standing and intelligence in society, and their position is an utter contradiction of the telegram that has been presented by the Senator from Michigan [Mr. Townsend] and read to the Senate. So I respectfully ask

that the telegram offered by me may be read.

There being no objection, the telegram was read and referred

to the Committee on Education and Labor, as follows:

CHICAGO, January 13, 1914.

JAMES E. MARTINE, United States Senate, Washington, D. C.:

The national executive committee of the Socialist Party commissioned Victor L. Berger, Charles Edward Russell, and Seymour Stedman to investigate the Michigan strike. They report claims of men just. Also report companies guilty of peonage and importation of 1,600 gunmen from outside. Leaders of miners maltreated and deported. General reign of terror on part of gunmen. The strikers firm and law-abiding. On grounds of above report and on behalf of Socialist Party, we demand congressional investigation of this situation.

VICTOR L. BERGER.
ADOLPH GERMER.
GEORGE H. GOEBEL.
JAMES H. MAURER.
J. STITT WILSON.

REPORTS OF COMMITTEE ON PUBLIC LANDS.

Mr. SMOOT, from the Committee on Public Lands, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

A bill (S. 1214) to amend sections 2380 and 2381, Revised Statutes of the United States (Rept. No. 152); and

A bill (S. 1087) authorizing the exchange of certain lands within the Fishlake National Forest, Utah (Rept. No. 153).

Mr. CHAMBERLAIN, from the Committee on Public Lands, to which was referred the bill (S. 2903) for the relief of Judd McKelvey, reported it without amendment and submitted a report (No. 151) thereon.

WATER SUPPLY OF BAKER, OREG.

Mr. CHAMBERLAIN. I am directed by the Committee on Public Lands, to which was referred the bill (S. 3206) for the protection of the water supply of the city of Daker, a municipal corporation of the State of Oregon, to report it with an amendment, and I submit a report (No. 150) thereon. I ask unanimous consent for the present consideration of the bill.

The VICE PRESIDENT. The Secretary will read the bill.

The Secretary read the bill, as follows:

Be it enacted, etc., That the public lands within the Whitman National Forest situated in the county of Baker, State of Oregon, hereinafter described, are hereby reserved from all forms of location or entry and set aside as a municipal water-supply reserve for the benefit of the city of Baker, a municipal corporation of the State of Oregon, to wit: South half of northeast quarter and north half of southeast quarter section 4, township 9 south, range 38 east of the Willamette merdian meridian.

meridian.

SEC. 2. That to accomplish the purpose of this act as defined in section 1 hereof, said city of Baker shall have the right, subject to approval by the Secretary of Agriculture, to the use of any and all parts of the land above described for the storage and conveying of water and the construction and maintenance thereon of reservoirs, pipes, pipe lines, mains, conduits, and other like or any improvements or means for the storage, diversion, or transmission of water.

SEC. 3. That this act shall be subject to the vested rights of any municipality, person, or persons in or to the above-described premises or any part thereof or the water thereof.

SEC. 4. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The VICE PRESIDENT. The Senator from Oregon asks unanimous consent for the present consideration of the bill.

Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendment reported by the Committee on Public Lands was, in section 1, page 1, line 10, after the words "Willamette meridian," to insert a colon and the following proviso:

Provided, That if the said city of Baker shall at any time coase to use said land for said reservoir purpose, then, and in that event, the title to said land shall revert to and vest in the United States.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows

By Mr. BURTON:

A bill (S. 3998) granting a pension to Peter L. Miles; and A bill (S. 3999) granting a pension to Victoria A. Davis (with accompanying papers); to the Committee on Pensions. By Mr. ROBINSON:

bill (S. 4000) for the relief of the heirs of Wesley W.

Wallace; to the Committee on Claims. By Mr. THOMPSON:

A bill (S. 4001) for the purchase of a site and the erection thereon of a public building at Oswego, Kans.; to the Committee on Public Buildings and Grounds.

A bill (S. 4002) for the relief of Frank Hodges; to the Com-

mittee on Claims.

A bill (S. 4003) granting an increase of pension to Carey G. Colburn (with accompanying papers); to the Committee on Pensions.

By Mr. PERKINS:

A bill (S. 4004) for the relief of the claimants to the Coppinger grant, in the county of San Mateo, State of California, and all other persons claiming title to portions of said grant by mesne conveyances from Juan Coppinger; to the Committee on Public Lands.

By Mr. BRADY: A bill (S. 4005) for the relief of John J. Muchleisen (with accompanying papers); to the Committee on Military Affairs. By Mr. BURLEIGH:

A bill (S. 4006) granting a pension to Charles E. Williams;

to the Committee on Pensions.

By Mr. TILLMAN:

A bill (S. 4007) to authorize the Secretary of the Navy to enter into contract for use by the Government of dry docks at Hunters Point, San Francisco, Cal.; to the Committee on Naval

AMENDMENT TO THE DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. SWANSON submitted an amendment providing that all nonresident pupils shall be admitted and taught free of charge in the public schools of the District of Columbia, etc., intended to be proposed by him to the District of Columbia appropriation bill (H. R. 10523), which was referred to the Committee on Appropriations and ordered to be printed.

WORKMEN'S COMPENSATION.

Mr. SMITH of Georgia. Mr. President, I wish to present to the Senate a letter from the vice president and representative of the Brotherhood of Railroad Trainmen and also from the vice president and legislative representative of the Brotherhood of Locomotive Firemen and Enginemen, which has reference to the workmen's compensation bill now before the Judiciary Committee of the Senate, and which contains the official action of both of these organizations with reference to that bill. I ask that the letter may be printed in the RECORD and referred to the

Committee on the Judiciary.

There being no objection, the letter was referred to the Committee on the Judiciary and ordered to be printed in the RECORD,

as follows:

WASHINGTON, D. C., January 14, 1914.

Hon. Hoke Smith, United States Senate, Washington, D. C.

Hon. Hoke Smith,

United States Senate, Washington, D. C.

Hondrakle Sir: In connection with S. 959, "A bill to provide an exclusive remedy of compensation for accidental injuries, resulting in death or disability, to employees of common carriers engaged in interstate or foreign commerce, or in the District of Columbia, and for other purposes"; also H. R. 2944, which is similar in purpose, we wish to advise that the twenty-sixth convention of the Brotherhood of Locomotive Firemen and Enginemen, consisting of 826 delegates, representing the subordinate lodges located in various places throughout the United States, such delegates being elected by the membership of the subordinate lodges, and the said delegates representing 100,000 members of the said brotherhood, did, on Friday, June 27, 1913, take the following action regarding workmen's compensation:

"Resolved, That this, the twenty-sixth convention of the Brotherhood of Locomotive Firemen and Enginemen, is opposed to the enactment of an exclusive Federal workmen's compensation law or of any workmen's Federal compensation law that will in the slightest interfere with, impair, or obstruct the operation of the Federal employers' liability law or of any State employers' liability law.

"Resolved further, That we believe that it is to the best interests of railroad employees that no workmen's compensation legislation be attempted by the United States Congress, but that that body direct its efforts along that line to strengthening and improving the present Federal employers' liability law in the interests of railroad employees. "Resolved further, That it is our belief that it is to the best interests of railroad employees injured in the performance of such duties, that it should be optional with such persons to accept the compensation provided by their respective State workmen's compensation law or to sue under the Federal employers' liability law.

"Resolved further, That we heartily commend the course pursued by our worthy president. W. S. Carter, relative to the

United States Congress, and that we realize that but for his action in the premises and for the wide publicity given the said Sutherland bill in the columns of our magazine, this measure would have become enacted into law to the very detriment of the Interests of injured railroad employees and the heirs of those killed in railroad service."

The eleventh blannual convention of the Brotherhood of Railroad Trainmen, held in San Francisco, Cal., May 19 to June 4, 1913, consisting of 800 delegates representing subordinate lodges located in various places throughout the United States, such delegates being elected by the membership of the subordinate lodges, the said delegates representing 234,000 members, took the following action regarding workmen's compensation:

Session of Tuesday, May 27:

"Motion that the convention go on record as opposed to any form of Federal workmen's compensation law affecting the Brotherhood of Railroad Trainmen. Carried."

"Motion that the president be instructed to notify the President of the United States, President of the Senate, and the Speaker of the House of Representatives of the action taken by the convention regarding workmen's compensation. Carried."

Session of Monday, June 2:

"In view of the fact that this convention has gone on record by a most decisive vote in opposition to any Federal workmen's compensation act, and in view of the fact that bills almost identical with the so-called Brantley bill have been introduced in the National Senate and House of Representatives, we strongly recommend that the efforts of this Brotherhood and its officers be directed to the defeat of these or any similar bills. We further recommend that in States wherein liability laws have not been enacted every effort be used to procure the adoption of laws which are in conformity with the Federal liability law and to supplement it."

The foregoing shows conclusively that the representatives of 234,000 members of these organizations are opposed to the pending workmen's compensation bills, because th

Year.	Train	men.	Other employees.		
	Killed.	Injured.	Killed.	Injured.	
1911	1,708 1,663	41,008 43,975	1,451 1,257	5, 794 5, 145	

We believe that we can say fully 75 per cent of the casualties accrue to men filling positions of firemen, conductors, flagmen, brakemen, and switchmen, therefore a workmen's compensation would be more applicable to them and affect those most vitally interested.

After due and careful consideration of the subject the Brotherhood of Locomotive Firemen and Enginemen and the Brotherhood of Railroad Trainmen, representing 234,000 members, are absolutely opposed to workmen's compensation, and in their behalf we earnestly request that the bills shall not be passed.

Yours, truly,

Vice President and Representative B. of R. T.

ris, truly.

Vice President and Representative B. of R. T.

J. McNamara.

Vice President and Legislative Representative B. of L. F. & E.

PRISON REFORM.

Mr. ASHURST. Mr. President, I have here a memorial to the Congress of the United States, prepared by Hon. J. J. Sanders, parole clerk of the Arizona State prison. As I said in the Senate once before, Mr. Sanders is preeminently a leader in the work of reforming our prisons. The memorial contains some valuable data, is instructive and interesting. I have a letter from a gentleman at Cambridge, Mass., asking for 25 copies of the memorial, and I have received a letter only this morning from a Mr. H. N. Stokes, of this city, who wishes 12 copies. I have but three copies, hence am unable to supply the demand. Therefore I present the memorial and ask that it be printed as a public document.

The VICE PRESIDENT. The memorial will be referred to

the Committee on Printing for action.

PRESIDENTIAL PRIMARIES.

Mr. CUMMINS. Mr. President, while we are on this order of business I should like to make an inquiry of the chairman of the Committee on Privileges and Elections. More than 18 months ago I introduced a bill establishing a national primary election for the nomination of candidates for President and Vice President of the United States. Very early in the days of the first session of the present Congress I again introduced that bill, and it has been before the Committee on Privileges and Elections, I think, since some time in March or April last. I am very anxious that the bill shall find its way to the floor of the Senate, for I regard it as covering a very important subject.

I should like to know from the committee, or the chairman of the committee, what the probabilities are for a report on the bill, either favorably or adversely. Of course I am not asking what the report probably will be, but I am asking when I may reasonably expect that there will be a report upon the bill.

Mr. KERN. Mr. President, since the recent meeting of the Senate after the holidays the Committee on Privileges and Elections has been engaged in considering two election cases—the one from Maryland and the one from Alabama—which are

pending before the committee. These cases probably will be disposed of by the committee within the next few days, immediately after which the bill referred to by the Senator from Iowa will be taken up and will be disposed of at as early a date as possible. The Senator from Iowa understands the situation prior to the holidays, when the time of the Senate was taken up constantly by the consideration of the banking and currency bill, which is the reason why these other matters were not disposed of. I assure the Senator from Iowa that there is no disposition on the part of the committee to delay the consideration of his bill.

Mr. CUMMINS. Very well. I am glad to know that we are shortly to get it before the Senate in some form.

The VICE PRESIDENT. Morning business is closed. The calendar under Rule VIII is in order.

RAILROADS IN ALASKA.

Mr. CHAMBERLAIN. Mr. President, I trust the Senate will proceed with the consideration of the unfinished business. I wish to say, however, that the Senator from Montana [Mr. Walsh |, who desires to resume the discussion entered upon by him on yesterday, did not expect that the morning business would be finished so soon, and he has to come from his office before we can take the bill up. I have just requested that he be sent for:

The VICE PRESIDENT. The Chair will state to the Senator from Oregon that the bill has not yet been read. If by unani-

mous consent it is laid before the Senate, the bill can be read.

Mr. CHAMBERLAIN. I request that the bill be laid before the Senate.

TEXTILE INDUSTRY IN MANCHESTER, N. H.

Mr. GALLINGER. If the Senator from Oregon will permit me, for the purpose of consuming a few minutes of time, and not for the purpose of exciting discussion in any way, I ask unanimous consent to have read a brief article from the Manchester Union, an independent newspaper, concerning the tex-

tile industry in the city of Manchester.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and the Secretary will read as requested.

The Secretary read as follows:

[From the Manchester Union.]

THE PROPER SPIRIT SHOWN BY MILLS NOT REDUCING WAGES UNDER SHORT-TIME LAWS.

The spirit which has prompted New Hampshire manufacturers—notably the Amoskeag and Stark mills and the Felton Brush Factory, of Manchester, and the cotton mills at Suncook and others—to maintain wages under the new 55-hour law at precisely the same figures which obtained under the 58-hour system, is altogether proper and commendable. It means, of course, that the employees will now receive for 55 hours' work the same pay for which they formerly worked 58 hours. It means more than that, for since time is money, it is one way of allowing the employees an increased share of the profits. There is reason to hope that the workers will appreciate it, and that the effort will be apparent in increased loyalty, if possible, on their part toward the employing corporations; in renewed ambition to produce the best possible results, and in an even better understanding between the employers and their employees. There will be no sacrifice of efficiency. The workers will see to that. Indeed, it is quite possible that at the end of a year the records will show that the production at 58 hours a week has been equal to, if not in excess of, the old production at 58 hours a week.

end of a year the records will show that the production at 55 hours a week has been equal to, if not in excess of, the old production at 58 hours a week.

New Hampshire mills and factories have acted, in this case, with characteristic wisdom. There are as few labor troubles in this State as in any important manufacturing State in the Union. Manchester, as a typical textile and shoe city, has been especially free from such troubles. It is in no disposition of braggadocio, no spirit of exultation over sister cities in other States, that attention is called to the uninterrupted industry here while other manufacturing centers have been subjected to annoyance, to great financial losses, and even to bloodshed in disputes between manufacturers and their operatives. A difference in methods of treatment seems to be a powerful factor in the situation. Whereas, for instance an attempt was made in Massachusetts not long ago to cut the wages in proportion to the reduction of the old wages, New Hampshire corporations have incidentally avoided any occasion for dispute by voluntarily announcing a fair and praiseworthy course of action. It is to be hoped and expected that this course, so happily introduced by Manchester concerns, will be quite generally adopted throughout the State.

RAILROADS IN ALASKA.

The VICE PRESIDENT. The Senator from Oregon [Mr. CHAMBERLAIN] asks unanimous consent that Senate bill 48 be laid before the Senate. Is there any objection? The Chair

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes.

Mr. WALSH. Mr. President, before resuming the thread of my discourse, rather than speech, at the point at which we had arrived when it was broken off by the adjournment on yesterday, I desire to advert to some features of the question before us and then pursue the line of argument I was following.

I regret that the Senator from Iowa [Mr. CUMMINS] is not here this morning, because I have refreshed my recollection from the report of the Alaska Railroad Commission, and I am able this morning to confirm the statement I made to him on yesterday to the effect that the routes proposed and recommended by the commission do not include at all the acquisition of either one of the existing railways which would comprise a part of the system to the seacoast, but contemplate simply effecting some traffic arrangement with either the one or the other, as the one or the other route shall be adopted, leaving the question of the acquisition of those roads by purchase or condemnation, if it shall be found impossible to effect a proper traffic arrangement either by agreement or under compulsion by the Interstate Commerce Commission, for determination at some future time.

I did not, however, state-and that is the matter to which I desire particularly to refer-that the estimate of \$35,000,000 includes about \$6,000,000, the cost of construction of the line, to which I referred, running from Valdez across the Thompson Pass to the Copper River, that line being suggested and advised in case a traffic arrangement should not be made with the Cop-River & Northwestern Railroad; that is to say, the \$35,-000,000 includes the cost of that line, and it is not contemplated that that would be constructed if a satisfactory arrangement could be made.

Mr. SMOOT. Mr. President, do I understand, then, that the Senator's position is that it is best for the Government to make these traffic arrangements; or, in other words, is he opposed to the Government purchasing one of the two roads or building another road entirely separate from the roads already built?

Mr. WALSH. I am not. I was simply giving the report and ecommendations of the commission. The commission exrecommendations of the commission. pressed no view at all in relation to the advisability of acquiring those lines, or either of them, because they said they thought that was outside of the scope of the inquiry which was intrusted to them, their inquiry being confined simply to the matter of roads which would, with such as are there now, permit entry into the interior.

Mr. SMOOT. Then if traffic arrangements are not made with one of the two roads already there it will take more than \$35,000,000 to build a through line from tidewater to Fairbanks?

Mr. WALSH. No; it will not, Mr. President. That is just exactly what I am endeavoring to make entirely clear. \$35,000,000 will be sufficient to construct a line from Valdez across the Thompson Pass to the Copper River, up the Copper River to the divide, and then down the Tanana to Fairbanks, and likewise to build from the present terminus of the Alaska Northern up the Susitna Valley, with a branch to the Matanuska coal fields to the east and a branch to the Kuskokwim on the west; but if a traffic arrangement can be made, and is made, the commission estimates that the cost will be some \$6,000,000 less than the \$35,000,000.

Likewise, the distinguished Senator from Utah [Mr. Smoot], on yesterday or the day before, I do not now recall which, declared-and I recognized the devotion to the public interest with which he did so, and his entire sincerity of purpose-that it was his intention to propose an amendment which would take away from the President the selection of the particular the conroute or routes to be pursued and provide for struction of one railroad, the one route to be defined, as I understood him, by the bill, or at least that the bill should provide for the construction of one line of railroad only. I trust, very sincerely indeed, that idea will not prevail. I know the Senator has given careful consideration to the matter; but let me show you, now, why it ought not to prevail.

I have already pointed out that there are two routes, and only two routes, that seem to be feasible by which to get into the interior; that is, the route up the Copper River-because there is one break in the great chain of mountains-and the route through the Kenai Peninsula and up the Susitna Valley. Either the one or the other of those must be chosen. In the one case the terminus will be at Cordova, on Orca Bay, or at Valdez, near by; in the other case the ter inus will be at Seward, on Resurrection Bay, or possibly, as I suggested yester-day, at some harbor on Prince William Sound, the connection being made across here [indicating on the map] by a tunnel of considerable length through the mountains.

I have given what I think is some careful study to this problem, and I must confess myself to-day entirely unequal to the task of saying which one of these routes ought to be chosen. If I were going to choose upon the basis of what I feel is the insufficient and inadequate information I have about the matter, I should unhesitatingly choose the Alaska Northern route, and then I should construct a short line of railroad from Controller Bay into the Bering field, so as to

make available the two great coal deposits. But that idea, Mr. President, is combated in this report by men who, I feel, know so much more about this subject than I do, and who have been upon the ground and studied the conditions, that I do not feel justified in interposing my judgment upon a proposition of that character against the judgment of these men.

If I were at the head of a private corporation that contemplated entering upon this enterprise, I should, as a matter of course, send my engineers there and have them determine the matter after studying it out carefully, and I should hesitate a long time before I would interpose my judgment in relation to

the selection of a route as against theirs.

Mr. GALLINGER. Mr. President—— The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from New Hampshire?

Mr. WALSH. I yield.

Mr. GALLINGER. Will the Senator state definitely the estimated cost per mile of this railroad? The Senator has done so?
Mr. WALSH. I stated that yesterday. The commission gives

Mr. GALLINGER. I have heard it stated as low as \$35,000. was just looking at the report of the commission, and I see that they put it at \$48,000. Then, I will ask the Senator this added question: If the Government builds a railroad in Alaska, will the Government be expected to equip that railroad?

Mr. WALSH. Two plans are proposed. As a matter of course, if the Government operates, it will be obliged to equip. If it lenses, it will depend upon the terms of the lease. Canada leases simply the completed road. The Grand Trunk & Pacific is leased to that company. Canada built the eastern 1,800 miles and leased it to the Grand Trunk & Pacific, which equipped and That would be a matter of arrangement of the terms of the lease.

Mr. GALLINGER. I assume there is no definite figure given as to the cost of equipping this line of road.

Mr. WALSH. Yes, sir; the commission's report gives that. It gives likewise its estimate as to the cost of operation.

Mr. NORRIS. Mr. President-

Mr. WALSH. I yield to the Senator from Nebraska.

I presume the Senator has given considerable attention to it, and I should like to get the Senator's idea on that very proposition, as to whether, assuming that we are going to build these roads, it would be better to equip them and operate them, or whether it would be better to lease them after they were built.

Mr. WALSH. Mr. President, I have already given my exact frame of mind with respect to that matter. I did not at this time believe that I ought to devote any particular time to the investigation of that subject, it not being necessary, as it seems to me, to be determined at present. So I have no definite con-

viction about the matter.

Mr. NORRIS. If the Senator will permit me, it seems to me that this is a very important matter, and that if we can get the information we ought to determine in this bill whether we are going to just build a railroad or whether we are going to oper-

ate one when it is built.

Mr. WALSH. Mr. President, I will say with respect to that that I scarcely think so. It would seem to me that if you arrange by the bill that the President must lease, we will be at a decided disadvantage in contracting with respect to a lease. The President having the power to lease or operate as he sees fit can bargain with anyone who may desire to lease, saying to them, "If you do not come to these terms, we will just simply equip the road and operate it ourselves." But if you take away from him that power, then he would be at a disadvantage in bargaining. Likewise, if you command that he shall operate the road and take away from him the right to lease, it might be that some one would come forward who would offer favorable terms and conditions for the equipment of the property upon some such plan as that which prevails in connection with the Grand Trunk & Pacific, and we would tie our hands and deny ourselves the opportunity to enjoy the benefits of a lease without any risk to ourselves at all in connection with the operation of the road.

Mr. NORRIS. The question still remains undetermined if we adopt that course whether the National Legislature is in favor of Government operation of a railroad. It seems to me that it is only second in importance to the building of the railroad I do not believe that we ought to put that responsibility on the President. It seems to me that that ought to be determined in the law. The same argument, perhaps not to as full an extent, but at least to a great extent, it strikes me, applies to the operation of a road that applies to the construction of the road to begin with. If in any sense this might be con-

sidered as a Government experiment, then we ought to go, it seems, the length of operating the road as well as building it.

Mr. WALSH. I desire to say with respect to that simply this much: My esteemed friend the Senator from Mississippi [Mr. WILLIAMS] said on yesterday that when he arrived at a state of mind that he was prepared to vote in favor of Government ownership and operation of railroads he would vote for the acquisition and the operation of a railroad from the interior down to the Gulf of Mexico, through a densely populated section of the country. Of course, if the Government built such a road as that it would not lease it. It would build a road like that only, or acquire a road like that only, because the people had arrived at the conclusion that the private management and operation of roads had failed to meet the public demands. Whenever that conclusion is arrived at I fully agree that if we build any railroads not primarily for the development of the country at all, because it is already developed, but primarily for the purpose of engaging in the carrying trade, we are not going to build any railroads and operate them under a lease. If we build them at all, the Government is going to operate them.

But I invite the Senator's attention to the fact that the primary purpose and idea at the foundation of this bill is not that the Government ought to acquire and operate railroads because the transportation facilities have not been handled successfully and to the satisfaction of the people already. It is because they are not there at all. That is the primary idea of this bill, and it does not by any means follow under those circumstances that when the Government builds the railroad there it may not wisely lease it out where it would be free

from any risk of loss in the operation of the plant.

Mr. DU PONT and Mr. CUMMINS addressed the Chair. The VICE PRESIDENT. Does the Senator from Montana yield and to whom?

Mr. WALSH. I yield first to the Senator from Delaware. Mr. DU PONT. I should like to ask the Senator if he remembers how much will be the cost of equipment per mile, as given in the report.

Mr. WALSH. As distinguished from the construction, I

o not. Now, I yield to the Senator from Iowa.

Mr. CUMMINS. Mr. President, there is a great deal of force in the answer just made by the Senator from Montana to the questions propounded by the Senator from Nebraska, but he does not reach the point that perplexes me. We are about to authorize the President to locate a road wherever he pleases, to build as much as he pleases, at such expense as he pleases. That is a very great power, greater than was ever before vested in any officer of the Government of the United States.

I think it is true, as the Senator from Montana says, that there may come a time when it will be wise to lease the road so to be built rather than to operate, but is it not also wise to reserve that power for future exercise? That is, we build the road now and authorize its operation. If in the future Congress shall come to the conclusion that we have a property that it is not necessary the Government shall manage, we then authorize the President to lease it. Is it prudent now to say to the President of the United States or any other officer of the Government that we having built the road, then you can either operate it or lease it? My view is that we ought to authorize the building of a railroad, and until the further action of the Congress it ought to be operated as Government property.

I have not any more doubt of the skill and competency of Government employees to operate the road than I have with regard to their skill and competency in building the road, and I am not willing to repose such vast power in any one man. He can exercise that hereafter just as well, if it shall be

deemed wise to confer it upon him.

Mr. WALSH. Mr. President, my own view about the matter is that for the purpose of bargaining more successfully if it should be deemed advisable to lease, the power to operate ought to be reposed, and likewise I think that the power to lease ought to be granted now so that if an inviting offer to lease should be made it might be accepted.

Mr. JONES and Mr. NORRIS addressed the Chair.

Mr. WALSH. I yield first to the Senator from Washington. Mr. JONES. If the question the Senator from Nebraska desires to ask is in this same connection, I will not interrupt

Mr. WALSH. I yield to the Senator from Nebraska. Mr. NORRIS. Will we not meet with the same problems in Alaska that we have here? The question of regulation, which will immediately arise in case we lease, will present problems more difficult of solution than the questions that arise in this country, where they are closer at hand; and will there not be danger of the manipulation of the road and the charging of rates that would have a tendency, perhaps, to prevent development? As I understand it, one of the objects is to develop the country in agricultural lines as well as in others.

Mr. WALSH. That is the primary object.
Mr. NORRIS. The question of rates will immediately become one of prime importance. If the Government itself is operating the road, it seems to me that that question would be e' minated, because I can hardly conceive but that the Govern-ment in the operation of the road, not looking to profit like an in dividual, would bear in mind always the desirability of the development of the Territory rather than the immediate acquisition of money.

Mr. WALSH. I do not desire to be led at this time into a discussion as to the relative merits of the leasing system as against the operating system, because I do not conceive that it is vital to the bill that the question should be resolved in advance, though I recognize the force of much that has been said by the Senator from Nebraska. I might add, however, a suggestion, the force of which I am sure will appeal to him, coming from the part of the country that he does. It is that these acute questions of rates very rarely arise in connection with a pioneer railroad. For instance, the Copper River & Northwestern Railroad now charges 18 cents a mile for passengers. That is my recollection of it. Perhaps the Alaska Northern charges about the same rate. Of course, if the people there get their rates reduced to 6 cents a mile, the amount which it is contemplated will be charged under the Government-constructed road, it will be a long time before they make any very violent complaint about excessive rates.

And so with reference to freight rates. It is figured that if the road is built from Cordova or from Valdez to Fairbanks the average freight rate will be something like \$26.70. show a little later on, it now costs approximately \$150 a ton to get mining machinery and that kind of thing in there. When a reduction to that extent is made you can readily understand that nobody will be complaining about high transportation rates for some considerable time in the future. If in time substantial grounds for complaint should arise, and it should be found impossible to regulate the rates in the hands of the lessee, we could still have recourse to the power of the Government to operate the roads.

Mr. JONES. It was brought out a moment ago that the average cost of construction would be \$48,000 a mile. I thought possibly there might be a misunderstanding as to what that included. I suppose it is understood that that includes not only the construction but also the equipment of the road, covering

Mr. WALSH. I think so.
Mr. SMOOT. No.
Mr. DU PONT. I do not think so.
Mr. JONES. That is correct. The estimate is found on page 108 of the commission's report. It includes equipment as well as construction charges.

Mr. STERLING. I should like to ask the Senator from Montana if the fact that the Government is a party to the lease and may impose terms and conditions in the lease itself will not be some protection as against any abuse or extortion on the part of the lessee?

Mr. WALSH. Undoubtedly. It can fix maximum rates in the lease.

Mr. STERLING. And might it not provide in the lease that the rates shall be subject to the supervision of the Interstate Commerce Commission?

Mr. WALSH. Undoubtedly so. I think those matters can be taken care of.

THE CHUGACH FOREST RESERVE.

Mr. President, it was not my purpose to devote any attention to a subject of which I shall now speak, but the matter was mooted in some discussion here the other day, and I now feel that perhaps this is an appropriate time and place to dwell a little upon it. There are a large number of reservations in Alaska. As indicated the other day, they are for various purposes and chiefly along the coast. There are naval reserves, there are reserves for docks, there are reserves for various purposes. They are not great in extent, and, so far as my information goes, they are very wisely made. I do not mean to say that that is the case with all of them, but, generally speaking, I commend the making of those reservations. 'The one great reservation, however, concerning which I have yet to hear a word of justification is the Chugach Forest Reserve. It extends from Cook's Inlet on the west through the Prince William Sound country here [indicating on the map], and reaches clear across the Bering River country that has been spoken of. It comprises an area of 11,500,000 acres. It takes in the summits of these high mountains [indicating], whose sides are covered with the everlasting glaciers that are so interesting to the traveler along the

coast. Of course, nobody cares whether this ground that is so covered with glaciers is in a forest reserve or out of a forest reserve. Nobody is particularly concerned whether the summits of these high mountains, that are entirely bare away beyond the timber line, are within a forest reserve or without a

But, Mr. President, the forest reserve includes a large portion of the Kenai Peninsula. The entire western half of that peninsula, I might say, as you see indicated upon the map here [pointing to map], is an agricultural region, and mining and prospecting is carried on throughout the entire section. law under which forest reserves are created reads as follows:

No public forest reservation shall be established except to include and protect the forest within the reservation, or for the purpose of securing favorable conditions of water, and to furnish a continuous supply of timber for the use and necessities of citizens of the United States, but it is not the purpose or intent of these provisions, or of the act providing for such reservation, to authorize the inclusion therein of lands more valuable for the minerals therein or for agricultural purposes than for forestry.

Bear in mind there are three purposes: First, to include and protect the forest within the reservation; second, for the purpose of securing favorable conditions of water; and, third, to furnish a continuous supply of timber; but it is not the purpose, as declared in the law, to include within a forest reserve land more valuable for the mineral therein contained than for the timber.

At a meeting of the American mining congress at Chicago, in the month of October, 1911, Mr. George E. Baldwin, of Valdez, said, concerning this Chugach Forest Reservation, as follows:

said, concerning this Chugach Forest Reservation, as follows:

One of Alaska's needs is the immediate abolition of forest reserves. The recent and present governors of the Territory have in their reports condemned them. I wish to speak for a moment upon the Chugach Reserve, in which I live. This reserve covers thousands of square miles along the southern coast, more than 90 per cent of which is utterly destitute of timber, being barren slopes, glacters, and mountains above timber line. Less than 10 per cent is covered with a scattering growth of spruce, hemlock, and cottonwood of inferior quality, practically all mature and supermature. Not a foot of this timber will ever be exported. In fact, a large part of the lumber used within the limits of this reserve is shipped from Puget Sound. It is only useful for local needs, and should be used by our people without undue restriction. Forest reserves are supposed to be created to provide timber for future generations, to attract rainfalls, to regulate stream flow, to prevent forest fires, and provide Government revenue. Let us take up these propositions in turn.

First, What is the use of preserving timber that is falling down and rotting of old age for future generations?

Second As to rainfall—

Now, bear in mind, Senators, that this forest reserve is on the

Now, bear in mind, Senators, that this forest reserve is on the eastern and southern slope of these mountains.

eastern and southern slope of these mountains.

Second. As to rainfall, the area embraced within the limits of this forest reserve receives a rainfall of from 70 to 120 inches per annum. As over 90 per cent of this reserve is destitute of timber and the treeless Aleutian Islands to the west of us receive more rains than we do, the idea that the cutting of the timber needed by our people will have an effect upon rainfall is utterly absurd.

Third. As to stream flow, our streams largely have their sources in the everlasting glaciers, and would flow bank full for centuries without a drop of precipitation.

Fourth. As to forest fires, there never has been a forest fire in this reserve, and never will be—soaked with rain in summer and covered with snow all winter.

Fifth. As to Government revenue, it has cost the Government two dollars for every one it has collected so far, besides imposing a cost of thousands of dollars upon our citizens in obtaining permits.

And he continues:

And he continues:

We defy the Forest Service to show one single benefit it has conferred upon the people living in this reserve, upon the people who will live in it in the future, or upon the people of the United States generally.

No one has ever accepted that challenge. Why, Mr. President, last year it cost the Government to administer that Chugach Forest Reserve something like \$13,500, and all they got out of the timber that was sold on it was \$2,600. We are at an expense of upward of \$11,000 a year for maintaining that reserve, and no man lives who can assign any valid reason why it should exist or any sound objection to its abolition.

You will understand, Mr. President, that no man can go within a forest reserve and take up a homestead. If he does so, he is a trespasser. He may put in his petition to have a particular tract which he seeks to locate as a homestead set aside and taken out of the forest reserve, and, if he is successful in his application, it will be set aside, and then he may enter it. Suppose a man-and you will bear in mind that the Russians have little settlements all along Cook's Inlet here [indicating on the map], and have been there for a hundred years cultivating their farms and gardens—suppose a man goes in there and finds a piece of ground that he believes he can culti-vate and on it makes a home for himself and for his family. What must he do? Let me just read the course that he must go through. I read from the testimony of Mr. Greeley, an officer of the Forest Service, who was called before the committee as a witness. Mr. WICKERSHAM asked:

Mr. Wickersham. Suppose I went up there and found a piece of land that was sufficiently good in character to make a homestead and wanted

to take up a homestead. What would I have to do under your rules and regulations?

Mr. Greeley. You would submit an application for the land, describing the claim you wished The land would be examined as soon as possible, and if found to be agricultural land and valuable chiefly for agriculture, it would be listed with the Secretary of the Interior and opened to homestead entry, and you would then have a preference right of 60 days in which to file.

Mr. Wickersham. You realize, of course, that takes a long time?

Mr. Greeley. Yes.

and opened to homested to dile.

Mr. Wickersham. You realize, of course, that takes a long time?

Mr. Greeley. Yes.

Mr. Wickersham. A man has to go out first and find the land.

Mr. Greeley. Yes.

Mr. Wickersham. A man has to make a formal application to whom?

Mr. Greeley. To the local officer there.

Mr. Wickersham. Then what happens after he makes that application to the local officer? Where does it go?

Mr. Greeley. If his application is made to the ranger it would go to the supervisor at Ketchikan.

Mr. Wickersham. Eight or nine hundred miles away?

Mr. Greeley. Who would then have the land examined.

Mr. Wickersham. And the supervisor would send some man back there to examine the land?

Mr. Greeley. Yes, or have the local ranger examine it.

Mr. Wickersham. Then where would it go?

Mr. Greeley. Then it goes, with this recommendation, to the district office at Portland.

Mr. Wickersham. Then what happens to it?

Mr. Greeley. Then it comes here.

That is to Washington.

That is to Washington.

Mr. Wickersham. Then what do you do with it?

Mr. Greeley. Here we act, approve or disapprove the recommendation; and if the land is recommended for listing, it is sent to the Department of the Interior for action.

Mr. Wickersham. Then what do they do in the Department of the

Mr. Wickersham. Then what do they do in the Department of the Interior?

Mr. Greeley. In the Department of the Interior they notify the local land office to advertise the land.

Mr. Wickersham. At Juneau?

Mr. Greeley. I think for a period of 30 days.

Mr. Wickersham. To advertise it, to describe it?

Mr. Greeley. To advertise that such and such described tracts of land are open for entry.

Mr. Wickersham. How will you describe it?

Mr. Greeley. Do you mean if it is unsurveyed land?

Mr. Wickersham. Yes.

Mr. Greeley. It is described by metes and bounds and surveyor's plat.

Mr. Wickersham. Yes.
Mr. Greeley. It is described by metes and bounds and surveyor's plat.
Mr. Wickersham. Do you have to have a survey?
Mr. Greeley. We survey it.
Mr. Wickersham. How long does that take?
Mr. Greeley. That is made at the time of the examination.
Senator Jones. At whose expense do you make the survey?
Mr. Greeley. At our expense. You may know, sir, if the applicant wishes to begin residence on that land immediately he may do so under permit from the supervisor. If the supervisor regards it as agricultural land, he may issue a permit immediately to occupy it.
Mr. Wickersham. You can not even occupy it until that permit is issued, can you?
Mr. Wickersham. So all this immense area in southern Alaska is reserved under such conditions that settlers are excluded until they get that permit. Is not that true?
Mr. Greeley. Yes; from occupancy.
Mr. Wickersham. Yes; but they can not settle on it.
Mr. Greeley. There is no difficulty in settling on it.
Mr. Wickersham. Can they go there and lawfully build a home on it until they get that permit?
Mr. Greeley. No, sir.
Mr. Greeley. No, sir.
Mr. Wickersham. Is it not true you have not issued five permits on that reserve?
Mr. Greeley. The Churach?

Mr. Greeley. No. Sr.
Mr. Wickersham. Is it not true you have not issued five permits on that reserve?
Mr. Greeley. The Chugach?
Mr. Wickersham. Yes.
Mr. Wickersham. Is it not true you have not issued 20 in all these reservations in Alaska?
Mr. Greeley. I do not know. Do you know how many applications we had for permits?
Mr. Wickersham. No. I do not imagine you would have many.
Mr. Greeley. Your two questions should go together. Your question should be how many applications we refused or declined.
Mr. Wickersham. Well, how many?
Mr. Greeley. I do not know.
Mr. Wickersham. But it all rests in the hollow of the hand of the supervisor, who can allow the homesteader to go on that land or keep him off, does it not?
Mr. Greeley. The supervisor's action, however, is subject to review by superior officers.

by superior officers.

Air. Wickersham. But now that means litigation in the Land Office

Air. Wickersham. But now that means litigation in the Land Office for years.

Air. Greeley. Not in national forest homesteads. His recommendation, whether it be adverse or favorable, and particularly the adverse recommendations, are reviewed by the district office at Portland in this instance, and by the forester, and, if need be, by the Secretary, and appeal may be made to any of those officers against an adverse finding.

That is the process through which the poor fellow has to go if he desires to take up a homestead in Alaska, and it was shown that a man could not go through these formalities in view of conditions in Alaska; he could not get his application to Washington and get it back in a single year. If perchance there was some error of some kind or other in the application that might be discovered by some eagle-eyed clerk in the office in Washington, it would go back for correction, and the applicant could not get the land within two years.

Mr. SMITH of Arizona. Mr. President, the Cenator's last

statement pretty well covers what I intended to ask himwhether in practical operation it does not result that in any step taken by a proposed homesteader immediate objection

from any one of the list of officers referred to virtually prevents him from making a home there?

Mr. WALSH. Mr. President, exactly the same condition exists with reference to the town-site act. For many years it has been the law that individuals desiring to engage in business in a particular locality could go upon the public domain and thereafter make an application to the Department of the Interior for a patent for a town site; which being issued to a trustee the Government sold at a low cost to each occupant a limited tract of land within such town site. Thus the cities upon the public domain were started and built up. Now, how is it here?

Why, a man goes up one of these creeks emptying into Cook's Inlet here, for instance [indicating on the map], a distance of 20 miles and finds a rich gold property. Immediately a rush, a stampede, occurs, and a great number of people go into that country. Some keen business man reaches the conclusion that at the mouth of that creek on tidewater he can establish a little store for the purpose of supplying prospectors and miners thus attracted. Others assemble about engaging in various industries. The forest ranger is obliged to go there and tell them to get off. If they want to establish a town site there, they must go through the procedure that the prospective homesteader is required to follow. The apparent uselessness of a forest reserve in that locality obtruded itself so strongly on the members of the committee that its secretary was instructed to communicate with the Forestry Service and direct that some representative be sent who could explain why that forest reserve existed, and Mr. Greeley, from whose testimony I have read, is the man who came. These facts being disclosed, Mr. WICKER-

Mr. Wickersham. As the representative of Alaska, I say to the committee that the people in those forest reservations in Alaska have long since learned that it is a question of years to secure any result in the way of action on applications for homesteads, with the probability that they will be refused; it has resulted in keeping many people away from these great forest reservations, and has practically depopulated that part of the country, except in the towns. And as to this particular reservation, the Chugach Forest Reservation, I want to say to this committee and to Mr. Greeley, as the representative of the Forest Service, that it is a shame that such a reservation should be maintained there. It is a fraud upon the people and a fraud upon the forestry reservation, for there is not anything there that is worthy the forestry reservation maintaining it as a forest reservation, and it lowers the Forest Service in the opinion of the people, who really favor proper forest conservation.

Notwithstanding his prayer, the Chugach Forest Reserve re-I addressed a communication to the Forest Service asking what had been done in reference to the matter, and was answered to the effect that they proposed to exclude from the reserve all of that region that is covered by the great glaciers and the tops of the mountains. That is the concession which they are willing to make in the premises!

Mr. SMOOT. Where no human beings live. Mr. WALSH. Where, as I have said, no one cares whether it

is within a forest reserve or without it.

Mr. SMITH of Arizona. They ask for land, and they are given ice.

TRANSPORTATION PROBLEMS-CONTINUED.

Mr. WALSH. Now, Mr. President, I resume the discussion at the point where I discontinued on yesterday. I was en-deavoring to impress the Members of the Senate with some sort of realization of the tremendous power in every department of life in Alaska exercised by the Alaska Syndicate. They own, as I have indicated to you, the Alaska Steamship Co., which dominates, if it does not control, the ocean transportation from Seattle to Alaska ports. They maintain the most intimate kind of relationship with the Northern Navigation Co., which practically controls the river navigation upon the Yukon and its tributaries. They own the Northern Commercial Co., which transacts the great mercantile business at all of the chief stations along the river; they own the Copper River Railroad; they own the Kennicott Mines, and, as I have told you, they have recently acquired the Beatson and Ellamar mines on Prince William Sound. They own the Northern Fisheries, which is the principal company engaged in fisheries in Alaska. They operate dredges in the neighborhood of Dawson.

Let me tell you their general line of activities as they are recited by Mr. WICKERSHAM. He says:

recited by Mr. Wickersham. He says:

Mr. Wickersham, There is another large transportation interest in Alaska which is interlocked with this Morgan syndicate that controls another of the gateways into Alaska, the Yukon River. The Yukon River is just as much the property of the Northern Navigation Co. as your pocketknife is yours under present conditions. The Alaska Commercial Co. was the first of those companies. It was organized about 1870 and took over the fur-seal fisheries on the Pribilof Islands, having the first lease for 20 years. At the time it took over those seals there were about 4,000,000 seals. When it let loose, after 20 years, the herd had dwindled down to a small number in comparison with its original numbers. Out of this Alaska Commercial Co., which is still alive and doing business in Alaska, has been organized other subsidiary companies. The

Northern Navigation Co. does business on the Yukon and controls the transportation on that river. The Northern Commercial Co. does most of the commercial business on the Yukon River, and having its alliance with the Alaska Commercial Co., located in San Francisco, and acting with its other subsidiary, the Northern Navigation Co., in control of the steamers on the Yukon, and owning many large stores, it does practically all the mercantile end of things in the interior of Alaska as well as adding in the control of river transportation. The Alaska Packers' Association is the Fish Trust of the Pacific coast. That also is the Alaska Commercial Co. The Sloss family, Leibes, Fortman, and a few others are members of the Alaska packers' syndicate, as it may be called. They take out of Alaska about one-half of all the fish that are canned in that region. They control transportation on the Yukon River from St. Michael up here to Dawson. Mr. Dickeson, of the White Pass, admitted another fact on the witness stand here the other day on examination which had never been admitted before. He admitted the combination between the White Pass and the Northern Navigation Co. to divide the excessive rate from Skagway to Fairbanks, the common point being Dawson. We have known it for 15 years, but we were unable to prove it, but now it is admitted. Mr. Dickeson admitted that his railroad, the White Pass & Yukon, crossing the mountains from Skagway to White Horse, and thence carrying freight and passengers to Dawson, where they connected with the Northern Commercial Co., or, as it is now known, the Northern Navigation Co., had a contract which he did not put in the record for the division of excessive freight and passenger fares from there down into interior Alaska, and admitted that they had had that contract in force for about 15 years.

Freight can be gotten into the Tanana Valley and the Yukon Valley by two routes. You can either go across to the upper Yukon through the White Pass from Skagway to Lake Bennett and then down the Yukon or you can transport it by ocean to St. Michaels, which is here [indicating on the map], some distance from the mouth of the Yukon. From there it is transshipped from the ocean-going vessels to the river steamers and is carried up the Yukon in that way.

A combination, it was shown, has existed for years between the Yukon & White Pass road, which controls the steamers on the upper courses of the Yukon, and the Alaska Steamship Co. and the Northern Navigation Co., which operates on the other route; so that between the two they are able to fix just such rates as they see fit in that locality. In justice, however, I ought to say that during the past season the harmony that is so expensive to the people of that country has been disturbed, and some considerable competition is said to exist at the present

Now I want to show you what the relation is between this great syndicate and the railroads in Alaska. At the present time they own absolutely, as indicated to you, the Copper River Railroad. How they acquired that will be of the most profound interest to you. That road was started by the Close Bros., of London. The Close Bros. were the principal owners and builders of the White Pass & Yukon Railroad, running from Skagway to Lake Bennett, across here [indicating]. They started to build a road up the Copper River, and, having engaged in that work, they learned that the Alaska Syndicate was running a line of survey paralleling their road, and recognizing at once that they had encountered the danger-ous opposition of those powerful financial interests, they immediately got into camp and sold out to them, taking \$500,000 worth of stock in the Alaska Syndicate, thus pooling their interests. The story is told by Mr. Dickeson, the president of the White Pass & Yukon Railroad. I am sure it would be of interest to those of you who do me the honor to listen to my desultory remarks.

Senator McLean. Have you any interest in common with the Gug-

Senator McLean. Have you any interest in common with the Guggenheims?

Mr. DICKESON. Yes, sir; we have. Frankly, I might say here that, in this talk that I have made against the extension of that line, I am talking against a part of our interests. The interest comes about in this way: The firm of Close Bros. & Co. and a man by the name of M. J. Heney, who built the White Pass & Yukon Road, entered into the original scheme of building the Copper River & Northwestern Railroad. We went down in our pockets and each of us put up 50 per cent of the money to start that project. We got to the 20 mile point and we found that some one was building over the Valdez route—I think it is the Valdez route—and we found that this man was one John Rosene, who is now projecting the Haines route, and we also found that this man was backed by the Morgan-Guggenheim syndicate, and that being true, and our making efforts to raise money in New York to complete the extension of this plan, we did not feel that we were likely to be very successful, and we therefore thought the only other thing to do was to go to England to get the money.

Understand, they immediately reached the conclusion that it was utterly impossible to raise the money in the city of New York to build a line that would be operated in competition with the line which was being constructed by the Alaska Syndicate.

Mr. WICKERSHAM. Why could you not raise the money in New York,

Mr. Wickersham. Why could you not raise the money in New York, in opposition to them?

Mr. Dickeson. I was not with the road then, Mr. Wickersham. We thought the only thing to do—
Senator Jones. If you had been, do you think you could?

Mr. Dickeson. No, sir; I do not believe I could. We thought the only other thing to do was to go to England, and in going to England, the English people, who had or could have raised the money to put up for a railroad project, said that the White Pass & Yukon route had not paid anything, and they said, "Why ask us for money to build another railroad?" So we could not raise the money there. We had considerable difficulty, so we dropped the whole scheme and sold out to

the Morgan-Guggenheim syndicate, which is known as the Alaska Syndicate, and accepted paper for our interests. We sold for the paper.

Mr. Wickersham. Did you not accept an interest rather than paper?
Mr. Dickeson. No; we accepted an interest in the property, which was paper, not a money consideration.

The Chairman. That is stock, is it not?
Mr. Dickeson. Yes, sir. We have recently asked as to the probability of that investment paying anything. To illustrate the point that I am making.—

Senator Jones. How much did you invest in that?

Mr. Dickeson. Around a half million dollars. I am not sure.

Senator Jones. What paper did you get?
Mr. Dickeson. We got shares.

Senator Jones. How much do those shares represent?

Mr. Dickeson. A half million dollars in what is commonly known as the Alaska Syndicate.

So you will see that the owners of the White Pass & Yukon

So you will see that the owners of the White Pass & Yukon Railroad are likewise the owners of \$500,000 of stock in the Alaska Syndicate. That, of course, explains exactly why it is that the White Pass & Yukon, controlling navigation upon the upper courses of the Yukon, is able to enter into a nice, convenient agreement with the Alaska Steamship Co. and the Northern Commercial Co., engaged in supplying the country by means of the other route.

Next comes the Alaska Northern Railroad. Let us see how

they are fixed with respect to that.

The Alaska Northern Railroad was projected and the first 20 miles built by a man by the name of Mr. Ballaine. He built those 20 miles, and, as I told the other day in the course of a colloquy with the Senator from Mississippi [Mr. Wil-LIAMS], declared that his books will show that those 20 miles were constructed at a cost of \$18,000 per mile. I pause, however, to say that undoubtedly it was the least expensive portion of the construction. Having built that distance, and being unable to raise the money necessary to carry on the project further, they sold out to the firm of Frost & Osberne.

Frost & Osborne borrowed large sums of money for continuing the construction of this road and carrying on other railroad enterprises in which they were interested-among others, a trolley line from the city of Chicago to the city of Mil-waukee—from the Sovereign Bank of Canada and pledged with it, among other things, securities of this road, stocks, and bonds. The Sovereign Bank of Canada is known in the country in which it operated as the Morgan Bank. J. P. Morgan & Co. own one-sixth of the stock of the bank. It was on the point of failing, and a receiver for the Alaska Northern was appointed. Under this receiver the road was extended to its present terminus at Kern Creek, a distance of 71 miles from Seward.

The Sovereign Bank of Canada being about to fail, a combination was made among 11 banks of Canada for the purpose of protecting it. They assumed its obligations and took over all of its assets, and those trustees or directors now hold these securities. Of course, as soon as the obligations are paid off the securities will go back to the Sovereign Bank of Canada, of which J. P. Morgan & Co. are, as stated, the owners of an undivided one-sixth interest. You will observe, therefore, that both of these lines are within the control of the Alaska Syndicate or associated interests.

Now, as to the third route:

There is no line from Controller Bay to the Bering coal fields, but there is a projected line, the Controller Bay Railroad. the chief factor in which is Mr. Richard S. Ryan. It is suggested to us, and on evidence which, to say the least, is of a suspicious character, that that is likewise backed and financed by the Morgan-Guggenheim combination, the Alaska Syndicate. It is a matter of no consequence at the present time whether it is or is not, simply because that line does not reach the interior of Alaska. The point I am endeavoring to impress upon you is that in the case of both of these lines by which, when extended, it is possible to reach the interior we find Morgan & Co. and the Guggenheims in the background, if not actually the owners

I desire now to read the story told to us by Mr. Ballaine concerning an effort made by him to extend the Alaska Northern Railroad to the Tanana Valley, to transform it, so far as it had been constructed, from a standard-gauge road into a narrowgauge road and to extend it as a narrow-gauge line, as indicated

on the map here. He says:

on the map here. He says:

After the Canadian owners of the reorganized Alaska Central had taken over the property, I entered into negotiations with J. P. Morgan & Co. to ascertain whether they would back me in a project to build a narrow-gauge railroad, taking over the railroad from Seward, changing it into a narrow gauge, and extending it as a narrow gauge on into the Tanana Valley. I had my negotiations directly with G. W. Perkins. I offered to put up as a basis of security all of my property in Alaska, and all of the stock and bonds in the contemplated company, with a bond issue limited to \$20,000 per mile, they to have a voting trusteeship of all the stock until after the railroad should be completed to the Tanana River, when the bonds might be marketable and I could pay them back. Mr. Perkins agreed to enter into negotiations with the Canadian owners to take over the Alaska Northern with bonds in the proposed new company. Whether he ever did so or not I am not qualified to say. But it was agreed by

Mr. Perkins, in the course of our negotiations, that Morgan & Co. should send out an expert to ascertain the amount of resources along the route from Seward to the Tanana River.

In the summer of 1909 they sent A. N. Grey, the traffic and tonnage expert for Morgan & Co., to make that investigation. In July of that year Mr. Perkins himself went up to Alaska, I met him by appointment at Seward. He was at Seward for several days on the first trip. He then went to the westward, and on his return a week later he was in Seward several days longer. Mr. Grey's investigation and Mr. Perkins's investigations, according to Mr. Perkins's statement to me, resulted in their finding resources along the route from Seward through the Susitna Valley to Tanana River better and more varied than they had expected. Mr. Perkins told me in Seward, and later in Seattle, that he would favor the financing the road on the plans that I had proposed, in the event that he could get the consent of the Guggenheim Bros. to do so, and could make satisfactory arrangements with the Canadian owners for a conversion of their securities into securities of the proposed new company. He explained to me that the Alaskan Syndicate at that time was owned by Morgan & Co., and by the Guggenheim Bros., and that they had an agreement by which the firm of J. P. Morgan & Co. should not engage in any other Alaskan railroad enterprise or mining enterprise without the consent of the Guggenheim Bros. He agreed with me that he should recommend favorably their taking up this plan, not alone on account of its merits, but because the firm of J. P. Morgan & Co. and their friends held one-third of the stock in the Sovereign Bank of Canada, which at that time was going through liquidation.

I think that is a mistake. It should be one-sixth.

I think that is a mistake. It should be one-sixth.

The Sovereign Bank had failed in consequence of the failure of Frost & Osborne. It held nearly all of the bonds of the Alaskan Central Raliroad and nearly all of the stock. It was Mr. Perkins's opinion, as he expressed it to me, that through that arrangement they might be enabled to come out whole in their investments in the Sovereign Bank.

By appointment I met Mr. Perkins in New York about the 20th day of November. 1909, when I expected to close negotiations. He informed me then that the Canadian owners were having difficulty in getting their bondholders to agree to the proposed exchange.

Mr. CHAMBERLAIN. Mr. President-

The PRESIDING OFFICER (Mr. THOMAS in the chair). Does the Senator from Montana yield to the Senator from

Mr. WALSH. Certainly. Mr. CHAMBERLAIN. Just in passing, I desire to say that I am advised by Delegate Wickersham that it was a third instead of a sixth of the stock that the Morgans owned in the Sovereign Bank of Canada.

WALSH. That may be correct. I had assumed from

the testimony that it was one-sixth.

Mr. WALSH. That may be correct. I had assumed from the testimony that it was one-sixth.

Later in the winter, or possibly in the spring, Mr. Perkins told me that the Guggenheim Bros. had refused to give their consent to the plan for Morgan & Co. to take over the financing of this project as a narrow-gauge railroad from Seward through the Sustina Valley to the Tanana on the ground that they regarded the Tanana Valley as their field. Mr. Perkins told me at the same time that Morgan & Co. were not prepared to encourage any railroad building in Alaska until the Government issued patents to coal claims then pending.

I asked Mr. Perkins, "Do I understand from this that if I or any other individual, or any company, should go to some other bank or banker to raise money for building a railroad from Seward through the Susitna Valley to the Tanana I should meet with the opposition of the owners of the Alaskan Syndicate?"

He replied, "We could not allow a railroad to be built through the Susitna Valley into the Tanana. There will be no more railroad building in Alaska until the coal fields are opened."

The ACTING CHARMAN. They might stop us if we tried.

Mr. BALLAINE. I made this same statement within 30 days after that interview with Mr. Perkins to the Senate Committee on Territories, when Senator Beveridge was chairman. Senator Beveridge, Senator Kean, of New Jersey, and Senator Dick, of Ohlo, were present, I asked permission to have my statement taken down officially, so that it might be an official statement, because legislation was then proposed for the guaranty of interest on the bonds of 1,000 miles of railroad which the Alaskan Syndicate was favoring. The committee refused to allow my statement to be taken by a stenographer and published in the official records. Senator Beveridge called Mr. Perkins by phone in New York, I am informed, and told him the substance of my statement. I understand that Mr. Perkins denied to senator Beveridge that he had ever had any negotiations of any kind with me, or even had known m

Mr. Perkins did not attend, although Mr. Ballaine took the precaution to communicate to him the substance of the testimony he had given.

Mr. BORAH. Mr. President-

Mr. WALSH. I yield to the Senator from Idaho.

Mr. BORAH. What reply did Mr. Perkins make to the communication?

Mr. WALSH. He has made none.

Mr. BORAH.

or not. It does disclose that a copy of the testimony thus given by Mr. Ballaine, with the proceedings, was sent by registered mail by Mr. Ballaine himself to Mr. Perkins.

Mr. BORAH. Does the Senator say the record discloses the

fact that a copy of the testimony was sent to Mr. Perkins by

registered mail?

Mr. WALSH. I will turn to the record. Mr. BORAH. The Senator's word is perfectly satisfactory to me.

Mr. WALSH. That is my recollection about it.
Mr. LIPPITT. Yes; that is right.
Mr. BORAH. What was the date on which that was sent?

Can the Senator advise me?

Mr. WALSH. It was shortly after we arrived. I should say it was about the 1st day of May.

Mr. LANE. Of what year?

Mr. WALSH. Of 1913. Mr. BORAH. Has there never been any denial of that statement, upon the part of Mr. Perkins, before the committee?

Mr. WALSH. None so far as I have been advised. There was no denial before the committee; no.

Mr. BORAH. Did the committee seek to subpœna Mr. Perkins?

Mr. WALSH. No further steps were taken.

Now that we have some kind of accurate idea of the matter,

let us see what this means for Alaska.

The distinguished Senator from Oregon [Mr. CHAMBERLAIN] the other day canvassed with you at some considerable length the apparently extortionate rates that are exacted for getting freight into the valleys of the Tanana and the Yukon, either by the St. Michael route, the Alaska Steamship Co., and the Northern Navigation Co., or by the White Pass and Yukon route, the rates being, for the interior points, practically the

Mr. BORAH. Before the Senator leaves the subject he has just been discussing and takes up this other subject I should like to ask him a question. In listening to the reading of the testimony given before the committee it is a little difficult to catch its full import. I should like to ask the Senator what were the effect, the scope, and the jurisdiction of that combination concerning which he has just been reading the testimony, and what did it effectuate with reference to stopping the de-

velopment of that Territory?

Mr. WALSH. This is what it did, Mr. President: Morgan & Co. and the Guggenheims absolutely refused to enter into any agreement which contemplated the financing of the road. They already had their arrangement through the Alaska Syndicate, by which they had this field through either means of entry—the Yukon and White Pass or the St. Michaels route. They were satisfied with that arrangement. They id not want to build another line of transportation into the same territory; and if it was to be constructed at all I assume they desired that it should be constructed in connection with their Copper River & Northwestern Railroad.

Mr. BORAH. It seems that it was an active living, thriving monopoly, trying to get hold of all the resources.

Mr. WALSH. That is the natural supposition.

Mr. LIPPITT. Mr. President—

Mr. WALSH. Pardon me for a moment, and then I will yield to the Senator. Of course their action in this matter is to be considered in connection, you will understand, with the fact that at that very time they were endeavoring to get control of the Bering coal fields through the Cunningham claims and were endeavoring to get control of the Matanuska field through the Frost & Osborne claim.

Now I yield to the Senator from Rhode Island.

Mr. LIPPITT. The inference the Senator from Idaho [Mr. BORAH] drew, although I have not listened to the whole of this controversy, seems to me somewhat far-fetched. As I understand it, I think it would have been almost against public policy for the same people who were building one approach to Fairbanks to also engage in paralleling their own line by the only other feasible route that there was through Alaska. I understand the present state of the public mind on such questions, it is not considered proper for the same people to parallel themselves as to both avenues of approach, especially when those two avenues of approach are the only avenues of ap-

Mr. BORAH. I did not understand that Morgan & Co. and Guggenheim & Co. consulted the public interest. My under-

standing was that they consulted one another.

Mr. BORAH. Did he get it?

Mr. WALSH. The record does not disclose whether the secretary of the committee communicated with Mr. Perkins might not have been in; but it would seem to me like a rather

strong assumption that because a group of gentlemen do not care to go ahead and parallel their own line therefore they are attempting to throttle all the business of a great territory. I only say that in fairness to the situation as it appeals to me.

Mr. BORAH. I think, Mr. President, there is no danger of saying anything here that is unfair to that situation if the facts are as disclosed by the record. The English language would fail, perhaps, in that particular. But it appears that those two combines consulted one another solely with reference to their interests, as to whether or not they should do thus and so; that they had to see each other and act together; and that when one concluded it was against the interest of the other they did not act; that they were not consulting the public intests; that they were not consulting the development of Alaska Territory, but they were saying, "This shall not be done until we have accomplished certain things with reference to our present condition," to wit, the gathering up of the coal fields of

Mr. LIPPITT. I do not read the record in that way. I listened to the testimony all along and I have read it all over carefully since. All I can see in it is that a group of gentlemen had undertaken to develop certain property in Alaska and build a railroad up to a certain point, and they naturally made an agreement with each other, as any two people going into a partnership to undertake a specific thing would, that they would act in common. I think if the Senator and I went to work to build a railroad anywhere we would probably agree with each other that we would not-

Mr. BORAH. I would be sure to agree with the Senator,

because he would have the money.

Mr. LIPPITT. I do not know about that. I might start with it.

Mr. CHAMBERLAIN and Mr. CUMMINS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Montana yield, and to whom?

Mr. LIPPITT. If I may be allowed to finish my statement, as long as I have gotten into this affair—
The PRESIDING OFFICER. There are four Senators now

claiming recognition.

Mr. WALSH. I ask that the Senator from Rhode Island

may be permitted to continue his statement. The PRESIDING OFFICER. The Senator from Rhode Island will proceed.

Mr. LIPPITT. The Senator from Montana is kind enough to yield to me for just a minute. I simply want to finish what I was saying. In hearing that testimony and in listening to it again now all that impresses me about it is that people entering into a partnership with each other to do a certain piece of work had made a mutual agreement with each other that they would not do anything in conflict with the interest of one another without consultation. I should think it was a most common and ordinary and necessary arrangement. Certainly, if I were entering into a partnership to go into the development of a new country with a man, I would want to know that he was not going to cut my throat the next minute by building a competing line. That is all I see in this record. It may be exaggerated into some extraordinary attempt to throttle the interests of Alaska; there may be something behind this that has not come to my notice; but all there is in this record, so far as I can see it, is that these gentlemen were almost the only men who have gone into Alaska and really spent money and accomplished something there, and they are being found fault with because they have not built railroads all over Alaska.

Mr. CUMMINS. I desire to ask the Senator from Rhode

Island a question.

Mr. WALSH. Before the Senator from Rhode Island quits the floor, I desire to remark that I fear he has overlooked the very gravest portion of this testimony. It is not that they did not desire that one of the partners should parallel the line owned by the association; it is that they proposed to see that no one else did so, the testimony being

Mr. LIPPITT. Now

Mr. WALSH. Excuse me. The testimony of Mr. Ballaine,

on page 37, being as follows:

I asked Mr. Perkins: "Do I understand from this that if I or any other individual, or any company, should go to some other bank or banker to raise money for building a railroad from Seward through the Susitna Valley to the Tanana I should meet with the opposition of the owners of the Alaskan Syndicate?"

He replied: "We could not allow a railroad to be built through the Susitna Valley into the Tanana. There will be no more railroad building in Alaska until the coal fields are opened,"

Now, I yield to the Senator.

Mr. LIPPITT. I noticed that language, too; and I expect if we had the testimony of the other side perhaps that language would be very strongly modified.

Mr. WALSH. I dare say. Mr. LIPPITT. In the first place, Mr. Morgan, great as was his power, does not own, and never did, all the resources of United States. It also appears in that testimony that the gentlemen who now own that line have testified-Mr. Jemmett testified, Mr. Patrick testified—that they were ready to build the line; that they could finance the line, and would have built that line if the coal fields had not been shut up.

Mr. WALSH. I am just passing to that.

Mr. LIPPITT. I simply wanted to bring that in so as to show in contradiction that whatever Mr. Perkins may have said, it was not within his power to have prevented the construction of that line, so far as the simple reason of finance

Mr. WALSH. Now, I yield to the Senator from Idaho. Mr. BORAH. Does the Senator from Rhode Island think that anyone who had gone in there, separate and independent from the Guggenheim interest and the Morgan interest, would have been able to raise any considerable amount of money in New York to build that line?

Mr. LIPPITT. It would depend entirely upon their credibility, their capacity, and the confidence they inspired. I think there would have been plenty of people to have gone into Alaska and helped the development there long ago if it had not been for what seems to me like the utterly indefensible action of the Government in shutting up the resources of Alaska. To answer that question definitely I will say, yes; I believe that if people of proper responsibility, of proper character, such as would have inspired confidence anywhere, had wanted to go and build a line of railroads from Seward or some other place they would have been very apt to find capital in New York. and if not in New York in other places. As a matter of fact, some of this capital was subscribed from English sources.

I am not one of those who believe that Mr. Morgan controls the entire finances of the world, and I do not believe he ties up all the resources of America, or ever did. I can not see the propriety of attempting to influence the construction of railroads by the Government in Alaska on the argument that nobody else can do it, because there is plenty of testimony right in the very volume from which the Senator from Montana has been reading which shows that there are several independent groups of people who are ready to construct railroads in Alaska at any moment after the shackles are broken that prevent the development of her resources. I was only bringing this up because I did not like that view to be incorporated in this dis-

Mr. BORAH. I will take the time of the Senator from Montana for only a moment to say that those of us who live in the West have regretted perhaps as much as anyone the tying up of the resources of Alaska and tying up the resources of the West, but such records as this disclose why it was done. It was the least of two evils. They had either to be tied up or turned over to some one, and if that record is to be believed we have the proof that it was going on as far as Alaska was concerned.

Mr. LIPPITT. Mr. President—
The PRESIDING OFFICER. Does the Senator from Montana yield further to the Senator from Rhode Island?

Mr. WALSH. I yield. Mr. LIPPITT. Mr. President, I think I will not go ahead. The Senator from Montana is making his own speech.

Mr. WALSH. Mr. President, I am not going to take much

time of the Senate in going over the matter of the apparently extortionate rates that are thus exacted by this combination that controls the transportation facilities of Alaska as they exist to-day. I am more particularly concerned in inviting your attention, however, to the freight rates upon heavy machinery, such as mining machinery, that is so much needed in the Fairbanks country. I avowed some time ago that the hope of that country, the hope of its future development, lies in the development of the quartz lodes and the introduction of placer mining by means of dredges. Both those methods of operation contemplate the use of very ponderous machinery.

The Senator from Oregon [Mr. Chamberlain] called your

attention to the rates from Seattle to Fairbanks, as shown in the schedule on file with the Interstate Commerce Commission. The general rate from Seattle or Tacoma or from San Francisco by direct sailing to Fairbanks is \$60 per ton. In addition, however, to that \$60 per ton single pieces or packages of

machinery, boilers, or other freight-

Weighing 2,000 pounds and under 4,000 pounds to flat rate

Weighing 4,000 pounds and under 6,000 pounds to flat rate add \$9 per ton.

Weighing 6,000 pounds and under 8,000 pounds to flat rate add \$13.50 per ton.

Weighing 8,000 pounds and under 10,000 pounds to flat rate add \$18 per ton.

Weighing 10,000 pounds and under 12,000 pounds to flat rate

add \$22.50 per ton.
Weighing 12,000 pounds and under 14,000 pounds to flat rate

add \$27 per ton.
Weighing 14,000 pounds and under 16,000 pounds to flat rate add \$31.50 per ton.

Single pieces or packages of machinery, boilers, or other freight

Weighing 10,000 pounds and under 18,000 pounds to flat rate add \$36 per ton.

Weighing 18,000 pounds and under 20,000 pounds to flat rate add \$40.50 per ton.

Weighing 20,000 pounds and under 22,000 pounds to flat rate add \$45 per ton.

Weighing 22,000 pounds and under 24,000 pounds to flat rate add \$49.50 per ton.

Weighing 24,000 pounds and under 26,000 pounds to flat rate and \$54 per ton.

Weighing 26,000 pounds and under 28,000 pounds to flat rate add \$58.50 per ton.

Weighing 28,000 pounds and under 30,000 pounds to flat rate add \$63 per ton.

Weighing 30,000 pounds— Mr. LIPPITT. Will the Senator state from whose testimony he is reading now?

Mr. WALSH. I am reading from the testimony of Judge WICKERSHAM, the item of evidence being a copy of the schedule of rates filed with the Interstate Commerce Commission.

Weighing 30,000 pounds and under 32,000 pounds to flat rate ndd \$67.50 per ton.

Weighing 32,000 pounds and under 34,000 pounds to flat rate add \$72 per ton.

Weighing 34,000 pounds and under 36,000 pounds to flat rate

add \$76.50 per ton.
Weighing 36,000 pounds and under 38,000 pounds to flat rate add \$81 per ton.

Weighing 38,000 pounds and under 40,000 pounds to flat rate add \$85.50 per ton. Add \$60 to that and you have \$145.50 a ton on freight of this ponderous character from Seattle to Fairbanks.

Let me add, before I pass, that Dr. Brooks testifies that after a careful investigation he has become satisfied that one-third of the value of all the gold which comes out of the Seward Peninsula goes to pay for transportation, and that practically one-half of the value of everything that is produced in the Tanana Valley is consumed in the cost of transportation. So if that great, rich country is producing \$10,000,000 in gold per year, it costs one-half of that, \$5,000,000, in order to get into that country the freight that is necessary to enable its people to sustain life and to carry on their enterprises

Some efforts have been made to break this monopoly. Humboldt Steamship Co. is an independent steamship company that plies up and down the coast. It was very anxious to get the advantage of the through freight rates which are made by the Yukon & White Pass Bailroad to the Alaska Steamship Co.
Through rates are made from Seattle by the Alaska Steamship Co. It enjoys advantages at the wharf at Skagway through a company which apparently controls the wharves.

The Humboldt Steamship Co. wanted to get the advantage of exactly the same rates, the through rates, and they were refused. The Yukon & White Pass would make to them or to shippers routing freight by the steamers of that company only local rates from Skagway. They instituted proceedings before the Interstate Commerce Commission, which held that it had no jurisdiction. The Court of Commerce affirmed this decision, and an appeal was then taken to the Supreme Court of the United States, which reversed it, holding that the Interstate Commerce Commission had the power to establish through rates that would be available to the Humboldt Co., as well as to the favored lines. But before that result was reached an indictment was found against these various interests. charging them with having entered into a combination in restraint of trade in violation of the Sherman antitrust law.

then afterwards as given in a letter from the United States attorney. The Supreme Court in its opinion says:

The charges of the indictment may be even further concentrated and attention directed to these elements.

I may say that for some reason or other a demurrer to the indictment was sustained and the case came before the Supreme Court of the United States in that way.

The case is the United States of America, plaintiff in error, v. Pacific & Arctic Railway & Navigation Co., Pacific Coast Steamship Co., Alaska Steamship Co., Canadian Pacific Railway Co., et al. The Pacific & Arctic Co. mentioned is the Canadian extension of the White Pass & Yukon, represented by Close Bros., of London. The Alaska Steamship Co. is the Alaska Syndicate steamship company connected with the Copper River Railroad-

The defendant steamship lines and the Humboldt and independent lines from the United States to Skagway, the wharf at Skagway, and the railroad from Skagway to the Yukon River points. The only possibility of competition is in the water part of this router

That is to say, there is water competition in this other way That is to say, there is water competition in this other way—
This controlled, the entire transportation is controlled; and to this
control the action of the defendants was directed, the means of control
being an agreement between the defendants to throw all the trade into
the hands of the defendant steamship companies by the railroad company establishing through route and joint rates with them and refusing
to do so with the Humboldt Co. or any of the independent companies.
The Wharves Co. gave its assent by its wharfage charges, and all
evasion was prevented by so fixing the local rates that their combination was greater than the through rate agreed on. It is manifest that
the scheme was effective and cut out the Humboldt Line and the independent lines as factors in the routes of transportation between the
United States and the Yukon River Points. Is the scheme illegal?

The court held that it was

The court held that it was.

Before those who sought redress had arrived at that point, however, the United States attorney charged with the enforcement of the Federal laws in that locality addressed a letter to the Attorney General, from which I shall read. Referring to the fact that the demurrer to the indictments had been sustained, and that it would be necessary to go to the Supreme Court, he says:

fact that the demurrer to the indictments had been sustained, and that it would be necessary to go to the Supreme Court, he Says:

From a cursory examination of the subject I am of the impression that an action would lie, and the existence of the corporation, as far as Alaska is concerned, could be forfeited by decree of court. As there is no statute covering the subject as to what, in case of forfeitere of a local franchise, would become of the property of the corporation, I would assume that the rule of the common law would obtain, I. e., the real property would revert to the grantors or donors thereof, which in this case would be the Government, and its personal property escheat to the Crown, which in this case would also be the Government, modified. however, by the more recent decisions that the property is subject to the indebtedness of the corporation. This remedy, if applicable, may seem a harsh one, but in the case of the railroad and the North Pacific Wharves & Trading Co. it seems to me to be well earned. They have for years defied the public and challenged the anthorities.

It will be recalled that as to the charges set out in littons had run against the offense, but even at this date it would not be difficult to prove all the material allegations both of No. \$35–B and No. \$37–B.

Not only has the railroad formed and exercised a trust and completely monopolized transportation between Lynn Canal and the Yukon, but if has acted in a most scandalous manner toward those who have undertaken to dispute its absolute dominion in the territory tributary to it. Continuously, until four years ago, it carried on a rebate system which made and unmade merchants in the interior of Alaska and Yukon district, and—at Skagway at least—boycotts were declared by this company upon independent business men who presumed to question the supreme authority of the railroad, either in politics or in business, and employees of the road were ordered not to patronize such boycotted merchants or other business men under proporation

want to read the facts on that phase of the controversy as they are recited in the opinion of the Supreme Court first, and fluence eyen in these sacred precincts here in Washington. I

want to read in this connection a little testimony given by Mr. Wickersham, Delegate from Alaska. He says, on page 633:

Mr. Wickersham, Delegate from Alaska. He says, on page 633:

Mr. Wickersham, I come now to the Alaska Northern Railway from
Seward. There is very little I can say about that, except this: Mr.
Stephen Birch was on the witness stand in this committee room on the
18th day of February, 1910. He was asked about the Alaska Northern
Railroad, and I want to call your attention to his answer. He was
asked the question by Mr. Steele, the attorney for Mr. Guggenheim—
Mr. Steele representing Mr. Guggenheim on one side of the table and
Mr. Birch representing Mr. Guggenheim on the other side of the table—
and when I asked permission to cross-examine them I was denied the
right to do it. So they told whatever they pleased and got away with
it. I think this committee is not continuing that system. In that
examination, after some letters had gone in, Mr. Steele was reminded
of something and said:
"Oh, yes; I quite forgot that, Has the Alaska Syndicate any interest of any kind in the Alaska Central Railway or in the road known
as the White Pass route?
"Mr. Birch. None whatever."

And that statement has stood from that time until Mr. Jemmett
stood before this committee and told the truth about it. I knew what
the truth was all the time, and so did many other people, but, we
could not prove it, just as we can not prove many things which we
do not dare assert here; but when Mr. Birch sat there and said "None
whatever" he knew the firm of J. P. Morgan & Co. owned one-sixth of
the Sovereign Bank of Canada, which owned the whole of this Alaska
Northern estate. The truth about this Alaska
Central is that the
J. P. Morgan bank in Canada, which owned the whole of this Alaska
Northern estate. The truth about this Alaska
Central is that the
J. P. Morgan bank in Canada, the only J. P. Morgan bank in Canada,
put up this money, and the J. P. Morgan bank to day owns the whole
of the Alaska Northern.

Senator Jones, You stated on that point you were not permitted to

Senator Jones. You stated on that point you were not permitted to cross-examine these people before the committee. There have been a good many changes, of course from the Territorial Committee. Who was the chalrman of the committee at that time?

Mr. WICKERSHAM. Senator Beveridge.

The CHAIRMAN Have you a reference to the proceedings?

Mr. WICKERSHAM. Yes, sir.

Senator Nelson. My recollection is, Judge WICKERSHAM, I was not present at that hearing. I have no recollection of it. No; I was not present.

Senator Nelson, My recollection is, Judge Wickersham, I was not present at that hearing. I have no recollection of it. No; I was not present.

Senator Walsh, I should like to have you put it in here fully. I was under the impression you were sent down here for that purpose. Mr. Wickersham, I now quote from page 152 of the statements before the Committee on Territories of the United States Senate on the bill (S. 5436) to create a legislative council in the District of Alaska, etc., as follows.

The Chairman, What year was that?

Mr. Wickersham. That was in 1910. [Reading:]

"The committee (at 1.15 o'clock p. m.) went into executive session to consider the request of Delegate Wickersham, of Alaska, to cross-examine Mr. Birch and Mr. Steele. At the conclusion of the executive session Mr. Wickersham was informed that the committee had decided to limit cross-examination of the witnesses to members of the committee, but that if Mr. Wickersham desired to submit any questions in writing to the committee the committee would recall the witnesses and the questions would be put by the committee."

Senator Walsh. Who was present at that hearing?

Mr. Wickersham. I do not remember.

Senator Walsh. Does the record show?

Mr. Wickersham. Senator Beveridge was present.

Senator Walsh. Does the record show?

Mr. Wickersham. It probably does; but they were coming and going so all the time, and my recollection of that matter is, Senator, that nobody was present in that office when this information was conveyed to me except Senator Beveridge and me. That is my remembrance of it, although I made application when a larger number of members were present.

Senator Chamberlain. I do not think that rule was ever invoked since I have been a member of the committee.

Mr. Wickersham That was the rule which was invoked against me there. I was roasted from stem to stern and had to sit there and hear Guggenheim attorneys on one side examine Guggenheim attorneys on the other side about matters I was delegated to look after, and I was not permit

was not permitted to open my mouth.

Senator Citamberlans. I want to say I was not a member of the committee when Senator Deveriges was chairman.

Mr. Wickersham. No; I understand that.

Senator Nelson. I want to say I was a member of the committee, but I was not present on those occasions.

Mr. President, this Alaska Syndicate, as suggested by the esteemed Senator from Rhode Island [Mr. Lipptit], will be very glad to build this railroad into the Tanana Valley. There is not the slightest doubt in the world about it. We have the testimony here in the record that they are perfectly willing to do so; that is to say, that their associates, the Close Bros. In the story of the structure of the Stephenson of the Sovereign Bank, and is himself of the structure of the Stephenson of the Sovereign Bank, and is himself on the structure of the Stephenson of the Sovereign Bank, and is himself on the structure of the Stephenson of the Sovereign Bank, and is himself on the structure of the Stephenson of the Sovereign Bank, and is himself on the structure of the Stephenson of the Sovereign Bank, and is himself on the structure of the Stephenson of the Stephenson of the Sovereign Bank, and is himself on the structure of the Stephenson of the Stephenson

knows a lot about your line and I think he would like to know some more about it. Have you any objection to my giving him some information?" I said, "No; none whatever." I had met Mr. Close. I had shaken hands with him once in a committee meeting. That is ali I knew of him except I knew he and his friends owned that line.

Now, bear in mind Mr. Close is the owner of \$500,000 of stock of the Alaska Syndicate.

I think it was probably a month afterwards I was asked to come to the city and meet Mr. Close. His partner, and also Mr. Dickeson, were there present at that interview. I said there was no use attempting to build at present in Alaska, that there was no coal, that we could not get any coal in Alaska, and that nobody was building in Alaska until there was coal. Then we got on to the Navy question. I said: "The President can, by a stroke of a pen, create a Navy reserve in the Matanuska coal field."

Mr. President, I pause here to remark that it has always been known that the Bering River coal field is very much more broken up than the Matanuska coal field, and the expectation has always been that the naval supply would come from the Matanuska field, which has not yet been tested for Navy pur-

Matanuska field, which has not yet been tested for Navy purposes.

I sald: "The President can, by a stroke of a pen, create a Navy reserve in the Matanuska coal field. Now, I have reason to believe the Navy wants that coal, and they are as anxlous as we are to get that railroad in there in order to get that coal delivered to them for use. I think it might be possible to get action on that point." That interested Mr. Close, and we went on talking. Finally Close Bros. came to the conclusion that it would be perfectly feasible, in advance of general opening of coal, to build from mile 72 into Matanuska—that we would build here, mile 72, up to Matanuska, and also from mile 146 over to the Susitna River, which I estimated was about another 53 miles; that that could be profitably and economically done, with no basis at present, except the hauling of the Navy coal and the allowing us to use coal from the Navy land to run our own locomotives. If we could have got that, they said we had a perfectly good proposition, even if the rest of the coal in Alaska stayed closed up. We had a talk about it then, and later they wrote me a letter, merely saying that if some satisfactory arrangement could be made with the Navy they were quite clear the money could be found to build to Matanuska and to Susitna. The money can be raised now on that alone. If the Government opens up those Navy reserves, if they decide that Matanuska coal is the coal they want, and they take it in Resurrection Bay, then, if that is done, as far as Matanuska and Susitna are concerned, we can build there anyway, and you can keep the rest of the coal in Alaska locked up.

Mr. Dickeson was in the discussion once, and I think we had one or two additional talks. We did not get down to figures, but we discussed it a good deal at length. Never at any time during that discussion did the question come up that we were not going to Fairbanks.

Senator Jones. Did you discuss how this Navy coal would be gotten out; how it would be mined?

Mr. Jemmerr. It would be mined

Mr. Wickersham. You had some considerable talk and correspondence with them, did you?

Mr. Jemmett. I saw the Secretary of the Navy two or three times, and I talked with Mr. Padgett chairman House Naval Committee. We went into that pretty thoroughly.

Senator Jones. As I understand you, you think now that if your people could make a contract with the naval authorities under which you could take out over your road 300,000 or 400,000 tons of coal a year at Matanuska, that you would at once build into the Matanuska field, and possibly on to the Susitian?

Mr. Jemmett. We would at once build to Matanuska and most certainly on to Susitina River, provided we could be accorded the right to use coal for our own use.

Senator Jones. That is, ou would like that right free, or would you pay?

Alaska pretty well. He has been interested up there for a good many years. I do not think that he would really make the argument seriously which Mr. Dickeson made to you here a day or two ago, that because they have 18 or 20 miles here somewhere running through American territory, which they had to use as the first link in a chain which gives Dawson and the Yukon territory communication, and then, incidentally, goes on beyond Dawson and delivers freight in Fairbanks. His argument, apparently, is, because he is giving Fairbanks a traffic of sorts—

Mr. Wickersham. Because he intends to do it. He has not yet

11

Mr. Wickersham. Because he intends to do it. He has not yet done it.

Mr. Jemmett. Because he intends, this summer, to give Fairbanks a traffic of sorts, therefore the Government is not directly or indirectly to help anybody else. Mr. Close would not come here and give you that argument. I think they have something which can be said. If they get their boats in this summer they will be giving Fairbanks this competitive route for three months a year. They have a little consideration to be shown them on that account. They are welcome in Fairbanks. Even Judge Wickersham will not say they will not be glad to have them in Fairbanks.

Mr. Wickersham. No; I did all I could to get them there.

Mr. Jemmett. That would be better than nothing; but to say that, because of that, you gentlemen are not to help build railroads to Fairbanks would be absurd, and there is nothing more to be said about it. And, furthermore, in the discussion I had with Mr. Close, it was perfectly clear that, no matter to what extent they might become financially interested, the control of the railway would remain with us. There was no suggestion, even on their part, that the control should be given to them. In view of what Mr. Dickeson said, I do not think it is likely we shall ever do anything with them, but if we do, be perfectly certain we will control that railroad, so they can not say it shall not go into Fairbanks. But at no time during the discussion did they ever say we would not go into Fairbanks. That was never taken into consideration. Senator Jones I suppose you have your idea, now, as to where you can get the money to build into the Matanuska and Susitna districts if you could make the arrangement with the Naval Department?

Mr. Jemmett. Yes, sir.

Senator Jones Are those sources independent of the Close people?

Mr. Jemmett. Oh, yes; I have not the least doubt we can get it elsewhere. But, as I say, the interview with them was not of my seeking.

elsewhere. seeking.

seeking.

Senator Jones. But you have in mind now other sources you think you could get the money from?

Mr. Jemmett. Oh, yes; and I should like to say right here that if we can not do it somebody else will. It is not a question of our being able to do it. There is \$5,000,000 worth of railroad already constructed. It has got to build into Maianuska and has got to build up to Sustina, and, having that \$5,000,000 worth of completed railroad, if some one can not find the money to finish it then it should never be finished by the Government or by anybody else.

Mr. Precident I confess that I do not look with any decree.

Mr. President, I confess that I do not look with any degree of satisfaction, or even with complacency, upon the construc-tion of a railroad into the interior of Alaska that shall be controlled by this great interest that now exercises such an overwhelmingly powerful influence in every department of life in Alaska. We have been making a somewhat heroic struggle in the State of Montana to free our political life from the influence of a gigantic financial organization which, like that which faces us at every turn in Alaska, has its center in the

city of New York.

Mr. President, suppose a private individual were the owner of Alaska, that it was his private property, that he owned all of its great wealth of agricultural and mineral resources, all the gold, the copper, and the coal that is there, do you imagine he would feel delighted at the prospect of the Alaska Syndicate building a road into the interior if he was desirous of making a disposition of his vast estate in such a way as would best subserve the interests of humanity? I should say not. If he could command the means to do it, Mr. President, he would want to build that road himself; he would want to keep it under his

CONCLUSION.

The railroad commission believes that the road they recommend to run from Cordova to Fairbanks can be operated without loss. It is not to be operated primarily for profit. The benefit accruing to the United States will not lie in the revenues which it may derive from the operation of any railroad which it may construct. It is reasonable to expect that it will be advantaged in having increased revenues derived from added customs duties and from internal-revenue taxes that will be paid by the people who shall be attracted to that region when it has adequate transportation facilities. But the great and chief value, the great inducement to the construction of this great work, is that it will open new markets for our wares markets, Mr. President, that will absorb limitless quantities of our manufactures, because they will supply a people who, in view of the great natural wealth of the country they are developing, will be amply able to buy.

Mr. President, I listened with a great deal of interest during the tariff debate to a distinguished Senator who dilated upon the decline of agriculture in the Eastern and Middle States consequent upon the opening to tillage of the great, rich, fertile regions of the West. But was the opening of the West in the nature of a misfortune to the East or to the older States? By It enriched them beyond the dreams of avarice; it absorbed their manufactures with such an insistent and ever increasing demand that their people abandoned their farms and took up their residence in the city, where they sought employ-

ment in the mills and factories. It afforded to them a remunerative field for their surplus capital; it poured into the channels of trade gold and silver; and it made copper, lead, zinc, so useful in the arts, common commodities. Mr. President, Alaska will likewise repay with equal bounty, with equal liberality, any sum that we may spend now in the construction of great trunk lines for the purpose of developing her territory. We can afford to lose for a series of years on the investment and still be gainers.

Mr. President, consider our neighbor upon the north, Canada. With a population of scarcely 8,000,000, what has she done? She has granted 56,000,000 acres of land for the construction of railroads within her territory; she has subsidized them to the extent of \$205,000,000, and guaranteed bonds to the extent of \$250,000,000 more. There is just being completed through that vast territory the third great transcontinental line, with its western terminus at Prince Rupert on the Pacific and its eastern end reaching the Bay of Fundy. The entire eastern half of that road, 1,800 miles, has been constructed by the Dominion of Canada. It leases that road, as was said some time ago, to the Grand Trunk Pacific, which pays nothing at all to the Government for a period of seven years, and after that simply pays the interest upon the bonds that were issued to provide the money for the construction of the road, it furnishing the equipment.

Mr. President, there is not a pioneer country in the world that has not been developed and that is not now being developed by railroads constructed by the government. All the African roads are government constructed. England adheres religiously at home to the principle of private ownership of railroad corporations, but in her territories and colonies, which she is seeking to develop, she does not hesitate, as witness the great Cape-to-Cairo Railroad, herself to engage in the construc-

tion of railroads.

So, Mr. President, all our own great pioneer transcontinental roads were aided by the Government; all of them got land grants. In addition to that we gave a subsidy in the shape of a loan to the Union Pacific and to the Central Pacific roads amounting to \$55,000,000. Many people thought at the time that it would never be paid back, but every dollar of it was returned. It would have been infinitely wiser, Mr. President, if the Government had loaned its credit to those roads instead of making to them these grants of land. The system of extending aid by grants of land never ought to have been resorted to and never will be returned to. It may have been more advisable at the time to loan the money to the Union Pacific than for the Government to have undertaken to construct the road, but under conditions which exist to-day with the facilities at the command of the Government and the men at the command of the Government, and considering the conditions which exist in Alaska, the policy of loaning the credit of the Government or guaranteeing the bonds of a private corporation for the purpose of constructing railroads there would be intolerable and indefensible and ought not to be resorted to. The only alternative is for the Nation to go ahead and construct the necessary lines of railroad.

APPENDIX.

APPENDIX.

Col. Goethals's reports of his Panama Canal work contain facts and figures the Interstate Commerce Commission might well bring to the attention and consideration of the railroad presidents of the United States who have said that if not allowed the increase of freight rates they consider necessary, the Government will have to take over and operate at least some of the railroads. In 1910, Louis D. Brandels, representing the commercial organizations of the Atlantic seaboard, convinced the Interstate Commerce Commission that no increase of freight rates was necessary, because the railroads could save nearly a million dollars a day by introducing scientific management into many lines of work pertaining to maintenance and operation. To-day, when the railroads are again asking for an increase of freight rates and opposition is made to any Government ownership of railroads in Alaska, the Interstate Commerce Commission may put before the railroads of the country Col. Goethals's reports showing that the War Department through the Canal Commission has been operating the hundreds of standard American locomotives and the thousands of cars necessary for Panama Canal construction purposes at maintenance and operation charges that not only compare most favorably with the lowest costs for similar service on the most efficiently operated railroads in the United States but which, in some details of these costs, are so below the amounts expended for similar purposes by railroads in the United States as to make the train service of the Panama Canal a practical proof what economies railroads can accomplish. These figures in the Commerce Commission reports will be of the more value to the Interstate Commerce Commission reports will be of the more value to the Interstate Commerce Commission reports will be of the more value to the Interstate Commerce Commission figures showing that while some railroads maintain their locomotives at an annual average charge of \$3,832, and others at

\$2,709, the Pittsburgh & Lake Erie accomplished the maintenance of its locomotives, that were heavy power, for something like \$1,500. This figure was stated to the Interstate Commerce Commission to be "one of the lowest records in the United States." During 1910 the total cost of annual upkeep of the canal locomotives was about \$2,400. "One reason for this difference"—above the cost in the United States, Col. Goethals's 1910 report explains—"is the fact that the average wages of good American mechanics on the Isthmus are over 50 per cent greater than the pay of mechanics in the United States."

Although this report of Col. Goethals for 1910 makes no mention of it, attention may well be given to the fact the Canal Commission locomotives had to be maintained in shops that were most temporary as compared with shops in the United States, and that three-fourths of the daily service of these locomotives was performed upon construction tracks, lightly ballasted. Keeping these details in mind, the official explanation how the canal locomotives were maintained at the annual cost so comparatively little above the low cost record of the Pittsburgh & Lake Erie, as it appears in Col. Goethals's Report for 1910, page 230, reads more like quotations from the testimony of the experts in sclentific management, when telling the Interstate Commerce Commission what the rallroads could do, than like statements of accomplished fact in a Government document.

"In line with this policy (reducing the cost of locomotive mainte-

explanation how the canal lecomotives were maintained at the annual cost as comparatively little above the low cost record of the Pirisburgh reads more like quotations from the testimony of the experts in scientific management, when telling the Interstate Commerce Commission what the railroads could do, than like statements of accomplished fact "In line with this pulcy (reducing the cost of lecomotive maintenance and operation) two traveling engineers were appointed to instruct engineers, furemen, and hostlers in all divisions in regard to the proper operation of locomotives and economy in the use of fuel and the proper operation of locomotives and economy in the use of fuel and economy in the constitution of the proper operation of locomotives and economy in the use of fuel and economy in the constitution of the proper operation there is not all the proper operation to the proper operation the constitution of the proper operation operation

is on a daily allowance, and comparative sheets are compiled monthly and posted in every office, engine house, and yard office. The cost per service day for lubricating Canal Commission locomotives during the year was 8.3 cents. as compared with 11 cents, during the previous year, showing a reduction of about 25 per cent."

In the matter of economising in the repair of freight cars, it was shown before the Interstate Commerce Commission in 1910 that the actual average railroad costs run from \$45 on some roads to ever \$100 on others. During 1910 the total cost of repairs to cars of all classes in Col. Goethals's train service for the first six months was an average of \$1.03 per car per working day. During the fiscal year 1911 the repair costs for all classes of the Government canal cars was reduced to \$6 cents per car per working day. While it may be said that these figures do not seem to afford any comparison either as to cost or class of cars, but a little consideration will show that even with the higher cost the canal repair car costs show equal if not greater economical management. "Loading and unloading cars containing less than carload lots," Mr. Brandels, speaking for the eastern shippers, told the Interstate Commerce Commission. "presents perhaps the most burdensome expense of rairoading. Nearly everywhere on American railroads the methods of loading and unloading pursued are substantially the same as those used in the days of the Pharaobs."—all hand labor. The great majority of the cars in the Phanama Canal service are loaded by powerful steam shovels, whose engineers are more than glad to such the same showled the substantial of the previous set for unloading the variation of two inches to tear away the whole side of a car and, inevitably, frequently do.

When these powerful mechanical means for loading and unloading the variation of two inches to tear away the whole side of a car and, inevitably, frequently do.

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"Departments and divisions reported 6 cases of unsatisfactory work and 16 cases of slow delivery on the part of the mechanical division during the year. One of the six complaints covered defective work done prior to the establishing of the inspection system. This record requires no comment."

prior to the establishing of the inspection system. This record requires no comment."

The Government management of the Panama Railroad has been many times criticized and condemned because of what are high freight and passenger rates and expensive construction work on the newly relocated roadbed for the railroad around Gatun Lake and between there and Pedro Miguel. While there is doubtless some plausible pretext for statements to be made on these subjects, it would seem more fair to judge the measure of credit to be given to the railroad service under Col. Goethal's direction and control by consideration of the results achieved by the whole train service on the Canal Zone rather than by the operations of the Panama Railroad, which is only, as it were, a small part of this service. The Official Hailway Guide of the United States in its issue of June, 1913, shows that of the 1,270 railway systems on the North American Continent, 998, or 78 per cent of the total, have less than 130 miles of track. On the Canal Zone, in addition to the 50 miles of the Panama Railroad, there are over 200 miles of railroad tracks. These have been in daily service for the last seven years by the 200 or more heavy standard American locomotives and thousands of cars necessary for the transportation of earth and rock from the Culebra Cut and the canal. Eminent civil engineers and railroad men are unanimous in the opinion that the excavation of the Panama Canal and the transportation of the

a great railroad transportation problem. This was the task of the train service operated by Col. Goethals.

In the present application for an increase of freight rates the railroads are making much of the great increase in the amount of business offered, compelling vast expenditures for new equipment. The contention is undoubtedly true, but more scientific operations for loading and unloading cars would enable each car to be used more frequently. When the original railroad equipment was ordered for the canal construction service, it was estimated that there would be about 90,000,000 cubic yards of earth and rock to be transported by train service. That would mean about 162,000,000 tons. At the close of the fiscal year 1913 the total quantity of earth and rock carried by the Government-owned canal train service from the central division amounted to about 205,411,200 tons. When it is remembered that, notwithstanding this increased tonnage, the original equipment not only did the work but accomplished it with a very appreciable decrease of car-repair costs, it is believed that the Interstate Commerce Commission is now not only justified but warranted in ignoring the railroads' threats of Government ownership and, with the records of Col. Goethals's train service before it, calling upon the railroads to prove what corresponding economies they have effected.

Hamilton Foley.

HAMILTON FOLEY.

Mr. BORAH. Mr. President, I do not propose to enter upon an extended discussion as to the feasibility or advisability of building the proposed railroad in Alaska. I should feel that I was trespassing upon the time of the Senate to do so after the thorough presentation of the matter by the Senator from Oregon [Mr. CHAMBERLAIN] and the Senator from Montana [Mr. They have covered the subject so fully and with such minuteness of detail as to information, backed up with most ample logic as to the necessity of action, that I should not venture to review the ground, even if I had prepared myself to do so, which I have not. I rise for another purpose, and shall only most briefly refer to Alaska.

Mr. President, there is, as we find the situation now, but one way by which to open up the resources of the Alaskan Territory to the use of the people generally; and that way, in my judgment, is for the Government itself to enter upon the field of exploitation—not only, in my mind, to build the railroad, but the Government will have to go further before its work shall have been finished and develop and operate the coal mines. This may seem a radical assertion, but assuming that our ultimate object is to get cheaper coal out of that region, that is

what we will have to do.

Alaska has been tied up for a number of years through Executive orders, as has a great portion of other sections of the West, and the reason why it has been thus tied up has been very vividly presented to us this afternoon. I have been one of those who have felt that we have been unduly slow in relieving the situation from those "tie-ups," if I may so call them, but there seems to be no doubt about the necessity of having acted along that line in the beginning. So thoroughly have the resources of Alaska been locked up, however, that capital has ceased to be interested in the development of the Territory, and it would be many years, even if the situation were relieved in that respect, before capital would go there to develop the country along lines upon which we could afford to have it go there and develop it. The only alternative is that the railroads be constructed by the Government itself. It is not material as to what we think about railroad building by the Government in general. Whether we favor that policy and feel that we are approaching it more nearly year by year, or whether we are opposed to it, we have here a condition and not a theory; and, to my mind, it can only be met by the Government acting in this particular in this way. The fact that it may or may not become a precedent is not worth while at this time to discuss.

As I have said, we will in the end, Mr. President, have to go further, because we have no business in Alaska as a Government exploiter unless, as the result of our being there, the resources of that great region are brought to the people in a more beneficial way and at a lower cost to them, as they are to enjoy them from time to time. If it be oil or if it be coal, there must be some recompense in the lowering of the price in order to justify us going there at all. If, in other words, the construction of this railroad will mean no more than a greater advantage to those who will go in to exploit the Territory, under lease or otherwise, and will not mean a lower price for coal and a more convenient use of and lower price for other articles, there is no justification for our going there at all.

To my mind the construction of the railroad, while a most important step, is only one step which we must take before we shall have done our full duty in the development of that region. I do not want a railroad which connects up with the coal fields and the seaport alone, but I want a railroad which connects up in a beneficial way with the coal bins of the inhabitants of the Pacific coast. I want to bring the results home directly to the people of that portion of our country and indirectly to all, or I can find no justification for the Government going there

in the capacity of a railroad builder.

Here I pause long enough to say, Mr. President, that I shall take the first opportunity I have to vote for an amendment to this measure which shall strike out the clause with reference to the privilege of leasing the road. I will do so, in the first place, because I do not favor a provision which establishes a prece dent with reference to leasing. I am quite aware that I differ with many of my friends from the West with reference to the virtue of the leasing policy; but my convictions are such that I at least entertain no doubt as to what the result of that system would be.

It is clear to my mind that if we lease the proposed road, assuming that there must be some compensation flowing to the Government from the lessee and some compensation flowing to the lessee from the shippers, by the time the benefits have reached the consumer there will be no advantage in the way of lowering the price or in the use of these natural resources

at all. The lessees must make something; they must have a compensation; they must realize; the lessor must realize; and the entire amount, whatever the realization is to one or to the other and to both combined, must finally be visited upon those who shall pay the price for the use of the coal and the other natural resources of that Territory. If we are going to secure anything in the way of relief in the price of coal to the consumers of coal upon the Pacific seaboard and the adjoining and adjacent territory, we shall have to take another step, so far as the Government is concerned, and ourselves exploit and develop the coal fields. It would be, Mr. President, very little advantage to have a Government railroad in Alaska hauling out coal the price of which was controlled by the same syndicates that originally undertook to control, as disclosed by the evidence presented this afternoon, although there might be leases instead of titles. There are not so many virtues accompanying the leasing system as its advocates seem to suppose.

It is said that the leasing system will enable us to do away with monopoly or the controlling of prices, and that through the leasing system we can enforce competition. Well, Mr. President, if we do that, if we succeed in that, we will be the first people who ever succeeded under the leasing system in accomplishing that thing. I may be wanting in my information, but I have undertaken to acquaint myself with the experience of other countries under the leasing systems of those several coun-While the leasing system has been made to work successfully in a limited degree as a mere business proposition between the Government and the lessee, while the Government has been able to realize a revenue, and as a revenue-producing proposition it has been a success, yet as to lowering the price to the consumer, I have my first information to acquire as to where that ever has been accomplished. The ultimate consumer has received no benefit under the leasing system of any country the statistics of which it has been my privilege to examine; and, as I have already said, if the benefit is not to go to the ultimate consumer, there is no reason why the Territory should be exploited by the Government. I would just as soon pay \$8.50 a ton for coal to Mr. Guggenheim as to pay \$8.50 a ton for coal to some one else. If it does not reach me for a lower price, I am not particularly concerned whether he is operating under a lease or whether he owns the ground. I only throw this out, however, Mr. President, as a suggestion, because, of course, that is a step for the future. It is not provided in this bill, and it it not expected that it shall be provided in this bill, and it is no argument against the bill that it does not provide for it, because, as I have said, this is a step in the right direction, and, while an important one, we should not delude ourselves with the idea that it is the final one. I do not stop, therefore, to discuss at length the leasing system, its tendency to foster corruption, favoritism, the gutting and wasting of the mines, and its utter failure to bring relief to the consumer.

I want to call attention, Mr. President, to the views of a gentleman who formerly resided in my State, Hon. Joseph H. Hutchinson, who is very familiar with the Territory of Alaska. He has operated mines in Idaho, Nevada, California, and Alaska. and, I have no doubt, is as familiar with the natural resources of Alaska and its possibilities as anyone whose views we could have before us. I read first a paragraph, rather historic but interesting. In this statement he says:

In Volunteer Park, at Seattle, facing to the west, is found a monu-ent to William Henry Seward. At the top of the base are these

words:

"Let us make the treaty to-night."—William Henry Seward,
"Patriot and statesman; as governor of New York, United States
Senator, and Secretary of State, gave to the people of this country a
long and useful life, culminating in his purchase for them of the Territory of Alaska on March 30, 1867, in commemoration of which the
citizens of Seattle have set up this monument, in the year of our Lord

citizens of Seattle have set up this monument, in the year of our Lord 1909."

And history tells us that Edward De Stoeckl and William Henry Seward were playing whist that night, and that they broke up this \$500,000,000 whist game when Seward said, "Baron, let us make the treaty to-night."

The first paragraph of the treaty concerning the cession of Russia's possession of North America reads: "The United States of America and His Majesty the Emperor of All the Russias, being desirous of strengthening, if possible, the good understanding which exists between them, have for that purpose appointed as their plenipotentiaries the President of the United States; William H. Seward, Secretary of State; and His Majesty the Emperor of All the Russias; the privy counselor, Edward De Stoeckl, his envoy extraordinary and minister plenipotentiary to the United States. Concluded March 30, 1867."

Ratified by the United States May 28, 1867. Ratifications exchanged June 20, 1867. Proclaimed by the United States June 20, 1867. The organic act creating the Territory of Alaska approved August 24, 1812.

The year "1812" is evidently a misprint. As is well known, Mr. Seward was severely criticized for concluding this treaty,

Mr. Seward was severely criticized for concluding this treaty, and was even charged with corruption, with having received a large sum of money for foisting upon the Government of the United States an unexplored and unknown and uninviting Territory. We have been tardy in recognition of the worth of Alaska, but we are coming to its recognition.

Under the head of "Profits to date from Seward's whist

game," Mr. Hutchinson makes the following statement:

The following statistics are from official Senate Document No. 882, wealth produced in Alaska from 1867 to 1911, since which time, 1914, the wealth is easily over \$500,000,000: Production :

Minerals—	
Gold	\$195, 916, 520
Silver	1, 500, 441
Copper	8, 237, 594
Gypsam	547, 345
Marble	185, 443
Tin	88, 062
Coal	338, 189
Sea and fur products—	
Fur-seal skins	51, 835, 143
Aquatic furs, except seals	12, 496, 063
Furs of land animals	8, 350, 290
Walrus products	368, 053
Whalebone	1, 707, 410
Fishery products	147, 953, 077
Total	429, 523, 630

Reading further from the statement of Mr. Hutchinson it is

said:

If the increased output of gold is responsible for high cost of living, the prices are going higher and wages higher, because the gold output from low-grade quartz mines in Alaska is going to increase. This gold output is going to be greater than the placer output of gold from Dawson to Nome. We will not burden this article with the evidences of mineral conditions in central Alaska or the interior of Alaska, nor the wealth referred to in President Wilson's message as Alaska's storehouse. But for one illustration only, referring to the low-grade proposition at tidewater of one town, at Juneau; what Butte was to copper, Juneau will probably be to gold. One company there has just about completed a plant costing \$5,000,000 before turning a wheel. Students who read this story can take an imaginary mountain 2,500 feet high, run a 2½-mile tunnel through it, upraise in the center to the surface and cross-cut from the center, each way from the bore of the tunnel, 250 feet. Reduce this to cubic feet and then to tons. Then inagine that a company had tested for many years the product. Then go to the mouth of the Sheep Creek Tunnel, below Silver Bow Basin, Alaska. See the slate ores coming out that look like waste, and sample them and you will see that it will yield over \$2 per ton in gold, and that science is going to extract this gold for a cost of \$1 per ton, mining and milling.

I read this with some degree of confidence, for the reason,

I read this with some degree of confidence, for the reason, as I have stated, of the very extended experience of the writer

In this field of activity:

In Utah the genius of two American citizens are removing 50 per cent as much ground daily as the Panama Canal, and within five years three companies in Gastineux Channel, Alaska, will be handling, exclusive of the Treadwell and Mexican, over 50,000 tons per day, producing \$1 per ton profit.

Mr. F. W. Bradley, one of the most conservative and best mining engineers in the West, in an article in Mining and Scientific Press, December 1, 1913, says that the Alaska Juneau mine alone, with 4 mill units, will have a capacity of 12,000 tons per day, and that it is expected that the operations will continue for 100 years. This being true, then there must be 400,000,000 tons of ore blocked out in this one mine. Now, then, with the United States Government opening a railroad to the fields in central Alaska, the people can look for interest in gold mines greater than that since the discovery of gold in South Africa.

Mr. President these are not the feed of the second of the second of the second of the second of the discovery of gold in South Africa.

Mr. President, those are not the imaginary statements of uninformed men who might be interested in inducing people to go They are the statements of such men as Mr. into Alaska. Hutchinson and Mr. Bradley, both of them recognized authorities in the mining world, and men of high character, and they have disclosed facts, with reference to one proposition in that field of immeasurable wealth, sufficient to justify the Government in the enterprise which we are now discussing. Forty millions or fifty millions or one hundred millions upon the part of the Government, if it shall reap the benefits which we believe it will, and inure to the benefit of the people as we believe it will, would be but a small expenditure compared with the wealth of this small piece of territory within the vast field of wealth which we now term the Territory of Alaska.

Mr. Hutchinson goes on to state why Alaska wants Government railroads. I shall not read that portion of it, but ask to have it inserted in the RECORD without reading.

The PRESIDING OFFICER (Mr. PITTMAN in the chair). Without objection, it will be inserted in the RECORD.

The matter referred to is as follows:

WHY ALASKA WANTS GOVERNMENT RAILROADS,

WHY ALASKA WANTS GOVERNMENT RAILROADS,

The Government roads will give you coal to smelt the tin; give you coke; give you reasonable rates for your machinery into the mine and for your product out. Can you ship your coal out with a private-owned railroad? This question can best be answered by asking another one. Supposing the reader of this story had a coal mine to-day right on the railroad between Omaha and Ogden; what would you do with it? Compete with the coal from the railroad-owned mines of Rock Springs and Kemerer coal mines? Every well-posted person knows that there is not an individual coal producer to-day capable of doing it. And not only the people of Alaska, but we believe that the Representatives in both Houses of Congress at Washington representing the people of the United States believe that if Alexander III on March I7, 1891, could by imperial rescript appropriate \$400,000,000 to build 4,000 miles of railroad to the Pacific, that this Government, now that the Panama Canal is completed, can and will appropriate \$40,000,000

to open up the wealth of Alaska to its people, and will appropriate the money before many months.

Mr. BORAH. Mr. President, as I said, I did not rise to discuss the Alaskan proposition primarily. I only wanted to say this in justification of the vote I intend to cast. This is a conservation measure. It is for the purpose of opening up and developing the wealth of the western country. To my mind, anything which is calculated to develop the resources of the

West generally is germane to the question we have before us.
Mr. CHAMBERLAIN. Mr. President, may I interrupt the Senator for a moment?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Oregon?

Mr. BORAH. I yield.

Mr. CHAMBERLAIN. If the United States in times past had pursued with reference to railroad construction the policy that is now suggested with reference to Alaska, does not the Senator think it would have been very much more beneficial to the people of the country and would have developed the country as rapidly as it has been developed under the past land-grant

Mr. BORAH. I should be inclined to agree with the inference the Senator suggests by his question. Of course, it is very difficult to look forward 50 years and judge what it is to do according to the conditions which that 50 years shall develop. Yet I do not hesitate to say that as we look around and see the realization of what we now know to be true, with reference to this country, if the Government had been able to construct a transcontinental line from the Atlantic to the Pacific it would have been a successful proposition upon the part of the Government.

I am going to offer an amendment to this bill which I hope will be accepted. I ask that the amendment may be read.

The VICE PRESIDENT. Is there any objection? Chair hears none, and the Secretary will read as requested.

The Secretary. On page 13, after line 12, it is proposed to

The Secretary. On page 13, after line 12, it is proposed to insert:

That to enable the Secretary of the Interior to initiate, construct, and complete Government reclamation projects the Secretary of the Treasury is authorized, upon request of the Secretary of the Interior, to transfer from time to time to the credit of the reclamation fund created by an act entitled "An act appropriating; the receipts from the sale and disposal of public lands in certain States and Territories to the construction of irrigation works for the reclamation of arid lands," aproved June 17, 1902, such sum or sums, not exceeding in the aggregate (in addition to the amount provided for in the act passed and approved June 17, 1902, such sum or sums, not exceeding in the aggregate (in addition to the amount provided for in the act passed and approved June 17, 1902, such sum or sums, not exceeding in the aggregate (in addition to the amount provided for in the act passed and approved June 17, 1902, such sum or sums, not exceeding in the aggregate (in addition to the amount provided for in the act passed and approved June 17, 1902, such such extensions thereof as he may deem proper and necessary to initiate, construct, and complete the said reclamation projects, and such extensions thereof as he may deem proper and necessary to the successful and profitable operation and maintenance thereof or to protect water rights pertaining thereto claimed by the United States, and such sum or sums as may be required to comply with the foregoing authority are hereby appropriated, out of any money in the Treasury not otherwise appropriated; Provided, That the sums hereby authorized to be transferred to the reclamation fund shall be so transferred only as such sums shall be actually needed to meet payments for work performed under existing law: And provided further, That all sums so transferred shall be reimbursed to the Treasury with funds for such additional advances to the reclamation fund, the Secretary of the United States, in such form as he may p

appropriated, to pay the expense of preparing, advertising, the same.

SEC, 3. That, beginning five years after the date of the first advance to the reclamation fund under this act, 10 per cent of the annual receipts of the reclamation fund shall be paid into the general fund of the Treasury of the United States until payment so made shall equal the aggregate amount of advances made by the Treasury to said reclamation fund, together with interest paid on the certificates of indebtedness issued under this act and any expense incident to preparing, advertising, and issuing the same.

SEC, 4. That all money placed to the credit of the reclamation fund in pursuance of this act shall be devoted exclusively to the completion of work on reclamation projects recommended by the Secretary of the Interior and approved by the direct order of the President of the United States.

SEC, 5. That this act is not intended as a repeal of any part of the act of June 25, 1910, being "An act to authorize advances to the reclamation fund, and for the issue and disposal of certificates of indebtedness in reimbursement therefor, and for other purposes."

Mr. BORAH. Mr. President, this amendment would not be offered if I felt that it would imperil the bill which is now being urged. I do not think it will or should. It establishes no new precedent. Some three or four years ago we passed an act in precisely the same language-at least, substantially so, and I think entirely so-providing for the advance of the sum of \$20,000,000. That has been entirely successful. This amendment has been pending as a bill before the Congress for some five or six months. It has been considered by the Committee on Irrigation and Reclamation of Arid Lands, but has not been passed upon, although I think I am perfectly safe in saying that the committee is practically unanimous in its support. In addition to that, the Secretary of the Interior has earnestly indorsed the proposition so far as the principle is concerned. This particular measure has not received his indorsement, but he has stated in his report that the Government could use not only \$50,000,000 but \$100,000,000 with entire success in the reclamation of the arid lands of the West.

Mr. GALLINGER. Mr. President-

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from New Hampshire?

Mr. BORAH. I do.

Mr. GALLINGER. The Senator suggests that this will not, as I recall his language, establish a bad precedent in that it is not without precedent.

It is not without precedent. Mr. BORAH.

Mr. GALLINGER. I will ask the Senator if it is not rather without precedent to incorporate an amendment relating to the irrigation projects now under way in a bill providing for building a railroad in the Territory of Alaska?

Mr. BORAH. The Senator was absent, I believe, a few moments ago when I stated that this amendment is germane to the bill for the reason that the entire subject is one of the conservation and development of the natural resources of the West. It relates to the subject matter. It is no different function to build a canal than to build a railroad when both are to

develop the Government's property.

Mr. GALLINGER. It would be in the line of conservation if the Government should appropriate \$50,000,000 to remove the rocks from the farms of the States of New England, and thus

give relief to our poor farmers.

Mr. BORAH. It would not be worth while to start with fifty millions. [Laughter.]

Mr. GALLINGER. If we could not get fifty millions, we would take a smaller or a larger amount if we could get it. The proposed amendment is anything but germane to the bill; and the Senator's advocacy of the bill now under consideration will be very seriously endangered if he seeks in this way to take \$50,000,000 from the Treasury of the United States to complete the irrigation projects now under way or to start new That is my opinion.

Mr. SMITH of Arizona. I should like to suggest, if the Senator will permit me, that it might become relevant by letting the title of the bill be changed so as to read "and for other

purposes.'

Mr. GALLINGER. That would necessarily follow.

Mr. BORAH. I do not understand that there is any rule in this body by which amendments to a measure of this kind are ruled out for the reason that they are not germane. Anything is germane on this kind of a bill which a Senator's ingenuity or patriotism may suggest and which he has the good fortune to secure enough votes to carry.

Mr. GALLINGER. The Senator is right about that; but the suggestion that attracted my attention was that it was not without precedent. I believe it is not. I believe there was once a land law attached to a private pension bill, but it was most

remarkable legislation.

Mr. BORAH. And perhaps the land law was the better of

Mr. GALLINGER. I think likely so.

Mr. BORAH. That is the way I feel about this matter. Mr. GALLINGER. It certainly took more money from the

Treasury than the private pension bill did.

Mr. BORAH. This does not take any money from the Treasury, in a sense. It simply loans the credit of the Government to the reclamation of these lands which the Government owns. They are utterly worthless as they are. They belong to the Government, but they are of no benefit to the Government nor to its citizens. The Government has established the policy of redeeming these lands itself. If they were open to exploitation in such a way that capital, by massing itself, could go in and

reclaim them, or if they were private lands such as the lands in New Hampshire, no one would suggest, of course, that the Government should enter upon the proposition of developing

The Government is doing this work, however. It is now engaged in the work. It is a part of its policy. The only question here for determination is whether or not we shall do it, as the Secretary of the Interior says, upon such broad lines as to be most efficient and serviceable, or whether we shall do it piecemeal, from time to time, and in a way which is most

expensive to the Government.

Another fact which must be borne in mind is that under the law as it now exists every dollar of this money is to be returned to the Government. No acre of the land which will be redeemed is of less value than twice or three times the amount of money which will be expended upon it. I do not see how it can be said to be anything like the proposition the Senator from New Hampshire suggested, because this is the Government's property, and it ought to do something with it to make it habitable for mankind.

Mr. GALLINGER. If the Senator will permit me-

Mr. BORAH. Certainly.
Mr. GALLINGER. I gave my cordial support to the original irrigation bill. I believe I acted wisely in that matter. I afterwards voted for an appropriation of \$20,000,000 to continue the work, but I then thought no further appropriation would be asked for. I now wish to ask the Senator, in good faith, because I have not looked up the facts, whether that amount of \$20,-000,000 has been expended up to the present time, or what portion of it has been expended?

Mr. BORAH. The amount of \$20,000,000 has not been lit-

erally expended, but it has been distributed, in the sense that reclamation projects have been selected and estimates made as to the completion of particular projects; and, as I understand, the amount has been distributed so that there is no portion subject to use for any other projects than those to which it has

now been distributed.

Mr. GALLINGER. I will further ask the Senator, entirely for information, how rapidly or to what extent is the money that we have expended up to the present time being reimbursed

to the Government?

Mr. BORAH. I could not give the Senator figures as to the rate of repayment, nor as to the proportion of the amount expended which has been repaid. I wish to say, in all frankness, that it has been paid back very slowly. That is due, however, to the fact that these are raw, crude lands when the settlers go upon them, and they are supposed to be settled by people who have very limited means, and they must necessarily secure their money out of the lands themselves by cultivation, the raising of crops, and so forth. Therefore, taking into consideration the fact that in the first place it takes years to put the water upon the land, and in the second place that it takes a long time after the water is put upon the lands before it can be applied to the growth of crops and made productive in cultivation, it has been impossible to secure the return of the money with the rapidity with which in the first instance people anticipated it would be returned.

I wish to say, however, that the title to the land upon which this money has been expended is in the Government; the value of the land is all the way from three times to ten times what it was when the Government put the water there; and if the settlers should move off to-day, and the Government should put these lands into the market and sell them to new settlers at their actual value, it would have from three to ten times the

amount of money it has put into the lands.

Mr. GALLINGER. But the Senator does not seriously apprehend that the Government will ever foreclose on those lands? Mr. BORAH. No; the Government never will foreclose upon those lands, because they are settled up by a class of people who have at all times signified their willingness and their intention to make payments; and while I would not say they are making them rapidly in the ordinary sense, considering their means they are making them very rapidly.

Mr. GALLINGER. I have been watching the course of legis-

lation for a long time, and my impression is that instead of the Government foreclosing on those lands we are more likely to be met in the near future with a bill to exempt the settlers from the payment of that money to the Government. not come; but, if it should, I suppose the Government would survive even if it should pass that kind of a bill.

and I am not quite sure that the Senator's proposition of appropriating fifty millions may not appeal to me when I come to vote on the matter. I simply wanted a little information; that was all.

Mr. BORAH. I am very glad the Senator interrupted me, because I am satisfied he is coming my way very rapidly.

Mr. CLARK of Wyoming. Will the Senator permit me to

interrupt him for just a moment?

Mr. BORAH. Certainly.

Mr. CLARK of Wyoming. I desire to say to the Senator from New Hampshire that there has been some solicitude at the slowness with which payments have been made upon the lands under the Government irrigation projects; but I think in most if not all the cases that has been due to the delay in the completion of the projects. The engineers, in making their estimates, were almost universally at fault as to the time when the settlers would receive water on the lands, and the projects were thrown open for settlement under those conditions before they ought to have been thrown open.

The consequence has been not only a delay in the payments, but hardship and bankruptcy on the part of very many men who went on supposing that the water would be supplied at the

time at which it was advertised to be supplied.

I have not any question that any man who went in to make a homestead under one of these projects, if the water is supplied according to the terms of the contract upon which he entered,

will make his payments on time and in full.

Mr. BORAH. The Senator from New Hampshire suggests that within the due course of time there will likely be a bill introduced here to relieve the settlers of the West from the payment of these sums. The settlers never have suggested that, so far as I know, but I am very frank to say that I should support that kind of a bill without any hesitancy, and do so upon principles and precedents running all through our legislation.

Mr. STERLING. Mr. President-

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from South Dakota?

Mr. BORAH. In just a moment. Here is this land, as I said a few moments ago, which belongs to the Government and is absolutely worthless. stands now, it is simply a desert. The Government could not enter upon any enterprise more calculated to serve the entire people of the United States than to bring into cultivation millions of acres of desert land and make it productive for the gen-

eral supply of farm products in the United States.

Mr. SUTHERLAND. Mr. President, the Senator from Idaho has just said that he would support a bill which would relieve these appropriators of water from the payment of the amount which they had engaged to pay to the Government for the water.

Of course, many of them have made payments to the Government for their water, and many of them are now in process of making payments and will complete them in due course of time. Would the Senator be in favor of a bill which would propose to refund the money to those who have paid, as well as to relieve those who had not paid?

Mr. BORAH. It would be very difficult in almost all instances in that particular to find the man who had paid, because the lands would change hands. But we are discussing a purely impracticable and academic question. There is no question of refunding to the settler. As I said a moment ago, if such a bill were presented I would vote for it and support it, and I would justify it upon many precedents which are to be found in our legislative history. In 1831 or 1832—I may not have the date exact—when the settlers upon the western lands which they had taken up were found to be incapable of making the payments which they had agreed to make, the Congress of the United States passed a bill relieving them from the payments, which amounted to what in those days was a large sum.

Mr. President, when we spend a few dollars or give away a few dollars which have for their purpose and are calculated to make homes for those who are hungry for homes, to make producing farms, we need not play the part of the miser in reference to our public funds. It will be secured back in postage stamps which those people on the western lands will use on

letters to their eastern friends.

Will the Senator permit me just a Mr. SUTHERLAND.

Mr. BORAH. Very well, but I should have yielded to the Senator from South Dakota [Mr. Sterling].

Mr. SUTHERLAND. I may change my mind, but as at present advised I would not vote for the bill which the Senator from Idaho describes, for at least one reason. When the irrigation bill was presented to the two Houses and adopted, that very prediction was made-I heard it made in the House-that it would he only a little time until Congress would be asked to return

this money. It was said in the most solemn and in the most emphatic way by western Representatives and Senators that that would not be done; that the farmers who are locating upon those lands in the West would pay their bills; that Congress would not be asked to relieve them. For that reason, if for no other, I would not be inclined to vote for any such measure.

Mr. BORAH. I reject the doctrine that the statements of my predecessors can bind me. I take my own oath and legislate according to the lights which are before me, and not according to the lights which are behind me. I yield to the Senator from

South Dakota

Mr. STERLING. Mr. President, I am interested here, because I have introduced a bill for the relief of one class of homesteaders. From some general statements just made, I infer that some Senators have an objection to any bill to relieve any class of homestead settlers from the payment of the pur-

chase price of their lands.

There are at least two classes of homestead settlers, those upon the reclamation lands described by the Senator from Idaho and those on the Indian reservation lands outside of any reclamation project. It is for the relief of the latter class that I have introduced the bill. The price paid for lands on the Standing Rock and Cheyenne Indian Reservations under the act of 1908 is, I think, a little in excess of \$4 per acre, the appraised value being all the way from 50 cents up to \$6 per acre, but the average price is in excess of \$4 per acre. There have been four successive crop failures, and as a preliminary to the introduction of the bill to which I refer, I presented a petition here signed by 865 homesteaders on these lands, reciting the conditions and showing their inability to pay the Gov-ernment price for the lands. These settlers went out there with the idea largely in mind that they were getting free homesteads.

Now, as to the other class of lands, those within reclamation projects, we have one such project in the State of South Dakota, known as the Belle Fourche project. As in the cases stated by the Senator from Wyoming [Mr. Clark], there was delay in getting water upon the land, and the settlers there had to have some extension of the time of payment; but I have not known of any application upon the part of these settlers for relief from the payment ultimately of the purchase price of their lands.

I merely suggest now the difference between these two classes of land, and urge in this connection the careful consideration, at the proper time, of the bill for the relief of those who have taken and settled upon these Indian reservation

Mr. SMITH of Arizona. Will the Senator from Idaho yield to me for just a moment?

Mr. BORAH. I yield to the Senator.

Mr. SMITH of Arizona. If the Senator will pardon me, I want to express regret that this particular phase of the irrigation projects has been at this time precipitated on the Senate. Whatever may be the Senator's views or what may some day be the determination of Congress, I deprecate the suggestion of release of all payments, for it may raise hopes never to be realized. I am very much in sympathy with the statement made already on the floor by several Senators representing the West that the settlers do not wish or expect to avoid any just claims on their contracts with the Government. But we all know that the Government will be compelled, and ought unhesitatingly, to extend the time in the cases which have been mentioned here. After many long interviews with the Secretary of the Interior regarding the condition of settlers under these irrigation projects, we have all been pleased to see the wise suggestions and recommendations that he has made in his He has recommended to Congress that relief be given in this way by extending the time of payment on these lands and so graduating the payments as to make them as little burdensome as possible on the homes. I hope that we may secure such legislation at this session of Congress, and then under that improved condition I think the Senator and all of us would find that ultimately those people would find their way out of difficulties and trials and apprehension which now surround them.

Mr. GALLINGER and Mr. WILLIAMS addressed the Chair. The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from New Hampshire?

Mr. BORAH. I do. Mr. GALLINGER. I will yield to the Senator from Missis-

Mr. WILLIAMS. Does not the Senator think one reason why delays are being made in making these payments is the fact of the existence of the hope of ultimately being relieved from payment by legislation?

Mr. BORAH. No; I do not think that. Before I yield to the Senator from New Hampshire let me say to the Senator from Mississippi that I have discussed irrigation problems on many projects of the West before the settlers, because they have been in a distressed condition and we have met with them I have never witnessed more suffering, except that often. which arises from actual illness, than I have witnessed at times among the settlers of the West upon these irrigation projects. They have endured all kinds of adversity. They have given evidence of the highest grade of citizenship. They have met all kinds of untoward circumstances. I have never heard from them at any time a suggestion that they wanted to be relieved from payment. That has never come from them to me either by letter or by voice. Anything that I have said here with reference to my position, while it binds me and expresses my sentiments because I believe in being candid and it is my sentiment, does not purport to represent the men who are upon these reclamation projects in any expression of sentiment they have ever made to me.

Mr. WILLIAMS. It only arouses hope of ultimate relief and

leads to delay in payment.

Mr. BORAH. Perhaps I ought not to say it, for the reason that it might arouse a hope which never under the heavens

would be realized.

Mr. GALLINGER. "Hope deferred maketh the heart sick." Mr. BORAH. If this was a grant to a vast corporation like a railroad company, or an appropriation for the purpose of cleaning out some rivulet down which a duck could not swim; if it was the appropriation of millions of dollars along those lines and they were interested, they would realize their hope; no thought would be entertained of its being paid for or back; but being settlers, trying to build homes, trying to meet under most adverse conditions the requisite of good citizenship, they will in all likelihood be required to pay every dollar that they owe. We do not grant favors to so worthy and honest a people.

Mr. GALLINGER. Mr. President, if the Senator will permit me, I will say to my good friend from South Dakota [Mr. Sterling] that I had no knowledge as to the bill he has introduced, and hence had no reference to that matter. It may be that when a certain class of settlers who have endured great hardships and privation appeal to us for assistance such a bill might get my vote, and very likely it would. The Government has been liberal to these settlers, advancing the money, to be repaid in 10 years without interest, but I do not expect that it

will all ever be repaid.

I want to add this to what I before said: When the original irrigation bill was before the Senate I raised the question myself as to whether this money would in good faith be returned, and we had the assurance that it would. I want to have it returned to the fullest extent that it is possible for the settlers to return it. I hope that will be done, and that the assurance then given will be carried out in good faith as far as possible.

I will add the suggestion that, as we are about entering upon the Government ownership of a railroad in Alaska, building it at governmental expense, it might be good policy for this Government of ours, which has few defenders nowadays—and I hold no brief in its behalf—to irrigate these lands, if it increases the value fourfold or tenfold, as the Senator from Idaho says, and then sell them to men who desire to make

Mr. WILLIAMS. Or rent them and operate them.
Mr. GALLINGER. Yes; or rent them and operate them,
and in that way do something toward reducing the high cost of living.

Mr. President, I am now going to make an allusion that very likely will attract the attention of my good friend from Mis-

sissippi [Mr. Williams].
Mr. BORAH. I hope the Senator will not make it.

Mr. GALLINGER. Just a word. My suggestion is this: We have spent a great many million dollars upon the Mississippi River, in building levees, and we have greatly increased the value of the land thus protected, which land was practically worthless when we built the levees. A flood comes and overflows those lands, the value of which has been enormously increased by the Government, and a bill is rushed through Congress to reimburse those men.

Mr. BORAH. Without discussion or consideration or con-

science.

Mr. GALLINGER. Without discussion or consideration. We reimburse those men who have already made a fortune by increasing the value of the land because of the expenditure the United States Government has made. The levees necessarily throw the water back to the other side of the river, and as a result millions of dollars' worth of claims are now pending against the Government for destroying the land on the opposite side of the river. I am inclined to think those people have a pretty good claim, but the transaction is certainly not profitable to the Government.

Mr. WILLIAMS. Does the Senator remember any bill introduced to reimburse any private landowner for any losses dur-

ing an overflow?

Mr. GALLINGER. Not that I remember; but we have made appropriations to reimburse them to a certain extent, to relieve them from distress because of the overflow; and, while no bill has been introduced, millions of claims have been filed against the Government, and their payment will doubtless be urged

Mr. BORAH. Let me ask the Senator from New Hampshire a question. What is the difference between appropriating money for the purpose of protecting thousands of acres of farm land along the Mississippi River and appropriating money for the purpose of making land habitable in the West?

Mr. GALLINGER. I am inclined to think there is not much

difference.

Mr. BORAH. Is there any return? The Senator has been

voting for those bills.

Mr. GALLINGER. I have not seen any return, but what I more particularly desire to remark was, and I do not know that it will appeal to any Senator, that it might be good policy for Congress, if it has a very deep and abiding interest in the welfare of the General Government, to appropriate money to irrigate these lands in the name of the Government itself, and then either rent them or dispose of them at their increased valuation. But that is a mere suggestion. Perhaps we will come to that after we have got through appropriating money to complete these irrigation projects, if we ever do get through. New projects will be started. They will spring upon us month by month and year by year, and perhaps we shall never get

through appropriating money for that purpose.

Mr. BORAH. It is to be hoped that we never will get through so long as there is more land to come under cultivation and there is more possibility of feeding the congested centers of the United States. If it were not for that fact, if we did not have hope of relieving the congested conditions in the great cities of the United States, this Government would not endure 50 years. If we had to run the Government on the conditions which exist in New York City and Chicago it would not last a decade. It is by reason of the fact that the supply of brain and brawn and muscle and manhood and citizenship is fed from the great rural precincts of the country that we feel safe as to the future of the Republic. And I pause to say that there is to be found no broader vision of statesmanship than that which furthers all reasonable methods for building up and encouraging the agricultural interests.

Mr. GALLINGER. Beyond a question that is so, and yet is it not a fact that the arable land of the United States is not one-half tilled, that it is improperly tilled—wastefully tilled? If we could only get men from the great cities to go upon lands that are now ready for the hand of the farmer, we would greatly increase the products, and thus possibly relieve the people from the high cost of living. I do not know how it can be done. I have sometimes thought we might have a provision in our immigration laws that a certain definite proportion of the men who come to the United States should not stay in the great cities, but should be sent out into the farming regions of the great West.

They raise and educate families in Europe on 10 acres of land by the system of intensive farming. In this country a man gets 160 acres in the West and immediately he reaches out to grab another 160 acres, and another 160 acres, and is rarely satisfied until he gets a whole section of 640 acres. Of course, it is not properly tilled. We want more intensive farming than we have at the present time, and when we get that we will have enough for the people of the United States to eat, I have

not any doubt.

Mr. BORAH. The Senator is in error in one proposition, and that is that these lands are not being taken. of land is thrown open in the West, if it is agricultural land, if it is at all available, I have known them to stand 100 deep on one piece of land and actually carry their blankets and their food and camp at the receiver's office for four and five days in order to enter the land.

Mr. GALLINGER. Well, Mr. President, that is simply the American character.

This is what we build this Government on. Mr. BORAH. Mr. GALLINGER. The American desires to get something that somebody else wants. They tumble over each other to get these arid and semiarid lands, and then they can not make a living on them.

Mr. BORAH. Mr. President, are people who are willing to go and spend their time and energy for four and five years and stay for months and years where the Senator would not stay overnight to be criticized because, forsooth, some of them fail in making a success of their farms? If the Senator would go

West again, as he did a few years ago—
Mr. GALLINGER. I have been there a great many times.
Mr. BORAH. But the Senator has not been there lately, unfortunately. I hope he will go again and look over some of the deserts which he saw there 10 and 15 years ago. There are thriving cities there now, and in the country there are large white houses and red barns, and thriving communities paying taxes for the support of the county and State government. They are sustaining schools, they are educating their children, and they are as good a community as you can find anywhere in the United States, when four and five and six and seven years ago there was waste and silence—utter waste.

Mr. President, whatever opinion my Democratic friends have upon this subject, I know the Republicans will all support it, because it is a Democratic administration and we want you to get right as often as you can. Before our Democratic friends make up their minds upon it, I want to call your attention to the report of Secretary Lane. I think it likely that most of those who do not live in the West have not read this report. It is altogether one of the ablest reports which has been written by a Secretary of the Interior. It is not only brilliant in style, the turgid duliness which usually characterize state papers being absent, but it is logical and comprehensive in its presentation of purposes and plans with reference to these great subjects. I do not agree with all his views, but I, nevertheless, most heartily commend the broad, comprehensive statesmanship of this report. The Department of the Interior deals with those of this report. The Department of the Interior deals with those subjects which more nearly touch the vital interest of the real men and the real women who are developing this country throughout the West than any other department which we have. The Secretary has evidently studied the subject with a great deal of earnestness. He has traveled over the land, he has met the settlers, and he has presented a report here to the Congress of the United States which is worth any man's while to study. I am going to take the liberty of reading a paragraph or two in order to justify the position which I take in advancing this measure. I shall have occasion to refer to this report upon other subjects, but I direct attention now to those parts which have a bearing upon the amendment. have a bearing upon the amendment.

have a bearing upon the amendment.

It is, of course, known to you that there exists a feeling in the West that its affairs and needs have not been given that consideration at the hands of the National Government which they merit. This feeling is not confined to speculators or exploiters. It is the sentiment of many who are without selfish motive and regard the matter wholly from the standpoint of national growth. They point to the conditions which obtain in Alaska as unparalleled among people of our aggressive and nation-building stock. So, too, they are unable to understand why ways have not been found by which the great bodies of coal and oil lands, of phosphate and potash lands, may be developed, and the waters of the mountains made available for the generation of power and the redemption of the desert.

There is one very simple explanation for the existence of this feeling. We have adventured upon a new policy of administering our affairs and have not developed adequate machinery. We have called a halt on methods of spoliation which existed, to the great benefit of many, but we have failed to substitute methods, sane, healthful, and progressive, by which the normal enterprise of an ambitious people can make full use of their own resources. We abruptly closed opportunities to the monopolist, but did not open them to the developer.

The West will thank the Secretary of the Interior for this plain, brave statement. We have been criticized in the West as speculators and exploiters, desirous of monopolizing the public domain and the natural resources, when we have been asking for nothing more than an opportunity for honest citizens to develop and build up the country. The Secretary, having traveled over the country and examined the situation, has stated frankly and illuminatingly in his report that the conditions there are precisely as we have often described them; that there has been reservation and dedication to silence and to nonuse, but no machinery provided by which the people could develop the resources and build up communities, counties, and

So there has slowly evolved in the public mind the conception of a new policy—that land should be used for that purpose to which it is best fitted, and it should be disposed of by the Government with respect to that use. To this policy I believe the West is now reconciled. The West no longer urges a return to the hazards of the "land-is-land" policy. But it does ask action. It is reconciled to the Government making all proper safeguards against monopoly and against the subversion of the spirit of all our land laws, which is nessence that all suitable lands shall go into homes and all other lands shall be developed for that purpose which shall make them of greatest service. But it asks that the machinery be promptly established in the law by which the lands may be used. And this demand is reasonable. Already the Congress has recognized in many ways the appositeness of this policy, but it is for yourself and Congress to further extend this thought into our legislation.

I turn now, Mr. President, to the portion of the report which treats immediately of the subject under consideration.

treats immediately of the subject under consideration.

"The Great American Desert," as it was designated upon the map some 40 years ago, has become one of the richest portions of our country. This desert included a variable area, generally all west of the Missouri River to the Sierra Nevada Mountains. To-day it is harvest field, cattle range, mining camp, and orchard—where there is water. And where there is no water it remains desert. There are at least four States which can never increase greatly in stable population unless their lands are brought under irrigation. And in all of the Western States there are tens of thousands and in some millions of acres that will remain waste land, fit only for the poorest cattle range, and much not even for that use, without the expenditure of large sums for reservoirs, dams, canals, and ditches. That there is not water enough even with the fullest storage to supply the demands of all the arable land can safely be said. That, however, there is sufficient to care for a large part of this territory and bring it into fruitfulness there is no doubt.

Because of the magnitude of the money investment required, and appreciative of the need, the Congress of 1902 adopted the policy of undertaking irrigation projects of its own. The moneys received from the sale of public lands—less 5 per cent—went into a reclamation fund, administered by this department.

We should not overlook that fact, Mr. President, as we go These reclamation projects thus far, except the specific appropriation which was made a few years ago of \$20,000,000, have all been developed out of the fund realized from the sale of the public lands within the States where the reclamation projects are situated, and that fund has only been loaned for a time by the Government to the settler and paid back again. In other words, the settler goes into a region of country; he buys a part of the public land; he buys timber or some other part of the natural resources of the country and pays to the Government of the United States the value which the Government places upon it. The Government does no more with reference to it than to loan the money to the neighbor who got there after the land had been occupied which could be occupied without irrigation until his neighbor could irrigate that land and pay it back out of the resources realized from that land. The Government has never been out a dollar, and in my judgment its standing and its credit before the country has not been embarrassed in the least by the fact that it has advanced this money to the settler; and, in my judgment, it will not be out, because whatever my individual opinion might be as to the justness of the cost, the settlers will pay every dollar of this money back under the laws as they now exist.

The result has been the construction of some 25 projects, scattered through all of the arid-land States. In these the Government has invested approximately \$76,000,000. One of these, a pumping plant in Kansas, is now unused; another, a flood storage system in New Mexico, is only in partial use; both of these, however, represent less than 1 per cent of the total investment.

In other words, Mr. President, if those projects should fall and become utterly worthless, the Government would have lost less than 1 per cent of this investment and this enterprise of the money which it has invested, and I venture to say that that is a splendid record compared with individual enterprise with reference to investment.

The others are in operation, and less than 3 per cent of all the land which is served or which we are ready to serve is unoccupied. This work has been a success.

Less than 3 per cent of these lands which have been taken up by the Government and undertaken to be irrigated in a public way are now unoccupied. Perhaps if out of that 3 per cent could be taken land which is not subject to occupancy, which is unfit for use, it would be reduced practically to a minus

quantity.

Mr. SMITH of Arizona. If the Senator from Idaho will permit me right there, I will suggest that this land is in limited quantites; that it is used for the making of new homes, and is not held in any great number of acres. Every acre of which he speaks as being occupied is occupied by a

man who is going to make a home for himself.

Mr. BORAH. Those lands, Mr. President—and I address my remarks particularly to the Senator from New Hampshire [Mr. GALLINGER] now—are taken up, in the first instance, not in tracts of 160 acres, but they are cut from 160 acres to 80 acres or to 40 acres, as in the discretion of the Secretary of the Interior seems wise. Therefore, people leave their homes in the East, separate themselves from friends and associates, and go out into these unoccupied places to help build up communities, for what? For the enormous prize of 10 or 40 or 60 acres of land, every dollar of which in value they have put into the land themselves by exertion and labor before they ever get a title. If the settlers in the West, Mr. President, could calculate the labor which they themselves have put into these enterprises and could turn about and sell their labor for what it was worth at the rate-going wage, they would find that they would have paid for those lands several times over, to say nothing of the adversity which has accompanied them in their

efforts to secure these homes. There is no higher grade of citizenship under the flag than that of the man who is willing to sacrifice his time and his efforts and the conveniences of his family to establish a home. The home builder, the home owner, is the prime pillar upon which the Republic rests.

Mr. GALLINGER. Mr. President-

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from New Hampshire?

Mr. BORAH. Certainly.

Mr. GALLINGER. I am gratified to learn from the Senator from Idaho something that I did not before know, that these lands are being divided up into small farms. That is as it ought

to be, but I did not know that that was the rule.

Mr. President, I do not want it to be understood from anything I have said and the many questions I have propounded, that I have changed my mind in the least in reference to aiding all worthy people who are endeavoring to get a living and who are engaged in the work of adding to the productive wealth of our country. I remember, and I think one of my children was old enough to see on the old geography, "the Great American Desert." I have traveled over that "Great American Desert "two or three times and I have seen that it has been reclaimed; that there are now beautiful homes and prosperous farms where 40 or 50 years ago it was absolutely a desert and nothing else. I still hold the generous view that, as an eastern man, I can afford to vote for almost any appropriation that will help to develop the great West. I think I said once in the Senate—and I am going to repeat it, because it is a matter of pride with me that in a great western city I was once introduced to an audience of business men as an eastern man with western ideas.

thought it was a very great compliment.

Mr. BORAH. Yes; that was a distinct compliment.

Mr. GALLINGER. Thank you. I have voted for all of those bills that have tended to develop the great West, and perhaps I shall vote for the amendment which the Senator has presented. At any rate, I will give it very serious consideration. I do not, however, think it ought to have a place in the bill that is now under consideration. If the Senator is correct in saying that the committee is practically in favor of reporting it, I think it ought to come here as a separate and independent measure. However that may be, we shall meet it when it comes. I remember that famous declaration of Daniel Webster, the greatest man that New Hampshire ever produced and one of the greatest men the world ever produced, quoted by the Senator from Idaho, that that great country was only fit for the raising of sagebrush and the support of coyotes. I remember that Webster is also credited with having said that Almighty God placed an impassable barrier between the West and the East in the shape of the Rocky Mountains; that that country never could be occupied by intelligent people; that if States were formed there the men who were elected to the Congress of the United States to represent them would have to spend all their time every year in coming to Washington and getting back to their homes.

Mr. BORAH. The Senator from New Hampshire sees now

where the West stands, notwithstanding the prediction of Daniel

Webster and the divine decree.

Mr. GALLINGER. Yes; those were mistakes that Webster made, and I suppose there were a great many men who sympathized with Webster at that time in those views. We now know that they were entirely erroneous. The great West is now, to my mind, perhaps the most important part of our country. At any rate, it has had a marvelous development and. beyond question, irrigation is going to marvelously increase the

presperity and wealth of that section of our land.

I say this because it might be inferred by some from the questions I have propounded and the suggestions I have made that I may have changed my views. I have not. It is a mere matter in my mind as to whether it is wise at this time to make a Federal appropriation of \$50,000,000 or to delay that a while and to pass this railroad bill, which I think is very objectionable in its present form, and then take up this great question of further appropriations for irrigation later on. However that may be, or whatever my vote may be, my sympathies remain unchanged. I want to do what I can to help the country as a whole, and not vote for measures which are provincial or sectional in their nature. I have never done so and I hope I may never do so.

Mr. SMITH of Arizona. Mr. President, I want to say, from my long observation in public life, that no man in the West could say anything regarding the friendship of the Senator from New Hampshire [Mr. GALLINGER] toward that western country that was gracious and complimentary that his conduct here has not most richly merited, for in all the fights for statehood in the West the Senator from New Hampshire along, from his section, has always been found the friend of the western people. It gives me great pleasure to thus publicly pay the tribute of my State to what that Senator has done for it in its long struggle for independence.

I wish to make a suggestion to the Senator from Idaho now occupying the floor, and in order to impress it on Senators present I suggest that he do not let them forget the enormous individual expense involved in this matter in addition to the small comparative Government aid which is rendered. These men spend to reclaim that land in many instances forty, fifty, or sixty dollars an acre before the Government helps at all. They are made to pay under the laws for every possible engineering mistake made by the Government engineers. That is all charged against the settlers, and I want the Senate to be acquainted with that fact. These costly mistakes should not be borne by the farmer. But that is a question for future adjustment.

Mr. BORAH. Mr. President, the Senator from Arizona is quite right. The amount of time and labor expended upon these lands far exceeds the value of the land, to say nothing of the mistakes which have been made, for which the settler has to

Mr. President, permit me to read a little more from this report, for the report states much better than I can state them the things which I wish to say:

report, for the report states much better than I can state them the things which I wish to say:

But there is one matter of great moment to these people which should be corrected by law as soon as possible. We mistook the ability of the farmer to pay for his water rights. Ten years was the time given. His optimism and our own was too great. That time should be doubled. This should be done not alone because of the inability of many to meet their obligations to the Government, but because it will prove wise policy to give a free period within which the farmers may more fully use their farms. They can put their lands to a more profitable use, both to themselves and to the country, by being allowed to cumulate their earnings in the early years and be thus enabled to make investments in stock and machinery, which will make for larger profits later.

I feel the keenst sympathy with those upon these projects who are entering into this work of putting the desert into public service. They are genuine pioneers in a new field of work, on the success of which depends greatly the rescuing of a vast territory. The enemy of the Government and of the farmer is the land speculator. He is of two kinds. Sometimes he is a farmer who does not expect to farm, but to sell out at a higher price and go elsewhere. Generally, however, he is the holder of a large tract of private land within the project, who creates false values and burdens those who buy and attempt to farm with a load of debt which handicaps those who buy and attempt to farm with a load of debt which handicaps those who buy and strempt to farm with a load of debt which handicaps them in their efforts. Both of these are hostile to the welfare of the enterprise and tend to destroy the value of the service which the Government is attempting. But such matters may, I trust, be overcome by new methods of administration.

It is my hope that the Government will find its way to enter with zest upon more works of a similar character. Not to do this will leave undeveloped much of t

USE FOR ROYALTIES.

But where are the funds to come from to carry on such work? My answer is, From the public lands in these States. We sell these lands now and the proceeds go into the reclamation fund. This is the policy of Congress—that we shall for a time use the moneys which the Government derives from the sale of its lands to create new values within the States. Two years ago the Government went further and set aside \$20,000,000, to be used in the completion of the irrigation schemes now under way. This is an advance by the Government for which it takes what might be termed a mortgage on the moneys which the projects will yield from the sale of water rights. Why not extend this policy?

The West can use profitably and wisely \$100,000,000 in the next 10 years to the advantage of the whole country. Indeed, without this expenditure the asset which the Government has in its deserf lands will lie unused and be of no national value. The Government uil recover all of the money it advances, not to speak of the homes and the values created by its enterprise.

Mr. President, I shall not trespass upon the time of the

Senate to read more, much as I should like to do so.

Mr. President, the Secretary of the Interior in this report. which I can not too highly commend to the consideration of all Senators, has said that \$100,000,000 could be used in this reclamation work within the next 10 years for the benefit of the whole country; and, what is of equal importance, he states that unless we go ahead and advance that money, these appropriations, or advancements that these lands and these enterprises are to a large extent to remain wholly out of use of the Government and for the people. It will be necessary to continue the work in order to make entirely successful that which has already been done in a large measure. I do not see why—in proceeding as we are, to deal with the subject of opening up the resources in the West and de-veloping the West, for while this is a railroad scheme, we are building the road for the same reason precisely that we

built the Panama Canal, and we built the canal-already builtfor the same reason that we build the road, in order to exploit and develop the natural resources and to give the people who are going there an opportunity to realize, the object and the purpose of one being the same as the object and the purpose of the other—I do not see why it should not be made a part of this bill. In addition to that, Mr. President, both these propositions are recommended by the Secretary of the Interior in the same report and for the same reason, and based upon the same argument. I apprehend that they both may be regarded as administration measures. Certainly they have received the support of the one man in the administration who is most thoroughly equipped to pass judgment upon the validity of the enterprises, both with reference to Alaska and the building of these canals.

I am frank to say, Mr. President, that there is another reason why I arge this at the present time. I hope I will not be misunderstood when I raise that question, but I refer to the condition which exists in the West at this time. I am not going to stop to study and discuss what is the cause or what has brought about the existing condition of affairs, but there are at this time upon the Pacific coast, estimated at the lowest figure, 100,000 men out of employment. There could be no time at which the Government could enter upon this enterprise when it would be so beneficial to the West and when it would be so beneficial to the Government in the way of securing labor; and at no time could the Government enter upon this enterprise when it would do more to energize and exhilarate the business conditions of the West than at the present time.

Mr. CHAMBERLAIN. Mr. President, may I interrupt the

Senator?

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Oregon?

Mr. BORAH. Certainly.

Mr. CHAMBERLAIN. The Senator says it is estimated that there are at this time a hundred thousand men out of employment on the Pacific coast. I do not know whether or not he calls Idaho a part of the Pacific coast, but I have never heard any such estimate as that. It has been suggested, in Oregon at least, that there are about 1,000 or 1,500 men out of employment. I have not seen any accurate estimate of their number, but the daily newspapers which come to us say that it is not an unusual thing in any winter season in Oregon for men to be out of employment, because it is a period of the year when they leave the farms and go into the cities.

Mr. BORAH. I said that I did not propose to discuss-

I hope the Senator will not receive my suggestion with any sensitiveness-the causes of this depression. I would certainly hesitate to make an exaggerated statement about the nonemployment of men in the United States. I do not believe that there is anything to be gained by making such exaggerated statements, and, on the other hand, I do not believe there is anything to be gained by concealing actual facts. Whatever the causes may be, there is nothing to be gained by concealing

the fact that those conditions exist.

Why, Mr. President, the governor of the State of Oregon has been petitioned to call a special session of the legislature in order to provide means by which the unemployed in the State of Oregon may secure employment. Is it usual to petition for a session of the legislature to provide work for a thousand unemployed men? The governor of the State of California has been asked to call a special session of the legislature to provide means by which the unemployed of California could be given an opportunity to work; and the labor commissioner of the State of California has issued a public statement, as I am reliably informed by a Member of Congress who read it, that no man should come to the State of California in the next year who has not sufficient means to sustain himself, as the State of California has more unemployed than it can possibly take care of.

Mr. CHAMBERLAIN. Mr. President—
The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Oregon?

Mr. BORAH. I do.

Mr. CHAMBERLAIN. I did not hear just what the Senator said in reference to the governor of the State of Oregon calling the legislature together for the purpose of laying out a plan of road work for the unemployed. I want to say that the city of Portland made some arrangement for the employment of those who claimed to be out of employment, and not 1 per cent of the alleged idle men took advantage of it; so that, in the final analysis, there is not any such number of unemployed men. I am not talking about the cause of it at all; but, so far as my State is concerned, I want to say that such a condition does not exist there.

Mr. BORAH. Mr. President, I will not read into the RECORD, then, upon the statement of the Senator, all the articles which I have here from the Portland papers. I will only read enough to justify my statement. A Senator in Washington has no means of acquiring information upon these matters other than that which comes to him in that way. I have here daily reports-news items, not editorials, but news items-from papers all up and down the Pacific coast; but if the Senator from Oregon says that no such condition exists in his State, I will take his word for it. I know that he is better informed than I can be as to conditions in Oregon, and I am perfectly willing to assume, for the sake of the argument, that the city of Portland and the State of Oregon may be left out. Now, here is an Associated Press dispatch, dated from San Francisco December 24, taken from the Capital News of my home city, as follows:

HUNDRED THOUSAND MEN ON THE COAST OUT OF EMPLOYMENT.

SAN FRANCISCO, December 24.

SAN FRANCISCO, December 24.

Christmas eve finds 100,000 men out of work in the principal cities of the Pacific coast. In commenting on the many robberies, burglaries, and crimes of violence of the past fortnight, Capt. Mooney, chief of the detective bureau, to-day estimated that there were 20,000 unemployed in San Francisco. Hunger has no conscience, he said, and the wave of crime is bound to rise higher unless the city provided work. Los Angeles reports 35,000 unemployed, and Portland and Seattle account for the remainder. Gov. Johnson, of California, replied to the delegation of workingmen that each city must care for its own problems. Gov. West, of Oregon, declined to call a special session of the legislature.

Another clipping from one of the Portland papers, under date line of San Francisco, says:

Men lay siege to governor's house. Johnson with demand for employment. Thousand unemployed call on

Another dispatch published in the Boise Statesman says: Homeless men fed, sheltered, at Frisco. City relief home fed 4,000

Under date of January 11, dispatch from Salem, Oreg., says: Idle men to present proposition to governor. Marchers will call upon Oregon executive on Monday. Church cares for men.

Another dispatch to the Statesman says:

Idle army turned down in Woodburn.

That is Woodburn, Oreg.

Governor tells the mayor, who applied for State protection, he can

In an editorial in one of the Portland papers which came today it says:

The unemployed are with us.

I only quote these with many others I might quote to show what I believe to be the situation.

Mr. CHAMBERLAIN. Mr. President, I thought the Senator said that Gov. West wanted to call a special session of the legislature.

Mr. BORAH. No; the Senator misunderstood me. I said he had been petitioned to do so.

Mr. CHAMBERLAIN. As I have said, I did not hear all of

the Senator's previous statement.

Mr. BORAH. I said that he had been petitioned to do so. These are the grounds of my belief, to say nothing of private letters and telegrams which I shall not use. It is a matter of public comment that it is so. I hope the Senator from Oregon is correct; but, in my opinion, if this bill could pass this Congress you would find that you had done a particular favor to thousands of workingmen-not idlers, not loafers, but workingmen-upon the Pacific coast. I believe the Government would find when it came to advertise for labor upon this kind of an enterprise that it itself would be advantaged by reason of the labor conditions upon the Pacific coast.

Mr. SMOOT. Mr. President—
The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Utah?

Mr. BORAH. I yield.

Mr. SMOOT. I notice in to-day's Congressional Record a speech delivered by Hon. William E. Humphrey, of Washington—and Washington, of course, is on the Pacific coast—in which he states that 227 lumber and shingle mills in the State of Washington were closed on the 1st day of last December. I simply call this to the Senator's attention to prove that if what the Senator has said does not apply to Oregon it certainly does apply to some of the other States on the Pacific

Mr. CHAMBERLAIN. Mr. President, I want to say that I realize that there have been some lumber mills and shingle mills closed down in the State of Washington; but those who live there will concede it to be a fact that for a long time little shingle mills were springing up everywhere, and the only wonder to me is, in view of the predictions of disaster that would come to the country during the discussion of the currency bill, that more of them do not shut down. Not only did these prophecies of disaster to the whole country tend to frighten business in the West, but they had a tendency to frighten business everywhere. The prediction was made that there would not be a bank in the country that would come into the new reserve association, whereas we find, notwithstanding such predictions, that they are breaking their necks to get in, and business is going on just the same. It is going to take a little time to get back and recover ourselves from the predictions that were made-some of them by the Senator from Utah

Mr. SMOOT. I deny that, Mr. President, Mr. THOMAS. Mr. President—

Mr. BORAH. I think I have the floor, Mr. President.

The VICE PRESIDENT. There is plenty of time this afternoon. It is not necessary for all Senators to talk at once. Does the Senator from Idaho yield to the Senator from

Mr. BORAH. I should like to say before I yield that I have no desire to engage in a discussion here as to the cause of this condition. I might agree with Senators that it was not due to the causes which have been prophesied as being the real causes. I am only stating what I happen to know to be a fact as bearing upon this particular measure, and, while we have discussed every other subject under the sun this afternoon except the bill which has been before the Senate, I do not care to go into a discussion of the tariff or of the currency.

Mr. THOMAS. Mr. President-

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Colorado?

Mr. BORAH. I yield.

Mr. THOMAS. I have no intention, and certainly no desire at this time, to go into the causes of present industrial conditions any more than any other Senator has, but as an item of evidence that there are operating causes which are more extensive than the limits of the Pacific slope or of the Nation, I want to call attention to a statement which I cut from the Associated Press dispatches in the Washington Post on the 30th of December last. It is an item from Blackburn, England, and reads as follows:

BLACKBURN, ENGLAND, December 30.

Eighteen weaving mills in this district have been closed within the last few days owing to a slump in the cotton trade.

It is understood that many other mills are about to cease operations.

And about the same time a newspaper published in this city-I forget which one-called attention to the existence of a large number of unemployed men at Winnipeg, and the formation there of a bread line in consequence of their nonemploy-These are symptoms, Mr. President, of a far-reaching industrial condition affecting other countries and indicating causes which can not be explained by local or national legislation.

Mr. SMOOT. Mr. President—
The VICE PRESIDENT. Does the Senator from Idaho

yield to the Senator from Utah?

Mr. BORAH. I yield to the Senator from Utah, but— Mr. SMOOT. I merely wish to correct a statement made by the Senator from Oregon [Mr. CHAMBERLAIN]. I do so because of the fact that I made no statement and no prediction as to the result of the passage of the currency bill at any time; and the Senator is certainly mistaken when he says that that prediction was made by the Senator from Utah.

Mr. CHAMBERLAIN. Mr. President, if the Senator will allow me a moment, I did not mean to say the Senator did it in terms, but no other inference could be drawn from some of his utterances on the subject than the one I have stated.

I should like to say that I do not believe the Senator can find a single, solitary word uttered by me which, construed in the light of reason, can bear the construction that I ever thought for a moment that the passage of the currency bill would bring distress upon this country.

Mr. CHAMBERLAIN. I may look it up.
Mr. BORAH. Well, Mr. President, it does not make so
much difference about prophesies, anyhow; but the most interesting feature of the question is, What is the actual condition now, regardless of who prophesied it or who did not, or what brought it about or what did not? I have no doubt about what the condition is there. I might have some doubt as to what caused it, but I have no doubt as to its existence; and it was for no other purpose than to cite the condition which existed that I referred to the fact, although I was perfectly conscious that I would be charged with laying it to the tariff or the currency or something else which had happened under the Democratic administration. I had no such idea in mind; but I want to say that, if the condition does exist-and it seems to be unques-

tioned that it does-the enactment of this legislation would reach the situation quicker than anything else that we could do.

Mr. President, what, then, is the situation which the plain facts present? We have these millions of acres, now worthless but capable of being brought into a state of marvelous productivity, capable of becoming a place of comfortable homes and the scene of thriving, prosperous communities. Is there anything so well calculated to stir the zeal and activity of a government when you take into consideration, also, that these acres belong to the Government and that it has been definitely determined that the Government alone is to improve them, either now or at some time?

We have, furthermore, a most anomalous problem to solvethe cost of living, soaring day by day. Consumers are constantly increasing and producers really decreasing—in any event not increasing by any means in proportion to the increase of consumers. With this simple, pointed, and painful object lesson before us, which, in view of our widespread area of untilled lands, ought to carry its own lesson, we still have learned professors and profound statesmen in mortal agony to find out the

cause of the high cost of living.

We have in addition-and this is the tragic and harrowing feature, according to reports-at least a hundred thousand men in the immediate vicinity of these lands out of work and winter upon us and apparently in unconcern for the shorn lamb. A hundred thousand idle men-not loafers, not idlers, but men wanting work and unable to find it-means before the winter closes at least 300,000 hungry and dependent people. It is a fearful condition. The tariff apparently has not reduced the cost of living. The currency does not help this particular situation, for these men have no credit, nothing to sell except their labor, and for that there is no market. Let us give them work and do so at once; let us give them a market for the only product they have to sell—their muscle and their brawn. If you do not do so, if these men do not find work before the winter closes, things must happen. The time is past in this country, sir, this land of plenty, when men will consent for their families to starve or freeze.

Now, by this amendment you loan this money to the reclamation fund, all of which under the law as it now exists is to be paid back. You reclaim millions of acres; you provide homes for home-hungry people; you provide work for the unemployed, and in the long run you furnish food and necessaries in greater quantities for the whole country. You bring idle, worthless lands under taxation to sustain the burdens of county and State government. Why delay action when every call of humanity, every rule of wise business and considerate administration, every consideration of justice and wisdom, suggest immediate action? The homesteaders are waiting and have been waiting under most adverse circumstances; the laborers are waiting, and certainly those who want cheaper things to eat are waiting.

I earnestly hope that this amendment will pass. It has been pending for a long time. It has been approved, in effect, by the Secretary of the Interior. We need transportation in Alaska; we need to do much for Alaska; but we need also to look at the situation at home, for there are conditions here which have some peril in them if too long neglected.

Mr. THOMAS. Mr. President—
The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Colorado?

Mr. BORAH. I yield.

Mr. THOMAS. I was not in the Chamber when the Senator began his remarks. I wish to inquire, therefore, whether his position is that this bill should carry an amendment or a section providing for the entire relief of those who have settled under reclamation projects from the amount of money due from them to the Government under their contracts, or whether he proposes to extend the period of time in which those payments are to be made?

Mr. BORAH. I take pleasure in explaining to the Senator that this amendment does not cover either of those propositions. This is an amendment duplicating the bill which was passed in terms a year or two ago appropriating \$20,000,000 for the further reclaiming and building up of these reclamation projects. In other words, it is an amendment providing for the advance-ment on the part of the Treasury of the United States of \$50,000,000 from time to time, as we are doing now, to complete the projects which have been begun, and to initiate any other projects which may seem wise in the mind of the Secretary of the Interior.

Mr. THOMAS. I gathered from such discussion as I did hear that the question which was involved in the proposed amendment had reference to the relief of the settlers from the payment of the amount of their contracts to the Government or to the extension of the time.

Mr. BORAH. That matter has entered into the discussion here, but it is not germane to the amendment.

In closing, I ask leave to insert, in connection with my remarks, an editorial from the Portland Oregonian, headed "Mr.

Lane's land policy."

The VICE PRESIDENT. Is there any objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

[Editorial from the Portland Oregonian of Friday, December 26, 1913.]

The matter referred to is as follows:

[Editorial from the Portland Oregonian of Friday, December 26, 1913.]

No document more inspiring to western people than the annual report of Secretary of the Interior Lane has recently appeared. We are not seen that the secretary of the Interior Lane has recently appeared. We are not seen that the secretary of the Interior Lane has recently appeared. We are not seen that the secretary of the Interior Lane has recently appeared. We are not seen that the secretary of the Interior Lane has written with masterly hand a state paper which may well become the basis of a new charter of liberty for the West. He combines the technical knowledge of the lawyer with the practical sense of the man of affairs, and calls to his aid in stating his conclusions the facility of expression of the trained newspaper man. To these qualities the adds an intimate personal said in stating his conclusions the facility of expression of the tarined newspaper man. To these qualities until in prompting him to humanize the land laws and their administration.

The Secretary finds that the Government has reached a deadlock in the land question, and he offers a key to unlock it. A halt was called on methods of spoilation and the Nation has been doing practically nothing white awaiting adoption of a new policy. He proposes the secretary in the proposes the proposes of the proposes the secretary of the secretary finds of the series of the proposes the recently of the series of the series

Mr. CHAMBERLAIN. Mr. President, I do not know of any other Senator who desires to address the Senate at this time on the pending bill. I am informed that there are two or three other Senators who will speak, and possibly some who will be prepared by to-morrow. In the absence of anyone who desires to address himself to the subject, I ask that the unfinished business be temporarily laid aside.

The VICE PRESIDENT. Without objection, that action will be taken.

CONDITION IN MINING DISTRICTS IN MICHIGAN.

Mr. TOWNSEND. Mr. President, out of order I should like to present a telegram which I have just received from the governor of the State of Michigan, and ask to have it read.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and the Secretary will read as requested.

The Secretary read as follows:

[Telegram.]

LANSING, MICH., January 15, 1914.

LANSING, MICH., January 15, 1914.

Hon. CHARLES E. TOWNSEND, Washington, D. C.:

The following telegram was to-day sent President Wilson: "Senator ASHUEST reported to have quoted Michigan Congressman twelfth district as saying, 'District the twelfth of Michigan is a part of the United States where constitutional government no longer exists; that the rights of citizens under our Constitution and our laws are overthrown and the laws and Constitution defied.' If the Congressman from twelfth district of Michigan said this he said that which is false in every particular, that which is a traitorous insult to his own district and the whole State of Michigan. Attorney General Fellows and I spent three days last week in copper country. Both of us have been in daily communication with strike situation. I know what I am talking about. Michigan has protected the life and property of all of her citizens, and will continue to do so. Michigan needs no outside help."

WOODRIDGE N. FERRIS,

WOODRIDGE N. FERRIS, Governor of Michigan.

Mr. ASHURST. Mr. President, so much has been said respecting what was quoted by me from Representative Mac-DONALD, I believe that along with the telegram ought to go into the Record exactly what I said yesterday. I wish to ask the indulgence

Mr. TOWNSEND. I will say to the Senator that I read that

myself from the Record.

Mr. ASHURST. The Senator read it? That is quite sufficlent

Mr. BACON. Mr. President, I wish to say one word, with

the permission of the Senate.

I recognize the right of the governor of Michigan to deny the correctness of any statement; but I thoroughly sympathize with the contention that no telegram or memorial or anything else couched in such language as that which has just been read ought to be read from the desk or incorporated in the RECORD imputing absolute falsehood to a Member of the other House. I do think the courtesy which is due from one House to the other, and from one House to the Members of the other, makes that an improper thing to do.

It is perfectly competent for the governor of Michigan to deny the correctness of a statement and to say that it is incorrect; but it is not necessary that that correction should be couched in language which must necessarily be offensive to a Member of the other House, and the reading and reception of which in the Senate, I think, is not in harmony with the courtesy and respect which is due from one House to the Members of another

House.

I am not going to make any motion in regard to it, but I am glad to say this much, because I would not wish it to appear that a telegram or a communication of any kind could be presented in this Chamber which denounced a Member of the other House in those terms and have it appear that that met with the acquiesence of the Senate. I do not know anything about who the Representative is. I do not know whether he is a Democrat or a Republican, and I care not; so what I say has no reference to that.

I wish to say another thing. I am in entire sympathy with the suggestion in the telegram that Michigan should be left to take care of its own affairs, so what I say is not influenced by any want of accord with the position of the governor of Michigan. The Senate will remember that when a similar question was before the Senate in regard to West Virginia I took the position then that it was not a proper thing for the Congress of the United States or for the Senate of the United States to be investigating the acts of officials of a State. predicted then that that was but the beginning of things which would come back to plague us on that subject, and I voted and spoke against the resolution with reference to West Virginia, so what I say now is not influenced by any unfriendliness toward the contention of the governor of Michigan. repeat, however, that it is an impropriety on the part of the governor of Michigan to endeavor to have presented in the Senate of the United States a communication which defames and accuses of absolute falsehood a Member of the other House.

Mr. WALSH. Mr. President, as this subject has now come before the Senate, I ask unanimous consent to present some petitions coming from my State asking that the investigation contemplated by the resolution may be had. These are from contemplated by the resolution may be had. These are from citizens of Anaconda, Mont.; Branch 165, National Croatian Society, of Butte, Mont.; Miners' Union, Butte, Mont.; Montana Federation of Labor; Belt Mountain Miners' Union, No. 7, Armington, Mont.; Hughesville Miners' Union, Monarch, Mont.; Workingmen's Union, Butte, Mont.; Teamsters' Union, Butte. Mont.; Local Union No. 185, International Brotherhood of Electrical Workers, Helena, Mont.; United Mine Workers of America in Montana; Great Falls Mill and Smeltermen's Union, No. 16, Great Falls, Mont.; Butte Stationary Engineers' Union. No. 83, Butte, Mont.; Sand Coulee Miners' Union, Sand Coulee, Mont., and Helena Typographical Union, No. 95, Helena, Mont. VICE PRESIDENT. The petitions will be referred to

the Committee on Education and Labor.

Mr. GALLINGER. Mr. President, in that connection I will observe that I have received several similar petitions and resolutions from the State of New Hampshire. Feeling, however, that the State of New Hampshire had no business to interfere in the affairs of the State of Michigan, I have not presented them to the Senate.

Mr. TOWNSEND obtained the floor, Mr. THOMAS. Mr. President-

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Colorado?

Mr. TOWNSEND. I do.

Mr. THOMAS. I simply wish to suggest that this telegram goes a little further, if I remember it correctly, and declares the Congressman to be guilty of treason to his State.

Mr. TOWNSEND. Please hand me the telegram.

I wish to say that ordinarily I would not have presented a telegram of this kind or of any other kind. I have received hundreds of telegrams and communications with reference to this matter, for and against it. I have not felt that it was my duty to present them to the Senate where they would be filed away never to be seen. When, however, a Senator rises in his place and declares that the Constitution and laws are not in force in a congressional district of Michigan, giving as his authority the statement of the Congressman from that district, who was then present in the Senate, it seems to me that the people who live in that district and the governor of that State have a right to be heard here, and that their request to have their answer given the same publicity as the original charge be granted.

I can readily understand how the governor of Michigan, or of any other State, might feel just resentment at a statement of the kind uttered last Tuesday by the Senator from Arizona. I know, and I think everybody knows who is familiar with the matter, that the Constitution and laws are and have been enforced in Michigan. Some offenses against law and order have been committed. So have they been in Arizona and in every other State, but at no time has anarchy existed in any part of Michigan. She has had troubles which have been aggravated by outside influences, but she has been able to handle her own affairs, and she asks no aid from the United States nor from any other source. So when the governor of Michigan has called to his attention, through the Congressional Record, an imputation that he had not been performing his duties, that he had not been enforcing the laws and the Constitution as he was sworn to enforce them, he would naturally feel justified in expressing his indignation.

It is possible that the governor has spoken harshly. He says, "If the Congressman from the twelfth district of Michigan said this," namely, that constitutional government no longer exists; that the rights, of citizens under our Constitution and laws are overthrown and the laws and Constitution defied in the twelfth district of Michigan, then that statement is false. No one knows better than Gov. Ferris the true conditions in Michigan, and naturally he feels strongly about the matter.

Mr. ASHURST. Mr. President, will the Senator yield to me?
Mr. TOWNSEND. Certainly.
Mr. ASHURST. I was not in the Chamber this morning
when the controversy arose. The Senator from Michigan has assured me he has read into the RECORD what I said.

Mr. TOWNSEND. I did, verbatim.
Mr. ASHURST. The governor of Michigan may well give his perturbed spirit rest, and eliminate the "if," because in this Chamber the Representative from the twelfth district of Michigan told me just what the Senator from Michigan has read into the RECORD, and expressly told me that I was at liberty to quote him. I am glad the Senator from Michigan has put into the RECORD of the day's proceedings exactly what

Mr. TOWNSEND. I did. I did not state, however, that at the time or just previous to the time the Senator made his statement the Congressman from the twelfth district of Michigan was sitting by his side in the Senate Chamber.

Mr. ASHURST. But the Senator does so now? Mr. TOWNSEND. I do now. That was the That was the fact. I have

stated what the RECORD discloses.

The governor of the State of Michigan, through implication, was charged on this floor with what is tantamount to treason. He had permitted the Constitution and laws to be suspended in the upper peninsula of Michigan. He had been faithless to his oath of office, which obligated him to enforce the constitu-

tion and laws of his State and of the United States. Could any conscientious governor remain in silence under such charges, made on the authority of a Representative in Congress by a United States Senator?

Every loyal son of Michigan knows that the governor has been performing his full duty during a critical time with great impartiality. So in his telegram to the President of the United States, and of which he has sent a copy to me, he directly denies the slander upon himself and his State, and he does it rather forcibly and yet in such a manner as to need no interpretation. He wants the truth told as be believes it to be, and he has proceeded in his way to tell it.

Mr. BACON. Mr. President, that does not reach the point The governor of Michigan has a right, of course, to have the statement of the Representative contradicted, contradicted emphatically, but neither the governor of Michigan nor the Senator from Michigan has the right to present to the Senate, by having it read from the desk, that which is an insult and a defamation of a Member of the other House.

I can imagine that some one might send a telegram to the other House denouncing myself or some other Senator in the same way, and I can scarcely imagine the feeling of indignation I would have if that were allowed to be done in the other House and to pass without condemnation.

Mr. TOWNSEND. Was the Senator's spirit at all disturbed when the governor of the State of Michigan was charged, as he was in substance charged, on the floor of the Senate on Tuesday last with faithlessness to duty?

Mr. BACON. If there was any charge made against the governor of Michigan in offensive language, it was certainly an impropriety, and it would disturb me just as much as this disturbs me.

Mr. ASHURST. Mr. President-

If the Senator will pardon me a moment, I Mr. BACON. do not know in what language the charge was made. I am not taking exception to the fact that the governor of Michigan denies the truth of what was charged against him. The thing to which I object is the use of improper language in making the denial. That is what I am objecting to. I am not objecting to the governor of Michigan denying the truth of it if he will do so in respectful language; but there is a way to deny the truth of a thing without doing so in defamatory and offensive language. That is what I am speaking of.

The thing that surprises me is that the Senator from Michigan this morning, this very day, presented and had read from the desk a communication which was generally recognized through the Senate as being couched in improper language when it had reference to a Member of the other House, and the Senator from Michigan, after the matter had been brought to his attention, and the expression had been freely made in the Senate that it was an impropriety, himself voluntarily withdrew it; and yet here again on the same day the Senator from Michigan repeats the same thing, and has a communication read from the desk in which language still more offensive is used as to the Member of the other House.

Mr. TOWNSEND. Mr. President, I think the Senator does not quite understand the situation. The language that I had overlooked this morning and which I voluntarily withdrew was that which gave the motive of the Michigan Representative in making his statement to the Senator from Arizona. It was the opinion of the petitioners. What the governor says, however, is stated as facts within his own knowledge. the governor says as to conditions in Michigan is true, and I have no reason to doubt its truthfulness, then I submit that he is justified in strongly and directly condemning anyone who traduces himself or his State.

Mr. BACON. Mr. President, I wish to say to the Senator from Michigan that if this matter is one open to controversy, if the presentation of such a telegram and the reading of it from the desk is not a matter which is recognized as improper, it should be made an impropriety by an express rule of the Senate. I shall myself undertake to see that the Senate has at least the opportunity to make a rule which shall not permit the introduction and reading from the desk of communications of any kind from anybody which are insulting and defamatory to a Member of the other House.

Mr. SMITH of Arizona. I will ask the Senator whether the spirit of the rule does not already protect Members of the

other House from that sort of an assault here?

Mr. BACON. I think it is absolutely unparliamentary. If that is what the Senator asks, I think it is. I think it trans-gresses all the proprieties of parliamentary usage and the comity and courtesy which should exist between the two Houses.

The VICE PRESIDENT. For the information of the Chair, who has great reliance upon the learning of the Senator from Georgia, the Chair would like to know what is the view of the Senator from Georgia as to a Member of the House of Representatives coming into the Senate of the United States, sitting down by a United States Senator, telling him that he is free to make certain charges, and having them made in the Senate of the United States and not in the House of Representatives? What is the view of the Senator as to the parliamentary courtesy under such circumstances?

Mr. BACON. Mr. President, I do not understand that that question is raised.

The VICE PRESIDENT. The Chair understands that is the

fact in this case, as stated by the Senator from Arizona.

Mr. BACON. If that is an impropriety, it does not excuse another impropriety.

The VICE PRESIDENT. What the Chair desired to suggest for the view of the Senator from Georgia was whether the comity that exists-and the Chair admits it exists, and ought to be enforced-exists when a Representative comes into the Senate Chamber?

Mr. BACON. I do not understand that that is before the

Mr. TOWNSEND. Mr. President, I think that is before the That is one of the questions under discussion here.

The VICE PRESIDENT. That is the Chair's view of the

Mr. BACON. It is within the power of the Senator from

Michigan to bring it before the Senate.

Mr. TOWNSEND. It has already been brought before the

I recognize the right and power of the Senator from Michigan to raise the question of the propriety of what has been done. That is what I say can be brought to the attention of the Senate by the Senator from Michigan.

Mr. TOWNSEND. It is quite clear that this matter would not and could not have arisen if it had not been that the Senator from Arizona stated that he spoke with the authority of the Member from the twelfth district of Michigan, who at that time was sitting in this Chamber by the side of the Senator.

Mr. ASHURST. Mr. President-

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Arizona?

Mr. BACON. I do.

Mr. ASHURST. Before we drift further, I desire simply to say that upon a close reading of what little I have said on the subject I find that I never mentioned the governor of Michigan, nor his name nor office. I do not believe I even mentioned the constitution and laws of the State of Michigan. I am very certain that I referred solely and only to the Constitution and laws of the United States. I am quite certain also, from memory, that until this hour I never mentioned the name of the governor, nor his office, on the floor of the Senate, or otherwise, nor at all until this hour. A close reading of my remarks, if Senators will do so, will disclose that they are not offensive, and they could not be construed as offensive by anybody. But, Mr. President, if it be improper for a Senator to disclose to the public in this public forum knowledge and information that a condition exists such as was disclosed to me, I am willing also to share the odium attached to such "impropriety."

With all respect to the Senate and every Senator, I assert that it is not improper when a Senator has been informed that the Constitution of the United States, which you all love and revere so much, and justly so, has been overthrown in a district to make such information public. To conceal such information might be treasonable; it would be, at least, misprision of treason. When a Senator of the United States is informed that the Constitution of the United States is overthrown, anyone who has a drop of American blood in his veins and any love for his country and her institutions should immediately

make such disclosure.

If any suggestion of criticism be implied toward myself in making such disclosure, I wish to say that such criticism is unjust; for if we love the Constitution and the laws of our country as much as we say we do, we will take proper action to ascertain whether these charges are true or false

That is about all I have to say, all I could say, and certainly

Mr. TOWNSEND. Mr. President, I certainly dislike to offend the notion of propriety that Senators may have in reference to the introduction of matters here reflecting upon either Members of this House or of the other. I think there is no man in the Senate who has a higher regard for his colleagues in both Houses than I have. I have brought this communication here because I have felt it was my duty to do it, but I am willing,

inasmuch as there seems to be objection to its vigorous English, to withdraw it and state in my own language what the governor of the State of Michigan says in regard to the statement which was made on the floor of the Senate last Tuesday by the Senator from Arizona; and with that in mind, Mr. President, I ask to withdraw the telegram.

The VICE PRESIDENT. It may be withdrawn.

Mr. TOWNSEND. I will state now, Mr. President, that I have to-day received a telegram from the governor of the State of Michigan denying the charges made on the floor of the Senate on Tuesday last by the Senator from Arizona when he quoted the Congressman from the twelfth district of Michigan. He insists that the Constitution and the laws have been in force during all of the time and are now in force in all parts of the State of Michigan; that he and the attorney general of that State have been on the ground for several days investigating conditions in the strike region of the twelfth congressional district of Michigan, and that all the people of that State are protected in their legal and constitutional rights, and at no time have they been without such protection; that any statement to the contrary is false and an insult to the upper peninsula of Michigan and to the whole State; that he personally knows what he is talking about, and wants the truth told, that Michigan has protected the lives and property of all of her citizens and will continue to protect them without any outside help. This is the substance of the message to the President, to the This is the substance of the message to the Freshell, to the Senate, and to the country. Permit me to add that at no time have the courts in the strike district been suspended; they have been open and busy all the time. A grand jury is now in session and numerous indictments have been found. Offenders have been lawfully tried by jury and convictions had. That anything approaching anarchy in the disturbed district does not Whether injustice has been inflicted upon employees by employers or wrong done to the operators by the miners I can not say, but that the law and the Constitution have been at any time suspended or inoperative is not true.

Mr. WORKS. Mr. President, I am glad the Chair has called attention to the fact that it may be an impropriety on the part of a Member of the other House to come upon the floor of this body and undertake to interfere with the proceedings of the Senate, by suggestion or otherwise. I had occasion only a short time ago to notice conduct of that kind when I was addressing the Senate upon a House bill, and a very important one, and the author of the bill in the House sat within my hearing while I was addressing the Senate and made remarks about what I was saying, and about the bill itself. I did not desire to raise any question with respect to it at that time, but I am glad the matter has been brought to the attention of the Senate. It is an abuse that should be called to the attention of the Members of the other House who have not regarded the impropriety of

a course of that kind.

Mr. GALLINGER. Mr. President, we have a well-established rule that ex-Members shall not appear in the Senate for the purpose of promoting legislation, but it is a common custom for Members of a certain other body to come here as we witnessed on Tuesday. I think it ought to be stopped.

EXECUTIVE SESSION.

Mr. BACON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened, and (at 5 o'clock and 15 minutes p. m.) the Senate adjourned until to-morrow, Friday, January 16, 1914, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 15, 1914. MINISTER PLENIPOTENTIARY.

Daniel F. Mooney, of Ohio, to be envoy extraordinary and minister plenipotentiary of the United States of America to Paraguay, to fill an original vacancy.

ASSISTANT CHIEF INSPECTOR OF LOCOMOTIVE BOILERS.

Alonzo G. Pack, of Colorado, to be assistant chief inspector of locomotive boilers, vice Frank McManamy, promoted.

COLLECTOR OF INTERNAL REVENUE.

Lewis T. Carpenter, of Arizona, to be collector of internal revenue for the district of New Mexico, in place of Manuel B. Otero, superseded.

PROMOTION IN THE ARMY.

CAVALRY ARM.

Lieut. Col. James B. Erwin, Cavalry, unassigned, to be colonel from January 4, 1914, vice Col. George H. G. Gale, unassigned, retired from active service January 3, 1914.

Maj. Godfrey H. Macdonald, Thirteenth Cavalry, to be lieutenant colonel from January 4, 1914, vice Lieut, Col. John B. McDonald, Fourth Cavalry, detailed as inspector general on that date.

COAST ARTILLERY CORPS.

Second Lieut, Richard S. Dodson, Coast Artillery Corps, to be first lieutenant from December 30, 1913, vice First Lieut. Wilmot A. Danielson, resigned December 29, 1913.

INFANTRY ARM.

Lieut, Col. Chase W. Kennedy, Sixteenth Infantry, to be colonel from January 11, 1914, vice Col. William H. C. Bowen, Twelfth Infantry, retired from active service January 10, 1914.

Maj. Charles H. Muir, Infantry, unassigned, to be lieutenant colonel from January 11, 1914, vice Lieut. Col. Chase W. Ken-

nedy, Sixteenth Infantry, promoted.

Capt. Peter E. Marquart, Second Infantry, to be major from December 23, 1913, vice Maj. Amos B. Shattuck, Fifteenth Infantry, who died December 22, 1913.

Capt. William Brooke, Thirteenth Infantry, to be major from

January 11, 1914, vice Maj. Charles Crawford, Twentieth Infantry, detached from his proper command on that date.

First Lieut. Auswell E. Deitsch, Fifth Infantry, to be captain

from December 23, 1913, vice Capt. Peter E. Marquart, Second

Infantry, promoted.

First Lieut. Joseph C. Kay, Second Infantry, to be captain from December 24, 1913, vice Capt. David P. Cordray, Twenty-sixth Infantry, retired from active service December 23, 1913.

First Lieut. Walter C. Jones, Tenth Infantry, to be captain from January 11, 1914, vice Capt. William Brooke, Thirtieth

Infantry, promoted.

Second Lieut. Ralph W. Dusenbury, Twenty-fourth Infantry, to be first lieutenant from December 23, 1913, vice First Lieut. Auswell E. Deitsch, Fifth Infantry, promoted.

Second Lieut. Thomas C. Spencer, First Infantry, to be first lieutenant from December 24, 1913, vice First Lieut. Joseph C.

Kay, Second Infantry, promoted.

Second Lieut. Fauntley M. Miller, Fifteenth Infantry, to be first lieutenant from January 11, 1914, vice First Lieut. Walter

C. Jones, Tenth Infantry, promoted.

Second Lieut. Ray C. Hill, Twenty-second Infantry, to be first lieutenant from January 11, 1914, vice First Lieut. Archibald G. Hutchinson, Third Infantry, resigned January 10, 1914.

COAST ARTILLERY CORPS. Russell Alger Osmun, of Michigan, late midshipman, United States Navy, to be second lieutenant in the Coast Artillery Corps, with rank from January 10, 1914.

PROMOTIONS IN THE PUBLIC HEALTH SERVICE.

Passed Asst. Surg. John T. Burkhalter to be surgeon in the Public Health Service, to take effect December 1, 1913. This officer has served the required time in his present grade and has passed the necessary examination for promotion.

Passed Asst. Surg. John M. Holt to be surgeon in the Public

Health Service, to take effect December 1, 1913. This officer has served the required time in his present grade and has passed the required examination for promotion.

Passed Asst. Surg. Robert L. Wilson to be surgeon in the Public Health Service, to take effect December 1, 1913. officer has served the required time in his present grade and has passed the necessary examination for promotion,

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 15, 1914. MEMBER OF THE CALIFORNIA DÉBRIS COMMISSION.

Maj. Robert R. Raymond, a member of the California Débris Commission.

RECEIVERS OF THE PUBLIC MONEYS.

James P. Folger to be receiver of public moneys at Evanston,

Charles R. Yeoman to be receiver of public moneys at Sundance, Wyo.

REGISTER OF THE LAND OFFICE.

Alex Nisbet to be register of the land office at Evanston, Wyo.

UNITED STATES MARSHAL.

Joseph P. Dillon to be United States marshal, district of

PROMOTIONS IN THE ARMY.

INFANTRY ARM.

Capt. Ralph H. Van Deman to be major. First Lieut. Roscoe H. Hearn to be captain. Second Lieut. James H. Laubach to be first lieutenant. First Lieut. Morris M. Keck to be captain. Second Lieut. George R. Harrison to be first lieutenant.

COAST ARTILLERY CORPS.

Second Lieut. Augustin M. Prentiss to be second lieutenant in the Coast Artillery Corps.

ROMOTIONS IN THE NAVY.

Second Lieut. Francis T. Evans to be a first lieutenant in the Marine Corps.

APPOINTMENTS IN THE NAVY.

The following-named citizens to be assistant dental surgeons in the Dental Reserve Corps:

Meyer L. Rhein, a citizen of New York; Clarence J. Grieves, a citizen of Maryland; Charles W. Rodgers, a citizen of Massachusetts; Clyde M. Gearhart, a citizen of Ohio; John R. Barber, a citizen of Minnesota; and David J. Alexander, a citizen of Virginia.

POSTMASTERS. PENNSYLVANIA.

Effie R. Anschutz, Fort Washington. John E. Blair, Shippensburg. Charles A. DeHuff, Royersford. T. J. Dounell, Jenkinstown. G. G. Gaston, Tionesta, James S. Gordon, Natrona. W. H. Keener, New Bethlehem. Robert M. McCartney, McDonald. Michael F. McDermott, Jermyn. William D. McGinnis, Connellsville. Albanus S. Magargal, Sellersville. Isaac Scarborough, New Hope.

RHODE ISLAND.

Francis J. McCabe, Apponaug.

HOUSE OF REPRESENTATIVES.

THURSDAY, January 15, 1914.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the fol-

lowing prayer:

We bless Thee, infinite Spirit, our God and our Father, for the energy which Thou art ever imparting to Thy children, and which through all the ages has been the impelling force to larger intellectual, moral, and spiritual life. Continue, we beseech Thee, to impart unto us, that we may grow unto the measure of the stature of the fuliness of Christ, and Thine shall be the glory forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Tulley, one of its clerks, announced that the Senate had agreed to the amendments of the House of Representatives to the joint resolution (S. J. Res. 5) providing for the appointment of a commission to consider the need and report a plan for national aid to vocational edu-

The message also announced that the Senate had passed bills the following titles, in which the concurrence of the House of Representatives was requested:

S. 3550. An act ratifying the establishment of the boundary line between the States of Connecticut and Massachusetts;

2816. An act authorizing the Secretary of War to donate to the city of Abilene, Kars., two cannon;

S. 2715. An act to amend the military record of John P. Fitzgerald;

S. 2609. An act to amend an act entitled "An act permitting the building of a dam across the Mississippi River at or near the village of Sauk Rapids, Benton County, Minn.," approved February 26, 1904;

S. 2561. An act authorizing the Secretary of War to donate

to the State of Kansas one cannon or fieldpiece;

S. 2415. An act relating to the exclusion of traffic from the streets and avenues of the District of Columbia during parades; S. 2269. An act to 3x the standard barrel for fruits, vege-

tables, and other dry commodities;
S. 1884. An act for the relief of Phoebe W. Chase;
S. 1644. An act for the relief of May Stanley, and for other purposes;

S. 1355. An act relating to easement in connection with recla-

mation projects;

S. 539. An act to amend section 3 of an act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1902, and for other purposes," approved March 3, 1901 (31 Stat. L., p. 1133); and S. 533. An act to consolidate certain forest lands in the

Ochoco National Forest, Oreg.

The message also announced that the Senate had passed the following resolutions:

Senate resolution 240.

Resolved, That the Senate has heard with deep sorrow the announcement of the death of Hon. IRVIN ST. CLAIR PEPPER, late a Representative in Congress from the State of Iowa.

Resolved, That a committee of eight Senators be appointed by the Vice President to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of

the deceased.

Resolved, That as a further mark of respect to the memory of the deceased the Senate do now adjourn.

In compliance with the foregoing the Vice President appointed as the committee on the part of the Senate Mr. Kex-YON, Mr. CUMMINS, Mr. BRADY, Mr. JONES, Mr. REED, Mr. LEWIS, Mr. THOMAS, and Mr. THOMPSON.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that this day they had presented to the President of

the United States for his approval the following bills:

H. R. 1966. An act to amend an act entitled "An act to prohibit the importation and use of opium for other than medicinal purposes," approved February 9, 1909; and H. R. 1967. An act regulating the manufacture of smoking

opium within the United States, and for other purposes.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 2715. An act to amend the military record of John P. Fitz-

gerald; to the Committee on Military Affairs.

S. 2816. An act authorizing the Secretary of War to donate to the city of Abilene, Kans., two cannon; to the Committee on Military Affairs.

S. 2609. An act to amend an act entitled "An act permitting the building of a dam across the Mississippi River at or near the village of Sauk Rapids, Benton County, Minn., approved February 26, 1904; to the Committee on Interstate and Foreign Commerce.

S. 2561. An act authorizing the Secretary of War to donate to the State of Kansas one cannon or fieldpiece; to the Com-

mittee on Military Affairs.

S. 2415. An act relating to the exclusion of traffic from the streets and avenues of the District of Columbia during parades; to the Committee on the District of Columbia.

POST OFFICE APPROPRIATION BILL

Mr. MOON. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1338) making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1915, and for other purpose

The SPEAKER. The gentleman from Tennessee [Mr. Moon] that the House resolve itself into Committee of the Whole House on the state of the Union to consider House bill

11338, the Post Office appropriation bill.

Mr. MOON. And, Mr. Speaker, pending that motion, - would like to make an arrangement with the gentleman on the other side for fixing a time for the general debate. How much time would the gentleman from Michigan like?

Mr. SAMUEL W. SMITH. How much time has the gentleman asked for? How much time does the gentleman expect to

Mr. MOON. How much time does the gentleman desire?

Mr. SAMUEL W. SMITH. I have received requests for 13

Mr. MOON. Will three days' debate be sufficient?

Mr. SAMUEL W. SMITH. I think so.

Mr. COPLEY. Mr. Speaker, reserving the right to object, may I ask the gentleman from Michigan whether in his 13 hours he has reserved 1 hour and a half for the party I represent?

Mr. SAMUEL W. SMITH. I have. Mr. 100N. Mr. Speaker, I ask unanimous consent that the general debate be limited to three days, and that the time be divided between the chairman and the ranking Member on the Republican side, Mr. SAMUEL W. SMITH.

Mr. PALMER. Mr. Speaker—Mr. PAYNE. Mr. Speaker, reserving the right to object, I do not exactly understand the arithmetic of the gentleman. I understood the gentleman from Michigan [Mr. Samuel W. Smith] wanted 13 hours on his side and the gentleman from Tennessee [Mr. Moon] is proposing three days. I do not know how much time the gentleman is conceding to this side on that lasis. I want to suggest to the gentleman from Tennessee that now, while we are not very much pressed for business, it would be very well to have this debate out, if possible. I do not want to interfere with any arrangement made by the members of the committee, but I want to suggest that we should have this debate out. The gentleman from Michigan can not get 13 hours out of three days' debate and use only half the time.

Mr. UNDERWOOD. If the gentleman will excuse me, Mr. Speaker, I think we are pressed for business now, because the appropriation bills are ready to move ahead; and, although I recognize the fact that there ought to be reasonable debate on all these bills, yet it is far from being the case now that there is no pressing business ahead of us.

Mr. PAYNE. Of course, my friend knows that the debate will not be strictly on the merits of the Post Office appropriation bill. I do not suppose that is contemplated. so much speaking that has to be done in this House at one time or another that it might be well now to get it out.

Mr. FITZGERALD. Mr. Speaker, there are enough important

matters in this bill to occupy the time.

Mr. PALMER rose.

The SPEAKER. For what purpose does the gentleman from Pennsylvania rise?

Mr. PALMER. To ask the gentleman from Tennessee [Mr. Moon] a question.

Mr. MOON. Very well. Mr. PALMER. I have heard some talk about a rule to make in order certain legislative features in this bill. Has that rule been reported?

Mr. MOON. It has not. It has been submitted, and is before the Committee on Rules for consideration. I understand they will meet Saturday for the consideration of that rule.

Mr. PALMER. The gentleman does not propose to have that

rule considered during this general debate?

Mr. MOON. No.

Mr. PALMER. That will not be taken out of the time for general debate?

Mr. MOON.

Mr. STAFFORD. Reserving the right to object, I should like to direct an inquiry to the chairman of the committee, and to ask him what plan he has in mind, in case the new legislation recommended and carried in the bill is made an order under the rule, as to the time for consideration of the respective items when they get before the House.

Mr. MOON. I take it there will be no disposition on the

part of anybody to limit debate too closely on new legislation.

Mr. STAFFORD. There will be liberal debate on each of those items?

Mr. MOON.

Mr. FOSTER. With due regard to getting through.

Mr. RUSSELL. Mr. Speaker, to-morrow being Private Calendar day, although there is very little upon that calendar for consideration, I presume business on the Private Calendar will be considered first. That being true, I should like to inquire if to-morrow will count as one of the three legislative days, assuming that part of it is taken up with the consideration of business on the Private Calendar?

Mr. MOON. No. I assume that there will be three days for this debate, and if any other privileged matter intervenes the time so consumed will not be subtracted from the general debate

on the Post Office bill,

Mr. UNDERWOOD. Why not fix a definite number of hours? Mr. MOON. I take it we had better fix the number of hours. How would it suit the gentleman from Michigan [Mr. Samuel W. SMITH] to take 10 hours on a side.

Mr. SAMUEL W. SMITH. I should like to ask the gentle-man from Tennessee if, out of his 10 hours, he can give me 2.

Mr. MOON. I hardly think that the majority of the House could give away any of its time. I will say to the gentleman that if I have any time to spare I will give it to him.

Mr. SAMUEL W. SMITH. I should like to have at least two hours of the gentleman's time, if the gentleman can spare it.

Mr. MOON. I should be very glad to give it to the gentleman if I have any time to spare.

Mr. AUSTIN. Mr. Speaker, reserving the right to object, I want to ask the chairman of the Committee on the Post Office and Post Roads if three days of discussion on this bill will not

be a waste of the public time, and why we can not take up the consideration of this bill under the five-minute rule without any

As far as I am concerned personally, Mr. Mr. MOON. Speaker, I am ready to proceed to the reading of this bill under the five-minute rule; but there always has been a pretty liberal general debate in this House upon this measure. It carries nearly one-third of all the revenues of the United States that are expended by the Congress. There are a great many questions connected with it that gentlemen desire to discuss, and I have no disposition to prevent the discussion of anything in the bill. It has been usual heretofore to have about that length

of general debate upon the bill.

Mr. AUSTIN. We were kept here all last summer. We have been here for an entire year. Now this is a long session of Congress. Our nominations and reelections are ahead of us, and the campaign is coming on. I am not uneasy about this matter on my own account, but I do have consideration for my colleagues. [Laughter.] I wish to ask if it is not really an unnecessary waste of the public time to consume three days here, not in discussing this bill but in discussing outside propositions and questions that have no relation at all to the bill. If we have political speeches to make in our own interests, let us not make them as against the interests of the country and tho measures that we ought to pass upon in this Congress, but let us adjourn as early as possible and make our political speeches to the voters in our respective districts. [Applause.]

Mr. PAYNE. May I ask the gentleman whether he would be willing to apply that same rule to claims and public buildings, and things of that kind?

Mr. AUSTIN. Why, certainly.

Mr. PAYNE. In the interest of not having any debate or

any time used in their consideration?

Mr. AUSTIN. I think in the administration of the affairs of this House we have carried the general debate to such extent that it is an abuse. I mean the general debate on all these appropriation bills. Much of the debate is on subjects that do not relate to any line, item, or provision in the bill.

How about the time consumed in that way by Mr. PAYNE.

the gentleman himself?

I should like to ask my colleague if it would not be a good rule in passing appropriation bills to vote first and

explain afterwards? [Laughter.]

Mr. AUSTIN. Certainly. Now, I want to say to the gentle-man from New York [Mr. PAYNE] that I have had less time for general debate than the average Member in this House, I recall distinctly that when the gentleman from New York [Mr. PAYNE] had control of the time in the tariff discussion I got only 10 minutes out of the 5 days devoted to general debate.

Mr. PAYNE. I do not remember about that; I gave to gentlemen like my friend from Tennessee all the time I had.

Mr. AUSTIN. The gentleman had half of 5 days, and I was offered 10 minutes. Now, Mr. Speaker, I am going to object to three days' discussion, and I am going to object to discussion of any subject not carried in this appropriation bill.

[Applause.] Mr. MOON. Mr. Speaker, I will suggest to my colleague that the limiting of debate to three days is in the interest of economy of time in this House. Under the rules this debate can proceed indefinitely. Each member of the committee will have the right to speak one hour unless the House of its own action shall prevent further debate upon the bill. I take it that one who comprehends the importance of the subject that is before the House now, the immense amount of money being expended, will readily see that it will be a wise thing to give full and reasonable debate and not undertake to limit it too closely. Heretofore this length of time has been expended, and sometimes more, on this bill. I assure the gentleman from Tennessee that if the debate is not limited to three days or some other time this general debate will not probably close within one week, unless the House takes the matter into its own hands and forces it to close.

Mr. AUSTIN. Let me say to the gentleman that 30 or 60 minutes after this debate begins there will not be 50 Members in the House during the three days given to general debate.

Mr. MOON. I am not responsible for that, but this committee

is responsible for full and thorough explanation of the bill.

Mr. AUSTIN. The chairman can make a statement in regard to this bill and all it contains, which is virtually only a reenactment of the present law, that will be satisfactory and probably cover every item in the bill, and under the five-minute rule every Member will have an opportunity to discuss the features and merits of every line in the bill. In the three days I venture the assertion that two days will be used in the discussion of

matters absolutely foreign to the provisions of this bill and to an empty House

Mr. MOON. Does not the gentleman from Tennessee know that these speeches are going to be made anyhow on this bill or some other bill?

Mr. AUSTIN. Not if we inaugurate the system of closing debate on these appropriation bills and getting down to business.

Mr. MOON. That is just what I am making this motion for, to limit general debate and get down to business. You can not limit it too closely. As far as I am concerned, I do not care to discuss the bill except under the five-minute rule. So far as my colleagues on the committee are concerned, they have no desire to do so, but my friends over there want 8 or 10 hours, and I think they are entitled to it. They ought to have it; they are in the minority and they have the right to talk and we have the right to vote. [Applause.]

Mr. COX. Will the gentleman yield? Mr. MOON. Certainly.

Mr. COX. I quite agree with the statement the chairman of the committee has made in his attempt to fix or limit the time for debate, but the question I want to ask the gentleman is, What objection can there be to holding night sessions for general debate?

Mr. MOON. None whatever, as far as I am concerned.

Mr. COX. It looks as if some arrangement might be brought about so that general debate can be closed in three days and give everybody an opportunity to be heard on the subject.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee that general debate be limited to 10 hours on a side, one-half to be controlled by himself and the other half by the gentleman from Michigan [Mr. Samuel

Mr. AUSTIN. Mr. Speaker, out of deference to the request of my colleague, Mr. MADDEN, of Illinois, I will not make my objection, but I hope Members will confine the discussion to the bill and finish it as speedily as possible.

Mr. MADDEN. I thank the gentleman from Tennessee.

The SPEAKER. The request is for 10 hours on a side, one half to be controlled by the gentleman from Tennessee and the other half by the gentleman from Michigan [Mr. Samuel W. Is there objection?

Mr. COPLEY. Reserving the right to object, Mr. Speaker, may I ask the gentleman from Michigan how much of that time we are going to have?

Mr. SAMUEL W. SMITH. One hour and a half.

Mr. COPLEY. Then I will not object.

The SPEAKER. The further understanding is that the Progressives are to have 11 hours out of the 10 hours of the gentleman from Michigan. Is there objection?

There was no objection.

The SPEAKER. The question now is on the motion of the gentleman from Tennessee, that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the Post Office appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. Hay in the

The CHAIRMAN. The House is now in Committee of the Whole House on the state of the Union for the consideration of the bill the title of which the Clerk will read.

The Clerk read as follows:

A bill (H. R. 11338) making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1915, and for other purposes.

Mr. MOON. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MOON. Mr. Chairman, it perhaps would have been more satisfactory to the House if the chairman of the committee had prepared a speech, a careful statement in explanation of all of the items in this bill, but that would have taken an exceedingly great length of time to deliver, and I shall co .tent myself, if the House will bear with me, with a rather impromptu discussion of the features of this bill. In a measure of this kind, where there are so many questions so different in their nature to be presented to the House, I scarcely know where to begin, unless I do so with the inauguration of the postal system. We are told in the Revised Statutes of the United States, section 388, that a bill creating the Post Office Department at the seat of Government and providing for a Postmaster General to preside over that department, was passed May 8, 1794, and by subsequent statutes running over a long period of years the power then conferred on the Postmaster General has been divided among three assistants, and lately there has been added a Fourth Assistant. The Postmaster General and his four assistants control this great business organization of the United States. They have, under the statutes, the power not only to transmit the mail of the United States but to see to its power handling and tolling and the United States but to see to its proper handling and delivery to the people. There are employed in the Government under the supervision and jurisdiction of the Postmaster General and his assistants 205,469 officials, as shown by the letter of the chief clerk, as follows:

POST OFFICE DEPARTMENT, OFFICE OF THE CHIEF CLERK, Washington, January 15, 1914.

Hon, John A. Moon,
Chairman Committee on the Post Office and Post Roads,
House of Representatives.

My DEAR JUDGE MOON: In accordance with your telephonic request, I am giving you herewith the number of employees, by classes, in the Postal Service on December 31, 1913:

	486 1, 978 6, 006 0, 414	57, 884
Assistant postmasters. Clerks in charge contract stations. Clerks, third class	2, 000	118, 062
Watchmen, messengers, laborers, etc	139 8, 860 3, 043	1, 549 31, 746 22, 042
Mail messengers Screen.wagon contractors Star-route contractors, Alaska Steamboat contractors Sea post clerks Hural letter carriers Star-route contractors Mail-equipment shops, Washington, D. C. Post-office inspectors, 390; clerks, 80, at division headqus		42, 961 12, 201
Potel		295, 469

Yours, very truly, M. Q. CHANCE, Chief Clerk,

Practically all of the railroads, the steamboat lines, the ocean lines, the electric car lines of the United States, constituting many millions of miles in length, are engaged in postal service by this great department. The Government of the United States not only delivers its mail to its citizens and provides for obtaining it through post offices, but it has conventions with 31 other countries of the world, in which countries our mail is delivered and under which conventions the mail from those countries is delivered to the people of the United States. will be readily seen that this department in its ramifications reaches out to the four quarters of the earth, with a great army of men to administer its functions.

Under such conditions a rigid economy in administration is almost impossible. The method of administration is simplified by a division of the work between the various divisions of the department, and the classifications of the mails in the first, second, third, and fourth class matter—first-class matter being written matter, such as letters and postal cards; second-class matter being newspapers; third-class matter being magazines and books; and fourth-class matter general merchandise. The statute fixes the rate of postage upon all these different classes of matter, and it is from that source that the Government of the United States derives its revenue. The power of this great department has been gradually developing through a period of 117 years, and yet to-day it is by no means entirely developed, nor has the end come, nor is it yet in sight, in respect to the vast number of the great army of men that shall yet be required to give a full and efficient service to the people of the United States in this department.

The provision of the Constitution, Article I, section 8, that conferred upon Congress the right to establish post offices and post roads, was one of the exclusive powers that was granted by the Constitution to the Federal Government. No other sovereignty, no State, nor private individual or corporation can exercise the functions of this department against the will of Congress. The Post Office Department is a constitutional monopoly, expressly so made in the interest of the people. By construction the language to establish post offices and post roads has been widely extended and is not yet fully interpreted by the courts. What have you the right under that provision to do aside from the carrying and the disposition of the mail? You have the power to impress the service of corporations engaged

in the carrying business and compel them to carry the mail of the United States at just such figures as the Congress may decree, provided that the compensation is not confiscatory in its character. You have not yet exercised that power, but it is a power that soon must be exercised. You have the power to expend your Treasury, if you see fit, under this section in the establishment and building of post roads in the United States for the purpose of carrying the mails, because the power that enables Congress to establish post offices and post roads necessarily and impliedly carries with it the power to construct and maintain, and, furthermore, it carries with it the power to control the transmission of other methods of communicating intelligence. The right of Congress under the Constitution and the law to take over the telephone and telegraph companies of the United States as necessary auxiliaries and adjuncts of the Post Office Department, I take it, is not now questioned. that great power has not been exercised and it may not be exercised for some years, but it is a coming power; it is an authority that Congress will ultimately assume unto itself, and while it may cost the enormous sum of \$900,000,000, and may bring into the service hundreds of thousands of men, yet the power exists under the Constitution and the right of Congress to invoke this dormant power is not questioned. It abides only the exercise of your legislative discretion.

Mr. Chairman, the growth of this department of the Gov-ernment has been phenomenal. It has kept steady pace, steady advance with the increase in population, business, and industrial pursuits of a great people. Not more than 4,000,000 of people inhabited the United States when the first Post Office appropriation bill was passed. It carried, as I now recollect the figures are not now before me-the sum of \$17,000, and there were bitter contests against it as a useless expenditure, as a want of economy in administration, as an unnecessary burden, an improper appropriation of the taxes of the people; yet as the population grew, as the business interests of the country increased you find this bill at the end of a century carrying about ninety-two millions of money, with a deficit of about \$17,000,000. To-day I present to you a bill that carries in excess of three hundred and five million dollars, and give to you the information that there is no longer a deficit in the postal department of the United States but a surplus of \$3,800,000 to the credit of the Government. [Applause.] I confidently predict again, as heretofore, that two decades will not pass under a proper administration of this department without an expenditure of more than five hundred millions of money, bringing a surplus of \$50,000,000 to the National Treasury. [Applause.] And all this time the department has lengthened its cords and strengthened its stakes until it has reached out to the four quarters of the globe. We have carried rural delivery

Mr. SAMUEL W. SMITH. Mr. Chairman, I have been requested to ask the chairman of the committee if he would not

be willing to step down in front?

Mr. MOON. No; I would rather speak from this point. Mr. Chairman, as I remarked a moment ago, the Government. of the United States has pressed its mail facilities everywhere. To-day the rural population of almost the whole United States have the mails carried to their doors. It is only 16 years ago when I first went upon this committee, that, after a hard strug-gle, we increased the appropriation for this service from \$350,000 to \$750,000; yet to-day \$49,000,000 of money are expended in giving the benefit of free delivery to the rural population of the United States. All of your great cities have deliveries of mail of from two to six and seven times a day. There are yet, however, in the United States 20,000,000 citizens who do not have the same efficient mail service that the people in the rural districts and cities have. I speak of that vast population living in the villages and small towns of the United States. This bill carries a provision for the further experiment in village delivery for the purpose of ultimately bringing, by the act of this Congress, a complete and efficient service of delivery of the mails everywhere and to every person in the United States to whom it is practical to deliver the mails.

Mr. Chairman, this bill, as I have said, carries a sum in the aggregate of \$305,247,767. It is divided as follows, and the divisions you will see from the report which I will have placed

in the RECORD at this point:

in the Record at this point:

The Committee on the Post Office and Post Roads, in presenting the bill making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1915, and for other purposes, submits the following:

The appropriations for the fiscal year ending June 30, 1914, were \$283,444.717. The estimates of the Post Office Department for the year ending June 30, 1915, are \$306,953,177. The committee recommends appropriations to the amount of \$305,247,767. The increase in the estimates recommended by the department are due in part to the usual service and in part to the expenses incidental to the parcel post, now in practical operation. The report of the Postmaster General sets

forth fully the use of the money heretofore appropriated and the revenues to be expected and expended for the coming fiscal year.

The following tables show the appropriation for 1914, the estimates of the department for 1915, and the committee recommendations for 1915 in the office of the Postmaster General and the First, Second, Third, and Fourth Assistants, and in them may be found the separate items of appropriation under the jurisdiction of each of these offices, and the total of all appropriations, estimates, and recommendations. It is not deemed necessary to discuss here the new legislation asked for in the bill, as it will be fully presented and discussed in the House if a rule making it in order is adopted.

Post Office approprie	tion bill, 1	9.15.	
	Appropriation for 1914.	Estimates for 1915.	Committee recom- mends for 1915.
POSTMASTER GENERAL.		FOR SERVICE	
Rent suitable buildings	\$34,400 5,000	\$34,400 5,000	\$32,000 4,500
Post-office inspectors: Salaries Per diem. Clerks at headquarters. Trayeling expenses. Livery hire. Miscellaneous expenses. Payment of rewards. Trayeling expenses.	704,450 261,400 90,000 41,400 45,000 7,500 15,000 1,000	779, 500 261, 400 134, 900 48, 750 45, 000 7, 500 32, 350 1, 900	779, 500 281, 400 134, 000 43, 750 45, 000 7, 500 25, 900 1, 000
Total	1,214,150	1,348,900	1,333,650
PIRST ASSISTANT POSTMASTER GENERAL.			
Compensation to postmasters. Compensation, assistant postmasters. Compensation to clerks and employees. Compensation, printers and mechanics. Compensation, watchmen, messengers, etc. Compensation, clerks in charge contract sta-	30, 250, 000 3, 075, 000 140, 870, 000 44, 600 1, 120, 000	30,750,000 3,200,600 44,470,000 44,600 1,250,000	30,750,000 3,200,000 44,470,000 44,600 1,250,000
tions. Compensation to substitutes, first and second	1,010,000	1,100,000	1, 100, 000
class offices. Temporary and auxiliary clerk hire Separating mails, third and fourth class offices. Unusual conditions at post offices. Allowances third-class offices Rent, light, and fuel, first, second, and third	225,000 1,000,000 675,000 100,000 1,725,000	450,000 2,000,000 675,000 90,000 1,700,000	450,000 1,750,000 675,000 90,000 1,700,000
Miscelianeous expenses. Purchase, repair, etc., labor-saving devices	4,800,000 400,000 50,000	5, 200, 000 2 350, 000 50, 000	5,200,000 350,000 50,000
Rewards to employees for inventions. Pay of letter carriers. Substitutes for letter carriers. Substitutes and auxiliary earriers. Horse-hire allowance. Car-fare and bicycle allowance. Street car collection service. Detroit River postal service. Incidental expenses, City Delivery Service.	10,000 35,360,000 2,285,000 75,000 1,530,000 475,000 10,000 6,500 50,000	37, 700, 000 2, 975, 000 100, 000 2, 300, 000 525, 000 10, 000 6, 500 100, 000	37,700,000 2,975,000 100,000 2,000,000 525,000 10,000 6,500 100,000
Emergency car fare, special-delivery messengers. Pees to special-delivery messengers. Village delivery service. Travel expenses.	13,000 1,800,000 150,000 1,000	13,000 2,225,000 1,000	13,000 2,000,000 200,000 1,000
Total.	127, 110, 100	137, 285, 100	136,710,100
SECOND ASSISTANT POSTMASTER GENERAL.			
Inland transportation by star routes in Alaska Steamboat transportation. Mail messenger service. Transmission by pneumatic tube. Screen wagon service. Transportation by railroads. Freight or expressage postal supplies. Railway post office car service. Railway Mail Service. Travel allowance, railway mail clerks. Temporary clerk hire. Substitutes for clerks on vacation. Acting elerks. Actual and necessary expenses. Rent, light, fuel, etc., division headquarters. Per diem allowance, assistant superintendents Transportation by electric and cable cars. Experimental aeropiane service. Transportation foreign mails. Assistant superintendent foreign mails. Balance due foreign countries. Delegates International Postal Union. Travel expenses.	910,000 1,900,000 962,200 2,000,000 51,500,000 500,000 1,465,020 67,500 85,000 85,000 85,000 85,000 80,000	295,000 1,045,000 1,990,000 966,800 2,667,000 55,115,000 5,435,000 1,534,500 67,500 134,500 55,200 400,000 3,607 756,000 50,000 4,078,000 50,000 1,000	304,000 1,049,400 2,000,000 966,800 2,600,000 55,188,000 67,500 113,534,500 67,500 134,500 55,200 480,000 3,607 784,000 4,000,000 2,500,681,800
Total	95, 330, 151	105, 529, 447	104, 429, 847
THIRD ASSISTANT POSTMASTER GENERAL. Manufacture postage stamps Manufacture stamped envelopes	822,000 664,000	810,000 1,650,000	810,000 1,650,000
Pay of agents and assistants, distribute stamped envelopes. Manufacture postal cards. Ship, steamboat, and way letters. Payment limited indemnity, domestic Payment limited indemnity, international Travel expenses. 1 Correct amount by items, \$42,532,100.	1, 22,800 335,000 250 4125,000 20,000 1,000	20,500 400,000 250 110,000 15,000 1,000	20,500 385,000 250 110,000 15,000 1,000

Post Office appropriation bill, 1915-Continued.

	Appropriation for 1914.	Estimates for 1915.	Committee recom- mends for 1915.
Postal Savings System:	8100 000	#100 000	*100.000
Blank books, forms, etc	\$100,000	\$100,000	\$100,000
Travel and miscellaneous expenses	500	500	
Total	3,095,550	3, 107, 250	3,091,750
FOURTH ASSISTANT POSTMASTER GENERAL.	DALOUS	and the same	TENNE
Stationery	\$105,000	\$125,000	\$125,000
Official and registry envelopes	85,000	80,000	80,000
Blanks, blank books, etc., money order Blanks, blank books, and printed matter	165,000	180,000	180,000
registry	6,500	7,500	7,500
Agency, inspection manufacture of envelopes.	5,520	5,520	5,520
Supplies city-delivery service	130,000	150,000	150,000
Postmarking, etc., stamps	45,000	40,000	40,000
Letter balances, etc	115,000	100,000	100,000
Wrapping paper	15,000	15,000	15,000
Wrapping twine and tying devices	225,000	200,000	-200,000
Facing sllps, etc	70,000	75,000	75,000
Purchase, exchange typewriters, etc	80,000	120,000	120,000
Supplies, rural service	50,000	45,000	45,000
Shipment of supplies	135,000	145,000	145,000
Intaglio seals, etc	10,000	12,000	12,000
plies 1. Miscellaneous items, first and second class	26,000	30,000	30,000
offices 2		100,600	100,000
Rental and purchase, canceling machines	300,000	300,000	300,000
Mail bags, etc.3	356,500	463,000	463,000
Labor, mail bag repair shops 3	108,300	108,300	108,300
Rent, light, and fuel, Chicago 3	2,400		
Mail locks and keys 3	15,000	15,000	15,000
Labor, mail lock repair shop, Washington 1	38,000	40,100	40, 100
Star route service	7,105,000	8,675,000	8, 675, 000
Carriers, rural service	47,500,000	48,650,000	48,650,000
Travel expenses	1,000	1,000	1,000
Total	56, 694, 220	59, 682, 420	59, 682, 420
Grand total	283, 444, 171	306, 953, 117	305, 247, 767

The subject matter of the jurisdiction of the various departments-under the Postmaster General's office proper we provide \$1,333,650 to look after the affairs of the Postmaster General's office immediately under his supervision. For the First Assistant, who has control of postmasters and provisions for their compensation, clerks, contracts, and matters of that sort affecting the postal system, we have provided by items aggregating \$136,710,100. For services under the Second Assistant Postmaster General, which covers the transportation service of the United States and foreign mails, \$104,429,847. In the Third Assistant's office we have provided for the service of that bureau \$3,091,750, and in the Fourth Assistant's office the sum of \$59,682,420. By a scrutiny of the report you will find under each one of these subdivisions the specific items of appropriation contained in the bill and the amount that the committee has seen fit to recommend for the consideration of this House. After a most careful hearing covering a number of days the committee were not able to lower the estimates of the department, so closely had they been scanned, more than a million and a half of money in round numbers. The last Post Office appropriation bill carried the sum of \$22,000,000 less than this bill. The House will very naturally ask the question, Why such an increase in this measure? The answer is that under the classification law and under the parcel-post provision there were largely increased fixed and permanent charges for this service against the Government. The normal increase from year to year in the appropriation bill is about 8 per cent. Add the 8 per cent to the additional fixed charges and you will find that the increase now provided for in this bill is only normal and necessary to meet the adequate wants of the service.

Speaking in a desultory way about this bill, I want to invite your attention, not, of course, to all of these items and the reasons for the increase or decrease of a particular item-because that you can find as to every single item in the hearings on the bill-but to other matters, certain innovations which have been engrafted upon the postal system of late years, for the reason that it may be well for us to discuss them. We ought to know just what the Government is paying, not only for the ordinary normal service, but also as the result of the new ventures in legislation undertaken on the part of the Congress

We adopted as an adjunct to the postal department of the Government a postal savings bank. That institution is intended to gather in the money of that class of people who were unwill-

Correct amount by items, \$42,832,100.
 Part of item transferred to office of Fourth Assistant Postmaster General.
 Correct amount by items, \$26,303,300.
 \$65,000 of this item appropriated by legislative act, Oct. 22, 1913.

Transferred from legislative appropriation bill,
 Transferred from Office of First Assistant Postmaster General.
 Transferred from Office of Second Assistant Postmaster General.

of the mails.

ing to trust their funds on deposit with the National and State banks of the United States. It was supposed that there was a vast amount of money in hiding that would come into the post officers which were the depositaries of the United States Government, established under this law, and that would there be deposited. The provision was that the Government should pay the depositors 2 per cent and loan the money at 21 per cent to the banks

About \$33,000,000 found its way in the past year to the national postal banks. The administration of that bureau, which was independent for a while, but is now covered by Executive order under the control of the Third Assistant Postmaster General, was conducted at a loss to the Government up to date of about \$1,000,000. The friends of that institution are of the opinion that if the limit fixed for a deposit under the act which created the postal savings banks were removed and the deposits to any amount were placed in that system of banks and the interest on the basis of a thousand dollars placed to the credit of each depositor, this loss would not only be made good to the Government, but this postal saving system would be a source of revenue to the Government. How wisely they prophesy I know not, but this committee, in order to give every possible advantage to the Government and to make effectual the postal saving system, if possible, has provided a section in this bill, in order that it might go through with the certainty of the general appropriations, exactly like that which was passed by the House some days ago, removing the deposit limit. We hope to get relief for the Government through this method, and I may say that in view of the various communications submitted to the department as to the desire of the people to deposit large sums of money which they could not deposit under the limitations originally fixed, that result may possibly be obtained.

Mr. SIMS. Mr. Chairman, I did not understand my colleague

in what he says about the limitation of the payment of interest. Mr. MOON. Limitation of interest on a thousand dollars deposited.

Mr. SIMS. What is the object of that? Mr. MOON. To save money. Mr. SIMS. Will it not prevent the deposits?

Mr. MOON. No; it seems not, from the insistence of the department. But that, I may say, is a matter for the future to determine. We can not foresee what the result will be.

Mr. SIMS. I did not catch the explanation of the gentleman

as at first made.

Mr. MOON. Mr. Chairman, by the act of 1912 there was established in the United States a system of transportation of merchandise known as the parcel-post law. There is no separate and distinct bureau in the department known as the parcel-post bureau. The power conferred by that act is distributed, in accordance with its provisions, among the officials charged with the performance of the duties of that department. I have heard a good deal said about the paternity of the parcel-post law. Mr. Chairman, the parcel post was in full operation many years in European countries before the United States undertook its establishment. Hundreds of proposed laws have been offered on the floor of this House during previous sessions to establish a parcel post. The Committee on the Post Office and Post Roads incorporated a section covering that question in the bill, I believe, of 1912 for the service of the fiscal year 1913. Upon the floor of this House, for the purpose of ascertaining the temper of this body, it was my pleasure, by direction of the committee, to move a substitute to that provision. It passed the House and went to the Senate, and there its provisions were radically changed and the zone system was added. The bill then went to conference, and the conferees not being able to agree, after consulting with various Members of the House about the provisions of the bill, the enactment was left to the chairmen of the two committees. Senator Bourne and myself drew the bill that is now the statute. It was approved by the committee and approved by the House. Not so much of the House substitute which I offered here is in the bill as are the provisions of the Senate. Indeed, there were other provisions placed in it, suggested by Members, that are a part of the bill. If there is anybody, in my judgment, who is entitled more than anybody else, in connection with that bill, to the credit of its paternity, it is the former Senator from Oregon, Mr. Bourne. But, as a matter of fact, whenever asked as to the paternity of the parcel-post law, just answer simply that it is nullius filius. Mr. Chairman, the parcel-post act is now in practical oper-

ation. It has resulted in bringing a vast amount of revenue to Government. The Post Office Department estimates for the fiscal year 600,000,000 packages, with an average of 10 cents a package, or a revenue of \$60,000,000 from that system. On the first of the year the limit was raised from 20 to 50

pounds. Wide discretionary power was given to the Postmaster General to change rates, zones, and limits of weight. He advises us that he proposes to extend the parcel post so as to carry 100 pounds by the 1st of July, 1914.

Mr. SIMS. Without reference to zones? Mr. MOON. In certain zones, and in certain other zones 50 pounds.

Thus you observe the incomplete operation of this law. is believed by those who have had an interest in it that this system will eventually be a source of very great profit to the people of the United States. I recollect with pleasure the very intelligent discussion of this question on the floor of this House by my friend, the gentleman from Maryland [Mr. Lewis]. And. by the way, he is entitled to much credit for suggestions as to the formation of this law. I trust, nay, I may say, I believe, that in view of the facts that have developed, this system of the transportation of heavy packages as well as light ones through the mails will be a source of immense profit and benefit to the people of the United States. [Applause.]

There is another question that is intensely vital to the welfare of this people, a question the consideration of which by the Committee on the Post Office and Post Roads awaits only the incoming report. That is the matter of the computation of pay, the method of pay to railroads and transportation companies of the United States for the handling of the mails. railroads insist to-day that they are not sufficiently compensated for this service. The department tells us that the compensation of the railroads is too great. Of course, no honest man wants the railroad companies to carry the mails of the United States for less money than it costs them to carry those No man would be unwilling that they should have a fair remuneration. Yet the method by which this compensation is determined is so unsatisfactory, so incomplete, so unbusiness-like that you can not come within \$15,000,000 of determining what the legitimate pay should be for the inland transportation

You can know, of course, what you do pay. You know what they carry. You know what you receive by way of compensation in postage, but under the present methods you can not estimate sufficiently close to determine what would be the legitimate compensation, as I say, within \$15,000,000 or \$20,000,000.

By the way, I had better remark here that the United States

is divided into four divisions for the purpose of weighing the mails and ascertaining the compensation due to inland carriers for the transportation of the mails. There is a quadrennial weighing. For instance, the mails are weighed in New England That weight will form the basis of compensation by the ton-mile for four years. The mails in the western, northern, and southern sections are weighed, each once in four years, and the system of compensation there is the same. It is only every four years that you get at the weights, and it has been charged-I know not how truly-that during the weighing period the mails in one section are diverted and carried around through that section in order that the weight of the mails may be heavy in that section, in order that the same mail may be weighed many times and form the basis for computation of pay. Whether this is true or not, I can not say. I would imagine, however, that no great amount of fraud of this sort would be practiced. Yet, let it be ever so honest, the conditions of this country, its transportation, its business, its industries, vary so much in a period of four years that if you base the pay upon the first of the four years the compensation for the next three years must be altogether a matter of speculation, because the increase may be double what it was, or it may be less than one-half of what it was, or it may be normal. The commission which is soon to report will bring before the committee a plan by which it is hoped to obtain more satisfactory results.

Another thing in this connection: For the purpose of encouraging the dissemination of knowledge and information, for the purpose of keeping the American people in touch with the Government and its institutions, the Government of the United States has practically subsidized the newspapers and magazines of the United States. They are carried at the rate of 1 cent per pound. The best estimates of the best statisticians are that the Government is losing from 5 to 5% cents per pound on every pound of mail so carried in the United States. What are you to do in that condition? You can not fail to recognize the principle that knowledge must come through the press to the people as cheaply as possible. Yet, on the other hand, you must realize the fact that your Government ought not to subscribe to a sub-

sidy to that extent.

You must know that a great part of the alleged literature passing through the mails is but advertising matter of no substantial benefit to the adults or the youth of this land. believe in upholding and sustaining the press of the United

States as the instrumentality through which the liberties and rights of the people are primarily preserved. But the Government ought not to pay so much. Perhaps your county paper, your ordinary daily papers, weighing less than a pound, might be continued at the present rates. I should oppose, I think, an increase of the rates as to them. But how about it when you are confronted with the great papers weighing more than a pound, running up to four pounds, five-sixths of which are paid advertisements? How is it when the great magazines of the country are loaded monthly in great cities upon trains composed of 14 cars carrying them at 1 cent a pound, giving it to the people at a loss upon each pound of 4 or 5 or 6 cents? Is it right to the Government that this shall be done in the interest of the magazines when the proof before the Postal Commission shows the enormous sums they obtain for advertisements? One magazine in the United States obtains the sum of \$5,000 for many of its pages of advertisements, and yet it is permitted to send six or eight carloads monthly cut to the people at an enormous expense to the National Government upon the theory that it is the duty of the Government to foster and encourage education and the dissemination of knowledge.

Mr. SIMS. Will the gentleman yield? Mr. MOON. Certainly.

Mr. SIMS. Does the gentleman say that they get \$5,000 for a page of advertisements?

Mr. MOON. Five thousand dollars for some pages. Mr. SIMS. And the magazine is loaded up with a large

number of pages of advertisements?

Mr. MOON. Yes. Mr. Chairman, the Hughes Commission has made a report recommending the doubling of these rates and the congressional commission will report in a short time on the same subject. I want to advise the House that this committee proposes to take up that question and deal with it in the light of justice and on the facts. the light Williams, Mr. BRYAN, Williams, WOON, Yes.

Will the gentleman yield?

Mr. MOON. Mr. BRYAN. The gentleman just stated that as a result of this loss of something like 5 cents a pound in the movement and transportation of magazines a subsidy was created. I would like to ask the gentleman if the benefits of this subsidy go to the railroads or to the publishers of the newspapers and magazines?

Mr. MOON. The gentleman must not understand me too technically when I use the word "subsidy." A subsidy means technically when I use the word "subsidy." A subsidy means a gratuity. The policy of the Government was not to subsidize the railroad lines, but it gives a practical subsidy or benefit to the people, as they thought that the rate tended to enable the publishers to give the people the magazines at a lower rate than they got otherwise. It is a benefit to the publishers. The point is that we are giving too much in the interest of the dissemination of knowledge when we are interest of the dissemination of knowledge when we are not

getting knowledge, but mere advertisement.

Mr. BRYAN. That is the very point I want to impress in relation to this subsidy, and the way to cure the trouble would be to lower the rate paid the railroads for transportation rather than to raise the rates on the magazines. It does not cost any more to carry a trainload of magazines than it does a train-

load of coal.

Mr. MOON. That may be true; but the question in my judgment is. What shall be done as to both of these questions? I have no hesitancy in saying that the rate upon the magazines ought to be raised in accordance with the report of the Hughes Commission. [Applause.] I have no hesitation it saying that probably the short-line railroads in the United States are receiving scarcely a just compensation for the service they render, while the great trunk lines of the country are receiving

Will the gentleman yield?

Mr. MOON. I will yield to my colleague. Mr. SIMS. Is it not a fact that newspapers, second-class mail matter that does not go beyond the county, have the use of the mails absolutely free?

Mr. MOON. Yes; that is a provision of the statu's.

Mr. McKELLAR. Will the gentleman yield?

Mr. MOON. Yes.

Mr. McKELLAR. Has it been figured out what the Government loses in money each year by reason of this rate being

Mr. MOON. It has been, in a measure. The Government of the United States adopted a policy as to the delivery of magazines which we have designated as the blue-tag regulations. That is, the department instead of sending the magazines through the ordinary channels of fast mail, inasmuch as they are monthly publications, and inasmuch as the Government

zines in the post office within the time required for delivery, they have sent them in great carload lots by fast freight. It is true that the dates of publication and distance in some cases has prevented this being done, and they have to be carried by the mails. Yet by the adoption of that policy the Government has saved annually a million and a half dollars on magazines. There is a provision in the bill to sustain the blue-tag system.

Mr. LEWIS of Maryland. Will the gentleman yield?

Mr. MOON. I will.

Mr. LEWIS of Maryland. Does the gentleman know of any fundamental objection to utilizing the fast-freight service of the country for the carriage of parcels with rates very much lower than could be allowed on passenger trains?

Mr. MOON. No; I do not. I think it is an entirely prac-

ticable question.

Mr. Chairman, in this connection let me suggest to the House that there is an intense effort being made in the United States by the commercial interests to reduce the postage on first-class matter from 2 cents to 1 cent per ounce. There are to-day lying in the office of the Committee on the Post Office and Post Roads petitions requesting that change that bear the names of more than 3,000,000 people. The President of the United States has desired that this be done consistent with our revenues. take it that we all would be glad to reduce the postage from 2 cents to 1 cent; yet when you come to think about it, it seems that 2 cents were little enough to ask for carrying a letter across the continent. That reduction can not be brought about

to-day, and it can not be brought about to-morrow.

It can not be brought about at all until there has been a proper adjustment of the railway mail pay, until there has been a proper rate fixed on second-class matter, until there has been a practical consolidation of third and fourth class matter, and we see further operations of the great parcel-post system, which now bids fair to help us out of our troubles. They say, "Why do you not give us a 1-cent rate—does not first-class matter yield over \$60,000,000 profit to the Treasury of the United States? If that be so, why do you force us to pay the 2-cent rate on first-class matter in order that you may make up the deficit in revenue arising from second and third class matter and heretofore from fourth-class matter?" That is apparently a sound argument; and yet, when you come to think about it, it is totally illogical. The fact that there are four classes of mail matter and that part of those classes do not bring a profit and that one does does not affect the question at all. The Post Office Department is a unit. It is just as though a farmer has four fields corresponding to the four classes of matter. One field is a rich and fertile field and it brings the farmer a great revenue. The others are poor and do not pay, but the three others that are nonpaying are entirely essential and necessary to the transactions of the farm work and for the accruing of the benefits that come from the first. So it is in the Postal Service. You can not throw away the revenues from first-class matter because there is a big profit from that source and none from the others. If you go to 1-cent postage to-day under the conditions existing, you will not have a surplus of \$3,800,000, but you will have a deficit of \$33,000,000 in your National Treasury. That question is out of the way, therefore. This committee could not yield to it in the exercise of sound judgment.

Mr. BARTON. Mr. Chairman, the gentleman has stated the profit derived from first-class matter as \$60,000,000. What would be the loss on the other?

Mr. MOON. The loss on the rural delivery matter is some \$27,000,000, and it is suggested that the loss on the second class is about \$63,000,000.

Mr. AUSTIN. May I ask the gentleman from Tennessee a question?

Certainly.

Mr. AUSTIN. If Congress would increase the rate on secondclass matter with the surplus that is increasing all of the time, and which is bound to still further increase under the operations of the parcel post, will we not be able to give the people 1-cent postage?

Mr. MOON. I think that if we shall increase the rate to a proper rate on second-class matter, and consolidate the third and fourth class matter under a compensatory rate, and properly adjust the railway mail pay, in a few years the surplus may be so great that we may be able to give a 1-cent postage and leave it at 1 cent.

Mr. GREENE of Massachusetts. Mr. Chairman, will the

gentleman yield? Mr. MOON. Certainly.

Mr. GREENE of Massachusetts. Are not all the public buildings used by the Post Office Department maintained out of the fully performs its contract for delivery by placing the maga- Public Treasury and built out of the money of the Public Treasury and not from the postal fund? Is not all of the heating and lighting service paid for out of the Public Treasury?

Mr. MOON. The heating, janitor service, and lighting is provided for in the Post Office appropriation bill.

Mr. GREENE of Massachusetts. Not in public buildings? Mr. MOON. In post office buildings, and that is all that we are dealing with.

Mr. GREENE of Massachusetts. But where there is a cus-

tomhouse and post office together?

Mr. MOON. Where there is a customhouse that comes from

the Treasury

Mr. GREENE of Massachusetts. If that came out of the receipts from the sale of postage stamps and other receipts, there

would be a large deficit?

Mr. MOON. Certainly; necessarily so. If the Post Office Department had to construct all of the buildings of the United States, it could not do it out of its revenues, and that is not a part of its functions.

Mr. GREENE of Massachusetts. That has been paid for

years out of the Treasury of the United States.

Mr. MOON. It must be remembered also, on the other hand, that this department is the only self-sustaining one in the Government. The Department of Justice, the Department of War, the Department of the Navy, the Department of the Interior, the Department of Agriculture, and the Department of Commerce are all a dead incubus, so far as finances are con-cerned, to the Government of the United States.

Mr. GREENE of Massachusetts. I have been postmaster in my city, and I know there are customhouses located in many

buildings where the post office is.

Mr. MOON. The gentleman was postmaster in a building where the customhouse was provided for by the Treasury.

Mr. GREENE of Massachusetts. And very largely they are

fixed in that manner.

Mr. MOON. There are very few of that class of buildings in the United States compared with the post offices. In order that the gentleman may understand the exact situation and see how negligible the proposition he may make is concerned, there are in the United States 486 first-class post offices. That is where, in many instances, you have a public building, but in many of them you have not. Of the second class we have 1,978; of the third class, 6,006; and of the fourth class there are 49,414; and this department provides for all of those except perhaps of about 350, which are in customhouses in the United States.

Mr. GREENE of Massachusetts. In the original construction are those constructed from the receipts from the Post Office Department or from receipts from the Treasury?

They are constructed under the guidance of, or, rather, the Committee on Public Buildings and Grounds provides for them, and the buildings are authorized by the House and are constructed by the Supervising Architect out of the

Mr. GREENE of Massachusetts. That is it exactly; that is

Mr. MOON. But there are very few of them in comparison. Mr. AUSTIN. The gentleman should consider, too, that the post office carries mail for all the other executive departments.

Mr. MOON. I was going to say that it would more than balance the cost of all your customhouses if the cost of the franking privilege upon the Post Office Department was defrayed by the other departments. In other words, you strike a balance between the Post Office Department and the other departments of Government and a credit of millions of money annually would come to the Post Office Department which it does not now get. So the suggestion that there would be no surplus under the condition suggested by the gentleman from Massachusetts [Mr.

GREENE] avails nothing, in my judgment.

There is one matter I was about to forget. This bill carries a provision by which, I believe it is, \$200,000 is appropriated, with direction to the Postmaster General that he shall purchase all-steel railway post-office cars and provide for their carriage on the payment of wheelage or under such contract as he may deem advisable to make with the common carriers in the United States for the purpose of carrying the mail. It may be said that this is the first step toward Government ownership of a public utility of this character. Well, why is it that the Government should not use and own the instrumentalities by which the mails of the United States are carried? It owns its equipment, necessarily. It owns it post offices, necessarily. objection can there be to the Government owning the vehicles by which the mails are carried if it shall transpire that it is to the benefit of the Government to own them? I do not believe in the Government of the United States engaging in general business. I do not believe in its encroachment upon the rights of States or individuals anywhere, but if the Government has

the plenary and exclusive power under the Constitution, a Federal power, it ought to be just as jealous in guarding it as we would the rights of the States or the individual. The Government has the power to employ the instrumentalities it needs for the perfection of this system, the Post Office Department, for carrying with the greatest facility and the greatest benefit its mails to the people of the United States, and if it wants to own its cars and force the railroad companies to carry them for reasonable compensation it has the right to do it under the law, as I have said before, unless the compensation demanded or granted should be confiscatory. An all-steel car will cost from \$9,000 to \$10,000. A car of wood will cost from \$5,000 to \$6,000, railway post-office cars. There are to-day in the service wooden cars that have been in service from 15 to 20 years; one or two of them were in the service 40, 41, 42, and 43 years ago, if the reports here can be relied upon. If a car costs \$6,000 and the Government pays an annual rental of \$5,000 on it, and the car lives 15 years, there is \$75,000 for the use of a car that the Government could have purchased in the first instance for \$6,000, and the repairs upon it amount to 20 per cent, so it is a dead loss of over \$60,000 in a period of 15 years upon one of those cars, and a corresponding loss upon the all-steel car.

If that condition be true with respect to the thousands of cars that the Government has, will it not be wise to provide a means by which this enormous expense may be lessened?

It developed in the hearings when the question was raised as to the power of the Government to force an arrangement by statute, if it could not make arrangement by contract for the carrying of these cars, that the railroad companies, instead of charging wheelage, actually paid wheelage to the companies that furnished their freight cars and to the Pullman company. If it can do that for them, can not the carrying of the mail for the Government of the United States be arranged for on the same basis if we shall continue to pay them the stipulated rate per pound for carrying the mails? Or if we decline to do that, do we not save the rate that is paid?

Any way you compute the question affecting the railroad companies or the United States with respect to the railway postoffice cars, they obtain the advantage over the people of this

country to the extent of millions of dollars annually.

We have provided for an experiment along that line. We have provided that the Postmaster General shall make a purchase of some cars and try out this question. Even if we should be mistaken in our view on that question, it is clear that if the Government does not furnish all, it should furnish at least a portion of these cars for the handling of its dead equipment in return between the great cities of New York and Chicago,

There are other features in this bill that I ought to talk to you about, but there is only one that I will take up now.

Mr. GOULDEN. Mr. Chairman, will the gentleman allow me-to interrupt him right there before he leaves that car question? The CHAIRMAN. Does the gentleman yield?

Mr. MOON. Certainly.
Mr. GOULDEN. How many cars are necessary to carry the mails of the United States, approximately?

Mr. MOON. Thirteen hundred full railway post-office cars are necessary, besides compartment cars,

Mr. GOULDEN. It becomes an important matter in connection with the question of saving expenses?

Mr. MOON. Yes; it does, indeed.

The CHAIRMAN. The gentleman has exhausted one hour. Mr. MOON. The gentleman, having control of the time, will

yield himself some more. [Laughter.]

I come now, Mr. Chairman, to a question that from many viewpoints is a delicate proposition. It is not delicate to me. If it were, I would not discuss it here. But it is a proposition concerning which many of us are tender, because of platforms and political promises. I am going to discuss this ques-tion in a partisan spirit for a moment or two and then I am going to discuss it as a matter of economy and common honesty and from the point of view of the fundamental principles of a great Government, which I believe are in part subverted by the practice I shall refer to. I speak not of the mere change which we seek to make in the matter, but I speak of the general effect of the civil service.

There is a provision in this bill whereby-

Hereafter any assistant postmaster who may be required by law or by authority or direction of the Postmaster General to execute a bond to the Postmaster General to secure faithful performance of official duty may be appointed by said Postmaster General, who may require such bond, without regard to the provisions of an act of Congress entitled "An act to regulate and improve the civil service of the United States," approved January 16, 1883, and amendments thereto, or any rule or regulation made in pursuance thereof, and the Postmaster General shall have power to revoke the appointment of any assistant postmaster and appoint his successor at his discretion without regard to the act, amendments, rules, or regulations aforesaid.

That is what I call a Democratic section of this bill. [Applause on the Democratic side.] It is Democratic not in a partisan sense, but Democratic because it is right in view of the

conditions that exist on this question.

Now, let us examine it for a moment. Why should an assistant postmaster be placed under the civil service? He was not so placed until three years ago, when by Executive order he was given a life tenure in this most important office. First, under the law the assistant postmaster does not execute a bond to the postmaster, and yet he has a right to perform all the functions of a postmaster. He handles the postmaster's money; he makes the deposits; he makes the accounts; and yet he is imposed upon the postmaster without his will. obnoxious to him in every sense of the word, and yet the Government of the United States permits a man by an Executive order to perform the functions of the office of postmaster without being under bond to the postmaster. He may default to any amount, and the postmaster has no remedy.

He as principal must answer, and if he can by any peradventure be subrogated to the rights of the Government under the bond that is taken, it will be after a long litigation, a tedious contest, and permission by the Government. He is practically without protection. That order that placed them under the civil service, carrying with it the power that it did under the conditions then existing, was as much of a fraud upon the American people as was the order of President Taft, after his defeat for the Presidency, that placed 43,000 fourth-class postmasters under the civil service, when those post-masters had never had a civil-service examination. [Applause

on the Democratic side.]

Now, I want to confess that I do not believe in a civil service in any branch of this Government that carries with it the life It is in absolute derogation of every doctrine of the Democratic and Republican Parties as we understood those great parties in the days of their power, supremacy, and honor great parties in the days of their power, supremacy, and honor in the protection of the rights of the American people. Look at that question a moment. What moral right has the President of the United States in the exercise of a power that is executive and constitutional, I grant you, to lift up 43,000 fourth-class postmasters and 2,500 assistant postmasters from a position of temporary service, subject to the will of the party, to an office for life? Does it not close the door of opportunity to the people for a generation? If indeed it were possible to have a civil-service examination that was fair and just with have a civil-service examination that was fair and just, with the only purpose in view of obtaining efficiency, there might be some excuse for it. But let us digress for a moment and look at the practical operations of it. You know that it is a fraud to its very core as it has been practiced. There are, I believe, 2.560 assistant postmasters in the United States. If they had been properly examined and placed under the civil service, would 98 per cent of them have been Republicans? No; it could not have been so. And yet that is the practical fact. If those 43,000 men in the fourth-class offices had been examined, would 95 per cent of them have been Republicans? Gentlemen, you know how easily it is done. You know the manner of examination. Take a few concrete cases and let us see whether the way that they examine is or is not fair.

The examiners have been Republicans all along. I am speak-g of it partially in a partisan sense now. What kind of ing of it partially in a partisan sense now. What kind of questions do they put up? They take a man in a little village and examine him for the position of fourth-class postmaster. and examine him for the position of fourth-class postmaster. They do not ask him very much about the operation of the office or about the routes, or how long he has studied the time cards, the departure of trains, and all the practical things that are necessary, but they put up to him questions on history, on geography, and on mathematics. Here is one: Will you please name the Kings of Great Britain, the dates of their reigns, and the principal acts or events during their reigns? That is in history. Will you tell me the three greatest generals of the Revolutionary War? In mathematics now: Will you tell me the difference between an acute and an obtuse angle?

Mr. COOPER. Will the gentleman permit an interruption?

Mr. MOON. Yes.

Mr. COOPER. The gentleman now is purporting to quote verbatim

Mr. MOON. Oh, I am not purporting to quote verbatim. am purporting to state some of the foolish propositions that have been asked.

Mr. COOPER. Will the gentleman please tell when and

where those questions were asked?

Mr. MOON. For your sake and your party's sake I had

better not tell them.

Mr. COOPER. I think possibly for the gentleman's own sake he had better not attempt to tell where any such questions were asked on an examination for fourth-class postmaster.

Mr. MOON. I will tell you one right now, presented by the gentleman from Missouri [Mr. Shackleford].

Mr. COOPER. When were the questions asked that the gentleman has just been giving, and where were those quesons asked of applicants for a fourth-class postmastership?

Mr. MOON. Some in the Volunteer State and some in others. Mr. COOPER. When? Mr. MOON. About two weeks ago.

Mr. COOPER. By whom? Mr. MOON. By a Republican inspector.

Mr. COOPER. One moment. Does the gentleman say-

Mr. MOON. I am not going into details now to tell the gentleman about all these matters; some of them are confidential. Mr. COOPER. I should think so. Does the gentleman say that a Republican inspector of post offices had any authority to examine a man on his application for a fourth-class postmastership?

Mr. MOON. Why, of course. Does not the gentleman know that where the post office pays less than \$180 the inspector controls it?

Mr. COOPER. Now, does the gentleman say that at Leighton, in his State, those questions were asked?

Mr. MOON. I understand so.

Mr. COOPER. Were they made of record?

Mr. MOON. I do not know about that. Here was a case in another county:

See to it if you can not have an impartial man sent here to examine for fourth-class post offices and carriers in this county. The Republican postmaster has an agreement, with a Democrat who has betrayed his party, and two Republicans to give them the three highest degrees, and give them to nobody else.

I want to tell you that the order was made and that piece of villainy is not going to be accomplished. Now, what I am going to tell you I believe took place up in Wisconsin.

Mr. COOPER. What place?

Mr. MOON. I do not know; somewhere about where the gentleman lives, I think. [Laughter.]

Mr. COOPER. I do not believe it.

Mr. MOON. The gentleman must not get too serious. Now, the postmaster was asked to describe the difference between a

parallelogram and a parallelopipedon; to describe the right angle to a rectangular triangle. [Laughter.]

Mr. Chairman, to be serious with my friend from Wisconsin. while these may not have been the exact questions, they were along that line, just as reasonable and senseless. Judge Shackleford suggested to me that an applicant was required to show the direct course of a river, its bearings, immediately in front of the city of Paducah.

I refer to these matters to show you that the examinations are never just what they ought to be. They may not always be fraudulent, but they are not examinations for the purpose of attaining an efficiency record. They are examinations con-trolled by favoritism and prejudices. What is the result of the examination? How is it that all of these Republicans get into examination? How is it that an of these Republicans get into office and no Democrats? The examination is certified to the department; the three men, in the opinion of the examiners, that made the best grade are placed upon the eligible list. There may have been one Republican and two Democrats who passed, or it may have been the opposite; but the Congressman, if a Republican from that district, is called upon to say which one of the three shall have the office, and, of course, gives it to a member of his party. I do not, from a partisan standpoint, blame him. But if the examination is held for the purpose of efficiency in the public service, there would be no question about the fact that, if it had been honest and fair, the man who obtained the highest grade would obtain the office.

Mr. AUSTIN. Will the gentleman yield? Mr. MOON. I will yield to the gentleman.

Mr. AUSTIN. If my colleague will indulge me for calling his attention to something that he said, although I know he did not intend it, but he stated that President Taft's order carrying the fourth-class offices into the civil service was issued after his defeat. The order was issued prior to his defeat.
Mr. BARTLETT. On the 15th of October, 1912.

Mr. AUSTIN. Yes; the original order was issued by Mr. Roosevelt and was afterwards extended by Mr. Taft a few weeks before the November election.

Mr. MOON. I am not offering the suggestion as a criticism of President Taft. I am glad the gentleman has made the correction. The effect is the same. I have an exalted opinion of the patriotism and ability and faithfulness of ex-President Taft, and he is one of the last men in the world whose character would detract from.

Mr. AUSTIN. I knew that my colleague would not intentionally misrepresent Mr. Taft or anyone else.

Mr. MOON. I accept the suggestion as true, but it does not affect the wisdom or the unwisdom of the policy of the propo-

Mr. BRYAN. Will the gentleman yield? Mr. MOON. Yes. Mr. BRYAN. With reference to the time of the issuance of the order and Mr. Taft's defeat, everybody knew that Mr. Taft was defeated way back in June.

Mr. MOON. That may be true.

Mr. GOOD. Will the gentleman from Tennessee yield?

Mr. MOON. Yes.

Mr. GOOD. The gentleman has spoken of the fourth-class postmasters and the manner in which they have been ap-pointed. Is there anything in the bill that changes the law in

Mr. MOON. I am glad that the gentleman made the sugges-I had about forgotten to speak in that connection. There is nothing in this bill that changes the law. Under the plenary power vested in the Executive by the civil-service law President Wilson can and has changed the ruling as to fourth-class postmasters subjecting them all to an examination. Now, if the President was right in believing that an examination should be had instead of rescinding the order—and my judgment is the order ought to have been rescinded—but if he was right in the modification of the order, should not the same rule apply to the assistant postmasters? Is there any reason in one case that there is not in the other? So if the Rules Committee does not give a rule for an amendment of the law we ask, the committee has performed its full duty in that respect in justice to the postmasters of the country. It ought to go far enough to en-force that rule that the President enforced as to the fourthclass postmasters

Mr. SIMS. Will the gentleman yield?
Mr. MOON. I will yield to my colleague.
Mr. SIMS. I may be mistaken, but it occurred to me that

I recollect of seeing in the papers soon after the present administration came into power, that the administration advocated putting the postmasters, first, second, and third class, under the civil service. Now, if they had such purpose in mind, perhaps that may be governing the administration in not wanting the assistant postmasters taken out.

Mr. MOON. I find in the public press a statement which, I presume, is authentic, but I have no means of knowing that

it is. It is to this effect:

President Wilson let it be known yesterday that he was opposed to a return of the "spoils system" of post-office appointments, and would veto the Post Office appropriation bill now before the House unless the "rider" in it exempting assistant postmasters from the classified serv-

ice were eliminated.

The President, it is understood, has decided to call a halt to what has been charged by civil-service advocates as a tendency in Congress to break down the merit system.

HIS POSITION ON OTHER BILLS.

His Position on other bills.

He was confronted in the tariff, currency, and the urgent deficiency bills with the civil-service problem, but in signing these measures took the position that his power of piscing employees in the classified service had not been weakened, and that the merit system could be applied. The "rider" in the Post Office appropriation bill as reported to the House would give the Postmaster General the right to revoke the appointment of any assistant postmaster "and appoint his successor at his discretion," without regard to the civil-service act or its amendments.

pointment of any assistant postmaster "and appoint his successor at his discretion," without regard to the civil-service act or its amendments.

Postmaster General Burleson recently wrote Representative Moon, chairman of the Post Office Committee, stating his opposition to the proposal, but it was not withdrawn. The President is expected soon to inform House leaders of his views.

Mr. Speaker, the letter there referred to was written by the Postmaster General. He discusses the civil-service question in his report. The President of the United States does not approve this section in this bill. The President stands for civil service in the United States. He stands for the merit system. The President is an honest, able, and conscientious man, and 1 believe that in Woodrow Wilson this country has one of the greatest Presidents that it ever had. [Applause on the Democratic side.] I believe that in Albert Burleson it has one of the ablest and most efficient Postmasters General it has ever had. [Applause on the Democratic side.] But this committee is not here to bow to the will of the President or to the will of the Postmaster General upon a question upon which they differ. We perform our functions as legislators. If in our wisdom that law ought to be changed, no domination from the Postmaster General nor threat of veto from the President ought to swerve us from the course which we believe to be right. I do not know what this House thinks on the question. Personally it is really quite immaterial to me. I have long ceased to care personally as to the effect of votes on legislation in this I recognize Congress as a unit that controls. Its integral parts may fall, but the unit will yet stand and dominate in legislation. Suppose the President of the United States does veto this bill if the Congress should pass this section, he but I

exercises the functions of an executive conferred upon him by the Constitution, and Congress can not complain of the exercise of that duty on the part of the President. It can only override it, if it will, by a two-thirds vote, and he can not complain if Congress does that, because that is the provision in the Constitution to which he and you and I have sworn allegiance. So the views of the President of the United States and the Postmaster General, however much I respect them-and I do most profoundly respect them-certainly will not control me in my vote nor this committee in the presentation and the discussion of a question of this sort, which I believe to be vital.

Let us look at it. I have spoken, as I have said, in a measure, in a partisan sense upon this question. It is not in my nature to want to throw any man out of employment because he may differ with me in religion or politics. It is not my desire to lay the hand of oppression upon anybody anywhere. I have lived too long not to know that men do differ and that . they have the right to differ and that they ought to respect and protect each other in their differences; but this is a fundamental question of government. I would not say, sir, that the merit system, as it is called, was wrong, nor have I any respect for those insinuations, such as are made in the minority report here, that we are seeking to inaugurate an era of the spoilsman again because we oppose the civil-service policy. What is a spoilsman? Is he a plunderer, or, politically speaking, is he one who belongs to a victorious and triumphant party into whose hands the reins of government have been consigned by a decree of a majority of the people, who demand the party of which he is a part shall have a voice in the administration of that government which they have called into power? Whom did the American people elect? Was it President Wilson and his Cabinet alone? I think not. The election was an indorsement of the principles and policies of the Democratic Party. It meant that into power should come with the President those means by which Democratic principles and policies should be sustained. It did not mean that the offices should be held by the party defeated at the polls, although that party had clothed with the sanctity of civil service all of the men, or 98 per cent of all of the men, in the service of the Government. It meant that the Democratic principles and policies should be executed by Democrats. What general, when he has captured a portion of the enemy, in the next great pitched battle would place be-fore his vanguard the sentinels chosen from the ranks of the enemy? How long would it be before treason would destroy the army and the purposes for which it had been organized?

When you come to political questions, I believe that the Democratic Party is right; I believe that its principles and policies must triumph if human liberty shall be preserved upon this continent. I have naught to say against the patriotism of men who differ from me, but that view is the one which has fastened itself upon me as firmly as I know of my existence. If the power were mine, I would put none but Democrats on

guard.

nard. [Applause on the Democratic side.]
Mr. CURRY. Mr. Chairman, will the gentleman yield for a moment?

Mr. MOON. Not now. I desire to conclude. The CHAIRMAN. The gentleman declines to yield.

Mr. MOON. Mr. Chairman, as I said a while ago, I have my partisan views on these things, and yet I would not want to partisan views on these things, and yet I would not want to deprive any man of office on account of that. But let us take another view of this question that is by no means partisan, one in which gentlemen who differ widely may find, possibly, common ground in view of their desire to support a common government. Let us concede that the civil-service law is properly executed. That is why President Wilson so firmly stands by it. He believes in law and in the enforcement of law until that law is repealed and proposes to enforce it conscientiously. The result is going to be the retention of thousands of Republicans in office. And that is his matter, none of mine. It is not a matter about which I would suggest any criticism, but suppose, as I said, the examinations were correct, that the merit system was really in force, that it had all the effect that was expected of it. Then what comes of the life tenure in these offices? Men and women go into the service from 21 to 45 years They spend their lives in that service. They become, by reason of continued occupation in a particular line, unfit for any other service.

Now, when they are old and decrepit, when they are holding their places, tell me whether this merit system under that condition performs an efficient service to the Government of the United States? It is a service totally inefficient, totally valueless, for which the people are paying. But what are you going to do with them? They hold on, and there comes another generation following in the same wake. You will be inevitably driven, if you have any sense of moral justice, to a civil pen-

sion list, so these people can be retired when they reach the age of inefficiency, that the Government may have efficient service in the employment of others. Are you going to extend the pensions to the civil list in the employment of the Government? He who has bared his bosom to the brunt of war for his country's sake, he who is aged and decrepit as a result of suffering and hardship following the banner of his country, is entitled to a pension, not only a pension, but a splendid remuneration for his service. [Applause.] But, sir, there is no moral ground upon which you can place or for one moment rest the claim for a civil pension. You have inaugurated a system which you call the merit system, and which you found to be an inefficient system, so far as public service is concerned. And what have you to do? I believe it will be better to have fresh blood from the fields, named by commissions or Congressmen, than to have the continued dull flow of inefficient blood of long years of tenure in the offices of your country. What have you to do? I say, if you obey your common sense of justice, if you adhere to the common precept of ordinary morality, you have to provide now for the retirement of thousands of inefficient men and women in the service of the United States; and while I do not believe in a civil pension, yet when certain conditions confront us we have got to set aside the views we may have upon general practice and apply that remedy that will give relief in the particular instance. You have got to retire them on pay in part—you should do it as soon as you can—from the public service, that vast army of inefficient men and women who have passed beyond the period of life when they can be of any more value to the Government and never can be of much value to themselves You must give to them a pension that will care for them for life, and while we oppose the policy, the condi-tions are such we are driven to this conclusion; but when you do it, amend your law so that the examinations will bring with more certainty efficient men into the public service.

Do not give a life tenure; give a reasonable term of years, and when they have entered upon the service let it be known that minute that on a certain day and a certain hour they must go out of the service. They will meet the conditions that confront them; they will be prepared to stand the battle of life when their public service is over, and the Government will have at all times and under all conditions an efficient corps of public servants. But, sir, that is the view that we take not only in the interest of the Government but of the employees. There is yet another deeper and more profound consideration in connection with this question. We are creating under this law an official class for life. It forms one of the corner stones upon which the antagonism to republican institutions can and will rest. In considering this question we had as well look to

the conditions that confront us.

Who are we? What are we? From whence do we come? Ours is the greatest and freest Government on the face of the earth. It is true that mankind have been linked in the bonds of slavery by their fellowmen in all the ages. It is true that this Government, the first great experiment in republican institutions, has proven to be the greatest and most beneficent Government yet known to mankind. Yet, sir, the purposes of this Government have not been accomplished. We must avoid those policies of government that look to the undoing of the fundamental principles upon which it rests.

Take for a moment the consideration of the original Constitution, before the amendments were attached to it, and tell me if you can find among the constitutions of the earth one that was so complete a chart for a limited monarchy as the original Federal Constitution was before the amendments were attached

What did it do with the executive power? It gave the Executive of the United States greater power than any other ruler of any government in the world. He names all the officials, practically, of the Government. He exercises the veto power, He names all the officials, which it takes two-thirds of the Representatives of the people to override. He hold his hand upon your Treasury. He commands your Army and your Navy. And, ah, he appoints the postmaster of your village, your marshals, your collectors, your internal-revenue agents-with the consent of the Senate. Where and in what way could greater power be vested in an executive? But for the fact that the Presidency is not hereditary, the original Federal Constitution is more of a chart of despotism than of a free republic.

But how did it arise? We had ended the great war for dependence. That great declaration had gone forth to the independence. That great declaration had gone forth to the earth. But when you came to the Constitutional Convention, there you met the insidious power of the Tory and the Federalist, and let it be admitted—for it is true—that Federalism overcame democracy in that convention, and the Federal Con-stitution does not breathe the spirit of the American Declara-

tion of Independence. There, in the very beginning, in the inception of your Government, you found those conditions unfavor-

able to the welfare of the common people.

Sir, under the original Constitution there was no recognition of the sovereignty of the States. The great Commonwealth of Georgia was haled by a private citizen into court, and the Supreme Court of the Republic sustained the contention of the individual against the Commonwealth of Georgia. was not guaranteed the right of liberty in that Constitution. The power that was given to the judiciary under that Constitution has grown and has been amplified and enlarged until to-day, under the doctrines asserted under a life tenure, the Federal courts are taking jurisdiction of almost every question. By fixing the proper limitation, by establishing the doctrine of diversity of citizenship, by the removal of causes on the ground of prejudice, by the assumption of jurisdiction because it is alleged that a Federal question is involved, or because there has been some decision under Federal statutes in alleged contravention of the Constitution, they have stolen, as Mr. Jefferson said they would, the whole field of jurisdiction, until to-day the rights of the Commonwealths and of the people are but a dream of the past in the jurisprudence of your country.

Do you believe that judges That is the result of life tenure. sitting upon that bench, responsible to the people for election, would be void of human sympathy on all occasions? believe they would lean, as it is said they do and as the trend of their decisions shows they do, particularly in the inferior courts, in favor of the vested interests of the country as against the people? Would you believe that the day would come in the exercise of Federal jurisdiction in the United States when your courts, Federal and inferior courts all over the country, were charging juries on the question of international and

interstate lewdness?

How, indeed, has the jurisdiction of these courts grown! They have been reaching out and implying power, and from the implication of power fairly implied in the first instance, of exclusive jurisdiction under the Constitution, they have gone beyond the limit; and whatever men may think or say of it, it is as true as that there is a God in heaven that the sovereignty of States perished on the field of Appomattox. Not, indeed, that their rights are not preserved in terms in the amendments to the Constitution, because in those amendments are the guaranties of American liberty. Not, indeed, because they do not lie dormant there and unexercised, but because the rapid advance of the Federal institution was such as to oppress them in the dark hours of that day; and the States of the Union will all yet appeal in vain for the supremacy of the rights of States that were wrung from them by Federal jurisdiction and the en-croachment of national power. Your Government is being consolidated. It is builded upon the theory of ultimate supreme power under a system of federalistic dominion and construction of the Constitution. What are you going to do about it? You have hundreds of thousands of employees now under the civil service. Not a single representative of the Federal Government, save the Members of this House and by recent amendment the Senators, is chosen by the American people at the ballot box. Your President is chosen by an electoral college. He, in the exercise of that exalted power which he has under the Constitution, with his Cabinet and officials, choose all the other representatives of your country. There stand, with a life tenure, the administrative officers of the Government.

If you wanted to make a monarchy of the Republic, all you would have to do would be to apply the civil service to Congress, the President, and his Cabinet. [Applause.] You have no republican government. You never had anything but a representative Federal institution, with tendencies more federally monarchical and in accordance with the Government of St. George than in accordance with the declaration of American independence until, as I said, your amendments to the Constitution came. Are they sufficient to protect you?

Look at your Consular Service to-day. Ah, nearly all Republicans, covered by the civil service. They are your representatives in business. I have no objection to their being Repub-They are of no account, except for some reports that

they send in now and then.

Look, to-day, at the Diplomatic Service of the United States. No man who is not worth millions of money can hold a position in one of the great courts of Europe as ambassador or minister plenipotentiary of the United States. They are there giving a false light to the conditions in America. Your recent ambas-sador to the Court of St. James is said to have expended \$300,000 per annum in maintaining his dignity as a representative of the United States. Yet there is scarcely an official international act to his credit. What are you going to do? Are you no longer to be represented in France, Germany, Spain, Bel-

gium, and Great Britain by men imbued with the spirit of the Declaration of Independence? Are you no longer to be represented by true Republicans and true Democrats? Must the leadfalsely represent the feelings and sentiments of the American people? You have not the slightest use in this ers of society, with the false glare and glitter of their position, for an ambassador or a minister plenipotentiary in any court on In these days of cablegrams and close communication your Government, if it should have any trouble anywhere, might communicate with its business consuls, if it desired, or with the Governments direct, and deal with all questions of international importance. Your Diplomatic Service is a superfluous appendage to a Republic in this day, and your whole diplomatic corps, in the interest of economy and good government and a decent conception by foreign people of the views and habits and conditions of the American people, ought to be abolished. [Applause.] They form a distinct class, so distinct, I understand, that they scarcely pay any regard to the Senators who vote for their confirmation when once they have approached the throne of royalty. [Laughter.] It is that gang of political reprobates and society degenerates that we ought to wipe out of existence. [Applause and laughter.]

What are you going to do about all these questions? Are you going on in the same line in which you have been going? If you do, your Government will be consolidated and every vested right of the people will have perished before you know it.

There is a remedy. You are drifting rapidly to the exercise of central power. If you shall adopt the policy of the purchase of the telegraphs and telephones, you will have proceeded far to the federalization of power. You will have added thousands of offices to your Government. If you should go further and become the owners of the railroads, you would see a vast army of people who would be in control, a Federal menace to human rights and human liberty under a Constitution and laws in which the people have no part in selecting the officers to administer. Ah, the battle cry of the Progressives in the last campaign will no longer be heard amid the thunder tones of the progressive democracy of the Republic when the people understand that they have no part in their own Government. You have to amend your Constitution so as to bring the people of the United States closer to the Federal Government, to establish more affectionate relations between the masses of the Why is it that in each people and the Federal institutions. of the States to-day there is that spirit of intense loyalty to the institutions of the State, so far as power is exercised in one of these separate sovereignties that constitute this Union? It is because the people in village and hamlet and district and city and county participate in their government. It is because they have a voice in all that is done. Why is it that they feel strangers to the Federal institution in many places? It is because the Federal institution is a stranger to them. You must liberalize your Government more in the interest of Federal power, for in the interest of the Union itself the hour must come when the Federal centralization must, for the good of the people, be increased, and it often happens in a great government that even power must be conferred upon one for the benefit of many. If in the administration of your Federal affairs it becomes necessary that you add to the vast army of your employees, then the counterbalance power must exist.

If the liberty is preserved and equilibrium of government maintained, you must go to the ballot box for the solution. You must let all the people of the country select the postmaster at the place where the office is held; let the patrons select Why should a Democratic President dictate who the postmaster should be in a town or village where the Democrats are in an overwhelming minority? . Why should a Republican President appoint the postmaster in an office in a town which is overwhelmingly Democratic? It is not democratic. offices must remain under the Federal jurisdiction, but the people should elect them. There is no more reason why the people should not elect their postmasters, and after being certified to the proper officer, the President issue a commission, than there is why the people should not elect the sheriff in the counties and have the votes certified to the governor for his

Why this difference in the form of government? The State is a sovereign democracy, and the Federal Government is an imperial despotism in comparison. Why not elect your marshals, your district attorneys, your collectors of internal revenue, so that all the people in these subdivisions of the Gov-ernment shall have a voice in the affairs of the Union? Why should the inferior judges of the United States be given a life tenure? Whenever you vest in a man judicial power, arbitrary and discretionary, as is vested in a Federal judge, he ought to be subject to removal at the will of the people at the close of his term of office. [Applause.] Nearly all of your States elect

the judiciary, and it challenges comparison most splendidly with the Federal judiciary. The State judiciary comes from the people, known of the people, and by the people, and has some sympathy with the masses. That is untrue in the Federal jurisdiction.

Look for a moment. A Federal judge in violation, in my humble judgment, of the spirit of the amendments to the Constitution that provides for jury trials, will instruct a verdict both in civil and criminal cases, thus invading the province of The rule has ever been that judges might sustain, subject to the supervisory power of the appellate court, a demurrer to the evidence, and thereby instruct the verdict, and where there is not a scintilla of evidence to support the case of the plaintiff he might in the exercise of his judicial discretion instruct the verdict; but your Federal judges to-day when the facts are weighed evenly in the balance, when the jury, which is the bulwark of English liberty, is entitled to pass on the facts, instructs a verdict, and in most cases his error can not be corrected because of the immense cost coming to the citizen to reach the Court of Appeals or the Supreme Court. This would not happen often under an election system. The one-man power could not be sustained.

Again, he imposes the punishment in criminal cases. Some of the States are so unwise as to conform to that practice today. No judge ought ever to be permitted to fix the term of a sentence for a citizen convicted of a crime. It is the duty of a jury, and a jury only, because in that hour every human feeling and every human sympathy ought to be aroused in behalf not only of a State whose laws have been outraged, but in behalf of the poor prisoner who under unfortunate conditions may have violated the law. You need a complete revision of your judiciary.

The ballot box and the abandonment of the life tenure in office is our only safe remedy. This Government, if it ever shall advance to the position that our forefathers destined it to hold, must be brought down to the control of the people. We must revere the institutions of the Republic, have the same pride in its history and in its traditions that we have in the

Commonwealths in which we live.

The American citizen must live with the flag above him and the Constitution pressed to his heart, ever providing in love and devotion for the defense of the honor and glory of the greatest people known to the annals of time. [Applause.]

Mr. SAMUEL W. SMITH. Mr. Chairman, I yield two hours

to the gentleman from Minnesota [Mr. STEENERSON].
Mr. STEENERSON. Mr. Chairman, "Carrier of love and sympathy, messenger of friendship, counselor of the lonely, bond of the scattered family, enlarger of the common life," thus Dr. Elliot describes the beneficent postal service. It occupies a very close relation to all the people. It reaches them everywhere. Upon it the most important business and social affairs depend, from the aged father, looking for news from his dear ones far away, to the prattling babe that perhaps marks a few scrawls upon a letter to papa in a distant place.

It serves the people most helpfully and in this respect it is proper to distinguish this governmental activity from other activities of the Government. Government in its derivation signifies, first, to rule or guide, as a ship or boat. It rests upon force, either actual or potential. It moves us when used in that sense against our will. It rests upon law in free governments or in an autocracy upon the will of the sovereign; but in all cases that first sense of the word signifies some coercion applied to men, and we, therefore, are prone to regard it with some sort of disfavor or aversion, because it is one of the instincts of the human heart and the human mind to desire to do as we please to enjoy liberty, and it is the right of men in free states to do so, except as limited by law.

It is founded upon the just principle that each one who uses it shall pay for it in proportion to the amount of the service that he gets. The true idea behind that service is that it shall be self-sustaining; that it shall not be a tax upon the people outside of those who use it, but on the contrary that it shall not be a source of revenue to the people aside from simply

being self-sustaining.

That is the true idea that should guide the management of a postal service. It should be free from a surplus and a deficit as nearly as practicable. That has been the guiding principles in the carrying on of this service almost since the earliest periods of its installation.

The postal business is the best index to the growth and expansion of the country and its business and its social relations and its prosperity. The Federal Government to-day expends most of its energies in what might be called public service, as distinguished from strictly governmental functions. Outside of the War and Navy Departments and the Department of Justice,

the chief work of the other six departments of the Federal Government is of this public-service character, and of these the

Post Office Department is the principal one.

This bill, making appropriations for the service of the Post Office Department for the next fiscal year, carries \$305,247,767, the largest appropriation bill that has ever been brought before Congress. It is not claimed, and can not be claimed, that this appropriation is excessive. The fact that it is a large appropriation bill is not due to extravagance, but to the expansion of the service. I favor every item, with one or two exceptions, that appears in the bill, so that I do not claim that there is any extravagance in the size of these figures. Last year the bill carried \$283,444,171. Ten years ago, when I first had the honor to serve on the Post Office and Post Roads Committee, the bill carried \$153,511,549, so that it will be seen that the appropriations have practically doubled since that time. But it should also be borne in mind that the postal service is to-day self-sustaining, and therefore these appropriations do not involve any burden upon taxpayers in general.

POSTAL DEFICIT.

For many years we had a postal deficit. In 1904 it amounted to more than \$8,000,000, and the following year increased to more than \$14,000,000; in 1906 it amounted to \$10,-516,996; in 1907 it was \$6,350,000; in 1908 it went back to \$16.873,000; and in 1909 to \$17,441,000, the highest in our The postal deficit was, no doubt, largely due to the rapid increase of the Rural Delivery Service. It has often been claimed that the Rural Delivery Service was a gratuity or subsidy to the farmers, but I think in the long run that our postal finances will show that the installation of the Rural Delivery Service tends to stimulate the volume of the general mail to such an extent that after a time it really becomes self-sustain-The quadrennial period, from June 30, 1909, to June 30, 1913, is remarkable for two things. It wiped out the largest postal deficit in our history, of nearly \$17,500,000, and closed with a surplus of \$4,510,650; and, second, for the inauguration of postal savings banks and parcel post.

The gentleman from Tennessee predicted dire results to the Government and the people if postal activities should be extended to telegraphs and telephones. I do not think we are ready for that. Certainly not as long as the spoils system in

the Civil Service remains a debated issue.

FRAUD IN THE MAILS.

But this beneficent service, like many other good things, is sometimes turned to bad uses, and it is no exaggeration to say that hundreds of millions of dollars annually are transferred from the pockets of honest people to the pockets of swindlers through the postal service. Under sections 3929 and 4041 of the Revised Statutes of the United States the department is authorized to issue fraud orders against swindlers using the mails to conduct schemes to defraud, and for many years it was the practice to refuse to deliver such mail, but return it to the sender. For some reason the practice was almost wholly discontinued and reliance placed on criminal prosecutions under the statutes. Thousands of prosecutions and a good many convictions were had. During the last fiscal year 2,879 such schemes were investigated, 510 persons were arrested, and 304 convicted. The 304 persons convicted are estimated to have swindled the people of \$54,000,000, and it is further estimated that in two years prior to June 30, 1912, 1,000 persons who were arrested for such swindling through the mails had obtained by their operations more than \$129,000,000.

I see by the annual report of the Postmaster General that it is proposed to resume the practice of issuing fraud orders, and I am heartily in favor of it, for it is much better to prevent fraud from being perpetrated than to punish the perpetrators after they have succeeded in the swindle. But these criminal schemes to defraud, which are now punishable under existing law, constitute only a small part of the schemes that are actually perpetrated through the mails, or by means of the postal service. There is a class of fraud outside of that which is punishable under the penal code, and which, morally, is just as culpable—and I refer to the prevalence of false and fraudulent advertising of wares, goods, and merchandise in newspapers, magazines, and catalogues carried in the mails. There has been an effort on the part of the best newspapers and periodicals to exclude such advertising from their columns, but a great deal of it still circulates.

The establishment of parcels post has rendered this question more important and urgent than ever. It was a maxim at common law that the purchaser should beware, but the rule of caveat emptor is no longer applicable where the seller and the purchaser are distant from each other, and the latter must

rely upon the written or printed representations of the former. The most flagrant offenders against honest advertising have been, and continue to be, the dealers in patent medicines and in intoxicating liquors. The arts of these dealers in worthless nostrums and poor liquor are too well known to require description, and it is really surprising that respectable journals will give access to their columns to this class of advertisers. I have introduced several bills on this subject which I hope will receive consideration in the near future. One bill is to exclude a certain class of advertisements from the mail entirely, and another seeks to punish the person who inserts a false advertisement in any newspaper or periodical which is intended to and does actually circulate in the mails. Many of the States have enacted laws against false advertising, and that, of course, is entirely within the jurisdiction of the States, so that whatever legislation Congress enacts must be based upon its authority over the mails. But we have the right to punish anyone who circulates this kind of matter in the mail, and proper legislation to that effect, I believe, could be made effective.

It is like locking the stable door after the horse is stolen. Here are the great rascals in New York, Hawthorne and Quincy, who are said to have swindled the American people out of \$17,000,000, and when one of them was sent for a few months to the Atlanta Penitentiary he is, I believe, successfully in augurating an investigation of that institution because he was not treated as nicely as he thought a millionaire ought to be

treated in a penal institution. [Laughter.]

In a recent hearing before the Committee on Interstate and Foreign Commerce it was shown that the practice of misrepresenting common articles of merchandlse, as to value and quality, was and is quite common, and the people swindled in consequence by means of advertisements. This evil of fraud in the mails can be combated, not only by criminal prosecutions and fraud orders in the department, but by publicity, for the more these schemes are given publicity the less opportunity there is for them to succeed. An ounce of prevention is better than a pound of punishment after the damage is done.

THE POSTAL FINANCES.

The Postmaster General, in his report, shows that at the end of the last fiscal year the audited expenditures and adjusted losses exceeded the audited revenues by \$4,510,650.91, and he goes on to state that the last "actual surplus" was announced by the Postmaster General 30 years ago and he criticizes the practice which has prevailed for more than 30 years of ascertaining the surplus or deficit by comparing the audited expenditures and losses with the audited revenues. He claims that by the use of this "faulty method" there was shown to be a surplus of \$219,118.12 for the fiscal year 1911 instead of a deficit of \$720,768.63. He argues that some of the payments which were audited in 1912 should have been charged to 1911. He then proceeds by his new method to show that instead of the surplus of \$4,510,650.91 for the fiscal year 1913 there is actually only a surplus of \$3,841,906.78.

The intimation, of course, is that Postmaster General Hitchcock, for political reasons, shoved over into 1912, by "unusual delay in certifying accounts for payments near the end of the fiscal year," an amount sufficient to show a surplus of \$219,-118.12, instead of a deficit of \$720,768.63. But he estimates the amount shoved over from 1913 into the present year at \$658,744.13, a sum more than 70 per cent of the figures complained of. It is even possible that the estimates are too low and that outstanding claims pertaining to the business of 1913 may yet turn up so as to swell the sum "shoved over" to a greater figure than those attributed to the "unusual delay" in

1911.

But if the reported surplus for the fiscal year 1911 was carried over to 1912, then the 1912 deficit should be reduced accordingly, and the result is substantially the same. Why such prominence is given this matter in the annual report of the department seems at first hard to understand, but an explanation can be found in the fact that the Democratic Party made a campaign issue of this specious argument in the last campaign under the headline "Made deficit a 'profit.' Clever scheme of the Postmaster General fully exposed." They circulated this ridiculously false and unfair campaign article, in which the Postmaster General was charged with juggling the accounts, so as to show a surplus when there actually was a "deficit of nearly \$7,000,000." It now appears from the department's own report that there was no jugglery whatever in Postmaster General Hitchcock's accounts, but that he followed the practice that had prevailed for years. If there was a surplus in 1911 because we did not include all the expenditures of 1911, then they were paid in 1912, and they would increase the deficit, if there was any, for that year,

Postmaster General Hitchcock was at the head of the department until the 4th day of March, last, and the present administration was in power only 3 months and 26 days during the last fiscal year, and it can hardly be contended that there was any great revolutionary reform inaugurated in the department during these few weeks. It stands upon the record that in the quadrennial period from June 30, 1909, to June 30, 1913, during which Postmaster General Hitchcock was at the head of the department, greater results were accomplished than ever before in the history of the country. As I have already said, it was during this period that the two great additions of postal savings banks and parcel post were inaugurated, and the legislation providing for these reforms was Republican legislation, approved and signed by a Republican President. President Taft repeatedly recommended these reforms in his messages to Congress. It is true that the House of Representatives had a Democratic majority in 1912 at the time that the parcel-post law was enacted, but it should be remembered that the bill passed by the House contained no parcel-post provision except one for the delivery of parcels on rural routes.

The House committee reporting the appropriation bill had included a so-called parcel-post provision at a flat rate of 12 cents a pound, with rural-route parcels service; but the 12 cents a pound item was stricken out, and in that shape the bill went to the Senate. In the meantime the national conventions of the two parties convened in June and adopted platforms as

follows:

PARCEL-POST PLANK IN THE REPUBLICAN PLATFORM.

In the interest of the general public, and particularly of the agricultural or rural communities, we favor legislation looking to the establishment under the proper regulations of a parcel post, rates to be graduated under a zone similar in proportion to the length of carriage.

PARCEL-POST PLANK IN THE DEMOCRATIC PLATFORM.

We favor the establishment of a parcel post or postal express, and also the extension of the rural-delivery system as rapidly as practicable.

It will be noticed that the Republican platform declares in favor of the zone system, and more than a month later, on August 24, 1912, the parcel-post law, as proposed and passed in the Republican Senate, was agreed to in the House and approved by President Taft. These are facts and can not be disputed. Experience with parcel post demonstrates further that the present rate is not compensatory in the seventh and eighth zones, but that whatever profit there is is derived from the short hauls, so that the wisdom of the zone system has

I am very glad that the head of the Post Office Department has administered this new law with ability; but I want to call your attention and the attention of the American people in all fairness to the fact that the most difficult period in the inauguration of the service of the parcel post was at the beginning. We have made it a success so far as we know. Now, whether or not it is as great a success financially to the Government as some people claim may be doubted. I am not going to make any calculations on that matter, because I understand there is a commission now sitting, headed by ex-Senator Bourne, which is considering the question of second-class mail pay and railroad mail pay, and when we find out the truth about those things we can better calculate the profits or loss, if any, from this extension of the postal service.

At the time that the debate on the parcel post occurred I ventured the suggestion that there was a difference between ordinary mail, which was carried at a flat rate for any distance, and heavy parcels, and that the distinction was especially important because of the system of railway mail pay. Railway mail pay is based on per mile per pound, or per ton per mile basis, distance multiplied by weight. There is no reduction for long distance or for weight. You pay as much per pound per mile for a package weighing the highest limit as for a letter that weighs a fraction of an ounce to the railroad. much per mile for carrying it 3,000 miles or more across the continent as you do for 1 mile-pay at the same rate per mile.

When it is heavy matter, as parcels sometimes are, of course it should be taken into account in adjusting the rate, which has not been done. As stated by the chairman, there are claims being made by the railroads that they are not sufficiently paid. I do not believe that Congress has been unjust. But I suspend judgment, like the chairman does, until the facts can be fully investigated. I do not believe there is anyone on either side of the House, in Congress or anywhere else, that desires the mail carried at confiscatory rates. It is just that compensatory rates should be paid.

CIVIL SERVICE.

There are several propositions for new legislation in this bill, some of which are necessary and proper and some of which are objectionable. It is proposed to attach these legislative

provisions on this appropriation bill as riders by means of a rule to be reported by the Committee on Rules; otherwise they would go out on points of order. Legislation by means of riders on appropriation bills has been quite too common. That method of legislating should only be resorted to in case of a great emergency, or where the proposed legislation is so interwoven with the texture of the appropriation itself as to make it necessarily a part thereof. The leaders of the Democratic Party, including the chairman of the Committee on the Post Office and Post Roads, when in the minority, always criticized this method of legislation. They declaimed against the practice of attaching riders to appropriation bills with great earnestness, but I venture to say that since they became the majority party in Congress more riders have been attached to appropriation bills than in any other period in our history. Some of these riders have been most objectionable. One of these legislative provisions which it is proposed to attach as a rider to this bill is one which removes assistant postmasters from the classified civil service and makes them the personal appointees of the postmaster.

I did not feel authorized to mark my dissenting report on this bill the minority views, although I knew that all of the Republicans on the committee were opposed to this rider. so happened that the ranking member of the Post Office Committee was absent at his home during the holiday recess, and he returned only last Monday, when Congress convened. There was no time for consultation, because the bill was reported that day. At the time that the bill was reported I requested unanimous consent to file my views. Some one asked if they were minority views, and I said, no, that they were my views, because I did not feel authorized to speak for the whole minority. I did not know whether they would agree to all I said. I had no opportunity to submit it to them, and then the chairman requested permission for the ranking member, Mr. Smith, to file minority views, and the gentleman from Wisconsin, Mr. Stafford, also requested permission for any member of the minority to file his views. These requests were granted, but I had my report ready, and I gave it to the Journal Clerk so as to have it printed with the report on the bill.

Owing to these circumstances a great many members on both sides got the impression that there was disagreement among the Republican members of the Post Office Committee. They spoke to me, but I told them that that was a misapprehension on their There was no disagreement as to the proposition in question. I wrote this report and did not denominate it the minority views, because I believed that there were members of the majority party who shared in the views that I expressed, or at least they were opposed to the adoption of this rider. My reason for that was that at the time of the consideration of the urgent deficiency bill a very large part of the majority party represented in this House voted against that rider placing deputy marshals and deputy collectors outside of the classified service. My recollection is that the vote was 106 to 110. It was not my purpose to make political capital out of this civil-service question. Far be it from me to be so unkind as to do that, but I thought I would appeal to the members of the Democratic Party on this floor who represent States where the civil-service law is not as unpopular as it appears to be in some of the States of this Union, where the sentiment in its favor is strong, and where a Congressman would not last long if he made a speech like the speech just delivered by the distinguished gentleman from Tennessee [Mr. Moon], or like speeches made by other gentlemen who have spoken against the merit system. I thought those gentlemen, gentlemen representing New York and other great States, who voted against the rider in the urgent deficiency appropriation bill, might also vote against this rider for the same reason.

So that I am here pleading for the defeat of this proposed rule to bring in this proposition to take assistant postmasters out of the classified service. I am appealing to Republicans and Democrats alike, and I do it for the reason stated in my report, that it is not a partisan question, because the parties, through their respective platforms, declared they agreed to uphold the merit system. The Democratic Party is pledged to the maintenance of the merit system.

This will be a distinct blow to civil-service reform and the fourth one of the kind that has been inflicted since the advent of the Democrats into power. The first was the exemption in the tariff bill of employees for the collection of the income tax; the second the exemption of deputy marshals and deputy collectors of internal revenue from the civil-service law; third, the exemption of the employees under the recently enacted Federal reserve act. All these acts have been approved by the President, although in the case of the deficiency act, which removed deputy marshals and deputy collectors from the civil service, he

apologized in an explanatory note for signing the bill. And, too, all this has been done in spite of the repeated platform declarations in favor of civil-service reform and the protestations of the leaders of the Democratic Party of friendship for

the merit system.

I therefore have the right to confidently appeal to the men who voted against the rider in the deficiency appropriation bill to vote against the rider in this one and I do it with so much greater confidence because, according to the gentleman from Tennessee, I am supported by the President of the United States. He read a piece from the newspaper to that effect. I know that I am supported by the Postmaster General because I have his official report and I quoted it in my printed views in the report on this bill. Why, therefore, should not all of the supporters of this administration be with me in striking a death blow to this monstrous proposition; this violation of party pledges that appears here as a menace to the postal service? I am not vain enough to suppose that my report, which has been largely quoted in the press of the country, was the cause of any change in attitude on the part of the administration. I am not going to sing with the sparrow that it was I that did it; that I killed Cock Robin. Far be it from me to suggest anything of the kind. No doubt the wise statesman who now occupies the White House would oppose this proposition without regard to the opposition that I might offer. am sorry he did not veto the urgent deficiency bill on account of a similar rider. You will observe that when he signed it he wrote an apology in which he said that the deputy marshals and the deputy internal-revenue collectors would not be less within his authority after the passage of that law than before. His words were:

I am convinced, after a careful examination of the facts, that the offices of deputy collector and deputy marshal were never intended to be included under the ordinary provisions of the civil-service law. The control of the whole method and spirit of the administration of the provision in this bill which concerns the appointment of these officers is no less entirely in my hands now than it was before the bill became law; my warm advocacy and support both of the principle and of the bona fide practice of civil-service reform is known to the whole country, and there is no danger that the spoils principle will creep in with my approval or connivance.

Now, I beg to differ with that legal proposition he makes. I submit it to the lawyers in this House whether, if this proposition is enacted into law, it does not permanently remove the officers therein named from the operation of the civil service? After Congress has declared that the offices shall be outside of the civil-service law and that they may be filled without regard to it, that being the last expression of the legislative intent, has the Executive the right to then cover them into the civil service? I question it. It seems to me upon ordinary principles of statutory construction that they would

remain outside the civil service until altered by law.

We have been entertained by a very able and enlightening discussion of the Constitution and State rights and its effect on the civil service. I am reminded of an incident that occurred the first year I was in Congress. I met at my hotel a gen-tleman about 80 years old, a Yankee from Connecticut, a very interesting old man. He told me that he, with his father, was in business in Washington before the war and that he was here at the time that Daniel Webster was in the Senate and heard his speech dedicatory of the north end of the Capitol. He said he then went up in those days and listened to the debates, and now after having been away from here more than half a century he went up to the Senate and he heard the Democratic Senators talk about the Constitution and State rights, just the same as they did when he was a little boy. He probably was present when no appropriation bill was up, for you will

generally find that a State rights Democrat forgets all about his hobby whenever there is an appropriation in sight.

Now let us consider this matter of the civil service in the light of history, philosophy, and experience. In the first place, What is the civil service? It is defined to be: The departments of the public service that are under the Executive control, that is, neither the military nor the naval. The merit system, as defined in the Standard Dictionary, is "a system of appointments and promotions, especially in Government service, based on merit. In United States politics it is opposed to the spoils And the spoils system is defined to be the practice of distributing Government patronage among the adherents of the political party in power and displacing political opponents without regard to merit."

looking at it historically, when did this controversy first begin in this country between the spoils system and the merit system-between civil-service reform and spoils system? In the nature of things we can not elect all the officers that either rule or serve us. In a democracy officers must either be elected by the people or appointed. To elect the hundreds of

thousands of minor officials and clerks that carry on the administrative and industrial works of the United States Government is manifestly impossible. Are you aware of the fact, or have you forgotten, that this was a vital question at the very beginning of our history as a nation? The gentleman from Tennessee [Mr. Moon] referred to the Declaration of Independence, and I want to refer to it, too. The Declaration of Independence enumerates 27 specifications of grievances against the British Monarch. Among these are:

9. He has made judges dependent upon his will alone for the tenure of their offices and the amount and payment of their salaries.
10. He has erected a multitude of new officers to harass our people and eat out their substance.

It is a matter of history that that monarch went to the extreme in the exercise of absolute power. He imposed what may properly be termed, and what has been termed, a "personal government" upon the British nation, and he extended it to the Colonies. Under that system of personal government the system of patronage grew up, and these appointments were made as a matter of favor, and not as a matter of merit. He appointed, from the highest to the lowest, those who were subservient to him. He therefore imposed upon the Colonies unsuitable and unpopular officials.

That was one of the principal causes of the American Revolution. Sir George Otto Trevelyan, in his History of the American Revolution, states specifically that the King in his abuse of the appointing power and in his exercise of that power without restraint not only caused the war with the Colonies, resulting in their independence, but inflicted a deathblow to that kind

of government in England. He says:

It was a system which, as its one achievement of the first order, brought about the American war, and made England sick, once and for all, of the very name of personal government.

Thereafter the system of parliamentary government, the system of party government, grew up, so that the sovereign no longer had the disposal of the patronage. After the institution of the cabinet system of government in Great Britain the House of Commons assumed not only legislative but executive power, and controlled the power of appointment through the cabinet, which must be in accord with the majority in the House of Commons.

That system has grown, but it has not been coincident with the growth of the spoils system. They have, very much as we have, established a civil service based upon merit, because the men responsible for the appointments are responsible to the people who elect them for that service. So that, whether you look at representative government as developed in the United States or as developed in England, you must conclude that the spoils system is inimical to free institutions.

What is this idea of patronage and favor appointments? it not more pertaining to a monarchy and to absolutism than to free institutions? Is it not susceptible of and liable to abuse? In whose interest is it that every minor office and every office that does not govern, but serves the people, as I said in the beginning of my speech—an office that is simply ministerial or clerical—should be open to the poor and to the rich, to the influential and the uninfluential of every race or previous condition on the basis of merit and examination and appointment as the result? Is it better for the common people, for the public, that it be dispensed by a monarch exercising absolute authority, or his friends, or, if you please, by Senators and Representatives in Congress or irresponsible political bosses? If a Senator or Representative, by means of his power of recommendation to the President, selects a man without regard to merit, is it not a remnant of that old absolutism and privilege that was condemned and which received its death blow in the American Revolution?

Mr. Chairman, will the gentleman yield? Mr. COX. The CHAIRMAN. Does the gentleman yield?

Mr. STEENERSON. I will yield for a short question. Mr. COX. Would the gentleman be in favor of turning all first, second, and third class post offices into the civil service by Executive order without a written examination?

Mr. STEENERSON. I will discuss that. I am very glad the gentleman called my attention to it. Mr. Chairman, how much time have I left?

The CHAIRMAN. The gentleman has half an hour.
Mr. STEENERSON. I will not devote much more of my
time to the discussion of the historical phase, except to say that the framers of our Government did not believe in the principle of appointment by favor by the ruler; did not believe in having the governor or the President or anybody else remove and fill offices as he pleased; because that is the very thing that they complained of in the Declaration of Independence against King George III. Therefore we find that for 40 years after the establishment of the Constitution there were very few removals from office-less than a hundred.

There were only 73 removals in 10 administrations. Washington made 9, John Adams 9, Jefferson 39, Madison 5, John Quincy Adams 2, Monroe 9. In this period the rule was that the President made removals for legal and moral reasons only. President Jackson, in 1829, introduced a new order of things. In one year he made 734 removals, some of them to punish his political enemies, some to reward his political friends, and some to strengthen his party. This was adopting in its widest latitude the theory that the President could remove at his pleasure. The new method, it was said, was borrowed from the politicians of New York, and Mr. Marcy, of that State, in defending it in the Senate, used the famous phrase, "To the victors belong the spoils of the enemy.'

This matter was extensively debated at the time of the enactment of the civil-service law in 1883. In his report Senator Pendleton, the principal author of the civil-service act, and a very eminent Democrat in his day, went over this history at some length.

He spoke of the effect on Congress as follows. I read from page 3 of his report, which is found in volume 3 of Senate reports, first session, Forty-seventh Congress:

The malign influence of political domination in appointments to office is widespread, and reaches out from the President himself to all possible means of approach to the appointing power. It poisons the very air we breathe. No Congressman in accord with the dispenser of power can wholly escape it.

I tell you this, gentlemen, for your own benefit. You have not had very long experience yet. You are in accord with the President who is in power, and Senator Pendleton says that you can not escape this malign influence.

The report continues:

It is ever present. When he awakes in the morning it is at his door, and when he retires at night it haunts his chamber. It goes before him, it follows after him, and it meets him on the way. It levies contributions on all the relationships of a Congressman's life, summons kinship and friendship and interest to its aid, and impose upon him a work which is never finished and from which there is no release. Time is consumed, strength is exhausted, the mind is absorbed, and the vital forces of the legislator, mental as well as physical, are spent in the never-ending struggle for offices.

GIVING OFFICES IN CHARITY.

It has come to be a wide-spread belief that the public service is a charitable institution, furnishing employment to the needy and a home to those adrift. Employment is sought of the Government because it can not be found elsewhere, and to escape actual want. The number of those who thus crowd all avenues of approach to places in the public service is constantly on the increase, and is daily becoming more importunate.

The late Secretary of the Treasury (Mr. Windom)—

An honored Senator from Minnesota at one time-

An honored Senator from Minnesota at one time—
is reported to have said that five-sixths of the applicants for office while he administered the Treasury based their demands not on merit, or fitness, or character, but on their poverty and incapacity otherwise to obtain a livelihood. This class of place seekers follows the public service everywhere and the public man in every position who has influence to exert or a place to fiil. No one can stop his ears to its pitiful cry or resist its importunities. And everyone who walks the streets of Washington or dwells within the shadow of the Government service anywhere in this land is pressed into the work of dispensing charity through the emoluments of official position. No one can criticize the motive which prompts the pressure of this class of applicants for office upon the appointing power, but everyone must see that to yield to that pressure is to subordinate the demands of the public service to the claims of charity and to lose sight of the exigencies of the Government and the standard of excellence in those who serve it in the vain attempt to make it an almoner to the needy. As a rule, such appointees are neither capable nor willing to render service to the Government. They expect to repay personal influence by active political partisan service.

He reaches three conclusions against the speils existent which

He reaches three conclusions against the spoils system, which I commend to your consideration. He also quotes from the speeches of Mr. Garfield and others, which have been quoted in this House recently.

Now right here, while we are speaking of Garfield, I believe it fair to say that if it had not been for the excitement resulting from office seeking and the spoils system, Garfield would not have been assassinated. It is not too much to say that the spoils system was the cause of his assassination.

Now, the places in the service of the Government, outside of the Army and Navy, are given in the last report of the Civil Service Commission as 469,528. Of these, 236,061 held positions subject to competitive examination under civil-service rules. Of the 159,399 persons whose positions are not in the classified service 10,397 are presidential appointees, 8,228 being postmasters of the first, second, and third classes; 36,332 were fourth-class postmasters. These were the figures for 1912.

We are creating new offices constantly, extending the activi-

ties of the Government so that it is within limits to say that the offices now number half a million. About three-fifths of them are in the classified service and at least two-fifths are outside that service. It is interesting to note that at the time

when it was said that the spoils system was first inaugurated under Andrew Jackson in 1829, that he removed 734 incumbents of offices, and there had been less than 100 removed in the 40 years before that. However, it appears in the debates in Congress that President Jackson removed only a small percentage of the incumbents in office, and probably a great deal less than one-fifth, but it so shocked the people's minds in those days that it was generally accepted that he should be considered the father of the spoils system.

I have here the debates that occurred in January, 1832, upon this subject. An interesting circumstance is the fact that this debate as here printed took place in executive session of the Senate, and afterwards the injunction of secrecy was removed, and the speakers, being Henry Clay, Daniel Webster, Senator Marcy, and Senator Calhoun, and others, prepared abstracts of their own speeches, and they are printed in this volume of congressional debates. So they are more brief and concise than if they had followed our system. I have heard gentlemen speak of the aphorism "To the victor belongs the spoils," and attribute it to Andrew Jackson. Of course it was actually the language of Senator Marcy. Now, I want to read here the passage in which it occurred:

It may be, sir, that the politicians of the United States are not so fastidious as some gentlemen are as to disclosing the principles on which they act. They boldly preach what they practice. When they are contending for victory they arow their intention of enjoying the fruits of it. If they are defeated they expect to retire from office. If they are successful, they claim, as a matter of right, the advantages of success. They see nothing wrong in the rule that to the victors belong the spoils of the enemy.

Senator Calhoun said in his report to the Senate that the-Spoils system was as perfect a scheme as could be devised for enlarging the power of patronage, destroying the love of country, and substituting a spirit of subserviency and man worship, encouraging vice and discouraging virtue, preparing for the subversion of liberty, and the establishment of despotism.

This throws a light on human nature as it exists to-day. The debate was on the question of the confirmation of Martin Van Buren as minister to Great Britain. One of the speakers assailed Van Buren as the author of the spoils system, alleging that he had brought it from New York where it originated and put it into practice in the Federal Government. He criticized him for that, and also for another reason, that Van Buren had written a letter to Mr. McLean, minister to Great Britain, saying that another party had come into power and that our former claim for a participation in the colonial trade of the West Indies and other British colonies was untenable, and to remind the British sovereign of the fact that we had a new party in power. For this reason they criticized the appointment. But the main debate turned upon the question of the President's wholesale removal of officials from the civil service.

The contemporaries of Jackson, especially those in opposition, viewed his action in assuming the arbitrary exercise of the appointing power in the same light as I have indicated. Mc-Master, in his History of the People of the United States, Volume VI, page 224, says:

This term (Whigs) had been adopted during the spring elections in New Hampshire and Connecticut by those who, charging the friends of Jackson with restoring the kind of government against which our forefathers rebelled, called them Tories and themselves Whigs.

Senator Marcy, in the speech I read from, says that it is strange that the Senator from Kentucky—referring to Henry Clay-should denounce the spoils system when it was well known that the Senator from Kentucky himself rewarded his friends whenever he had an opportunity, and if he came into power he would be in favor of the system because he had practiced it. So when we charge each other with being addicted to the spoils system when in power, it is nothing new. It is 80 years old, and perhaps older. And this was true of each succeeding administration that followed.

You have noticed in this debate Democrats get up and say,

"What did you Republicans do? Did you not remove certain officers from classified service in order that you might fatten upon the public patronage? Did you not connive at bogus examinations?" It seems to be a sufficient reason for Demoexaminations?" It seems to be a sufficient reason for Democrats nowadays to do wrong because the Republicans did wrong in their day. We have heard it over and over again here. The gentleman from Virginia [Mr. Glass], in defending the rules in the procedure on the currency bill, defending the action making it a party measure under secret caucus rule, said his authority was the practice that prevailed under Speaker Cannon. As a matter of fact, the precedent he cited did not apply at all. The emergency currency law was only considered in Republican conference after the chairman of the Banking Committee [Mr. Fowler] had reported an asset currency bill the majority did not want, and had refused to report anything else, and defied the Speaker and the whole majority. I mention this only to

show that the Democrats nowadays think it is sufficient to answer our criticism by saying, "You Republicans were just as bad as we are now," thereby admitting they now practice what they formerly condemned. That is about all the argument they give us on the question of the merit and spoils system. It is no de-

fense to say that the Republicans did wrong.

Now, to what extent should the classified civil service go; what are its proper limitations? It is a very interesting question. The gentleman from Tennessee [Mr. Moon] and other Democrats I know seem to go to the extent that the whole system of civil service should be abolished. Officials that supervise and carry out general governmental policies should not be in the classified service because it is necessary that they should be in harmony with the men at the head of the Government in order that its policies may be carried into effect. There are also a number of confidential positions near to the head officials

in the administration that are properly excepted.

But is it true that assistant postmasters are of that class? I say no. There is nothing in the argument that it is because they handle the money of the office, because there are other clerks who handle money just as much as they do. The best proof that it is wrong to take these assistant postmasters out of the classified service is the fact that the head of the Postal Service, Democrat as he is, the Postmaster General, who is familiar with the service, is opposed to it. He knows what he is talking about, and every other Postmaster General has taken the same attitude in recent years. I can not see for the life of me why the Democratic Party, as represented on this floor, should support the proposition brought forward by the chairman of the Post Office Committee for a rule making this legislation in order as a rider on this appropriation bill. It violates the spirit of your platform. It is wrong, and it is chock full of trouble for every Congressman, because the more offices, the more patronage you get, the worse you will be off. There are postmasters in my district who were originally appointed by Grover Cleveland, and they are still serving. Fourth-class postmasters, so far as I know anything about it officially, have had a permanent tenure just as much before the late order as they are supposed to have now-or more so. I understand that a different rule has been followed in some other sections of the country, but I believe if so it is largely due to the activities of the Congressman himself, and that he was in error when he sought to dictate patronage of this kind.

Mr. Chairman, I admire the frankness of the gentleman from Tennessee [Mr. Moon], and I am glad that he has spoken so plainly, because it will show to the people of the United States the exact attitude of the dominant party on this question-at least it will if he is indorsed by the Rules Committee and a majority of this House. He is against the merit system. says it endangers the freedom of our country, and he is not alone in that regard. I remember in the debate on the other bill that the gentleman from Florida [Mr. CLARK] and the gentleman from Kentucky [Mr. Johnson] spoke upon this subject, and I shall insert their remarks in the Record. I want to call attention to what the gentleman from Kentucky [Mr. Johnson] said in respect to the rider on the urgent deficiency bill:

But this amendment has for its purpose now a correct one, the democratic one, that when the Democrats are in control they should have the offices. I am one who does not believe that when we have a Democratic President and a Democratic Congress that that contemplates and makes a Democratic administration. I do not believe we will have or can have a Democratic administration until every office is administered by a Democrat. [Applause.] We find the departments in washington, we find the departments in every part of the United States, full of Republicans not in sympathy with the Democratic administration; and they are asked to administer the affairs of the Democratic administration. [Applause on Democratic side.] They are there to make trouble for and to betray the Democratic administration, [Applause on the Democratic side.]

Then he goes on to say that he was for four years internal collector for the largest internal revenue district in the United States, the district in Kentucky, and he knows whereof he speaks, forgetting that for nearly half a year he served under Mr. McKinley, a Republican President, and he would have us believe, therefore, that it was impossible for him to serve without betraying the McKinley administration. He served his full term. He did not resign. He says that they are there to make trouble and to betray the administration. I do not believe any such thing. I do not believe that Mr. Johnson was disposed to betray the McKinley administration nor that he did. You are doing an injustice when you claim that the partisanship of the subordinates is carried to that extent. Why, according to this doctrine where a man and wife belonged to different political parties, as they often do in suffrage States, it would destroy their faith and confidence in each other and the marriage tie!

The gentleman from Florida [Mr. CLARK], October 10, 1913, page 6235, Congressional Record, Sixty-third Congress, first session, said:

Session, said:

I am in favor of Senate amendment No. 8. I am in favor of it principally because I am opposed to the whole civil-service propaganda. [Applause.] I am opposed to it because I believe it is hypocritical, insincere, and fraudulent in its every aspect, and, as my friend at my right suggests, damnable. Mr. Speaker, I am opposed to it because I believe with Andrew Jackson that to the victor belongs the spoils.

I do not believe that any President of these United States can successfully carry into execution his policies unless every agent under him is in line with his policies and believes as he believes. Take it to-day. An eminent Federal official only a few days ago told me that the two stenographers in his office were Republicans; that he could not dictate a letter that had not to be dictated to a Republican. Here we are undertaking to conduct a Government upon Democratic lines with Republican agencies to execute them.

If civil service was honestly enforced, it would not result in bettering governmental administration, but it is not honestly and fairly enforced, and, in my judgment, it never will be. A graduate of Harvard or Yale might be entirely unfit to fill the office of deputy United States marshal, while the most ignorant of men would be first-class deputies, although they could not stand the examination. The whole crooked, fraudulent civil service should be wiped from the statutes.

You are also mistaken in saying that 98 per cent or anything

You are also mistaken in saying that 98 per cent or anything like that amount of the appointments in the civil service are of one party. You can not produce proof of any such absurd thing. Further, the incumbents are not active partisans. Of course, there may be instances like the one cited where the examination is a fraud, etc., but those men should be punished. Let us rather than destroy the merit system join together andimprove the civil service. Let us improve the examination. Let us take measures that will make it a certain protection against incompetency and partisanship everywhere. Then we will inaugurate a reform for which I believe your President has frankly stood and, if he has not been changed lately, he still believes in it and believes in that position, and we will then render the American people a great service.

I share in the anxiety of the gentleman from Tennessee

[Mr. Moon] about the future of this Government. I fear that by creating these many offices we are going to endanger the stability of our institutions unless we have a more perfect system of civil service. I am anxious to see the country I am as truly desirous of the future prosperity and progress. glory of this great country as any other person anywhere and

I am not a strong partisan.

I believe those mistaken advocates of this system which we are now considering will regret their course. If they are ever successful it will come back to punish and plague them. I used to have little patience with men who seemed to have a doubt or express gloomy forebodings about the future of representative government and free institutions, and yet when we see Government activities growing on every hand, expansion in every direction in recent laws and in those proposed, when we see that thousands and thousands of offices are being created by reason of very recent acts of Congress, when we see that the Government through its officers will have control in the near future, not only of business of a public nature, but of private, and of the very credit and means of exchange of the people, I have become somewhat solicitous of the future of my country, especially if we should resort to following that relic of monarchical absolutism, that played-out system everywhere known as the spoils system. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

APPENDIX.

[From Annual Report of the Postmaster General for fiscal year 1913.] POSTAL FINANCES.

POSTAL FINANCES.

The postal revenues for the fiscal year ended June 30, 1913, as reported by the Auditor for the Post Office Department, amounted to \$266,619,525,65, an increase over the preceding year of slightly more than 8 per cent, as compared with a corresponding increase of less than 4 per cent for 1912. The marked gain in the percentage of increase in revenues is to be attributed to the operation of the parcelpost system that was inaugurated on January 1 last.

The audited expenditures for the year amounted to \$262,067,541.33 and the adjusted losses by fire, burglary, etc., to \$41,333.41. The excess of audited revenues over audited expenses and losses is reported to be \$4,510,650,91. This reported surplus is based largely upon the audited accounts of the fiscal agents of the department showing their actual receipts and expenditures during the year, but does not represent the actual financial condition as it is derived from a comparison of amounts that are not properly comparable. It does not include obligations which were incurred but not paid within the year. On the other hand, it does include payments on account of obligations incurred in prior years.

The last actual postal surplus was announced by Postmaster General Gresham 30 years ago, when fair account was taken by him in the financial statement of the department of outstanding obligations. The practice of reporting outstanding obligations was continued by a number of his successors. In recent years, however, Postmasters General have stated the persistently recurring postal deficit in terms of the excess of audited expenditures over audited revenues, and have published as the financial statement of the department of the department of the Post Office Department (an accounting officer of the

Treasury, whose duty it is to andit only actual receipt and disbursement of funds), without taking into account the outstanding obligations for the service of the year on which report is made. Although the overlapping payments on account of prior years compensate in a measure for the obligations incurred on account of the year for which report is made, but which are not paid until subsequent years, the element of error inherent in such a method of stating the financial condition arises from the effect of the natural growth of the service on the items of cost transposed. For this reason the payment for prior years tended always to be less than the corresponding outstanding obligations of the current year, and this practice of inaccurate statement has had the effect, therefore, of making the deficit announced each year less than the actual deficit. Unusual delay in certifying accounts for payment near the end of the fiscal year, although fully justified, also results in unduly increasing the payments in subsequent years with a like understatement in the accounts for the current year.

By the use of this faulty method a surplus of \$219,118,12 was shown in the annual report of the department for the fiscal year 1911, in which the claim was advanced that the service had finally been made self-supporting. Taking into account the outstanding obligations for that year, which were not reported, there was in reality a deficit of approximately \$732,301,90. The actual deficiency for the year 1911, hased on payments on account of that year which were made up to June 30, 1913, was \$720,768,63, and obligations are still outstanding amounting to approximately \$11,533,27.

This report states the audited surplus of \$4,510,650,91, reported for the fiscal year 1913 by the Auditor for the Post Office Department, for what it really is, namely, the amount by which the audited revenues have exceeded the audited expenditures actually made within the current year. This is necessary and useful information, but it bears obliquely on the r

Statement of revenues and expenditures for the fiscal year 1913, based upon the estimated expense of the service for that year, irrespective of the time when payment was or is to be made.

Reported revenues Charges against revenues for allow-ances to postmasters on account of fire, burglary, etc..... \$266, 619, 525. 65 41, 333, 41

ment funds.

262, 067, 541. 33

Payments during fiscal year 1913 on account of prior years.

262, 412, 998. 07 8, 389, 435, 15

345, 456, 74

254, 023, 562, 92 8, 712, 722, 54

Estimated expenses for the fiscal year 1913 paid and payable

262, 736, 285. 46

\$266, 578, 192. 24

Estimated surplus for the year 1913

3, 841, 906, 78

year 1918

3, 841, 906. 78

It is gratifying to report that on this basis the total expenses of maintaining the postal service for the fiscal year ended June 30, 1913, is found to be exceeded by the revenues for the same period, that there is an actual surplus of \$3,841,906.78, and that the postal service is now for the first time since 1883 self-supporting.

However, it should be borne in mind that certain other factors of cost, such as the annual rental value of Federal buildings, fixtures, and equipment used wholly or in part for postal purposes, and the expenses incident to the conduct of the Post Office Department and the office of the Auditor for the Post Office Department, are not charged against the postal service, nor does the postal service receive credit for all functions performed—as, for example, free transportation of franked and penalty mail and the virtual subsidy of \$50,000,000 on second-class matter, which, if accounted for, would much more than offset these costs.

For a statement of the audited revenues and expenditures attention is invited to the financial summary on page 44 of this report.

VIEWS OF MR. STEENERSON.

This bill was considered by the committee in a nonpartisan spirit, which has been customary in that committee for years, and only on a few points were there irreconcilable differences developed among the members. The principal one of these is the proposal to remove assistant postmasters from the classified civil service and make them the personal appointees of the postmasters. The clause is as follows:

"Sec. 6. That hereafter any assistant postmaster who may be required by law or by authority or direction of the Postmaster General to execute a bond to the Postmaster General to secure faithful performance of official duty may be appointed by said Postmaster General, who may require such bond, without regard to the provisions of an act of Congress entitled 'An act to regulate and improve the civil service of the United States,' approved January 16, 1883, and amendments thereto, or any rule or regulation made in pursuance thereof, and the Postmaster General shall have power to revoke the appointment of any assistant postmaster and appoint his successor at his discretion, without regard to the act, amendments, rules, or regulations aforesaid."

It is proposed on the part of the majority of the committee to include this vicious rider as a part of this appropriation bill by a special rule for that purpose. The policy of inserting riders on such bills is vicious,

and to resort to it can only be excused in case of a great public emergency. The Democratic Party, when in the minority in this House, uniformly declaimed against it, but no sooner were they in power than they resorted to it at every opportunity. The proposal is so radically wrong and vicious that it could not possibly receive the approval of Congress coming as a separate measure, but it is proposed in this way to force it upon Congress and the Executive.

There are about 2,400 assistant postmasters in the United States, practically all of whom have entered the classified service by a civil-service examination. It is proposed to take these tried and faithful public servants out of the classified list and make their tenure of office dependent on the whim of the postmaster appointed under the spoils system as a reward for party service. In many, if not most, cases it would be equivalent to a dismissal from office without cause or excuse. But the injustice of the proposal as affecting these men is not the main objection to it, but that it is an attack on the merit system and civil-service reform generally. It is a backward step, and will be injurious not only in its effect on the postal service, but to the cause of good government generally. It is no step in the direction of the readoption of the spoils system.

I submit that this is not a party question, for the simple reason that all political parties represented in Congress in their respective platforms declared in favor of civil-service reform and the merit system. The Democratic platform, upon which the majority Members of this House were elected, reads as follows:

"The law pertaining to the civil service should be honestly and rightfully enforced, to the end that merit and ability shall be the standard of appointment and promotion, rather than service rendered to a political party; and we favor a reorganization of the civil service with adequate compensation commensurate with the class of work performed, for all officers and employees; we also favor the ext

Mr. SAMUEL W. SMITH. Mr. Chairman, how much time was consumed by the gentleman?

The CHAIRMAN. Two hours. Mr. SAMUEL W. SMITH. I yield 20 minutes to the gentleman from Illinois [Mr. Copley].

Mr. COPLEY. Mr. Chairman, a few weeks ago, as a member of the Committee on Post Offices and Post Roads, I voted with a majority of the Democratic members to remove assistant postmasters from the operation of the civil-service law. Some people might say that I voted to remove them from the protection of the civil-service law, but that will be determined after I have presented my reasons for so doing.

This vote was entirely at variance with every act and word of my life, and was cast only after mature deliberation and cast only in the light of my own experience in the working of the present civil-service law.

My field of observation has been limited to practically the one district which I have the honor to represent in this Congress, with here and there an occasional glimpse beyond its borders out into the State of Illinois. In justice to my fellow members of the Progressive Party as well as myself, I am going to cite you examples of several years' working of the

civil-service law in my State and my district.

I take it that the highest conception of civil service involves an ideal as well as a condition, the ideal being that every man who serves the Federal Government ought to give that service his whole thought and all his time, whether he be in the list known as "classified" or in the list covered by the term "presidential appointment." The spirit is the same, the ideal is the same, and it is this ideal which I want to see fostered and codified into law, not a law which furnishes immunity if the spirit is broken in the interest of the political satrap and which is rigidly enforced if the spirit is broken contrary to the interest of the overlord. In other words, the civil-service law which protects certain men in the so-called classified service if they do the bidding of their masters, one which subjects them to every sort of indignity, demotion, and even dismissal if they do not is not a good law according to my belief.

I shall take the liberty of disregarding the example of the distinguished chairman of this committee. In the concrete instances cited I shall give names and dates.

The State of Illinois was one of the first in this Union to adopt a State-wide primary law. In the primary of 1910, held on the 15th day of September of that year, I presented my name as a candidate for Congress. Realizing exactly the condition of affairs in my State and my district, that at least two-thirds in number of the newspapers were either owned directly or

controlled by men who were then filling Federal offices, it was perfectly apparent how impossible it would be to present my case fully and fairly to the people of the district; and, as a matter of fact, out of 37 newspapers printed in that district at that time 17 refused to accept my advertisements, couched in plain, simple terms and expressed in dignified, courteous, and gentlemanly language. Each one of these papers was con-trolled by a Federal officeholder in the district. Evidently some other method must be used to reach the voters. Consequently I went to one of the newspapers, the Aurora Beacon, published in my home city of Aurora, Ill., and asked the editor if I might pay for a certain number of copies of his paper for one month prior to the primary and have the paper sent through the mails in the regular course of trade during that period. He wrote Mr. H. M. Bacon, then superintendent Division of Classification, Post Office Department, asking if this would be construed as a violation of the law designed to prevent the indiscriminate use of the second-class privilege by news-papers and other publications. Mr. A. M. Travers replied for Mr. Bacon under date of August 15, 1910, that it would not I shall attach to my speech at this point copies of all these

Mr. Chairman, I will here ask unanimous consent to print

these letters in my remarks.

The CHAIRMAN. Without objection, permission will be granted.

There was no objection. Mr. COPLEY. I will only read one or two.

AURORA, ILL., August 6, 1910.

Aurora, Ill., August 6, 1910.

Mr. H. M. Bacon,

Superintendent Division of Classification,

Post Office Department, Washington, D. C.

Dear Sir: A politician wishes to subscribe for one month to the Aurora Beacon, for several hundred subscriptions, paying for the same in advance and furnishing the list of names.

Will you kindly tell us whether or not this will come under the head of paid subscriptions or sample copies? Will you kindly inform us also how many sample copies we would be entitled to send out on the basis of 10,000 paid circulation, 2,600 of which goes through the mails?

With best regards, and hoping to meet you again at the Inland Daily meeting, I am,

Very respectfully,

AURORA BEACON PUBLISHING Co., A. M. SNOOK, President.

Post Office Department, Third Assistant Postmaster General, Washington, August 15, 1910.

Mr. A. M. Snook,
President the Aurora Beacon Publishing Co.,
Aurora, Ill.

President the Aurora Beacon Publishing Co.,
Aurora, III.

Dear Sir: Your letter of the 6th instant, stating that "a politician wishes to subscribe for one month" for several hundred copies of the Aurora Daily Beacon—admitted as second-class matter at Aurora, III.—and inquiring whether the persons to whom such copies are sent may be regarded as a proper part of the "legitimate list of subscribers" for the publication, has been received.

In reply to your inquiry with regard to the rate of postage chargeable upon such copies, you are informed that under an opinion of the Assistant Attorney General for the Post Office Department subscriptions of this nature. If made for the purpose of circulating information of a public character and not in order to circulate private advertising, although paid for by others than the recipients, may properly be included in the "legitimate list of subscribers" required by the law. Such subscriptions do not affect the second-class status of the publication unless the number thereof, considered in connection with the character of the paper and other circumstances, brings the publication within the following prohibition of the statute:

"Provided, however, That nothing herein contained shall be so construed as to admit to the second-class rate regular publications designed primarily for advertising purposes or for free circulation or for circulation at nominal rates."

Under this ruling it is the practice of this office to accept at the usual second-class rates of postage copies mailed in fulfillment of so-called "political" subscriptions.

In answer to your question regarding sample copies, your attention is invited to paragraph 5, section 456, Postal Laws and Regulations, on pages 20 and 21 of the inclosed pamphlet, from which you will see that sample copies of the Aurora Daily Beacon may be accepted for mailing at the rate of 1 cent a pound:

"** * to the extent of 10 per cent of the total weight of copies mailed to subscribers and not upon the basis of the weight of copies mailed t

A. M. TRAVERS, Acting Third Assistant Postmaster General.

United States Post Office, Aurora, Ill., September 5, 1910.

A. M. Snook, President Aurora Beacon Publishing Co., Aurora, Ill.

DEAR SIR: In mailing the many sample copies that you have been doing since September 1 you are violating the postal laws and defrauding the Government. The extra copies should not be mailed with your regular subscribers and should also have stamps affixed. Let me know what you are going to do about it.

Yours truly,

L. A. CONSTANTINE, Postmaster.

UNITED STATES POST OFFICE, Aurora, Ill., September 12, 1910.

Mr. A. M. Snook,

President Beacon Publishing Co., Aurora, Ill.

Dear Sir: I am in receipt of a communication from the Third Assistant Postmaster General, Washington, D. C., under date of September 9, 1910, containing the following instructions, the conditions of which I wish you would comply with at once:

"Please obtain from the publisher and forward a statement showing the regular circulation of the Aurora Beacon as to subscribers, the number of extra copies of the latest issue of the publication mailed to persons who were not actual subscribers for the same, and a full and detailed explanation of the arrangement under which these extra copies are mailed.

persons who were not actual subscribers for the same, and a full and detailed explanation of the arrangement under which these extra copies are mailed.

"If the extra copies thus mailed are paid for by any person or persons other than those to whom the copies are sent, please request the publisher to give the name of the person paying for the same, the interest which such person has in the circulation of the publication, whether the insertion of any matter in the publication is paid for by the person who pays for the copies, or by any other person or persons in his behalf, and if so, please identify such matter. Finally, request the publisher to state what evidence he has to show that the persons to whom these extra copies are mailed have agreed to accept the same or to regard themselves as subscribers.

"As it is impossible to determine accurately the number of extra copies of the publisher's practice in offering such extra copies for mailing intermingled with the copies offered for mailing to regular subscribers, you are directed to estimate, as well as possible, the number of extra copies of the paper offered for mailing over and above the number mailed to regular subscribers. For this purpose the weight of the mailings, or the number of copies mailed to subscribers in the week before the mailing of the extra copies began, may be taken as a basis. Upon the number of copies thus obtained you are further directed to require a deposit in money to cover postage at the transient second-class rate until the question whether such copies may be accepted at the publisher's second-class rates has been determined by this office."

Yours truly,

Louis A. Constantine, Postmaster.

THE AURORA DAILY BEACON, Aurora, Ill., September 24, 1910.

THIRD ASSISTANT POSTMASTER GENERAL, Washington, D. C.

DEAR SIR: The inclosed copy of a letter to Mr. L. A. Constantine, postmaster at Aurora, Ill., will probably give you all the information you desire in regard to the deposit of \$400 demanded by the Aurora postmaster from the Aurora Beacon, in connection with the recent mailing of a number of so-called "political subscriptions" by the

These extra subscriptions, as you will see by the correspondence submitted, were accepted and sent out in accordance with instructions given us from your office under date of August 15, 1910.

We trust that you will kindly give the matter your prompt attention, and wish to thank you for the favor.

Very respectfully,

[Inclosure.] THE AURORA DAILY BEACON, Aurora, Ill., September 23, 1910.

AURORA BEACON PUB. Co., A. M. SNOOK, President.

Mr. L. A. CONSTANTINE, Postmaster, Aurora, Ill.

DEAR SIR: In reply to your favor of September 12, in which you quote a letter received from the Third Assistant Postmaster General, Washington, D. C., under September 9, 1910, as follows:

"Please obtain from the publisher and forward a statement showing the regular circulation of the Aurora Beacon as to subscribers, the number of extra copies of the latest issue of the publication mailed to persons who were not actual subscribers for the same, and a full and detailed explanation of the arrangement under which these extra copies are mailed

detailed explanation of the arrangement under which these extra copies are mailed.

"If the extra copies thus mailed are paid for by any person or persons other than those to whom the copies are sent, please request the publisher to give the name of the person paying for the same; the interest which such person has in the circulation of the publication; whether the insertion of any matter in the publication is paid for by the person who pays for the copies, or by any other person or persons on his behalf; and if so, please identify such matter. Finally, request the publisher to state what evidence he has to show that the persons to whom these extra copies are mailed have agreed to accept the same or to regard themselves as subscribers.

"As it is impossible to determine accurately the number of extra copies of the publication mailed, as a result of the publisher's practice in offering such extra copies for mailing intermingled with the copies offered for mailing to regular subscribers, you are directed to estimate, as well as possible, the number of extra copies of the publisher of copies mailed to subscribers in the week before the mailing of the extra copies che weight of the mailings or the number of copies mailed to subscribers in the week before the mailing of the extra copies began may be taken as a basis. Upon the number of copies thus obtained you are further directed to require a deposit in money to cover postage at the transient second-class rate until the question whether such copies may be accepted at the publisher's second-class rates has been determined by this office.

"Yours truly,"

"LOUIS A. CONSTANTINE, Postmaster."

In accordance with your request we will state that our copies sent regularly through the mail at this time to our regular paid subscribers number 2,726. Beginning with the 27th day of August, 1910, and continuing until the 13th day of September, 1910, we have sent through your post office, according to our own records, the following number of papers in addition to our regular list:

Aug. Aug. Aug. Sept. Sept. Sept.	27	1, 915
Ana	29	2, 325
Mug.		
Aug.	30	2, 300
Ang.	31	2, 300
Claus.	4	2, 640
sept	1	
Sept.	2	2, 620
Cont		4 050
DUDL.	0	4, 000

Sept. Sept. Sept.	6	4, 650 4, 650 4, 650 4, 650 4, 650 4, 650 4, 650
	Total	42, 460

These papers, in accordance with instructions given to the Beacon in a letter written by A. M. Travers, Acting Third Assistant Postmaster General, together with our list of regular subscribers, were mailed and paid for at second-class rates. This was done for the entire time and for all the papers which we have enumerated. On receipt of your letter of September 12 we deposited with the Aurora postmaster a certified check for \$400 on his demand, and on the dates of the 12th and the 13th of September marked the packages carrying the special subscription list "Special," that it might be distinguished by the Post Office Department from the regular list.

With the date of September 13, owing to your notification that the Post Office Department intended to exact from us 1 cent each for every paper sent other than our regular list, we discontinued mailing the so-called "political subscriptions," although we had received an order to send the same for a full month and the money had been deposited at our office to pay for the same at our subscription price.

My authority for sending these extra papers at our pound rates was the following letter from the Third Assistant Postmaster General:

"Post Office Department."

"THIRD ASSISTANT POSTMASTER GENERAL, "Washington, D. C., August 15, 1919.

"Mr. A. M. Snook,
"President Aurora Beacon Publishing Co.,
"Aurora, Ill.

"President Aurora Beacon Publishing Co.,

"President Aurora Beacon Publishing Co.,

"Aurora, III.

"Dear Sir: Your letter of the 6th instant, stating that 'a politician wishes to subscribe for one month' for several hundred copies of 'the Aurora Dally Beacon'—admitted as second-class matter at Aurora, III.—and inquiring whether the persons to whom such copies are sent may be regarded as a proper part of the 'legitimate list of subscribers for the publication,' has been received.

"In reply to your inquiry with regard to the rate of postage chargeable upon such copies, you are informed that under an opinion of the Assistant Attorney General for the Post Office Department subscriptions of this nature, if made for the purpose of circulating information of a public character and not in order to circulate private advertising, although paid for by others than the recipients, may properly be included in the 'legitimate list of subscribers' required by the law. Such subscriptions do not affect the second-class status of the publication, unless the number thereof, considered in connection with the character of the paper and other circumstances, brings the publication within the following prohibition of the statute:

"Provided, however, That nothing herein contained shall be so construed as to admit to the second-class rate regular publications designed primarily for advertising purposes, or for free circulation, or for circulation at nominal rates."

"Under this ruling it is the practice of this office to accept at the usual second-class rates of postage copies mailed in fulfillment of so-called 'political subscriptions."

"In answer to your question regarding sample copies, your attention is invited to paragraph 5, section 456, Postal Laws and Regulations, on pages 20 and 21 of the inclosed pamphlet, from which you will see that sample copies of the Aurora Daily Beacon may be accepted for mailing at the rate of 1 cent a pound.

""A to the existent of 10 per cent of the total weight of copies mailed to subscribers and n

"A. M. TRAVERS,

The extra papers sent out were subscribed for and paid for by Col. I. C. COPLEX, who is a candidate for Congress, in behalf of his own candidacy and that of friends on the legislative and county tickets, whose cause the Beacon was supporting. The list of names to whom papers were being sent were furnished by Mr. CopLex and other candidates. The labels on the addresses stated that the subscriptions were paid up to September 22, and more than 99 per cent of the papers sent were delivered to and accepted by the people to whom they were addressed.

Previously, to and during the directions.

paid up to September 22, and more than 90 per cent of the papers sent were delivered to and accepted by the people to whom they were addressed.

Previously to and during the time these papers were circulated advertisements were carried in the Beacon for Mr. Copley and for most of the other candidates before the people at the regular commercial advertising rates of the Beacon, the extra circulation having no consideration whatever in securing the ads or in the charge therefor. No political advertising whatever was solicited by the Beacon.

Mr. Copley, who subscribed for the papers, is a stockholder in the Beacon, but has little to do with its active management, and the Beacon was only one of three papers in his district with which he made similar arrangements for extra circulation in distributing his propaganda and that of his friends among the other candidates.

No other papers were interfered with by the postmasters in the towns where they were issued.

We would not have accepted these subscriptions at the price we did nor would we have attempted to send them through the mail at pound rates as regular subscriptions except for the instructions which we received direct from the Third Assistant Postmaster General, wherein he stated that these "so-called political subscriptions" would be accepted by the post office at usual second-class rates of postage.

We ask you, therefore, in all fairness, to at once return to us our cleck for \$400, which you required us to deposit and to cease any further attempts to annoy us in the publication and distribution of a legitimate, high-class newspaper, even though the politics of that paper be opposed to the wishes of the present incumbents of the post office in this congressional district.

Very respectfully,

Aueona Beacon Publis.ams Co.,

A. M. Snook, President,

AURORA BEACON PUBLISHING Co., A. M. SNOOK, President.

POST OFFICE DEPARTMENT,
THIRD ASSISTANT POSTMASTER GENERAL,
Washington, October 15, 1910.

Mr. A. M. SNOOK, President the Aurora Daily Beacon, Aurora, III.

Mr. A. M. Snork,

President the Aurora Daily Beacon, Aurora, III.

Dear Ser: I have received your letter of the 24th ultimo, with which you forward a copy of one directed by you to your postmaster, regarding the mailing of extra copies of certain issues of the Aurora Daily Beacon to persons who had not themselves paid for the same. In your former communication to this office you inquired whether "several hundred copies" for which "* * a politician wishes to subscribe for one month * * paying for the same in advance and furnishing list of names," might be accepted at the publishers' second-class rates of postage.

It now appears that in fact several thousand extra copies of various issues of your paper were mailed. It also now appears that the person who paid for these extra copies was Mr. I. C. Copley, who was a candidate for office, and that his advertisement appeared in the various issues of which extra copies were mailed. This would tend to indicate that these extra copies fell within the provisions of paragraph 3, section 455. Postal Laws and Regulations, on page 19 of the inclosed pamphlet, and were therefore subject to the transient second-class rate of postage.

Again, although you stated that these copies were to be mailed at Mr. Copley's order for one month, from August 27 (or up to September 22—your letter upon this point is not clear), you censed to mail them on September 13, immediately upon notification by your postmaster that this office was investigating the matter with a view of determining whether the transient second-class rate was not properly due on the copies. This tends to strengthen the inference that the copies were not sent to subscribers, but were circulated free by the publishers.

You say that—

"* * more than 99 per cent of the papers sent were delivered."

which you may care to submit upon the doubtful points involved.

Kindly forward for examination by this office copies of each of the various issues of which extra copies were mailed on behalf of the various issues of which extra copies were mailed on behalf of the Coplex.

A. M. Travers,

Acting Third Assistant Postmaster General.

A. M. TRAVERS, Acting Third Assistant Postmaster General.

THE AURORA DAILY BRACON, Aurora, Ill., October 28, 1910.

Mr. A. M. Teavers.
Acting Third Assistant Postmaster General,
Washington, D. C.

DEAR SIE: Replying to your favor of October 15, I am surprised at the contents of your letter, in which you intimate that you should regard extra copies of the Beacon, sent out a month since, as coming under that clause of the postal law requiring a 1-cent stamp for each

the contents of your letter, in which you intimate that you should regard extra copies of the Beacon, sent out a month since, as coming under that clause of the postal law requiring a 1-cent stamp for each copy.

These papers were sent out only after we had been directly authorized by you, in your letter of August 15, to send them as regularly paid subscriptions. We explained to you exactly in our letter how we intended sending them, and there was no mistaking your instructions "that the Post office Department had and would continue to regard so-called political subscriptions as regular paid subscriptions." It is true that the original order given us was for less than 1,000 copies, but as the campaign developed Mr. Coplex, the candidate in question, saw fit to increase his order, furnishing us a list of names, supposed to include practically every voter within a certain radius of Aurora. Mr. Coplex furnished us a list of names, to which the papers were sent, and the regular subscription price was charged by the Reacon, and Mr. Coplex furnished us a list of names, to which the papers were sent, and are open for your inspection.

Mr. Coplex's original order to the Beacon was to send each of these subscriptions for a full month, but owing to the fact that the local postmaster served notice on us that the department intended to change its ruling and exact 1-cent postage on each copy, a price which is equal to the regular subscription price of the Beacon, and also required us to deposit a certified check for \$400 to cover the cost of the same, the extra papers were then discontinued.

Mr. Coplex had been notified of the increased cost which the post office purposed to enforce, and as he did not care to bear the extra expense advised the Beacon to discontinue sending further copies.

We are sending you, under separate cover, copies of the Beacon of the dates when the extra mailing was in progress. You will note that they are all legitimate newspapers, with the usual amount of general news and editorial features, as w

nomination for Congress and Session.

If you will kindly refer back to your letter of August 15, which shows how clearly your authorization was for us to go alread with this extra distribution, every copy of which was ordered and paid for by Mr. Corlex, handling it as regular second-class matter, I think that you will promptly decide the case in our favor and instruct the Aurora post office to return our \$400.

Very respectfully,

Aurona Beacon Publishing Co.,
A. M. Snook, President.

Two days after the first batch of papers were sent out carrying my advertisement the local postmaster at Aurora, Mr. L. A. Constantine, notified the Beacon in a letter that they were violating the postal laws and were likely to have the papers excluded from the mails. The editor replied, showing him Mr. Travers's letter as his justification. Within 48 hours after this interview Mr. R. P. Goodwin, then an Assistant Attorney General of the United States and assigned to the Post Office Department, who at that time lived in Aurora, dropped into town and immediately ruled that the paper was violating the postal rules and was liable to exclusion. At once the editor of the paper put up a certified check of \$400 to cover any possible first-class postage necessary and demanded that no action be taken on that certified check until a final ruling had been secured from the department. Mr. Constantine or Mr. Goodwin evidently at once took the matter up with Mr. Travers, and he at that time replied, unquestionably inspired from exactly the same source as were Mr. Goodwin and Mr. Constantine, receding from his former decision and trying to find some place in which the newspaper had violated the confidence he had placed in it.

There was a sequel after my nomination and election. called upon the Postmaster General and presented the entire case to him orally. A few days after my visit the certified check was returned to the paper without any comment. The check was given September 13, 1910, and returned December

At the same time the papers hostile to me in the district were being circulated in exactly the same manner by my opponents,

being circulated in exactly the same manner by my opponents, none of whom paid first-class postage, and none of whom were asked to pay first-class postage, and carried to every voter in the district by every city and rural carrier.

One of the postmasters of the district, Mr. Ernest G. Howell, of Geneva, Ill., laughingly asked some of his fellow postmasters why they made any such trouble as that, and suggested that he had a plan which was just as efficacious and which resulted in exactly the same thing, viz, he simply dropped the several papers per day which were sent to his office in the basement of the post office until the amount reached into thousands and finally sold them for old paper. Whether he pocketed the receipts or not I am unable to say, but I do repeat the charge, which I have previously made, that they were dumped in the basement of his office practically in toto during the month covered by that period under discussion and prior to the primary

Every postmaster in my district, whether presidential or covered by the classified service; every carrier, whether city or rural; every assistant postmaster or supervisory employee, and every other employee of the Federal Government in my district was instructed and driven to do his utmost to encompass my defeat.

I was asked to address the convention of the Illinois Rural Letter Carriers' Association on August 8, 1913, which was held in my home city of Aurora, and I told them at that time that the one thing they needed more than anything else was a civilservice law which was designed to protect them so long as they did their duty and which punished them whenever they did not. I recalled the circumstances of this campaign two and one-half years ago, and made the charge that practically everyone was driven by his political overlord to his best endeavor to encompass my defeat, but reaffirmed for them my belief in a civil-service law which would protect them if they did refuse to do the bidding of this overlord and which would punish them if they did such bidding. Immediately after the address more than 15 carriers employed in my district came up and said, in the presence of more than 50 men, that I had told the absolute truth; that they had all been lined up, in many instances en masse, and given their orders what to do.

There is on file in the Post Office Department, or was only two years ago, the report of inspectors who were sent to the city of Joliet where two rival candidates for the post office were striving mightily each for his own success, and charges of incompetence were made against both of them indiscrimi-The department was asked to send inspectors and did so, and the report unqualifiedly stated that neither candidate was fit for the position, and yet one of these two, Mr. John T. Clyne, was appointed March 3, 1903, and has been reappointed twice since that date, and is still postmaster at Joliet. I do not know whether this report is still on file or not, but I have seen it with my own eyes and know that it was there two years The then First Assistant Postmaster General, in answer to a question of mine whether he thought the man ought to have been appointed under those circumstances, unhesitatingly replied that he did not.

September 11, 1884, Miss Minnie Dillon was appointed in the post office at Aurora, Ill., to a clerical position. She worked under successive administrations-Republican, Democrat, Republican, Democrat, and again Republican-working her way up until she held the best clerical position to be occupied by a woman in that office, namely, the money-order clerk. On the 20th day of January, 1898, the same L. A. Constantine, to whom I have referred, was appointed postmaster, and immediately took into the office the destructive spirit of political organization which has done much to ultimately overthrow the political hierarchy that controlled that district for a great many years. Miss Dillon came from a large and influential Democratic family, although one of her brothers was a Republican. Her father and all of her brothers for a few years after appointment supported the Republican Congressman in that district, but did not support him and his coterie of followers in their vain efforts to control local political affairs. Then began a series of petty persecutions and indignities and demotions until Miss Dillon found herself occupying the most unpleasant position of any clerk in the office. Many times she was told that if her family would "get right" there would be no trouble, but, being unable to influence them in such local political affairs, she was made the target of every conceivable kind of persecution that could suggest itself to the miserable, little mind that directed the policies of that office.

The culmination finally came when the postmaster, after making, first, almost impossible hours—beginning in the early morning and having a long recess at noon, and then on again in the evening—and finding that she still remained at her post, silently suffering these indignities and being unable to dislodge her and unable to find any fault with her in her work which would warrant her discharge, suddenly, on the 14th of October, 1911, came to her and told her that he was going to hold out the sum of \$28 from her salary, as, he alleged, she was short in her accounts that amount. This was too much for the woman, who had then been 27 years in the service, whose family name had been a synonym for integrity and for honesty of purpose for over half a century in the city of Aurora. She told the postmaster that he was entirely wrong and brought her father and brother down to the office to see the postmaster. This was an infraction of the rules and her first. Immediately, an assistant of his saw to it that a report was sent to the Chicago papers that this lady had slapped the postmaster's face, which, according to the testimony of both at a subsequent hearing, was entirely erroneous. She was suspended for this serious breach of rules, and shortly thereafter preferred charges against the postmaster while awaiting her own trial, copies of which I shall herewith attach. The evidence developed by the subsequent trial of Miss Dillon entirely exonerated her and showed that the \$28 shortage was the fault of another clerk, as the official report on file in the Post Office Department will confirm.

Mr. Chairman, at this point, by unanimous consent, I will put these in the RECORD.

The CHAIRMAN. Without objection, the permission will be granted.

There was no objection.

There was no objection.

To the Hom. Frank H. Hitchcock,

Postmaster General, Washington, D. C.:

The undersigned, Minnie Dillon, of the city of Aurora, county of Kane, and State of Illinois, respectfully represents that she is of the age of 48 years, and for 28 years last past continuously has been employed in the post office in said city of Aurora. During the first 23 years of such service she had charge of the money-order and registry department. Subsequent to that time she has been employed as money-order clerk, and since August 1, 1900, as stamp clerk, and that her employment is regulated by what is termed the civil service in force in the Post office Department; that on account of the fact that she has been unable to influence her father's family in the support of certain political affiliations in the interests of Louis A. Constantine, postmaster of Aurora, under whom she is employed, she has been for nearly seven years last past made the subject of petty annoyances and charges for the purpose of forcing her to resign her position in that office; that she has been charged with being discourteous and uncivil in her treatment of customers, being short in her accounts, and in many ways conducting herself in a manner not in keeping with the full requirements of the service, all of which she charges are untrue and without any foundation whatsoever; that on her return from her annual vacation, on the 8th day of October, 1911, the stamp window and supplies were turned over to her without being checked, and on the 14th day of October, 1911, there was found to be a shortage of \$36, \$8 of which was afterwards accounted for by error on the part of other employees, and that the remaining portion will be taken out of her salary at the end of the month; that she claims that there is no means of showing that the shortage was caused by any fault on her part, and that there is no means by virtue of which she is able or has been permitted to review the records and accounts in order to determine wherein or against whom the

Charged. She further claims that in the manner in which the effice of post-master in Aurora has been managed many things have been done and are being constantly done in the office that are not in keeping with

the rules and regulations governing the same, and in substantiation of said condition makes the following specific charges:

I. That the clerks of the office are constantly away from the office during working hours, frequently three or four days at a time, and almost daily many hours without making any report or charge or offset on salary on account thereof, as required by the rules of the

offset on salary on account thereof, as required by the rules of the office.

II. That during the last two years clerks have been and are being employed in the office not under the civil service regulating same or under bonds, as required, when at the same time there are several parties on the waiting list of the civil service eligible thereto.

III. That clerks not on the pay roll are doing work in the office, and the salary drawn therefor is in the name of and by other parties.

IV. That the postmaster, Louis A. Constantine, almost daily takes cash from the stamp drawer, placing slips therein in place thereof, and that at the date of the subscription to these charges there are two slips in the drawer for such purpose.

V. That on the 30th day of September, 1911, there was a surplus on hand in the stamp department of \$11.50, resulting from the sale of envelopes and other matters wherein the charge therefor is a fraction more than the cost thereof; that, on that date, \$8.35 was remitted and the balance was given to Clerk Margaret Hassett to apply on account of her shortage.

VI. That oftener than once a week during the last summer ice cream and cake parties were held in the money-order office, at which other parties than the clerks of that office were present, and that outsiders, in no way connected with the Post Office Department, are continually in said office.

VII. That the minute book on which is noted the time of employees.

than the clerks of that office were present, and that outsiders, in no way connected with the Post office Department, are continually in said office.

VII. That the minute book, on which is noted the time of employees of the office, is not in keeping with the facts; that Lena Stolp, one of the clerks of the office, would ring the clock in the morning, go to Elgin to the races, to the theater, and many other places, ring the clock in the evening, without having rendered any service, and has at all times drawn full pay therefor.

VIII. That frequently during the past two years the postmaster, Louis A. Constantine, has taken Miss Stolp or Miss Hassett to the theater, to ice-cream parlors, and other such places during the hours of their employment without making any note or charge in regard thereto.

IX. That Assistant Postmaster William R. Rees is treasurer of the Brotherhood of Locomotive Engineers, an association of a great many members; that all of the business in regard to his said office is done in the post office during his working hours there; all collections are made at the post office, and the clerks of the money-order department make most of the collections and issue receipts therefor, as by him directed, and that the patrons of the office are hindered and delayed on account thereof.

X. That Edwin L. Solfisberg, financial clerk of the post office, has transacted all business in regard to his manufacture and sale of food cereals in the post office during service hours, and that all his books and papers are kept in the stamp safe of the office, requiring one of the clerks to keep her stamps in the money-order vault on account of his utilizing the space necessary therefor in the stamp safe; and that he has conducted all his business relative to building cottages and the renting of same in the post office, and the clerks of the money-order department have been instructed and have collected rents for him and issued receipts therefor.

XI. That during all elections and primaries that have been held in the pas

direction of Postmaster Louis A. Constantine, contrary to the rules of the office.

XII. That the assistant postmaster, William R. Rees, has taken two vacations a year of more than 15 days each, contrary to the rules and regulations governing such matters.

XIII. That the typewriter belonging to the office was loaned to Miss Ainsworth and taken away from the office and used for quite a period of time outside of the post-office building.

XIV. That a certain number of packages were received in the registry department of the office from Jerusalem, directed to certain parties in Aurora. One of them was not called for, and instead of being returned, as required by law, was signed for and taken out by the postmaster, Louis A. Constantine.

XV. That Lena Stolp, one of the clerks of the office, goes to the private mall boxes, takes out the mail, and delivers it to parties calling therefor, contrary to the rules of the office, and that she has severely criticized other clerks in the office for not waiting on her friends in a similar manner when she was absent.

XVI. That Lena Stolp, one of the clerks of the office, has rented boxes, without the key being delivered, contrary to the regulations of the office.

isimilar manner when she was absent.

XVI, That Lena Stolp, one of the clerks of the office, has rented boxes, without the key being delivered, contrary to the regulations of the office.

XVII. That Edwin L. Solfisburg, financial clerk of the office, gives no time or attention to the affairs of the office, and that his work is all done by Gus Krull, who is the only one who does any checking in regard to the affairs of the office.

XVII. That Lena Stolp and Margaret Hassett, two of the clerks of the office, are continually in the front private office of the postmaster visiting and having a good time generally.

XIX. Your petitioner further states that on account of her long and faithful service for the period of about three years last past she was entitled to an increase of salary; that the postmaster, Louis A. Constantine, on several occasions assured her that she would receive the same; that he had presented the matter to the authorities at Washington and that the same had been refused, when in truth and in fact she is informed and verily believes that no requisition or request in her behalf has been made.

On account of the above facts, and especially on account of the fact that she has been charged with dereliction of duty as clerk in said office, she respectfully requests that an investigation be had, the truth of all matters determined, and justice meted out to all parties.

All of which is respectfully submitted.

Minnie Dillon.

STATE OF ILLINOIS. County of Kane, 88:

Minnle Dillon, being duly sworn, on oath deposes and says that she has read the foregoing charges and knows the contents thereof, and that the same are true in substance and in fact as thereinbefore set forth. MINNIE DILLON.

Subscribed and sworn to before me this 22d day of October, A. D. 1911. JOHN M. RAYMOND, Notary Public.

Mr. COPLEY. Immediately a post-office inspector, whom the postmaster had entertained many times, appeared upon the

scene. Learning of his presence, I wired the department protesting against any inspection by that individual. A week or so later two other inspectors appeared and started to go over the situation. I have gone all over their report, and at every conceivable point they have tried to shield the postmaster and minimize all of his shortcomings. They practically admitted these shortcomings, but find some excuse for every one of them. The principal excuse was that he was badly advised by one of his subordinates, who confessed that he did not like Miss Dillon, and as a climax to the farce the inspectors recommended the dismissal of said subordinate.

It would weary you and litter the RECORD to put this report in at this point, but I will give you my word that more than one-half of the employees of the office, answering questions intended to conceal the fact, not to bring it out, admitted that they had been asked to do political work, and I will give you my word, further, that I have seen employees of the office, wearing the uniforms of the Federal service, standing at the polls working for their political chiefs, not once but several times.

As a result of this investigation the postmaster was whitewashed; not exactly censured, but mildly criticized for having listened to bad advice, although most of the charges against him were proven. The so-called bad adviser was recommended for dismissal, and it was recommended that Miss Dillon, for that serious infraction of the rules of bringing her father and brother into the post office when her good name was assailed, should be suspended without pay for a period of six months; and to cap the climax the "bad adviser," the man recommended for dismissal and who was afterwards dismissed, the man who testified that he did not like her, was assigned the task of notifying Miss Dillon of her suspension without pay before his own resignation was "accepted."

I did not know it at the time, but I have since learned that one of these inspectors was a school friend of the brother of the assistant postmaster and dined with him at his house at least two or three times while the investigation was going on.

All this occurred during the Sixty-second Congress. At that time the two contending forces in the district were lining up for another contest of strength at the primary and election of 1912, the entire Federal crowd being confident they could accomplish in 1912 what they had failed to do in 1910. All of this was laid before the Post Office Department, and I have absolute knowledge that much of it was presented to the Executive himself, although, I presume, orally. I never took it my-

Several Members of this House, pending the primaries of 1912, who had never heard the story from me, seemed to know all about it, and two of them at different times suggested that I go to the Executive, and that he would surely straighten it out. Inasmuch as I did not support him in the primary, I could not with dignity approach him on the subject; and inasmuch as I did not support him in the election after the primary, I felt it would be entirely useless, and let the matter drop. It may not be of interest to any of you, but it is nevertheless a fact, and I state this for the benefit of my Democratic brothers, that in the second primary, with exactly the same forces and under almost similar conditions, I carried practically every precinct of every presidential postmaster in my district, notwithstanding he was again out fighting to the last ditch; but this time his subordinates were more or less cautions and it is my mealing a price that tious, and it is my unqualified opinion that many of them voted for me, although it is my best opinion that almost none of them below the office of presidential postmaster took an active part in the primary of 1912.

The CHAIRMAN. The time of the gentleman has expired.
Mr. COPLEY. Might I have five minutes more?
Mr. SAMUEL W. SMITH. I yield the gentleman five minutes additional.

Mr. COPLEY. I have seen this in my district for the last 16 years. Once in a while my eyes have looked beyond the confines of that district. In the spring of 1909 the Legislature of the State of Illinois was trying to elect a United States Senator, and at one time I counted in Springfield, the capital of that State, the city where the legislature met, 168 Federal employees, all there for the purpose of trying to bring about the reelection of a man to whom they were under obligation for the generous salaries which they enjoyed and whose term expired forever March 4, 1909.

Many of these employees spent months in a vain effort to continue that policy, which had proven so obnoxious to the people of the State of Illinois.

This is the spirit of civil service as applied to unclassified Federal officeholders in the State of Illinois, and this is the story of the spirit in which the law governing the classified service was enforced in the eleventh congressional district of

the State of Illinois, and it has given me a contempt for the law, notwithstanding the fact that I believe in the general principle of putting every man who has anything whatever to do with the administrative service entirely beyond the range of the threat or revenge of any man in political office or political I am not going to insult your intelligence at this point with a discussion of the desirability of civil service, for every man in this Congress ought to know just as well as I what a real civil service means to the people of this country. any private corporation that attempted to run its business on the theory of changing employees every time there was a change in the head of the institution would soon find itself in bankruptcy, and so would this country were it not for the fact that the resources of our people are almost endless, and they can make all sorts of blunders, defy every commercial law, and still go out and raise enough money to run the various departments of this Government; but to the man who wants efficiency and economy there is but one way to get it. The tenure of office of the public servant should be determined solely by his ability to perform his duty and his willingness and zeal in thus performing it. Any other test is wrong. I know that it is a bit revolutionary to vote to overturn a law because it has been badly administered, badly enforced, but the fact is a Republican administration for 16 years has convinced me of its inability or unwillingness to enforce a law so long as it felt that its chief might benefit in the violation of that law, and when the chief benefited his immediate subordinates all down the line came in for their share. Where such things can be done in the name of the law there must be something the matter with the law, and at best such a law ought to be wiped off the Such wanton violation of one law begets a constatute books. tempt for all others. Civil service under late Republican administration has been a farce, and I want to see a change. I know you Democrats are going to make a worse mess of it, and when you do an outraged public, finally coming to its senses, will demand of you and me or our successors that we enact a law which puts every man engaged in the public service, whether he be an assistant postmaster or a postmaster, under a civil-service law which protects that man so long as he does his duty, and which without further process punishes him for any violation of the law.

I do not want to see the assistant postmasters removed from the classified service if it is genuine. In fact, I want to see the postmaster and the district attorneys and the marshals, the assistants and deputies, the collectors of internal revenue and their deputies all put under a civil-service law which will forever abolish the present system of overlord and vassal in

politics. [Applause.]
Mr. SAMUEL W. SMITH. How much time has the gentleman used?

The CHAIRMAN. The gentleman used 25 minutes.
Mr. SAMUEL W. SMITH. Mr. Chairman, I yield half an hour to the gentleman from Massachusetts [Mr. GILLETT].

Mr. GILLETT. Mr. Chairman, partisanship ought to stop at the frontier. In all that affects our relations with foreign Governments I want to support whatever administration is in power. When trouble comes with other nations the American people can be relied on to act as a unit. But an administra-tion ought not to rely upon that patriotic trait to plunge us unnecessarily into danger. It ought not to court foreign war or hazard in order to solidify its political strength, nor should reasonable criticism of a policy be suppressed so long as en-couragement and aid is not thereby given to an enemy. And if we abstain from all criticism until after the crisis is past we shall in a measure be estopped, for the retort will then be made that we withheld our comment and advice until the result was apparent and did not have the courage to express our opinions until we were perfectly sure of the event. Great restraint has certainly been exercised in allowing this administration unhampered scope in its foreign policy. Yet I think the policy or lack of policy of the State Department is one of the most censurable features of the administration. policy should be framed with the greatest care and foresight, not only because of its intrinsic importance but because of the precedent it establishes, for it is by such precedents that in-ternational law is formulated. All present action will limit and circumscribe our future action.

I do not suppose our Secretary of State had any special familiarity with his new duties, although that did not prevent him from discharging many of the trained and skillful force in his office and filling their places with men whose claims were based on political service and obligation. I think when he accepted that distinguished position we had a right to expect from him painstaking and assiduous devotion. The questions pending there were more important than providing offices for

his friends or cultivating his political supporters. room ought to have been thronged with those ready to throw light on his new problems rather than with office seekers and politicians. The country needed more that he should rend international-law lectures than deliver Chautauqua lectures. His much-criticized explanation of his continued absences I hardly thought did him justice. I do not like to believe that he was following Byron's precept:

So for a good old gentlemanly vice, I think I must take up with avarice.

With his salary of \$12,500 and the \$10,000 income from the large accumulations, which he admits, he can live quite hospitably and still save a little, to say nothing of the income from his newspaper, on whose subscription list I am sure no Democrat who wished office or power would dare not to be found; and how few delinquents that would leave. I like to think his real motive was a less sordid one. He is the most attractive orator of our generation. On ordinary, undisputed topics he has wonderful power to sway and please audiences. His aims and philosophy are noble and inspiring. His sympathetic, ardent temperament begets popularity. We all like doing what we do well, and the opportunity to display himself to new audiences, to use his office of premier to attach to him new followers, to at once swell his personal popularity, build up his political machine, and fill his purse may all have been more alluring than to concentrate himself to the unwonted toil of mastering the intricate details of diplomacy and history. He would undoubtedly be prodigously useful in a place which he fitted, and to which he would devote his great abilities, but he has apparently deemed the State Department rather a sinecure and a reservoir of patronage than a field of duty which requires earnest and intense and persistent application.

I do not, of course, forget the notable eulogium pronounced in his presence by the Secretary of the Navy and published by the press, wherein he was described as the greatest Secretary of State since Jefferson, but I think that was an index of the discretion of the Secretary of the Navy who spoke and the receptivity for adulation of the Secretary of State who listened rather than any impairment of the prestige of such predecessors

as Madison, Adams, Webster, and many others.

I think the episode which best exemplifies his administration is where he arranged that the reluctant representatives of foreign powers should pass by and address him in formal procession while a cinematograph preserved the spectacle for the delectation of American audiences and the glorification of Mr. Bryan. I do not imagine that the American people have been greatly disturbed by this novel conduct. Most of us do not read foreign papers and are not very sensitive to foreign criti-cism. Still, it is not pleasant to feel that the cultivated opinion of the world is laughing at us; that to their eyes these episodes and our subjecting our irregular emissaries to constant and unresented affronts from both parties in Mexico, where they have been flouted and outmaneuvered and made ridiculous at every turn, present a pitiful and humiliating spectacle; and that the dignity and prestige of the Nation suffers by it as well as the individuals directly responsible.

Serious questions of state are not settled by remunerative lectures or by moving pictures. A carefully thought-out policy is fundamentally essential. The first important act of this administration rejected and abandoned such a settled policy in China, and if the act was wise I suspect it was by chance rather than as a result of the thorough study the subject demanded. We had developed an elaborate system of using the national influence wherever possible to extend American trade and profit. It was a policy of practical idealism which would at once enhance our national prestige and increase our national commerce. Our long-studied program of participation in the benefits of Chinese trade and influence was suddenly discarded with an avowed philosophical purpose which seemed popular. and America's footing in China was abandoned. While the other nations waited to see if any stable government would be established there, we rushed in and recognized the Chinese Republic, which the people of China were quite unprepared and unqualified to uphold. Fortunately power was seized by a strong and able man. He has dissolved the legislature and is no more a representative of a popular suffrage or the result of a popular election than Huerta, but I believe in his assumed despotism lies the best chance for the orderly development of China into constitutional self-government.

Recent events seem to prove what was charged at the time. that our reversal of policy was not the result of a studious and comprehensive purpose, but was only the impulsive act of an opportunist, and that perhaps the significance and importance of the policy overthrown had not been adequately investigated or understood. The reasons for the change in our Chinese policy were given as follows:

The representatives of the bankers, through whom the administration was approached, declared that they would continue to seek their share of the loan only if expressly requested to do so by the Government. The administration has declined to make such request because it did not approve of the conditions of the loan or the implications of responsibility on its own part, which it was plainly told would be involved in the request. The responsibility on its part which would be implied in requesting the bankers to undertake the loan might conceivably go to lengths in some unhappy contingency of forcible interference in the financial and even the political affairs of that great oriental state. The responsibility of our Government, implied in the encouragement of a loan thus secured, is plain enough and is obnoxious to the principles upon which the Government of our people rests.

But if that had resulted from convictions founded on deep study we should not have the personal representative of the administration saying, in his note to Mexico:

The President of the United States of America further authorizes me to say that if the de facto Government of Mexico at once acts favorably upon the foregoing suggestions, then in that event the President will express to American bankers and their associates assurances that the Government of the United States of America will look with favor upon the extension of an immediate loan sufficient in amount to meet the temporary requirements of the de facto Government of Mexico.

The two sentiments are quite inconsistent. A politician may change his ground under emergency, but the foreign relations of a great Government should not be erratic and we should not offer to one nation what we had just declared to another was forbidden by our principles. Such conduct excites disquietude, because it makes us fear that our foreign affairs are being conducted on impulse, and not with the serious thoughtfulness and investigation which they deserve.

For this reason I am disquieted by the Mexican situation. fear that, too, was neglected until the crisis came, when some action was imperative, and then the action had to be suited to the existing conditions, instead of having the conditions influenced and arranged by previous careful preparation. I approve entirely of the avowed purpose to have order and a settled Government reestablished in Mexico with our friendly and sympathetic advice, and I indorse the self-restraint which prevents the hotheads from rushing to instant war, but I greatly fear the State Department's long inaction allowed affairs to drift to that condition where ultimate intervention will be the only possible result of our attitude. I think myself that instead of waiting six months before outlining any policy we ought to have followed the advice of our representative on the spot and recognized the provisional government of Huerta. There is no reason to believe that was not the plan of the previous administration, and one is haunted by the suspicion that it may have been that very fact which caused the adoption of the present course, and that the desire manifested in so many ways to discredit and differ from its predecessor and not borrow even advice or information from its ambassador or agencies may have been one of the impulses which affected the policy. In Huerta lay apparently the only prospect of an orderly government, and strengthened by our recognition he offered the best chance of a permanent and stable administration. I have no admiration for Huerta's character as generally reported. Although it is impossible to sift the evidence, yet if half what is charged against him is true, his conduct would not be tolerated in any lawabiding community. But I suspect very few of the innumerable rulers of Mexico in the last century would meet our ideals of a constitutional leader. They have their own standards. Diaz, whose Presidency gave Mexico her best chance of development, and who was perhaps as high a type as Mexico would support, did not owe his long lease of power to methods we would

This administration refused to recognize Huerta, not because he was not the best representative and hope of stable govern-ment but because it disapproved of his conduct in attaining power. We all of us sympathize with that feeling. approve of cruelty and bloodshed and treachery, whether exhibited by individuals, by revolutionists, or by monarchs. But, in deciding whether to recognize a foreign Government, an administration's first motive should be the effect on our own country, and second to that should be the effect on the foreign nation; and only after that should individual feelings and repulsions be followed. And even if the President felt that public opinion would sustain him in indulging his sentiment at the expense of his country's interests, such conduct, if undertaken deliberately, would be a sacrifice of the public advantage to personal popularity. The whole American Nation vibrates to the emotion of horror at the crimes charged against the Mexican Presi-For an administration to voice that horror and to base its policy on that emotion is an easy way to immediate popularity, and it dispenses with the tedious and perplexing search for a permanent and far-reaching policy. But we do not have wise men for Presidents and Secretaries of State in order that

they shall be mere echoes of popular emotion. Especially in foreign affairs, which the ordinary citizen has not the time or detailed information to master, we expect those in power to rise above any popular sentiment, however natural and justified, which conflicts with the permanent advantage of this Republic; we expect them to look to the distant future and not to the present, to keep their reason and judgment unclouded by passion or by sympathy or by animosity, to disregard the popularity of the moment, and to find and follow that policy which future statesmen and future history will justify and approve. It was natural and commendable to abhor the crimes charged to Huerta, but it may be better for the United States, and even for Mexico, that a presidency won by foul means should be recognized than that thousands of the youth of our country should leave their bones to bleach in the mountains of Mexico, or that bandits and plunderers should bring anarchy into every province and set back for a generation the tranquil development of peace. We are not created by international law as the tribunal to pass sentence on the personal crimes or immoralities of the rulers of other countries. And, though our public sentiment naturally will be swift to express itself, that should not determine the policy of our State Department. There should be weighed the results upon our peace, upon our future prospects, upon our set-tled policy with other nations. *There*, most of all, should be carefully studied out the alternatives, the far-reaching conse-quences, and with those lofty ends clearly in view, undisturbed by emotion, regardless of momentary popularity, should be laid out for our ship of state a steady course whose way was marked by buoys of prudence and honor and forbearance, and which led straight to the harbor of safety and amity. The crimes, the un-deserved success or retribution of any foreigner are of slight account compared to the losses and miseries entailed on us by war. True proportion and perspective should not be obscured by personal indignation. The goal of our national interest should never be shut from view by a cloudburst of anger.

President Wilson refused to recognize a government in Mexico unless there should be a free election and unless Huerta withdrew as a candidate. He thus assumes a practical direction of Mexican politics. If he can dictate who shall not be President. he has equal right to dictate who shall be President. If he can eliminate one, he can eliminate all but one. And the result has been a sort of personal contention between our great Nation and one man, without apparently any wise information or provision on our part for the efficacy or success of the policy, so that our hands are tied, our influence is annihilated, and our citizens are abandoned and deserted by their own country. The vital question in recognition is not the means by which power was reached but the probability of establishing such a government as the country will permanently support. It is that in which we are most interested, as are the Mexicans. We could wish it might be attained by the Presidency of the purest, noblest patriot, elected to his office by the free suffrages of a peaceful people. But the history of many Republics south of us offers little assurance of such an event. So far elections have resulted in the choice of the one who superintended them. The man in power has been continued in power when the votes were counted. A South American diplomat said not long since that there was not a single instance in the life of certain Republics where an opposition candidate had ever attained power except by armed revolution. In the presence of such conditions is it frank or fair to talk of a free election? Everyone knows there never has been one. How can we expect it now in the midst of arms? There is no revolution in the proper sense—no one cause with a leader and a platform. There are numerous insurrections having apparently the characteristics of guerrilla warfare, the outcome of restlessness and ambition and love of loot. The downtrodden peons welcome the opportunity to exchange their tedious and wretched existence for the privilege of bearing arms and participating in plunder and are easily lured by the call of any successful bandit. One of the most prominent of the leaders of the constitutionalists has apparently been doing his utmost of late to prove that Huerta is not the worst man in Mexico and that cruelty and brutality are not peculiar to the chiefs of any one party. There has been only one leader of chiefs of any one party. There has been only one leader of national proportions and who offered any guaranty of the ordered government so desirable both for us and for Mexico, and that was Huerta. And we must not forget that the man most suitable for the Presidency here might be a failure there. I fear they need a man of blood and iron. But if we are to fear they need a man of blood and iron. determine who they shall not have and who they shall have, I suggest that we have one distinguished citizen just now out of employment and wasting his prodigious energies on wild beasts and barbarous jungles who is admirably equipped for that situation. Let us lend him to Mexico. I suspect there are many Americans who for one reason or another would welcome

the loan, and I can imagine the relish and delight with which he would undertake and, I believe, master better than anyone else the hard task. If we are going to interfere at all, we might

as well interfere effectually.

But to refuse to recognize the only man who has shown any capacity to establish a national administration leads but to one inevitable conclusion-intervention, and that is war. peace and prosperity in Mexico, but we do not want to attain it by uniting all Mexico against us in war and by sacrificing our blood and treasure to secure and then maintain it for them. I can see but one escape—and that is but a subterfuge—the recognition of some tool of Huerta, and thus saving our face while sacrificing our policy, and dealing with a mere figurehead

rather than the master spirit.

Mexico has never known real constitutional self-government. You remember the epigrammatic description of former Russian Government—despotism tempered by assassination. Mexican Government in the past might be described as despotism tempered by revolution; but the word "varied" would be more truthful than "tempered," for each recurring revolution, no matter how popular and democratic its professed purpose, has been merely a change and has always resulted in the same untempered military despotism. Madero, the reformer and idealist, could not keep from the resort to force. Apparently that is the only government with which Mexicans will be con-They demand men of blood and iron to preserve peace and order. If we had refused to recognize rulers who have climbed to power by violence and bloodshed, there are capitals south of us where we should have had few representatives during the past century. We can not afford to suddenly become critical and say that we and not the natives shall decide who is entitled to rule. If we had recognized Huerta months ago when the other great powers did and as our ambassador advised, he would probably now be ruling over an orderly country where Americans were not obliged to sacrifice their property and flee for their lives in obedience to orders from their own Government. And while Europe allows us to take the lead in Mexican affairs and naturally is but too willing to shift to us the responsibility of insuring peace and order and protecting her investments in that turbulent Republic and is not likely to criticize any authority we may assume, South American Republics are more sensitive at our overshadowing leadership; they do not contemplate with complacency any infringement on the rights of sovereignty, and already are showing symptoms of uneasuness and suspicion and dissatisfaction at our conduct.

The sentiments expressed so finely in the President's mes-sage on the subject that he desired peace and the prosperity of Mexico and did not aim at intervention I heartily concur in. But is his policy wisely planned to achieve that end? Those sentiments, I believe, reflect the views of the vast majority of Americans. Perhaps that fact was not out of mind when they were penned. Abhorrence of the conduct charged against were penned. Huerta is doubtless the common sentiment of all Americans. That, too, was doubtless remembered in the White House. But we do not elect the average man or his echo to be President. We want for President and Secretary of State greater foresight and wisdom than the average man possesses. them to act from sudden impulses, but in foreign affairs par-ticularly we expect them to study out that far-reaching policy which will best promote the permanent interest of the United States and not to permit personal likings or animosities or popularity to interfere with that lofty purpose. It is easy for anyone to judge of the merits of a man or a ruler if the facts are known, but the problem of wise statesmanship may be much more complex and difficult.

To recognize as ruler a man accused of crimes of treachery and bloodshed is disagreeable; a popularity-hunting leader would shrink from it and, secure in his popular defense, would risk the consequences, though the logical alternative should be armed intervention. The true statesman would not act hastily from an impulse which he shared with everyone, but would weigh distant probabilities, and even at the expense of temporary popularity would determine and adopt that comprehensive plan which would ultimately be most advantageous. Despite the noble words of peace, it seems to me our policy and conduct has from the beginning drifted steadily toward war. Peace has been our hope, but we have acted along the easy lines of impulse and thought out no effective methods to achieve the ends we desire.

When the war comes it will be no excuse that the Secretary of State has delivered brilliant speeches in favor of peace. The question will not be has he desired war, but has he taken such measures as would naturally avert it. An emotional and ora-torical glorification of peace is no sufficient atonement for a policy whose legitimate and logical result is war. If common report is correct, he has not been without good advice. Amid

the political appointments which filled his office there was one made for merit. Apparently it was recognized that it would be well to have one person there in a responsible post who by previous training and experience was qualified to give sound advice on our foreign policy, and no better man could have been found than the learned and distinguished counselor of the department. But according to the press that profound student of international affairs differed absolutely with the administration in its foreign policy and favored the recognition of Huerta.

It should be easy for the United States to undermine and destroy the supremacy of any contesting chieftain in Mexico. It may be more difficult to establish and uphold another. Under our policy-or lack of policy-the only man who had a semblance of national authority, the only man who displayed any capacity to establish order, has been systematically weakened and the country month by month has become more unsettled, guerrilla warfare has grown, greater numbers have deserted peaceful labor for the life of the bandit, the taste for plunder and excitement has increased, and the difficulties in returning to any régime of order and discipline and settled government have been enormously augmented. The lives of Americans have been endangered, their business ruined and abandoned, their property in large part destroyed, and the humiliating warning has been issued to them by their own Government that the ambassador who represented them has been recalled, that no action will be taken for their security, and that they should flee the country for their lives.

I trust that there is known to the administration some happy outcome which we can not see. I hope there has been and is some definite project which has never revealed itself in the pitiful negotiations which have been made public, but to me it seems as if the nine months of this administration had been recklessly devoted to increasing the difficulties of the problem, until the only possible outcome should be armed intervention. Some happy chance may prevent, some gifted chieftain may rise up with power and energy and resolution sufficient to assume responsible control over all Mexico unaided by us, but it would be a solution so extraordinary as to belong to the realms of

hope and fancy rather than of reason.

A few days ago the press informed us that in the midst of an address upon another subject in Nebraska the Secretary of State exclaimed: "I pray God may help me to make it unnecessary that this Government shall go to war with Mexico." admirable aspiration, in which we can all heartily join, but rather theatrically staged and apparently meant rather for the American people than for the ear to which it was ostensibly addressed. I am sure that this prayer, given out to all the newspapers in the United States, must have brought to the minds of many the verses in the Sermon on the Mount:

When thou prayest, thou shalt not be as the hypocrites are; for they love to pray standing in the synagogues and in the corners of the streets, that they may be seen of men. Verily, I say unto you, They have their reward.

But thou, when thou prayest, enter into thy closet, and when thou hast shut thy door, pray to thy Father which is in secret; and thy Father which seeth in secret shall reward thee openly.

I quite approve of the Secretary invoking heavenly aid, but there is an old maxim, "God helps those who help themselves," and when the administration is pursuing a course which apparently leads straight to war, I can but fear no answering miracle will intervene to prevent the natural consequences. think study and preparation, with prayer in the closet at Washington, would be more effectual than the most dramatic and widely advertised invocation a thousand miles away. Meanwhile, Americans are left without protection or an ambassador in Mexico, and are advised to leave the country and sacrifice their property, and just now a warning is issued that they should not return. It reminds me of the imbecile policy of embargo adopted by a former Democratic administration.

I appreciate, however, that in foreign affairs secrecy is sometimes imperative; that there may be in the State Department some concealed and unsuspected and farsighted policy which has thus far been wisely hidden, but which, when the crisis is past, can be safely unlocked from the secluded archives where it rests and dazzle an unsuspecting world. I hope that may prove true, but I am skeptical, and fear there has been only the shifting policy of the hopeful and well-intentioned oppor-tunist, not the steady purpose of the studious, peace-seeking

statesman.

Mr. GARRETT of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. GILLETT. Certainly.

Mr. GARRETT of Tennessee. In view of the fact the gentleman from Massachusetts is criticizing the policy of the present administration, may I not ask the gentleman what the difference is between the policy of the present administration and the last administration with reference to Mexico?

Mr. GILLETT. Why, certainly. Huerta came into power, I think, just about a month before this administration, and naturally the last administration, out of consideration for the President who had just been elected and who was about to assume power, would not embarrass this administration by any action. think that was considerate and courteous and natural. I intimated here, I have not much doubt myself that the last administration would have followed the course I have suggested, although I know nothing about it,

Mr. GARRETT of Tennessee. The gentleman, I understand, advocates the recognition of the Huerta administration.

Mr. GILLETT. If the gentleman has listened to my remarks, he knows my position.

Mr. AUSTIN. My recollection is that the Huerta government came into power on the 23d of February, 1913.

Mr. GILLETT. It was a short time before the 4th of March,

when the Democratic administration began.

I regret to make these criticisms upon our administration, toward which in all foreign affairs I feel the most intense loyalty But I am not willing and wish the very completest success. to wait until the end and then say "I thought so all the time." If I am wrong, I shall be rejoiced; if the administration has a wise and fruitful policy, I will join in praising it. But I fear it has carelessly and optimistically floundered on trusting to happy chance, and that the stern lessons which history gives us of the fate of such a policy will be here repeated. plause.] I yield back the balance of my time.

Mr. SAMUEL W. SMITH. Mr. Chairman, how much time has the gentleman from Massachusetts consumed?

The CHAIRMAN. Twenty-five minutes,

Mr. REILLY of Connecticut. Mr. Chairman, acting for the chairman of the committee, I yield 20 minutes to the gentleman from New Jersey [Mr. HAMILL].

Mr. STAFFORD. Mr. Chairman, before the gentleman from New Jersey proceeds, will the gentleman state how long he intends to run this afternoon? It is now 5.30 o'clock, and we

have barely 30 Members here at the present time.

Mr. SAMUEL W. SMITH. I think I can say to the gentle man, after conference with the chairman of the committee, that the gentleman about to address the committee now will be followed by two others-one for 20 minutes, and the other for 10

The CHAIRMAN. The gentleman from New Jersey [Mr. Hamil] is recognized for 20 minutes.

Mr. HAMILL. Mr. Chairman, I can not too strongly oppose the clause in this postal appropriation bill which removes the position of assistant postmaster from the protection of civil service and relegates the office to the category of political appointments. I can not too strongly advise the membership of this House to vote against this vicious provision, because if adopted it would imperil and injure the proper conduct of business in our post offices. I particularly call upon my Democratic colleagues to prevent the passage of this law, because on them, as members of the majority party, will be visited the odium of this attempt to tear down the system of civil service.

It is over four or five years ago at least since the Executive order was issued which covered assistant postmasters into the classified service. The order was exceptional in the important respect that it required every candidate for assistant postmaster to first demonstrate his capability for the place to the satisfaction of the Post Office Department before he could get the This was a proviso never before benefit of the classification. attached to an Executive order, and the result of it was that none but most experienced and competent officials succeeded in passing the test. Many of these officers have served in that capacity from 10 to 15 years. Their efficiency gives us a splendid example of the benefits which accrue from a civil-

It can, indeed, be truly said that the classification of assistant postmasters is a greater necessity than that of any other body of civil employees, for the reason that their work is largely a work of multitudinous detail and because the laws that apply to the running of the Postal Service are so minute and vary so constantly that only by long years of training and experience can one learn to accurately supervise and direct their enforcement. No business house would think for a moment of changing employees of the character of assistant postmasters. perhaps no business in the United States is of such importance to the public, and especially to our merchants and business men, as the work of the Postal Service.

Consider the functions which are imposed on a post office to-day. It not only does postal business and money-order business and postal savings business, but it does express busi- Democratic President the advisability of from time to time

ness also. And we all know it is the assistant postmasters who conduct the post offices and who direct the men in the performance of every detail of their many and complicated duties. In view of all this would any sane man insist upon having assistant postmasters removed from the civil service?

The objection to their retention in the service seems to be that they were admitted into it by Executive order instead of by examination. But the same objection could be made with equal force against a great number, perhaps the greater number, of those holding civil-service places. There never could have been a civil-service system without the exercise of the Executive order. These orders have wisely been made not only at the commencement of civil service, but from time to time afterwards, as occasion made their issue necessary, and I am certain they will continue to be made until all employees of the Government whose work requires skill, training, and experience are included in the civil-service system.

The first civil-service law was introduced by Senator Pendleton, a Democratic Senator from Ohio, about the year 1870. The result of this legislation was that all employees below the grade of chief clerk were put into what now is called the classified The first President to broaden this classified service so established was Grover Cleveland. About 1896, toward the end of his second administration, President Cleveland issued an Executive order which extended the limits of civil service by covering into the system such officials as chief clerks, chiefs of divisions, and the like. This was a great step forward.

Mr. Cleveland's Republican successor made some changes in this arrangement, but the fact remains true that any subsequent improvement in civil service, so far as the extent of its scope was concerned, merely followed the lines laid down by Senator

Pendleton and President Cleveland,

After all, the civil-service system is at bottom a sound busi-ess plan. The purpose of it is to retain competent and experiness plan. enced employees as assistants to the administrators of our various Government departments by assuring to these employees permanent positions in return, and as a reward for them on their part showing zeal and efficiency in the discharge of their duties.

When by means of Executive order the system of civil service had become quite generally established, it then became necessary to devise some way whereby a high standard of merit could be maintained among its members. At first mere pass examinations were resorted to, but these proved to be ineffective. Then the competitive system was put in vogue, which remained the

rule and prevails at the present time.

Of course, those in the employ of the Government when the first civil-service law was passed and the comprehensive order of Mr. Cleveland promulgated included among them some incompetents who were benefited along with the rest. however, was owing to fortuitous circumstances which could not occur again, and the condition straightened itself out in a very few years. Everyone now admits and admires the high excellence of our civil-service system, no matter how it grew up and developed.

Every department head realizes what an immense advantage he possesses in having at his call and command trained men of long experience to carry out the details of his office work. Every Senator and Representative appreciates the same thing when they stand in need of data or documents which only officials who have had long experience are able to furnish.

It may be remarked here that when our Government was first established there was not the remotest intention of changing minor officials, and for a generation there was no change. policy of removing for political reasons officials whose duties are purely ministerial has not worked well in practice, for it must be borne in mind that after all the Government is a great business corporation, and that its successful administration depends upon the same character of good service as that of any other mighty business enterprise.

The people clearly realize this and as a result have imposed public condemnation on every attempt to tamper with civil

ervice.

Regarding these places of assistant postmaster, I know, of course, that numbers of worthy Democrats believe they have a right to fill them. So in a sense they have, and if these positions were open nothing would please me more than to help these Democrats procure them. But our civil-service system ought not to be assailed and these positions are in that system, even though placed there by the Executive order of a Repub-

I am, however, a Democrat to the core and will gladly bend every energy to appoint Democrats to positions which are not in the classified service. I, moreover, recommend to our present

covering into the classified service such Democratic appointees as in his judgment should properly be included in the regular classified service, in order that the ratio of Democratic to Republican employees may bear some equality. But by all means let us preserve civil service. The people esteem the system and demand that it be maintained.

The civil-service system is essentially a democratic system in the sense that it is open to all classes of our citizens on equal terms. It makes no distinction between rich and poor, but recognizes impartially one or the other according to merit. The highest places within the service are open to all, and the only qualities necessary to attain them are efficiency, experience, and

fidelity to duty

Time has splendidly vindicated the wisdom of establishing a civil-service system in our country. Therefore I depreciate this unjustified and unjustifiable attempt to undermine and weaken this system in the manner proposed in this measure by taking out of it such responsible positions as assistant postasters. [Loud applause.] Mr. SAMUEL W. SMITH. Mr. Chairman, how much time

did the gentleman use?

The CHAIRMAN. He used 10 minutes. Unless gentlemen yield back their time, it will be counted against them.

Mr. HAMILL. I yield back my 10 r inutes, Mr. Chairman. Mr. SAMUEL W. SMITH. Mr. Chairman, I yield 20 minutes to the gentleman from Michigan [Mr. MAPES].

The CHAIRMAN. The gentler Mapes] is recognized for 20 minutes The gentleman from Michigan [Mr.

Mr. MAPES. Mr. Chairman, I shall confine myself in what

I have to say to section 6 in this bill.

If there is one thing more than any other which Congress has done since the beginning of this administration that has been a distinct shock and disappointment to the American people, it is the assault that has been made upon the civil service and the apparent determination on the part of the party in power to disrupt and destroy that service.

The civil service has been a steady growth. The advocates of it have been obliged to fight for its extension all along the line, but there have been few backward steps. The results in economy and efficiency in the work of those who have entered the public service through competitive examinations under civil service regulations have civil service regulations have proved the worth of the law until it has been almost universally approved, and no political party in recent years has dared to appeal to the people for their support without a declaration in its platform in its favor.

The Civil Service Commission, in its report for the year end-

ing June 30, 1912, felt justified in declaring that-

The popular approval of the system of competitive examinations as a means of producing increased economy and efficiency and of suppressing abuses due to improper political influences is shown in the platforms adopted by the different political parties during the campaigns of more than a quarter of a century. The principles of the competitive system are approved by the whole country without distinction of political faith. This unanimity indicates that the American people are satisfied with the results of the system and marks the cessation of all organized opposition to it.

They also declared in that report that-

The development and improvement of the practical methods of the mer't system in recent years have been rapid.

The number of appointments through competitive examination has grown year by year, and there is abundant evidence that in those parts of the service to which the civil-service law has been applied the Government has been enabled to effect large savings. More is being done with few employees, and done far more economically.

They go on to say that President Taft-

In a message to Congress dealing with the loss to the Government from the present patronage method of filling the higher unclassified positions, states that the loss amounts to at least \$10,000,000 annually, and that "it is not to be doubted that where no saving would result the classification of the local officers would increase the efficiency of the service."

Notwithstanding such unanimity of sentiment in favor of it on the part of the people and the rapid progress and extension of the system in recent years, this Congress, in each of the three principal bills which have been enacted into laws since the convening of the special session in April last, have inserted a paragraph taking certain officials and employees of the Government out of the classified service, similar to that contained in section 6 of this bill. If this bill passes with section 6 in it as now proposed, this will be the fourth successful assault upon the civil service in a few brief months.

The tariff bill exempted collectors of the income tax from the civil service, and further provided that when they were not employed in that work they might be employed on general internal-revenue work.

The deficiency appropriation bill took out of the civil service deputy United States marshals and deputy collectors of internal revenue and their subordinates.

The banking and currency law contained a provision providing that all employees of the Federal reserve board should be appointed without regard to the provisions of the civil-service law and the regulations of the commission.

Now we have the fourth bill of general jurisdiction which has come before this Congress, and it proposes to take out of

the classified service all assistant postmasters.

It was so truly stated in a recent editorial in the morning paper of my home city, the Grand Rapids Herald, that-

It is not an exaggeration to say that the civil service has not been as openly and deliberately undermined and assaulted in two decades as it has been during the 10 months' fling of the present administration.

These assaults have been made in two cases, at least, by means of riders on appropriation bills. Being inserted, as it is in this case, in the bill as reported by the Post Office Committee, there is no way to get a separate record vote on that section alone, unless a majority of the Committee of the Whole vote in the Committee of the Whole, where no roll call is allowed, against the provision and against the position of the Post Office Committee, which reported it. This the Memthe Post Office Committee, which reported it. bers as a rule hesitate to do.

It is not a sufficient answer to the critics of this legislation to say that it is necessary, in order to get the most satisfactory results, to have men in the subordinate offices who are of the same political faith as the administration in power. Such a contention, put into practice, would disrupt the entire civil service. Besides, those who have had the most experience and the greatest responsibility declare the contrary to be the fact, and, in the light of the liberal rules of the commission and of the law for discharging inefficient employees, such a contention is without any justification. The last Secretary of the Treasury, in his report of 1912, declares that-

it is impossible to maintain full efficiency or full character in the customs service or in any other service unless it is rigidly separated from the influence of political organizations, no matter to what party they belong.

Mr. MORGAN of Oklahoma. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman yield?

Mr. MAPES. Certainly.

Mr. MORGAN of Oklahoma. I am very much interested in what the gentleman is saying and approve of the line of his talk. I would like to know whether he has any knowledge as to whether or not the President approves this provision in the bill which takes assistant postmasters out of the classified service?

Mr. MAPES. I will say as to that, Mr. Chairman, that the only knowledge I have was conveyed by the notice that was contained in the paper this morning, to the effect that the President had finally determined to take a firm stand against any further attacks on the civil service.

Mr. MORGAN of Oklahoma. Now, if the gentleman please, another question. I will ask if the gentleman knows whether or not the Postmaster General, whom I regard very highly, has approved a provision similar to this in this bill, taking assistant postmasters out of the classified service?

Mr. MAPES. I think he has opposed it openly, notified 'he committee which reported the bill; but that the committee, in spite of that recommendation and the attitude of the Postmaster General and that of the Chief Executive, have reported this section as it is contained in the bill.

Mr. MORGAN of Oklahoma. Now, if the gentleman will permit one more question, I shall try not to interrupt him any more. I would like to know what the gentleman thinks about the proposition of extending the civil service so as to include postmasters as well as all employees under the postmasters. The gentleman remembers, I think, that President Taft recommended that proposition,
Mr. MAPES. I believe that is the recommendation of those

who have had the most experience, and it is the recommenda-tion of the Civil Service Commission; and for one, I believe that the country is fast coming to that, and that the public sentiment will soon require Congress to pass a law putting postmasters, as well as the assistants, under the civil-service regulations.

Mr. MORGAN of Oklahoma. I am inclined to agree with

the gentleman, Mr. Chairman, that that would be good policy.
Mr. MAPES. It is thought by some that it is too-difficult to get rid of a civil-service employee after he is once appointed, and the service is sometire, criticized for that reason. Somethink that it is necessary to prepare written charges against think that it is necessary to prepare written charges against the accused, serve them on him, and have a trial of his case after the manner of a trial in a court of law. Nothing is further from the fact.

Such critics certainly do not understand how easy it is to get rid of an inefficient employee under the civil-service rules. The rules permit the head of any department to dismiss any

employee in that department in the classified service "for any cause which will promote the efficiency of the service." The only restriction is "that like penalties shall be imposed for like offenses and no penalties shall be imposed for political or re-ligious reasons."

In order to remove an employee it is only necessary to serve the charges on such employee and file them with the head of the department; and an employee may be demoted, and he may never know what the charges against him are, without the service of the charges upon him. As a matter of fact, some have been demoted in some of the deportments here in the last few months in just that way, without knowing what the charges against them are

1 listened with amazement to the remarkable speech of the distinguished chairman of the committee reporting this bill, so far as it related to section 6 and the civil service generally. seemed to me that he put up a straw man and then proceeded to push him over. He spoke of the life tenure of civil-service employees. He presented a fanciful picture of centralization and the supremacy of the Federal Government over that of the States, and deplored the fact that the people did not have a more direct participation in the affairs of the Federal Government. If this is true, the people are not charging it to the civil service, but to some extent at least to the lack of the civil service. No one ever heard of any complaint from the people because of an extension of the civil service. Their complaint has been that it has not been extended enough. have everywhere put it into force in those local and State governments in which they actively participate whenever given an opportunity to do so, some of them going so far as to incorporate a provision to that effect in their State constitutions. He stated it to be a fact that the people did not have the same love and respect for the Federal Government as they have for the State governments. Be that as it may, certainly a return to the spoils system, with its resulting hordes of office seekers, will not tend to increase their love and respect for it.

The civil-service report answers this criticism of the chair-

man of the committee fully. It says, on page 21:

man of the committee fully. It says, on page 21:

The rules are not framed on a theory of life tenure, fixed permanence, nor vested right in office. It is recognized that subordination and discipline are essential, and that therefore dismissal for just cause should not be unduly hampered. The rules have at all times left the power of removal as free as possible, providing restraints only to insure its proper exercise. In this way discipline is not impaired, just tenure is secured, and employees are protected against arbitrary removals. In other words, the public service is governed by the same theory as private service, in which tenure of place depends upon good behavior and efficiency, which are the mainspring of good service. The object in public as in private employment should be to secure good service and to reward fitness, experience, and tried abilities. At all times since the rules were established, in 1883, the power of removal for unfitness has rested wholly with the appointing officers for their free exercise. They are the sole judges of the qualifications of subordinates, and the question whether such cause exists as requires a removal for the efficiency of the service is for them to determine. Thus there has never been any foundation for the complaint that unfit men are "protected by the rules," that the rules establish a life tenure, or that persons who become inefficient are kept in office by the rules. The only restriction that has been imposed is that employees should not be removed for political or religious reasons or upon secret charges, and that for the same offense one employee should not be punished in a different manner from another.

It is certainly unnecessary at this late day to argue the merit

It is certainly unnecessary at this late day to argue the merit of the civil service, at least to people generally, it is so universally conceded. With over 235,000 of those holding Government positions throughout the country doing so under the civil service, some of you are now having plenty of trouble in filling those positions which do not come under it, and it is past under-standing how anyone would voluntarily invite more trouble of

the same nature by putting still more outside of the service.

Bearing in mind that there are over 7,500 people employed in the Treasury Department in Washington alone, over 3,400 in the Agricultural Department, and over 5,000 in the Interior Department, and that there are in all over 32,000 Government employees in this city alone, can anyone imagine the utter chaos and confusion that would exist and what the effect on the efficiency of the work of the different departments would be if any considerable number of this army of employees were taken out of the classified service and were obliged to start in as raw recruits, and as such obliged to get acquainted with their work every time there was a change of administration? Certainly the Members of this House do not want any considerable number of these employees to be dependent upon political influence for their appointment or promotion in office.

It is sometimes erroneously contended that it is all right to fill the minor positions by competitive examination and put them under the civil service, but that it is a mistake to put the higher positions and those requiring expert knowledge and skill under it. The experience of the Civil Service Commission has

demonstrated the fallacy of this contention. On this point the commission say:

The belief in many quarters that no distinguished expert or person of high professional or scientific attainments will compete in a civil-service examination is a fallacy.

They then go on to prove the correctness of their statement by their own experience.

The injury done by this bill in taking first assistant post-masters out of the classified service will not be confined to the assistant postmasters alone; the bad effect will extend to the whole post-office service. The enactment of this section into law will be the equivalent to a formal declaration to all the employees in the post offices throughout the country which have an assistant postmaster that no longer can they look forward to the time when they might be assistant postmasters by being promoted in the ordinary way on account of faithful and effi-cient service, but that they must participate actively in partisan politics for the purpose of gaining political influence and support in order to secure such an appointment.

In this connection I desire to read from the letter of the National Civil Service Reform League, dated January 14, 1914,

and addressed to the Members of the House:

NATIONAL CIVIL SERVICE REFORM LEAGUE OFFICES, 79 Wall Street, New York, January 14, 1914. To the Members of the House of Representatives:

NATIONAL CIVIL SERVICE REFORM LEAGUE OFFICES, 79 Wall Street, New York, January 11, 1911, To the Members of the House of Representatives:

On behalf of the National Civil Service Reform League, I respectfully but earnestly urge that the rider in the post office appropriation bill now before the House, taking assistant postmasters in first and second class offices out of the classified service be eliminated.

The assistant postmaster swere classified over three years ago by President Taft in an Executive order, in which he required that every assistant postmasters should satisfy the department as to his efficiency and qualifications before he be given a competitive classified status. All but about 100 of the 2,400 assistant postmasters in these offices now have such a status. Many of them have been appointed since the issue of this order, either through promotion, transfer, or original examination. The post offices, therefore, are now supplied with a thoroughly trained expert force from the assistant postmasters on down.

This organization is vitally important to the officient management of the postal business, particularly in view of the development of the postal savings banks and the parcel post system. The postmasters in these offices are not themselves postal experts—at least at the time of appointment—and have to depend on the permanent expert staff under them for the management of the office. If the assistant postmasters are removed from the classified service they will become political job holders, changing with every change in the postmastership. The appointments of the assistants will be governed to a large degree by political considerations, and it is a notorious fact that postmasters are forced under such a system to accept inferior persons as their assistants for political or less worthy reasons, and that they are, in fact, not free to make their own selection.

With assistant postmasters chosen on the merit basis alone on the other hand the tone and efficiency of the entire Postal Service have been

postmasters.

Furthermore, the passage of this rider will be a ruthless violation of the pledges of all three great parties in the last presidential campaign. The Democratic Party, for example, in the Baltimore platform declared that the civil service law "should be honestly and rigidly enforced" so that merit and fitness should be substituted for political service, and pledges even stronger than this were in the platforms of both the Republican and Progressive Parties. The passage of this rider will be recognized as the negation of these piedges, as a barefaced attempt to secure 2,400 valuable places for the payment of political debts, and as an utter disregard of public interest.

For these reasons this league earnestly asks that you vote for the elimination of this rider when it shall come before the House.

Respectfully, yours,

ROBT. W. BELCHER,

ROBT. W. BELCHER

The effect on the service generally of taking out of the classified service the higher positions is so well stated in the report of the Civil Service Commission that I quote from it at length. It confirms the statements in the letter from the Civil Service League:

As long as so large a proportion of the higher administrative posi-tions remain unclassified, to be filled from the outside without promo-tion, the classified service will not offer a career in competition with such outside fields of employment as are organized and conducted upon a merit basis and which have systems of retirement upon disability or superannuation. In this respect the civil scrvice remains inferior to the service of many business establishments which assure promotion for merit to the high-salaried positions and which give retiring allow-ances; and the Government can not hope to secure and retain the serv-ices of an equally intelligent and ambitious class of persons while these

conditions exist. The fact that higher positions are not open to promotion deters many of the better class of men from entering the examinations for appointment. Moreover, there is an increasing tendency on the part of the most capable persons who enter the service to resign for employment in fields in which there is better organization and greater opportunity for advancement. This constant depletion of the service means serious financial loss to the Government. The civil service is inferior to the military and naval services in this regard, since it does not offer the same opportunities of advancement and of retirement.

Again, where the higher positions are filled by political influence, and when the men filling them are, as they generally are, active in political work, it is inevitable that the minor force will fall under detrimental political influences.

A leading journal in a recent editorial emphasizes the fact that the classification of the higher offices in the Federal service is of an importance which can not be measured by numbers. It says:

It says:

The higher posts, while the number of them is small in comparison with the vast aggregate of offices, are of an importance which can not be measured by numbers; and this not only because the duties of these posts are of great moment and because of their tempting character as political prizes, but also for a reason profoundly affecting the service as a whole. A few offices involving questions of governmental policy should always remain subject to untrammeled appointment by the executive head of the Government, but purely business offices of high order, such as the first-class postmasterships, should become the natural goal of the men filling the lower places in the same branch of the service. Only so can the Government service in general become a true career for men of ability, and the effect of its being such a career would be felt in a most beneficent way throughout all the grades.

The CHAIRMAN The time of the gentleman from Michigan

The CHAIRMAN. The time of the gentleman from Michigan has expired.

May I have about five minutes more? Mr. MAPES.

Mr. SAMUEL W. SMITH, Mr. Chairman, I yield five minutes more to the gentleman.

Mr. MAPES. The Encyclopædia Britannica, under the title "Civil service," says:

"Civil service," says:

* * * The chief drawback to the full success of the (civil service) act within its intended scope of operation has been the withholding of certain positions in the service from the application of the vital principles of competition. The civil-service act contemplated no exceptions, within the limits to which it was made applicable, to the general principle of competition upon merit for entrance to the service.

* * * Thorough civil-service reform requires that these positions (postmasters and collectors of customs and of internal revenue) be made subject to the merit system, for in them is the real remaining stronghold of the spoits system. Even though all their subordinates be appointed through examination, it will be impossible to carry the reform to ultimate and complete success so long as the officers in charge are appointed mainly for political reasons and are changed with every change of administration.

I congratulate the President on having at last, according to

I congratulate the President on having at last, according to the announcement in the morning paper, determined to take a firm stand against any further assaults on the civil service.

I have heard men proclaim on the floor of the House their feeling of obligation to carry out the promises and pledges made by them to their constituents before election and their laudable and commendable determination so to do. To all such it may be well to recall the civil-service plank in the last Democratic platform, which declared:

The law pertaining to the civil service should be honestly and rigidly enforced, to the end that merit and ability shall be the standard of appointment and promotion rather than service rendered to a political

Again, the concluding paragraph of the platform of the party solemnly declared, as though assuming for themselves a virtue which others did not possess:

Our platform is one of principles which we believe to be essential to our national welfare. Our pledges are made to be kept when in office as well as relied upon during the campaign.

In the face of such solemn declarations will the Democratic majority in this body continue their attack upon the civil To continue longer to enact laws taking Government positions out of the classified service which have heretofore been in it, and exempting from it all new positions created by the laws of this Congress, will make your platform declarations a hollow mockery.

I appeal to you in the interest of efficiency and good government to vote against section 6 in this bill, to discontinue your attack upon the civil service, and to carry out in good faith this plank in your party platform. [Applause on the Republican side.

Mr. Chairman, I yield back the balance of my time.

Mr. SAMUEL W. SMITE. Mr. Chairman, how much time did the gentleman from New York occupy?

The CHAIRMAN. Twenty-three minutes.
Mr. SAMUEL W. SMITH. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. CALDER].
Mr. CALDER. Mr. Chairman, I have given close study to the Postal Service, realizing how important it is to the business interest of the country and to our citizens in general to have prompt delivery of the mail. The success of any business de-

pends largely on the efficiency of the mail service, and I have always felt it my duty to encourage in every possible way any suggestions for improving it.

The establishment of the postal savings system has done more to encourage people to save part of their earnings than any other influence that I know of, and it gives them a peace of mind to know that their savings are secure, as it has the guaranty of the Government behind it.

The parcel-post law has only been in effect for one year, and in that short space of time has grown beyond the comprehension of the mind of the ordinary man. It is only when talking to post-office men or in reading the reports of department officials that we can grasp the extent to which this new service has developed.

I noticed in the last annual report of the Postmaster General that, after careful study of the constitutional purposes of the postal establishment, he is convinced that the Post Office Department should have control over all means of the communication of intelligence. He also states that-

The monopolistic nature of the telegraph business makes it of vital importance to the people that it be conducted by unselfish interests, and this can be accomplished only through Government ownership.

The legislation already enacted and that which is proposed will in the course of time make the postal service the people's service in every sense of the word, as it will be the only means of communication that we will have. Its problems should be worked out carefully and with the only purpose in view of making it the most perfect that can possibly be had.

While the department officials and the Post Office Committee have given much time and attention to the many new innovations which have been installed in the service, I am particularly pleased to note that they have not overlooked the employees upon whose shoulders the burden of these added responsibilities fall.

It has been my pleasure since becoming a Member of this body to work and vote for the law to reclassify the salaries of letter carriers and post-office clerks, the law to regulate their hours of labor to 8 hours within a period of 10 consecutive hours, the law to make the initial or entrance salary \$800 per annum, the law to regulate Sunday service, which insures a day of rest each week for the employees, and the law to improve the working conditions of the substitutes. I have also worked and voted for the several laws to improve the working conditions of the railway mail clerks, the laws for relief of rural-delivery carriers, and have done all in my power to help the laborers in the Postal Service.

Every one of these measures were reasonable and just, and they possessed merit. In some cases I do not think the legislation went far enough to grunt the relief necessary, but as it was the best that we could get at the time I gave the measures my support.

Mr. Chairman and gentlemen of the committee, I believe that a contented working force is the best possible asset that the Government could have in conducting its business. I am sorry to say that we are far behind other Governments and many of the large employers of labor in our own country in looking after the welfare of the civil-service employees. Every civilized Government in the world, with the exception of the United States, have laws that provide for the retirement on annuities of their veteran civil-service employees when they become superannuated. Nearly every large corporation and railroad company have made like provision for their employees. this greatest of all Governments, this land of the free and home of opportunities, casts aside its employees without any reward when they become inefficient through superannuation. We are behind the times in this respect, but I think that it is caused by lack of knowledge and want of study of the problem by the Members of Congress. I trust that the time is not far distant, aye, it would afford me the greatest pleasure if the Committee on Reform in the Civil Service will bring before this body for consideration at an early date a bill that will provide for the retirement of the men and women in the civil service of the

Government when they become superannuated.

Another matter that should receive early consideration is the question of a Federal compensation law. A large number of the States have enacted laws that provide compensation for employees who are injured or killed in the discharge of their duties. There is a Federal law, the act approved May 30, 1908, which grants compensation to certain specified employees of the Government, but it should be made more liberal in its pro-

visions and more general in its application.

A compensation bill providing relief for employees of railroad companies was passed by both Houses in the Sixty-second Congress, but failed to become a law on account of a disagreement

in the conference committee prior to the adjournment of Congress. A bill drafted along the same lines as the railroad employees' bill was introduced in Congress to provide for employees of the Government, but no action whatever was taken on it by either House. This lack of interest for the welfare of those who can only hope for relief from the national legislative body is to be deplored. An employee of a railroad or any other corporation or employer can bring suit in a civil court for damages for injuries received, and can recover an amount assessed by a jury. An employee of the Government is estopped from bringing any such action, no matter what the cause of his injuries may be, and he has no redress whatever. It seems to me, Mr. Chairman, that this much-needed legislation has been too long delayed, and I trust that this Congress will enact a law that will grant to the employees of the Government the same rights and protection that we would compel those engaged in interstate commerce to grant to their employees.

In the bill now pending before the House the committee has In the fill now pending before the House the committee has wisely inserted a provision that will grant compensation to employees of the Postal Service for injuries they receive through no fault of their own. It will afford me the greatest pleasure to cast my vote for this beneficial legislation, as it possesses great merit. I wish to congratulate the Committee on the Post Office and Post Roads for giving the House an opportunity to vote on this paragraph in the bill. I trust that my friends on both sides of the House will join hands in voting for this much-needed legislation, and that it will meet with unanimous approval. [Applause.]

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by printing an address by the Hon. George W. Perkins on the retirement of superannuated Government employees.

Mr. STAFFORD. Reserving the right to object, will the gentleman inform us how lengthy an address it is?

Mr. CALDER. It will make about three pages of the Con-GRESSIONAL RECORD.

Mr. STAFFORD. I have no objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SAMUEL W. SMITH. Mr. Chairman, how much time did the gentleman from New York use?

The CHAIRMAN. Nine minutes.
Mr. SAMUEL W. SMITH. I yield to the gentleman from Tennessee [Mr. Austin].

Mr. AUSTIN. Mr. Chairman, I ask permission to extend my remarks in the Record by printing a letter from W. D. Brown, adressed to me. Mr. Brown is the editor of the R. F. D. News, in which he sets forth, in what I believe to be a fair and just manner, the claims of the rural free delivery carriers.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to extend his remarks in the Record by printing the article referred to. Is there objection?

There was no objection. The article is as follows:

WASHINGTON, D. C., January 12, 1914.

The article is as follows:

Washington, D. C., January 12, 1914.

My Dear Congressman: In the R. F. D. News of January 10 there was published a statement blank to show cost of rural-delivery equipment and annual expense of maintenance, which rural carriers were requested to fill out and return to me promptly. It is expected that statements from at least a majority of the carriers in your district will be in hand by the 20th instant, and they will be tabulated and forwarded to you at once.

But as the Post Office appropriation bill may be taken up in the meantime, I respectfully ask your support of a measure to afford rural carriers a substantial and well-merited increase in compensation. The statement is sometimes made that rural carriers have been advanced in salary more frequently than any other Government employees. This may be true, but the fact remains that after maintaining the necessary equipment their pay is still far less than other Government employees and wholly inadequate. The average gross pay of rural carriers is \$1,060 per year; average cost of equipment maintenance, about \$360, leaving net salary of \$700 per year.

The entrance salary of city letter carriers is \$800, and the law provides for automatic promotions of \$100 per year until the salary reaches \$1,000 at second-class offices and \$1,100 at first-class offices, with further annual increase for 75 per cent of the carriers having reached those grades. Furthermore, mounted city carriers are allowed the full cost of maintaining their equipment. The amount in some cases exceeds \$400.

Nothing is allowed rural carriers for length of service, is less than the entrance salary, after perhaps many years of service, is less than the entrance salary of city carriers.

The value of postal service should not be measured by cost or earnings, but by efficiency and public convenience. Rural delivery is admitted to be one of the most beneficial branches of the Post Office Department, and its popularity and value are attested by a growing demand for the ser

But the parcel-post law laid heavier burdens upon rural carriers, and the 50-pound weight limit, which became effective January 1, has brought them face to face with serious conditions. New and larger vehicles are required, and many carriers are not financially prepared for the necessary outlay.

It is contended that upon basis of present earnings railroads are unable to secure loans to provide necessary improvements, but that if the pending application to the Interstate Commerce Commission for an increase in rates be granted, Ioans may be obtained and desired improvements will be inaugurated. And so it is with rural carriers. The cost of living has advanced to such an extent and their net salaries are so small there is nothing left for emergencies, and it is impossible for many carriers to meet the additional burden imposed by the new parcel-post regulations without help in the shape of increased compensation.

On account of parcel post the Postmaster General has asked for

parcel-post regulations without help in the shape of increased compensation.

On account of parcel post the Postmaster General has asked for increased appropriations for Railway Mail Service and star-route service. Extension of city delivery is well provided for. Why should not rural delivery be recognized and aided?

Appended hereto are two orders of the Postmaster General, showing that the duties required of rural carriers by the department have been greatly increased, even to the extent of aiding city carriers, who are protected by an eight-hour law.

Efficiency in the Postal Service means delivering the mail from the sender to the addressee in the shortest possible time and best possible condition, and rural carriers are willing and anxious to do their part to maintain perfect efficiency, but they feel that they should be adequately compensated for same.

While the present maximum salary is inadequate, the basis of gradation is crude, unequal, and illogical. In fact, it may be stated that on account of varying conditions in different sections no one basis of pay can be made to apply equitably.

I take the liberty of suggesting two bases as tending to adjust the compensation more nearly in proportion to the service rendered, road conditions, and cost of equipment maintenance.

First. In addition to the present salary of each carrier, provide an annual equipment allowance of \$120 minimum and \$300 maximum, provided that carriers on routes not less than 16 miles in length shall be allowed a minimum of \$200; on routes not less than 24 miles in length, a minimum of \$200. Major fractions of a mile to be considered a full mile. Additional equipment allowance to be based upon condition of roads, quantity of mail handled, and length of time required to serve route.

Second. Fix arbitrarily the length of a standard rural-delivery route

of roads, quantity of mair handled, and length of time required to serve route.

Second. Fix arbitrarily the length of a standard rural-delivery route at 24 miles and the pay for same at \$1,200 per year; for each mile above the standard add \$30 per year and deduct a like amount for every mile below the standard, major fractions of a mile to be considered a full mile. In addition, allow for equipment maintenance for routes not less than 20 miles in length a minimum of \$100 per year and a maximum of \$200 per year, provided that the total of salary and equipment allowance shall in no case exceed \$1,400.

While neither of the proposed bases will fully cover the cost of equipment maintenance, the adoption of either will be a step in the right direction, and I can assure you that all rural carriers in your district will fully appreciate your support.

Expense statements from carriers in your district will be submitted as soon as received.

Sincerely, yours,

Mr. MOON. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. Hay, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 11338, the Post Office appropriation bill, and had come to no resolution thereon.

ENROLLED JOINT RESOLUTION SIGNED.

The SPEAKER announced his signature to enrolled joint resolution of the following title:

S. J. Res. 5. Joint resolution providing for the appointment of a commission to consider the need and report a plan for National aid to vocational education.

LEAVE OF ABSENCE.

Mr. Beall of Texas, by unanimous consent, was granted leave of absence indefinitely on account of sickness in his family.

ADJOURNMENT.

Mr. MOON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly the House (at 6 o'clock and 2 minutes p. m.) adjourned until to-morrow, Friday, January 16, 1914, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting estimates of appropriations required by the several departments of the Government to complete the service of the fiscal year ending June 30, 1914, and for prior years (H. Doc. No. 595); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting a copy of a communication from the Comptroller of the Treasury submitting a supplemental estimate of appropriation for his office for the fiscal year ending June 30, 1915 (H. Doc. No. 593); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of the Navy, transmitting a statement of the expenses incurred from June 30 to December 1, 1913, by officers and employees of his department in attending meetings or conventions of societies or associations (H. Doc. No. 596); to the Committee on Expenditures in the Navy Department and ordered to be printed.

4. A letter from the president of the Chesapeake & Potomac Telephone Co., submitting, as required by law, a report of the Chesapeake & Potomac Telephone Co. for the year 1913 (H. Doc. No. 597); to the Committee on the District of Columbia and

ordered to be printed.

A letter from the Secretary of the Treasury, transmitting schedules of claims allowed by the several accounting officers of the Treasury Department under appropriations, the balances of which have been exhausted or carried to the surplus fund (H. Doc. No. 594); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XII, Mr. OLDFIELD, from the Committee on Patents, to which was referred the bill (H. R. 9897) to amend section 12 of the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, reported the same with an amendment, accompanied by a report (No. 166), which said bill and report were referred to the House Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. KEISTER: A bill (H. R. 11683) to provide for a site for a public building for post-office purposes at Latrobe, Pa.; to the Committee on Public Buildings and Grounds.

By Mr. SIMS: A bill (H. R. 11684) to erect a post office building in the city of Lexington, State of Tennessee; to the Committee on Public Buildings and Grounds.

By Mr. GRIEST: A bill (H. R. 11685) providing for the appointment of eligible substitutes as rural letter carriers; to

the Committee on the Post Office and Post Roads.

By Mr. SHACKLEFORD: A bill (H. R. 11686) to provide that the United States shall, in certain cases, aid the States and the civil subdivisions thereof in the construction and maintenance of rural post roads; to the Committee on Roads.

By Mr. GRAHAM of Pennsylvania: A bill (H. R. 11687) to make July 30 of each and every year a public holiday in the District of Columbia, to be known as Representative Day; to

the Committee on the District of Columbia.

By Mr. MONDELL (by request): A bill (H. R. 11688) authorizing the purchase of lands chiefly valuable for timber and for the growth of timber in the State of Wyoming; to the Committee on Agriculture.

By Mr. CLINE: A bill (H. R. 11689) to place on the retired list of the Army the names of the surviving officers who were mustered out under the provisions of the act of Congress approved July 15, 1870, in reduction of the Army; to the Committee on Military Affairs.

By Mr. GARDNER: A bill (H. R. 11690) creating a United States corporation commission, and providing for incorporation under the laws of the United States; to the Committee on the

By Mr. PORTER: A bill (H. R. 11691) prohibiting the sending of anonymous literature through the mails and providing the punishment therefor; to the Committee on the Post Office Post Roads

By Mr. PALMER (by request): A bill (H. R. 11692) to make December 21 of each and every year a public holiday in the District of Columbia, to be known as the Landing of the Pilgrims'

Day; to the Committee on the District of Columbia.

By Mr. DICKINSON: A bill (H. R. 11693) concerning permits

to sell intoxicating liquors; to the Committee on the Judiciary. By Mr. FAIRCHILD: A bill (H. R. 11694) providing for the construction of a public building at Binghamton, N. Y.; to the Committee on Public Buildings and Grounds.

By Mr. MURDOCK: Resolution (H. Res. 369) making certain inquiries from the United States Civil Service Commission; to the Committee on Reform in the Civil Service.

By Mr. HOWARD: Resolution (H. Res. 370) calling on the

Secretary of War for certain information, etc.; to the Committee on Expenditures in the War Department.

By Mr. DICKINSON: Joint resolution (H. J. Res. 195) proposing an amendment to section 1 of Article III of the Constitution of the United States of America; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANTHONY: A bill (H. R. 11695) granting a pension to Elizabeth Leahman; to the Committee on Invalid Pensions. Also, a bill (H. R. 11696) granting a pension to William F.

Deets; to the Committee on Pensions.

Also, a bill (H. R. 11697) granting an increase of pension to Martin Jordan; to the Committee on Invalid Pensions.

By Mr. AUSTIN: A bill (H. R. 11698) for the relief of the heirs of Luke Wilds; to the Committee on War Claims.

Also, a bill (H. R. 11699) for the relief of the heirs of David Jackson Arwood; to the Committee on War Claims.

By Mr. BALTZ: A bill (H. R. 11700) granting a pension to

Charles J. Kaiser; to the Committee on Pensions.

Also, a bill (H. R. 11701) to correct the military record of Charles W. B. St. Clair; to the Committee on Military Affairs. By Mr. BORLAND: A bill (H. R. 11702) granting an increase of pension to Gid H. Jewett, guardian of Mabel P. Jewett; to the Committee on Invalid Pensions.

By Mr. CALDER: A bill (H. R. 11703) for the relief of John

Hartnett; to the Committee on Claims.

By Mr. CANDLER of Mississippi: A bill (H. R. 11704) to pay Cowden & Cowden, of Amory, Monroe County, Miss., for the loss of a horse while being used by the Department of Agriculture; to the Committee on Claims.

By Mr. CULLOP: A bill (H. R. 11705) granting an increase of pension to Hazlett A. Jacobs; to the Committee on Invalid

By Mr. DICKINSON: A bill (H. R. 11706) for the relief of the estate of Henry H. Stewart; to the Committee on War

By Mr. DOREMUS: A bill (H. R. 11707) granting a pension to Robert Trexler; to the Committee on Pensions.

Also, a bill (H. R. 11708) granting an increase of pension to Aphia M. Hough; to the Committee on Invalid Pensions.

By Mr. FAIRCHILD: A bill (H. R. 11709) granting an increase of pension to Theodore C. Ashcraft; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11710) granting an increase of pension to Julia Thornton; to the Committee on Invalid Pensions. Also, a bill (H. R. 11711) granting an increase of pension to

Philander T. Crocker; to the Committee on Invalid Pensions. Also, a bill (H. R. 11712) granting an increase of pension to

Charles O. Waterman; to the Committee on Invalid Pensions. By Mr. FOWLER: A bill (H. R. 11713) granting an increase of pension to John H. Keys; to the Committee on Invalid

Also, a bill (H. R. 11714) granting an increase of pension to

Josiah Kenison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11715) granting an increase of pension to Elvina McDonald; to the Committee on Pensions.

By Mr. GRIEST: A bill (H. R. 11716) to correct the military record of Eleazer Briggs, alias Alonzo Welsh; to the Committee on Military Affairs.

mittee on Military Affairs.

By Mr. HAWLEY: A bill (H. R. 11717) to place the name of Gen. William Sooy Smith upon the unlimited retired list of the United States Army; to the Committee on Military Affairs.

By Mr. HENSLEY: A bill (H. R. 11718) granting an increase of peasion to Sarah C. Russell; to the Committee on Invalid

By Mr. ASHBROOK: A bill (H. R. 11719) to reimburse D. Dale Condit, of the United States Geological Survey, of Washington, D. C., for moneys expended in the payment of a damage claim; to the Committee on Claims.

By Mr. HOWELL: A bill (H. R. 11720) granting an increase

of pension to Martha T. Miller; to the Committee on Invalid Pensions.

By Mr. KAHN: A bill (H. R. 11721) for the r lief of Peter Boragni; to the Committee on War Claims.

By Mr. KENNEDY of Connecticut: A bill (H. E. 11722) granting a pension to Frederick P. Houston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11723) granting an increase of pension to Lucinda Kilmer; to the Committee on Invalid Pensions. By Mr. MANN: A bill (H. R. 11724) granting an increase of

pension to Sarah A. Swan; to the Committee on Invalid Pensions.

By Mr. MORRISON: A bill (H. R. 11725) granting an increase of pension to Talitha C. Riley; to the Committee on Invalid Pensions

By Mr. O'LEARY: A bill (H. R. 11726) providing for the adjudication of claim of Elizabeth J. Graham by the Court of Claims; to the Committee on Claims.

By Mr. PALMER: A bill (H. R. 11727) granting an increase of pension to Silas Cowdrick; to the Committee on Invalid Pensions.

By Mr. PATTON of Pennsylvania: A bill (H. R. 11728) granting an increase of pension to Jennie M. Metz; to the Committee on Invalid Pensions.

By Mr. POU: A bill (H. R. 11729) granting an increase of pension to Effie Haywood Woodruff; to the Committee on Invalid Pensions.

By Mr. POWERS: A bill (H. R. 11730) granting a pension to Felix L. Huff; to the Committee on Pensions.

Also, a bill (H. R. 11731) for the relief of John S. Spurlock; to the Committee on War Claims.

Also, a bill (H. R. 11732) for the relief of the estate of Emanuel Sandusky, deceased; to the Committee on War Claims, Also, a bill (H. R. 11733) for the relief of the estate of

Algenon S. Gray, deceased; to the Committee on War Claims. By Mr. REILLY of Connecticut (by request): A bill (H. R. 11734) for the relief of William H. Corcoran; to the Committee on Claims.

By Mr. RUSSELL: A bill (H. R. 11735) granting an increase of pension to Sarah B. Wilson; to the Committee on Invalid Pensions.

By Mr. SMITH of Minnesota: A bill (H. R. 11736) for the

relief of Eli Pettijohn; to the Committee on Claims,
By Mr. STEPHENS of California: A bill (H. R. 11737)
granting a pension to Samuel S. Householder; to the Committee
on Pensions.

By Mr. SUTHERLAND: A bill (H. R. 11738) granting a pension to James M. Black; to the Committee on Invalid Pensions

By Mr. WHITE: A bill (H. R. 11739) granting an increase of pension to Albert Haines; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Petition of the George Washington Branch of the American Continental League of Brooklyn, N. Y., and the Andrew Jackson Branch of the American Continental League of Philadelphia, Pa., protesting against appropriation of funds for celebration of "One hundred years of peace among English-speaking peoples"; to the Committee on Foreign Affairs.

Also (by request), petition of the Wolfe Tone Society, of Pittsburgh, Pa., protesting against an appropriation for celebrating "One hundred years of peace with England"; to the Committee on Foreign Affairs.

Also (by request), petition of citizens of Homestead, Pa., favoring Dillingham-Smith immigration bill; to the Committee on Immigration and Naturalization.

Also (by request), petition of citizens of Homestead, Pa., and citizens of Sheboygan and Sheboygan County, Wis., protesting against making Columbus Day a national holiday; to the Committee on the Judiciary.

mittee on the Judiciary.

By Mr. BARKLEY: Memorial of Local Princeton Branch of Socialist Party of Princeton, and Socialist Party Local, Paducah, Ky., favoring investigation of the strike troubles in the United States, to the Committees on Parles

United States; to the Committee on Rules.

By Mr. BURKE of Wisconsin: Petition of Socialist Branch
No. 1 and Social Democratic Party of Sheboygan Falls, Wis.,
favoring a congressional investigation into the copper-mine
strike in Michigan; to the Committee on Rules.

Also, petitions of Local Union No. 55 of Journeymen Tailors' Union of America, of Portage; International Union of Brewery Workers, Local 89; Branch 9 of Lomira Sheet Metal Workers' Union; Local 158 of Sheboygan; Local Union No. 7 of the United Brewery Workmen, of Columbus, all in the Stafe of Wisconsin, favoring congressional investigation into the coppermine strike in Michigan; to the Committee on Rules.

Also, petitions of Stadt-Verband, of Kenosha; German-American Alliance, of Eau Claire, Wausau, and Kiel, and Central Verein of La Crosse; German-American Alliance of Racine and Monroe, all in the State of Wisconsin, protesting against the passage of House Joint resolution 168 and Senate Joint resolutions 88 and 50; to the Committee on the Indicious

bassage of House John Tesolution 103 and Schale John Tesolutions 88 and 50; to the Committee on the Judiciary.

By Mr. CLINE: Memorial of German Branch Socialist Party of Fort Wayne, Ind., favoring congressional investigation into strike conditions; to the Committee on Rules.

Also, petition of Daughters of Liberty, of Fort Wayne, Ind. favoring the passage of the immigration bill with literacy test; to the Committee on Immigration and Naturalization.

to the Committee on Immigration and Naturalization.

Also, petitions of citizens of Avilla, Lornville, Mauriceville,
New Haven, Garrett, and Waterloo, Ind., favoring the passage of

House bill 5308, relative to mail-order houses; to the Committee on Ways and Means.

By Mr. COLLIER: Evidence in support of claim for relief of heirs of William J. Milligan; to the Committee on War Claims. By Mr. CRAMTON: Memorial of Michigan Conference of

B. M. and P. T. U., favoring an investigation of the strike in the copper regions; to the Committee on Rules.

Also, memorial of Ironstone L. O. L., of Grindstone City, Mich., favoring the passage of House bill 6060, the Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, petition of John H. McGee, of Ironton, Ohio, favoring the passage of the bill to pension maimed soldiers; to the Committee on Invalid Pensions.

Also, petition of A. C. Bert and others, of North Branch, Mich., protesting against the passage of House bill 9674, the Sabbath observance bill; to the Committee on the District of Columbia.

By Mr. DALE: Petitions of the New York Post Office Clerks' Association and the National Civil Service Reform League, protesting against the rider in the Post Office appropriation bill taking assistant postmasters out of the classified service; to the Committee on the Post Office and Post Roads.

Also, memorial of the George Washington Branch of the American Continental League, of Brooklyn, protesting against an appropriation by Congress for celebrating "One hundred years of peace with England"; to the Committee on Foreign Affairs.

By Mr. DANFORTH: Petition of the National Camp, Patriotic Order Sons of America, favoring House bill 6060, being the Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, petition of the Rochester Branch of the New York State Association Opposed to Woman Suffrage, protesting against appointment of a committee on woman suffrage in the House of Representatives; to the Committee on Rules.

By Mr. DICKINSON: Petition of Socialist Local Lodge at Greenfield, Mo., and Socialist Local Lodge at Eldorado Springs. Mo., asking investigation of strike conditions in Michigan; to the Committee on Rules.

By Mr. DYER: Memorial of Crunden Branch Library of the Karl Marx Education Club, and branch at Fourteenth Street and Cass Avenue, St. Louis, Mo., protesting against the passage of the Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, petition of National Civil Service Reform League of New York, protesting against the passage of the Post Office appropriation bill with the rider taking out of the classified service assistant postmacters; to the Committee on the Post Office and Post Roads.

Also, petition of Lewis, Adler & Laws, of Philadelphia, Pa., protesting against the passage of Senate bill 3633, relative to the appointment of clerks of the United States courts; to the Committee on the Judiciary.

Also, petitions of St. Louis Provident Association, Central-Stelle des B. R. K. Central Vereins, and the civies committee of the Wednesday Club, of St. Louis, Mo., favoring the passage of House bill 29, the eight-hour working day for the women of the District of Columbia; to the Committee on Labor.

By Mr. EDMONDS: Petition of Philadelphia Board of Trade, protesting against the passage of House bill 9526, relative to protection of trade; to the Committee on the Indicions

protection of trade; to the Committee on the Judiciary.

Also, petition of Philadelphia Board of Trade, protesting against the passage of the seamen's bill; to the Committee on the Merchant Marine and Fisheries.

By Mr. ESCH: Memorials of Beer Be lers Local Union, No. 247, La Crosse, Wis., and La Crosse Local No. 468, La Crosse, Wis., favoring congressional investigation of strike conditions in Michigan; to the Committee on Rules.

Also, petitions of Kiel Branch, Kiel, Wis.; Stadtverland Branch, Racine, Wis.; Stadtverland Branch, Kenosha, Wis.; D. A. Central Verein Branch, La Crosse, Wis.; Monroe Branch, Monroe, Wis.; Eau Claire County Branch, Wis.; City of Warsaw Branch, Warsaw, Wis., and other members of the German-American Alliance of Wisconsin, protesting against House joint resolution 168; to the Committee on the Judiciary.

Also, petition of the Trades and Labor Council of La Crosse, Wis., favoring passage of House bill 1873; to the Committee on

the Judiciary.

By Mr. FRANCIS: Memorial of Columbia Council, No. 305, Junior Order United American Mechanics, of Irondale, Ohio, favoring Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, petition of L. W. Yingling, protesting against House joint resolution 168; to the Committee on the Judiciary.

By Mr. GILLETT: Memorial of Central Labor Union of Springfield, Mass., favoring an investigation of the conditions in the copper mines of Michigan; to the Committee on Rules.

Also, petition of sundry citizens of Athol, Mass., protesting against the passage of House bill 9674, the Sabbath observance

bill; to the Committee on the District of Columbia.

By Mr. GRAHAM of Pennsylvania: Memorial of Peace Councii, No. 305, Order of Loyal Americans, of Philadelphia, Pa., and Washington Camp, No. 533, Patriotic Order Sons of America, of Philadelphia, Pa.; Junior Order United American Mechanics; Souderton Council, No. 112, Souderton, Pa.; William Windom Council, No. 580, Order of Independent Americans, favoring the passage of the Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, petition of William Wood & Co., of Philadelphia, Pa., favoring Philadelphia for location of a regional reserve bank;

to the Committee on Banking and Currency.

By Mr. HAMILTON of Michigan: Memorial of Local South Haven Socialist Clan and Benton Harbor Local Socialist Party, of Michigan, favoring an investigation into mining troubles in Michigan; to the Committee on Rules.

By Mr. HAMMOND: Petition of German-American Alliance of Blue Earth County, Minn., and other German societies, protesting against the passage of House joint resolution 168, relative to the manufacture of alcoholic liquors; to the Committee

By Mr. HAWLEY: Petition of the Oregon State Horticultural Society, protesting against the passage of House bill 9266, relating to cold storage; to the Committee on Interstate and For-

eign Commerce.

Also, petition of the Rogue River Fruit and Produce Association, of Oregon, favoring an amendment of House bills 9266, 9530, and 9987, relating to cold storage for foodstuffs; to the Committee on Interstate and Foreign Commerce.

By Mr. HOWELL: Memorial of Brotherhood of Railway Carriers of America, Milford Lodge, 272, Milford, Utah, favoring congressional investigation of strike conditions in Michigan; to

the Committee on Rules.

By Mr. LANGHAM: Petitions of voters of Indiana County, Pa., and other citizens of Pennsylvania, and of the J. B. Seigfried Council, 149, Daughters of Liberty, of Blairsville, Pa., favoring Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, petition of Gustav Adolf Men's Club, of Anita, Pa., favoring investigation of strike conditions in Michigan; to the

Committee on Rules.

Also, petition of Pennsylvania Branch of the National German Alliance, favoring a regional bank at Philadelphia; to the

Committee on Banking and Currency.

Also, petition of the National Civil Service Reform League, favoring elimination section of Post Office appropriation bill taking assistant postmasters in first and second class offices out of classified service; to the Committee on the Post Office and

Also, petition of citizens of Armstrong County, Pa., favoring Lindquist pure fabric and leather bill; to the Committee on Interstate and Foreign Commerce,

By Mr. LINDBERGH: Memorial of citizens of Brainerd, Minn., favoring Government ownership of Michigan copper

mines; to the Committee on the Judiciary.

By Mr. LONERGAN: Petition of American Bankers' Association and others, of New York, protesting against certain features of Senate bill 2232, amending the postal savings act; to the Committee on the Post Office and Post Roads.

Also, petition of State administrators of vocational education, New York City, favoring national aid to vocational education;

to the Committee on Education.

Also, petition of the Shoe Manufacturers' Alliance, St. Louis, Mo., protesting against lease system fostering monopoly under patent laws; to the Committee on Patents.

By Mr. MacDONALD: Petition of Unity Lodge, No. 134, International Association of Machinists, favoring investigation of strike conditions in Michigan; to the Committee on Rules.

Also, memorial of the members of the Socialist Party of Bradford, Pa., favoring an investigation of the strike situation in Pennsylvania; to the Committee on Rules.

By Mr. MARTIN: Petition of Hutchinson Court, No. 6, of the Guardians of Liberty, Olive, S. Dak., and voters of Gregory County, S. Dak., protesting against making Columbus Day a legal holiday; to the Committee on the Judiciary.

Also, petition of Local Union, No. 1440, United Brotherhood of Carpenters and Joiners of America, Deadwood, S. Dak., favoring an investigation of strike conditions in Michigan; to the Committee on Rules.

Also, memorial of the Presbyterian Synod of South Dakota, favoring amendment to the Constitution of the United States prohibiting manufacture, etc., of alcoholic beverages; to the Committee on the Judiciary.

Also, petition of order of Knights of Luther, Castle No.

and other citizens of Huron, S. Dak., favoring immigration bill;

to the Committee on Immigration and Naturalization.

By Mr. MURRAY of Oklahoma: Memorial of Local Green Leaf of Socialist Party and Local Union No. 1811, United Mine Workers of America, favoring an investigation of the trouble in the copper mines of Michigan; to the Committee on Rules.

By Mr. PATTEN of New York: Memorial of Philipsburg Local, Socialist Party, and Central Trade and Labor Council of Du Bois, Pa., favoring an investigation of the strike in the mining regions of the United States; to the Committee on Rules.

By Mr. RAKER: Petition of Chamber of Commerce and citizens of El Cajon Valley, Cal., favoring the Poindexter bill, relative to building of a railroad in Alaska; to the Committee on the Territories

Also, memorial of the Woman's Christian Temperance Union, Long Beach, Cal., favoring bill for erection of a peace monument at Panama; to the Committee on Appropriations.

Also, memorial of citizens of Shasta County, Cal., opposing a bill for proper observance of Sunday in the District of Columbia; to the Committee on the District of Columbia.

Also, papers to accompany bill (H. R. 11217) for relief of A. M. Dunlap; to the Committee on Claims.

By Mr. REILLY of Connecticut: Memorial of Socialist Local 44, Bunford, Conn., favoring investigation of strike conditions in Michigan; to the Committee on Rules.

Also, memorial of State Administrators of Vocational Education, favoring appointment of a commission to consider needs for national aid to vocational education; to the Committee on Education

Also, petition of the George Washington Branch of the American Continental League, of Connecticut, protesting against appropriation of money for celebration of "One hundred years of peace among English-speaking peoples"; to the Committee on Foreign Affairs

By Mr. SELDOMRIDGE: Memorial of Rico Miners' Union, Western Federation of Miners, favoring an investigation into

mining strike; to the Committee on Rules.

By Mr. SMITH of Minnesota: Petition of citizens of Hennepin County, Minn., favoring the passage of the immigration bill; to the Committee on Immigration and Naturalization.

By Mr. J. M. C. SMITH: Evidence in support of bill (H, R, 7868) for the relief of Mrs. Rose Gregory Houchen; to the Committee on Invalid Pensions.

Also, papers and affidavits in pension case of Stephen H.

Reynolds; to the Committee on Invalid Pensions.

By Mr. STAFFORD: Petition of sundry citizens of Milwau-Wis., protesting against the passage of House bill 9674, for the observance of the Sabbath day in the District of Colum-

bia; to the Committee on the District of Columbia.

Also, memorial of Coopers' Union No. 30; Marble Setters'
Local No. 9; Blacksmiths' Union No. 77; Metal Polishers,
Buffers, Platers, and Workers' Union No. 10; the Fifteenth and Twentieth Ward Branches of the Socila Democratic Branch: and other labor organizations of Milwaukee, Wis., favoring congressional investigation of the copper-mine troubles in Michigan; to the Committee on Rules.

By Mr. STEPHENS of California: Petition of the American Federation of Labor, favoring the passage of the seamen's bill; to the Committee on the Merchant Marine and Fisheries.

Also, petition of German-American Alliance of Los Angeles. Cal., protesting against the passage of House joint resolution 168 and Senate joint resolutions 50 and 88, relative to manufacture of alcoholic liquors; to the Committee on the Judiciary.

Also, petition of the Chamber of Commerce of San Diego County, Cal., favoring passage of the Poindexter bill, providing for the building of a railroad into the coal fields of Alaska by the United States Government; to the Committee on the Territories.

By Mr. STEVENS of Minnesota: Memorial of the St. Paul (Minn.) Association of Credit Men and the Minneapolis (Minn.) Association of Credit Men, urging legislation for control of floods along the Mississippi River; to the Committee on Rivers and Harbors

Also, petition of citizens of Afton, Minn., favoring Dillingham-Smith immigration bill; to the Committee on Immigration and Naturalization.

By Mr. SUTHERLAND: Petitions of Charles Harrigan and 98 others, of Charlestown, and State board of officers of the Daughters of Liberty of West Virginia, favoring the passage of the immigration bill; to the Committee on Immigration and Naturalization.

Also, memorial of Local No. 557 of Williamson (W. Va.) Brotherhood of Boiler Makers, favoring an investigation of the copper strike: to the Committee on Rules.

By Mr. WALLIN: Petition of sundry citizens of Schenectady County, N. Y., favoring the passage of immigration bill; to the Committee on Immigration and Naturalization.

By Mr. WILLIS: Memorial of the General Assembly of the State of Ohio, favoring the passage of the volunteer officer retired-list bill; to the Committee on Military Affairs.

By Mr. WOODRUFF: Memorial of the City Council of St. Joseph, Mich., favoring the location of the entire United States lighthouse supply station at Milwaukee, Wis., or St. Joseph, Mich.; to the Committee on Interstate and Foreign Commerce.

Also, petition of citizens of tenth congressional district of Michigan, favoring passage of the Lindquist pure fabric and leather bill; to the Committee on Interstate and Foreign Commerce.

SENATE.

FRIDAY, January 16, 1914.

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the

following prayer:

Almighty God, let Thy blessing rest upon us as we come before Thee day by day seeking first the benediction of our Father, and then, under Thine own inspiration and guidance, addressing ourselves to the affairs of state. With the tremendous responsibilities resting upon us with reference to our organized society, we know that we can only be responsive to the real call for social justice and for the betterment of the people and in all the paths of progress as we are responsive first to the Divine command and are in harmony with the Divine So we pray Thee to put our hearts and minds in attune with the Infinite that we may do that which is pleasing in Thy sight, and as the result of all our labors bring peace and pros-

perity and happiness to all the people. For Christ's sake. Amen. The Journal of yesterday's proceedings was read and approved.

IMPORTATION OF CONVICT-MADE GOODS.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting, in response to a resolution of November 10, 1913, all complaints on file in the Treasury Department alleging a violation of the law prohibiting the importation of merchandise made by convict or prison labor, together with all correspondence in relation thereto, etc., which, with the accompanying papers, was referred to the Committee on Education and Labor.

PETITIONS AND MEMORIALS,

The VICE PRESIDENT presented memorials of Andrew Jackson Branch and Molly Pitcher Branch, American Continental League, of Philadelphia, Pa.; of Andrew Jackson Branch of Whitman, Mass.; of Washington Branch of St. Louis, Mo.; and of the Thomas F. Burke Club, of Philadelphia, Pa., remonstrating against any appropriation by Congress for the cele-bration of the so-called one hundred years of peace among English-speaking peoples, which were referred to the Committee on Foreign Relations.

Mr. SHIVELY presented a memorial of the Indiana Retail Shoe Association and a memorial of the Indianapolis Retail Shoe Association, of Indiana, remonstrating against the enactment of legislation providing for the labeling, marking, and tagging of leather and rubber goods, which were referred to the Committee on Interstate Commerce,

He also presented a petition of the Chamber of Commerce of Indianapolis, Ind., praying for the enactment of legislation providing for a reorganization and increase of the Regular Army, which was referred to the Committee on Military Affaira

Mr. SMITH of Georgia. I present resolutions passed by the Southern Labor Congress, expressing their views upon the workmen's compensation bill, which is pending before the Judiciary Committee. I ask that they may be printed in the RECORD.

There being no objection, the resolutions were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

Resolution by W. D. Jackson, Holmes, R. R. Robinson, J. A. Martin, O. M. Grace, and W. W. Patten.

Whereas there is now pending before Congress of the United States a bill known as the workmen's compensation bill, similar to the Brantley-Sutherland bill, which was defeated during the last session

of Congress.

This bill is a very dangerous piece of legislation, and should it become a law would be one of the darkest pages ever written on labor legislation, and would deprive the railroad employees of the United States the right of a trial by a jury, and would repeal the present employers' liability laws we now have upon the statute books of the different States and of the United States: Therefore be it

Resolved, That the Southern Labor Congress go on record against any form of a compensation law that is the exclusive remedy; and be it further

Resolved, That the president of the Southern Labor Congress notify the President of the United States, the President of the United States Senate, and the Speaker of the House of Representatives of the United States of the action of this congress; and be it further

Resolved, That the president and secretary of this congress express to the executive officers of the American Federation of Labor, Samuel Gompers and others, requesting them to take the same position on the subject of compensation as had been taken by the Brotherhood of Railroad Trainmen, Brotherhood of Railroad Firemen and Enginemen, and the Order of Railroad Conductors.

I, W. C. Puckett, secretary-treasurer of the Southern Labor Congress, hereby certify that the foregoing resolution is a true and correct copy of original adopted by the Southern Labor Congress, in regular session, at Nashville, Tenn., September, 1913, and which is now on file in my office.

W. C. PUCKETT, Secretary Treasurer.

ATLANTA, GA., January 2, 1914.

Mr. SHEPPARD presented a memorial of sundry citizens of Caldwell, Tex., and a memorial of sundry citizens of Groom, Tex., remonstrating against the adoption of the proposed literacy clause in the immigration bill, which were referred to the Committee on Immigration.

Mr. WEEKS presented resolutions adopted by the Board of Trade of Springfield, Mass., favoring the establishment of a more equitable basis of payment to the railroads for carrying parcels post, which were referred to the Committee on Post

Offices and Post Roads.

He also presented a memorial of Andrew Jackson Branch, American Continental League, of Whitman, Mass., remonstrating against an appropriation being made for the celebration of 100 years of peace among the English-speaking peoples, which was referred to the Committee on Foreign Relations.

He also submitted resolutions adopted by the Socialist Club, of Taunton, Mass., favoring an investigation into the mining conditions in the copper district of Michigan, which were re-

ferred to the Committee on Education and Labor.

Mr. KENYON presented the petition of Fred Holst and sundry other citizens of Treynor, Iowa, praying for the enactment of rural credit legislation at this session of Congress, which was referred to the Committee on Banking and Currency.

Mr. OLIVER presented a memorial of the Board of Trade of Philadelphia, Pa., remonstrating against the enactment of legislation to amend the antitrust laws, which was referred to the

Committee on the Judiciary.

He also presented a memoral of the Board of Trade of Philadelphia, Pa., remonstrating against the enactment of legislation providing for the legalization of trade unions and prohibiting injunctions in certain cases, which was referred to the Committee on the Judiciary.

He also presented a memorial of the Board of Trade of Philadelphia, Pa., remonstrating against the enactment of legislation limiting the hours of labor of persons engaged in producing interstate commerce, which was referred to the Committee on Interstate Commerce.

He also presented a petition of Pride of Welcome Council, No. 33, Daughters of Liberty, of Pittsburgh, Pa., and a petition of sundry citizens of Meadville, Pa., praying for the enactment of legislation to further restrict immigration, which were referred to the Committee on Immigration.

He also presented a memorial of Local Branch No. 1473, National Association of Letter Carriers, and a memorial of Local Branch No. 1263, United National Association of Post-Office Clerks, of East Pittsburgh, Pa., remonstrating against the enactment of legislation annulling the civil-service status of assistant postmasters, which were referred to the Committee on Civil Service and Retrenchment.

He also presented a petition of the Central Labor Union of Erie, Pa., praying that an investigation be made into the conditions existing in the mining districts of Michigan, which was

referred to the Committee on Education and Labor.

He also presented memorials of the Wolfe Tone Society, of Pittsburgh; of the Daniel H. Comber Club, of Philadelphia; of Local Division No. 17, Ancient Order of Hibernians, of Wilmerding; of Andrew Jackson Branch, American Continental League, of Philadelphia; of the Thomas Davis Club, of Philadelphia; and of the Vinegar Hill Club, of Philadelphia, all in the State of Pennsylvania, remonstrating against an appropriation being made for the celebration of the so-called 100 years of peace among the English-speaking peoples, which were referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Meadville,

Pa., remonstrating against the enactment of legislation making the 12th day of October in each year a legal holiday, which was

referred to the Committee on the Judiciary.

Mr. SMITH of Michigan presented petitions of sundry citizens of Chesaning, Flint, Ann Arbor, St. Louis, Hastings, Free-

port, Ashley, Carson City, North Branch, Birmingham, Sumner, and Sandusky, all in the State of Michigan, remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which were referred to the Committee on the District of Columbia.

He also presented petitions of sundry citizens of Detroit and Manchester, Mich., praying for the enactment of legislation to further restrict immigration, which were referred to the Com-

mittee on Immigration.

He also presented a memorial of Shipmasters' Association Lodge No. 8, of Marine City, Mich., remonstrating against the passage of the so-called La Follette seamen's bill, which was

ordered to lie on the table. He also presented petitions of Local Union No. 928, Painters, Decorators, and Paperhangers of America, of Grand Rapids; of sundry citizens of Three Rivers; of Local Union No. 75, Amalgamated Sheet Iron and Metal Workers, of Kalamazoo; and of the Trades Council of Jackson, all in the State of Michigan, praying for the enactment of legislation to make lawful certain agreements between employers and laborers and persons engaged in agriculture or horticulture and to limit the issuing of injunctions in certain cases, and for other purposes, which were referred to the Committee on the Judiciary

Mr. BRANDEGEE. I present resolutions adopted by the Norwich Business Men's Association, of Connecticut, which I ask may be read and referred to the Committee on Interstate Commerce.

There being no objection, the resolutions were read and referred to the Committee on Interstate Commerce, as follows:

Norwich Business Men's Association, Norwich, Conn., December 22, 1913.

Hon. F. B. Brandegee, Washington, D. C.

Dear Sir: At the last meeting of the eastern Connecticut development committee the following resolution was unanimously adopted:

"Resolved, That we, the committee on the development of eastern Connecticut, representing New London and Windham Counties, deprecate the application of the law relative to railroads owning vessels sailing in a coastwise trade, in so far as it applies to boat lines, many of which have for years been an integral part of rail lines rendering express service at a low rate, and said boat lines will in nowise be connected more than at present with traffic passing through the Panama Canal Zone.

express service at a low rate, and said boat lines will in nowise be connected more than at present with traffic passing through the Panama Canal Zone.

"We believe entirely unnecessary the diverting of lines like the New York, New Haven & Hartford Railroad and Central Vermont Railroad, which are at present operating in this coastwise trade, many of their lines having been in use prior to their having rail connections with New York, and we believe further that such a separation will work to the serious disadvantage of the farmers and merchants in general, through increased rates due to separate ownership, possibly requiring two or more charges for each consignment or much longer in transit, or both, which will surely result.

"It is further resolved by this committee, that a copy of this resolution be forwarded to the Interstate Commerce Commission, also the Attorney General of the United States, and our Representatives and Senators in Congress, with the earnest request that they do all in their power to prevent such dissociation, and that our secretary be instructed to forward such copies to those named."

Respectfully, yours,

Charles W. Pearson,

CHARLES W. PEARSON, Secretary. REPORTS OF COMMITTEES.

Mr. PERKINS, from the Committee on Commerce, to which was referred the bill (S. 2696) to authorize the city of Fairmont to construct and operate a bridge across the Monongahela River at or near the city of Fairmont, in the State of West Virginia, submitted an adverse report (No. 155) thereon, which

was agreed to, and the bill was postponed indefinitely.

Mr. BRYAN, from the Committee on Claims, to which was referred the bill (S. 661) for the relief of the legal representatives of Thomas B. McClintic, deceased, reported it without amendment and submitted a report (No. 154) thereon.

Mr. VARDAMAN. I am directed by the Committee on Commerce, to which was referred the bill (S. 1324) to authorize Robert W. Buskirk, of Matewan, W. Va., to bridge the Tug Fork of the Big Sandy River, at Matewan, Mingo County, W. Va., where the same forms the boundary line between the States of West Virginia and Kentucky, to submit an adverse report (No. 156) thereon.

A House bill similar to this bill having become a law, the committee have instructed me to ask unanimous consent that the matter be disposed of and that the bill be indefinitely post-

The VICE PRESIDENT. The bill will be postponed indefinitely.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows

By Mr. BRISTOW:

A bill (S. 4008) granting a pension to Allen Brown (with accompanying papers); to the Committee on Pensions.

By Mr. WORKS:

A bill (S. 4009) authorizing the Secretary of the Interior to acquire certain property in the District of Columbia for the purpose of providing a reservation for a public park and recreation house; to the Committee on the District of Columbia.

By Mr. BRADY: A bill (S. 4010) granting a pension to George W. Goodman

(with accompanying papers); and

A bill (S. 4011) granting an increase of pension to Albina M. Williams (with accompanying papers); to the Committee on Pensions.

By Mr. SHAFROTH:

bill (S. 4012) to increase the limit of cost of the United States public building at Grand Junction, Colo.; to the Committee on Public Buildings and Grounds.

A bill (S. 4013) granting an increase of pension to Charles White;

A bill (S. 4014) granting an increase of pension to Joel R.

Smith; and

A bill (S. 4015) granting a pension to George Washington; to the Committee on Pensions.

By Mr. KENYON:

A bill (S. 4016) to regulate the issuance of stocks and bonds by common carriers, and for other purposes; to the Committee on Interstate Commerce.

A bill (S. 4017) to provide for the monthly payment of pen-

sions, and for other purposes; and

A bill (S. 4018) granting an increase of pension to John L. Russell; to the Committee on Pensions.

By Mr. BRADLEY:

A bill (S. 4019) to authorize the Tug River & Kentucky Railroad Co. to construct a bridge across the Tug Fork of the Big Sandy River at or near the mouth of Blackberry Creek, in Pike County, Ky.; to the Committee on Commerce.

By Mr. BRANDEGEE:

A bill (S. 4020) to remove the charge of desertion from and correct the military record of Almar F. Dickson; to the Committee on Military Affairs.

By Mr. THOMPSON:

A bill (S. 4021) extending the time for aliens to file petitions for citizenship in the United States; and

A bill (S. 4022) relating to the naturalization of married women; to the Committee on Immigration.

A bill (S. 4023) to correct the military record of Waldo H. Coffman; to the Committee on Military Affairs.

By Mr. SAULSBURY :

A bill (S. 4024) granting a pension to Harlan Gause; to the Committee on Pensions.

By Mr. SHIVELY:

bill (S. 4025) granting an increase of pension to William

A bill (S. 4026) granting an increase of pension to Gashem Norris (with accompanying papers); and A bill (S. 4027) granting an increase of pension to William

R. Mathis (with accompanying papers); to the Committee on Pensions.

By Mr. HUGHES:

A bill (S. 4028) granting an increase of pension to Samuel Hill; and

A bill (S. 4029) granting a pension to Teresa Mindermann; to the Committee on Pensions.

By Mr. SMOOT:

A bill (S. 4030) granting an increase of pension to Edward Irwin (with accompanying papers); to the Committee on Pensions.

By Mr. SMITH of Michigan:

bill (S. 4031) to correct the military record of William Miles (with accompanying papers); and

A bill (S. 4032) to remove the charge of desertion from the record of Wilbur F. Lawton (with accompanying papers); to the Committee on Military Affairs.

A bill (S. 4033) granting an increase of pension to Charles L. Stuck (with accompanying papers);

A bill (S. 4034) granting an increase of pension to Silas Wright (with accompanying papers);

A bill (S. 4035) granting an increase of pension to Kate W. Foster (with accompanying papers);

A bill (S. 4036) granting a pension to Margaret Tennant Fuger (with accompanying papers);

A bill (S. 4037) granting an increase of pension to John Rosenberger (with accompanying papers);

A bill (S. 4038) granting an increase of pension to Marshall

A bill (S. 4039) granting a pension to Hattie L. Fox; and A bill (S. 4040) granting an increase of pension to Alverton H. Town; to the Committee on Pensions.

By Mr. SHEPPARD:

A joint resolution (S. J. Res. 98) authorizing a survey and examination of the Rio Grande border of the United States to determine the advisability of constructing a highway either along the entire border or certain sections thereof; to the Committee on Military Affairs.

MISSISSIPPI RIVER BRIDGE COMMISSION.

Mr. REED. I introduce a bill which I ask may be read and

referred to the Committee on the Judiciary.

The bill (8. 4041) to empower and direct the President of the United States to appoint a commission to select and locate the route or routes of the railroad approach or approaches in the State of Illinois to connect with the municipal bridge of the city of St. Louis, State of Missouri, across the Mississippi River at St. Louis, and to amend an act entitled "An act to authorize the city of St. Louis, a corporation, organized under the laws of the State of Missouri, to construct a bridge across the Mississippi River," approved June 25, 1906, and the various acts amendatory thereof and supplementary thereto, and appropriating the sum of \$25,000 to defray the expense of said commission, was read twice by its title.

The VICE PRESIDENT. The bill properly belongs to the Committee on Commerce.

Mr. REED. I think, Mr. President, that the bill ought to be referred to the Judiciary Committee because it involves questions of law with reference to the right of this company to acquire certain lands. There has been much litigation in connection with this project, and I therefore request that the bill be referred to the Committee on the Judiciary.

The VICE PRESIDENT. Without objection, the bill will be

referred to the Committee on the Judiciary.

AMENDMENTS TO DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. LODGE submitted an amendment proposing to appropriate \$130,000 for the purchase of a site for the construction and equipment of a building or buildings for a municipal lodging house and wood and stone yard in the District of Columbia, intended to be proposed by him to the District of Columbia appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

He also submitted an amendment proposing to appropriate \$360 for salary of foreman of municipal lodging house in the District of Columbia, intended to be proposed by him to the District of Columbia appropriation bill, which was referred to the Committee on the District of Columbia and ordered to be

printed.

AGRICULTURAL COOPERATION AND RURAL CREDIT.

Mr. GORE submitted the following resolution (S. Res. 245), which was read and referred to the Committee on Printing.

Resoived, That there be printed for the use of the Senate document room 1,000 additional copies of Senate Document No. 214, "Agricultural cooperation and rural credit in Europe."

RAILROADS IN ALASKA.

The VICE PRESIDENT. The morning business is closed and the calendar, under Rule VIII, is in order.

Mr. CHAMBERLAIN. Mr. President, before passing to that, I submit a unanimous-consent agreement in reference to the unfinished business?

The VICE PRESIDENT. It will be read.

The Secretary read as follows:

The Secretary read as follows:

It is agreed, by unanimous consent, that on Tuesday, January 20, 1914, immediately upon the conclusion of the routine morning business, the Senate will proceed to the consideration of the bill (8, 48) authorizing the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes, and that at not later than 5 o'clock p. m. on that calendar day the Senate will proceed, without further debate, to vote upon any amendment that may be pending, any amendments that may be offered, and upon the bill, through the regular parliamentary stages, to its final disposition.

The VICE PRESIDENCE Lat there objection to the prepared

The VICE PRESIDENT. Is there objection to the proposed agreement?

Mr. GALLINGER. As I remember it, Mr. President, a rule was recently agreed to requiring a call for a quorum before unanimous consent should be asked. Am I correct?

Mr. CHAMBERLAIN. I did not remember that the rule

had been adopted.

Mr. GALLINGER. I have an impression that it was agreed to. The VICE PRESIDENT. The proposed amendment to the rule went over on the request of the Senator from Arizona [Mr. ASHURST]

Mr. GALLINGER. I ask that the roll be called. I make the

point of no quorum.

Mr. THOMAS. I should like to inquire before the roll is called as to the day and hour fixed in the agreement.

The VICE PRESIDENT. Five o'clock next Tuesday. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Hollis	Overman	Smoot
Bacon	Hughes	Perkins	Sterling
Bankhead	Johnson	Pittman	
Bradley	Jones	Reed	Sutherland
			Swanson
Brady	Kenyon	Robinson	Thomas
Brandegee	Kern	Root	Thompson
Bristow	Lea	Saulsbury	Thornton
Bryan	Lippitt	Shafroth	Townsend
Burleigh	Lodge	Sheppard	Vardaman
Burton	McCumber	Shively	Walsh
Chamberlain	McLean	Simmons	Weeks
Chilton	Martine, N. J.	Smith, Ariz.	Works
Clark, Wyo.	Myers	Smith, Ga.	
Dillingham	Norris	Smith, Mich.	E. Color Division
Callinger	O'Common	Smith & C	

Mr. SHEPPARD. My colleague [Mr. Culberson] is necessarily absent. He is paired with the Senator from Delaware

[Mr. DU PONT]. This announcement will stand for the day.
Mr. BRYAN. My colleague [Mr. Fletcher] is necessarily absent. He is paired with the Senator from Wyoming [Mr.

WARREN

Mr. CLARK of Wyoming. I desire to announce that my colleague [Mr. WARREN] is unavoidably absent from the city.

Mr. WEEKS. I wish to state that the junior Senator from Illinois [Mr. Sherman] is absent on account of business. ask that this statement may stand for the day.

Mr. REED. I desire to announce the unavoidable absence of my colleague [Mr. STONE] on account of sickness.

The VICE PRESIDENT. Fifty-six Senators have answered to the roll call. There is a quorum present. The Secretary will again read the proposed unanimous-consent agreement.

The Secretary read as follows:

It is agreed by unanimous consent that on Tuesday, January 20, 1914, immediately upon the conclusion of the routine morning business, the Senate will proceed to the consideration of the bill (S. 48) authorizing the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes, and that at not later than 5 o'clock p. m. on that calendar day the Senate will proceed, without further debate, to vote upon any amendment that may be pending, any amendments that may be offered, and upon the bill through the regular parliamentary stages to its final disposition.

The PRESIDING OFFICER (Mr. Swanson in the chair). Is there objection to the proposed unanimous-consent agreement?

Mr. WORKS. Mr. President, there are other Senators who desire to be heard on the bill, one of whom I know is absent, and amendments are to be submitted to it. This is a very important measure and it ought not to be hurried through, particularly in the absence of that Senator. I shall have to object at the present time. I shall be very glad if the Senator from Oregon will allow the matter to go over until to-morrow morning

Mr. CHAMBERLAIN. Mr. President, I would say that I have no particular reason for urging the agreement at this time, but so far as I have been advised I know of but two Senators who have expressed a desire to address themselves to the pending bill, and I assumed that anyone who wanted to speak would let me know about it, inasmuch as I have been honored by being placed in charge of the measure. If the Senator from California prefers to have the proposed agreement 30 over and come up to-morrow morning, I am willing to postpone it until that time; but I should like to have the matter disposed of, because appropriation bills will soon come before the Senate, and I desire to have the way clear, if possible.

Mr. WORKS. I have no desire to delay the bill unnecessarily, but in view of the suggestion I have made I prefer to have the proposed agreement go over until to-morrow.

Mr. BRISTOW. Mr. President, I desire to suggest to the Senator in charge of the bill that it seems to me, when the unanimous-consent agreement is asked, it should contain a provision similar to the one that we had on the currency bill, because amendments to this important measure may be offered, and, under the wording of the unanimous-consent agreement which is now asked, there could not be any information or any discussion of any character whatever had upon such an amendment. I think that is a very dangerous way to accept or reject amendments to important measures, and I should like a provision inserted in the unanimous-consent agreement which will enable amendments to be offered and debated for a limited time when the unanimous-consent agreement is finally asked.

Mr. CHAMBERLAIN. In what respect, then, would the Senator from Kansas suggest a change?

Mr. BRISTOW. I would suggest that the same phraseology be employed that was used in the unanimous-consent agreement with reference to the currency bill. The Senator from Oregon can look that up and see if it will meet with his approval.

Mr. CHAMBERLAIN. Inasmuch as a request has been made that the matter go over until to-morrow morning, I will confer with the Senator from Kansas, and probably change the form of

the request. I have no objection to his suggestion.

The PRESIDING OFFICER. There being no objection, the request will go over until to-morrow. Morning business is

Mr. JONES. Mr. President, I had hoped to be prepared to briefly discuss the Alaskan railroad bill to-day, but I have been unable to complete my preparation to do so. I gather from what has been said this morning that the bill is not likely to pass to-morrow. I therefore give notice that immediately after the routine morning business on Monday next I shall address the Senate with reference to the Alaskan railroad bill.

THE CALENDAR.

The VICE PRESIDENT. The Calendar under Rule VIII is in order.

The bill (S. 821) authorizing the Secretary of War to relieve the Washington-Oregon Corporation, as far as he may deem advisable in the public interests, from certain conditions in an act entitled "An act granting to the Washington-Oregon Corporation a right for an electric railroad, and for telephone, telegraph, and electric transmission lines across the Vancouver Military Reservation, in the State of Washington," approved August 9, 1912, was announced as first in order.

Mr. JONES. I think my colleague [Mr. POINDEXTER] is in-

terested in the disposition of that bill, and therefore I ask

that it go over.

The VICE PRESIDENT. The bill goes over.

The joint resolution (S. J. Res. 1) proposing an amendment to the Constitution of the United States extending the right of suffrage to women was announced as next in order.

Mr. SMITH of Georgia. Let that go over.
The VICE PRESIDENT. There being objection, the resolu-

tion will go over.

The bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes, was announced as next in order.

Mr. GALLINGER. Let that go over, Mr. President.

The VICE PRESIDENT. The bill goes over.

The bill (S. 1240) to establish the legislative reference bureau of the Library of Congress was announced as next in order.

Mr. GALLINGER. Let that go over. The VICE PRESIDENT. The bill goes over.

The bill (S. 1760) for the restoration of annuities to the Medawakanton and Wahpakoota (Santee) Sioux Indians, declared forfeited by the act of February 16, 1863, was announced as next in order.

Mr. SMOOT. Let that go over. The VICE PRESIDENT. The bill goes over. The bill (S. 654) to accept the cession by the State of Montana of exclusive jurisdiction over the lands embraced within the Glacier National Park, and for other purposes, was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill goes over.

The bill (S. 655) authorizing the Secretary of the Interior to survey the lands of the abandoned Fort Assinniboine Military Reservation and open the same to settlement was an-

nounced as next in order.

Mr. SMOOT. Mr. President, the other day the junior Senator from Montana [Mr. Walsh] asked that that bill go over. There was no reason assigned for the request, but the Senator from Montana is not now in the Chamber. I ask, therefore, that the bill go over, unless the senior Senator from Montana [Mr. Myers] can say that the present consideration of the bill will be perfectly satisfactory to the junior Senator from Montana.

Mr. MYERS. The junior Senator from Montana is not here just now. I take it that he asked that the bill go over because I was not in the Chamber at the time. I assume that that was his motive. I will try to reach him, and in the meantime will ask that the bill be passed over for the present.

Mr. SMOOT. Then I ask that that bill and the next bill, being Senate bill 657, go over until the junior Senator from Montana be present, he having requested on a previous occasion that both of those bills go over.

The VICE PRESIDENT. Senate bill 655 and Senate bill 657 will be passed over, at the request of the Senator from Utah.

Mr. MYERS subsequently said: I inquire what became of Calendar No. 68, being the bill (S. 657) to authorize the reser-

vation of public lands for country parks and community centers within reclamation projects, and for other purposes?

Mr. SMOOT. That went over for the same reason as the previous bill on the calendar.

Mr. MYERS. I think that my colleague asked that those bills should go over the other day because I was absent; and now it seems that they are to go over because he is absent.

Mr. SMOOT. I will say to the Senator that I have no such thought, and before the calendar again comes up for consideration I shall ask the junior Senator from Montana if he has any objection to the bills themselves; and, if he has none, I certainly shall not object to their consideration.

RIGHTS OF AMERICAN CITIZENS IN FOREIGN COUNTRIES.

The resolution (S. Res. 139) declaring the rights of American citizens to protection of lives and property by this Government was announced as next in order.

Mr. GALLINGER. I ask that that resolution go over under

Rule IX.

The VICE PRESIDENT. The resolution will 30 over under Rule IX.

PUNISHMENT FOR CERTAIN CRIMES.

The bill (S. 2674) to define certain crimes and to provide punishment therefor was announced as next in order.

The VICE PRESIDENT. The Chair will state that the bill

has been read on a previous occasion.

Mr. CUMMINS. Mr. President, I ask that that bill be passed. over for the present, holding its place on the calendar under Rule VIII.

The VICE PRESIDENT. The bill will go over without prejudice, at the request of the Senator from Iowa.

RELIEF OF AMERICAN CITIZENS IN MEXICO.

The resolution (S. Res. 152) authorizing the Committee on Foreign Relations to proceed with an investigation of the conditions of American citizens in the Republic of Mexico was announced as next in order.

Mr. GALLINGER. I make the same request concerning that resolution that I did as to the previous resolution, namely, that it go over under Rule IX.

The VICE PRESIDENT. Without objection, the resolution will go to the calendar under Rule IX.

BILLS AND RESOLUTIONS PASSED OVER.

The bill (S. 2725) authorizing the sale of certain lands to the Dwight Mission School, on Sallisaw Creek, Okla., was announced as next in or er.

Mr. SMCOT. Let that bill go over, and also 'he next busi-

ness on the calendar.

The VICE PRESIDENT. Senate bill 2725, and the next business on the calendar, being the joint resolution (S. J. Res. 41) authorizing the Secretary of the Interior to sell or lease certain public lands to the Republic Coal Co., a corporation, will be passed over at the request of the Senator from Utah.

The bill (S. 2242) making it unlawful for any Member of Congress to serve on or solicit funds for any political committee, club, or organization was announced as next in order.

Mr. SMOOT. I ask that that bill go over to-day, for the same reason that I gave when the calendar was last under

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3112) to authorize the Secretary of the Interior to acquire certain right of way near Engle, N. Mex., was announced as next in order.

Mr. THOMAS. I ask to have that bill go over. The VICE PRESIDENT. The bill will be passed over. The bill (S. 2651) providing for the purchase and disposal of certain lands containing kaolin, kaolinite, fuller's earth, and other minerals within portions of Indian reservations heretofore opened to settlement and entry was announced as next in order.

Mr. STERLING. I ask that that bill go over. The VICE PRESIDENT. The bill will be passed over. The resolution (S. Res. 156) limiting expenditures for telegrams sent or received by Senators was announced as next in order.

Let that resolution go over.

The VICE PRESIDENT. The resolution will be passed over. The bill (S. 2860) providing a temporary method of conducting the nomination and election of United States Senators as announced as next in order.

The VICE PRESIDENT. The bill has heretofore been read.
Mr. GALLINGER. I ask that the bill go over in the absence
of the Senator from Montana [Mr. Walsh].
The VICE PRESIDENT. The bill will go over.

ANNOUNCEMENT OF PAIRS IN MAKING A QUORUM.

The next business on the calendar was the resolution (S. Res. 84) providing that any Senator, upon his own request, may be recorded and counted as present in order to constitute a quorum. The VICE PRESIDENT. The resolution will be read.

The Secretary read the resolution, which had been reported

from the Committee on Rules, as follows:

Resolved, That the rules of the Senate be amended as follows: In Rule XII, clause 1, after the words "by the Senate," there shall be inserted the following: "and any Senator may arise and declare that he is paired and state how he would vote if not paired, and may add that, being present, he desires to be so recorded in order to constitute a quorum, whereupon he shall be so recorded and his presence as a part of the quorum announced by the Chair."

The VICE PRESIDENT. The question is on agreeing to the

Mr. ROOT. Mr. President, I have no objection whatever to the rule, standing by itself, but it occurs to me that there should be some reflection upon the inevitable consequences that will flow from it. I will say to the Senator from Georgia [Mr. Bacon] that this is a resolution providing that a Senator may announce a pair and state how he would vote if at liberty to vote, and be counted to make a quorum. Now, Mr. President, it will follow from that that for the first time pairs will become a matter of the rules of the Senate. That is a complete overturning of the theory upon which we have always proceeded, and we ought to think about it.

Mr. BACON. I want to state to the Senator, as he has mentioned me especially, that I am not only not the author of that resolution, but I did not even agree to it in the committee.

Mr. ROOT. I referred to the Senator from Georgia-perhaps I should not have done so-because I noticed that he seemed to be very much interested in ascertaining what the subject was.

Now, are we ready to put the practice of making pairs into the rules of the Senate? I doubt if the subject has been thought out as much as it ought to be. At all events, I should like to have the Senator from Mississippi [Mr. WILLIAMS] tell us what his view upon that general subject is. I ask that the resolution

Mr. BACON. Mr. President, I want to say, before the Senator takes his seat and the matter goes over, that, in addition to the suggestion made by him, I think it is but a precursor to the counting of a quorum, to which I do not agree, and never

Mr. SMITH of Georgia. Mr. President, I think the Senator from Mississippi [Mr. Williams] is probably ill to-day. He left the Senate Chamber yesterday feeling quite indisposed, after making inquiry about what business would come up, and said he felt so very badly that he thought he ought to go home. The VICE PRESIDENT. On objection, the resolution will

go over.

UNANIMOUS-CONSENT AGREEMENTS.

The resolution (S. Res. 202) to amend Rule XII of the standing rules of the Senate was announced as next in order.

Mr. CHAMBERLAIN. I ask that that resolution may go over. Mr. BACON. I hope that we may act upon the resolution. We have plenty of time to do so, and it is a most important matter. Of course, if the Senator objects, I have nothing more to say.

Mr. CHAMBERLAIN. The only objection I have to that proposed amendment of the rules is that it makes absenteeism the rule of the Senate for the transaction of the business of the There are Senators-and the Senator from Georgia is one of them-who are usually here to attend to business, but there are many Senators who are frequently absent; and if that is to be the rule we might as well turn over the business of the Senate to those who do not take very much interest in the proceedings. I do not mean to say that such Senators neglect their duties, but I mean that they are in attendance upon com-mittees so that they can not be here. It seems to me that Senators who are in attendance upon the Senate ought to have some voice in legislation and in having business set down for determination.

That is an objection to the merits, the strength Mr. BACON. of which, of course, I recognize; but the question is whether we shall now consider the proposed amendment to the rules with a view to acting upon it. Such objections as may be urged against it will then be in order to be urged, and such reasons as may be suggested in support of it may be given. I think it is a matter that we ought to take up. If the Senate does not approve of the proposed amendment, it can vote it down, but I think we ought to act upon it.

Mr. CHAMBERLAIN. I withdraw my objection at the re-

quest of the Senator.
Mr. GALLINGER. Mr. President, I was heartily in favor of the amendment to the rules as originally submitted, but the door to making a change in a unanimous consent agreement. I

committee has recommended an amendment to the resolution, and I think that amendment ought to be read. It goes beyond the original proposition.

The PRESIDING OFFICER. The Secretary will read the

amendment proposed by the Committee on Rules.

The Secretary. On page 2, line 1, after the word "Senate," it is proposed to insert "but any unanimous consent may be revoked by another unanimous consent granted in the manner prescribed above," so as to make the resolution read:

prescribed above," so as to make the resolution read:

Resolved, That the rules of the Senate be amended by adding the following paragraph to the twelfth standing rule of the Senate, to be numbered and known as paragraph 3 of said Rule XII, to wit:

"PAR, 3. No request by a Senator for unanimous consent for the taking of a final vote on a specified date upon the passage of a bill or joint resolution shall be submitted to the Senate for agreement thereto until, upon a roll call ordered for the purpose by the presiding officer, it shall be disclosed that a quorum of the Senate is present; and when a unanimous consent is thus given, the same shall operate as the order of the Senate, but any unanimous consent may be revoked by another unanimous consent granted in the manner prescribed above."

Mr. LODGE: Mr. Provident I was most beautily in favor of

Mr. LODGE. Mr. President, I was most heartily in favor of the amendment to the rules as introduced by the Senator from Georgia [Mr. Bacon]. I think it an extremely desirable amendment which would cure a recognized evil, but I confess that I do not like the amendment which has been proposed by the committee, because the value of a unanimous-consent agreement is that it is to be a determination of the matter. Now it is proposed to adopt a provision which may practically nullify a unanimous-consent agreement, and under which we can go on indefinitely breaking up unanimous-consent agreements upon which we depend for the conclusion of our business. I think it would be very unfortunate to break through the custom of the Senate as to the finality of a unanimous-consent agreement. Mr. BACON. Will the Senator permit me to make a sugges-

tion in that regard?

Mr. LODGE. Certainly.
Mr. BACON. The Senator will note the fact that the unanimous-consent agreement can not be easily removed, because it would require a unanimous-consent agreement with a quorum

present in order to abrogate the former agreement.

It sometimes happens that the most imperative reasons are presented why a unanimous-consent agreement which was providently and wisely entered into should be abrogated and set aside. I am not sure the Senator was here when an incident occurred which illustrates what I now say. It occurred, I think, during the latter part of the last extra session. A unanimous-consent agreement was made, and at the time it was entered into there was no reason, apparent or suggested, why it should not be entered into. When the time came for action upon it, however, it was apparent to everybody that it was extremely important that that should not be done, and we had to resort to the device of acting upon it and then reconsidering our action in order to get around the difficulty.

I should very seriously oppose any opportunity for the abrogation of one unanimous-consent agreement by another unanimous-consent agreement unless the original part of the rule is also adopted, which would be a guaranty against anything like snap judgment by any small number of Senators who might be present in thus abrogating a former unanimous-consent agreement; but a single Senator can, by objecting, prevent the former unanimous-consent agreement from being abrogated. It seems to me that with the safeguard which will require the presence of a quorum before the former unanimous-consent agreement can be abrogated, the further safeguard of the power of a single Senator to prevent it will remove it from any great

degree of objection.

Mr. LODGE. I appreciate the force of that; but it seems to me the argument which has always been applied here and on which we have always stood in dealing with unanimous-consent agreements is applicable to the proposed amendment. That is, it it impossible to be sure that after a unanimous-consent agreement has once been made, persons present, granting that consent and greatly interested in it, shall all be present when the attempt is made to revoke it. We know that sometimes it is very difficult to get unanimous consent. Terms are entered into upon which those who perhaps are not very anxious to give the consent insist, and those terms are made in deference to their wishes. They may not be present when the attempt is made to remoke it, and it introduces at once an element of uncertainty into the unanimous-consent agreement.

I think the secret of the Senate's doing business-Senator knows, all important business is done by unanimous consent-has been that everybody has understood that when a unanimous-consent agreement was entered into it was final, and that at the time agreed upon the vote would be taken, and every man had due notice to be here. Now we are opening the think the other part, as the Senator originally introduced it, is of the utmost importance as an amendment to the rules, and I

shall vote for it with great pleasure.

Mr. BACON. I will say to the Senator that I am not the author of the amendment to the proposed amendment, nor did I suggest it, although I acquiesced in it. I think, however, the amendment is a very good one. My only objection to it was the apprehension that there would occur exactly what now occurs something which might endanger the original amendment by reason of the complication which results from there being two propositions instead of one to be considered.

Mr. SMOOT. Does not the Senator believe that where a unanimous-consent agreement conflicts with the better judgment of the Senate, as it did in the case to which he referred, it would be better to do as we did at that time, act upon it and then ask for a reconsideration, rather than to have a standing rule here by which a unanimous-consent agreement can be

changed by another unanimous-consent agreement? Mr. BACON. I myself would be perfectly willing to have

the amendment adopted as it was originally presented, Mr. SMOOT. I wish to say that I am heartily in favor of the amendment to the rules, provided the amendment to it is eliminated. I do not want to vote for the amendment to the rules with the proposed amendment in it. We ought to hold strictly, as the Senate always has, to the spirit and terms of a unanimous-consent agreement once given. It has always been the way of hastening legislation in this body.

Mr. OVERMAN. I think the author of the amendment to the amendment is not here, and therefore probably it would be

better to have it go over until he is here.

Mr. BACON. I should very much prefer to have the two propositions considered separately. There is no reason why that which is now offered as an amendment to the amendment should not be hereafter considered by itself as a substantive amendment. Even if the amendment to the amendment should be rejected now, I do not think it would be any barrier to its consideration hereafter by the Senate as a substantive amendment. I am speaking of the amendment for the abrogation of a unanimous-consent agreement.

Mr. LODGE. If the Senator from Georgia will allow me, I should like to call his attention to another point in this same connection. Of course, as the Senator from New York [Mr. Root] has suggested to me, if you can revoke the whole agreement you can revoke any part of it. That is, you can introduce a modification in your new agreement, which amounts to changing some of the terms. Some of the terms of a unanimousconsent agreement, as we well know, are insisted upon very frequently by one Senator or two or three Senators—some arrangement about the length of time for debate, if we put on the 5-minute rule or the 10-minute rule, or something of that sort. A Senator who may be very much interested in the terms of the original agreement may be absent when it comes up the second time. He can no longer rest on the assurance that an agreement made by the Senate is final.

As the other amendment is so important, I wish the committee would be willing to let this go and be dealt with as a separate rule, as the Senator from Georgia very properly suggests

can be done.

Mr. THOMAS.

Mr. THOMAS. Mr. President-The VICE PRESIDENT. Doc Does the Senator from Georgia yield to the Senator from Colorado?

Mr. BACON. I yield the floor.

Mr. THOMAS. I have the utmost deference for the judgment of Senators older than myself, not only as to the propriety but as to the practical operation of the rules of the Senate; but during the short time I have been here I have been impressed by the fact that many of our rules tend rather to the postponement and delay of business than to its prompt and efficient transaction.

I am heartily in favor of the proposed amendment, both as to the amendment originally offered and the amendment to the amendment. As far as unanimous consent is concerned, I think a quorum ought to be present when action is finally

taken upon such a request.

The suggestion of the Senator from Oregon [Mr. CHAMBER-LAIN], which, in substance, was that such a rule would practically put the business of the Senate in the hands of absentees, does not appeal to me at all. In the first place, absenteeism does not go to such an extent as to deprive this body of a quorum. Generally speaking, during the sessions of the Senate a quorum is obtainable; and I think perhaps it will have the good effect of increasing the attendance of Senators upon the sessions of the Senate. Whether that be so or not, however, it is perfectly logical and proper that a majority of the Senate should be present when so important a matter as the obtaining on each occasion.

of unanimous consent on important measures of legislation is under consideration. Consequently, I think the rule is a very desirable one, and should, therefore, be incorporated into Rule XII as provided by the report of the committee.

Mr. LODGE. Mr. President-

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from Massachusetts?

Mr. THOMAS. Certainly.
Mr. LODGE. I entirely agree with the Senator's main proposition. We do not want to put anything in the rules which would tend to increase delay. On the contrary, we want to expedite business, because the tendency of the Senate is to delay too much. It seems to me, however—and that is one of my objections to the committee amendment—that it opens the door to fresh delays. At present, when we get a unanimousconsent agreement, the thing is going to be settled. It is now proposed to open the door so that it shall not be final, and we may change it.

Mr. THOMAS. I appreciate the force of the argument and the earnestness and sincerity of it. I have no doubt that such is the view of the Senator and that that view may be correct. The reason which animates my judgment in support of this amendment, however, is that I am incapable of understanding how a legislative body can have the power by unanimous consent to agree to something and at the same time deprive itself of the power subsequently to agree to undo the thing to which it has unanimously agreed. It seems to me the most illogical thing in the world to say that the Senate of the United States can unanimously agree to something and by that act deprive itself of the power to agree unanimously to undo it.

Mr. SMITH of Arizona. Provided a quorum is present.

Mr. SMOOT. Mr. President, will the Senator yield to me? Mr. THOMAS. Certainly. Mr. SMOOT. As a plain statement that would look reasonable; but I with other Senators look at it from a different standpoint. Many times when a unanimous-consent agreement has been reached there have been not over a dozen Senators in the Chamber. Nevertheless, the consent has been given.

Mr. THOMAS. I am in favor, as the Senator is, of that part

of the amendment as well as the other.

Mr. SMOOT. Yes; I am in favor of having no unanimousconsent agreement made until the presence of a quorum is developed. Suppose, however, the presence of a quorum is developed showing 50 Senators present and an agreement is then The Senator who has had the unanimous-consent agreement granted then feels assured that the agreement will be carried out, and he may not be present the following day and some other Senator asks unanimous consent that the unanimousconsent agreement be set aside.

Mr. THOMAS. A single objection would defeat it.
Mr. SMOOT. That is true; and a single objection in the first
place would have defeated the original unanimous-consent agreement.

Mr. THOMAS. Certainly. Mr. SMOOT. But the Senator or Senators interested in securing the unanimous-consent agreement in the first place may not be in the Senate at the time the subsequent request is made. Of course, no Senator particularly interested in the first

consent, if present, would allow the second request.

Mr. THOMAS. I do not think, under those circumstances, any Senator would violate a unanimous-consent agreement or change it in any way in the absence of the Senator at whose request the unanimous-consent agreement was first obtained. I do not think so; and I am certain that if an attempt were made there would be opposition, in consequence of which an objection

would defeat the efforts to make the change.

Mr. BRYAN. Mr. President—

Mr. SMITH of Georgia. Some Senator who was a friend of the absent Senator would certainly suggest it.

Mr. THOMAS. Yes; some Senator would do it, whether he

were a friend of the absent Senator or not.

Mr. SMOOT and Mr. BRYAN addressed the Chair.

The VICE PRESIDENT. There is plenty of time. Mr. THOMAS. I yield to the Senator from Utah.

Mr. SMOOT. If that were the case, then there would be no object in asking unanimous consent to have a unanimous-consent agreement set aside; the effort to have it changed would amount to nothing.

Mr. CLARK of Wyoming. Not necessarily.

Mr. THOMAS. I now yield to the Senator from Florida.

Mr. BRYAN. I wish to suggest that some of those who entered into the unanimous-consent agreement in the first place certainly would be present when unanimous consent was asked to modify the original agreement, because it takes a majority

Mr. SMOOT. Of course there would be a majority present, but it might be composed of Senators having no interest whatever in the subject. If that position is to be taken, I do not see what good the amendment to the amendment would do, because it would resolve itself into this proposition, that the Senator who asked for the unanimous-consent agreement would have to consent that it should be set aside, or else it never would be

Mr. THOMAS. I think the Senator's argument amounts to this-that there would be and could be no occasion on which the setting aside of a unanimous-consent agreement would be possible unless it should carry with it a violation of an agreement to some individual Senator, or a number of Senators, if you please; and, consequently, there would be no necessity for the rule. I do not like, however, to do things by indirection where they can be done directly and where they ought to be done directly.

I remember very distinctly the instance which was cited by the Senator from Georgia. It was one in which unanimous consent had been obtained to vote upon a certain matter at a certain time, and the Members of the Senate present were distinctly and unanimously of the opinion, because of the happening of exigencies that were not foreseen, that the unanimous-consent agreement ought to be voided. We were then confronted with the fact—and it was the first time I ever was confronted with it-that the Senate of the United States had the power by unanimous consent to agree to something, but did not have the power by unanimous consent afterwards to undo that which it had agreed to do.

Mr. SMOOT. That was a nomination.
Mr. THOMAS. It was a nomination.
Mr. SMOOT. It was not a legislative matter, and the Senator

knows that is the only case in his service in the Senate.

Mr. THOMAS. Yes. My service has been very brief, how-

Mr. SMOOT. I will say it is the only case that has happened in that way while I have been a Senator. It was so easily accomplished, since everybody knew as soon as the conditions surrounding the case were mentioned the person should not be confirmed, and the Senate decided to vote, as provided in the unanimous-consent agreement, and then immediately recon-

Mr. THOMAS. I am glad to know that in the Senator's experience here, which is very, very much longer than mine, this is the only instance in which such a situation has presented itself. I certainly hope no such situation will present itself hereafter; but the very fact that we were once confronted with such a situation suggests, I think, the reasonableness of the impression that it may again arise, and perhaps in some more important matter.

The Senator says we easily got around the difficulty in that case. As I remember, we discussed the situation for something over an hour, and then it was determined that there was but one way in which to avoid the dilemma-first to go ahead and do the thing we agreed to do and then move to reconsider our action, which motion was carried, after which the entire matter went over until some other time.

It seems to me that is practically whipping the devil around a stump. Why has not the Senate of the United States the authority, and why should it not have the authority, and why should not any legislative body have the power to undo anything which it has the power to do in the first instance? The inconsistency which to my mind is involved in the notion that the Senate, by taking some specific step, practically paralyzes its power with reference to that specific step thereafter, is such that it seems to me that if a rule is necessary for the purpose of reasserting the power-and certainly it must have existed once—the rule ought to be adopted.

I do not want to be understood as insisting that the matter be determined to-day. If there is any request that it should go

over, I am perfectly willing to postpone it.

Mr. SMITH of Georgia. Mr. President, I agree very fully with the Senator from Colorado [Mr. Thomas]. It seems to me to be utterly illogical for the Senate to put itself in the attitude of saying it can make a unanimous-consent agreement and it then loses the power by unanimous consent to do away with the unanimous-consent agreement. During the two years I have been here I have seen the Senate embarrassed a number of times by unanimous-consent agreements that have been made and embarrassed by the doubt as to whether by unani-mous consent we could do away with a unanimous-consent agreement, the older Senators all telling us that it could not be done away with and the younger Senators rather resenting the idea that it could not be done, but yielding to the experience and wisdom of the older Senators.

I can see no possible objection to the second clause in the resolution. I would rather see the first clause adopted than to jeopardize it in any way by having trouble over the second, but the second simply provides that after a unanimous-consent agreement has been made we can by unanimous consent recede from it. Before the second unanimous consent is obtained there must be a roll call. It would be impossible that absent Senators should slip up on it and that a second unanimous consent should be obtained in their absence to dispense with the first. The roll call will bring the Senators back into the Chamber, and it will only permit the Senate when we actually do want to get rid unanimously of a previous unanimous-consent agreement to have the power to do it.

Mr. TOWNSEND. Mr. President, I agree with the Senator from Georgia, and I wish to suggest another reason why there ought to be some way whereby the Senate can act by unanimous consent upon any matter that might come before it, and especially upon a subject agreed to by unanimous consent. seems to me that such a change in the rules would also be an inducement to some extent for Senators to attend the sessions of the Senate. For that reason, among others, it occurs to me that we ought to adopt some such rule as is suggested here.

Mr. SMITH of Georgia. I very much hope that the amendment will be adopted also, and not put the Senate in the embarrassing attitude, when everyone in the Senate feels that a unanimous-consent agreement ought not to be enforced, that

we can not get rid of it.

Mr. LODGE. Mr. President, I should like to suggest to the Senator from Georgia that it seems to me it would improve it very much, if we are to adopt the committee amendment, that there should be notice given of the intent to ask for the revocation, so that those who are particularly interested in the proposed revocation should at least have notice that it is going to be asked for.

Mr. SMITH of Georgia. Is there not this trouble about that? On the occasions where I have seen the Senate embarrassed by a unanimous-consent agreement it was right up against it and did not want to go on under the unanimous-consent agreement. Everyone on the floor felt that we were not ready to go on, and in one instance, as the Senator from Utah suggested-I do not think the Senator from Massachusetts was here; I think it was when he was away ill-

Mr. LODGE. Yes.

Mr. SMITH of Georgia. We were in that embarrassing position; we all wanted to recede, and some of us felt that we had a right by unanimous consent to recede, but others thought that we had not the right. So by unanimous consent we agreed to act, with the understanding beforehand that as soon as we did act we would reconsider the action.

Mr. LODGE. The Senator has pointed out what is perfectly true, that the revocation by another unanimous consent can not take place without unanimous consent, and I think it would be the feeling of many Senators that unless there is some previous notice given they should object on general principles to any revocation. I think that would tend to leave us in the same situation we are now in. If a unanimous-consent agreement is to be changed, I think some notice ought to be given that a request is to be made to change it.

Mr. SMITH of Georgia. Will the Senator from Massachusetts yield to me for a moment?

Mr. LODGE. Certainly.

Mr. SMITH of Georgia. My only idea would be that if any Senator felt that the unanimous-consent agreement ought not to be receded from he ought to speak up and stop it. We only want the privilege of receding when we really and actually have a genuine unanimous desire to recede from a unanimousconsent agreement. I would not want to help to make it easy to recede at all; it is only desired that it may be possible that we can recede when everyone present and everyone concerned with the matter actually unites in a genuine desire to suspend a unanimous-consent agreement.

Mr. LODGE. I think as it stands now Senators who would be very willing to modify or change or revoke the original consent, and would make no objection to it, would make an consent, and would make no objection to it, would make an objection on the broad ground that Senators might not be present who were present at the original one, and that they had no opportunity to be notified. I believe you will make it very much more difficult to get a revocation than if you put in a requirement of one day's notice.

Mr. BACON. As far as I am concerned, I am willing that

that shall be inserted.

Mr. THOMAS. I want to assure the Senator I have no desire to insist on the passage of the amendment in the original language used. I am perfectly willing to do anything that will recognize in the Senate the power to undo what it has declared it will do.

Mr. BACON. I suggest to the Senator from Massachusetts to offer as an amendment the addition of the words "after one

day's notice."

Mr. LODGE. Suppose we add, at the end of the committee amendment, "upon one day's notice," so as to read, "but any unanimous-consent agreement may be revoked by another unanimous-consent agreement granted in the manner prescribed above upon one day's notice."

Mr. BACON. Let the Senator offer that amendment to the

amendment.

Mr. THOMAS. That is perfectly satisfactory.
Mr. LODGE. I offer that as a committee amendment.
Mr. OVERMAN. I think that will be agreeable to the author
of the amendment, who is not here. I will not insist on the resolution going over, with that understanding.

Mr. SMOOT. I am not quite sure that the Senator from Mississippi [Mr. Williams] would be satisfied with that. The Senator from Georgia will remember that I made a similar suggestion before the resolution was referred to the committee.

Mr. BACON. I think it will be satisfactory.

Mr. CUMMINS. Mr. President, the amendment proposed by the committee was, as I remember it, unanimously adopted by the committee. I have no great objection to the amendment proposed by the Senator from Massachusetts to the amendment, but I do not recognize the soundness of the reason which has been suggested for it. We must all proceed upon the hypothesis that a unanimous-consent agreement may be asked for at any time, and the argument in favor of the position taken by those who have spoken against this amendment is an argument against every unanimous-consent agreement unless every Senator is in his seat. It is no greater hardship upon Senators to suffer the danger that a unanimous-consent agreement will be asked for to revoke or abrogate a previous unanimous-consent agreement than it is to know that a unanimousconsent agreement upon some matter in which the Senator may be interested may be asked for at any time, whether he is here or whether he is absent.

If the amendment with regard to the abrogation is to be adopted, then I shall incist that no unanimous-consent agreement shall be granted without one day's notice. It is just as fair to put Senators on their guard with regard to an original request for a unanimous-consent agreement as it is to put them on their guard with respect to the abrogation of a unanimousconsent agreement already made. I do not think that either is necessary, but if one is required the other ought to be re-

Mr. SMOOT. Mr. Fresident, I want to say frankly that, if the amendment is not adopted and I was in the Chamber and any Senator asked unanimous consent that a unanimous-consent agreement be set aside, I would object, no matter what Senator asked it, if the Senator who asked for the original unanimous-consent agreement was not present. It seems to me it resolves itself into this, that to have a unanimous-consent agreement set aside the Senator asking for the original unanimous-consent agreement would have to be present in the Chamber.

The VICE PRESIDENT. The questoin is on the amendment proposed by the Senator from Massachusetts [Mr. Longe] to

the amendment.

The amendment to the amendment was agreed to.

The VICE PRESIDENT. The question recurs on the amendment of the committee as amended.

The amendment as amended was agreed to.
The VICE PRESIDENT. The question now is on the resolution as amended. [Putting the question.] The ayes appear to have it

Mr. ASHURST. I ask for a division.
Mr. BACON. I suggest the absence of a quorum.
The VICE PRESIDENT. The Senator from Georgia suggests the absence of a quorum, and the Secretary will call the

The Secretary called the roll, and the following Senators answered to their names:

Gallinger
Hitchcock
Hollis
Hughes
Johnson
Jones
Kenyon
Kern
Lane
Lea
Lippitt
Lodge
McCumber
Martine, N. J.
Myers Ashurst Bacon Bankhead Smith, Mich. Smith, S. C. Nelson Norris Oliver Smoot Sterling Sutherland Bradley Brady Brandegee Overman Perkins Pittman Poindexter Swanson Thomas Thompson Thornton Townsend Bristow Root Saulsbury Shafroth Sheppard Shively Simmons Bryan Burleigh Burton Chamberlain Chilton Clark, Wyo. Cummins Vardaman Walsh Weeks Works Smith, Ariz. Smith, Ga. Dillingham

The VICE PRESIDENT. Fifty-nine Senators have answered to the roll call. There is a quorum present. The question is on agreeing to the resolution as amended.

Mr. GALLINGER. I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. BANKHEAD (when his name was called). I have a general pair with the junior Senator from West Virginia [Mr. GOFF]. I transfer that pair to the Senator from Illinois [Mr. LEWIS] and vote. I vote "yea."

Mr. CHAMBERLAIN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. OLIVER]. In his absence I withhold my vote. If I were permitted to vote I should vote "nay."

Mr. CHILTON (when his name was called). I have a general pair with the Senator from Maryland [Mr. Jackson].

In his absence I withhold my vote.

Mr. CLARK of Wyoming. I have a general pair with the Senator from Missouri [Mr. Stone]. I transfer that pair to the junior Senator from Wisconsin [Mr. Stephenson] and I vote "yea."

Mr. GALLINGER (when his name was called). I have a general pair with the junior Senator from New York [Mr. O'GORMAN], which I transfer to the junior Senator from New Mexico [Mr. Catron] and vote. I vote "yea."

Mr. JOHNSON (when his name was called). I have a pair with the Senator from Vermont [Mr. Page]. I transfer that pair to the senior Senator from Virginia [Mr. Martin] and vote. I vote "yea."

Mr. LEA (when his name was called). I have a pair with the senior Senator from South Dakota [Mr. Crawford] which I transfer to the Senator from Oklahoma [Mr. Owen] and vote. I vote "yea."

Mr. THORNTON (when Mr. RANSDELL's name was called). desire to announce the necessary absence of my colleague

[Mr. RANSDELL] on account of public business.

Mr. SAULSBURY (when his name was called). I have a general pair with the junior Senator from Rhode Island [Mr. I transfer that pair to the junior Senator from Louisiana [Mr. RANSDELL] and vote. I vote "yea."

Mr. SIMMONS (when his name was called). eral pair with the junior Senator from Milnesota [Mr. CLAPP]. I transfer that pair to the junior Senator from Ohio [Mr. POMERENE] and vote. I vote "yea."

Mr. SMITH of Arizona (when his name was called). I have pair with the Senator from New Mexico [Mr. Fall]. I transfer that pair to the Senator from Tennessee [Mr. Shields] and vote. I vote "yea."

Mr. SUTHERLAND (when his name was called). I am paired with the Senator from Arkansas [Mr. Clarke], who is absent. I transfer that pair to the Senator from Illinois [Mr. Sherman] and vote. I vote "yea."

Mr. CLARK of Wyoming (when Mr. Warren's name was called). I desire to announce that my colleague [Mr. Warren] is necessarily absent. He is paired with the Senator from Florida [Mr. Fletcher].

The roll call was concluded.

Mr. CHILTON. I transfer my pair with the junior Senator from Maryland [Mr. Jackson] to the senior Senator from Maryland [Mr. SMITH] and vote. I vote "yea."

Mr. DILLINGHAM. I again announce the necessary absence of my colleague [Mr. Page].

Mr. REED. I renew the announcement of the necessary ab-

sence from the Senate of my colleague [Mr. STONE].

Mr. SMITH of Arizona. I have just been informed of the illness of the Senator from Mississippi [Mr. Williams], which accounts for his absence to-day. I ask that this notice stand for the remainder of the day. The Senator from Mississippi is paired with the Senator from Pennsylvania [Mr. Penrose].

The result was announced—year 51, nays 8, as follows:

VEAS 51

		MAD UI.	
Bacon Bankhead Borah Bradley Brandegee Bristow Bryan Burleigh Burton Chilton Clark, Wyo. Cummins	Dillingham Gallinger Hughes Johnson Jones Kern Lane Lea Lippitt Lodge Nelson Oliver Overman	Perkins Poindexter Reed Root Saulsbury Shafroth Sheppard Shively Simmons Smith, Ariz, Smith, Ga, Smith, Mich, Smith, S. C.	Smoot Sterling Sutherland Swanson Thomas Thompson Thornton Townsend Vardaman Walsh Weeks Works
THE RESERVE OF THE PARTY OF THE	N.	IAYS—8.	
Ashurst Chamberlain	Hollis Kenyon	McCumber Martine, N. J.	Myers Norris

NOT VOTING-36

Martin, Va. Newlands O'German Owen Page Penrose Pittman Robinson Sherman Shields Smith, Md. Stephenson Stephenson Catron Goff Clapp Clarke, Ark, Colt Crawford Gore Gronna Hitchcock Jackson Culberson du Pont Fall Fletcher James La Follette Tillman Lewis McLean Pomerene Ransdell Williams

So the resolution as amended was agreed to, as follows:

So the resolution as amended was agreed to, as follows:

Resolved, That the rules of the Senate be amended by adding the following paragraph to the twelfth standing rule of the Senate, to be numbered and known as paragraph 3 of said Rule XII, to wit:

"Par. 3. No request by a Senator for unanimous consent for the taking of a final vote on a specified date upon the passage of a bill or joint resolution shall be submitted to the Senate for agreement thereto until, upon a roll call ordered for the purpose by the presiding officer, it shall be disclessed that a quorum of the Senate is present; and when a unanimous consent is thus given the same shall operate as the order of the Senate, but any unanimous consent may be revoked by another unanimous consent granted in the manner prescribed above upon one day's notice."

COMMITTEE ON PUBLIC DOCUMENTS.

The VICE PRESIDENT. The Secretary will state the next business on the calendar.

The resolution (S. Res. 218) proposing to create a standing committee to be known as the Committee on Public Documents was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The resolution will go over.

Mr. CUMMINS. That is the resolution offered by me. the Senator from Utah very desirous of having it go over?

Mr. SMOOT. I am desirous that it shall go over. The chair-

man of the Committee on Printing, the Senator from Florida [Mr. FLETCHER], is absent, and he has requested me to ask that the resolution be not considered in his absence.

Mr. CUMMINS. That is quite sufficient. I did not observe

that the Senator from Florida is absent,

The VICE PRESIDENT. The resolution will go over.

COOPERATIVE AGRICULTURAL EXTENSION WORK

The bill (S. 3091) to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the United States Department of Agriculture, was announced as next in order.

Mr. GALLINGER. I ask that that bill go over

Mr. SMITH of Georgia. I would be glad for the bill to have its formal reading at this time, which would also carry it into the RECORD. After that has been done I am perfectly willing to have it go over.

Mr. GALLINGER. The reason I asked that it go over was that, as I remember, the Senator from Georgia has promised to give us the benefit of his views on the bill.

Mr. SMITH of Georgia. To-morrow I hope to have an op-

portunity to do so.

Mr. GALLINGER. I think it is proper that the bill should

The VICE PRESIDENT. The Secretary will read the bill.

The Secretary read the bill, as follows:

The VICE PRESIDENT. The Secretary will read the bill. The Secretary read the bill, as follows:

Be it enacted, etc., That in order to aid in diffusing among the people of the United States useful and practical information on subjects relating to agriculture and home economics, and to encourage the application of the same, there may be inaugurated in connection with the college or colleges in each State now receiving, or which may hereafter receive, the benefits of the act of Congress approved July 2, 1832, entitled "An act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts" (12 Stat L. p. 503), and of the act of Congress approved August 30, 1890 (26 Stat. L., p. 417), agricultural extension work which shall be carried on in cooperation with the United States Department of Agriculture: Provided, That in any State in which two or more such colleges have been or hereafter may be established the appropriations hereinafter made to such State shall be administered by such college or colleges as the legislature of such State may direct.

Sec. 2. That cooperative agricultural extension work shall consist of the giving of instruction and practical demonstrations in agriculture and home economics to persons not attending or resident in said colleges in the several communities, and imparting to such persons information on said subjects through field demonstrations, publications, and otherwise: and this work shall be carried on in such manner as may be mutually agreed upon by the Secretary of Agriculture or his representative and the State agricultural college or colleges receiving the benefits of this act.

Sec. 3. That for the purpose of paying the expenses of said cooperative agricultural extension work and the necessary printing and distributing of information in connection with the same, there is permanently appropriated, out of any money in the Treasury of the previsions of this act: Provided, That payment of such installments of

the fiscal year following that in which the foregoing appropriation first becomes available, and for each year thereafter for nine years a sum exceeding by \$300,000 the sum appropriated for each preceding year, and for each year thereafter there is permanently appropriated for each year the additional sum of \$3,000,000 : Provided further, That before the beginning of each fiscal year projects setting forth the proposed plans for work to be carried on under this act shall be submitted by the proper officials of each college and approved by the Secretary of Agriculture before the funds herein appropriated shall become available to such college for that fiscal year. Such additional sums shall be used only for the purposes hereinbefore stated and shall be allotted annually to each State by the Secretary of Agriculture and paid in the manner hereinbefore provided in the proportion which the rural population of each State bears to the total rural population of of all the States, as determined by the next preceding Federal census: Provided further, That no payment out of the additional appropriations herein provided shall be made in any year to any State until an equal sum has been appropriated for that year by the legislature of such State, or provided by State, county, college, or local authority for the maintenance of cooperative agricultural extension work.

SEC. 4. That there shall be in the Department of Agriculture a director of cooperative agricultural-extension work, to be appointed by the Secretary of Agriculture and report directly to him. The salary of such director shall be such as may be provided for by law from time to time.

SEC. 5. That the sums hereby appropriated for extension work shall

director of cooperative agricultural-extension work, to be appointed by the Secretary of Agriculture and report directly to him. The salary of such director shall be such as may be provided for by law from time to time.

SEC. 5. That the sums hereby appropriated for extension work shall be annually paid in equal semiannual payments on the 1st day of January and July of each year, by the Secretary of the Treasury, upon the warrant of the Secretary of Agriculture, out of the Treasury of the United States, to the treasurer or other officer of the State duly authorized by the laws of the State to receive the same; and such officer shall be required to report to the Secretary of Agriculture, on or before the 1st day of September of each year, a detailed statement of the amount so received during the previous fiscal year and of its disbursement on forms prescribed by the Secretary of Agriculture.

SEC. 6. That if any portion of the moneys received by the designated officer of any State for the support and maintenance of cooperative agricultural-extension work, as provided in this act, shall by any action or contingency be diminished or lost, or be misapplied, it shall be replaced appropriation shall be apportioned or paid to said State; and no portion of said moneys shall be apportioned or paid to said State; and no portion of said moneys shall be applied, directly or indirectly, to the purchase, erection, preservation, or repair of any building or buildings, or the purchase or rental of land, or in college-course teaching, lectures in colleges, promoting agricultural trains, or any other purpose not specified in this act; and not more than 5 per cent of each annual appropriation shall be applied to the printing and distribution of publications. It shall be the duty of each of said colleges annually, on or before the 1st day of January, to make to the governor of the State in which it is located a full and detailed report of its operations in the direction of extension work, as defined in this act, including a detail

The VICE PRESIDENT. The bill will be passed over.

RAILROADS IN ALASKA.

Mr. JONES. Mr. President, on January 14 I offered an amendment intended to be proposed to the Alaska railroad bill, and asked that it might lie on the table. I understand the Committee on Territories expects to have a meeting to-morrow: so I ask that that amendment may be referred to the committee.

Also, in behalf of the Senator from Nebraska [Mr. Norris],

and at his request, I ask that the amendment which he submitted on January 14, and which is now on the table, relating to steamships for Alaska, may be referred to the same committee.

The VICE PRESIDENT. Is there objection? The Chair

hears none, and it is so ordered.

BILLS AND JOINT RESOLUTIONS PASSED OVER.

The bill (S. 3403) to abolish the office of receiver of public moneys at Springfield, Mo., and for other purposes, was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over. The bill (S. 3149) to remove the charge of desertion from the military record of Moses Chauncey was announced as next in order

Mr. BRYAN. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 26) proposing an amendment to the Constitution of the United States was announced as

next in order, and the Secretary read the joint resolution.

Mr. SMOOT. Let that go over. I believe it is accompanied

by an adverse report.

The VICE PRESIDENT. The joint resolution will be passed

R. W. BRANSON.

The bill (S. 156) for the relief of R. W. Branson was announced as next in order.

Mr. SMOOT. Let that bill go over.

The VICE PRESIDENT. The bill wil' be passed over.

CLAIMS OF POSTMASTERS.

The bill (H. R. 9321) to amend the act approved May 9, 1888, as amended by the act of June 11, 1896, was announced as next in order, and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

he Secretary read the bill, as follows:

Be it enacted, etc., That the act authorizing the Postmaster General adjust certain claims of postmasters for loss by burglary, fire, or her unavoidable casualty, approved May 9, 1888, as amended by the tof June 11, 1896, be, and the same is hereby, amended so as to read follows:

act of June 11, 1896, be, and the same is hereby, amended so as to read as follows:

"That the Postmaster General be, and he is hereby, authorized to investigate all claims of postmasters for the loss of money-order funds, postal funds, postal savings funds, postage stamps, stamped envelopes, newspaper wrappers, postal cards, postal savings cards, postal savings tamps, and postal savings certificates belonging to the United States in the hands of such postmasters, and for the loss of key-deposit funds, funds deposited to cover postage on mallings, and funds received as deposits to cover orders for stamped envelopes, in the hands of such postmasters, resulting from burglary, fire, or other unavoidable casualty, and if he shall determine that such loss resulted from no fault or negligence on the part of such postmasters, to pay to such postmastc. 3 or credit them with the amount so ascertained to have been lost or destroyed, and also to credit postmasters with the amount of any remittance of money-order funds, postal funds, or postal savings funds made by them in compliance with the instructions of the Postmaster General, which shall have been lost or stolen while in transit by mail from the office of the remitting postmaster to the office designated as his depository, or after arrival at such depository office and before the postmaster at such depository office has become responsible therefor: Provided, That no claim exceeding the sum of \$10,000 shall be paid or credited until after the facts shall have been ascertained by the Postmaster General and reported to Congress, together with his recommendation thereon, and an appropriation made therefor: And provided further, That this act shall not embrace any claim for losses as aforesaid which accrued more than four years prior to the date of approval of this act; and all such claims must be presented within six months after such date, and no claim for losses which may hereafter accrue shall be allowed unless presented within six months from the time the loss occurr

The bill was reported to the Senate without amendment, ordered to a third reading, read the thirl time, and passed.

Mr. BRYAN. I ask that there may be printed in the RECORD the report of the committee on this bill.

The VICE PRESIDENT. Without objection, that will be

The report (No. 149) submitted by Mr. BANKHEAD on the 14th instant is as follows:

[Report to accompany H. R. 9321.]

The Postmaster General is authorized by the act of May 9, 1888, as amended by that of June 11, 1896, to reimburse postmasters for losses of certain funds resulting from burglary, fire, or other unavoidable casualty while in their custody or in transit to their designated depositories, but there is no provision for the granting of relief in the case of similar losses of postal-savings funds, postal-savings cards, postal-savings stamps, and certificates, key deposit funds, funds deposited to cover postage on mailings, and funds received as deposits to cover orders for stamped envelopes, for which postmasters are equally responsible. It is the purpose of the accompanying bill to remedy this inconsistency and authorize the Postmaster General to accord the same measures of relief with respect to losses of these funds as may now be accorded in the case of losses of funds covered by existing law.

The bill (S. 2903) for the relief of Judd McKelvey was annonnced as next in order; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The Secretary read the bill, as follows:

The Secretary read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to issue a patent to Judd McKelvey for lots 5, 6, 7, and 8, and the northwest quarter of the northeast quarter, the northeast quarter of the northwest quarter of the southeast quarter of the southwest quarter, and the southwest quarter of the southeast quarter of section 18, in township 4 south, range 44 east, Montana meridian, as shown by the plat of survey of said township approved December 16, 1908, after the said McKelvey has, by deed properly executed and recorded, reconveyed to the United States lot 4 and the northwest quarter of the northeast quarter, the east half of the southwest quarter, and the southwest quarter of the southeast quarter of said section, as shown by the plat of the survey of said township approved July 25, 1887.

The bill was reprorted to the Southe without amendment, or

The bill was reported to the Senate without amendment, or-dered to be engrossed for a third reading, read the third time, and passed.

PUBLIC LAND RESERVATIONS.

The bill (S. 1214) to amend sections 2380 and 2381, Revised Statutes of the United States, was announced as next in order.

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The bill had been reported from the Committee on Public Lands with amendments, on page 1, line 11, after the word "for," to strike out "subdivision into villa sites at places suitable for resort by persons seeking pleasure, recreation, or health" and to insert "villa sites, summer homes, hotels, sanitarium, health, recreation, or pleasure resorts"; and, on page 2, line 9, after the word "lots," to insert "or tracts"; and, in the same line, after the word "size," to insert "for the purposes mentioned," so as to make the bill read:

poses mentioned," so as to make the bill read:

Be it enacted, etc.. That sections 2380 and 2381 of the Revised Statutes of the United States be, and the same are hereby, amended to read as follows:

"SEC. 2380. The President is authorized to reserve from the public lands, whether surveyed or unsurveyed, town sites on the shores of harbors, at the junction of rivers, important portages, or any natural or prospective centers of population; also lands having a particular value for villa sites, summer homes, hotels, sanitarium, health, recreation, or pleasure resorts.

"SEC. 2381. When, in the opinion of the President, the public interests require it, it shall be the duty of the Secretary of the Interior to cause any of such reservations or part thereof to be surveyed into urban, suburban, or villa lots or tracts of suitable size for the purposes mentioned, and to fix by appraisement of disinterested persons their cash value, and to offer the same for sale at public outcry to the highest bidder, and thence afterwards the unsold lots to be held subject to sale at private entry according to such regulations as the Secretary of the Interior may prescribe; but no lot shall be disposed of at public sale or private entry for less than the appraised value thereof, and all such sales shall be conducted by the register and receiver of the land office in the district in which the reservations may be situated, in accordance with the instructions of the Commissioner of the General Land Office."

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FISHLAKE NATIONAL FOREST, UTAH.

The bill (S. 1087) authorizing the exchange of certain lands within the Fishlake National Forest, Utah, was announced as next in order.

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

Mr. POINDEXTER. Mr. President, I will ask the Senator from Utah to make a brief statement of the reasons for making this exchange of lands?

Mr. SMOOT. I will gladly do so.

This bill was sent to me by the Department of the Interior. There is a unanimous report from the committee. An investigation was made as to the value of the lands to be exchanged. The lands to be exchanged are now within a forest reserve, and are in private ownership. The Forestry Service desires that those lands shall be under the Forestry Service, on account of the better administration of the Fishlake Forest in the State of Utah. The parties owning the lands have agreed to make the exchange, the lands have been designated, and it is perfectly satisfactory, not only to the Government but to the parties owning the lands. I will say to the Senator that I knew nothing about the exchange until my attention was called to it by the department.

Mr. POINDEXTER. It is not one of these lieu-land grabs. I suppose, by which they exchange glaciers and bare rocks for valuable lands?

Mr. SMOOT. No; Mr. President, it is not. will look at the report from the department, he will find that that is not the case. I wish to say, in that connection, that I have fought such transfers just as hard as my ability would permit, and I am opposed to them just as strongly as is the Senator from Washington.

The VICE PRESIDENT. The bill has been reported from the Committee on Public Lands with certain amendments, which will be stated.

The amendments of the Committee on Public Lands were, on page 2, line 22, before the word "to," to strike out "fourth" and insert "forty"; and on page 5, line 8, after the word "Forest," to insert, "Provided, That the Attorney General of the United States shall certify that a good and sufficient title to the reconveyed lands will vest in the Government: And provided, That the lands reconveyed to the United States shall

forthwith become a part of the Fishlake National Forest," so as to make the bill read:

as to make the bill read:

Be it enacted, ctc., That the Secretary of the Interior is hereby authorized to issue prient to the Salina Land & Grazing Co., a corporation organized and existing under the laws of Utah, for the following described lands:

East half southwest quarter, southwest quarter northeast quarter southwest quarter southwest quarter, northeast quarter northeast quarter northeast quarter northeast quarter northeast quarter and the southeast quarter northeast quarter, seetion 35; southeast quarter northeast quarter northeast quarter northeast quarter northeast quarter, seetion 35; southeast quarter northeast quarter, seetion 35; and a strip eight chains in width extending from the northwest with the southeast quarter southeast quarter of section 25; township 23 south, range 1 east, of the Salt Lake meridian.

Lots 1, 2, 3, and 4, section 19; southwest quarter, northwest quarter northeast quarter, east half northwest quarter northwest quarter northeast quarter, seetion 20; northwest quarter southeast quarter, section 30, township 20; northwest quarter southeast quarter northeast quarter, northeast quarter, northeast quarter, southeast quarter northeast quarter, northeast quarter southeast quarter northeast quarter, section 12; said northeast half northwest quarter, section 12; said northeast half northwest quarter, southeast quarter, section 12; said northeast half northwest quarter, section 12; said northeast parter, section 5; northwest quarter northeast quarter, section 25; southwest quarter, section 25; southwest quarter, section 25; southwest quarter, section 26; southwest quarter, section 16; southwest quarter, section 17; southwest quarter, section 18; southwest quarter southeast quarter northeast quarter northeast quarter northeast

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RAILEOADS IN ALASKA.

Mr. CHAMBERLAIN. I believe that completes the calendar, and I ask to have laid before the Senate the unfinished busi-I am going then to request that it be temporarily laid

aside, unless somebody is ready to speak on it.

Mr. POINDEXTER. Before that is done, I desire to give notice that on Monday next, immediately after the transaction of the routine morning business, I shall make some observa-

tions upon the Alaska railroad bill.

The VICE PRESIDENT. The Chair will state, for the information of the Senator from Washington, that one announcement of that kind has already been made.

Mr. POINDEXTER. By what Senator?

The VICE PRESIDENT. By the Senator's colleague from

Washington

Mr. JONES. I desire to say that if my colleague desires to speak at that time, it will be perfectly agreeable to me.

Mr. POINDEXTER. I would not interfere at all with my colleague's announcement. I was not aware that he had made I will defer my observations until the conclusion of his.

At this time I desire to offer an amendment to the bill, and ask the Secretary to read it.

The VICE PRESIDENT. The Secretary will read as requested.

The Secretary. It is proposed to strike out all after the enacting clause and to insert the following:

The NECERTARY. It is proposed to strike out all after the enacting clause and to insert the following:

That the President of the United States is hereby empowered, authorized, and directed to construct, acquire, establish, and equip such system of transportation in the Territory of Alaska, including rail and water transportation on such routes and between such points as in his judgment shall best tend to meet the transportation needs of that Territory and to develop its resources; such system of transportation, and to develop its resources; such system of transportation, road from some available harbor on the south noneaghly equipped rail-road from some available harbor on the south noneaghly equipped rail-road from some available harbor on the south noneaghly equipped rail-road from some available harbor on the south noneaghly equipped rail-road from some available harbor on the south noneaghly equipped rail-road from some available harbor on the south noneaghly equipped rail-road from some available harbor on the south noneaghly equipped rail-road some senger boots as he may determine on the south noneaghly expensively and passenger boots as he may determine on the south noneaghly expensively and the south of the same senger boots as he may determine on the south of the same senger boots as he may determine.

Sec. 2. That the President is further authorized, empowered, and directed to cause to be opened and equipped on the public lands in Alaska reserved as hereinafter provided such coal mines as may be necessary to county with the terms of this act, and to provide for the vided in this act.

Sec. 3. That the President is further empowered, authorized, and directed to operate said transportation system, including railroads and boat lines, and all the accessories thereof, and to operate said coal mines and dispose of the product thereof by means of the agencies of the same president of the provided such points and the same president of the provided such provided in the same provided such provided such provide

ment necessary for the storage, sule, or distribution of coal to consumers.

Any existing railway connecting with any line of railway constructed under this act shall be operated in connection with the new line as a through route with through fares and rates upon a reasonable apportionment of revenues and expenses, to be determined by the President. Sec. 6. That the President or his agents are hereby authorized, for the purposes of this act, to enter into such contracts and to employ such persons as may be necessary, and, consistently with the provisions of sections 10 and 13 of this act, to fix their duties, powers, and compensations: Provided, That the President shall cause to be formulated suitable regulations, consistent with the civil-service law, to govern the selection of persons to be employed by the United States under this act, and he may utilize the services of any Army engineers, experts in the Geological Survey, or in any other Government department.

ment.

Any tools, equipment, or other property belonging to the United States used in constructing the Isthmian Canal, or elsewhere, and no longer needed for such purpose, may be transferred to Alaska and used for the purposes of this act.

The President shall employ a force of inspectors to insure the execution of his orders, rules, and regulations.

Sec. 7. That the construction of plants, as distinguished from the operation thereof, shall be conducted under the immediate direction of the President or of his agents, and upon the completion of such portions of plants as are capable of being operated as units said portions

shall be turned over to, and the operation thereof shall thereafter be conducted by, two services, to be known, respectively, as the Alaska transportation service and the Alaska mining service. The term "plant" as used in this act includes any or all portions of transportation facilities, or coal-distributing stations, extensions thereof, and permanent improvements in connection therewith. The term "transportation service" as used in this act shall refer to the Alaska transportation service; the term "mining service," to the Alaska mining service; and the term "services," fo the transportation and mining services taken together.

Each service shall be in charge of a chief appointed by, removable by, and acting under the direction of the President, and such chief of service shall have no power or duty other than the operation of said service; and the duties of inspection, fixing of wages and prices, and making of general rules and regulations provided for herein shall be in charge of other officials.

The transportation service shall be charged with the duty of operating for all purposes whatsoever all transportation facilities in the manner hereinafter provided.

The mining service shall be charged with the duty of operating for all purposes whatsoever all transportation facilities in the coal mines on lands reserved to the Government and the distributing stations, wherever established, in the manner hereinafter provided.

Sec. 8. That in each service the total debit account for any fiscal year shall comprise all expenditures for operation and maintenance during said year, including payments for lajuries to employees, charges for land, and other expenses with 5 per cent per annum interest thereon plus 5 per cent of the capital investment of said service, together with the depreciation charges for said year and payment for deficit accounts, if any, as specified in section 9; and the total credit account for any fiscal year shall comprise all money chargeable to original plant and extensions thereof up to the clo

at 5 per cent on the remainder thereof, shall be included in the total annual debit account of the appropriate service each year for 20 years thereafter.

Sec. 10. That the President shall fix, and from time to time readjust, the minimum wages and salaries and the maximum prices to be paid or charged by the services. The minimum hourly wage paid any class of labor shall be not less than the average wage paid that class of labor by other employers under conditions equivalent to those prevailing in the respective services; the maximum price charged for any class of transportation shall be not greater than will pay a reasonable net profit on operation and a reasonable interest on the actual physical valuation of the properties involved, the same to be determined by the President; the maximum price charged for coal shall be not greater than will pay a reasonable profit on operations, to be determined by the President, transportation, distribution, and rental value of lands to be included in cost of operation. The President may confer the power of fixing minimum wages and maximum prices upon an agent or agents appointed by him as provided in section 4, but such power shall not be redelegated, and nothing in this act shall be construed as allowing any other person or body to fix said minimum wages or maximum prices.

If, in either service, in any fiscal year the total credit account shall exceed the total debit account, the difference shall be charged to a dividend fund, to be dividend between the operatives in and the purchasers of service or products from said service, the share assigned to the operatives to be determined by the President, but not to be less than one half the dividend fund. The share of the dividend fund assigned to the operatives in any fiscal year shall be distributed among them in such manner that each operative shall receive an amount proportional to the wages or salary previously receivable by him during said year, and the share assigned to the purchasers aforesaid in any fiscal year, and the

said in any iscal year shall be distributed among them in proportion to the sums paid by each of them for service or products during said year.

The operatives in either service for any fiscal year shall comprise all persons who have been employed in said service during any portion of said year, including the chief thereof.

Sec. 11. That the President may in his discretion require that the mining service shall give preference in the sale of its coal output, so far as practicable, to certain classes of consumers in the following order: First, the transportation service; second, the United States Navy and other Government services; third, schools and other public institutions, including municipalities; fourth, domestic users of coal, or ultimate consumers; fifth, bona fide cooperative associations dealing with ultimate consumers; fifth, bona fide cooperative associations dealing with ultimate consumers; sixth, commercial retailers; seventh, whole salers; eighth, manufacturers and all other purchasers.

The term "cooperative association" as used in this act shall mean any association of ultimate consumers, not organized for commercial profit, based upon the following principles: First, each member to have only one vote in all transactions, regardless of the number of shares held; second, the number of shares to be unlimited and the price of a share to be not more than \$10; third, all dividends not appropriated by majority vote of the members for the general purposes of the association to be distributed in proportion to purchases.

Sec. 12. That any coal lands not reserved as provided in section 5 may be leased by the President to private parties for coal-mining purposes, all leases being subject to the conditions imposed in sections 52 to 14 inclusive, and any lease being revocable upon breach of any such condition: Provided, That it is the intent of this act that there shall be an equalization of coal production, as nearly as practicable, between the coal lands developed by the total number of lessees and by the

whatsoever.

The coal land leased to any one lessee shall constitute a contiguous tract, having an area or coal content estimated to be sufficient to form an efficient working unit, but shall not include more than 2,560 acres; no lease shall run for more than 50 years; no coal land shall be sublessed nor in any way whatsoever used for speculative purposes, and if any of the lands or deposits leased under the provisions of this act shall be sublessed, trusteed, possessed, or controlled by any device permanently, temporarily, directly, indirectly, tacitly, or in any manner

whatsoever so that they form part of or in any way effect any combination or are in any wise controlled by any combination in the form of an unlawful trust, or form the subject of any contract or conspiracy in restraint of trade in the mining or selling of coal, or of any holding of such lands by any individual, partnership, association, corporation, or control, in excess of 2,560 acres in the Territory of Alaska, the lease thereof shall be canceled, and said individual, partnership, association, or corporation shall forfeit the right thereafter of obtaining lands under lease under the provisions of this act.

The term "lessee" as used in this act shall refer to any person, firm, or corporation representing a single, independent interest, to whom coal land is leased under the provisions of this act.

All coal land leased to private parties shall be at such uniform charge per acre per annum as to be sufficient only to render unprofitable the holding of such land without production, said charge to be fixed and from time to time readjusted by the President, and an equivalent charge per acre per annum shall be collected from the mining service, the receipts from all such charges to be paid into the school and road fund of the Territory of Alaska, to be expended under the direction of the legislature.

SEC. 13. That all enterprises provided for in this act shall be governed by further provisions as stated in this section. The term "enterprise" as used in this act shall include any and all railroad construction or operation, coal mining, and all other work and activities whatsoever carried on by authority of this act by or under the President, either service, or any lessee.

The hours of labor of all persons employed in any enterprise shall not exceed 48 per week, save in emergencies wherein life or property is in imminent danger.

No lessee shall adopt a scale of hourly wages lower than the minimum wage scale fixed by the President for the mining service as provided in section 10.

The wages or salaries of all perso

No person under the age of 16 years shall be employed for any purpose whatsoever in any enterprise herein provided for.

The relation of the mining service to the transportation service as a shipper shall be identical with that of any other shipper; and the relation of the transportation service to the mining service as a purchaser of coal shall be, except as to the preference given in section 11, identical with that of any other purchaser.

SEC. 14. That the President shall make all necessary rules and regulations—

SEC. 14. That the President shall make all necessary rules and regulations—
To insure the safety of operatives employed in the enterprises provided for in this act.

To insure the safety of passengers in the transportation service.
To provide for detailed reports upon all accidents or occupational diseases occurring in any enterprise.

To provide for just and reasonable compensation to all operatives in any enterprise or to their dependents, who may be injured or killed or who may contract any occupational disease in the course of their work.

To provide a system of insurance of operatives employed in all enterprises under this act in cases of sickness, injury, or death, and for this purpose the employees of all lessees, or of all enterprises taken together, may be included in any single system of insurance.

To provide for an adequate system of sanitation, housing, and general living conditions for the operatives engaged in any enterprise under this act.

under this act.

To prevent unnecessary waste of coal in mining by the mining service by any lessee. To prevent any adulteration whatsoever of coal sold by the mining

service or any lessee.

To permit bona fide settlers actually residing on the land to coal from deposits in such land for domestic purposes only with

coal from deposits in such land for domestic purposes only without charge.

To provide for suitable and just fines to be imposed upon elither service or any lessee as penalties for specific breaches of rules or conditions of lease.

To provide for the sale of any surplus water or electric power egiving preference to ultimate consumers or municipalities) developed in connection with the operations of either service.

To carry out and enforce the provisions and ultimate purpose of this act, said purpose being to provide transportation service and coal at the lowest price consistent with the maintenance of the welfare of all operatives at a high level, the stimulation of efficient service, and the maximum and at the same time most economical utilization of the fuel and other natural resources of Alaska.

The President, in performing his duties under this act, may consult with and consider suggestions from any coal-land lessee, any advisory board, association, or body representing the citizens of any community in Alaska, the operatives in either service, or of any lessee or any other assemblage of persons affected by the aforesaid rules, regulations, or policies.

in Alaska, the operatives in either service, or of any lessee or any other assemblage of persons affected by the aforesaid rules, regulations, or policies.

SEC 15. That the President of the United States, or the Secretary of the Treasury upon the order of the President, is hereby authorized to borrow, on the credit of the United States, from time to time, as the proceeds may be required to defray expenditures authorized by this act (such proceeds when received to be used only for the purpose of meeting such expenditure), the sum of \$50,000,000, or so much thereof as may be necessary, and to prepare and issue therefor coupon or registered bonds of the United States in such form as he may prescribe and in denominations of \$20 to the extent that such denomination may be desired by purchasers, or any multiple of that sum, redeemable in gold coin at the pleasure of the United States after 10 years from the date of their issue, and payable 50 years from such date, and bearing interest, payable quarterly in gold coin, at a rate not exceeding 3 per cent per annum; and the bonds herein authorized shall be exempt from all taxes or duties of the United States, as well as from taxation in any form by or under State, municipal, or local authority: Provided, That said bonds may be disposed of by the Secretary of the Treasury at not less than par under such regulations as he may prescribe, giving to all the citizens of the United States an equal opportunity to subscribe therefor, but no commissions shall be allowed or paid thereon, and a sum not exceeding one-tenth of 1 per cent of the amount of the bonds herein authorized is hereby appropriated out of any money in the Treasury, not otherwise appropriated, to pay the expense of preparing advertising, and issuing the same: Provided further, That for the purpose of carrying out the provisions of this act there is hereby appropriated, sum of \$1,000,000, to be used and expended as required under and

according to the provisions of this act, and to continue available until expended, but the said sum of \$1,000,000 shall be reimbursed to the Treasury out of the first proceeds of the sale of said bonds.

SEC. 16. That there is hereby created a redemption fund in the United States Treasury to be known as the "Alaska utilities redemption fund," into which shall be paid in each fiscal year, by each service hereinbefore created, 5 per cent of the capital investment of said service; and the said redemption fund, or any part thereof, may be used from time to time, upon the order of the President, to pay the interest on the bonds authorized and issued under the provisions of this act and to redeem, cancel, and retire said bonds under such rules and regulations as the President may establish.

SEC. 17. That all acts or parts of acts inconsistent with the provisions of this act are hereby repealed.

The VICE PRESIDENT. What disposition does the Senator

wish made of the amendment? Mr. POINDEXTER. I will ask to have it lie on the table. Since I have offered it as an amendment, if it is within the

rules to have it referred to the committee, which I we derstand is to have a session on to-morrow, I should like to have that done

The VICE PRESIDENT. It is within the rules. Two amendments have been already referred to the committee.

Mr. POINDEXTER. I should like to have that action taken,

then.

The VICE PRESIDENT. The amendment will be referred to the Committee on Territories.

Mr. POINDEXTER. In order that there may not be any misunderstanding on the part of the friends of the bill in regard to this amendment, or in regard to my attitude on the bill, I desire to state at this time that I am in favor of this bill if it is all that can be obtained at this time for Alaska. In case the bill is passed, I think it will be absolutely necessary that other legislation shall be enacted in order to make a complete system.

The amendment I have offered contains a provision for the connection of the railroad which is proposed for Alaska by a line of ships with the United States, which I think is absolutely necessary to make valuable, for the purposes for which it is intended, the railroad in Alaska. It also contains a provision for the development of coal lands in Alaska by the Government. I think that those three enterprises, the railroads, the line of ships, and coal mines furnishing material for transportion and solving the coal question, are essential parts of what ought to be one complete system.

The amendment which I have offered and upon which I will speak on Monday also contains provisions which are entirely absent from the pending bill, provisions directing the manner in which the work of construction shall be conducted, establishing the relation between the United States and its employees, and directing the manner of operating the railroad after it shall have been constructed. All these things, it seems to me, are proper subjects for disposition while the pending measure is before the Senate.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the Speaker of the House had signed the enrolled joint resolution (S. J. Res. 5) providing for the appointment of a commission to consider the need and report a plan for national aid to vocational education, and it was thereupon signed by the Vice President.

RAILROADS IN ALASKA.

The VICE PRESIDENT. The morning hour having expired, the Chair lays before the Senate the unfinished business, which is Senate bill 48.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes.

Mr. CHAMBERLAIN. I understand that no Senator is ready to address himself to the bill now, and I ask that the

unfinished business be temporarily laid aside.

The VICE PRESIDENT. That action will be taken without objection.

Mr. SMITH of Georgia. Mr. President, there is no other matter, so far as I know, ready for the action of the Senate. Quite a number of Senators are engaged on committees that are necessarily in session preparing matters for the Senate. Unless some Senator knows a reason to the contrary, I shall now move that the Senate adjourn.

The VICE PRESIDENT. The Senator from Georgia moves that the Senate do now adjourn.

The motion was agreed to, and (at 2 o'clock and 2 minutes p. m.) the Senate adjourned until to-morrow, Saturday, January 17, 1914, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

FRIDAY, January 16, 1914.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the fol-

lowing prayer:

O Lord God Almighty, maker of the heavens and the earth, of Lord God Almignty, maker of the neavens and the earth, through whose gracious providence we live and move and have our being, consider, we beseech Thee, our frailties, the folibles of our nature, the temptations to which we are constantly subjected, and have mercy upon us. Strengthen us by Thy might for all the duties of life, and guide us by the light of Thy wisdom, that we may fulfill Thy desires, have the approving conscience, and enter into the joy of the faithfu! now and always. In the spirit of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

RESIGNATION FROM A COMMITTEE.

The SPEAKER laid before the House the following communication:

JANUARY 16, 1914.

Hon. CHAMP CLARK, Speaker House of Representatives, Washington, D. C.

Mx Dear Mr. Speaker: The duties of my other committee assignments are such I do not feel that I can give the attention to the work of the Committee on Claims its importance demands, and I hereby tender my resignation as a member of the Committee on Claims, to take effect immediately.

Sincerely, yours,

DUDLEY M. HUGHES

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

BOARD OF TRUSTEES, COLUMBIA HOSPITAL.

The SPEAKER. The Chair reappoints Mr. Samuel W. Smith, of Michigan, and Mr. Martin D. Foster, of Elinois, to succeed themselves as members of the board of trustees of Columbia Hospital.

BILLS ON THE PRIVATE CALENDAR.

The SPEAKER. This is the day devoted to the consideration of bills on the Private Calendar. The Chair will recognize the gentleman from Missouri [Mr. Russell].

Mr. RUSSELL. Mr. Speaker, this is not pension day, but is the day devoted to the consideration of other bills on the Private Calendar. There are some bills on the Private Calendar. and there is one pension bill which I expect to call up on Friday

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Tulley, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 2560. An act authorizing the Secretary of War to donate to the Grand Army of the Republic, Post No. 45, of Smith Center, Kans., three cannon or fieldpieces; and

S. 3206. An act for the protection of the water supply of the city of Baker, a municipal corporation of the State of Oregon.

SENATE BILLS REFERRED.

Under clause 2 of Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 3206. An act for the protection of the water supply of the city of Baker, a municipal corporation of the State of Oregon;

to the Committee on the Public Lands.

S. 2560. An act authorizing the Secretary of War to donate to the Grand Army of the Republic, Post No. 45, of Smith Center, Kans., three cannon or fieldpieces; to the Committee on Military Affairs.

POST OFFICE APPROPRIATION RILL.

Mr. COX. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11338, the Post Office appropriation bill.

Mr. MILLER. Mr. Speaker, a parliamentary inquiry.
The SPEAKER. The gentleman will state it.
Mr. MILLER. Mr. Speaker, how long since the House has had a private bill day?

The SPEAKER. The House had a private bill day on the

last preceding regular Friday.

Mr. SIMS. It was just before the holiday recess.
Mr. MILLER. Mr. Speaker, if this motion prevails, the next regular day will be two weeks from to-day?

The SPEAKER. Two weeks from to-day.

Mr. MILLER. There are only four bills on the Private Calendar to-day. Could we not have them disposed of in a few minutes?

Mr. FITZGERALD. Mr. Speaker, debate is not in order.

The SPEAKER. The question is on the motion of the gentleman from Indiana [Mr. Cox] that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the Post Office appropriation

Mr. MONDELL rose.

The SPEAKER. For what purpose does the gentleman rise? Mr. MONDELL. Mr. Speaker, I desire to emphasize the suggestion of the gentleman from Minnesota-

Mr. FITZGERALD. Mr. Speaker, I demand the regular

The SPEAKER. No one moved to go into the Committee of the Whole House for the consideration of bills on the Private Calendar, and the question now is on the motion of the gentleman from Indiana, that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the Post Office appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the Post Office appropriation bill, with Mr. HAY in the chair.

Mr. BRYAN. Mr. Chairman, before we proceed to the consideration of the Post Office appropriation bill, may I be permitted to occupy the time of the committee for a moment for the purpose of making a statement. I have been requested to announce to the Members of the House that there is on the first floor of the Senate Office Building an Alaska exhibit, which each and every Member of the House is especially requested to inspect. It is an exhibit of the resources-agricultural, mineral, and otherwise—of the Territory of Alaska.

Mr. COX. Mr. Chairman, in the absence of the chairman of

the committee, the gentleman from Tennessee [Mr. Moon], by agreement between himself and myself, I desire to announce

that I shall occupy 40 minutes of time.

The CHAIRMAN. The gentleman from Indiana is recog-

nized for 40 minutes.

Mr. COX. Mr. Chairman, I crave the indulgence of the committee a few moments. I shall follow the admonition of my friend from Tennessee [Mr. Austin] and endeavor to confine my remarks strictly to the bill under consideration. I had thought of addressing myself exclusively to section 8 of the bill, which proposes to give to the Postmaster General \$200,000 out of an appropriation of \$5,000,000 to enable him to buy and enter into contracts with railroads to operate Governmentowned railway postal cars.

The question of pay to the railroads for hauling the mail is a long-continued, vexatious question, and is as ripe to-day as it was 50 years ago, and will continue to be an unsettled question until it is settled right, but in view of the remarks made yesterday in the desperate assault upon section 6 of the bill, and I imagine others to follow, I desire to add a few words to what our splendid chairman so admirably said yesterday in defense

of this section of the bill.

The section proposes to take assistant postmasters out of the civil service and make them appointive, as they were prior to the Executive order i-ened by ex-President Taft on September

First, I desire to outline my position in this particular; I am a partisan and plead guilty to the charge, and I would not be anything else. Every Member of this House is a partisan; I care not whether he sails under the banner of the Republican or Progressive Party, Independent or Democratic Party, he is a partisan nevertheless; otherwise he would not be in Congress. I deplore the time if it should ever come in this country when we should not have two parties. In my judgment it is the only safeguard of the rights and liberties of the American people to have in this country two strong, fighting, virile parties, ever struggling for supremacy for the policies for which they stand. But I can be a partisan and at the same time not a spoilsman in its wide, broad, and universal scope, and while I am in favor of this section of the bill known as section 6, I believe I have reason for the faith that is within me, and that I am able to explain the reason why I think it ought to become a law—at least I am able to explain it to my own satisfaction—and in standing for it I decline to be classified as an absolute spoilsman. We have had in this country a "pretended" civil service for the last 30 years or more. I call it "pretended" civil service because that is all it is, all it ever was, and all it ever will be until the Civil Service Commission amends its rules and

regulations in regard to certifying eligibles who have passed a civil-service examination. Talk to me about merit system all We do not have merit system under civil service, never have had, and never will have until the rules and regulations of the commission are amended so as to make it strictly a merit system. The trouble with the civil-service system as it is administered to-day, in my judgment, is that you give a leeway for any and all persons and parties to play "football" with it, and the Republican Party for 16 years has played "football with it under the leeway. If the rules and regulations of the civil service were so amended that the commission would only certify the person making the highest grade to the department for appointment, then you would have an actual meritorious civil-service law, but until you amend the rules and regulations, only allowing one person to be certified to the eligible list, you will continue to play "football" with it, until you reach the point when it will be stopped by certifying the one who has honestly and meritoriously won by a competitive examination.

The majority report says that the purpose of this measure is to return to the spoils system. I deny that statement in their report. The criticism we have against it is this: The "blanket orders" issued by the President heretofore in covering men and women into the civil service without holding a written competitive examination, where brain power, and brain power alone, should be the supreme test of ability to win. I am not quarreling nor will I quarrel with President Taft, who, I be-lieve, holds the record for "blanketing" more people into the civil service than any President who ever administered the law since we have had a civil service law in this country. of his Executive orders whereby he turned employees into the civil service were right, in my judgment-for instance, the men in the employ of the navy yard and quartermasters' dearsenals, and various other institutions. It would be a difficult task to frame up a written competitive examination for employees to win on the merit system in this kind of work. These employees achieved their ability by constant and continued energy at work with their anvils, hammers, and saws, until they become not only efficient but proficient. With that class of men, where the President has turned them into the civil service by Executive order, I believe he did right. Nor do I have any quarrel to make with the Presidents of the past in the administration of the law, where in a few instances they have issued Executive orders turning a few individuals into the civil service. I had occasion two years ago to investigate the number turned in by President Roosevelt and President Taft, and found the number to be very small-I think less than 20-and if I remember correctly, every one of them except one had been at one time in the civil service, so with special Executive orders issued by Presidents of the past turning people into the civil service I have no criticism to offer whatever. But when we come down to purely clerical positions we reach a totally different proposition, where, in my judgment, ability, intelligence, learning, and education should be the test of fitness. On September 30, 1910, President Taft by an Executive order turned into the civil service approximately 2,400 assistant postmasters. Of these 2,400 assistant postmasters less than 500 of them had ever been subjected to or had ever stood a written competitive examination.

The remainder of them, 1,900 in number, had beyond doubt been appointed to their respective positions solely and exclusively because of their peculiar fitness politically. these Executive orders that the Committee on the Post Office and Post Roads undertakes to lift them out of civil service, and hopes that later the President of the United States will hold a written competitive examination for the purpose of filling these places with men under the merit system. Judge Moon yesterday covered the whole field along this line, showing that men have been turned by hundreds, aye, by thousands, into the civil service by Executive order without holding any competitive examination with the view of determining their mental qualifications to fill the position. Instead of the civil-service law being faithfully administered in the past, the service has been polluted; it has been destroyed; it has been dragged into the mire of political campaigns ever since the law was written on the statute books, and will continue so to be until that condition is remedied by requiring the Civil Service Commission to certify only the one making the highest rating.

Mr. CAMPBELL. Mr. Chairman, will the gentleman yield

for a question?

The CHAIRMAN. Does the gentleman yield?

Mr. COX.

Mr. COX. For a question solely.

Mr. CAMPBELL. The gentleman has made the statement that the civil-service law has been violated continually since its Will the gentleman specify in what manner it has enactment. been so violated?

I will take pleasure in answering that before I close. Mr. FOSTER. Mr. Chairman, will the gentleman from Indiana yield?

The CHAIRMAN. Does the gentleman yield?

Mr. COX. I can not yield for a speech.

Mr. FOSTER. No; I just wanted to state that where the civil-service law has been violated has been in the appointment of these local examiners, where it is provided that they shall be nonpartisan and where they have been made partisan.

Mr. COX. Mr. Chairman, reading from the civil-service law

itself, it provides as follows:

Second. And, among other things, said rules shall provide and declare, as nearly as the conditions of good administration will warrant, as follows: First, for open, competitive examinations for testing the fitness of applicants for the public service now classified or to be classified hereunder. Such examinations shall be practical in their character, and so far as may be relate to those matters that will fairly test the relative capacity and fitness of the persons examined to discharge the duties of the service into which they seek to be appointed.

Now, that is the law itself. The law plainly provides there shall be an open competitive examination for testing the fitness of applicants for the public service now classified or to be classified hereafter. I ask you, gentlemen, whether or not the law was fulfilled and complied with when President Taft, on the 30th day of September, 1910, turned upward of 1,900 assistant postmasters into the civil service without holding any competitive examination with the view of testing their efficiency or

Mr. HAMILTON of Michigan. Mr. Chairman, will the gen-

tleman yield for a question?
The CHAIRMAN. Does the gentleman yield?

Mr. COX. I will yield for a question.

Mr. HAMILTON of Michigan. I wanted to ask the gentleman whether he and the President agree as to the advisability

of uncovering assistant postmasters?

Mr. COX. I am in thorough accord with the President of the United States on this subject. I am sure when he revoked the order of 1912 issued by President Taft, whereby upward of 50,000 postmasters were turned into the civil service by an Executive order, without any competitive examination, that even you approved of President Wilson's order, and I am equally sure that you did not approve of President Taft's Executive order when he turned this vast army of fourth-class postmasters into the civil service without any pretended examination whatever. President Wilson's order requires a written competitive examination in all fourth-class offices where the salary is in excess of \$180 per year. This is the merit system; it is the ability system; it is the brain-power system that should ever characterize the civil-service system. This system of "blanketing" these men into civil service without a competitive examination was and truly is the "spoils system"—no merit about it-and this is exactly what I hope will happen after this bill becomes a law: That the President will require a written competitive examination and that these places will be filled by men earning them at the end of a rigid competitive examination.

Mr. SWITZER rose.

Mr. HAMILTON of Michigan. But I understand from the newspaper statements-

The CHAIRMAN. To whom does the gentleman yield?

Mr. COX. I will yield first to the gentleman from Michigan. Mr. HAMILTON of Michigan. I understand from the newspaper statement that the President did not approve of the policy of uncovering the assistant postmasters. I assumed that the gentleman from Indiana might know-might have accurate

information in the premises

Mr. COX. I have not consulted the President on that subject nor has he consulted me; but, judging the future by the past, his past record is a signboard to me as to what he will do in the future, if this bill becomes a law, and if he does the same thing as to assistant postmasters that he did as to fourthclass postmasters-hold a written competitive examination and let merit win-I assure you the people of the country, without regard to party, will absolutely approve of it. Now, I will yield to the gentleman from Ohio.

Mr. SWITZER. Is it not quite clear as to what the Presi-

dent is going to do?

Mr. COX. I do not know anything about it. I have not con-

sulted him.

Mr. SWITZER. I want to ask what will be the method in Ohio, for instance, of having an examination of these fourth-class postmasters? Will the applicant who passes the highest in the examination be appointed?

Mr. COX. I do not know what will be the rule in Ohio, but

I can answer the gentleman as to the third congressional district

of Indiana, if he wants that.

Mr. SWITZER. I should like to know about Ohio. I am interested in that.

Mr. COX. I am not from Ohio and do not know anything about your conditions out there.

Mr. SWITZER. How will you do in Indiana?

Mr. COX. Exactly as you have played politics and "foot-ball" with the civil-service law for 16 years; I propose to turn the tables on you and do exactly as you have done; and, so far as your State is concerned, I take it that if a Democrat gets on the eligible register there will be enough warm Democratic blood in the Members of this House from the State of Ohio to see to it that Democrats are appointed.

Mr. SWITZER. Then you are not going according to the

civil-service policy?

Mr. COX. Yes; we are. We will be administering it exactly as the civil-service policy was administered by you and your party ever since you have been in power, and that is, see to it that every time a Democrat wins out in the written competitive examination, if he goes on the eligible register, see to it that he gets the position.

Mr. LLOYD. I am not sure that I understand the gentleman from Indiana. Is it the gentleman's idea that if the provision in this bill becomes a law there would then be a competitive

examination, or an examination of any kind?

Mr. COX. That would be my wish. Mr. LLOYD. But that is not the law.

Mr. COX. That is not the proposed law, but the civil-service law is at all times under the control of the President and he can call a written competitive examination at any time he wants it

Mr. LLOYD. The proposed law takes it out from under civil service.

Mr. COX. Yes; the President could immediately call for a civil-service examination and require applicants for assistant postmaster to stand it, even though we except them from it.

Mr. LLOYD. The President might have the power to do it. but he would not do it when the expressed will of Congress was the other way.

Mr. COX. I do not know what he would do. I wish he would do it. I would like to see them exempted from civil I would like to see them exempted from civil service, and then as soon as they are exempted would like to see the President call a competitive examination where brain power

and brain power alone would be the test of ability.

Mr. LLOYD. The President of the United States has the power to do that now, just as he did with the fourth-class post-

masters.

Mr. COX. Probably that is true.

Mr. LLOYD. With the law as it is now and the President having that power, but not exercising it, would you expect him to exercise it when the Congress of the United States took them out from under the civil-service law?

Mr. COX. I do not know what he would do. gentleman frankly. I can only express my wish. I hope, if this bill becomes a law, it will serve notice on the President of the will and wish of Congress to exempt assistant post-masters from the present provision of the civil-service law, and this will give him an opportunity to immediately call a written competitive examination and put them back into civil service

Mr. CRAMTON. I understand from a recent statement you have made that you expressly admit that your party-the Democratic Party-is to-day playing football with the civil service under the present rules.

Mr. COX. I did not expressly admit it. I said you had done it, and you know you have, or your party has, at least; every other man, woman, and child that knows anything about politi-

cal conditions of this country know this to be true.

Mr. CRAMTON. And you said that all parties would? Mr. COX. You can not expect anything else in return but retaliation from us.

Mr. CRAMTON. And that all parties would continue to do it under the present rules.

Until you amend the rules and regulations this condition will go on. That is exactly what you have done ever since you have been in power, and is exactly what every other party is going to do as long as the present rules and regulations of the civil service continue to exist as they now are.

Mr. CRAMTON. And thereby you have admitted that your party is to-day playing football with the civil service?

Mr. COX. This is exactly what you have done with the civil-service law for the last 16 years, and you know it to be true, and you can not blame the Democratic Party for retaliating in self-defense.

Mr. CRAMTON. Never mind your reason; but you admit

you are doing it.

Mr. COX. Whether you call it playing football or not, by your own example you have set the pace, and if we turn the trick on you, you should not blame us. I am a partisan; of course I am, and frankly state to you that if a Democrat gets on the eligible register for fourth-class postmaster he is going to get the appointment if I can aid him in so doing.

Mr. CAMPBELL. Will the gentleman yield?

Mr. COX. I will yield for a question. Mr. CAMPBELL. Suppose a Republican should have a higher grade than a Democrat for the same office, then what would

you do

Mr. COX. Ah, I have had to go up against that ever since I have been in Congress, I am sorry to say, where Democrats in my district who had taken rural-route examinations and were several points the highest in the grade. I have gone down to the Post Office Department and tried to get them to appoint the Democrat, but was told that some Republican referee in the State of Indiana, after both Republican United States Senators were defeated, had to be consulted, and their orders had to be obeyed; and the result was time and again that Democrats failed to get the position, although holding the highest grade.

Mr. CAMPBELL. They may have done that in Indiana, but
I know congressional district in Kansas—

Mr. COX. If you have any questions, I will answer them.
Mr. CAMPBELL. I know a congressional district in Kansas
where rural carriers and fourth-class postmasters are appointed

in accordance with their standing in the examinations.

Mr. HAMILTON of Michigan. I wish the gentleman from Indiana would not make the statement quite so sweeping, be-

cause I want to testify a little.

Mr. COX. I am only yielding for a question now.

Mr. HAMILTON of Michigan. All right. I do not know
whether I can put it in the form of a question, but I want to say to the gentleman that in the matter of rural carriers in the fourth district of Michigan there are many Democrats hold-ing those places. Within my observation and experience the Civil Service Commission has been absolutely fair.

Mr. COX. I am not quarreling with the Civil Service Commission. I imagine, so far as the examining of the papers are concerned, it is fair; but you have had an underground tunnel, a subterranean passage, whereby in some way or manner the Democrats in my part of the country have had no show on earth; and this became so obnoxious out in Indiana several years ago that bright, active, intelligent young men—Democrats—flatly refused to go forward and stand examinations.

Mr. CRAMTON. Will the gentleman yield?

Mr. COX. For a brief question.

Mr. CRAMTON. I have heard much from the gentleman on the lines of economy; may I ask him whether the reexistence of the spoils system will lead to economy in that regard?

Mr. COX. I do not think it will affect it one way or the other.

Mr. SIMS. Will the gentleman from Indiana yield?
Mr. COX. I will, for a question.
Mr. SIMS. Does the gentleman deem the evasion of the civilservice law by the Republicans a justification for us to do what

That is a matter for each individual to answer according to his own conscience. [Laughter.] Now, in response to queries from gentlemen on the Republican side, let me give you an instance as to how you have played football in the past with public offices. I had a Republican friend two years ago who wanted to be reappointed postmaster in my district, and, being a member of the Committee on the Post Office and Post Roads, I thought I might give him some little influence with Postmaster General Hitchcock. I called upon the General, and was told by him that the little post office in a little town of about 2,500 was on the auction block and that if the postmaster could deliver, the delegates to the district meeting that would select the delegates to attend the national convention he could receive the appointment. I informed my friend by letter, and he carried out my orders to a certain point, but failed to carry them out to the final conclusion, and the result was that he did not get that post office.

Mr. SWITZER. What was the highest bid?

Mr. COX. The bid was for the nomination of the Republican

President in 1912.

A MEMBER. Who told you that?

Mr. COX. Mr. Hitchcock.

Talk about the merit system; you men on that side of the House have evolved an entirely new definition for the word "merit," I went out yesterday and looked up the definition of | cloak and a cover and that is about all it is for any party in

"merit," according to the new Standard Dictionary, and it is defined as follows:

Merit: The state of fact deserving, either in a favorable or unfavorable sense; desert; as used absolutely, the state or fact of deserving well; excellence, worth, as, he is a man of merit. Reward or recompense deserved or received; specifically in some school systems, a mark or award of excellence.

You have not followed that definition at all in the past; you have evolved and manufactured a new definition of the merit system which has been a political merit system. By a political pull it has found its way into the appointment of civil-service employees so that you have filled practically every department with Republican employees at home and abroad, the exceptions being, indeed, very few. You have paid no attention to merit, ability, intelligence, education. These things were wholly unknown to you in your appointments. You were governed solely and exclusively by the political rule of political expediency; you have applied this test faithfully; have never faltered or fallen by the side along this line. Out of 1,900 rural route carriers in the State of Indiana to-day I assert it to be a true fact, for I have investigated it, that less than 5 per cent of this 1,900 rural route carriers are Democrats; the remainder were Republicans when appointed and are Republicans to-day, and were it not for encumbering the RECORD I would place in it a volume of correspondence from 82 of the 92 counties in my State conclusively showing this condition to be true.

Mr. CAMPBELL. Will the gentleman yield?

Mr. COX. For a question only.

Mr. CAMPBELL. Is it not true that the postmaster to whom the gentleman referred a moment ago as having not been retained was not under the civil service?

Mr. COX. He was not.

Mr. CAMPBELL. Then there was no pretense that the civil-service law was violated in that case?

I gave that instance in response to what the gentleman from Michigan said. I wanted to show that you are play "football" with the men who are under civil service, and playing football with the men who are not under civil service.

Mr. CAMPBELL. Then, why mention an instance of a man

who is not under civil service?

Mr. COX. It is an undisputed fact that Mr. Taft could never have gotten the nomination at Chicago if it had not been for the Republican officeholders. If it had not been for this method of selecting delegates you know it would have been impossible to have nominated him, and if you would take advantage of officeholders not in the civil service it is fair to assume that you would take advantage of the civil service to get your partisans appointed.

Mr. FESS. Mr. Chairman, will the gentieman yield?
Mr. COX. For a question.
Mr. FESS. Is the gentleman opposed to the merit system or the manner in which it is administered?

Mr. COX. I am opposed to the manner in which it has been administered by your party.
Mr. FESS. Can it be administered differently?

Mr. FESS. Can it be Mr. COX. It can be.

Mr. FESS. Is the gentleman afraid that his party can not

administer it that way, or why is he opposing it now?

Mr. COX. I am not afraid one way or the other. I tried to make myself plain on the proposition, that if you would get the Civil Service Commission to amend its rules and regulations so as to certify the person who has won the examination in open and fair competition, then you would get a merit system; but you will never have it until you do.

Mr. FESS. Does the gentleman mean that we can not get that regulation and that we must repeal the system?

Mr. COX. I do not know whether we can get it or not, we did not have it under the regime of the Republicans during 16 years. True downright merit was unknown during your rule and reign of supremacy in this country; political merit was the only thing you recognized.

Mr. FESS. Is not the gentleman's remedy worse than the

disease? Mr. COX. No; it is not. My remedy is the only remedy for the disease

Mr. BOWDLE. Mr. Chairman, will the gentleman yield?

Mr. COX. For a question.

Mr. BOWDLE. Assuming we have a civil-service law that has been worked by the Republicans for many years, and that may be worked by the Democrats for a good many years, will the gentleman please tell us in terms of simple English what is the value of the law in his judgment?

Mr. COX. That is a pretty hard question to answer. It is a

power. There is no use to dodge the question; we had just as well be honest with each other and honest with the country.

Mr. BOWDLE. Does the gentleman believe that the law is of no value?

Mr. COX. The way it has been administered in the past by the Republican Party I do not believe it is of any value whatever except to the party in power.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. COX. For a question.

Mr. FESS. In view of the question that my colleague from Ohio [Mr. Bewple] asked, and the manner in which the gentleman from Indiana answered it, does he mean that a civil-

service regulation can not be administered?

Mr. COX. No: I do not mean that. I believe it can be administered, but I doubt that it will ever be administered fairly unless its rules and regulations be changed as I have stated. How many rural-route carriers in the gentleman's district are Democratic? How many fourth-class postmasters in the gentleman's district are Democratic? I dare say less than 5 per cent of them. I was in the gentleman's district for three months two years ago, and I know something about it. stantially the same conditions existing in his district as exist in mine in the State of Indiana, and that is every job under civil service filled by a Republican. Will you contend for a moment that the Republican Party in your district represents all the brain power in it? Can not a Democrat be found who is able to win out on a written competitive examination for a rural-route carrier's job? It may be that a few rural-route carriers in your district are Democrats, but I dare say very few of them.

Mr. FESS. Will the gentleman yield to another question?

Mr. COX. Certainly.

Did the gentleman come to my district to find Mr. FESS.

out how many?

Mr. COX. Oh, no; I was there on totally different business, but while there took occasion to investigate some of the political conditions in your district, and found the same conditions there that exist in the State of Indiana.

Mr. FESS. Do I understand that it does not matter what the regulation, the gentleman is opposed to civil service on the

merit system?

Mr. COX. No; I am opposed to the way in which you have

administered it, or your party rather.

Mr. FESS. Then why does the gentleman not endeavor to administer it differently?

Mr. COX. Because partisans will administer it in a partisan If the gentleman from Ohio can rise above his partisanship, then he is the greatest man on the floor of this House.

Mr. FESS. Does the gentleman mean that the Democratic administration can not administer the civil-service merit system?

I do not mean to say it can not, but I mean to Mr. COX. say this, for the third and last time that I am going to say it, that if I have any control or any voice in the selection of persons to fill positions in my district where a competitive examination has been held, that if a Democrat gets on the eligible register he is going to get the appointment.

Mr. FESS. I thank the gentleman for his frank statement.

Mr. BOWDLE. Is it not true that what the gentleman is really saying to the House, by implication at least if not directly, is that the only way the civil-service law of the United States can be prevented from being a monumental farce is by raising

the ethical condition of the people of this Nation?

Mr. COX. The gentleman is absolutely correct in that. Mr. BOWDLE. That is the nub of this whole situation; and may I ask the gentleman whether he has any ways or means to suggest to the House for a way of accomplishing that thing?

Mr. COX. None on earth, unless some of the brethren on the opposite side of this aisle, who are now railing against the proposed enactment of section 6 of this bill, will agree to devote the remainder of their lives to raising the ethical standards in I know of no other way whereby it can be done.

Mr. CRAMTON. Does not the gentleman think that the Democratic postmasters can raise the ethical conditions of the

Mr. HAMILTON of Michigan. Let him start on the Demo-

Mr. COX. I do not have to start on the Democratic side right now. The ethical standard of the Democrats on our side of the Chamber is at least on a par, if not superior, to the standard of the men on the other side of the aisle. Now, this bill only proposes to exempt assistant postmasters from the provision of the civil service. I am for it because the nineteen hundred and some odd assistant postmasters never won their positions upon the merit basis, but, on the other hand, won their present posi-

tions solely by means of political pulls, and were political appointees pure and simple, and appointed solely for the purpose of awarding political merit; no other consideration entered into their appointment whatever, and I am not quarreling about this. I am not quarreling because they were appointed to reward them for partisan work. I would like to see them taken out of civil service, and then see a written competitive examination held with an amendment of the rules and regulations of the civil service so as to give to the one making the highest grade the position, and require the commission to so certify one name, and one name alone, and require the department to appoint the one to the position who was certified by the commission.

Mr. HAMILTON of Michigan. Will the gentleman yield to me

for a question?

Mr. COX. For one question.

Mr. HAMILTON of Michigan. For one question. Now, I understand the gentleman would be in favor, is in favor, of applying the principle which he has just expressed to fourthclass postmasters under this administration?

Mr. COX. Yes; as outlined by the President in his Executive

order last spring relating to fourth-class post offices

Mr. HAMILTON of Michigan. He would have all the fourthclass postmasters examined and the man who stands the highest,

he thinks, should be appointed.

Mr. COX. If I had my way about it I would like to see the Civil Service Commission amend its rules and regulations so as to only certify one eligible, and then let the one making the highest grade receive the appointment. I would give no leeway to any Member of Congress, postmasters, or any post-office inspector any right to designate who should be appointed to fill the place, but leave it absolutely up to the applicant who made the highest grade.

Mr. HAMILTON of Michigan. Let me suggest to the gentle-

I can not yield any more.

Mr. HAMILTON of Michigan. The gentleman knows at small places there is frequently only one store, and that facilities for conducting a post office are very meager.

Mr. COX. Oh, yes; I know that. But you have them all: some way you have found the man at the crossroads, and he is always a Republican. You are doing nothing except "singing the song of the dying swan."

Mr. HAMILTON of Michigan. No; we are alive and we are

getting better.

Mr. COX. I hope you will; there is room for improvement. Mr. SAMUEL W. SMITH. Will the gentleman yield?

Mr. COX. For a question.

Mr. SAMUEL W. SMITH. The gentleman spoke of the fact that so many Republicans are rural carriers. arise from the fact that they were appointed by the Republicans before they were put in the classified service?

Mr. COX. No.

Mr. SAMUEL W. SMITH. It certainly does.

Mr. COX. Not in my State; I do not know what pertains in the gentleman's State.

Mr. SAMUEL W. SMITH. All over the Union.

Mr. COX. I say it does not as far as Indiana is concerned. and I know what I am talking about. I know how the matter has been conducted in Indiana, and every other citizen of Indiana knows, be he Republican or Democrat. I have seen schoolteachers in Indiana carrying a two-years' license-and this requires considerable of an education in Indiana before one can earn a two-years' license-I have seen them stand civil-service examinations for rural-route carriers side by side with ward politicians, men with practically no education whatever, and yet invariably the ward politician received the job; and he was invariably a Republican at that.

Mr. SAMUEL W. SMITH. I want to call the gentleman's

attention to this

Mr. COX. I can not yield further. Mr. SAMUEL W. SMITH. Is it not true the majority of the rural carriers to-day in the rural service were appointed before they were covered into the civil service

Mr. COX. I do not know about this, and I refuse to yield

any more.

Mr. HAMILTON of Michigan. May I not ask the gentleman this question?

Mr. COX. Only a question.
Mr. HAMILTON of Michigan. Whether, in view of the facts he has stated, he has not come to the conclusion that Indiana is an exceptional State? Does he think that this same condition exists throughout the other 47 States?

Mr. COX. I am not expressing an opinion of conditions outside of my own State. I know nothing of the conditions in the gentleman's State, but what I state in respect to Indiana I state under the solemn sanction of an oath, because I know what I am talking about, and know it to be true.

Mr. HAMIL/TON of Michigan. I believe the gentleman is stating what he believes to be the truth, because I know the gentleman and have a high regard for his veracity.

Mr. COX. I do not know whether it is a fair inference to infer that the same condition exists throughout the United States as exists in the State of Indiana. If they do not exist in

the gentleman's State, all right.

Mr. HAMILTON of Michigan. They do not, I am glad to say

Mr. BOWDLE. Mr. Chairman, will the gentleman tolerate one friendly question? [Laughter.]

Mr. COX. I will yield for a question.

The CHAIRMAN. Does the gentleman yield?

Mr. COX. Yes.

Mr. BOWDLE. I would like to ask the gentleman this question: There are 398 post-office inspectors in the United States, and will the gentleman explain to the House the mystery whereby only 4 or 5 of them are Democrats?

I think the gentleman's ratio is correct. I think Mr. COX. there are three hundred and sixty-odd post-office inspectors, and I think only five or six of them are Democrats, while the remainder of them are Republicans.

Mr. BOWDLE. Allow me to make a correction, There are

390 post-office inspectors and 5 of them are Democrats.

Mr. COX. I can not explain this. Some of my ardent Republican friends on the other side of the Chamber could, no doubt, if they would, and I give it as my judgment that the Republican post-office inspectors have been the underground tunnel whereby many thousands of Republican rural-route carriers have been appointed, and many thousands of bright, active, intelligent young Democrats, who went in and stood a written competitive examination, failed to get the coveted plum, be-cause these inspectors are and were in direct touch with the appointing power here in Washington; and no doubt, while on their tours of inspection, they learned the politics of all the applicants standing these examinations, and, faithful to their political trust, reported to the appointing power here in Washington the favorite Republicans who desired to be appointed. Now, to sum this matter up, when these assistant postmasters were turned into civil service by an Executive order, why did not President Taft then call a competitive examination and let merit win, if you are in favor of the merit system? Ah, you took no chances on it; took no chances on giving Democrats an opportunity to come in and compete in these examinations; you were afraid a Democrat here and there might possibly win and get one of these positions; but with one stroke of the pen the President of the United States turned into civil service upward of 1,000 men by Executive order without any written competitive examination whatever being held, and this in the face of the plain provisions of a positive written statute which requires competitive examinations to be held to fill these places.

Now, let us get down to an honest, conscientious working basis. Let us, at least, not deceive ourselves nor undertake to deceive the country on this monstrous proposition. want to put this service on the merit basis where brain power, intelligence, and education shall win, have the Civil Service Commission amend its rules and regulations to certify only one man for appointment and then require every man filling clerical positions to stand a competitive examination and you will have a true merit system established, and you will never

have a merit system until you get it this way.

The minority report says that section 6 is a violation of our platform adopted at Baltimore last year. Let us see what the platform does say on that subject:

Civil-service law: The law pertaining to civil service should be honestly and rightly enforced, to the end that merit and ability shall be the standard of appointment and promotion, rather than service rendered to a political party.

How the minority can find anything in section 6 of the proposed bill that violates the Baltimore platform is more than I can understand. The makers of this platform recognized the blanketing abuse of Republican Presidents in turning thousands of employees into the civil service by Executive order without holding a written competitive examination, and hence the Democrats in the Baltimore convention declared in the platform that the civil-service law should be honestly and rightly enforced. I insist that the adoption of section 6 is a step in the direction and in line with the Baltimore platform. The platform could not have meant anything else other than a criticism of the "blanketing" orders of the Republican Presidents in turning men into civil service by Executive orders without competitive examinations. Talk about the Democratic Party to-day being a

spoils party! The Republican Party was the worst spoils party that ever administered this Government, and it used the civil service as a cloak, for the sole and exclusive purpose of getting possession of the spoils, places, positions, and jobs in the Government, and our criticism on it to-day is in the way and manner that you procured these jobs, positions, and places, not as the result of competitive examinations, but first filling them with Republicans, and then, by Executive orders, turning them into civil service. He who finds any antagonism between the provisions of section 6 and the Baltimore platform is only able to do it by a wide stretch of political imagination, and is unable to find any difference by any ordinary rules of construction of the English language.

Section 6 in this bill is based squarely on the provisions of the Baltimore platform. The platform aimed at the staggering evil of the Republican Party in getting possession of these places by Executive orders, and this bill proposes to exempt

them from the civil-service law.

Now, so much for this branch of the subject.

I want to say a few words in regard to section 8 of the bill. Section 8 appropriates \$200,000, and the Postmaster General is given the power to buy full railway postal cars for the purpose of carrying and transporting the mail therein, and he is further given the power to enter into contracts with the railroads for hauling the cars. The railway pay question is a tremendous proposition and one that the railways themselves are not agreed upon. They continue to insist that they are underpaid for the transportation of the mails; hearing after hearing has been had, and volumes upon volumes of evidence have been taken pro and con on this proposition, and as near as the railroads ever get to the proposition is the bare assertion on their part that they are underpaid for the transportation of the mail.

This bill carries \$60,600,000 as pay for the railroads; \$55,188,000 for the transportation of the mails at the pound rate, and \$5,412,000 as railway postal car rent, making a total of \$60,600,000 as the amount paid to railroads for transporta-

tion of the mails.

On the one hand the public continues to cry out that the railways are overpaid. That is met with the bare assertion on the part of the railroads that they are underpaid. I have read every word of every hearing that has been had on this subject for the last 10 years, and I am frank to confess that I do not know anything about it, and do not believe anyone else knows anything about it. I believe that many of the smaller lines of railway are underpaid while many of the great trunk lines are overpaid, and I believe my judgment is just about as near right as any other one's judgment. I hope this section will eventually lead to a solution of this much-vexed question. Some may criticize it on the ground that it tends to Government ownershp of transportation facilities. I do not believe it will lead that far; at least I hope it will not be an entering wedge to Government ownership of railroads, a proposition to which I am unalterably opposed. The Post Office Department owns its own mail bags, pouches, mail equipment, and so forth; why not own its own cars? Postmaster General Vilas, during his term as Postmaster General, urged upon Congress the passage of a law whereby the Government would own its own railway postal cars, and, in fact, from his day down to the present moment this question has been agitated with more or less vehemence.

My amendment is offered for the purpose of enabling the Post Office Department to try this experiment, and I believe that it will give the Post Office Department an opportunity to solve the vexatious question of railway mail pay. The Post Office Department now requires cars to be built out of steel, the average cost of which is about \$10,000; the average length of the life of a steel railway car is not known, because they are a matter of recent construction; the testimony before the Bourne Commission this summer shows that the average life of a steel car would be from 15 to 20 years. We are now paying an annual average rental of about \$5,000 for a full railway postal car, the cost of construction of which is approximately \$10,000. This is certainly a tremendous rental to pay for a railway postal car. If its average life be 15 years, and we pay \$5,000 per year rental for it, we have paid in the way of rental, during the 15 years, the enormous rental of \$75,000 for one of these cars. Of course, if section 8 becomes a law and the Postmaster General buys, builds, or constructs these cars, he will be required to enter into a contract with the railroads for hauling or transporting them. Many large business interests of the country own their own cars—the Pullman people, the packers, and many of the large manufacturers—and enter into contracts with the railroads for transporting their cars over their lines. They certainly find it more economical for them to own and re pair their own cars and enter into contracts with the railroads

to haul them than to have their produce shipped in cars owned by the railroad companies; otherwise they would not do business in this way, because large business interests are not in business for their health, but in business for the money there is in it. Reasoning along these same lines, I believe it will eventually be a matter of great economy for the Government to own its own railway postal cars and be permitted to enter into contracts with the railroads for hauling and transporting them over their lines of railway.

over their lines of railway.

Mr. AUSTIN. Will the gentleman, who is a member of the Committee on the Post Office and Post Roads, give us his opinion about penny postage and increased compensation for rural

carriers?

Mr. COX. I will if I get time. I am against both propositions. I will say that to you right now. We are not prepared to take on penny postage in this country at this time. How much clear profit the Government is deriving from first-class mail matter at this time I do not know, but statistics show that in 1908 the Government was deriving a net profit of approximately \$78,000,000 per year on first-class mail; and we know that if this be cut in two and penny postage be adopted the Government would lose one-half the amount of the revenue that it is now making on first-class postage, and the Post Office Department is not prepared at this time to lose this tremendous amount of revenue.

As to increasing the pay for rural carriers, the Post Office Department testified before our committee that the increased weight of mail matter carried by the rural carriers by reason of the parcel post was so negligible in quantity that it would not justify any increase of their salaries. I think we have been very kind to the rural-route carriers in the way of in-

creasing their salaries, and am opposed to it.

Mr. AUSTIN. How about an increase of the postage on second-class mail matter? What does the gentleman think on

that proposition?

Mr. COX. I am in favor of increasing the postage. I think it ought to be done. There is no question in my mind about In the last 10 years we have had commission upon commission appointed to investigate this question, and every one of the commissions have recommended an increase of postage on all second-class matter. We have expended between six and eight hundred thousand dollars upon these commissions, yet no good has ever come of it, exactly as no good ever comes from any of these special commissions appointed to investigate any subject. They are always a plea of confession and avoidance, a plea that something is wrong, but postponing the day of reckoning. The last commission appointed to study this question was presided over by Justice Hughes, a member of the Supreme Court of the United States. The commission sat for months during the year 1912 in various places in the United States, and found that the Government was transporting second-class mail matter at a tremendous loss, and conservatively recommended an increase of from 1 cent per pound to 2 cents per pound, but nothing has been done in the way of carrying out the recommendations of the Hughes commission. Complete and exhaustive statistics were gathered in 1907 and compiled in 1908, showing that the Government lost annually approximately \$63,000,000 in the transportation of second-class mail matter. Something ought to be done; something must be done in order to make this kind of mail matter pay its proportionate charge of transportation; and if legislation of this kind was enacted so as to reduce the cost of handling second-class mail matter to the Government, penny postage might not be a visionary dream but a reality.

The railroads, in transportation of mail, do not occupy the same position as common carriers in this regard as they do in the carrying and transporting of freight. In other words, railroads are not regarded as common carriers in the transportation of mail in the same light as they are regarded as common carriers of freight and passengers. Congress has the power to enact legislation making railroads common carriers of mail as well as common carriers of freight and passengers, but down to this time Congress has not enacted legislation declaring railroads to be common carriers of mail, and until Congress does this, and the statute is construed judicially by the Supreme Court of the United States, the question of railway mail pay will ever continue to be a disputed proposition. In the case of the Eastern Railroad Co. v. United States (129 U. S., 391) it was held that the company might have refused to transport the mails at the reduced rates fixed by the Postmaster

General in accordance with the act of Congress.

In the case of Minneapolis & St. Louis Railway Co. v. United States (24 C. Cls., 350) it was held that the orders of the Postmaster General and the business of carrying the mails are subject to the statutes and regulations of the department, which

constitute the terms of the contract; and a railroad company by carrying the mails accepts those terms: That the claimant company was not aided by the United States with grants of land or issues of bonds and so was under no obligations to carry the mails, and that it might at any time have abandoned the service if it were unwilling to accept the terms offered and imposed by the Postmaster General, as was held in the Eastern Railroad case.

In the case of Texas & Pacific Railway Co. v. United States (28 C. Cls., 379) it is said by the court that the company was under no obligation to perform the service for any agreed period and could have refused to take the mails at any time.

In the case of Chicago, Milwaukee & St. Paul Railway Co. v. United States (198 U. S., 385) it was held that while a contract may not be forced upon a railway, it may accept and become bound by the action of the Post Office Department.

In the case of Atchison, Topeka & Santa Fe Railway Co. v. United States (225 U. S., 640) it was held by the court that the railroad was not bound to furnish "half lines" nor to accept the terms named by the Postmaster General, for Congress had not legislated so as to require compulsory service at adequate compensation to be judicially determined, or in a method to be provided by statute, and as the plaintiff's road between Chicago and Kansas City had not been aided by a land grant, it was, under existing law, not obliged to carry the mails when tendered, nor to supply railway post-office cars when demanded. (Eastern Railroad Co. v. United States, 129 U. S., 391, 395, 396; United States v. Alabama Great Southern Railroad, 142 U. S., 615.)

In the case of Pensacola Telegraph Co. v. Western Union Telegraph Co. (96 U. S., 1) the court held that the act of Congress, July 24, 1866 (14 Stat., 221; Rev. Stat., sec. 5263, et seq.), so far as it declares that the erection of telegraph lines shall, as against State interference, be free to all who accept its terms and conditions, and that a telegraph company of one State shall not, after accepting them, be excluded by another State from prosecuting its business within her jurisdiction, is a legitimate regulation of commercial intercourse among the States and is appropriate legislation to execute the powers of Congress over the Postal Service, nor is it limited to such military and post

roads as are upon the public domain.

It was held in Pensacola Telegraph Co. v. Western Union Telegraph Co. (96 U. S., 1), Western Union Telegraph Co. v Baltimore & Ohio Telegraph Co. (23 Fed., 12; 19 Fed., 660) that railroads are post roads under the United States statutes, and a contract which grants the exclusive privilege to do telegraphing along any railroad is void as against public policy.

In the case of Western Union Telegraph Co. v. Pennsylvania Railroad Co. (195 U. S., 540) it was held that the act of Congress of July 24, 1866 (14 Stat., 221; Rev. Stat., sec. 5263, et seq.). giving a telegraph company the right to construct and operate its lines through, along, and over the public domain, military or post roads, and navigable waters of the United States, was a legitimate regulation of commercial intercourse by telegraph among the States and appropriate legislation to carry into execution the power of Congress over the Postal Service; it was merely an exercise of national power to withdraw such intercourse from State control and interference.

Questions relating to post roads have been further discussed

in other United States courts in cases following:

Cleveland Railway Co. v. Franklin Canal Co. (1 Pitts. L. J., 142; 5 Fed. Cas., No. 2890), Railway Mail Service cases (13 C. Cls., 199), United States v. Korchersperger (9 Am. Law. Reg., 145; Fed. Cas., No. 15541), Atlantic, etc., Telegraph Co. v. Chicago, etc., Railroad Co. (6 Biss., 158), Blackman v. Gresham (21 Blatch., 354; 16 Fed., 609), Hewett v. Western Union Telegraph Co. (4 Mackey (D. C.), 424), Western Union Telegraph Co. v. New York (38 Fed., 553), Michigan Telegraph Co. v. City of Charlotte (93 Fed. (C. C.), 11), Postal Telegraph Cable Co. v. Cleveland, Cincinnati, Chicago & St. Louis Railway Co. (94 Fed. (C. C.), 234).

I sincerely hope that section 8 of this bill will finally be adopted and become a part of the law of the land. I believe it to be a step in the right direction, an aid to the solution of

this embarrassing question.

In conclusion, Mr. Chairman, the Committee on the Post Office and Post Roads has presented a clear, clean bill. The appropriations are larger than they have been heretofore, but it is the one department of the Government that is self-sustaining. It is the department of the Government next to the Treasury Department; it comes nearer reaching every man, woman, and child throughout continental United States and its island possessions than any other great department of this Government. While this bill carries an appropriation of \$305,000,000—a tremendous sum of money—for the ensuing fiscal year of 1915,

it is believed by the Post Office Department, and this belief is supported and backed by the Committee on the Post Office and Post Roads, that the revenues next year to be derived from the mails will be sufficient to meet this appropriation.

I trust this bill in all its entirety will be passed and become a law exactly as the committee has presented it. [Applause.]
Mr. MOON. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Chairman, Postmaster General Burleson in his annual report makes the following recommendation for legislation to amend the law which grants compensatory time to letter carriers and post-office clerks on one of the six days following the Sunday on which they are required to perform service:

That after June 30, 1914, should the needs of the service require the employment on Sunday of letter carriers in the City Delivery Service and clerks in first and second class post offices, the employees who are required and ordered to perform Sunday work shall be allowed compensatory time for such service at such times as they can be most conveniently excused from duty.

The annual report of First Assistant Postmaster General Roper, for the fiscal year which ended June 30, 1913, contains the following comment on compensatory time for Sunday service:

Service:

The act of August 24, 1912, prohibits the opening on Sunday of post offices of the first and second classes for the purpose of delivering ordinary mail to the general public, but authorizes, when the needs of the service require it, the employment on Sunday of city letter carriers and clerks at such offices, provided they be granted compensatory time for such services on one of the six succeeding days.

The enforcement of this law, particularly the latter clause, not only adds largely to the cost of the service but materially lessens its efficiency. Mails are received and dispatched at practically all first and second class offices on Sundays, and during certain hours this necessitates the employment of at least a part of the force. Under the law these employees must be granted compensatory time on one of the six succeeding days. Owing to the constant fluctuation in the postal business this legal requirement works materially to the detriment of the service. For instance, during the very busy periods, especially between October and May, in order to prevent an undue accumulation of mail in post offices, it is necessary to require a considerable number of the employees to report for duty each Sunday. The granting of compensatory time to these employees during the succeeding week when the condition of the work urgently demands their presence and to employ inexperienced substitutes in their places results in serious impairment of the efficiency of the force. The granting of compensatory time to these employees that office of the services of about 190 clerks on every week day during the busy periods.

The department believes it would be in the interest of both the service and the employees to amend the law so as to provide for the granting of compensatory time for Sunday work when the employees can be most conveniently excused from duty.

How the department officials arrived at this conclusion is

How the department officials arrived at this conclusion is difficult to understand. That the Postal Service is to be benefited by depriving men of a day of rest each week to recuperate is not borne out by reports of investigations made by the Department of Labor. By what flight of the imagination can employees be benefited by compelling them to work on Sunday and granting them compensatory time at such times as they can be most conveniently excused from duty is beyond my comprehension.

The Sixty-second Congress passed the 8-hour-in-10 law and inserted a compensatory time provision, which, if put into effect properly, will grant one day of rest each week to employees, because a number of heartless, overbearing, and dictatorial supervisory officers continually made life miserable for postal employees by working them overtime and stretching their hours of duty over unreasonable hours of time each day. This law has only been in force since March 4, 1913, and it appears that instead of trying to conform with the law and adjust the service to meet its requirements, every possible effort has been and is being made to discredit it. To return to the old order of things and permit supervisory officials, popularly known as bureaucrats, to define the most convenient time to allow employees compensatory time for Sunday service would be to deprive the employees of compensatory time altogether and nullify the intention of Congress to provide a day of rest each week for the men who perform the actual work,

If it is the purpose of the department to save a few dollars

for the Government, why not do it in a direction where it will not work a hardship on a body of men who are now taxed to the limit? It was this cheeseparing policy that caused so much friction under the last administration, and it seems that the lesson learned by that experience has not made its impres-sion. It might be well for the Postmaster General and his first assistant to consult with some new advisers occasionally, particularly on matters affecting the working conditions of the employees. For a number of years the rank and file of the employees have received little consideration from department officials, who knew nothing whatever, through personal experience, of the actual working conditions of clerks and carriers in post offices, and it is high time that a remedy of this condition

should be had. So far the present administration has been successful in handling the big problem of the parcel post, and its success has been due in a large measure to the earnest, unselfish cooperation of the employees. This is attested by the Postmaster General and postmasters throughout the country, who have made public declarations to this effect and praised the men for the exceptional service rendered during the recent holiday season.

The enactment of legislation along the lines suggested in the recommendation of the Postmaster General will be in direct conflict with the principle of one day of rest each week to all those who labor. It would be a distinct step backward. Secretary of Commerce Redfield, my distinguished predecessor in this House, in an address before a meeting of the American Associa-tion for Labor Legislation held in Washington recently, is quoted as follows:

I am of the opinion that the day is not far distant when economically administered industrial enterprises will realize they can not afford to allow their employees to go to their homes in an exhausted condition.

If this expresses the sentiment of the present Democratic administration toward industrial enterprises, I am of the firm opinion that a similar policy should be pursued by the Government toward its employees as an example for captains of industry to follow. The United States Government should lead in this movement, and should not wait for private capital to prepare a humanitarian industrial policy. I contend that every man who labors should have one full day of rest each week. If it is necessary to employ letter carriers or clerks in post offices on Sunday, all well and good; but if they are required to work on Sunday, they should have another day for rest and recreation. The argument of cost is no argument at all, for it is an absurd proposition to compel a man in any line of business to work and then by some subterfuge or fiction deprive him of payment. The idea of ordering a man to perform Sunday work during the heavy rush seasons, and allowing him compensatory time divided into fractions of hours at a dull season, if such a one occurs, is too absurd to be considered seriously by men whose hearts beat in sympathetic unison with the trials and tribulations of the underpaid and overworked postal employees of this country.

The Post Office appropriation bill for the fiscal year which ended June 30, 1912, approved March 4, 1911, contained the

following section:

That hereafter for service required on Sundays of supervisory officers, clerks in first and second class post offices, and city letter carriers compensatory time off during working hours in amount equal to that of the Sunday employment may be allowed, under such regulations as the Postmaster General may prescribe; but this provision shall not apply to auxiliary or substitute employees.

This section was submitted by the department officials after a request had been made by the Post Office Committee for their opinion regarding the curtailment of Sunday service and the need of a day of rest each week for postal employees. To a great extent it was left optional with postmasters as to whether Sunday service should be curtailed or not, and the granting of compensatory time was left entirely to their discretion. Relief was granted to some employees, while others were deprived of it, and the result of the experience was anything but satisfac-So many were the protests against the manner in which the compensatory time provision was being enforced that Congressman REILLY, my distinguished colleague of Connecticut, a member of the Post Office and Post Roads Committee, in framing his 8-hours-in-10 bill, inserted a provision that gave compensatory time to employees on one of the six days following the Sunday on which they are required to work. It is this provision in the bill that the recommendation of the Postmaster General recommends changing.

The bill to regulate the hours of labor of clerks and carriers in post offices grew out of the unrest and discontent among the employees caused by the lack of method in enforcing the 48hour law. The mystery surrounding the whole proceeding, and the manner in which the case was made up and presented to the Court of Claims, upon which a decision was rendered which nullified the letter carriers' eight-hour law—the act of May 24, 1888—left a bad odor behind it, and the question of trickery and bad faith on the part of the administration officers who engineered the case up to court has been repeatedly made. So incensed were the employees over the breaking down of the eighthour law and the principle enunciated by the Government for regulating the hours of labor of the employees and the nonenforcement of the compensatory time provision and other petty annoyances, that the Postal Service suffered materially through lack of sympathy and cooperation between the officials and the rank and file of the men.

The present administration of the Post Office Department has up to this time commanded the admiration of the business world on account of the high grade of service it has given and is giving the public. The penurious, penny-wise economy ideas of the Hitchcock administration, whereby the service was curtailed in the hope of gaining a reputation for wiping out the postal deficit, has been done away with and prompt delivery and dispatch of mail has taken its place. The treatment accorded the employees up to this time has won back their confidence and cooperation, and as a result the Postal Service has benefited materially.

The Postmaster General, in his last annual report, has stated that for the first time in 30 years there is an actual surplus of receipts over expenditures for the fiscal year ending June 30, 1913, of \$3,841,906.78. The estimated revenue from the new parcel-post law, which has only been in effect six months of the fiscal year, reported by the Postmaster General, was approximately \$13,644,295.27. The burden of taking care of this new and additional service fell largely on the shoulders of the postal employees, and particularly on the clerks and service carriers. The business transacted during the holiday season, according to printed reports, was of such enormous volume as to tax the ability and energy of the officials and the rank and file of the working force. Every calamity howler in the country opposed to the Government ownership or control of public utilities was standing around anxiously waiting to be told that the parcel post collapsed under the crush of Christmas busi-But no, Mr. Chairman, at the back of the Postmaster General was an army of as loyal and faithful men as were ever banded together in these United States, and they met the situation unflinchingly and without hesitation, and by force of in-genuity and devotion to their work they came out victorious in the face of tremendous odds, and every package and every piece of mail was handled promptly and expeditiously, and the public was loud in praise of the service they received. I submit herewith a statement issued by the Postmaster General which bears out my contention:

OFFICE OF THE POSTMASTER GENERAL, Washington, January 1, 1914.

To the officers and employees of the Postal Service:

To the officers and employees of the Postal Service:

The splendid manner in which every employee of the Postal Service, in the department and in the field, acquitted himself in handling the enormous quantity of mail during the recent holiday season is not only a source of deep gratification to me, but a pride of every American citizen. Although the parcel post more than doubled the usual volume of Christmas mail, the task of handling this mall proved not so much a test of the capacity of the Postal Service as an opportunity for the employees to demonstrate their ability to meet all emergencies. The result is a substantial evidence of the energy, resourcefulness, efficiency, and loyalty of every employee, wherever his post of duty, from the highest to the most inconspicuous. This achievement assures me that all emergencies of the future will be promptly and effectively met.

Met. I extend to you my very best wishes for a happy and prosperous

A. S. BURLESON.

This tribute from the Postmaster General to the rank and file of his employees was the expression of a great administrative officer, who realized the loyalty and devotion of his men to him and the services in which they were engaged. not mere idle words, they should count for something in behalf of the men to whom they were directed. Such loyalty should be rewarded by fair, just, and equitable treatment and a keen appreciation of duty well done.

In all mechanical trades employees are paid double time for overtime or Sunday work, and if any change in the present hours of labor is contemplated I hope it will be in the direction of shorter hours and the enactment of a law that will insure one complete day of rest each week to these employees of the Government.

Mr. Chairman, I am pleased to note that the Committee on the Post Office and Post Roads has inserted a provision in the Post Office appropriation bill that will grant relief to postal employees who are injured or killed in the discharge of their duties who are not entitled to protection under the Federal compensation law. This is an onward step in the march of progress and is in keeping with the policy being pursued in a number of States of humanizing the law. Wise and humane changes are being made daily in the law of the land, and the old, obsolete common-law defenses are being superseded by paternal and progressive ideas. Our whole idea of human relations is constantly changing. The American people have relations is constantly changing. The American people have come to require a larger distribution of the perils of civilization and wider distribution of the benefits and the recognition of the rights of the humblest citizen to some share in every good thing we possess.

It is true that we are far behind many of the States in enacting much-needed progressive and beneficial legislation. It is true also that this body more than any other is sus-

ceptible to follow the pulse of public opinion in dealing with important problems. There is a great public demand from one end of this country to the other for the enactment of just and liberal compensation laws for the protection of injured employees, and, I trust, that the Members of the Sixty-third ployees, and, I trust, that the Members of the Sixty-third Congress will be afforded the opportunity of expressing themselves unequivocally on this question. There is a bill pending before the Committee on the Judiciary, H. R. 5899—known as the McGillicuddy bill—which provides compensation for employees of the United States suffering from injuries or occupions. pational diseases received or contracted in the course of their employment. I have examined this bill, and I believe that it is drawn on broad, liberal lines, and is in keeping with the spirit that dominates the American people throughout these United States.

The Federal compensation law, now on the statute books, is totally inadequate in regard to the compensation for injuries, as well as the number of employees to whom its benefits are restricted. It does not cover a single employee in the Postal Service, notwithstanding the fact that the last report of the Secretary of Commerce and Labor, dealing with the Federal compensation law, under date of February 27, 1912, shows that more than 2,300 of these employees were reported as having met with accidents during the three years that the report covers. This condition is wrong and should be remedied without delay. For the information of the Members of the House I will cite an instance that was brought to my attention recently: Mr. A. E. Rump, for 12 years a clerk in the St. Louis post office, has been confined to his bed for the past three years unable to move any part of his body except his hands and his While at his work in the St. Louis Union Station post office, in 1903, Mr. Rump was struck on the head by a large bundle of papers thrown from a car. He was knocked down and rendered unconscious, but his 170-pound constitution made light of the matter and apparently he suffered no ill effects. At the end of the year his sufferings from the effect of this accident began. He was treated for five years and continued to work in constant daily misery. For two years he went to and from his work on crutches; then he was placed in a plaster cast from his chin to his ankles, in which position he remained for 10 months. At the end of this period his joints were anchylosed and he is a helpless invalid.

This man is trying to eke out a living for himself and family by soliciting subscriptions for newspapers and maga-With only the freedom of his arms and fortified with zines. a stand-up chair built by a letter carrier, he has installed on either arm of his chair two telephones, and in this manner, together with the use of a typewriter, he is endeavoring to do business. It is a sad case, a very, very sad case. Yes, Mr. Chairman; it is a case that should receive consideration at the hands of this Government, yet it is only one of a number of others, none of which has been compensated for in any way. What a shame to throw helpless men on the charity of a cruel and unfeeling world. Let us hope that this condition will be remedied at an early date, as justice loudly demands it should.

This can be done by the enactment of the McGillicuddy bill into law.

Before concluding my remarks, Mr. Chairman, there is another subject that I wish to mention, one that, to my mind, affects the very stability of the civil-service law. There is a condition existing in the civil service with which I do not believe the American people are conversant, or there would be a public demand for a remedy. The employees in the Postal Service, and particularly the city and rural carriers, post-office clerks, and laborers, are paid only for the actual time they are employed. When overtaken by sickness or if they meet with an accident and become incapacitated for duty their pay ceases at once. It matters not if an accident was caused by the grossest negligence on the part of the Government, these employees have no redress for damages, not even for the loss of salary. They are laid off without pay until they are able to assume their official duties, and should the sickness or accident be of a nature to confine them for a period of more than 150 days they are notified to hand in their resignation, because a department rule provides that no employee will be excused for a longer period, no matter what the cause may be.

At no time during their official connection with the service do they receive more than enough to provide for the necessary wants of themselves and their families, and it is a very frugal and thrifty letter carrier who can save something for the proverbial rainy day. One thing is certain, and that is that no matter how saving he may be, if ill health or accident befalls him his little hoard soon melts away and he is plunged

into debt.

The very best men, the most devoted men, the men who wish to make it their life work, are the only men who continue in the Postal Service for a long number of years. It has been stated that the personnel of the Postal Service changes every seven years, and this will give an idea of the small percentage of those who do make it their life work. And now, Mr. Chairman, what is the reward for these men and women who give the best years of their lives to the public service? hard for me to say it, because I detest ingratitude, governmental or otherwise, these employees are forced to resign when they become superannuated, unceremoniously kicked out, and told that they are inefficient and can no longer do the work required of them—outlived their usefulness. It is one of the saddest incidents of our governmental life. Thrown out with the flotsam and jetsam of humanity who have no aim or object in life, because years of ardent labor have used up their energy and Yes, Mr. Chairman, like an obsolete piece of machinery or a broken piston rod, they are thrown on the scrap heap. What a terrible fate! And to think that this is the treatment accorded to our civil servants who have lived long, honorable, and exemplary lives. What a destiny for a faithful underpaid employee! Do the American people know of this condition? Have they the knowledge before them that their letter carrier whom they knew from childhood and whom they all loved and honored is treated in this manner? No, Mr. Chairman, a thousand times no. You and I and all of us here know too well that no red-blooded citizen in our district would stand by and permit such a condition to exist without entering a loud and emphatic protest.

And what are we going to do about it, might I ask? Are we to permit this shameful condition to continue longer without making at least some practical effort to remedy it? I hope not, Mr. Chairman, and I sincerely trust that the Committee on Reform in the Civil Service will take this question up at an early date and consider the several bills now pending before them in the hope of bringing before the House for consideration some measure that will bring about the necessary relief. [Applause.]

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. MOON. Mr. Chairman, I now yield 30 minutes to the gentleman from Tennessee [Mr. SIMS].

Mr. SIMS. Mr. Chairman, I wish to ask in advance to extend my remarks in the RECORD, as I may not read all that I have

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. SIMS. Mr. Chairman, in order to relieve the Members of the House I promise not to refer to anything in the bill. [Laughter.] I shall address the House, or the committee, upon a matter of great public importance, and especially to all that section of the country lying north of the Potomac, east of the Mississippi, bounded by Canada and the Atlantic Ocean, known as the official classification territory, embracing, I think, 50 per cent of the entire railroad business of the country in volume and value, for which territory the common carriers are now asking a 5 per cent increase upon freight rates, which application is now pending before the Interstate Commerce Commission.

Ordinarily, it might not be proper to discuss in a public way and before the House the subject of increased freight rates asked for by carriers of official classification territory pending before the Interstate Commerce Commission for determination. Were it not for the unusual conditions surrounding this subject would I venture to discuss the same at this time and in this place, but because of that very singular situation it may not be deemed inappropriate to bring to public attention some phases of the efforts of the railroads to secure additional charges upon freight traffic.

When Congress by the original Cullom law of 1887 and by acts amendatory thereof and supplementary thereto created the Interstate Commerce Commission and clothed it with authority to hear and determine questions arising in connection with transportation, it was believed that there had been created a high, just, and competent tribunal that would hear and determine all such issues in a temperate and judicial manner, uninfluenced by any other than proper considerations, Certainly, this is the public view and the correct attitude the commission should always maintain before the country. But it is apparent that in this case the question of allowing or disallowing the carriers' application for increased transportation charges has passed from the domain of practical economics and has been directed into a public or political issue.

When these same carriers three years ago sought an increase in their charges they attempted to make a similar issue of their case which led Judge Prouty in his opinion in that case to say

it seems to be the popular impression that this is in some sense a political question which may properly be disposed of in accordance with the wishes of the majority.

This remark had reference to the fact that-

since the beginning of this proceeding great numbers of letters and petitions have been presented from individuals, organizations, and committees representing various interests, some urging that advances be sanctioned and others protesting against them.

Notwithstanding that admonition the bushes have been much more vigorously thrashed this time than was the case in support of the application for increased rates in 1910. No attempt was made to conceal the efforts to secure this sort of support nor to overcome opposition. The newspapers of the country were, wherever possible, induced to lend their powerful support to the railroads' cause, and they have succeeded in convincing a large part of the American people not only of the necessity for increased revenues by the carriers but that the same should be granted with little or no ceremony. Friendly jobbers, manufacturers, and material dealers, who sell to the carriers, have given their early adherence to the cause. It is of record that the Consolidation Coal Co., a large producer and shipper of coal in West Virginia and Kentucky, is much quoted as favoring the increase in rates "because the railroads need it," but the fact that this company is in reality a subsidiary of the Baltimore & Ohio Railroad Co. is not given equal prominence. Those who doubt this statement are referred to the report of the Interstate Commerce Commission to Congress of the investigation under the Tillman-Gillespie resolution, dated January 25, 1907. All manner of schemes have been worked to create public sentiment favorable to the increase of railroad freight rates. Many of the newspapers of the country have been misled into making

ridiculous statements concerning the alleged facts.

The literature of the publicity bureaus of the carriers were replete with wise observations from learned and disinterested writers upon economics tending to show the necessity for increased revenues by the railroads. The fact was concealed that sometimes these "disinterested" economists were in the railroad employ and were paid munificently to give these opinions. In the recent New Haven investigation it developed that a professor of the Harvard Law School drew \$833 per month from the New Haven Railroad for delivering lectures favorable to the railroads without telling his hearers that he was a paid employee. Likewise it was developed in that same hearing of immense sums paid to newspaper men for similar service, probably printing said professor's "lectures." This same professor proffered his aid to Gov. Foss, of Massachusetts, and assisted him in framing the public-utilities law of that State while on the pay roll of the New Haven Railroad. It is needless to say that since those disclosures there was an early vacancy in the chair of professor of transportation law in Harvard University formerly held by that professor. It is because of this unusual condition of affairs that the

House is now asked to listen to the question of increased

freight rates

The only object the railroads of this country could have had in conducting their campaign of publicity as they have is to overwhelm the Interstate Commerce Commission and compel it to grant their application regardless of its merits. Else why should there have been all this trouble, expense, and devious methods employed? Surely no one will have the temerity to say that the American people, or any considerable part of them, would for a moment withhold from the carriers what they could establish any claim to. The American people are now and always have been for fair play, for decency and justice. Even in the face of all the iniquitous wrongs of the past which they have suffered from railroads and their exploiters, the people of this country are more than willing that those wrongs shall not be held up against the carriers when they can prove that they are in need of public help.

The railroads first tried to gain sympathy by magnifying the public feeling against them. They have talked loud and long against "balting" and "reprisals" as though there never had been any wrongs to remedy or prevent. When faced with their crimes of the past they have declared that the regulative law, the very law they condemned, had done away with those offenses; yet if we turn to the last—twenty-seventh—report of the Interstate Commerce Commission, the advanced sheets of which were issued on December 15, 1913, we find a record of prosecutions of railroads for practices just as reprehensible as were any of the past, the only difference being that these prose-cutions are for willful violations of law clearly stated and frequently pointed out by courts in construing the statutes.

It has been the intention of the railroads to build such a

stone wall about the commission that, regardless of the facts that might be developed at the hearing made necessary by the act of Congress, that body would not dare to brave public opinion, albeit manufactured for the occasion, and deny the carriers' request for the privilege of additionally taxing the

American people.

The occasion for making this application was propitious, for it is said that many of the shipping public have begun to lose confidence in the commission itself. Some persons contend that recent decisions of that body have indicated a slackening of zeal for the law and its strict and just enforcement. alleged fact no doubt is only apparent and does not betoken a backward tendency upon the part of the commission, but, as some people say, it may also be that the commission, overwhelmed by its responsibilities and fearing the results of the attempts to enforce the regulative law as clearly intended by Congress, has lost courage. Whatever the cause may be of this apparent change in the attitude of some members of the com-Whatever the cause may be of this mission, or however rightly or wrongly shippers may interpret the signs of the times, the fact remains that such sentiments abound in all parts of the country, and the carriers were not unmindful of this fact when they planned their campaign for overwhelming the commission with their "made-to-order public sentiment." As an evidence of this sentiment against the commission, the North Carolina Legislature, as appears from the newspapers, in a recently called special session to consider the freight-rate situation, which has grown so utterly intolerable as to arouse the whole State—and it said in this connection that the same situation prevails over all the South with respect to transportation charges-declared that shippers of that State had appealed in vain to the Federal commission for relief, and expressed their solemn views to be that the commerce act was not being interpreted and enforced in the spirit of its enactment by Congress, calling upon Congress to investigate the subject, in order to determine if such be the fact.

Congress has created the commission, has clothed it with large powers, and in broad and general language directed that agency to see that there be no injustices practiced by the carriers, either in rates, fares, or services. By a recent amendment the commission was empowered to suspend and pass upon all increases in rates before permitting the same to become ef-fective, and under that authority the commission is now hearing this advanced-rate case. Having clothed its agent with the proper power and authority, it is not the duty or province of the Congress to prejudge its work or to interfere in any manner with its discretion, nor do I propose anything looking to such action; but Congress should not be deaf, dumb, and blind to a condition that is abroad, that may affect, as it threatens to affect, the very integrity of its agency in the commission. The commission whose judgment it is sought to arrest, and by "ways that are dark" another judgment sought to be substituted therefor, should not be left to struggle alone in the cause of the American people. It is a very vital concern of Congress to know what are the machinations that threaten such results. It is the business of the Congress to know that there is not even a partial miscarriage of justice in the advanced-rate case. If all this campaign of a political or semipolitical nature is for the purpose of unduly influencing the commission, by which the carriers hope to obtain something to which they are not legitimately entitled and the accomplishment of which they have sought through means and by ways and tricks that are not proper, then it becomes a matter in which Congress is most deeply and directly concerned. At least it should be made known that we are on the watchtowers keeping an eye on this affair and ready to take a hand should it appear that there is likely to be other than just treatment of this agency of Congress as represented in its commission.

It is not my purpose to discuss the pertinency or the value of evidence offered to the commission in support of the carriers' application for increased revenues through higher rates. A cursory examination, however, of the record made in that case does not disclose sufficient grounds upon which to warrant the approval of the commission. What the views of the members of the commission may be respecting this record, or what the ultimate combined judgment of that body may be respecting the evidence now adduced or which may be offered before the conclusion of the case, it is not my purpose to deal with

Under the law it is made obligatory upon the carriers to show by full and satisfactory evidence that an increase in the charges which they propose is warranted. It does not mean that an increase upon all the traffic, as it is proposed horizontally to make, would justify this increase in rates, even though it should appear that the carriers needed greater gross revenues. It is possible, and it will probably be shown before the conclusion of this case, that upon much of the traffic the carriers are already earning a margin of profit which compared with the cost of rendering the service is grossly out of proportion to what they should be entitled to earn. To tax this traffic with additional revenue, even though that increase might be no greater than 5 per cent, would be a gross injustice to that traffic which is already bearing an undue proportion of the burdens of transportation. Nor does it follow that even though the carriers' situation might be such that they would require additional revenues with which to conduct their business, if they propose to conduct it in the future as they have in the past, that an authorization of an increase in these rates would be warranted. It seems strange, indeed, to a Nation of intelligent people, such as the American people are, that these carriers with their greatly increased revenues, amounting to something like \$200,000,000 per year more than they were when the commission previously denied their application, that they can not conduct their business so as to reap a fair return upon the same. It would seem, in view of this fact alone, that an increase of 5 per cent would not make any material difference in their situation, for if their business is so conducted that their expenses are fast outrunning their revenues, 5 per cent would be a very small palliative and would afford no real relief.

Up to this time the carriers have not attempted to show anything more than gross earnings and gross expenditures. They have not attempted to segregate their passenger from their freight business to show what measure of profit or loss there may be in these two branches of their business. Neither have they attempted to segregate the raw-commodity heavy traffic from the high-class traffic and show what measure of profit there is in these two respective lines of traffic. If it be true, as commodity shippers have insisted before the commission, not only in this case but in numerous other cases, that low-grade commodities are already taxed unduly by the transportation lines, then it must follow that there is much of the traffic that is not properly taxed. If any increases are to be allowed, there should, it seems in all fairness and common sense, be a readjustment of the charges so that the increased burden, should any be found necessary, would be laid upon that class of traffic which apparently is not sustaining its fair share of expense of maintaining the transportation lines, but which in the very nature of things could best afford to sustain an increased charge.

In dealing with all these several questions the commission should not be hurried into a conclusion. The matter of increasing transportation rates is similar to that of increasing taxation rates by the Government. In fact, freight rates have been likened unto taxes by the Government. The effect is the same, since they both involve moneys to be paid. When a freight rate, like a tax rate, is once raised, it is next to impossible to secure its reduction. If, now, the Interstate Commerce Commission is to anthonize an increase in correction charges, perhaps no living to authorize an increase in carrying charges, perhaps no living man to-day will live long enough to see those rates so authorized reduced. Certainly, this will be true if the carriers continue to absorb in operating expenses, as they say they have, the rapidly multiplying and increasing returns which come to their business from the development of the country and the expansion of its commerce.

As I have just said, I have brought this to the attention of the House at this time that not only the Members but the country generally might know the character of the campaign which has been waged by the carriers in anticipation of this application, and also of the publicity and other means for giving to the public the railroad side of the controversy. There is no harm to come from a proper presentation of this case, though it may be considered bad ethics to try a case before the country through the newspapers, pamphlets, and otherwise rather than before the commission. It is not fair, however, to the commission who must determine this question, and determine it upon its merits, to have the public mind prejudiced in favor of the railroads by a distortion of facts, by the half truths, and by other subtle suggestions which do not go to the merits of the The commission, if it is to perform the great controversy. work designed for it by Congress, must at all times have the public confidence and enjoy the public good will, else its decisions will be treated with derision, its mandates violated, and the law set at naught. This Government has entered upon the

policy of regulation as a corrective for the great evils of corporations, particularly the transportation lines. That policy has not yet been fully developed, nor has it been brought to the full fruition of the hopes and expectations of those who planned this scheme. It must needs have time and a fair field within which to work out the plans under which regulation must succeed, if it can succeed at all. It is not fair, therefore, that in any such momentous event as this now pending that the public mind should be prepared to denounce the commission, should that body not find in accordance with the popular notion. If, for example, the country has been made to believe that national success and prosperity depend upon the success of the railroads, and that success can only be had by giving them the increased revenue which they now demand through increased rates, and if the commission should refuse such increase of rates, the country would be disposed to blame the commission and the entering wedge would have been driven into the popular belief in the efficacy of regulation.

Mr. LEVY. Will my colleague yield? Mr. SIMS. I will, for a question.

Mr. LEVY. In the last case of an application for an increase of rates, when the commission adjourned, on the 15th of December, all the evidence was in; they adjourned to give the opposition to the 15th of January. Then the commission will require a brief that will take six weeks longer, and then they will probably take two months for decision. I understand that sometimes the commission takes two years. Does not my colleague admit that there has been an enormous increase in the wages during the last four or five years and no increase in the rates, and that the roads are carrying the parcel-post matter for almost nothing? Does not the gentleman admit that we need 100,000 miles more railroads in the country? Does he not think that carrying a ton 6 miles for a postage stamp is a small rate?

Mr. SIMS. Well, Mr. Chairman, I am dealing with the subject consecutively. The question the gentleman asks would take too long to answer.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. SIMS. Mr. Chairman, I would like to have 10 minutes more.

Mr. FINLEY. Mr. Chairman, for the chairman of the committee, I will yield to the gentleman from Tennessee 10 minutes more.

Mr. Chairman, I now give a summary of the results of 28 principal railroads operating in eastern territory requesting increased rates, taken from annual reports to the Interstate Commerce Commission and to stockholders for years ending June 30, 1908, 1909, 1910, 1911, 1912, and 1913.

The following are the 28 railroads referred to above. namely: Philadelphia & Reading Railway Co.; Central Railroad of New Jersey; Lehigh Valley Railroad Co.; Erie Railroad Co.; New York, Susquehanna & Western Railroad; New York, Ontario & Western Railway Co.; Delaware, Lackawanna & Western Railroad; Delaware & Hudson Co.; Buffalo, Rochester & Pittsburgh Railway; Bessemer & Lake Erie Railroad Co.; Virginian Railway Co.; Chesapeake & Ohio Railway Co.; Hocking Valley Railway Co.; Baltimore & Ohio Railroad Co.; Western Maryland Railway Co.; New York Central & Hudson River Railroad Co.; Lake Shore & Michigan Southern Railway Co.; Michigan Central Railroad Co.; Pittsburgh & Lake Erie Railroad Co.; Cleveland, Cincinnati, Chicago & St. Louis Railway; Pennsylvania Railroad Co.; Pennsylvania Railroad Co.; Pittsburgh, Cincinnati, Chicago & St. Louis Railway; Vandalia Railroad Co.; Northern Central Railway Co.; Philadelphia, Baltimore & Washington Railroad Co.; West Jersey & Seashore Railroad Co.; and Norfolk & Western Railway Co.

Summary of results of the 28 principal railroads.

	Operating income.	Other income.	All interest charges.	Net for stock- holders.
1908 1909 1910 1911 1911 1912 1913	\$228, 352, 670 247, 624, 231 282, 958, 282 255, 780, 277 259, 985, 756 281, 335, 220	\$73, 828, 996 67, 893, 088 82, 661, 381 86, 674, 935 91, 414, 063 100, 395, 753	\$167, 163, 548 169, 859, 095 168, 091, 091 175, 272, 575 176, 614, 626 180, 306, 555	\$135, 018, 118 145, 658, 224 197, 528, 572 167, 182, 637 174, 785, 193 201, 424, 418

The eight main railroads of the Pennsylvania system consist of the following, namely: Pennsylvania Railroad Co.; Pennsylvania Co.; Northern Central Railway Co.; West Jersey & Seashore Railway Co.; Pittsburgh, Cincinnati, Chicago & St. Louis Railway; Vandalia Railroad Co.; Philadelphia, Baltimore & Washington Railway; and Norfolk & Western Railway Co.

Summary of results of the 8 main railroads of the Pennsylvania system.

	Operating income.	Other income.	All interest charges.	Net for stock- holders.
1908	\$78, 182, 364	\$35,383,394	\$56, 864, 753	\$56,701,005
	79, 801, 558	32,395,801	57, 738, 708	54,458,651
	93, 242, 112	36,020,370	54, 487, 082	74,775,400
	79, 840, 879	37,168,651	49, 261, 337	67,748,193
1912.	81,451,717	37, 559, 007	48, 192, 699	70, 818, 025
1913.	83,238,779	39, 053, 124	47, 683, 794	74, 608, 109

The five main railroads of the New York Central & Hudson River Railroad system consist of the following, namely: New York Central & Hudson River Co.; Lake Shore & Michigan Southern Railway; Cleveland, Cincinnati, Chicago & St. Louis; Michigan Central Railway Co.; and Pittsburgh & Lake Erie Railway Co.

Summary of results of the 5 main railroads of the New York Central & Hudson River Railroad system.

	Operating income.	Other income.	All interest charges.	Net for stock-holders.
1908	\$47, 809, 012	\$21, 454, 932	\$40,063,471	\$29, 200, 473
1909	53, 758, 295	18, 920, 715	40,659,670	32, 019, 340
1910	63, 347, 081	26, 766, 516	42,247,684	47, 865, 913
1911	52, 988, 783	29, 408, 343	46,816,806	35, 580, 320
1911	61, 069, 449	29, 280, 130	48,961,005	41, 388, 574
1912	67, 690, 471	30, 469, 542	51,362,050	46, 797, 963

The only increases in stock issues by cash payments in the 28 railroads during the period from June 30, 1907, to June 30, 1913, have been the following: Lehigh Valley Railroad Co., \$20,000,000 issued to retire bonds; Pennsylvania Railroad, \$139,-270,000 issued to retire bonds; Norfolk & Western Railway Co., \$34,130,000 issued to retire bonds.

The Pennsylvania Co. issued a \$20,000,000 stock dividend and the Pittsburgh & Lake Erie Railroad issued a \$5,000,000 stock dividend.

COVERING EARNINGS OF THE SAID 28 RAILROADS IN TRUNK-LINE TERRITORY.

Attention is called particularly to the fact that the net earnings for stockholders for the year ending June 30, 1913, was the largest in the history of these roads, combining the results.

It is utterly impossible to tell what reports were used by the railroads in compiling the results in the combined statements submitted by them November 24 and 25, 1913. This is due to the carriers recasting their figures for the purpose of bolstering up their case.

In selecting the 28 carriers, the lines operating in New England, as well as the Long Island Railroad, were not considered, as increase in the rates of these lines can be made or denied regardless of any other carriers. The eight railroads being operated under receiverships have been also eliminated. The balance of the railroads in this territory are either small lines operating in a limited territory or short lines running north and south between the Ohio River and the Great Lakes, as increase to these lines can be granted or denied without consideration of the principal trunk lines.

The combined results of the eight main roads of the Pennsylvania system are within \$170,000 of the results of 1910. The net earnings to the Pennsylvania stockholders for 1912 were 8.78; 1913, 9.35. This does not consider the equity in any earnings which were not taken by this railroad in dividends from the underlying roads. The net results of the New York Central system's five main roads were within \$1,000,000 of 1910. The results of 1913 could have been materially increased on this road if they had taken down as large a dividend from the Pittsburgh & Lake Erie Railroad as they did in 1910. The balance of the railroads had a greater net income in 1913 than they did in 1910, with the exception of the following: Western Maryland, Chesapeake & Ohio, Baltimore & Ohio, New York, Susquehanna & Western, and New York, Ontario & Western.

In connection with the matter of variable operating expenses, the following extract is taken from the Interstate Commerce Commission's twenty-seventh annual report, filed December 15 last:

A matter of great importance and growing recognition in nearly all lines of business is the proper accounting for depreciation. The commission's classification of operating expenses for steam roads, issued in 1907, provided accounts for depreciation of the equipment of such carriers. The amount of such depreciation, measured in money value, was left to the determination of the carriers, the rules, however, planly requiring that such determined amount should represent the actual depreciation as nearly as it can be estimated. This latitude has resulted in widely different practices, the rates used by different carriers varying from nething up to 7 per cent or more per annum upon equipment operated under substantially similar conditions. It seems evident that

this variance is in some cases due to the differences in policy rather than differences in actual depreciation or in the estimates thereof. The effect upon the accounts may be best understood from an illustration: Assuming that a raliway company has equipment valued at \$25,000,000 and that the correct average rate of depreciation is 4 per cent, the resulting charge to operating expenses would be \$1,000,000 for the year. The rallway company elects to charge only 1 per cent, or \$250,000. The income for the year is thereby inflated \$750,000; the asset in equipment is overstated by a like amount, and a fictitious surplus is built up. On the other hand, a charge of 7 per cent would result in a corresponding overstatement of operating expenses, understatement of income, and writing down as assets, creating what is known as a "secret reserve." That the accounts of many rallroads are manipulated, with the results above indicated, can not be doubted. This matter is receiving the attention of the commission, and steps will be taken to compel the carriers that are delinquent in this respect to establish and use rates of depreciation which will conform to the requirements.

The results shown as net to stockholders is after paying all interest charges on borrowed funds of all kinds, but does not cover amounts set aside as appropriations to sinking funds, and so forth; as payments to reduce bonded indebtedness, it is the practice of the Pennsylvania system and the Pittsburgh & Lake Erie Railroad Co. to so state their results, which are shown on the detail sheets in italic figures.

Mr. Chairman, the Interstate Commerce Commission has made up a list of about 78 questions to the railroads asking the 5 per cent increase on freight rates. I intended to set them out in full in my remarks, in order that the pertinency of these inquiries may be seen, in order to arrive at any just determination of the proper course to be pursued by the commission in arriving at its conclusions, but I find it will take up too much space in the RECORD; and as a substitute I now read a list of pertinent inquiries for those railroads seeking the 5 per cent increase to answer, in order that we may be more fully informed of the real conditions with which these roads are confronted.

of the real conditions with which these roads are confronted.

First. Have the railroads in trunk-line territory during the last 10 years increased their capitalization? If so, what amount and for what purpose has it been spent? If spent in improving the property devoted to railroad purposes, has it been spent for the purpose of improving the property as a whole, considering its past freight and passenger business, or has it been devoted to the building of expensive non-revenue-producing terminals?

A. Have the operation of these passenger terminals been more expensive? If so, to what amount?

B. Have the railroads invested their funds in other nonproducing properties (coal lands or other real estate ventures)?

C. Have the railroads invested their funds in stocks, bonds, or advances to other railroads? Have any of these investments been made for the purpose of controlling traffic or policies of these lines?

D. Have the investments made by the railroads in other carriers returned them a sum in per cent equal to the payments made by these carriers to their stockholders during the same periods?

E. Submit a statement showing what returns, if any, have been received.

received.

F. Have the railroads leased other carriers during the last 10 years at fixed rentals that have been burdensome? Have these leases been approved by the State commissions and courts after investigation?

G. Have the railroads invested their funds in manufacturing industries? If so, to what extent?

H. Have there been any railroads that have sold their holdings in coal properties, so as to return to their treasury their investments in cash?

H. Have there been any railroads that have sold their holdings in coal properties, so as to return to their treasury their investments in cash?

I. Have there been any carriers that have carried out the intention of the commodities clause before or after the Supreme Court decisions of May 3, 1999 (213 U. S., 366), and April 3, 1911 (220 U. S., 257)?

Second. What proportion of the claimed increases in operating expenses have been due to the following causes:

A. Increased train schedules, both in number and speed, between New York City, Chicago, and St. Louis.

B. Is there an economic waste in the present schedule of the Pennsylvania, New York Central, and Baltimore & Ohio in their operation between New York, Chicago, and St. Louis?

C. Does the present passenger schedule on these roads tend to seriously interfere with their high-class freight traffic?

D. Have these carriers lost a considerable portion of their high-class freight business to the differential lines? If so, to what extent?

E. Have the operating ratios of the big three—Pennsylvania, New York Central, and Baltimore & Ohio—increased to a larger percentage than the ratios of the little three—Philadelphia & Reading, Jersey Central, Lehigh Valley, and Delaware, Lackwamna & Western?

F. Do the operating rates of large roads show economy in operation over smaller roads doing a trunk-line business in connection with other connecting lines?

G. Is there a tendency of shippers to favor the differential lines on account of their ability to give prompter and better service, both in operation and office efficiency?

Third. Have increases been made by the trunk lines in the freight rates on coal during the last 10 years? What increases in efficiency have been secured by the use of larger cars and locomotives in this class of freight?

Fourth. To what extent have the railroads attempted to control the local coal dealers by renting to them terminal facilities, and what restrictions are embodied in these leases?

A. Have terminal docks or coal plers been leased

fullest capacity?

A. Are these facilities used by middlemen and commission brokers for the purpose of storing shipments, enabling them to control the market prices and supply of necessities?

B. To what extent are terminal properties or cars used for the storage of shipments to or from foreign countries, in bond or otherwise, awaiting steamers for loading?

C. Report as to the desirability of increasing the present demurrage charge to \$2 and the imposing of additional charges for track storage at all points to relieve the present inefficiency in terminal operations? Seventh. Have the carriers conformed to the prescribed accounting rules of the commission?

A. What provisions have been made to cover expenditures from surplus funds: First, spent on permanent improvement of properties leased; second, advanced to companies controlled?

Eighth, Report to the commission any case where the carriers have failed to take advantage of increased rates when allowed by the commission after investigation.

Ninth, What effect, if any, has the constant blabbing of railroad executives as to their inability to borrow money had on the investing public; has this discouraged investments in railroad securities?

Detailed statement for the 28 railroads for the verus 1903-1013

Detailed statement for the 28 railroads for the years 1908-1913.

PHILADELPHIA & READING

PHIL	ADELPHIA &	READING.	What has	
Ending June 30—	Operating income.	Other income.	All interest charges.	Net for stockhold- ers.
1908 1909 1910 1911 1912 1913	\$14,893,521 15,168,255 17,331,405 16,358,922 15,313,328 19,126,330	\$431, 456 372, 274 353, 572 195, 972 1, 045, 733 1, 240, 745	\$8,034,099 9,175,261 8,981,941 8,891,889 8,220,483 8,270,905	\$7,290,878 6,365,268 8,703,036 7,663,005 8,138,578 12,090,170
CENTRAL	RAILROAD OF	NEW JERS	EY.	
1908 1909 1910 1911 1912 1913	\$9,054,813 8,439,748 9,314,932 9,514,212 9,040,437 10,279,097	\$1, 196, 283 1, 228, 848 4,526, 704 2, 267, 621 2, 200, 128 2, 259, 846	\$5,127,655 5,130,640 4,737,785 5,079,240 5,231,493 5,206,060	\$5,123,441 4,537,956 9,103,851 6,702,593 6,009,072 7,332,883
LEHIC	GH VALLEY	BAILROAD.		al st
1908 1909 1910 1911 1911 1912 1913	\$12,672,678 11,628,314 13,541,920 13,159,720 10,582,434 12,208,136	\$1,432,489 1,264,902 1,605,862 1,973,103 2,116,461 2,303,755	\$6,734,593 7,049,413 7,010,381 6,632,816 5,885,875 5,750,063	\$7,370,574 5,843,803 8,137,401 8,500,007 6,813,020 8,761,828
	ERIE RAILE	DAD.	100000	
1908. 1909. 1910. 1911. 1912. 1913.	\$8,673,655 14,832,774 13,037,075 15,592,414 13,547,914 16,500,590	\$2, 259, 984 3, 770, 122 2, 750, 436 3, 335, 100 3, 893, 178 6, 133, 812	\$12,565,526 12,815,951 12,854,061 13,547,762 14,212,918 14,528,736	\$1,631,887 5,786,945 2,933,450 5,379,752 3,228,173 8,105,675
NEW YORK,	SUSQUEHAN	NA & WEST	ERN.	
1908 1909 1910 1911 1911 1912 1913	\$623, 262 870, 279 907, 870 1, 104, 946 858, 519 1, 010, 480	\$56, 143 71, 525 107, 294 223, 766 167, 625 179, 199	\$763,711 821,617 825,409 794,176 853,250 981,583	\$84,306 120,187 189,755 534,536 172,895 208,096
NEW YOR	K, ONTARIO	& WESTER	٧.	The state of
1908 1909 1910 1911 1911 1912 1913	\$2,497,653 2,421,588 2,441,100 2,496,483 1,764,066 2,691,898	\$475, 333 428, 410 403, 317 384, 143 367, 308 212, 785	\$1,452,397 1,506,871 1,531,620 1,737,690 1,657,645 1,693,050	\$1,520,589 1,343,127 1,312,797 1,142,936 473,729 1,211,633
DELAWARE,	LACKAWANN	A & WESTE	RN.	STEP IN
1908 1909 1910 1910 1911 1912 1913	\$13,143,076 14,285,358 15,477,891 12,973,984 10,935,090 14,068,848	\$1,382,884 1,422,827 1,048,960 1,039,552 4,380,591 4,376,307	\$5,536,391 5,500,646 5,538,214 5,482,486 5,680,779 6,710,959	\$8,989,569 10,207,539 10,988,637 8,531,950 9,634,901 11,734,196
DELAWAI	RE & HUDSO	N RAILROAD		SVIII . ST
1908	\$7,759,997 7,461,206 7,927,719 7,721,729 7,713,431 8,667,536	\$1,442,922 1,241,105 1,504,751 2,337,062 1,623,282 3,333,229	\$4,328,479 4,143,078 4,512,172 4,769,405 4,880,552 5,022,227	\$4, 874, 449 4, 559, 233 4, 920, 298 5, 289, 386 4, 456, 162 6, 978, 538
1908. SUMMARY 1909. 1910. 1911.				38, 764, 053 46, 289, 225 43, 743, 265

Detailed statement for the 28 railroads for the years 1908-1913-Contd. BUFFALO, ROCHESTER & PITTSBURGH.

BUFFAL	, ROCHESTER	& PITTSBUR	GH.	
Ending June 30—	Operating income.	Other income.	All interest charges.	Net for stockhold- ers.
1908	2,373,092 2,841,763 2,774,557 2,874,147	\$678, 187 436, 812 552, 380 840, 518 779, 578 1, 018, 717	\$1,751,259 1,767,482 1,866,769 1,908,789 1,882,830 1,949,714	\$1,036,192 1,042,422 1,527,374 1,706,286 1,770,895 2,126,994
В	ESSEMER & LA	KE ERIE.		
1008	2, 428, 496 3, 623, 147 2, 581, 098	\$60,624 86,773 168,341 107,728 137,289 170,821 WAY CO.	\$1,742,550 1,735,930 2,118,958 2,189,235 1,867,524 1,512,991	\$404, 190 779, 339 1, 672, 530 499, 591 1, 936, 805 2, 267, 853
		F		
1911 1912 1913	1,671,607	\$14,352 92,715 349,599	\$2,495,167 2,512,722 1,585,291	\$1,113,398 748,401 1,018,435
CHESA	PEAKE & OHIO	RAILWAY C	0,	
1908	9, 435, 199 11, 416, 660 9, 922, 227	\$829, 822 766, 275 1, 316, 897 1, 102, 440 1, 808, 563 2, 225, 537	\$6,010,971 6,208,947 6,443,509 7,419,341 8,174,326 8,184,889	\$2,764,786 3,992,527 6,290,048 3,605,326 4,274,206 3,298,503
нось	ING VALLEY B	AILWAY CO.	al span	
1908 1909 1910 1911 1911 1912 1913	2,755,734 2,227,249 2,310,449	\$970, 886 980, 746 985, 961 862, 871 694, 156 772, 479	\$1,157,094 1,232,687 1,201,931 1,257,393 1,173,768 1,211,975	\$1,364,704 1,515,989 2,539,764 1,832,727 1,830,836 1,916,404
BALT	MORE & OHIO	RAILROAD.		
1908	20,903,172 24,497,853	\$5, 136, 901 3, 935, 181 4, 217, 898 4, 845, 279 4, 342, 892 5, 212, 206	\$12,181,925 11,875,618 12,468,164 14,659,663 14,837,391 15,771,372	\$10, 435, 344 12, 962, 735 16, 247, 587 12, 819, 991 13, 940, 452 13, 382, 111
WEST	ERN MARYLAN	D RAILROAD.	al all a	
1908	2,048,967 1,254,020 2,521,282 2,111,209	\$636,756 570,772 332,122 568,434 925,427 1,084,050	\$2,848,674 2,496,576 1,265,411 2,329,380 2,389,366 2,874,896	\$341,874 123,163 320,731 760,336 647,271 414,973
NEW YORK CE	NTRAL & HUDS	SON RIVER D	AILROAD.	aring Sings
1908	\$17, 858, 399 21, 370, 636 23, 010, 921 21, 540, 405 22, 264, 513 25, 056, 112	\$13,666,199 12,309,052 14,885,531 15,858,005 17,082,946 17,509,310	\$21, 686, 211 21, 520, 713 21, 883, 680 23, 083, 352 25, 255, 410 26, 775, 092	\$9, 838, 387 12, 158, 975 16, 012, 772 14, 315, 058 14, 092, 049 15, 790, 330
LAKE SI	ORE & MICHI	GAN SOUTH	ERN.	
1908. 1909. 1910. 1911. 1912. 1913.	13,789,590 15,513,944 11,950,530 16,298,514 18,069,373	9,912,063 10,297,086	\$8, 149, 065 8, 338, 244 9, 019, 835 10, 560, 364 10, 325, 657 10, 991, 115	\$10, 443, 314 10, 491, 181 16, 300, 892 12, 435, 685 15, 884, 920 17, 375, 344
MICH	GAN CENTRAL	RAILWAY CO	1	
1908 1909 1910 1911 1912 1913	6,655,089 7,920,199	\$1,024,028 854,967 1,068,195 1,302,068 1,046,082 1,100,820	\$4,961,253 5,059,535 5,585,837 6,639,855 7,013,058 6,925,287	\$2, 836, 791 2, 450, 521 3, 402, 557 703, 500 2, 586, 260 3, 209, 094
PITTSBU	RGH & LAKE	ERIE RAILR	DAD.	THE PARTY
Ending June Operating income.	Other income.	All interest charges.	Net for sto	ckholders.
1908. \$5,836,843 1909. 6,066,445 1910. 9,777,754 1911. 7,663,624 1912. 7,400,485 1913. 9,573,535	\$139,095 165,499 299,732 262,974 499,960 780,506	\$957, 838 825, 894 963, 286 824, 915 868, 643 899, 962	\$1,091,335 1,323,369	\$5,018,100 5,406,050 9,114,200 7,101,683 7,031,802 9,454,079

Detailed state	ment for the					S—Contd.
Ending June	Operating income.	(Other income.	All interest charges.	Net for sto	ckholders.
1908	\$4,893,066 5,876,535 7,124,263 5,792,937 6,552,701 5,867,890	\$479,919 551,362 706,275 939,777 739,079 781,820		\$4,309,104 4,915,284 4,795,046 5,708,320 5,498,237 5,770,594		\$1,063,881 1,512,613 3,035,492 1,024,394 1,793,543 879,116
	PENN	SY	LVANIA RA	ILROAD CO.	NE THE	THE E
1908	\$39, 328, 986 38, 666, 530 43, 739, 026 36, 842, 624 37, 654, 389 39, 361, 018	1	7,523,910 15,777,104 17,498,744 18,484,308 18,717,333 19,454,843	\$24, 739, 530 25, 345, 673 20, 671, 570 17, 156, 141 16, 513, 931 16, 342, 462	\$6,922,344 9,143,650 517,064 8,487,768 2,354,260 1,618,923	\$32,113,366 29,097,961 40,566,200 38,170,791 39,857,791 42,473,399
Control (Sec.)	HE STREET	PE	NNSYLVANI	A CO.		
1908 1909 1910 1911 1912 1913	\$12,062,740 12,952,250 16,775,660 13,889,809 13,668,904 14,278,615		13, 427, 246 12, 009, 661 13, 343, 832 13, 187, 423 13, 335, 752 13, 688, 874	\$15,556,807 15,270,934 17,108,805 15,408,898 16,027,378 15,821,120	\$1,769,518 2,045,760 1,783,509 1,732,890 1,755,518	\$9,933,179 9,690,977 13,010,687 11,668,334 10,977,278 12,146,369
PI	TTSBURGH, C	IN	CINNATI, C	HICAGO & S	ST. LOUIS.	YOUNE
1908 1909 1910 1911 1912 1913	1908. \$8,475,120 1909 8,720,920 1910 10,395,419 1911 9,245,808 1912 9,700,597		\$771, 621 773, 671 797, 250 759, 223 883, 074 854, 951	\$5, 132, 765 5, 269, 264 5, 284, 595 5, 194, 344 5, 048, 205 5, 175, 367	\$498,590 492,150 546,045 728,600 761,141	\$4, 113, 976 4, 225, 327 5, 908, 074 4, 810, 687 5, 625, 466 3, 513, 360
	VA	ND.	ALIA RAILI	ROAD CO.		EXELES.
1908 1909 1910 1911 1912 1913	\$1,901,534 1,846,243 2,087,244 2,028,530 1,734,502 2,119,861		\$66, 849 79, 468 82, 326 141, 203 120, 514 114, 053	\$1, 153, 711 1, 209, 329 1, 241, 540 1, 446, 968 1, 331, 401 1, 313, 766	\$140,683 189,974 181,312	\$814, 672 716, 382 928, 030 722, 765 523, 615 920, 148
	NORTE	IEI	IN CENTRAL	L RAILROAD.		± 11 11 16
Ending .	June 30—		Operating income.	Other income.	All interest charges.	Net for stock- holders.
1908. 1909. 1910. 1911. 1912. 1913.			\$2,372,187 2,160,955 2,376,874 1,433,124 1,183,527 1,474,943	\$1,532,575 1,458,975 1,542,561 1,529,475 1,540,443 1,606,041	\$1,411,030 1,329,436 1,271,882 1,297,975 1,222,634 1,136,506	\$2,493,732 2,290,494 2,647,553 1,664,624 1,501,336 1,944,478
TARREST STATE	PHILADELPH	IA,	BALTIMOR	E & WASHI	NGTON.	
1908		••••	\$3,528,755 3,784,393 3,905,935 3,862,373 3,808,497 3,386,549	\$1,024,283 1,123,716 1,310,344 1,410,484 1,321,593 1,340,437	\$3,547,520 3,572,737 3,003,504 3,129,265 2,852,278 2,954,332	\$1,005,518 1,335,372 2,212,775 2,143,592 2,277,812 1,772,654
	WEST	J	ERSEY & S	EA SHORE.	THE REAL PROPERTY.	
1908 1909 1910 1911 1912 1913			\$1, 108, 831 1, 092, 953 1, 072, 307 1, 269, 349 975, 904 1, 069, 518	\$222, 171 157, 367 224, 444 338, 554 277, 056 229, 443	\$616, 888 638, 922 673, 235 587, 821 672, 657 567, 901	\$714, 114 611, 398 623, 516 1, 020, 082 580, 303 731, 060
	NORFOI	K	& WESTER	N RAILROAD		(1) (1) (1) (1) (1) (1) (1) (1)
1908 1909 1910 1911 1912 1913			\$9, 404, 211 10, 577, 314 12, 889, 647 11, 269, 262 12, 635, 397 13, 714, 499	\$814,739 1,015,839 1,220,869 1,317,981 1,363,242 1,764,482	\$4,706,502 5,102,413 5,231,951 5,039,925 4,524,215 4,372,340	\$5,512,448 6,490,740 8,878,563 7,547,318 9,474,424 11,106,641

Mr. FINLEY. Mr. Chairman, I will ask the gentleman from

Mr. FINLEY. Mr. Chairman, I will ask the gentleman from Michigan to use some of his time.

Mr. SAMUEL W. SMITH. Mr. Chairman, I yield one hour to the gentleman from Washington [Mr. Humphery]. He does not expect to use but 20 minutes. After that I will yield one hour to a member of the committee, and he does not expect to use but 20 minutes. I give this notice so that the other side may be prepared.

Mr. HUMPHREY of Washington. Mr. Chairman, I have been a Member of this House for something over a decade, and the other day I witnessed something new. For the first time since I have been a Member of the House the leader of either party made a political speech and refused to be interrupted when Members desired to propound questions. The distinguished gentleman from Alabama [Mr. Underwood] made a speech replying to some remarks that I had made and that some of the other Members had made, but when he was asked to permit questions he refused to be interrupted. It was not because the distinguished leader of the Democratic side of this House was not posted, because no man in this House knows more about the tariff question than does he. It was not because he did not wish to be courteous, because he is a very courteous gentle-man. The reason he refused to be interrupted was because of wisdom. I had been talking in regard to the closing of the steel mills throughout the country, and he knew that I stated the facts and that, if permitted, I would ask him questions he dare not answer. I do not, however, care to severely criticize the gentleman [Mr. Underwood]. I have no doubt that had he had his way about the present tariff law it would have been far different from relect it is different from what it is.

I do not care what motive is assigned to me by gentlemen on that side of the House for remarks that I may make in regard to these closed mills; but, so far as they dispute the correctness of the facts, I propose whenever I have an opportunity to show, if I can, that I am correct. I do not believe that I will be accused by Members of this House, when speaking upon the floor, of making statements recklessly; yet that insinuation is practically the only answer that was made to the figures I produced the other day. Some complaint was made upon that side of the House that I used Republican newspapers. As a matter of fact, I used only a trade paper. In order, no doubt, to show whether or not my statements were correct, the New York Times of yesterday contains a large number of telegrams from the owners of mills that I had mentioned that were closed in answer to one that they sent out, asking whether or not my statements were true. It will hardly be contended that the New York Times is a Republican newspaper. If I am correctly informed, it supported Mr. Wilson, and it is now supporting the administration. The headlines over the articles, which occupy something like half a page, are: "Steel men affirm HUMPHREY's figures."

I have looked through the figures, as they give them in detail, and if I have them correctly, out of 53 stacks reported closed in Pennsylvania they received telegraphic replies from 32, and every one of them say that my figures are correct. Out of a total of 123 they have received and published 45 replies, and every one of them say that my figures are correct. So far they have been unable to discover a single mistake which I made. I repeat again to my friends on the other side what I said the other day, and again challenge them now or hereafter to dispute the correctness of the figures I have given. I have not taken them from partisan papers, but if I had that is not material. Are they true, is the only important fact. Let any gentleman in this House show they are wrong if he can. As to why these mills closed is a question, of course, about which we differ, but I intended that the fact that they are closed no man shall dispute. This article in the New York Times, I may say, is a fair one. I have no criticism to make of it, although they have made one

or two mistakes in their statements owing, undoubtedly, to the lack of technical knowledge of the steel business. I want now to read a few quotations from the article:

Inquiry yesterday at the local offices of steel and iron companies and answers to telegrams sent by the Times to the points named in Congressman HUMPHREY's speech in the House on Tuesday, in which he said that 123 plg iron stacks, with an annual capacity of nearly 13,000,000 tons, had been blown out since March 1, indicated that his figures were substantially correct when made up last week, but that there had been some signs of improvement since then. As an instance, the ingot production of the United States Steel Corporation has increased 12 per cent since January 1.

In answer to the statement that there has been some improvements, I wish to quote from a telegram which I received yesterday from Cleveland from the Daily Iron Trade, the paper which furnished me the figures I used before, in which the New York Times and my Democratic friends have not been able to discover a single error. That dispatch reads as follows:

CLEVELAND, OHIO, January 15, 1914.

Congressman William E. Humphrey, Washington, D. C.:

Steel situation continues to grow worse. Connellsville, Pa., district coke workers' wages are being reduced 10 per cent, and 2,100 coke ovens closed down this week for indefinite period.

DATLY IRON TRADE.

I put that statement from a trade paper against their statement that things are improving. They say further:

Some points were made, however, that changed the interpretation put on the figures by Mr. Humphury to a certain extent. One was that the decline did not date from March, when the Democratic administration came in, but began in June and was not marked until November and December. This is shown by the actual record of production, as compiled by The Iron Age. The figures, in gross tons, are as follows:

January	2, 795, 331
February	2, 586, 337
March	2 762 562
April	9 759 764
May	2, 822, 217
June	2, 628, 565
Tuly	
JulyAugust	2, 560, 646
August	
September	2, 505, 927
October	2, 546, 261
November	2, 233, 123
December	1 082 607

I have no contradiction to make of that statement. It is true that the marked depression commenced about the time the tariff law went into effect; but I was going back a year. I went back a year because the figures were furnished to me in that way. I have no dispute if this Democratic paper insists that this depression had come on within the last three months, since we have had the new tariff law on the statute books. I think the figures they give in that particular are correct. Further down there is this which I wish to quote, and here is the one mis-take I find in the article, except as to matters of opinion, and I have no disposition to quarrel with them about matters of

The figures cited by Mr. Humpher also ignored the fact that since March new stacks, estimated to aggregate 60 or 70, had been blown in and no allowance was made for these as an offset against the 123 said to have been blown out.

The New York Times is somewhat muddled in that statement. In 1913 there were only four new blast furnaces constructed. They have a combined capacity of about 550,000 tons of pig iron annually. These four are the only ones that went into blast last year. There were two of these furnaces for the Pittsburgh Steel Co. at Monesson, Pa.; one for the Youngstown Steel & Tube Co. at Youngstown, Ohio; and one for the Oriskany Iron & Ore Corporation in Reusens, Va. These facts are taken from the annual number of the Iron Trade Review for January 1, 1914.

Now, without attempting to explain just what the Times did mean by the statement that I failed to include the 60 or 70 blasts they mentioned, it seems likely they have confused blast furnaces with open-hearth steel furnaces. There were 62 of the latter completed last year. But that is an entirely different proposition from the stacks I mentioned. I was speaking of blast furnaces that make pig iron, and they probably were talking about open-hearth furnaces that make steel. Outside of this error, which was undoubtedly intentional, I think the article in the Times is substantially and entirely fair.

Now, I want to read from this article in the Times once more. The other day, when I was talking, my distinguished friend from Georgia [Mr. Hardwick] said that the difficulty at this time was that we were still suffering from the calamity and hard times that had been inherited from the Republican administration. Now, the Times quotes from some gentleman, whose name it does not give, to show that the prospects in the steel business were better. Here is what he says about it, and I wish my friend from Georgia was here to hear it. He seems to think we inherited prosperity, not calamity, from the last Republican administration. He says:

I note that Mr. HUMPHREY goes back to March 1 to choose a date for the beginning of the depression. The blowing out of furnaces was made to begin then. It might as well have been November 1 as March 1, for the decline of iron and steel activity came suddenly toward the close of October, although the groundwork for it, in the shape of steadily declining orders, was being built in several months preceding.

OLD ORDERS HELPED.

Throughout the greater part of last year the steel companies were, after a manner of speaking, burning the backlog left from the previous year. I mean that the great accumulation of orders which carried over into 1913 from 1912 kept the companies busy up to nearly 90 per cent of capacity until winter. But new orders fell away steadily all the time. The result could not be anything else than it was. When specifications ceased to come against old orders, a slump of furnace and mill work occurred. The slump was the worst that I have ever seen in my experience in the steel business. Furnaces by the score had to be blown out because there was not anything for them to do, and thousands of men were let go for the same reason.

Now, I commend that to my Democratic friends, who have been saying that the conditions are inherited from the Republican administration. It shows that what little prosperity we did have in 1913, in the steel mills, at least, was from orders which were taken in 1912. As I pointed out the other day, the

which were taken in 1912. As I pointed out the other day, the United States Steel Corporation on the 1st day of January, 1913, had orders for 7,852,883 tons of steel. On January 1, 1914,

they had orders for only 4,250,000 tons. Orders given in the Republican year have so far largely kept the mills running in the Democratic year. I want to read one or two of the dispatches to the Times in regard to the statement I made in reference to the closing of these 123 mills, representing 38 per cent of the entire steel production of the country. I have here a copy of one of the telegrams sent to me this morning from the Columbus Iron & Steel Co., of Columbus, Ohio. Here is the dispatch that the Times sent to that company:

NEW YORK, N. Y., January 13, 1914.

THE COLUMBUS IRON & STEEL CO :

Asserting that 1,000,000 workmen are idle in the country, Representative Humpher in the House Tuesday said your company had blown out one stack on March 1, 1913. Will you kindly wire early Wednesday evening brief message, press collect, stating these facts: First, is Humpher's assertion true? Second, how many men have you laid off since March, 1513? Third, how many have you reemployed? Fourth, what is prospect of employing more men during 1914?

NEW YORK TIMES.

Now, here is their reply to that dispatch:

COLUMBUS, OHIO, January 14, 1914.

NEW YORK TIMES, New York, N. Y .:

Replying to your telegram January 13. One stack blown out January, 1914, instead of March 1, 1913. No men laid off since March. None reemployed. Prospects for employing more men during present year very poor, indeed.

THE COLUMBUS IRON & STEEL CO.

I read now some of the other replies to the same dispatch:

[Special to the New York Times.]

PITTSBURG, January 14.

We have four idle blast furnaces. We have laid off about 30 per cent of our men since March 1, 1913. As yet we have reemployed none. We hope conditions will permit us to employ more men during 1914.

JONES & LAUGHLIN STEEL CO.

I call the attention of the House to that particular dispatch because the distinguished leader upon that side of the House [Mr. Underwood], when talking the other day, inserted a newspaper clipping to the effect that there had been a large number of men reemployed in Pittsburgh, and among the companies mentioned that reemployed men was this company, the Jones & Laughlin Steel Co. The dispatch that I have just read shows that at least to that extent that dispatch was not correct. Then I read this one from Cleveland:

M. A. HANNA & CO.

[Special to the New York Times.]

CLEVELAND, OHIO, January 14.

Humphrey's assertion in regard to the furnaces we represent as agents is true, but we have not in this office the detail of the number of men laid off or reemployed. There is a decided probability that more men will have to be laid off at an early date.

M. A. Hanna & Co., Agents.

Then, I read this one from Chicago because my distinguished friend from Illinois [Mr. Fowler] asked me the other day to quote or to make some statement in regard to the condition in Chicago in the steel industry:

IROQUOIS IRON CO.

[Special to the New York Times.]

SOUTH CHICAGO, January 14.

We do not know how many workmen in this country are idle at the present time. This company was operating three furnaces on March 1, 1913, and employing 620 men. At present we are operating two furnaces and employing 421 men. The employment of additional men will depend entirely upon an improvement in the consumption of merchant pig from

IROQUOIS IRON Co.

Then, I want to read another one from Chicago. Here it is: INLAND STEEL CO.

[Special to the New York Times.]

EAST CHICAGO, January 14.

We had one stack out for repairs, but it is in blast again. We hid off about 1,000 men, some of whom were on a new kind of work, which is completed. Our regular operating departments are running about 75 per cent of capacity. If railroad buying should be resumed, we think full employment could be given through 1914.

INLAND STEEL CO.

Now, I will read one from the South:

CHATTANOOGA IRON & STEEL CORPORATION.

[Special to the New York Times.]

Our furnace has been shut down since July 1. We laid off 1,200 men employed at the furnace and the coal and ore mines. We have thus far not reemployed any, and there are no prospects for starting up during 1914, unless market conditions improve. In our opinion, the present depression is due to uncertainty caused by tariff legislation and threatened Government monopoly to regulate and control all industrial operations, which plan, if pursued, must inevitably result in a gigantic governmental trust that will eventually throttle all business competition between corporations, and leave no opportunity or incentive for individual endeavor.

C. E. BUEK, President.

Now, I will read one nearer home, and then I will put the rest of the list in the RECORD. This is from Sparrows Point, Md. I

MARYLAND STEEL CO. [Special to the New York Times.]

SPARROWS POINT, MD., January 14.

One blast furnace has been blown out and two furnaces banked since December 15, 1913. The blast furnaces and steel works are completely shut down for the first time in 17 years. The reason is the want of orders for steel rails. We intend to resume just as soon as we can secure orders for sufficient tonnage. About 1,500 men are laid off until then. The prospect is indefinite and not encouraging.

MARYLAND STEEL CO.

In conclusion, I desire to call the attention of the distinguished Secretary of Commerce and of the distinguished Secretary of Labor to the fact that they no longer have to look for the evidence. These "guilty wretches" have come up and an-nounced over their own signatures that they have closed down these mills. They have admitted the crime. Now let the execu-

tions proceed.

Before I sit down I want to mention but one other matter. The other day, when I was talking, my distinguished friend from Georgia [Mr. Hardwick] said that he knew something about the lumber business in the South, and intimated and, in fact, stated that the conditions in the lumber business there were very good. I am very glad the gentleman comes in just at this moment. I do not know anything about the conditions of the lumber business in the South, and what I read is simply a newspaper clipping. It is taken from the Herald of this city, of January 15, and the transaction that I am going to read about took place at the very time that my distinguished friend from Georgia was making his speech. Here is the dispatch:

[Washington Herald, Jan. 15, 1914.]

BIG LUMBER COMPANY FAILS—JUDGE HEARS PETITION OF FLORIDA CORPORATION.

TALLAHASSEE, FLA., January 14, 1914.

A petition was filed with Federal Judge Sheppard to-day by the Keyser-Muldon Co., of Pensacola, asking to be adjudged bankrupt. Liabilities totaled \$2,700,000, with assets aggregating \$1,700,000.

The general demoralization of the lumber business is given as the cause of the failure.

Again, just upon the general proposition, I read another dispatch from the Washington Herald of this morning:

SALARIES ARE CUT DOWN-WESTINGHOUSE EMPLOYEES FEEL EFFECTS OF RETRENCHMENT.

PITTSBURGH, PA., January 15, 1914.

Two thousand employees of the Westinghouse Electric Co. received notice to-day that their pay had been reduced 16% per cent.

This order, due to retrenchment, affects office men, officials, and all other than those employed in the shops on a piecework schedule.

Mr. SELDOMRIDGE. Mr. Chairman, will the gentleman

yield to me for a question?
The CHAIRMAN. Does the gentleman yield?
Mr. HUMPHREY of Washington. I yield; certainly.
Mr. SELDOMRIDGE. I would like to know if the gentleman has seen the report in the paper from Pensacola, Fla., to the effect that the closing down of the bank there was due to the failure of certain dealers in London to protect drafts that had been made upon them by this lumber company?
Mr. HUMPHREY of Washington. No; I know no

No; I know nothing about it.

Mr. SELDOMRIDGE. I think that was the cause of the failure.

The CHAIRMAN. The Chair understands that the gentleman from Washington wanted to be advised when he had consumed 20 minutes

Mr. HUMPHREY of Washington. Have I consumed that much?

The CHAIRMAN. That much has been consumed.
Mr. HARDWICK. Mr. Chairman, will the gentleman yield?
Mr. HUMPHREY of Washington. I will yield to the gentleman.

Mr. HARDWICK. I made a statement the other day, Mr. Chairman, in reference to the lumber interests in Georgia. If the gentleman from Washington will examine the RECORD, he will find it. But I understood the gentleman from Washington to say that there was no reason why the tariff should affect the lumber industry in the South, because we were a thousand miles or more removed from the Canadian border and had a freight rate which was a thorough protection against any competition of that kind. Now, if that be true, and some lumber concern has failed in Florida, how does that prove that the tariff has anything to do with it?
Mr. HUMPHREY of Washington.

I shall be very glad to answer the gentleman, although it will take a minute or two to do it.

Mr. HARDWICK. Yes; I would like the gentleman to answer that.

Mr. HUMPHREY of Washington. I will take great pleasure in answering that question. The answer to it is that whenever you have a tariff law such as you have now you stop production, as I said yesterday, and people stop buying. You take it to-day in the United States as compared with a year ago, and building has decreased over 30 per cent. If you will go back to your star Democratic year of 1896 and compare the figures of that year with 1912, take the statistics furnished by the Government, and you will discover that not only did the people at that time not buy half as much lumber, but they did not buy half as many clothes. Per capita they did not consume half as much bread. Per capita they did not consume one-half as much meat. Per capita they did not consume one-half as much of any of the necessaries of life. That is the reason why, when you have a Democratic free-trade tariff law upon the statute books you have panic and depression. People are out of work. You stop consumption. Men lose their wages. They are idle, and they do not buy either at home or abroad. That is the answer to the gentleman's question.

Mr. HARDWICK. Will the gentleman let me ask him one

more question, and then I will stop-or will it bother the gentle-

Mr. HUMPHREY of Washington. No; I am not going to follow the rule of the distinguished leader the other day, and refuse to answer questions. I do not think I am in as pre-

carious a condition as he was.

Mr. HARDWICK. I always yield to the gentleman. Does the gentleman still complain that the steel industry is languishing, or has he concluded his weepings along that line? I did not hear the first part of the gentleman's remarks. That is the

Mr. HUMPHREY of Washington. I will have to ask the gentleman to read the Record, because I have occupied more time now than I should, most of it upon that proposition.

Mr. HARDWICK. All right. I will ask this question, then: Does not the gentleman know that the railroads of this country consume probably 60 per cent of the steel men's output, and that their condition, which is in no way caused and could not possibly be caused by a Democratic tariff or any other sort of a tariff or by Democratic legislation, that their condition grows tariff, or by Democratic legislation—that their condition grows out of their overcapitalization and their inability to earn the returns on largely watered stocks and bonds, and is the real reason why the steel people have not got the orders they had

Mr. HUMPHREY of Washington. The answer to that is just the same as it has always been under a Democratic administration, that the railroads can not build. The people have no confidence. Business all over the country is depressed. The railroads have no tonnage. They can not borrow the money with

which to build or improve.

Mr. HARDWICK. Does the gentleman blame the tariff law

Mr. HUMPHREY of Washington. I will answer the gentleman's question, and then I do not want to be interrupted any more, because I am trespassing upon the courtesy of others,

and I do not want to do that.

I answer yes. As I pointed out to the gentleman the other day, within the last three months the condition of railroad business has changed so that instead of having a shortage of something like 1,200 cars, they now have idle cars to the number of 190,000.

Mr. HARDWICK rose.

Mr. HUMPHREY of Washington. I am not going to yield

any more. I hope the gentleman will not insist.

Mr. HARDWICK. All right. I will not interrupt the gen-

Mr. HUMPHREY of Washington. The railroads are unable to borrow the money now to extend their roads, and as a result of that, of course, they are not giving any orders for steel, and so the steel mills are closed. Solely for the benefit of the gentleman [Mr. Hardwick] I will say once more, I quoted from the New York Times, which has taken occasion to send telegrams presumably to each of the 123 mills that I said were closed, and they have published some 45 replies which say that every statement I made was correct. So the truth is to-day that there are 38 per cent of all the steel mills in this country closed-that is, representing 38 per cent of the production-and there are about 1,000,000 men out of employment. I do not care what explanation you give for it. That does not concern me. I am simply giving the facts to the House and to the country; because I believe that it is the patriotic duty of any man who believes, as I believe, that these conditions have been brought about by the legislation that the Democratic Party has written upon the statute books, and by what they propose to do; to tell the facts to the country and to tell them exactly

as they are. So far, no man has yet found that I have made a mistake. I believe it is my duty to see if public sentiment can be aroused by telling the truth until the Democratic Party will stop in its crusade of ignorance and mistake before the business of the country is entirely destroyed. [Applause on the Republican side.]

Mr. Chairman, I ask unanimous consent to extend my re-

marks in the RECORD.

The CHAIRMAN. The gentleman from Washington asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. HUMPHREY of Washington. I yield back the remainder of my time.

APPENDIX.

Idle plants and men in the steel industry.

[The accompanying table shows the number of men laid off by various steel plants of the country, as well as the number of stacks blown out, as reported by plants other than those of the Steel Corporation, in answer to telegrams sent by the New York Times to companies named by Representative Humphrey in the National House on Tuesday as having curtailed their production.]

Name of company.	Stacks out.	Number of men laid off since Mar. 1, 1913.	Number of men reem- ployed.	Prospect of employing more this year.
PENNSYLVANIA.		Tel Tel		
Empire Steel & Iron Co., Catasauqua.	4 (1 resumed)		0	Doubtful.
Cambria Steel Co., Johns- town.	2	0	0	Not good.
Pennsylvania Steel Co., Steelton.	4	2,000	0	Hopeful.
Jones & Laughlin, Pitts- burgh.	4	130	0	Do.
Sharpsville Furnace Co Central Iron & Steel Co Thomas Iron Co Shenango Furnace Co Punxsutawney Furnace	1	80 200 154 75 150	0 0 0 0	Uncertain. Not bright. Probably 100. Hopeful. Doubtful.
Co. Emporium Iron Co Eastern Steel Co Lackawanna Steel Co Joseph E. Thropp, Saxton. ILLINOIS.	1 (July) 7 1 (July)	150 135 4, 202 300	0 0 342 0	If warranted. Doubtful. Do. Hopeful of partia resumption.
Iroquois Iron Co., Chicago. Inland Steel Co	1 (1 resumed)	199 1,000	0 0	Doubtful. Depends on rail- road buying.
KENTUCKY.				road buying.
Norton Iron Works, Ashland.	1 (Nov. 15)	160	0	Not good.
NEW YORK.		and some	Total Park	CHAIL DESCRIPTION
Tonawanda Iron & Steel Co. OHIO.	501	150	0	Not bright.
Belfont Iron Works Co.,	1 (Dec. 20)	110	0	Not good.
Ironton. Brier Hill Steel Co.,	1 (March)	125	0	Expect all back
Youngstown. Columbus Iron & Steel Co., Columbus.	1 (Jan. 1, 1914).	-0	0	Apr. 1. Very poor.
TENNESSEE.	The state of the s	0.0	112.75	The Transport
Chattanoega Iron & Coal Corporation.	1 (July 1)	1,200		Doubtful.
Bon Air Coal & Iron Co	1	160	0	Hopeful.
COLORADO.	ATTENDED TO			
J. F. Wilburn, Pueblo	2	2,000	500	Good.
MARYLAND.				
Maryland Steel Co., Spar- rows Point.	3 (Dec. 15)	1,500		Not encouraging.

1 Per cent.

WHAT THE MILL OPERATORS SAY.

The Times sent inquiries to the steel companies mentioned by Mr. Humphrey in his speech, asking them these questions:

1. Is Humphrey's assertion true?

2. How many men have you laid off since March 1, 1913?

3. How many have you reemployed?

4. What is prospect of employing more men during 1914?

The replies received by the Times are given below:

LACKAWANNA STEEL CO.

E. A. S. Clarke, president of the Lackawanna Steel Co., writing from his office in this city, said:

"Representative Humphier's assertion that this company had blown out five stacks since March 1, 1913, is true as far as regards our blast furnaces at Buffalo, and his statement that we have blown out one stack at Cornwall and one stack at Lebanon is also true.

"As of March 1, 1913, our records show that there were 9,190 men on the pay roll, and as of December 27, 1913, there were 888 men on our pay roll. For the week ending January 10, 1914, the records show 5,220 men on the pay roll, the difference being due to temporary reemployment on account of a small accumulation of orders which had to be filled.

"I am unable to give any estimate of the additional number of men

to be filled.

"I am unable to give any estimate of the additional number of men which may be employed during 1914. In my judgment, it depends very largely on the prosperity of the railroads. If the railroads are not presperous, the number of men may be further reduced instead of being increased."

These statements were received by telegraph:

PENNSYLVANIA STEEL CO. [Special to the New York Times.]

STEELTON, PA., January 14.

HUMPHREY'S assertion is true. Four out of seven stacks were blown out since March 1, 1913. Net number of men discharged since March, 2,000; others on reduced time. We are keeping many men busy on remodeling portion of plant that would otherwise be laid off. The number of men has declined steadily. We expect to put on more men as quickly as we receive new orders, of which we will get our share. Present acute stagnation can not continue long. A demonstration of Democratic prosperity would reassure the business community for many years to come. years to come.

THE PENNSYLVANIA STEEL CO.

CAMBRIA STEEL CO.

[Special to the New York Times.]

JOHNSTOWN, PA., January 14.

We now have two idle stacks out of eight furnaces that were in blast in March. The present total force is practically the same as in March. The earnings of the men are 10 per cent less, on account of reduced time and tonnage. The force has been practically constant since March. Present indications are that a less number of men will be employed during this year, but we hope for improvement in business. The Cambria has operated more fully recently than orders warranted, in order to keep our men employed. This has been accomplished by making improvements and repairs and by stocking metal billets and other products.

CAMBRIA STEEL CO.

SHENANGO FURNACE CO. [Special to the New York Times.]

PITTSBURGH, January 14.

Yes. 2. Seventy-five at blast furnaces; 450 at mines.
 None.
 Hopeful that during the year we will have a full force reemployed, if the demand for ore and pig iron resumes.

THE SHENANGO FURNACE CO.

CENTRAL IRON & STEEL CO. [Special to the New York Times.]

HARRISBURG, PA., January 14.

HARRISBURG, PA., January 14.

HUMPHREY'S assertion is correct. We blew out one stack December 31, 1913, and have laid off approximately 200 men since March 1, 1913. We have reemployed none. The immediate prospects of employing more men during the current year are not very bright. This feature may change should the iron and steel trade pick up. Our reason for blowing out the furnace was due to the remarkably low prices obtainable in the demoralized pig-iron situation.

RECEIVERS CENTRAL IRON & STEEL CO.

SHARPSVILLE FURNACE CO. [Special to the New York Times.]

SHARPSVILLE, PA., January 14.

Our furnace was blown out March 3; laid off about 80 men; have reemployed none. The prospects of employing more men in 1914 depend on the condition of pig-iron market.

SHARPSVILLE FURNACE CO.

THOMAS IRON CO.

[Special to the New York Times.]

EASTON, PA., January 14.

We have blown out one Hokendauqua, one Hellertown, and one Alburtis furnace since March 1, 1913, and have blown in one Alburtis furnace since March 1, 1918. We have laid off 154 men since then and have not reemployed any of them. We will reemploy 100 men as soon as market conditions warrant. Prospects look more favorable.

THE THOMAS IRON CO.

PUNXSUTAWNEY FURNACE CO. [Special to the New York Times.]

DUBOIS, PA., January 14.

The Punxsutawney furnace was blown out early in October, 1918. We have laid off 150 men at that point and reemployed none. This plant will remain idle until business conditions are materially better.

Punxsutawney Furnace Co.

EMPORIUM IRON CO.

EMPORIUM, PA., January 14.

HUMPHREY'S statement is correct that we blew out one stack July 18, 1918, laying off about 150 men. None of them have been reemployed. We will resume our operations as soon as the market warrants.

EMPORIUM IRON CO.

EASTERN STEEL CO. [Special to the New York Times.]

POTTSTOWN, PA., January 14.

Since March 1 one furnace has been blown out, repaired, and not blown in. On account of insufficient business we have laid off about 135 men; none reemployed. We are unwilling to prophesy as to pros-

EASTERN STEEL CO.

EMPIRE STEEL & IRON CO. [Special to the New York Times.]

CATASAQUA, PA., January 14.

On March 1, 1913, we were operating five furnace stacks. On January 1, 1914, we were operating one stack. To-day we have two stacks in blast. On March 1, 1913, 1,150 men were employed. On January 14, 1914, 916 men were employed, neither the amount of business in sight nor the prices obtainable are such as to justify any increase in the present number of men employed. The present wage schedule, in effect since January, 1913, is the highest in the history of the industry in this section.

EMPIRE STEEL & IRON CO.

JOSEPH E. THROPP. [Special to the New York Times.]

EVERETT, PA., January 14.

Blew out Saxton furnace in July and laid off about 300 men at the furnace, mines, and coke ovens. No prospect for early resumption at Saxton, but hope to continue the Earlston furnace in blast.

JOSEPH E. THROPP.

TONAWANDA IRON & STEEL CO. [Special to the New York Times.]

NORTH TONAWANDA, N. Y., January 14.

NORTH TONAWANDA, N. Y., January 14.

According to iron trade statistics compiled as of January, 1914, Humphrey's statement of idle men in the country is conservative. Since March, 1913, we have shut down one-half of our plant and laid off a corresponding number of men, none of whom has been reemployed. The prospect of employing more men in 1914 is not regarded by us as bright.

TONAWANDA IRON & STEEL CO.

BON AIR COAL AND IRON CO. [Special to the New York Times.]

NASHVILLE, January 14.

HUMPHREY'S assertion is true. We have laid off 100 mcn. No men have been reemployed. The present prospect for iron business is locking better. The present condition, however, would not warrant employing more men.

RECEIVERS, BON AIR COAL & IRON CO.

BRIER HILL STEEL CO. [Special to the New York Times.]

Youngstown, Ohio, January 14.

One furnace has been closed since last March, and the number of men employed reduced about 25 per cent. We have not reduced wages, and expect to have 100 per cent of men employed by April 1.

Brien Hill Steel Co.

BELMONT IRON WORKS CO. [Special to the New York Times.]

Inonton, January 14.

Yes; we blew out one furnace December 20 and laid off 110 men. We ve reemployed none. The prospects are not promising for future employment. BELMONT IRON WORKS CO.

> COLUMBUS IRON & STEEL CO. [Special to the New York Times.]

COLUMBUS, January 14.

One stack was blown out on January 1, 1914. No men have been laid off since March and none reemployed. The prospects for employing more men during the present year are very poor, indeed.

COLUMBUS IRON & STEEL CO.

NORTON IRON WORKS.

ASHLAND, KY., January 14.

We closed our blast furnace down November 15, 1913, throwing about 160 men out of employment. We have not reemployed them. The prospects are not good at this time of employing more men.

NORTON IRON WORKS.

COLORADO FUEL & IRON CO. [Special to the New York Times.]

PUEBLO, COLO., January 14.

On account of the strike of Colorado miners and some reduction in the demand for steel our operating blast furnaces were reducted from three to one, and about one-half of our employees, or 2,000 men, were temporarily laid off. Conditions have improved. We have about 2,500 men working, are blowing in another blast furnace, and there is a fair prospect of still further increase in the working force.

J. F. WILBURN.

Mr. MOON. Does the gentleman from Georgia [Mr. Hard-WICK] wish five minutes?

Mr. HARDWICK. Yes.

Mr. MOON. I yield five minutes to the gentleman from

The CHAIRMAN. The gentleman from Georgia is recognized for five minutes.

Mr. SAMUEL W. SMITH. How much time has the gentleman from Washington consumed?

The CHAIRMAN (Mr. SAUNDERS). Twenty-nine minutes.
Mr. MOON. Mr. Chairman, I now yield five minutes to the
gentleman from Georgia [Mr. HARDWICK].
Mr. HARDWICK. Mr. Chairman, it is not my purpose to
pursue very much further this very interesting discussion between the gentleman from Washington [Mr. Hardwigsey] and my tween the gentleman from Washington [Mr. HUMPHREY] and myself, and yet I will use five minutes, because I want to call atten-

tion to the remarkable position that the gentleman from Washington has gotten himself into. He starts out with the argument that the country is being ruined, if not already ruined, by the operation of the Democratic tariff law, and he finds himself in this position: He says that the lumber industry and the steel industry are the two great industries that have suffered and fallen down on account of the Democratic tariff law.

Mr. HUMPHREY of Washington. I beg the gentleman's pardon, but I did not say that they were the only two.

Mr. HARDWICK. They were the two that the gentleman

specified and about which he undertook to go into particulars. The gentleman generalizes, I think, incorrectly about other

Mr. HUMPHREY of Washington. I do not want to be limited.

Mr. HARDWICK. I do not want the gentleman to be limited; I want him to have a field as broad as his pessimism requires. He takes the southern lumber industry and speaks of a Pensacola concern that failed. The other day the gentleman said that even if the lumber business in the South was in a prosperous condition, the removal of the duty could not have injured it, because they had several thousand miles freight rate protection from foreign competition. And yet, when he finds in a local newspaper an account that some Florida concern, on account of the failure of some of its foreign correspondents to pay their drafts, has failed, he immediately cites that as a proof that the Democratic tariff has hurt the country.

The gentleman takes next the steel industry, admitting the fact that fully 60 per cent of its product is used by the railroads of the country, and admitting the fact that the railroads can not possibly be injured by the lowering of the tariff duties, yet he says that the steel industry is very much damaged by this Democratic tariff law and by the general tariff conditions, saying that 24 per cent of them are shut down, whereas he knows, and the country knows, that whatever trouble the steel industry is in grows out of the railroad situation, and that that situation could not be affected either by a Republican or a Democratic tariff law.

The truth is that the railroads of the country have issued and overissued bonds and stocks until they find themselves unable to pay dividends, unless they are allowed to charge higher rates for freight and passenger service. For that reason they can not continue to make further improvements or pay the dividends on all this water.

I want to tell my friend that this is no new condition, and that it does not result from a Democratic administration. has been going on during the last two Republican administrations. It is no more occasioned by the tariff, it is no more the result of any tariff changes than this discussion is the result of conditions at the North Pole. The gentleman knows it, I think, or it seems to me that he ought to know it, for he has an acute intelligence.

Mr. HUMPHREY of Washington. The gentleman from

Georgia says that I admit that the tariff has nothing to do with the condition of the railroads. I do not admit that.

Mr. HARDWICK. All right; well, the gentleman does not deny that the steel industry sells about two-thirds of its product

to the railroads of the country?

Mr. HUMPHREY of Washington. I do not know. Mr. HARDWICK. Then there is one thing that the gentleman from Washington does not know. The gentleman can not dispute the fact that the position of the railroads is not attributable to a raising or lowering of duties?

Mr. HUMPHREY of Washington. I do not admit that.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. GREEN of Iowa. Will the gentleman yield? Mr. HARDWICK. I will yield to the gentleman.

Mr. GREEN of Iowa. Does not the condition of the rail-

roads depend upon the prosperity of the country?

Mr. HARDWICK. Oh, I thought the gentleman wanted to ask me a real question. The gentleman knows as well as I do, I think, that the trouble that the railroads are having with their stocks, bonds, and rates is not on account of the tariff question. If the gentleman does not know it, I do not wish to waste words upon him.

Mr. GREEN of Iowa. I showed the other day from statistics that the trouble with railroads was because their traffic is fall-

ing off every day

Mr. HARDWICK. On the contrary, the statistics which the gentleman offered did not prove it at all. He filed statistics showing the number of idle railroad cars. Does not the gentle-Mr. HARDWICK. man know, or has his observation been so limited that he has not noticed it, that every year after the crop season, after the crops are moved, the rallroads have many idle rallroad cars?

Mr. GREEN of Iowa. There are 171,000 more idle cars this

December than there were last December.

Mr. HARDWICK. But we had a great deal larger crop this

year than last year.

Mr. STEVENS of Minnesota. Will the gentleman allow me to

ask him a question? Mr. HARDWICK. In a moment.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. HARDWICK. May I have one minute more?

Mr. MOON. I yield the gentleman from Georgia one minute additional.

Mr. HARDWICK. For a gentleman who looks so wise and talks so confidently this gentleman's information is more limited than any man I have ever heard speak on this floor. When the crops are laid by every year there are a number of railroad cars that are empty. We can not have enough to carry the crops during the busy crop-moving time and not have some cars idle.

Mr. GREEN of Iowa. Very few the preceding December as

compared with last December?

Mr. HARDWICK. I trust the gentleman will obey the rules of the House and not interrupt me without my consent.

Mr. GREEN of Iowa. I treat the gentleman as he treats me. Mr. HARDWICK. The gentleman ought to obey, or try to obey, the rules of the House.

Mr. STEVENS of Minnesota. Will the gentleman yield for a

The CHAIRMAN. The time of the gentleman from Georgia

has again expired.

Mr. MOON. I yield the gentleman two minutes additional.

Mr. HARDWICK. Certainly.

Mr. STEVENS of Minnesota. I would ask the gentleman what would become of his argument if the report of the Interstate Commerce Commission in valuing the railroads should show that there is not an excess of capitalization over issuance of securities now and the actual valuation of the railroads now as it is being taken is about equal to the issuance of securities?

Mr. HARDWICK. The report does not show that. It has not even been made as yet.

Mr. STEVENS of Minnesota. I am asking the gentleman, of course the report will not be issued for some time?

Mr. HARDWICK. I do not think it will show anything like that.

Mr. STEVENS of Minnesota. I think it will. I think the report will show that, because nearly every State report that has been made has shown that there is an excess of valuation over the issuance of securities, and I think that the railroads were glad to see this valuation, because it would show that

the excess valuation of this country exceeds the issuance of securities, and that the gentleman's statement is incorrect.

Mr. HARDWICK. Now, let us see whether it is or not. As I understand the gentleman from Minnesota, he now is willing to state in his place as a Member of the House that he does not believe the railroads of this country are overcapitalized?

Mr. STEVENS of Minnesota. I think the value of the property, as far as anyone can get at it approximately, is about

equivalent to the capitalization of securities upon it.

Mr. HARDWICK. The gentleman's views and my own are so far apart I do not see any need of pursuing that matter any further. To my own knowledge, and as far as I have been able to observe things in my own part of the country, that statement is not accurate. Now, if it be true that they count the enhanced value of terminals, and that they figure on a great many things on paper, which probably they could not get money out of, they may be able to make somewhat better showing as to value that the real facts will, in my opinion, justify—

Mr. STEVENS of Minnesota. One more question.

Mr. HARDWICK. Let me finish the sentence. I do not

think anyone in this country believes, unless it is the gentle-man from Minnesota—and I say it with all respect—that the railroads of this country are not overcapitalized.

Mr. STEVENS of Minnesota. The gentleman, I think, will

take the valuation of the commission for which he himself voted on a bill which his own party supported. I will take it.

Mr. SAMUEL W. SMITH. Mr. Chairman, I want to say to the chairman of the committee that while I am going to yield to a member of the committee [Mr. Griest], he does not intend to occupy more than 20 minutes. I now yield 1 hour to the gentleman from Pennsylvania [Mr. Griest].

Mr. GRIEST. Mr. Chairman, having recently introduced a measure urging Congress to complete its business with dispatch and adjourn not later than May 30 next, I shall now endeavor to be consistent by addressing my remarks exclusively to the Post Office bill and by consuming but a portion of the time allotted me.

The Post Office Committee having disagreed with the Post Office Department's recommendation for the discontinuance of the town and village mail delivery service, I wish to present some reasons which seem to me to be conclusive in justification

of the committee's action.

Not less than 15,000,000 people are directly concerned ultimately in the success and permanence of town and village mail delivery, and general surprise and disappointment were evidenced at the failure of the department to estimate for an appropriation to continue the service after June 30, 1914. That the service has been unusually successful and popular, and is now almost indispensable, in the 114 towns scattered throughout the Union in which the service has been experimentally installed, is abundantly attested and verified by nearly all of more than 100 Members of this House in whose districts the experiment is in operation, and likewise by a multitude of business men and others in the communities affected. Inquiry in these districts discloses not one discordant note as to the popularity and necessity for this service but a unanimous desire for its continuance, as is fully shown by a digest of the letters received either from Members of this House or by their courtesy, and inserted in the Record as a part of my remarks, as proof positive of the success and desirability of the

town and village mail delivery service.

Two years ago the initial appropriation for experimental village delivery was \$100,000, and last year \$150,000 was authorized. The paragraph in the bill now under consideration

For experimental village delivery service in towns and villages having post offices of the second or third class that are not by law now entitled to Free Delivery Service, \$200,000.

These townspeople deserve to be treated squarely, and I am sure that the Members of this House will sustain the committee in its effort to give adequate mail delivery service to the

developing towns throughout this great country Not since the inauguration of the Rural Delivery Service nearly a score of years ago has the Government authorized a postal service which carries comfort and convenience to the very doors of as many people as can be benefited by the establishment of mail-carrier service in the towns.

The strong point of discrimination against the townfolk is the fact that Congress has deprived them of service which it has given the cities and rural districts. The time has arrived to complete the link, and by the permanent establishment of an

economical town delivery service the injustice will be eliminated.

Years ago the City Delivery Service proved its value to the
millions of people residing in the big cities having gross postal revenues in excess of \$10,000. In recent years the Rural Delivery Service development has been accompanied by great ad-

ery Service development has been accompanied by great advancements in the rural life of this country.

The City Delivery System serves fully 46,000,000 people at an annual expense of \$36,000,000, and the Rural Delivery, with its 42,000 routes, supplies 20,000,000 people at an annual expense of \$45,000,000. But there are more than 15,000,000 of our people in the towns who also help to support the Postal Service. These people live in communities having presidential post offices, and there are fully 4,000 such towns with from 1,000 to 8,000 population, each office producing postal revenues in excess of \$2,500 yearly. Such people are entitled to mail delivery if for no other reason than that their offices transact sufficient business to pay for the carrier service and still return a substantial margin of profit to the general postal fund.

substantial margin of profit to the general postal fund.

The town people are also entitled to the service, because the Government provides city carriers on routes serving from 800 to 3,000 patrons, according to the density of population, while on a rural route they serve from 300 to 1,500 patrons per route. In the City Delivery Service the average cost per carrier is about \$1,130, and in the Rural Service it averages about \$1,000. The average cost per carrier in the experimental town delivery service is \$625, and the First Assistant Postmaster General reports that with the extension of the service the cost per office will amount to about \$1,000 per annum. This, he says, would warrant a "conservative estimate that the operation of a satisfactory mail delivery at all second and third class offices will cost the Government ultimately \$10,000,000 a year." these figures be correct, this limit of expense would not be reached in years, and even then would be economical service for the supply of more than 15,000,000 people as compared with other mail-delivery branches of the Government service.

This town or village mail-delivery service has been experimentally installed at 114 post offices in 40 States, with 126 carriers. These towns range in population from 1,000 to 7,000 and have gross receipts of from \$2,500 to \$9,000. An examination of the figures and comparison of the receipts and expendi-

tures at these offices merit the conclusion that this demand for mail-carrier service is fully justified. I submit for incorporation in these remarks a list of these experimental mail-delivery post offices for the information of Members of the House in order that they can see the size, importance, and postal business of the class of towns which should be made eligible to receive a permanent mail-carrier service.

Class of towns which should be made eligible to receive a permanent mail carrier service.

State.	Post office.	Gross postal receipts.	Popula- tion,	In congressional district of
Alabama	Florala	\$5,711	2, 439	Hon. S. H. Dent, jr.
Do	Piedmont	3,624	2, 439 2, 226	Hon. S. H. Dent, jr. Hon. F. L. Blackmon. Hon. John L. Burnett.
. Do	Russellville	4,301	2,400 1,800	Hon. John L. Burnett.
Arizona	Tempe	5 110	2,400	Hon. Carl Hayden. Hon. Samuel M. Taylor.
Arizona Arkansas Do Do Do Do California Colorado Comecticut Florida Georgia Do Do Do Comecticut Florida Georgia Do	Harrison	7,702	2,400 2,000	Hon. John C. Floyd.
Do	Clarksville	5,054	1,700) 2,900/	Hon. H. M. Jacoway.
Db	Morrillton	6, 293	2,900	
Polifornio	Van Buren	9,356	4,500 2,000	Hon. Otis Wingo. Hon. William Kent.
Colorado	Littleton	7,017	1,600	Hon George J. Kindel
Connecticut	Guilford	6,150	1,475 2,000	Hon. George J. Kindel. Hon. Thomas L. Reilly. Hon. Emmett Wilson.
Florida	Monticello	5,032	2,000	Hon. Emmett Wilson.
jeorgia	Forsyth	8 320	1,850	Hon. Gordon Lee. Hon. Charles L. Bartlett.
Do	Decatur	6,807	2,500 3,000	Hon. William S. Howard.
Do	Sylvania	5, 234	1,500	Hon. Charles G. Edwards
daho	St. Maries	7,516	1,500	Hon. B. L. French. Hon. A. T. Smith.
Illinois			3,100	
Do	Pinckneyville.	6,010	2,800	Hon, Robert P. Hill.
Do	Dundee	8,517	3,000	Hon. Ira C. Copley.
Do		3,909	3,000	Hon. Frank T. O'Hair.
Do	Homer	3, 219 5, 507	1,130 1,702	Hon. Charles M. Borchers. Hon. Louis FitzHenry.
Do	New Athens.	2,799	1,200	Hon. William N. Baltz.
ndiana	Hope	4,433	1,400	Hon. Lincoln Dixon.
lowa	Belmond	5,051	1,350	Hon. Maurice Connolly.
Do	Homer. Le Roy. New Athens. Hope. Belmond. Coon Rapids. Lenox. Seymour. Gutbrie Center	4,522	1,200 1,274	Hon, Frank P. Woods.
Do	Seymour	5, 206	2, 290	Hon. H. M. Towner.
Do	Guthrie Center	7,063	1,600	Hon. William R. Green.
Do	West Liberty.	6, 154	1,666	Hon. I. S. Pepper (deaa).
Do	Minneapolis	7 979	1,800 1,925	Hon. George A. Neeley.
Do	Wamego	5, 675	1,900	Hon, Guy T. Helvering. Hon, Dudley Doolittle.
Kentucky	Carlisle	5,656	1,433	Hon, William J. Fields. Hon. Robert Y. Thomas, j Hon. John T. Watkins. Hon. Asher C. Hinds.
Do	Russellville	8, 160	3,300	Hon. Robert Y. Thomas, j
Louisiana Maine Maryland	Kennebunk	8, 163 7, 093	2,600 2,300	Hon Ashor C Hinds
Maryland	Princess Anne.	7,173	1,009	Hon. J. H. Covington.
Massachuseus	Baidwinsville.	4,009	2,000	Hon, C. DeWitt Paige.
Do	Yarmouth Port.	2,463	800	Hon, T. C. Thacher.
Do		8, 104	6,000	Pion. 1. C. I machet.
Michigan	Durand	7,310	2,315	Hon. J. W. Fordney.
Do	Fremont	8,660	2,000	Hon. James C. McLaughlin
Do	Reed City	5, 110 8, 516	1,700 1,630	Hon. S. W. Beakes. Hon. Francis O. Lindquis
Do	Reed City Plainwell	5,616	1,600	Hon, E. L. Hamilton.
Minnesota	Ada	5,554	1 432	Hon. Halvor Steenerson.
Mississippi	Zumbrota	5,535	1,200 1,378	Hon, C. R. Davis.
Mississippi Do	Itta Bena	4, 958 4, 221	1,800	Hon. E. S. Chandler, jr. Hon. B. G. Humphreys.
MISSOURI	Edma	5,117	1,562	Hon. James T. Lloyd.
Do	Jackson	6,036	2.300	Hon I I Russell
Do	Plattshurg	5, 403	2,500 1,960	Hon. T. L. Rubey. Hon. J. W. Alexander.
Do	Pierce City	5,356	2.000	Hon, P. D. Decker.
Do	Salisbury	7,673	1,834	Hon. P. D. Decker. Hon. W. W. Rucker.
Do	Savannah	6, 256	1.860	Hon. Charles F. Booher.
Do.	Wymore	6, 181	1,500 2,613	Hon. D. V. Stephens. Hon. Charles H. Sloan.
Do. Do. Do. Do. Do. Do. Do. Nebraska. Do. New Hampshire New Jersey. New York. Do.	Woodsville	8,379	2,613 2,000 2,200 1,227 1,200	Hon. R. B. Stevens.
New Jersey New York	Leonia	3,617	2, 200	Hon. A. C. Hart.
Do Do	Mayville	5,778	1,227	Hon. S. E. Payne. Hon. Charles M. Hamilton
Do	Mayville Norwood	5, 136 5, 436	2,000	Hon. Edwin A. Merritt, jr.
Do North Carolina.	Painted Post	5,542	1,900	Hon. E. S. Underhill.
North Carolina.	Newton	6.337	3,000	Hon. E. S. Underhill. Hon. E. Y. Webb.
North Dakota	Enderlin	5,540	1,540 3,187	Hon. Henry T. Helgesen.
Do	Jeffersonville.	2,725	628	Hon. James D. Post.
Do	Loudonville	6,505	1,800	Hon. Warren Gard. Hon. James D. Post. Hon. William G. Sharp. Hon. T. T. Ansberry. Hon. I. R. Sherwood.
Do	Paulding	9,082	1,800 2,500 1,200	Hon. T. T. Ansberry.
Do Oklahoma	Dewey	6 841	1,200 2,400	Hon James S Davennest
Do	Edmond	6, 835	2,090	Hon. James S. Davenport. Hon. Dick T. Morgan. Hon. Charles D. Carter.
D0	Suipnur	8,053	3, 225	Hon. Charles D. Carter.
Do	Wynnewood	5 080	2,002	Hon, Scott Ferris.
Pennsylvania Do	Freeland	7,608	3,300	Hon. W. W. Griest.
Do	White Haven.	7 972	7,300 1,500	Hon. John J. Casey.
Do	Palmerton	0,404	5,200	Hon. A. Mitchell Palmer.
	Peckville	4, 141	4,000	Hon John R. Farr.
Do	Spring City	6,924 8,022	3,000	Hon. Thomas S. Butler. Hon. W. D. B. Ainey. Hon. A. R. Brodbeck.
Do	Tunkhannach		A. 1181	LIOIL W. D. D. Alliey.
Do Do	Tunkhannock.	3 785	2 025	Hon A R Brodbeck
Do Do Rhode Island	Tunkhannock. Wrightsville Pascoag	3,785	2,025 2,500	
Do	Tunkhannock.	3,785	2,025 2,500 2,400 1,650	Hon. A. R. Brodbeck. Hon. J. F. Byrnes. Hon. Wyatt Aiken.

Class of towns which should be made eligible to receive a permanent mail carrier service—Continued.

State.	Post office.	Gross postal receipts.	Popula- tion.	In congressional district of-
South Carolina. Do. Do. Do. South Dakota. Do. Tennessee Do. Do. Do. Do. Do. Do. Do. D	Lancaster Winnsboro. Woodruff Gregory. Miller Elizabethton. Newport Gallatin Kenton Lenoir City McMinnville. McKenzie Caldwell Eigin Whitesboro Ludlow Berryville Cape Charles Phoebus Marion Kent Princeton Dodgoville Durand Evansville Exersiville Exersiville Rene	\$8,004 6,061 3,077 5,425 6,293 8,680 3,061 5,875 7,796 5,415 5,558 7,280 7,481 6,016 8,105 7,203 8,945 6,773 8,945 6,773 8,881 8,112	2,200 2,000 2,000 1,142 1,202 2,478 2,003 3,392 2,399 2,000 1,500 1,500 1,500 1,500 1,500 2,200 3,300 2,000 1,500 1,500 1,500 1,500 2,500	Hon. D. E. Finley. Hon. J. T. Johnson. Hon. E. W. Martin. Hon. Charles H. Burke. Hon. Sam R. Sells. Hon. Cordell Hull. Hou. F. J. Garrett. Hon. R. W. Austin. Hon. J. A. Moon. Hon. T. W. Sims. Hon. J. P. Buehanan. Hon. Sam Rayburn. Hon. Frank Flumley. Hon. William A. Jones. Hon. C. B. Slemp. Hon. William E. Humphrey Hon. J. A. Hughes. Hon. John M. Nelson. Hon. John M. Nelson. Hon. James A. Frear. Hon. Henry A. Cooper. Hon. Henry A. Cooper.

Some months ago the patrons of the post offices at Marietta and Manheim, Pa., petitioned the Post Office Department for the establishment of mail-carrier service, and I recently invited attention to these petitions, urging that the service be in-augurated. In response I received the following letter:

POST OFFICE DEPARTMENT,
FIRST ASSISTANT POSTMASTER GENERAL,
Washington, December 27, 1913.

Hon. W. W. Griest.

House of Representatives.

My Dear Ma. Griest: In reply to your letter of December 23, 1913. relative to the establishment of experimental mail-delivery service at Marietta and Manhelm, Pa. I beg to say it is understood that in the bill making appropriations for the Postal Service for the ensuing fiscal year, which is now before the Post Office Committee of the House of Representatives, provision is being made for the continuation of experimental village delivery service by a special appropriation. It will probably be the pian of the department to administer this service in the towns where it has already been inaugurated, as well as in other towns for which its necessity may be shown by the department, by a combination of the rural delivery with the experimental delivery, thus reducing the number of village delivery carriers and hence the expense of operating the service.

The department will be able to inaugurate this service in a few more towns during this fiscal year, and if the rural carriers can be used as contemplated the number of towns which will receive the benefit of the experimental delivery service will naturally be considerably increased.

creased.
Yours, very truly,

DANIEL C. ROPER, First Assistant Postmaster General.

Since receiving the above letter Postmaster General Burleson has issued the following order, dated December 31, 1913:

Office of the Postmaster General, Washington, December 31, 1913.

Order No. 7745.
Section 717, Postal Laws and Regulations, 1913, is amended to read as follows:
"All persons, except those who reside within the city-delivery limits of a city where City Delivery Service is in operation, may be served by rural carriers, provided they will erect approved boxes on the established line of the route in the manner required by the department."

A. S. Burleson,

Postmaster General.

It is difficult to realize that the department expects to force its idea upon the people, as the letter and the order seem to indicate. In well-regulated boroughs and incorporated towns the authorities will hardly allow the erection of numerous posts and boxes along the gutters within the borough limits, even for the delivery of mail. The conditions in the towns justify an adequate system of carrier service, and the department should accept the expressed will of the Congress and arrange to give the townfolk merited relief in a complete and systematic

The First Assistant Postmaster General has furnished no specific reasons why the towns of 1,000 to 10,000 people should be deprived of carrier service. He says the primary object of "delivery service is to prevent congestion which would attend the effort to make a general delivery of mail at the post office." It might also be stated that mail-carrier service provides an expeditious exchange of mail and promotes the improvement of business and social life. The department, however, expresses the opinion that the rural letter carriers should be required to perform service on an eight-hour basis instead of a mileage scale, and says the carriers could then deliver mail in the towns as well as on the rural routes. But no definite plan was offered, and as the suggestion is evidently not feasible except in towns l

of only a few hundred population, the committee was strongly in favor of renewing and enlarging the appropriation so as to continue carrier service after July 1 in towns where the system has been installed

The department says:

Patrons have shown an appreciation of this facility where it has been extended. * * * But there has been a tendency to demand service of the same character as that rendered at city delivery offices.

Surely the patrons of the Postal Service are not to be condemned for desiring to secure the best obtainable mail facilities, especially when they have been paying for what they did not get. The nonmail-delivery post offices of the second and third classes are profit producers, but for years the profits have been expended elsewhere.

Reports which I have received concerning this experimental service show that it has proven highly successful, and has become indispensable, and would be even more so were it not for the failure of the department to provide mail boxes for the collection of the mail, despite the fact that the people were in many places compelled to incur considerable expense in numbering houses, erecting boxes at their doors, and otherwise complying with the requirements.

In towns of several thousand inhabitants it can not be expected that the rural letter carriers can deliver town mail in addition to their rural routes. After a carrier traverses a route of 18 or 26 miles, either in summer or winter, his team requires attention as soon as possible after the collected mail is deposited in the post office. With the development of the Parcel Post Service the rural carriers have increased burdens of their own, and the new parcel-post system is an additional reason why the towns should have separate carrier facilities.

Surely the people on the rural routes are not willing to wait for their mail until the town mail is all delivered, and the people in an active business town could not wait for their mail until the rural carrier returns from his route in the afternoon. Neither proposition would satisfy the people concerned, and an intermediate system between the City Delivery and Rural Delivery Services, such as the present town-mail delivery, is absolutely essential for practical business administration.
On February 24, 1910, and April 16, 1912, I offered remarks

in behalf of town mail-carrier service, and gave facts and figures to show the warrant for its establishment, and as an evidence of the public demand attention is invited to the scores of petitions which have been filed in Congress during the past three years praying for the legislation. In addition, Members of this House have made special effort to ascertain the views of their constituents concerning the experimental service, and I have received numerous letters which unanimously testify, as previously stated, to the success and benefit of the town delivery service. The reports tell how local business and postal revenues have been stimulated, and prove that the service has become a part of the permanent necessities of the various communities where it has been established. As incontestable evidence of the popular and enthusiastic demand for the permanent establishment of this mail delivery and collection service, I now offer excerpts from letters submitted by many of my colleagues; and I believe that a reading of them in the Record will satisfy the membership of this body that the Post Office Committee has acted wisely and well in its indorsement and retention of the town and village mail-delivery service.

Mr. GOULDEN. Mr. Chairman, will the gentleman yield? Mr. GRIEST. Certainly.

Mr. GOULDEN. Does the gentleman not think that he will destroy one of the great social functions of the country town by having the town furnished with a carrier? The post office is the place in which the fair maidens and gallant young men assemble, noon and evening, to receive their mail, and I have no doubt that that results in very many happy marriages. I am very much afraid that my friend is going to destroy one of the most important social functions of the small towns.

Mr. GRIEST. Hardly; though possibly the gentleman can speak with authority on that subject.

Mr. RUCKER. Mr. Chairman, will the gentleman yield? Mr. GRIEST. Certainly.

Mr. RUCKER. Mr. Chairman, if the gentleman will permit, desire to state that I received a very courteous letter from him asking with reference to the experience and sentiment of the people in a town in my district served with town delivery. Unfortunately, and through no discourtesy, I was unable to answer that letter. I now want to say, in connection with the other letters that the gentleman has put in, that I know from numerous statements to me from citizens of that town that the rvice is most gratifying and gives perfect satisfaction.

Mr. GRIEST. I thank the gentleman for his courtesy and information. That is precisely what is reported by other Mem-

bers of this body.

Mr. RUSSELL. Mr. Chairman, I desire to state that I received a letter from my colleague asking me whether the experimental free delivery established in my district at Jackson, Mo., was satisfactory. I did not answer the letter, for the reason that I desired accurate information from some patrons of that office before doing so. I wrote to three of the prominent citizens of that place and ascertained what the feelings of the patrons there were with reference to that service. I received two replies, I believe on yesterday. A reply from the third I have not yet received. That is the reason I did not reply to the gentleman's letter. The two letters that I did receive stated that the service was very satisfactory and that the people would regret very much to have to give it up.

Mr. GRIEST. Mr. Chairman, I am very glad that the gentle-

man has received information of that character.

Hon. John L. Burnett, representing Russellville, Ala., transmits a letter from Mr. J. A. Wilson, and says:

From this letter you will see that the people there are very much delighted with the service.

Commenting on the service at Russellville, Mr. Wilson writes: I think it is one of the most successful experiments that the Post Office Department has ever attempted; all the patrons are very much pleased with the service, getting two deliveries per day, except Sundays. Our carrier can not make the rounds on foot, because of the volume of mail matter, and frequently has to use a buggy. He handles more matter than either of the rural free delivery carriers.

Hon. Carl Hayden, representing Tempe, Ariz., presents a

letter from Mr. J. O. Mullen, who writes:

letter from Mr. J. O. Mullen, who writes:

In replying to your letter of the 30th ultimo, I am pleased to say that the experiment of village delivery in this town has been an entire success in so far as it has been carried out. There never has been any objection from the patrons except that collection boxes have not been placed, and that has not been exactly an objection to the service but rather a request for more service. Notwithstanding the absence of collection boxes, if the service were withdrawn now after they have been accustomed to its convenience there would be a great clamor go up from the people of this town. They would not stand for it at all if there was any way to help it. All mail, including parcel post, is now being delivered to a population of 1,400 for an allowance of \$900 per annum. That only leaves about 500 who are not being served, and many of these would take the service if they were asked, but our carrier has all he can do at the present time. He is delivering an average of 795 pieces daily, weighing an average of 155 pounds. The houses have been numbered and street signs put up, which is a great convenience for everyone who has any business whatsoever in the town.

Hon. H. M. Jacoway, representing Clarksville, Ark., writes:

Hon. H. M. Jacoway, representing Clarksville, Ark., writes:

I am in receipt of your letter asking for information relative to the sentiment of the people of Clarksville, Ark., toward the experimental village mail delivery which has been established at that place, and in reply will say the same meets with universal approval. I have never heard a word of complaint about the system, and I am sure that the people would not willingly give it up. The above system is regarded by all as an absolute success and a great convenience. I would hate to see the system abolished.

Hon. Otis T. Wingo, representing Van Buren, Ark., says: I am just in receipt of your letter of the 29th inquiring as to the experimental city delivery service at Van Buren, Ark., in my district, and in reply beg to say that this service has been highly satisfactory.

Hon. Robert P. Hill, representing Pinckneyville, Ill., writes:
Replying to your letter of recent date asking for information on the experimental test of mail delivery in Pinckneyville, Ill., I beg to advise that it is so highly satisfactory that the citizens of Pinckneyville feel that it is an absolute necessity from now on. It would be regarded as a great calamity if the same should be taken off. Postal receipts have increased, and business been greatly helped.

Congressman Hill has furnished letters from two constitu-

ents. One of the gentlemen, Mr. J. L. Gallimore, says:

Relative to the experimental test of free mail delivery in this city,
will say that in my judgment from what I have seen and heard it has
been a success and our people are more than satisfied, and we often
hear the remark, "How could we get along without it?" It is surely
a time saver for the busy man, and has done for this city an amount
of good. As one of your sincere constituents, I urge upon you to use
your influence to maintain the same. Our people, regardless of political
affiliations, are for free mail deliveries in Carterville.

Mr. J. A. Lander states:

Mr. J. A. Lander states:

I am, indeed, very glad to hear from you and especially on the subject of experimental free deliveries in small towns. I intended writing to you soon about this matter, as I saw in the daily papers that Postmaster Burleson did not favor it. I wanted you to know that I consider it a fine thing for the postal service of our town, and it is very popular and nearly everyone is using it. Our two carriers are carrying about 1,500 pieces per day. As to the receipts of the office, they are more since the carriers began March 1, 1913, than the same period, 1912. Besides, we have a loss of box rent, owing to the delivery, of over \$100 per quarter year and still our business holds out more than in 1912. Every business firm here, with only two or three exceptions, is using the service. I think it is but fair that small towns should have delivery service as well as large towns and rural communities. Mr. HILL, I trust you will use your utmost endeavor to have this service continued, and also extended to other towns in the country and also in your district. I know it will be appreciated by your constituents. your constituents.

Hon. Charles M. Borcher, representing Homer, Ill., submits a letter from Mr. James P. McPherren, who says:

Your letter of inquiry at hand, and in reply will say that the experimental city delivery was begun in Homer, Ill., on October 16, 1912. After careful inquiry I find that the most or majority of its constituents deem it a necessity and would feel that they would have been greatly wronged if it were discontinued. In regard to the postal receipts, we had a gain of \$340 for the quarter October 1 to December 31, 1913, over the quarter from October 1 to December 31, 1912.

Hon. WILLIAM N. BALTZ, representing New Athens, Ill.,

Replying to your letter of the 20th ultimo, wishing to know the attitude of my constituents toward the experimental service now in operation at New Athens, Ill., in my district, I beg to advise that from letters and personal conversation from these people they are highly pleased with the service. I can only say to you that as far as this office is concerned your experimental service has proven eminently satisfactory and has become indispensable.

Hon. Frank P. Woods, representing Coon Rapids, Iowa, reports:

I have received the following report from a friend in whom I have considerable confidence in regard to the service which was established by the Post Office Department at Coon Rapids, Iowa:
"Started here April 15, 1913; is working fine; the people like it and would hate to give it up now. It started with delivery for the resident part of our town first, and about August I was extended to the business part of town. One man does the work; makes two deliveries per day, and can make it promptly except two days per week; this is on paper days, Fridays and Thursdays, the days the local papers come out. These two days the carrier should have help. Our people here would want you to support its continuance."

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Hon. GUY T. HELVERING, representing Minneapolis, Kans.,

In answer to your communication of December 29, will say that a few months ago there was established at Minneapolis, Kans.. in my district, an experimental village mail-delivery service. I understand that it is very satisfactory to the people of that town.

Hon. Dudley Doolittle, representing Wamego, Kans., says: I have made personal inquiry regarding the same, and the service performed has been extremely satisfactory to the patrons and the postal employees at that place.

Congressman Doolittle forwards a letter from Mr. Z. R. Detwiler, who writes:

There is no question about village delivery being successful in Wamego. Ninety-eight per cent of our mail is delivered. The people are building sidewalks right along, and the city putting in the crosswalks, putting up street signs, all houses numbered. As to the financial end of it, it has increased the business end of it more than the rural routes have. Should the department withdraw the services we think it would be very unjust.

Hon. William J. Fields, representing Carlisle, Ky., consulted constituents in regard to the experimental service and submitted letters "which are very encouraging."

The letter from Mr. A. B. Tilton says:

I want to say that the experimental mail-delivery service here has proven highly satisfactory and has materially increased the efficiency of our post-office service. The people here are pleased with it, and it seems now to be indispensable. Our postal receipts have been increased and business generally helped. I will mail you a letter from the officials and some of the leading citizens of Carlisle, giving their estimate of the value of the services to us. At the proper time we desire to get a hearing for the continuance of the service here, and I am sure every patron of this office will join in asking for our city delivery services to be continued.

Accompanying the letter was a petition, as follows:

Hon. W. J. FIELDS, M. C., Washington, D. C.

Washington, D. C.

Dear Sir: Relative to the experimental mail-delivery service now in operation in Carlisle, we, the undersigned officials and citizens of Carlisle, wish to say that we regard the service a great success here; in fact, we have found it to be so beneficial as to now be, as we believe, indispensable. The patrons of the Carlisle post office, in Carlisle, are greatly pleased with the service and would regard it almost a calamity to lose it. We find, also, that it has greatly increased the efficiency in the service of the local post office, as well as the postal receipts, as the records we are sure will show. The business of the town has been materially helped.

The service here is highly satisfactory, and we respectfully ask that you do everything possible to the end that the delivery service here is maintained.

We beg to remain yours, very truly,

J. H. Frez,

Mayor of City.

The petition was also signed by the six councilmen and other

Hon, John T. Watkins, representing Mansfield, La., writes:

In reply to your favor of the 29th instant, I will state that the experimental village delivery of mail at Mansfield, La., has proved eminently satisfactory; so much so that when it came to reappointing a postmaster there 90 per cent of the Democratic patrons of the office petitioned for the reappointment of the postmaster, who is a Republican, largely because they appreciated his services in procuring this village delivery of mail. The citizens of Mansfield would feel that it was a great deprivation if they should now have this service withdrawn from them.

Hon. THOMAS C. THACHER, representing Yarmouth, Mass.,

I would say that the experimental delivery of mail in Yarmouthport, Mass., has given general satisfaction to the patrons of this office.

Hon. Joseph W. Fordney, representing Durand, Mich., presents a letter from Mr. A. B. Freeman and a press item from the Durand Express (Mr. H. L. Izor, editor).

Mr. FORDNEY comments as follows:

This system has given very great satisfaction at Durand, and I wish to see the system extended as rapidly as possible.

Mr. Freeman writes:

I am pleased to say that free delivery worked out extremely satisfactory here and has become very popular with patrons. I have had my compliments for the department, and believe that another year will see it far more popular than it is to-day; but even now I know our people would regret very much having it discontinued.

Editor Izor writes:

Editor Izor writes:

Durand has had mail delivery a year. The first word should be that it has proven a "howling success." Durand patrons of the post office are more than pleased with the service the new system makes possible.

This assertion is made after a canvass of popular opinion, and it is safe to say that fully 90 per cent are enthusiastic in their praise of the city mail delivery. Those who are not enthusiastic can be accounted for in the fact that they live within close range of the post office and it is no trouble for them to call for their mail. The service has had a full test now, especially as the Christimas season has just closed. It was understood that when the free delivery in town started that it was of an experimental nature. That it has proven so successful and is of so much value and accommodation to the patrons in general must be a source of satisfaction to the Post Office Department in general.

Hon. Charles R. Davis, representing Zumbrota, Minn., kindly submitted a letter from Mr. S. B. Scott, who says:

Hoh. CHARLES R. DAVIS, representing Zumbrota, Minn., kindly submitted a letter from Mr. S. B. Scott, who says:

You ask me regarding the success of the Free Delivery Service instistuted at this office during the experimental period. It has been successful far beyond the expectations of us who are interested in its success. Our people are more pleased with the service at this time than when it was instituted; in fact, if it should be withdrawn I think we would have to turn in a riot call. The carrier is making two deliveries a day in both the business and residential district, and practically every resident of our village has taken the delivery; our business houses and residences are all numbered; street signs are erected at all intersections, at a considerable expense to our taxpayers, but they have never complained, as they consider the convenience more than repays them for the outlay. I find that the increase of business in this office this year is \$453.71 over the year 1912, which is a very substantial increase at an office of this size. We are handling considerable more first-class mall than ever before, and the increase is due largely from the resident district. It is surprising the amount of mail we receive addressed with the street and number, making it evident that our people take pride in being somewhat citified, and the Government is responsible for these improvements in the towns and villages of this size, as it would never be done only they must conform to the requirements in order to get the service. I find that since this service has been agitated that the people in the smaller towns and villages feel that they have been discriminated against by having rural deliveries in the country and free deliveries in the cities, and they have to go to the post office to get their mail and pay box rent besides. There is another, surprising thing—about the box rents not having decreased at this office to any great extent since this service was inaugurated. Nearly all the business houses keep their lock boxes,

Hon. EZEKIEL S. CANDLER, representing Corinth, Miss., writes: The experimental mail service at Boonville has been very satisfactory, and the discontinuance of it, I think, would be detrimental. I am glad that the service in Ephrata was successful. I think the discontinuance of this mail service where it has been established would be a mistake, and I would be glad to see it extended.

Hon. Thomas L. Rubey, representing Lebanon, Mo., says:

While this experiment has been going on in my own town, I have been away from there so much of the time that I do not know whether it has been satisfactory or not, but I feel quite certain that it has been, and I hope that we can continue it and make it permanent, and that like service may be extended to other towns and villages.

Hon. Charles F. Booher, representing Savannah, Mo., writes:

Hon. Charles F. Booher, representing Savannah, Mo., writes:

We have had this service now something like one year, and the people are greatly pleased with it and would not consent to have it discontinued. The postmaster tells me that it has increased the receipts of his office, and that one carrier is not enough to distribute the mail; that two carriers could be kept busy. He has asked the department for an additional carrier.

The people of the city regard it in the same light as the people of the country do rural deliveries, and I sincerely trust that your committee will see proper to extend this mail facility to other towns and cities or, at least, make an appropriation large enough to fully carry out its intent and purposes in towns where it is already in existence.

Hon. RAYMOND B. STEVENS, representing Woodsville, N. H., presents interesting letters from constituents.

Mr. James F. Leonard says:

Mr. James F. Leonard says:

This delivery is very satisfactory to the people of this place, the only criticism being that the delivery should extend to some places within the village limits to which it does not now extend. I presume this can not be done on account of the distance from the office and the limited number of carriers. I have talked with several of our representative business men, and they are all more than pleased with mail delivery, and I think that no more unpopular measure could be advocated than the abolishment or even curtailing of the mail delivery, sources.

Mr. F. P. Deenth reports:

Replying to your communication of the 31st, experimental mail delivery was established at this office April 15 last; we have two deliveries daily and two carriers. It has worked perfectly satisfactory, is very popular with the patrons, and a very strong remonstrance would be made if the service was to be discontinued. I trust that you will use your influence in the end that the service may be made permanent.

Hon, Archibald C. Hart, representing Leonia, N. J., says:

I am informed that there are several experimental services in my district, and these afford splendid satisfaction, and I would consider the discontinuance of these services most unfortunate.

Hon. EDWIN S. UNDERHILL, representing Painted Post, N. Y., forwards a letter from Mr. John L. Chatfield, who says:

I beg to say that the experimental village delivery has been in effect in Painted Post, N. Y., since July 1, 1913, and that it is very highly regarded by over 400 families served thereby.

The village mail carrier makes two trips daily and serves two hours in the evening in the post office as assistant postmaster, making a total service daily of about eight hours, for which he receives \$50 per month. The institution of this service has had practically the same effect, proportionately, that the Free Delivery Service had when installed in cities, doing away with the rental of post-office boxes by those served thereby. Instead mail boxes have been placed on their houses by the patrons of the village experimental delivery service, while the village board has had the houses numbered systematically in appreciation of the new service. Like the Rural Free Delivery Service, the experimental village service probably would not be considered self-supporting except as regards the golden opinions of those served. The population of this village is made up, to a certain extent, of those that are accustomed to advantages of city life, and the installation of the local experimental village delivery service apparently has pleased the great majority of the citizens. Of a population of about 1,600, more than 1,400 are enjoying the advantages of this delivery of their mail. Many former residents of Corning having homes here, to say nothing of those having their business in Corning, are having their mail delivered here. At the time the village experimental delivery service was put into effect here the capacity of this office, so far as box equipment is concerned, was taxed to the limit, every lock box being rented; so this new service relieved that congestion.

The receipts of this post office in the last month were the largest in the history of the office.

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Hon. Edwin Y. Webb, representing Newton, N. C., transmits a letter from Mr. F. M. Williams, who says:

The experiment in mail deliveries in Newton has been an entire success. There is but one carrier, and he serves about half the town. The people on the route like if so well that they say they never want to give it up, and the people not included are continuously inquiring at the post office if another carrier will not be soon put on, so that they can have the same convenience enjoyed by the other half.

How We have Comp. representing Fasten. Ohio, writes:

Hon. WARREN GARD, representing Eaton, Ohio, writes:

I beg to advise you that, at my solicitation, the Post Office Department established experimental service at Eaton, Ohio, and that the service is indeed highly appreciated by the citizens there, so much so, indeed, that they are striving with all their power to have their municipality advanced in post-office receipts so that the fullest advantage of complete city delivery may be had.

Hon. J. D. Post, representing Jeffersonville, Ohio, says:

Some eight months ago I procured the Post Office Department to establish the experimental test of mail-delivery service at Jeffersonville, in this county. From what I have learned this service has proven highly satisfactory to everyone who are patrons of the office within the limits of the village. The business men of the village appreciate it very much, and some, after having tried it, say that it is indispensable to them.

Hon. TIMOTHY T. ANSBERRY, representing Paulding, Ohio, expresses the hope that a liberal appropriation will be provided

Holl. Ithorthy T. Ansberry, representing Pathiding, Ohio, expresses the hope that a liberal appropriation will be provided for the service, and he says:

As you are a member of the Committee on the Post Office and Post Roads, I desire to call your special attention to page 15 of the annual report of the First Assistant Postmaster General to the Postmaster General, with reference to the appropriation for experimental tests of mall-delivery service in towns and villages not now eligible to receive city deliveries.

Paulding, Ohio, a second-class post office in my district, was designated as one of a number of places throughout the country for the experiment and has enjoyed the benefits of this service since December 1, 1912, and upon investigation I find that the patrons of this office are more than pleased with the service and enter their vigorous protests against the discontinuance of the same in the most emphatic manner.

I might add that the service at this office has proven a wonderful success, although they have been compelled to conduct the same without full equipment. Under instructions from the Post Office Department all preparations were made, and the posts were erected for collection boxes at the points designated by the inspector, with the understanding that these boxes would be furnished at the time the service was inaugurated, but although repeated requests have been made for same the office is still conducting the service without any collection boxes; but notwithstanding this handicap the people are enthusiastic over the service and consider it a great benefit. Paulding is one of the thriving towns of my district, with a population of about 3,000 inhabitants, and I am informed that the receipts of this office for the fiscal year will come within a few hundred dollars of the amount required for city delivery.

Congressman Ansberry also submits a letter from a con-

Congressman Ansberry also submits a letter from a constituent, who says:

stituent, who says:

As you are aware, our village is one of the fortunate ones selected for the first experiment in village free delivery and have been enjoying the benefits of this service since December 1, 1912. From this you will understand that our people are very much interested in the recommendation of the honorable First Assistant Postmaster General that this service be discontinued. We are at a loss to know on what grounds he bases the statement that the service has proven to be a failure, as in our individual case the reverse is true, same having proven a wonderful success, although we have been compelled to conduct the same without full equipment. Under instructions from the department all preparations were made and posts erected for collection boxes at the points designated by the inspector, with the understanding that the boxes would be furnished at once, but although repeated requests for same have been made, we are still conducting the service without any "collection boxes. But notwithstanding this our people are enthusiastic over this service, as it is a good help.

Our people desire to express their appreciation for this service and to voice their protest against the discontinuance of the same in the most effective manner, and any suggestion you might make as to the best way to proceed would be appreciated very much.

Hon. Isaac R. Sherwood, representing Swanton, Ohio, trans-

Hon. ISAAC R. Sherwood, representing Swanton, Ohio, transmits a letter from Dr. A. B. Lathrop, who forwards a petition bearing several hundred names and the signatures "of every business firm in the town."

The petition reads as follows:

We, the undersigned patrons of Swanton post office and living within the incorporated limits of said village, having enjoyed the service of village experimental delivery as established November 16, 1912, do

fully appreciate this service and pray that such service be continued, and that the bonorable Postmaster General be urged to ask Congress to make appropriation for said service to the end of permanent establishment.

Hon, Dick T. Morgan, representing Edmond, Okla., submits a letter from Mr. A. D. Dailey, who reports:

Replying to yours of January 5, relative to experimental free delivery of mail in Edmond, will say that in my opinion the so-called experiment has proven highly successful. The service is well patronized, and the patrons of this service are so well pleased that I hardly see how you can take it away from them. This is a city of 2,500 population, and the residents here believe that they are as much entitled to free delivery of mail as are the residents of larger cities and those who reside in the country. Our city carrier serves more than twice as many patrons as any of our six rural carriers and does it at but little more than one-half the expense of one rural carrier. I believe the free delivery of mail here has also resulted in an increase of receipts, although I can not furnish facts to substantiate this opinion.

Hon, Thomas S. Butlers, representing Spring City, Pa., pre-

Hon. Thomas S. Butler, representing Spring City, Pa., presents a letter from Mr. G. C. Williams, who writes:

sents a letter from Mr. G. C. Williams, who writes:

Pursuant to the Inclosed letter will say the village delivery service in Spring City is going along very fine. The people are highly pleased with it and would not want to go back to the old way, coming to the office for their mail. They have taken a deep interest in it.

Council have placed signs at the intersection of all streets. The citizens have had their houses numbered and a great number have placed receptacles for their mail.

We are deliverying over 20,000 pieces of mail monthly, serving 676 families, approximately 2,800 people, at a cost of a fraction over \$1.77 per year per family.

Whereas we have three rural routes eminating from this office serving 1,500 patrons, or 325 families, at a yearly cost of \$10.05 per family.

Surely this is a great showing in favor of village delivery, taking an economical view of it, and the citizens of this place would greatly deplore the abolishing of the service.

Hon. John R. Fare, representing Peckville, Pa., offers an in-

Hon. John R. Fare, representing Peckville, Pa., offers an interesting letter from Miss Nora L. Pickering, who writes:

teresting letter from Miss Nora L. Pickering, who writes:

I am indeed very glad to be allowed to tell you of the success of the free delivery of mail under the experimental, or village delivery law, at this office. We can not be termed a small village, as we serve a apopulation of 7,000 and cover an area 3 miles in length and 2½ in breadth, and since the establishment of delivery here—August 15, 1913—we have reached every part of this territory twice daily. By comparison we handle more mail and give better service than the average city carrier at very much less expense to the department. Many of our patrons are 2 miles from the office, and the delivery to them has been the greatest boon. The loss of it would be a calamity you can not realize. They can not be served from a rural free-delivery route, as there is not one in this section.

The gross proceeds from this office for the three quarters of the fiscal year show a gain over that of last year of \$224.05. Considering that the revenue from box rent is lessened by carriers and that parcel-post rates are so much cheaper, this increase is definite and decided.

Hon. A. Mitchell Palmer, representing Palmerton, Pa. trans-

Hon. A. MITCHELL PALMER, representing Palmerton, Pa., transmits a letter from Mr. W. H. Gruber and a resolution signed by the burgess and councilmen, which is indorsed by several hundred citizens.

Mr. Gruber writes:

Aft. Gruner writes:

I beg to assure you that it has so far been so very successful that the patrons view with alarm any prospect of it being abolished. I have informed some representative citizens of this town of the import of your communication upon which they declared themselves ready to send on a strong protest against the proposed action. * * * The receipts of this office for the month of December, 1913, were \$962.86, against which was charged the running expenses of the office, which amounted to \$396.80, which includes \$100 paid for earrier hire, netting the department \$566.06 ment \$566.06.

The resolution signed by the burgess and councilmen of Palmerton reads:

Realizing that the discontinuance of this experiment would be a decided detriment to the growth and general welfare of the borough; and Appreciating that not only the business of the post office but of the town generally has benefited by it, and that its discontinuance would be a step backward in our otherwise steady and rapid progress: Therefore be it

Resolved, That we the undersigned members of Borough Council of Palmerton, in special session assembled, authorize the circulation and presentation to the Post Office Department of a petition requesting that the delivery be continued.

Hon. John J. Casey, representing Freeland, Pa., writes:

Replying to your favor of December 29 in reference to the experimental service at Freeland, Pa., permit me to say the patrons of the Freeland post office are well pleased with the service they are receiving, and I know they are looking forward to the extension of the present service, and will be greatly disappointed if it is discontinued on July 1 as contemplated.

Hon. Andrew R. Brodbeck, representing Wrightsville, Pa.,

I find that the village-carrier delivery system now in operation at Wrightsville, Pa., has been highly satisfactory to the patrons of the office, and its discontinuance would undoubtedly be met with emphatic protest of disapproval.

From Ephrata, Pa., which is in my congressional district, there have been received encouraging reports as to the experi-

mental mail delivery. There is submitted a news item from the Ephrata Reporter, which says:

In this borough the free delivery system has been in operation for more than a year and it is proving a great success. Two men are employed making deliveries. They go the rounds of the borough twice a day, delivering and collecting mail matter. Postmaster Lightner said that since the free delivery has gone into effect the receipts have increased more than \$100 per month.

Hon. WYATT AIKEN, representing Belton, S. C., forwards a letter from W. C. Clinkscales, who says:

Yours inclosing letter of Congressman Griest is received, as to how we like experimental delivery of mail at third-class offices.

The service at this place is working finely and giving entire satisfaction. In fact, we do not see how it can be dispensed with without the people being greatly displeased. Beg to advise that Post Office Inspector Morganroth has just made an inspection of the service at this office and by reference to his report you may see how the plan is working here. Hope the service will be made permanent and extended, for we need another earrier here now and could use one to advantage.

Hon. EBEN W. MARTIN, representing Gregory, S. Dak., submits several letters which are somewhat similar to scores of letters which have been received, but four of these letters so ably state the facts that I take the liberty of printing them.

Mr. Fred Huston writes:

Mr. Fred Huston writes:

Yours received concerning the free delivery service in our town. I think this is the most satisfactory all-around convenience the department has installed. It certainly is a paying proposition, for during the year 1912 we had a rush here on account of the filing of Mellette and Todd County lands, and our postal receipts for 1913 are about the same as the year 1912. We honestly believe that this is due to the free delivery. People write more and subscribe for more papers and magazines when they can have them delivered at their door regularly. Our patrons have remarked that they could not live without the city delivery now, and to dispense with it would be a great inconvenience and disappointment to them. I talked to several of the business men here. I am inclosing letters they have written urging the continuance of this service, as they think it so necessary to the town.

Mayor F. W. Thomas says:

Since the establishment of the free delivery of mail in Gregory it has become incorporated into and made a part of the city's business life. It is as important in a town the size of Gregory as the rural free delivery is to the rural communities and has become just as necessary to the business life of Gregory as the rural delivery has become to the farmers. I feel that from my position as mayor of the city I can truthfully say that it is one of the greatest progressive movements which has been made by the postal department. From inquiry from people who have the delivery here I am satisfied that they feel that it is one of the greatest movements and improvements in mall service in years.

O. M. Burch, Esq., writes:

O. M. Burch, Esq., writes:

There are innumerable reasons why the citizens of Gregory—and, for that matter, all other towns of similar size—abould have this benefit from the department. Since becoming accustomed to having our mail delivered at our desks I have learned to appreciate it more and more as time goes by. It saves time and is highly convenient. By this method of receiving our mail I find that I am saved much time and can avoid the usual and necessary jam in the post office during mail hours, which often caused undue haste on the part of the office force, and lessens the chances and opportunity for mistakes. Why should the business men and citizens in general of Gregory be discriminated against, while the more sparsely settled districts—namely, the country people—have their mail delivered? Surely the people of a town the size of Gregory pay as much toward the maintenance of the department as the country districts. It seems, therefore, that the city people should have the same treatment, and we are asking no more than an equal right and share in the service of the department, and it is hoped that you will do your best to maintain the service in the city as it has been during the past year. Without going further into detail, will simply say that I consider the patronage which the service has received in Gregory sufficient of itself to prove the practicability of the service and the desire on the part of the people to retain it.

Mr. J. M. Hocker writes:

Mr. J. M. Hocker writes:

With reference to the free mail delivery in Gregory, beg to say that in my opinion the service has become almost indispensable. It is so convenient and practicable that it would certainly be a setback to our people to have it discontinued. I have talked with many of our townspeople on this subject, and every one of them is very much, like myself, increasingly aware of the benefits of the service and the good it is doing the town. It would be a serious mistake to do away with the service, as it is about the only real convenience the Government has instituted for the small town.

Hon. Charles H. Burke, representing Miller, S. Dak., presents a letter from Mr. F. E. Saltmarsh, who says:

Those who have mail delivered appreciate the service very much, and say they could not now get along without it. Patrons have put up mail boxes and seem to think they have a vested right in the Post office Department which they would very much dislike to relinquish. As the service has been running here less than six months, comparisons can not be made to be of any value.

Hon. SAM R. SELLS, representing Elizabethton, Tenn., expresses approval of the service, and says:

I would very much dislike to see this service discontinued now.

Hon. James Hay, representing Berryville, Va., presents a letter from Mr. B. F. Foley, who writes:

I must advise you that this service is in every way a success, and the people are very much pleased with it. As for myself, I think it a wonderful benefit and service.

Hon. C. Bascom Slemp, representing Marion, Va., submits a letter from Mr. R. A. Anderson, who says:

letter from Mr. R. A. Anderson, who says:

The service is popular and highly appreciated by our patrons. As evidence of this, box renters are giving up their boxes in order to get the benefits of the service. The service was established for 12 months and it will be a great disappointment to our people if it is discontinued. The town council has gone to considerable expense to number the houses and meet all the requirements of the department in the establishment of the service. The receipts of the post office have grown since the establishment of the service, they being larger during the last quarter than for any previous quarter in the history of the office. We hope you will use your best efforts to maintain and make permanent this service, which has become quite indispensable to our people.

Hon. Henry A. Cooper, representing Evansville, Wis., informs

No complaints of the service afforded by the experimental test in Evansville have come to me from residents of that city, and therefore I presume that it is giving satisfaction.

Hon. John M. Nelson, representing Dodgeville, Wis., has offered a most interesting statement from Mr. Emery Bray. It

reads:

In compliance with your request, I am making a report of the experimental city delivery established in this city a short time ago.

The city delivery has given the utmost satisfaction, and I never saw anything that is being so thoroughly appreciated as the mail delivery has been in this city. I will give you a list of the following benefits that have been derived from its establishment here:

(1) It has increased the receipts of the post office here, and some months run from 12 to 15 per cent more than last. For example, September, 1912, the receipts of the stamp window were \$409 and this year \$554, a difference of about \$150, while the cost for the city delivery for that month was only \$100. The receipts for the last month were \$100 more than one year ago, etc.

(2) We find that a great many more families take daily papers than before the mail delivery was established, because now they have their mail waiting for them at the door when the miner or the laboring man gets through work. Before the free mail service the mail would remain in the office until Saturday night and no interest was taken in daily papers.

in the office until Saturday night and no interest was taken in dany papers.

(3) The mail delivery has caused many local improvements, such as new cement sidewalks, tree courts, and a local pride such as never before. For a number of years the city council has been trying to get good sidewalks on certain streets without success until the delivery was started, and now they are auxious to have sidewalks, as it is necessary to get their mail delivered.

(4) Our carriers do register and money-order business, collect on C. O. D. parcels, deliver all parcel-post packages, delivery three times a day in the business section and once a day in the residence section. Everything is brought right to the door of the patrons of this office, and we hear compliments every day on the service.

(5) Collections are also made when all deliveries are being made, which is a splendid benefit to patrons of the office.

(6) I have held personal conferences with business and professional men, and we have taken up the advantages of the service from their standpoint, and they are very well pleased with the new service and all sincerely hope that Congress will see its way clear to make the service permanent in all such places as Dodgeville, especially when this office turns in a net profit of nearly \$4,000 a year to the Government.

Hon, Thomas F. Konop, representing Kewaunee, Wis., writes:

Hon. Thomas F. Konop, representing Kewaunee, Wis., writes: In reply I will state that while I was at home this summer I found that the citizens were pleased with this delivery and enthusiastic over it. Hon. John J. Esch, representing New Lisbon, Wis., also

I visited New Lisbon some months after this new service became effective and made inquiries as to its operation. I was gratified to learn that it gave universal satisfaction, and one letter carrier was able to make the necessary deliveries in both the business and residential sections. To deprive the citizens of New Lisbon of this service, after having enjoyed it for a year and a half, would be as disastrous as to deprive the patrons of any rural route of free-delivery service.

The Postal Service appropriation bill as reported from the Committee on the Post Office and Post Roads carries an aggregate of \$305,000,000 for the ensuing fiscal year. The amount recommended is greater than the aggregate required for the yearly maintenance of the State, War, Navy, and Agriculture But there is ample justification for this great Departments. appropriation.

Last year the postal receipts were \$266,619,525, and the continuing growth of the mail business, together with the development of the parcel-post service, warrants an estimate that the revenues will about equal the appropriation proposed. These revenues of the postal service are derived from direct payments to the Government by the people, and as the postal service is not operated as a means of money-making, it is therefore eminently proper that the money received in the form of postal revenues shall be appropriated and used for the public benefit.

From 1903 to 1913 the postal receipts have increased from \$134,224,443 to \$266,619,525. In 1903 the excess of expenditures was \$4,560,044, and in 1913 the excess of receipts was \$4,551,984. During these 10 years great progress has been made in postal New and modern methods have been installed; betterments. the service has been greatly extended, and to-day the United States has a postal establishment which is not outranked in magnitude or general efficiency.

A wonderful development has produced the splendid system of Railway Mail Service; the City Delivery Service; the Rural Delivery Service; and these have proved valuable adjuncts to the growth and public welfare of the Nation. Still more recently have come into existence the postal savings bank and parcel-post systems. Much to the surprise of many Members of this House, it has been announced that the postal banks have been operated at a loss of about \$1,000,000 since the establishment of the system. But as yet the workings of the parcel-post and postal-bank systems are largely experimental, and it is too early to determine the results. The postal banks have not proven popular with the great masses of our people, and the system may or may not be the boon prophesied. With the parcel-post service and its comparatively economical rates, the

new system has met public favor. Three things are foreshadowed—that in the next several years the parcel-post service will have a tremendous growth; that it will create a great increase in the number of Government employees under the supervision of the Postmaster General; and that there must be wise, sound, and businesslike administration of the service.

The development of the parcel-post service has increased the burdens of those engaged in the transportation of the mails. As an illustration, the rural mail carriers are subjected to greater responsibilities, and with increase in the weight limit of parcels many of these carriers are confronted with serious questions as to how they are to handle the articles sent by mail. Some means should be devised to fairly compensate the rural carriers for the increasing weights of mail matter which they are compelled to transport over their routes. Many of the carriers have been able to deliver the mail by using motorcycles and light vehicles, but to carry the parcels they are being compelled, in many instances, to use heavier wagons, and with the increased weight limit carriers driving one horse will be forced to use a double team and pay the expenses thereof.

Great as have been the improvements, there are still many difficulties confronting the officials of the postal service, and the organization of the department is inadequate to thoroughly cope with the many new problems. Questions affecting the operation of the postal-bank and parcel-post systems are yet to be solved and the supervisory officials must study conditions while at-tending to an ever-increasing flow of current business.

The parcel-post system has resulted in a greater demand for a simplification of the present money order or for the issuance of a postal note for the easier transmission of small sums of money by mail within the limit of \$10.

Postage rates are the subject of frequent discussion, and changes in the rates have been but infrequently made. general tendency has always been toward reductions whenever possible. Under the general authority providing for the operation of the Parcel Post Service the Postmaster General is authorized to readjust the parcel-post rates, with the consent of the Interstate Commerce Commission, and the rates have been accordingly readjusted and reduced. No authority is, however, imposed in the department for the readjustment of the rates for other kinds of mail matter, and such changes can only be made by congressional action.

In recent years there has developed a growing demand for a reduction in the first-class or letter-postage rate. There is merit in the arguments advanced, as the Government makes a profit of fully sixty or seventy millions of dollars out of the letter-mail business. I am in sympathy with the movement for a universal 1-cent postage rate, and wish it were possible for Congress to authorize such rate, but upon an examination of the figures showing the receipts and expenditures for the several classes of mail matter it is convincing that Congress would not be warranted in making a universal reduction at once.

Conditions demand, however, that some reduction in the letter rate be made, and it is imperative that the authorization be made without delay. As a feasible proposition I introduced in the Sixty-second and reintroduced in the Sixty-third Congress House bill 7473, which provides:

That upon all mail matter of the first class postage shall be charged at the rate of 2 cents per ounce, or fraction thereof, on a letter weighing 1 ounce or less, and for each additional ounce or fraction thereof there shall be charged 1 cent; but on drop or local letters postage shall be charged at the rate of 1 cent per ounce, or fraction thereof, including delivery at letter-carrier offices where the system of free delivery is established: Provided, That the postage be fully prepaid by stamps affixed to said mail matter.

There is no sound reason why a local delivery or so-called drop-letter rate of 1 cent an ounce, or fraction thereof, should not be at once authorized in cities having carrier service, as that rate now prevails at post offices which do not have carrier service. The Government now makes fully 150 per cent profit on the handling of drop letters in the cities.

The second feature of House bill 7473 makes the rate 1 cent for each additional ounce instead of 2 cents for the additional ounces when a letter weighs more than 1 ounce. For the single ounce or less the rate would continue to be 2 cents in the case of letters which have to be transported from one post office for delivery at another post office. These two features which I have proposed will give the people a reduction in the letter rate; and, as the change would not involve ten millions of dol-lars, the benefit would serve to increase the postal revenues by increased volume of mail matter sufficient to make an equitable

would be neither satisfactory nor economical, as the scheme failed in operation as a part of the postal savings bank system. But there is question as to the propriety of sending large wooden boxes of mail, and the rights of no Member would be harmfully abridged by a limitation of the privilege as proposed in House bill 2025, which I introduced by the privilege as proposed in House bill 2025, which I introduced by the privilege as proposed in House bill 2025, which I introduced by the privilege as proposed in House bill 2025, which I introduced by the privilege as proposed in House bill 2025, which I introduced by the privilege as proposed in House bill 2025, which I introduced by the privilege as proposed in House bill 2025, which I introduced by the privilege as proposed in House bill 2025, which I introduced by the privilege as proposed in House bill 2025, which I introduced by the privilege as proposed in House bill 2025, which I introduced by the privilege as proposed in House bill 2025, which I introduced by the privilege as proposed in House bill 2025, which I introduced by the privilege as proposed in House bill 2025, which I introduced by the privilege as proposed in House bill 2025, which I introduced by the privilege as proposed in House bill 2025, which I introduced by the privilege as proposed in House bill 2025, which I introduced by the privilege as proposed in House bill 2025, which I introduced by the privilege as proposed in House bill 2025, which I introduced by the privilege as proposed in House bill 2025, which I introduced by the privilege as proposed in House bill 2025, which I introduced by the privilege as proposed in House bill 2025, which I introduced by the House bill 2025 and the Ho in House bill 2935, which I introduced some months ago. It provides that the use of the franking privilege shall be limited to the mailing of official correspondence not exceeding 4 ounces in weight and to the distribution of copies of such speeches and documents as are printed by order of Congress

One humane feature of the bill now before the House is that which provides indemnity in the cases of post-office clerks, carriers, and rural carriers, who may be injured or killed while in the performance of their duties. For some years such relief has been extended in the case of railway-mail clerks, and it has not proven expensive. The rapid increase of labor-saving devices in the post offices and the increased dangers to carriers who must traverse the public highways both in the Ciry and Rural Services enlarges the justification for the proposed legislation. The law will provide an indemnity for the families of faithful employees who are injured or killed while on duty, and the proposition should be supported by every Member of the

Mr. MOON. Mr. Chairman, I yield 40 minutes to the gentleman from Illinois [Mr. FOWLER].

[Mr. FOWLER addressed the committee. See Appendix.]

Mr. MOON. Does the gentleman desire to use some of his

Mr. SAMUEL W. SMITH. I will, if the gentleman wishes me

Mr. MOON. I will Maryland [Mr. Lewis]. I will yield one hour to the gentleman from

Mr. LEWIS of Maryland. Mr. Chairman, in approaching the subject I propose to present to the House to-day, the telegraph and the telephone agencies of the country, it is appropriate, I think, that they should be treated not as mere ephemeral incidents of legislation, but with a view to those more fundamental truths which determine our actions in disposing of the most serious problems of government.

What is the relation of the public and the post office to the telegraph and the telephone, those great agencies of communication between the people, which now equal, if they do not eclipse, the postal system in the taxes levied upon national communication?

Do they differ from the post office in the function they perform; and if not, how do they differ from industrial activities consigned by general consent to private control? Is there something in their nature which distinguishes them from the farm and the retail store, some difference which reaches the dignity of a principle of classification, assigning one to the domain of postal action, while leaving farm and store to the field of competitive control?

Mr. Chairman, there is a science of political economy; it speaks with an authority, not to say with a thoroughness of analysis and breadth of view, which I could not claim. It speaks, too, with a responsible sense, a knowledge, of those perplexing varieties and complexities of modern society and industry. It knows that society has never governed itself well with merely a single truth or principle, whether it be laissez faire manualified individualism societies as a communication that faire, unqualified individualism, socialism, or communism; that society is not a one-idea or a one-fingered institution, but possesses aspirations and organic attributes and powers which it is its duty to utilize to promote its welfare. Now, what does it say on the subject before us, first as to the natural division defining those activities which should and those which should not, on economic and social grounds, be assigned to the control of the individual? I quote from the work of Prof. Adams, "The State and its Relation to Industrial Action":

CLASSES OF INDUSTRY.

All industries fall into three classes, according to the relation that exists between the increment of product which results from a given increment of capital or labor. These may be termed industries of constant returns, industries of diminishing returns, and industries of increasing returns. The first two classes of industries are adequately controlled by competitive action; the third class, on the other hand, requires the superior control of State power.

Omitting in the necessary brevity of this address his analyses of classes 1 and 2, of which the retail business and the farm are quoted as examples coming under the effective control of com-petition, I shall quote his statement as to class 3, which does not, but is monopolistic:

THIRD CLASS-INCREASING RETURNS.

The peculiarity of those industries belonging to the third class, which we now come to consider, lies in the fact that they conform to the law of increasing rather than to the law of constant or decreasing returns. The increment of product from an expanding enterprise is greater than 1910 its receipts were \$130,145,874, and expenditures \$107,-

the increment of capital and labor required to secure its expansion. Adopting the algebraic formula, as before, if 2x capital give 2y product, an economic application of 3x capital will give more than 3y product, an economic application of 3x capital will give more than 3y product, an economic application of 3x capital will give more than 3y product, and economic application of 3x capital will give more than 3y product, and economic application of 3x capital will give more than 3y product, and economic application in formula and application in formula and application in the section is that where the law competition is powerless to exercise a healthy regulating influence. This is true, because it is easier for an established business to extend its facilities for satisfactorily meeting a new demand than for a new industry to spring into competitive existence. Such businesses are by nature monopolies. We certainly deceive ourselves in believing that competition can secure for the public fair treatment in such cases or that laws compelling competition can ever be enforced. If it is for the interest of men to combine, no law can make them compete. For all industries, therefore, which conform to the principle of increasing returns, the only question at issue is whether society shall support an irresponsible extra-legal monopoly or a monopoly established by law and managed in the interest of the public. In this latter way may the benefits of organization in the form of monopoly be secured to the people, and in no other.

Now, sir, what is meant by the "benefits of organization in the

Now, sir, what is meant by the "benefits of organization in the form of monopoly"? Briefly, it is that the product per unit of labor and capital employed, the result per dollar expended, will be greater because, say the political economists, such a monopoly admits:

a. Unity and exclusiveness of organization;

b. Details of management being well worked out:

- c. Facility for extension by mere duplication of existing structures;
- d. A social demand for the service which is widespread and constant;

Adequate ability in authority;

- f. Service at less cost than if broken into groups, becauseg. Assured and definite demands for service admit of
 - closest calculations;
 - h. Extent of demand admits of most minute divisions of labor;
 - i. Absence of rivalry reduces to a minimum the capital and expense necessary for performance of the service; j. Speculative management is eliminated; and

k. Thus, with the public-service motive,

1. The maximum of output per unit of expenditure is rendered possible.

THE PUBLIC-SERVICE MOTIVE.

Mr. Chairman, what is meant by the private-service motive? Well, briefly quoting from the political economists again, they say that with a monopoly the degree of social service to be rendered, the output, is a question of the motive active in its finan-

Private financiering: A private business is managed to secure a profit, and, other things being equal, the higher the price secured for any service rendered, the higher will be the profit. The rule of private financiering therefore is to maintain the price of goods or services at the highest price which has no tendency to curtail profitable business. Public financiering: The rule of public financiering, on the other hand, conforms to an altogether different principle. It is the purpose of government to render services at the lowest price consistent with efficient service. Price equals cost. This is true, because the State, being the manager of the business, has no motive in acquiring riches.

Ever if private persons possessed an absolute monopoly yet.

Even if private persons possessed an absolute monopoly, yet they must fail to render the greatest public service, because the public-service motive would be absent. They would naturally conduct the monopoly with the object of profit, and usually the higher the price charged the greater the profit. An illustration of this may be given: The Chicago & Milwaukee Telephone Co., doing business between those cities for many years, charged a rate of 15 cents for 10 words, and 1 cent per additional word. After the American Telephone & Telegraph Co. secured control of the Western Union, it managed to gain control of this lesser company, and raised its rates to 25 cents and 2 cents per word. Under the low rate in 1909 the service rendered the public amounted to 103,248 telegrams. In 1912 under the 25-cent rate the number of telegrams fell to 57,089. By this raise in the rate the Bell Co. gained the salaries of two operators and two messengers, whom it was able to discharge, by reducing the service to the public one-half. But by the same proceeding it raised the productive cost per telegram from about 14 cents in 1909 to 24 cents each in 1912.

What the Bell Co. did in that case was according to the rule of private financiering. Under postal control, and the public-service motive, the 15-cent rate, while it paid expenses—and it did-would have remained to insure the maximum social service. There is no such motive unless the public or the postal

system is itself owner—

Mr. MADDEN. How does it operate in England, then?

Mr. LEWIS of Maryland. In what respect?

Mr. MADDEN. The gentleman says it has only one motive, and that is to serve the public. How did it get along there; did it make any money, and did it serve the public?

Mr. LEWIS of Maryland. I want to say that as a whole the English postal system is the most profitable in the world. In 1910 its receipts were \$120.145.874, and expenditures \$107.

815,457 in round numbers, showing a surplus of \$22,330,417. If the gentleman refers to the telegraph, then I wish to suggest that its personnel is not separated from the postal personnel; their efforts are devoted to both services.

Mr. MADDEN. I understood the gentleman was talking about

the telephone service.

Mr. LEWIS of Maryland. And the telephone service can not be fully segregated, either. The only way to judge the efficiency of the postal institution is by its total results. You can not segre-

gate the mail, telephone, and telegraph expenses satisfactorily.

But to resume with the rules of private and public financiering. I am able to give an illustration of the public or Postal Service motive. The parcel-post rates on local and the 50 and 150 mile zone in April last were 1, 3, and 4 cents a pound, respectively; and the number of shipments for two weeks in April last at these rates, from 1 pound and up, was 1,047,954, bringing a revenue of \$133,530.06, of which \$78,028.14 was profit. The Postmaster General, with the approval of the Interstate Commerce Commission, reduced the rates from 1, 3, and 4 cents to a half cent on the local and to 1 cent a pound on the others, and as a result the traffic leaped up 61 per cent in October. The rate was reduced thus from 12.7 to 8 cents per average package in these zones; and yet after allowing 8 cents a tomile to the carrying railroads, which is more than the express companies pay, the profit in October was still \$36,239.53. Mr. Chairman, it was just as natural for the Postmaster General, acting under the rule of public financiering, to make these reductions, when he found them feasible, as for the Bell management to raise its telegraph rate from 15 cents to 25 cents; and it was just as natural under the well-known laws of monopoly economics that the traffic should increase 61 per cent in the parcels as it was that the traffic in telegrams should fall 44 per cent. In the case of the parcel you have a public-service efficiency that has been raised 61 per cent, while in that of the telegram the service efficiency has been lowered nearly half.

OPERATIVE EFFICIENCY. Mr. Chairman, this brings me to the point of operative efficiency. There is a widespread conviction that public operation is inefficient; that is, that employees will not work as earnestly for the public as when supervised by the self-interest of a private employer. Doubtless this is true in some kinds of employment. But there is a broad and fundamental exception; it consists of those monopolies in which the quantity of work to be done by each employee can be systematically measured out in advance and assigned to him each day. Such, for example, is the rural and city carrier with his scheduled route and de-liveries, and so almost the whole Postal Service. Such, too, are the tasks of telephone and telegraph operators and messengers, for when the flow of traffic becomes known the working capacity of each in number of calls and of telegrams per hour may be determined in advance, and the failure of a delinquent to "make good" practically checked. So this objection of malingering does not apply to the postal institution, whatever its merits when applied to some other public employments.

That this distinction proves true in practice is seen in the case of the telephone. The product per average employee of the Bell system in 1912 was 58,000 calls, while that of the public telephone employee in Norway in 1910 was 147,000 calls

Mr. SHERLEY. Does the gentleman mean by that that he thinks a Norway operator of a Government-owned telephone is

very much superior to an operator under the Bell system?

Mr. LEWIS of Maryland. No; but I do mean that the institutional efficiency of the system in Norway, measured in terms of product and personnel units employed to obtain it, is that much greater. It is the low rates in Norway, averaging less than a half cent a call, which account for the high efficiency of its employees. If the rate is but a cent I use the phone freely. If it be a nickel or a dime I use it sparingly. Norwegians can fully employ the service, and so the plant and the personnel are utilized to the maximum and not left in idleness.

Mr. SHERLEY. I may not quarrel with that conclusion, but the gentleman started out to demonstrate the fact that the general impression that Government employees did not do

as much work as private employees was not true.

Mr. LEWIS of Maryland. Where the work can be assigned and checked-

Mr. SHERLEY. I want to know if he thinks it is true? Mr. LEWIS of Maryland. Where the work can be standardized and measured out in advance the institutional product per telephone and telegraph employee is higher for the postal systems. In fact, the Bell system ranks but ninth and our telegraph companies about the lowest in such institutional efficiency. But as this is so important a feature of the discussion, I shall take up all three—the mail piece, the telephone call, and the telegram-and submit the comparative operative experience of the different countries.

Telephone operative efficiency.

	Country.	Phone calls per em- ployee per annum.	Rank.	Postal units per em- ployee per annum.	Rank.
Norway.		146, 854	1	32,414	11
Russia		114,659	2		
Belgium.		98,715	3	85,819	1
Netherlan	ads (municipal)	92, 251	4		
Sweden.		79,142	5	35,837	9
	(private)	79,000	6		
Italy		67,727	7	42,947	4
Netherlan	nds (private)	65,181	8		
United 8	tates (Bell Co.)	58, 134	9	60,651	2
Norway (private)		10		
Switzerla	nd	47,328	11	37,562	7
Netheriai	nds (State)		12	53,621	3
France		34,018	13	33,697	10
Luxembt	ırg		14	40,321	5
решнагк	*************************		15	38,930	6
Germany			16	37,236	8
Austria.			17	30,528	12
New Zeal	and		18	28,696	13
Great Br	itain		19	26,056	14
Langury			20	23,025	15
Japan	***************************************		21	21,820	16

In the column for phone efficiency the long-distance or interurban call is included and rated as equal to four local calls in its demands upon the personnel. The column for postal efficiency is inserted to show the performance of the postal personnel. For this purpose the Postal Service unit is treated as the average mail piece and the telegram as equal in service to 10 mail pieces, while the local call is rated as equal to one-half mail piece, or unit, and the interurban as equal to two mail pieces. All kinds of employees of the telephone and post are included in the statement. While these service valuations are only assumptions, it is believed that they are approximately accurate, and certainly in no case unfair to the phone service, as may be seen in the cases of Norway, Russia, and Belgium, where the phone performances per employee reach as high as 146,854, 114,669, and 98,715, respectively.

Thus, among 16 countries our postal system ranks first, while the Bell system ranks but ninth in operative efficiency. has reference purely to the amount of institutional product per unit of labor, which is the correct functional test, I take it.

Mr. SHERLEY. I am prepared to admit you may get a higher percentage on your basis, because of a more constant demand, but on the broad proposition that the individual in private employment does not do as much work as a Govern-

ment employee I would dispute the gentleman— Mr. LEWIS of Maryland. I understand the distinguished gentleman. Where the work is not standardized and the amount of the product required, or the task, can not be specifically defined, the self-interest of a private employer may be necessary to make the laggard do his part. But the point I make is that a régime of postal monopoly in the telephone and telegraph services permits of defining the tasks; so that society, as a model employer, can give the worker proper conditions and yet so organize and direct him as to secure a greater average prod-uct than the private employer. The telegraphic institution sup-plies another illustration of this principle. I call the attention of the House to the following list of processes through which the telegram goes in the United States

HANDLING OF COMMERCIAL MESSAGES.

THE TELEGRAPH COMPANY.

Figures charges on telegrams.

Figures charges on telegrams.
 Rends each message for purpose of properly deciphering it.
 Marks on each message "time filed."
 4a. Enters each telegram on sheet "receiving clerk's record."
 Turns in cash to local cashier.
 Puts time sent, numbers, sending and receiving operators' signals on telegram.
 Sc. Checks off numbers on number sheet and initials sheet.

RECEIVING OPERATOR.

9. Receives and transcribes telegram on proper blank.
10d. Checks off number on number sheet and initials opposite the

DELIVERY CLERK.

11e. Makes wet copy of telegram.
12f. Puts delivery number on telegram.
13g. Makes out delivery sheet for messenger.
14h. Enters telegram on "delivery clerk's record."
15. Incloses telegram in envelope and addresses envelope.
16i. Examines delivery sheet to see telegram is properly receipted

for. 17j. Collects cash from messenger to cover "collect received" tele-

18k. Turns in cash to local cashier.

MESSENGER BOY.

19. Delivers telegram to proper addressee.
201. Secures receipt for telegram on delivery sheet.
21. Collects cash on "collect" telegrams.
22m. Returns delivery sheet and cash to delivery clerk.

RECEIVING OPERATOR (RELAY POINT)

23. Receives and transcribes telegram on proper blank. 24n. Checks off number on number sheet and initials sheet. SENDING OPERATOR (RELAY POINT).

25. Sends telegram.
260. Times telegram, etc.
27p. Checks off number sheet.
Here, then, are 27 acts or processes, for 16 of which (the lettered ones) an argument of elimination might well be made with the introduction of the stamp and other simplified postal

But whatever may be thought of the susceptibility to elimination of half of the above items, it is believed that the following, all accounting processes, would give way under public management to the prepaid or postage-due stamp. We find it safe to intrust nearly three hundred millions of postal revenue to such stamps now stamps now.

OPERATIONS IN THE ACCOUNTING DEPARTMENT.

CASHIER (LOCAL).

- Checks up and balances "receiving clerk's record" of messages.
 Checks up and balances "delivery clerk's record" of messages.
 Checks up and balances money-order clerk's sent-and-received 3. Checks up and balances and weekly or monthly bills of customers for messages.

 5. Turns over above four accounts to bookkeeper.

 6. Checks up receiving clerk's record, branch offices.

 7. Checks up delivery clerk's record, branch offices.

BOOKKEEPER (LOCAL).

- BOOKKEEPER (LOCAL).

 8. Records cash received, daily receiving clerk's record.

 9. Records cash received, daily delivery clerk's record.

 10. Records cash received, "sent" money orders record.

 11. Records cash received, "received" money orders record.

 12. Records cash received, receiving clerk's record, branch offices.

 13. Records ash received, delivery clerk's record, branch offices.

 14. Records all charge accounts.

 15. Records payment of charge accounts.

 16. Makes out weekly balance sheet.

CHARGE ACCOUNT CLERK.

- 16. Makes out weekly balance sheet.

 17. Makes out charge accounts (weekly and monthly).

 18. Balances with bookkeeper.

 19. Sends out bills of charge accounts.

 AUDITOR'S OFFICE (LOCAL).

 20. Balances with cashier "ceciving clerk's" record.

 21. Balances with cashier "delivery clerk's" record.

 22. Balances with cashier receiving clerk's record, branch offices.

 23. Balances with cashier receiving clerk's record, branch offices.

 24. Checks up number sheets of main and branch offices.

 25. Keeps book record of branch office receipts.

 26. Inspects "sent messages" to see that they all bear number, time, and operator's signature.

 27. Makes daily record of messages on forms supplied for "Sent paid," "Sent collect," "Received paid," "Received collect," for public, press, and Government accounts.

 28. Statement of Government messages sent paid, for Government, for general auditor.

 29. Statement of Government messages received paid, for Government, for general auditor.

 31. Statement of Government messages received collect, for Government, for general auditor.

 32. Statement of messages upon which there are other line tolls, for general auditor.

 33. Makes daily check sheets for each city (amount of tolls).

 34. Makes statement of "deadhead" messages.

 35. Makes monthly statement of uncollected messages.

 36. Sorts all messages as "cent paid."

 38. Sorts all messages as "cent paid."

 39. Sorts all messages as "cent paid."

 39. Sorts all messages as "cent paid."

 30. Sorts all messages as "cent paid."

 31. Statement of olis on each message.

 42. Figures amount of tolis on each message.

 43. Answers all check-error sheets.

 44. Makes daily statement of "sent" press matter.

 46. Makes daily statement of "received collect." press matter.

 47. Counts number of words in "sent" press matter.

 48. Counts number of words in "received collect press matter.

 49. Makes daily statement of "received collect press matter.

 40. Makes daily statement of "received collect press matter.

 41. The pressure of the pressure of the press

If it is objected that all these are very little things, let it be remembered that so, too, is the telegram; and that if it is to be loaded down with an accounting burden only to be compared with the accounting applied to a carload lot of freight in railway transportation, as the express companies have done with their packages, the 25-cent minimum of the railway and of the express company and the like minimum of the telegraph company become logical enough, even if economically indefensible for a mere electrical letter.

It is exactly accurate to say that merely affixing the stamp to the letter replaces these 47 accounting processes with the individual telegram under postal practice; that is, the Postal System realizes the first great canon of a publicly financiered monopoly. Its "details of management have been well worked out."

This is, indeed, one of the greatest advantages of the postal form of monopoly, and compared with it the operative economy of the express companies and telegraph companies is little less than a joke. Let us compare our telegraph with New Zealand. Naturally these companies do not maintain offices at points

that do not pay, and the result is that the commercial telegraph

has but 12, and yet with less than one-third the traffic per office the postal telegraph employee over there has 10.1 telegrams per day to his credit, while the American institution has but 8. The following table compiled from the experience of these

offices have a traffic of 39 telegrams per day while New Zealand

countries is now presented:

Traffic density and efficiency,

Country.	Telegran plo	ns per em- yee.	Telegrams per operative office.		
Country.	Per annum.	Per day.	Per annum.	Per day.	
New Zealand. Norway. Belgium. United States Sweden. Netherlands. Switzerland.	3,700 3,115 3,063 2,933 2,370 1,607 1,596	10.1 8.7 8.6 8.0 6.6 4.4 4.4	4, 380 2, 097 5, 451 14, 332 1, 495 4, 774 2, 454	12 6 15 39.3 4 13 7	

What boots it that our companies can work their employees longer hours, and can have three times the traffic per office by denying us six-sevenths of the local accommodation accorded in New Zealand, and other postal telegraph and telephone countries.

Mr. Chairman, let me explain the significance of these conditions. Recurring to the analysis of industries placing merchandising in Class I, with its law of constant returns; farming as Class II, because of its law of diminishing returns; and such industries as the post, the express service, and the telegraph and telephone in Class III, under the law of increasing returns; now, what do we find? That in the United States Classes I and II—the store and farm and factory, privately financed, according to their natures, and acting under circumstances of struggle and competition—are unquestionably among the most economically conducted of their kind among nations. That our Postal Service, publicly financed, in spite of our high price levels, is giving rates the lowest prevalent in the world, and possesses the very highest working efficiency, while the two examples of the third class—the telegraph and telephone monarchies like the express companies subjected unparturally monopolies, like the express companies, subjected unnaturally to the rule of private financiering—rank among the very lowest in working efficiency and among the highest in the rates exacted from the public.

THE RATES-TELEGRAPHS.

Mr. Chairman, with the single exception of Japan, our postage rates are the lowest among all countries, and these rates are now more than paying the cost of the service. This under the rule of postal monopoly and of the public financier. There is no real occasion for the lowering of our postage rates, but with respect to the electrical letter, the telegram, the following table gives the rates in other countries where the service is postalized as compared with our own, as also the degree to which such rates permit of use by the people in each country:

Rate and number of telegrams per capito

		Min	imum rate telegram.	Telegrams per capita.		
Country.	Number of words.	Ra	te-			
		Per word.	Each word extra.	Rank.	Number.	Rank.
Luxemburg		180.067	\$0,0067	9	0.84	11
France	10	. 0965	.0096	1	1.65	
Japan					.60	14
Norway Belgium	10	. 134	.0134	11	1.48	
Belgium	15	. 0965	. 0193	2	1.25	1
Netherlands		.1005	. 0201	3	1.19	1
Sweden	10	.134	.0134	10	.80	13
New Zealand Great Britain	12	.12	.01	6	8.01	
Great Britain	12	.1217	.01015	7	2.18	200
Switzerland		1.0579	2.0048	4	1.75	- E/S
Germany	10	.119	.0119	5	92	1
Italy Denmark	15.	. 193	.01015	12	. 55	1
Denmark	10	.130	. 013	8	1.31	25.3
Austria					. 73	13
Hungary	*******				. 59	18
Russia		2,075	2.025	13	. 24	1
United States	10	. 25	.02	14	.97	
Do	********	.30	.02			
Do		.35	.02			
Do			.03			
Do			.03			
Do		.60	.04			
Do		. 75	. 05			
Do	********	1.00	.07	******		

1 Each telegram. ² Fixed charge per telegram plus charge for each word.

Although we rank first in postal rates, we rank fourteenth and last as to telegraph rates and only ninth in resulting social We have but 1.1 telegrams per capita as against 8 in New Zealand, a country whose social conditions and wage levels compare with ours about as one State in our Republic compares with another.

Mr. MADDEN. I was wondering whether the gentleman attributed the lack of the use of the telegraph to the fact that telephones are in such universal use and in so much more sys-

tematic use than in any place in the Old World?

Mr. LEWIS of Maryland. Well, if you combine the interurban and long-distance telephone messages with the telegrams in the United States, both together amount to 4 per capita, as against the 8 telegrams in New Zealand. Even in low-waged Germany both together number 6 per capita. The cause of the low service is unquestionably the high American charges. Our telegraph rates run from two to four times as high as in postal-

the United States in extent, they have a State rate of 12 cents and an interstate rate of 24 cents, good for any distance, namely, a shilling against a dollar for our extreme distances. The telegram obviously corresponds with the interurban or long-distance telephone talk and not with the local call.

Mr. SHERLEY. If the gentleman will permit, a great deal of the telegraphic communication in England is right in the city;

in London you will find this is so.

Mr. LEWIS of Maryland. Yes; but that is a special condi-tion which does not obtain in New Zealand.

TOLL TELEPHONE RATES.

But, Mr. Chairman, the telephone long-distance rates are even more abnormal than the telegraphs. There has never been any competition as to them and obviously can not be. What is the result? They run from four to eight times the rates prevailing on the Continent of Europe. Here is a table giving the rates for a three-minute conversation:

Continental rates for long-distance compared with square-root formula.

Country.	25 miles.	100 miles.	300 miles.	400 miles.	500 miles.	700 miles.
Sweden	\$0.04	\$0.08	\$0.13	\$0.20	\$0.20	\$0.34
France	.07	.09	.34	.40	. 53	. 53
ItalyBelgium	.10	.19	.38	.38	.38	
DenmarkGermany	.07	.20	.54	.36	.36	. 48
Austria	.12	.31	.38	.38	.38	
Average continental		THE COST	Part Car			
Formula rate	.07	.16	.30	.36	.37	.53
Bell rate	. 25	.60	1.80	2.40	3.00	4. 2

The Bell system toll or long distance rates are based on a scale of 6 mills per mile—that is 60 cents for a hundred-mile conversation. The railways receive an average of 7½ mills a mile for carrying a ton of freight. Gentlemen may realize how weighty their conversation is over one of these wires. It weighs about a ton. [Laughter.] Doubtless the telephone managers honestly think that this rate yields them what private financiers naturally look for—the highest profit—even if it condemns the plant and personnel to comparative idleness. Only 8 per cent of the theoretical time value of our interurban lines is utilized as a result of these prohibitive rates, while in Germany the utilization equals 19 per cent. I say that we do not censure these private monopolists for seeking the highest rate of profit, although their rates are the scandal of public-service rates the world over. But have not the people a right to censure us-the Government-for neglecting to discharge the constitutional function of communication, and subjecting them to less than half services for more than double pay?

LOCAL TELEPHONE RATES.

Mr. Chairman, there are three countries only in which the average charge for a local call exceeds the letter rate. The United States is one of them. In all the others the local rate runs much lower, while in our cities the rate runs with the street-car fare, and is often twice as great

Mr. MADDEN. Will the gentleman tell us, if his figures are correct, why it happens that in England there is only 1.4 telephones and in London 2.8 telephones to every 100 people, and

that it is impossible to get a telephone after 8 o'clock at night?

Mr. LEWIS of Maryland. I will say, in answer, that in
England, up to January 1, 1912, nearly all the local telephone

services were privately managed, the interurban and one exchange in London alone being postalized. The telephone service there now is in a state of transition from private to postal management, the British postmaster general personally told me. However, England is not a fair example of either private or postal management, for neither institution there, in their conflicts with each other, have had a fair chance to do their best. It is true, however, that there are more phones per capita here than anywhere in Europe. That is because in the United States a very much larger percentage of the people are well to do, and in spite of our abnormal rates can afford the luxury of a

Mr. Chairman, I now insert a table giving the average charge per local telephone call for the different countries:

Letter and local telephone rates.

Country.	Rank.	Local rate.	Letter rate.	Letter rate ex- ceeds phone rate.
Norway (private) Sweden Japan Norway Russia. Hungary Denmark (private) Austria Italy Germany. Netherlands Belgium Switzerland United States (Bell Co.) Luxemburg France.	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16	\$0.004 .005 .005 .006 .007 .009 .010 .011 .013 .015 .015 .017 .021 .024	\$0.028 026 015 028 036 020 026 020 028 020 029 020 020 020	Per cent. 550 420 200 333 414 122 160 80 115 331 331 331 17 25 120 220

¹ Belgium, 1911.

Phone rate exeeds letter rate.

Thus the Bell system gives us a rank of fourteenth among 16 countries, although our postal rates virtually rank us first. But our telephone rates are really much more abnormal than they appear in the above table, which represents the average receipts appear in the above table, which represents the average receipts per call and not the tariffs. When they are considered, especially for the greater cities, we find that the subscriber's rate for a service limited to about 15 calls per day is \$228, or greater in amount than the combined rates of London (\$82.79), Paris (\$77.20), Berlin (\$43.20), and Stockholm (\$24.44).

Table giving annual tariffs (fast-rate service) for leading cities of

Table giving annual tariffs (flat-rate service) for leading cities of

different countries.	
Christiania different countries.	_ \$21.4
The Hague	_ 26. 00
Copenhagen	32.00
Tokye	34 0
Auckland, New Zealand	_ 34.00
Amsterdam	36.00
Rotterdam	_ 36, 00
Berlin	
Budapest	_ 57. 90
Paris	77. 20
London	
New Haven	
Oakland, Cal	
Chicago 2	
Philadelphia	
Seattle	
Cincinnati	
Boston	
Denver	
Washington	168 00
Baltimore 3	174 00
San Francisco	
New York 3	
	0.00
American average exceeds foreign average 300 per cent.	

Competition.

Recently this rate raised to \$125; competition presumably removed.

Baltimore and New York limited to 5,400 and 5,700 calls.

In many of our cities, such as New York and Washington, the business phone rate is \$48 for the first 600 calls, or 8 cents a call. You can send a 4-pound shipment from Baltimore to New York for 8 cents, have it delivered, and the postal system makes nearly a cent profit after paying the railway and other expenses. I now insert a table showing the measured service rates for eight American as compared with eight foreign cities:

		Per call,	
Country.	2,000 calls.	5,000 calls.	10,000 calls.
Switzerland, Berne	\$0.0140 .0450 .0184 .0500	\$0.0116 .0360 .0100 .0336	\$0.0100 .0238 .0066
Ballinore, and Australia, Sydney Washington, D. C. Italy, Rome. New Orleans, La.	.0197 .0490 .0200	.0106 .0366 .0140 .0280	.0086 .0285 .0126 .0246

Rates per call for measured service in principal cities of the world .- Con.

Cincinnati, Ohio nany, Berlin Boston, Mass. nce, Paris New York, N. Y mark, private San Francisco, Cal rage postal telephone rate.	Per call.				
The state of the s	2,000 calls.	5,000 calls.	10,000 calls.		
Cincinnati, Ohio Germany, Berlin Boston, Mass. France, Paris New York, N. Y	.0216 .0450 .0240 .0555 .0294 .0648	\$0.0160 .0360 1.0086 .0360 1.0154 .0420 .0197 .0487 .0123 .0371	\$0.0100 .0330 1.0043 .0330 1.0077 .0400 .0171 .0265 .0085 .0300		
American rate exceeds postal (per cent) American rate exceeds Australian (per cent)	167 150	200 250	215 250		

1 Computed on flat rates.

The rule of the private financier in the United States means local rates about three times those under the postal management of other countries.

COMPETITION.

Mr. Chairman, the recent surrender of the Bell system to dissolution under the antitrust law, which many people believe to have been a mere coup d'état to prevent the effectuation of the Postmaster General's recommendation for postalization, has been accepted in some quarters as possibly containing some relief through the agency of competition. It can not, of course, have such a result on the interurban or long-distance service, because there is no duplication of these lines. Nor can it be now expected to lower telegraph rates in such a way. We have had some of it in the local telephone service, and it may be of interest to ascertain the results. Sir, I now present a table giving the Bell rates for 60 American cities, the letter "C" after the rate indicating the cities in which it has competition:

0.	City.	Popula- tion.	. Rate.	
1	New York, N. Y.	2,331,542	\$228-	
2	Chicago, Ill	2, 185, 283	125-	
2 3	Philadelphia, Pa.	1,549,008	90-	
4	St. Louis, Mo	687,029	78-	
5	Boston, Mass	670,585	125	
7	Cleveland, Ohio.	560,663	84-	
7	Baltimore, Md	558, 485	153-	
3	Pittshurgh Pa	533,905	189-	
1	Pittsburgh, Pa. Buffalo, N. Y.	423,715	84-	
	San Francisco, Cal.	416,912	165-	
	Cincinnati, Ohio	364, 463	100	
	Washington D C	331,069	168-	
	Washington, D. C. Los Angeles, Cal	210 108	69-	
1	Los Angeles, Cal	319, 198 237, 194	90	
	Seattle, Wash	233,650		
i	Indianapolis, Ind. Providence, R. I. Rochester, N. Y.		54-	
ı	Providence, R. 1	224,326	216-	
	Rochester, N. Y	218, 149	48-	
1	Denver, Colo	213, 381	138-	
ı	Portland, Oreg.	207, 214	96-	
).	Toledo, Ohio	168, 497	60-	
	Oakland, Cal	150, 174	84	
2	New Haven, Conn	133,605	84	
3	Memphis, Tenn	131, 105	90-	
1	Scranton, Pa.	129,867	60-	
5	Richmond, Va	127,628	72	
;	Hartford, Conn	98,915	84	
1	Hartford, Conn	96, 815	36-	
3	Springfield, Mass	96, 815 88, 926	75	
)	Wilmington, Del.	87,411	60-	
)	Des Moines, Iowa.	86,368	60	
1	Norfolk, Va.	67 459	60	
	Savannah Ca	67, 452 65, 064	60	
3	Savannah, Ga Portland, Me	58, 571	60	
1	Lebrotown Do		30	
	Johnstown, Pa.	55, 482 52, 127		
	Altoona, Pa.		66	
1	Springfield, Ill	51,678	48	
A	Mobile, Ala	51,521	78	
1	Springfield, Ohio	46,921	48	
	York, Pa	44,750	48	
)	Sacramento, Cal	44,696	72	
4	Berkeley, Cal	40,434	84	
2	San Diego, Cal	39,578	60-	
3	Dubuque, Iowa	38, 494	48	
4	Tampa, Fla	37,782	54-	
5	Roanoke, Va Jackson, Mich	34,874	48	
6	Jackson, Mich.	31, 433	. 36-	
7	Decatur, Ill	31,140	36-	
8	Lynchhurg Va	29, 494	48	
9	San Jose, Cal.	28,946	60	
9	Newport, R. I. Presno, Cal. Veyport Work	27, 149	60	
1	Fresno Cal	24,892	60	
2	Everett, Wash	24,814	48-	
3	Burlington, Iowa.			
		24,324	48	
4	Alameda, Cal.	23, 383	84	
5	Oswego, N. Y. Stockton, Cal.	23, 368 23, 253	36	
6	Stockton, Cal.	23, 253	60	
7	Kenosha, Wis	21,371	42-	
8	Winona, Minn	18,583	42	
9	Kenosha, Wis. Winona, Minn Helena, Mont	12,515	60-	
0	Iowa City, Iowa	10,091	36	

Note.—a denotes measured service, rate computed for 5,703 calls; b denotes Independent Co. rate; all other rates, Bell system; c denotes competition. New York includes Manhattan district only.

The above rates are taken from original sources, and collectively show that 36 cities averaging 202,941 population under no competition, pay \$89; while 24 cities averaging 305,975 population, with competition, pay only \$62. Even where competition is absent there does not appear to be any rational order of rates. Stockton, Cal., with 23,253 population, pays the same rate (\$80) as Des Moines, Iowa, with 86,368, and pays twice as much as Johnstown, Pa., with 55,482 population, and only \$24 less than Cleveland, Ohio, under competition, with 560,663 population.

Now, sir, what do we learn from this experience? Two lessons, I think. First, that even though competition does lower the rates it is ineffective, because to get the benefit of the full service the user has to have two phones and pay both rates. This is so obvious that telephone economists universally con-demn competition as a wrong both to subscribers and telephone capital. The second lesson is equally important, if not quite so The competitive networks could be operated more economically under one ownership. Accordingly, the difference between the rate in a competitive city and a monopoly city gives some measure of the excessiveness of the charge in the monopoly city, where the populations are about the same. Mr. Chairman, by way of summary of the preceding facts I present a table in which the letter, telegraph rates, local and long-distance rates, as well as the efficiency in product per employee, is stated progressively for the different countries, the relative rank of the United States being indicated by a continuous line. (The table is printed on following page.)

Gentlemen, these facts speak for themselves. They distinctly support the conclusions reached by political economists as to the relative efficiency in social service of the public and the private financier, as to a monopoly falling within the domain of the postal function.

Mr. Chairman, rates from two to six times normal is too great a price to pay for the privilege of neglecting to fully discharge our constitutional functions.

Mr. MADDEN. If the statement of the gentleman is correct, I want to ask how it is that in Great Britain there are only 17.7 per cent of messages sent by telephone, 1.8 per cent by telegraph, while 80.5 per cent of messages are sent by mall; and in the United States 58.7 per cent of messages go by telephone, four-tenths of 1 per cent by telegraph, and 40 per cent by mail?

Mr. LEWIS of Maryland. It is a question of social wealth and ability of people to have telephones. But this question naturally brings me to the future of the telephone itself.

THE BENEFITS OF POSTALIZATION.

Mr. Vail, president of the American Telephone & Telegraph Co., has said, "There is a road to every man's house; there ought to be a telephone inside."

This is, I think, a correct ideal, and the parallel is indisputable, but he neglects to observe that it was society, with its public-service motive, that built these roads and not a privately financiered monopoly. We can state without offense that a telephone financier is naturally prone to confine his investments to points yielding the desired profit, and is not inclined to apply any excess profits from such points to other points which do not promise remunerative returns. And so it is that the countryside and the farm which need the service most have received but little attention from the Telephone Trust, but have had to rely mainly for such limited service as they get upon the "farmer lines" or cooperative enterprises.

As a matter of fact, the limitations of the development of our telephonic network by private capital have been practically attained with its extension to the prosperous offices and well-to-do homes of the country. Of the present service, Mr. Vail correctly remarks in the Bell report:

Instantaneous and immediate transmission of electrical communications is as yet a convenience and luxury, although under modern methods of business and commerce it is an economical alternative to the cheaper mail service in business operations. The use of the telegraph may be a popular convenience, but it is not a necessity and is confined still to the comparatively few, and for that reason should be at the cost of the few that find benefit and profit in that use.

In effect, this means that the masses without the wealth to enjoy the luxury, or the commercial affairs to justify the payment of these abnormal rates, must go unserved. But the fathers of the Republic intended that they should be served, and the Constitution directs Congress to make provision as to the great function of communication. And why should they not be served? Does not the farmer need this communication in marketing his products? Does not the town consumer need it, too, to buy from the farmer direct? And when the plain citizen's child is sick does he not need a physician as quickly as his richer brother? The benefits to come from the application of postal rates, extension and efficiency, to electrical communications, "a phone in every man's house," are difficult to describe or even to exaggerate. Certainly all things should be done to make farm life as attractive as may be, and this is at least one of the rational and practical methods.

Relative standing of United States among principal countries with respect to postal, telegraph, and telephone charges, and efficiency of postal and telephone employees. (United States indicated by continuous line.)

			Telephone.						Efficiency—Number of service units per employee per	
Rank.	Letter rate.	Telegram, average	Average		Long	g distance char	ges.		annum.	r employee pe
mail north tellara		charge.	charge per local call.	100 miles.	300 miles.	500 miles.	700 miles.	1,000 miles.	Telephone (phone calls).	Postal (mail pieces
1	\$0.015	\$0.09	\$0.004	\$0.08	\$0.12	\$0.20	\$0.34	2 \$0. 402	146,854 m	85,81
	.02 US	.12	.005	.10	.13 n	.36 e	.38 d	1.48 c	114,669	60,68 U
	.02	.123	.005	.15 k	.19	.38	.48	.54	98,715	53,63
k	.02 d	.134 m	.006 m	.19	.24	.39 h	.58	.58	92, 251	42,9
	.02 e	.14	.007	.19 e	.30	.40 m	1. 25	21.37 a	79,142	40, 31
	.02	.15	.000 h	.20 m	.34 m	.50	1, 26	6.00 US	79,000 Pr 0	38,90
	.02	. 153 n	.010 pr o	.20	.38 d	1.60	4. 20 US		67, 727 D	37,50
	.02 g	.157	.011 d	.20 a	.38	.82			65, 181 pr j	37, 2
	.02	.172	.013	.24	.39 h	.77			58, 134 US	35, 8
0	.02	.172 k	.015 e	.24 C	.50	1.56	ENLIN NIVER		50,751 pr m	33,60
1	.02 k	.18 c	.015	. 25	.50	3.00 US	7797 Sec. 1	10 5 10 115	47,328 k	32,41
2	.02	. 193	.015	. 32 r	.54 0				38,912	30,5
3	.026 m	. 205	.017 k	.36	.72			ALL SALES	34,018	28,6
4	.026 n	. 224 d	.021 US	.38 d	. 80 T				The Call of the	26,0
5	.026	.24 h	.024	.39 h	1.08 g					23,0
6	.028	.36 q	.024	.60 US	1.80 US					21,8
7	.036 q	.44 US					ilde illes	Maria and	CALIFORNIA DE LA CALIFO	all boilte ass
a=Japan. US=United States c=Germany.	d=Au e=Bei f=Fra graph circuits.	lgium. ince.	h=Hur i=Lux	at Britain. ngary. emburg. mum rate for s	j=Nethe k=Switt l=New 2	erland. Zealand.	m=Norw n=Swede o=Denm A 1911 data.	ark.	p=Italy. q=Russia. r=Australia	

If in spite of our distances and nondensity of population we can have mail piece rates among the very lowest, who, in the face of our marked postal efficiency, our experience with the parcel post and the intimate relationship of the telephone and telegraph monopolies, can not see that our Postal System could give us as low rates for the telephone and telegraph as other countries?

Mr. Chairman, I present a statement showing the financial results where the postal institutions are exercising the telephonic and telegraphic functions in connection with the mail. Financial results, receipts, and expenditures of postal systems in respect to mail, telegraph, and telephone services.

Country.	Receipts.	Expenses.	Surplus.
Germany	\$194, 272, 463	\$171,594,102	\$22,678,361
AustriaBelgium	37, 494, 963 11, 276, 039	36,774,693 7,286,550	720,270 3,989,489
Denmark.	5, 151, 680	4,052,103	1,099,577
France	69,688,373	60, 765, 697	8,922,676
Great Britain	130, 145, 874	107, 815, 457	22, 330, 417
Hungary	18,779,415	13,217,728	5,561,687 5,342,213
Italy Japan	22,922,406 31,884,235	17,580,193 16,557,372	15, 326, 863
Japan Norway	3,849,538	3,242,900	606,629
Netherlands	7,786,553	7,418,162	368, 391
Russia	68, 222, 406	33,590,294	34, 632, 112
Sweden	9,681,515	8,116,610	1,567,905
Switzerland New Zealand	14,169,411 5,805,750	13, 673, 772 5, 112, 762	495, 639 692, 988
Total	631, 133, 621	506, 798, 404	24,335,217

Such are the results with the postal establishments completely exercising their normal functions. Who can doubt that our so-called postal deficits simply represent the deprivation of those profitable functions which the express companies and the wire agencies for 40 years have succeeded in diverting from our Postal System,

RECEIPTS AND EXPENDITURES.

Mr. Chairman, it may be of interest to ascertain what the budget of 1912 would have been had the telephone been under postal management with the telegraph function superimposed. The Bell figures are actual; the other estimates for the independents, and for the operator and messenger expenses in the transmission of the telegrams.

Bell system, receipts	\$75, 000, 00 199, 172, 15 81, 351, 98	54
Total receipts	355, 524, 14	13

Expenditures:	
Telegrams, 7 cents each	\$21,000,000
Beil system, 1912: Operation Current maintenance	65, 246, 677 81, 762, 636
Operation Current maintenance Interest, at 3 per cent on purchase Depreciation, at 5 per cent on purchase	27, 000, 000
Total expenditures	229, 246, 313
résumé.	
Total receipts Expenditures, interest, and depreciation	355, 524, 143 229, 246, 313
Not halango	100 007 000

New Zealand has eight telegrams per capita with her low The above statement assumes that we should have at least three, and that the zone minimum rates, running from 12 to 48 cents, would produce an average rate of 25 cents, the present receipt being over 40 cents. Since there would be no separate telegraph plant, the operator and messenger service would practically comprise the telegraphic expense. The table assumes the present telephone rates, and the surplus roughly indicates what could be safely accomplished in rate reductions. The most careful study convinces me that we could develop telegraph and telephone rates, like our mail rates, as low as in other countries; that is, a cent per local call, a reduction of onehalf in telegraph rates, and rates for the long-distance or toll services about one-fourth of those now prevailing.

METHODS OF ACQUISITION.

Mr. ANDERSON. I merely want to ask the gentleman if he intends to go into the method which he proposes to adopt in taking over these institutions?

Mr. LEWIS of Maryland. Of course, I think all will agree with the statement of Judge Moon, chairman of the Committee on the Post Office and Post Roads, that there is no question as to the right of the Government to acquire the telephone network. It will not be necessary to take over the telegraph lines, Both telegraphic and telephonic messages go over the same wires simultaneously where the communications have been postalized. My judgment, after a year's study, is that the telephone returned; should be condemned and appropriated and the phone network should be condemned and appropriated and the properties taken possession of by the Postmaster General, say, as of January 1, 1915, the rates to be gradually reformed as experience developed the wisest way. The interurban network

represents approximately 200,000 miles of pole line and 3,000,000 miles of wires; the local about 16,000,000 miles of wires, and 8,000,000 phones.

Mr. ANDERSON. I want to ask the gentleman whether his proposition embraces the taking over of what are ordinarily

considered as farmer lines?

Mr. LEWIS of Maryland. Not by statutory appropriation, but by agreement with the Postmaster General. The reason for leaving them to voluntary purchase is that they are mostly cooperative institutions and that their rates are now sufficiently low, less than a half cent per call. They should be allowed, of course, to articulate with the postal system. Is that sufficiently responsive to the gentleman's question?

Mr. ANDERSON. Yes. Now, I would like to ask the gentleman what he would propose to do in a city, for instance, where there was a competing line? I merely ask for information, as

want to get the gentleman's idea.

Mr. LEWIS of Maryland. I believe we should take both. We should not want competition in the telephone business; it is economically unsound and wasteful. The proposition is to take the whole telephonic network. I do not think it would be fair to act otherwise.

Mr. SHERLEY. The gentleman speaks of taking over two competing lines of telephone, because it would not be fair to take one and leave the other. Does the gentleman think the same rule would apply to taking over the telegraph companies, so as not to leave the telephone companies in competition with

Mr. LEWIS of Maryland. The gentleman raises a serious question of public ethics. A telegraph company, let us say, fails to keep up with the progress of mechanical civilization, as elsewhere, and fits itself to discharge only one function, the telegraph message, when it might have added the interurban and long-distance telephone message with proper improvements. Another company builds a network ready for both functions, which the Government, finding fit for postal uses, concludes to purchase. The telegraph company now comes forward and asks to be purchased, too, on the grounds that postal competition would injure it. That presents one question of ethics. The other question of ethics is this: Should the innocent taxpayers of the country be required to go down into their pockets for \$200,000,000 to make good the obsolescent losses of telegraph companies whose owners took their chances with the profits of the enterprise?. I am free to say that the question may be a debatable one, but my conclusion is that we would not be justified.

Mr. SHERLEY. The gentleman has asked me a question. I am inclined to agree with the latter conclusion, but I can see no reason why it should apply in one instance and not apply to the smaller fry in the other.

Mr. LEWIS of Maryland. The question is a close one, I confess. But it is the telephone institution that we propose to take, and not the telegraphs. If we were taking the telegraph, I

should advise taking competing telegraph plants.

Mr. Chairman, I come now to the financing of the acquisition which under the circumstances I can treat only in the most sparing way. In 1912 the outstanding stocks and bonds of the Bell system amounted to \$620,760,654, and according to the last census the Bell system represented 71 per cent of the total telephone capital, and it probably represents more now. This would indicate the total capitalization as being about

Mr. BUCHANAN of Illinois. Has the gentleman any information as to how much watered stock and counterfeit capital there is in that \$621,000,000 of stock of the Bell Telephone Co.?

Mr. LEWIS of Maryland. It seems there is not any water in the capitalization of the American (Bell) Telephone & Telegraph Co. Its officers make this statement with a degree of earnestness which convinces me that its stock does not represent water in any degree.

Mr. Chairman, it is proposed to finance the acquisition by the issue of 3 per cent 50-year bonds. These would not need to be issued in block. While it is designed that the properties be taken on a single day, they would have to be valued by the Interstate Commerce Commission, plant by plant, and they would be paid for as the final awards were found for each distinct company, which would take about three years; meanwhile it is proposed to pay the owners 4 per cent pendente lite, so that their sources of income may not fall them during the period of transition.

Mr. ANDERSON. If my recollection serves me right, there was a proposition to take over the telephone companies in blocks, one block at a time. Has the gentleman considered that proposition?

Mr. LEWIS of Maryland. Yes. At first that looks like the easy way, but I have concluded that it is not the wisest way, for reasons I do not now have the time to state.

THE PERSONNEL

One of the reasons is that it would have a tendency to disturb the working organization of the personnel, of which the Bell had about 140,000 in 1912 and all companies about 200,000. It is, of course, proposed to take over these employees with the properties and put them under the civil service. may think they see danger in this addition to the Government service. Let me say over half of these are girls, and that experience shows that they remain only from three to four years in the exchanges when they leave to get married, so that in four years the exchange operators have to be almost completely replenished. This is a circumstance of the greatest importance. The "automatic" or girlless phone has come, and is going into general use abroad and even here. It means that the personnel will be cut down by nearly half, since the subscriber makes his own connection in a simple and effective way. I have heard complaints about the slow service abroad; for example, Eng-

Mr. MADDEN. They only operate there in the daytime, and not at night.

Mr. LEWIS of Maryland. Well the automatic phone can be used at any time and as quickly as the subscriber finds the number, and since taking over the telephone network the English postmaster general is putting the automatic in. It is an answer to such complaints as I have heard, and answers also

the political fears of an unwieldly telephone personnel.

Mr. SAMUEL W. SMITH. I have yielded the gentleman 15 additional minutes. Will the gentleman speak about the service in Australia, a country practically the same in size as the United States, where they have government-owned service?

Mr. LEWIS of Maryland. I regret to say that the telephonic statistics are not sufficiently reported for Australia to enable me

to form any conclusion about it.

Mr. SLOAN. Mr. Chairman, I was interested in the gentleman's statement about the number of telegrams in New Zealand. Has the gentleman also figures as to the telephonic communications in that country?

Mr. LEWIS of Maryland. No. It is the same as with Australia.

Mr. SAMUEL W. SMITH. I would like to ask the gentleman if he has any information as to what view President Wilson entertains of this proposition?

Mr. SLOAN. Mr. Chairman, I object.

Mr. SAMUEL W. SMITH. I would like to make that inquiry.
Mr. SLOAN. I object to that inquiry. The important fact
is what Members of this House think of this, not what the President of the United States thinks.

Mr. LEWIS of Maryland. Assuming, gentlemen of the committee, that this step is to be taken, we ought to consider the measures necessaary to make it effective. One of the things I wish to call to the attention of the committee this afternoon is this: A history of the subject in the United States shows that some 17 times in the last generation committees of this House or of the Senate have reported favorably to Congress measures looking to the postalization of the electrical communication. Not once, not one single time, has one of these measures ever come to a vote. They have been lost on the calendar with a thousand sisters and brothers, perhaps of unequal importance. And I want to say to this House to-day that if this great agency is to be postalized, there is no escape from the necessity, as a matter of parliamentary procedure, of placing it on the Post Office appropriation bill. If a great majority in this House, with a few exceptions, were favorable to the proposition, such is the state of our parliamentary practice and procedure that it would be nearly impossible of accomplishment unless it were incorporated in the appropriation bill, which can not be be pigeonholed.

Mr. SHERLEY. Will the gentleman permit a question there? Mr. LEWIS of Maryland. Yes.

Mr. SHERLEY. Does the gentleman consider that a supply bill is the medium for carrying reforms of a magnitude such as this? And if he considers that it should apply to the postal bill, does he think it should apply to the sundry civil bill, whereby the jurisdiction of every other committee in this House would be destroyed?

Mr. LEWIS of Maryland. I am very frank to say to the gentleman that I do not consider myself as good a judge of

that subject as the gentleman himself.
Mr. SHERLEY. Yes; but the gen

Mr. SHERLEY. Yes; but the gentleman makes the statement that under the rules of this House it is absolutely impos-

sible to get the legislation that he advocates on the postalizing of telegraph and telephone lines, even though an overwhelming majority of the House favor it. I think that is an indictment of the rules that is not warranted by the rules.

Mr. LEWIS of Maryland. The rules are under so many indictments that they will suffer no particular embarrassment now. I am giving you my conviction, with the reason for it, that 17 times in the history of this Congress legislation on this subject has been favorably reported by committees, and never yet has any one of them come to a vote. I should prefer to charge the rules with the delinquency rather than charge individuals. Such favorable reports are as follows:

March 3, 1845. House Report 187, Twenty-eighth Congress, second session. Committee on Ways and Means.

July 5, 1870, House Report 114, Forty-first Congress, second session. (Washburn.) Select Committee on Postal Telegraphy.

House Report 115, Forty-first Congress, second session. (Palmer.) 1872. House Report 6, Forty-second Congress, third session. 1875. House Report 125, Forty-third Congress, second session. (Gen. Butler.) Judiciary Committee.

1881. House Report 137, Forty-sixth Congress, third session. Committee on the Post Office and Post Roads.

1883. House Report 2004, Forty-seventh Congress, second session. (Bincham.)

mittee on the Post Office and Post Roads.

1883. House Report 2004, Forty-seventh Congress, second session.

(Bingham.)

1884. House Report 1436, Forty-eighth Congress, first session. Committee on the Post Office and Post Roads.

1888. House Report 955, Fiftieth Congress, first session. (Rayner.)

Committee on Commerce.

1870. Senate Report 18, Forty-first Congress, second session. (Ramsey.) Committee on Post Offices and Post Roads.

1872. Senate Report 20, Forty-second Congress, second session.

(Ramsey.) Committee on Post Offices and Post Roads.

1872. Senate Report 223, Forty-second Congress, second session.

(Zachary Chandler.) Committee on Commerce.

1872. Senate Report 242, Forty-second Congress, third session. Committee on Post Offices and Post Roads.

1874. Senate Report 242, Forty-third Congress, first session. Committee on Post Offices and Post Roads.

1875. Senate Report 624, Forty-third Congress, second session.

1884. Senate Report 577, Forty-eighth Congress, first session.

1886. Senate Document 291, volume 11, Fifty-fourth Congress, first session.

1806. Senate Document 291, volume 11, Fifty-fourth Congress, first session.

Mr. SHERLEY. In the first place, the gentleman ought to

Mr. SHERLEY. In the first place, the gentleman ought to state that the rules of this House now are not the rules of the House that existed when these 17 instances came up that he speaks of.

Mr. CLARK of Missouri. Before the gentleman gets to that I will state that I have an arrangement with Judge Moon to yield the gentleman five minutes as compensation for the loss of time he may take in answering my question, and that is about getting bills up. Under the rules and practice of the House now, does not the gentleman believe that any bill of importance can be got up in one of the five extraordinary ways? For instance, you have Calendar Wednesday, first; second, you have the call of committees; third, you can put your bill on the Unanimous Consent Calendar; fourth, you can call it up under suspension of the rules; fifth, you can get a special rule from the Committee on Rules. Now, I will ask the gentleman if he does not believe that if there is a great sentiment on the floor of the House in favor of passing a great remedial measure or of discussing it, that the Speaker, who has absolute charge of the suspensions, would not feel compelled to recognize some gentleman to move to suspend the rules and call up the bill?

Mr. LEWIS of Maryland. Mr. Chairman, the distinguished Speaker has asked a question I am not able to answer. I have recited the history of the subject; there have been 17 favorable reports made on this subject, and none have ever come to a vote. Now, I can not tell the Members of this House the many byways and the pigeonholes and other circums'ances that may account for that result. I am glad to have the suggestion that we have recent amendments of the rules and, perhaps, especially an improved spirit of fair play in the individual Members, and that these difficulties may not be so great in the future as they have been in the past. I am glad that one so experienced as the Speaker feels so optimistic.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of Maryland. Certainly.

Mr. COOPER. The Speaker suggested that this matter might be brought up under suspension of the rules, but it requires a two thirds vote to suspend the rules, and when a bill is up for consideration under suspension of the rules, only 20 minutes on a side are allowed for debate. Of course, we could not begin to discuss a bill of this magnitude in 20 minutes. That disposes of that opportunity. As for the suggestion that opportunity might be provided by unanimous consent, it need only be said that on a matter of such great importance some gentleman in the House would be certain to object, and that disposes of opportunity No. 2.

Mr. CLARK of Missouri. I would like to ask the gentleman question.

Mr. COOPER. I was just answering the distinguished

Speaker's suggestions.

Mr. CLARK of Missouri. Take the matter of the suspension of the rules. Of course, it requires two-thirds to suspend the rules, but what is it in the book for if it does not afford any relief?

Mr. COOPER. It might upon a bill of no great importance, but it could not be expected that the House of Representatives would pass or even think of considering a bill of such vast importance as that of the gentleman from Maryland [Mr. EWIS] with only 20 minutes of debate on a side. Therefore that suggested opportunity to bring up the bill is no opportunity

Mr. CLARK of Missouri. And what is the reason the Calen-

dar for Unanimous Consent will not afford relief?

Mr. COOPER. Because with over 400 Members here there will be always one who would object. For instance, the gentleman from Illinois [Mr. Madden] would object to considering the proposition that the gentleman from Maryland is now discussing if a motion were made to bring it up by unanimous consent. That is very evident from his attitude here to-day, and that

disposes of that opportunity.

Mr. CLARK of Missouri. Then there is Calendar Wednesday. What is the reason you can not get a bill up on Calendar

Wednesday?

Mr. COOPER. Mr. Chairman, I will tell the distinguished gentleman. When we had up for consideration the bill for a revision of the laws that committee took Calendar Wednesday, and the gentleman from Missouri will not have forgotten how many Calendar Wednesdays they held.
Mr. CLARK of Missouri. Oh, I am aware of that.

Mr. COOPER. They absolutely monopolized that day for many weeks. How long is the Alaska bill going to take this time?

Mr. CLARK of Missouri. I think the Alaska bill will take one or two more Wednesdays, and I am guessing about it.

Mr. COOPER. There is no certainty that bill of the gentleman from Maryland could come up on Calendar Wednesday.

Mr. CLARK of Missouri. There is no certainty at all; but what I am trying to do is to disabuse the mind of the gentle-man from Maryland, of whom I think a great deal, and who knows, I think, more about postal matters than all of the rest of us combined, except the gentleman from Tennessee [Mr. Moon] and the other members of his committee-to disabuse his mind of the notion that one can not get a bill up for con-

sideration. I am frank to state how the present Speaker of the House feels about it. If the Speaker believes there is a pronounced sentiment in this House amounting to a majority, or anywhere approximating two-thirds, in favor of the consideration of a particular bill, whether it be a big or a little bill. I believe it is the business of the Speaker to recognize some gentleman, under suspension of the rules, to call up that bill,

Mr. SHERLEY. Mr. Chairman, I would like to ask the geneman [Mr. Lewis] a question. How can be get a rule to tleman [Mr. Lewis] a question. make this a rider on an appropriation bill except by getting, first, a majority of the Committee on Rules, and then, second, a majority of the House; and if he can get a majority of the Committee on Rules and a majority of the House, why can not he bring in a special rule to consider the bill irrespective of an

appropriation bill?

Mr. SIMS. In discussing this question as to a rider on an appropriation bill, in the general Committee on Appropriations, of which the gentleman from Kentucky [Mr. Sherley] is a member, the rule should be applied, it seems to me, with much more strictness with respect to that committee, in the case of bills reported by it than in the case of bills coming from the committee having both legislating and appropriating jurisdiction. For instance, the Committee on Military Affairs has jurisdiction of legislative propositions and also jurisdiction of an appropriation bill. Now, as to the question of the propriety or orderliness of legislation reported by a committee having appropriating functions, it seems to me we would not in this case be breaking down the very proper rule of not putting riders on appropriation bills. Inasmuch as the Committee on the Post Office and Post Roads has charge of legislation and also appropriates for it, that fact, it seems, removes from it the objection that generally applies to riders placed upon appropriation bills.

Mr. LEWIS of Maryland. Mr. Chairman, the gentleman will

excuse me from further discussion of this feature. I am quite sure the House can receive much more enlightenment from

others on that subject than I can give.

SOCIAL PRINCIPLES. PUBLIC MORALITY.

Mr. Chairman, the economists are right: there is a law of public finance; there is a law of private finance. Applied in its proper domain, each law operates with a fitness in human affairs. But we, sir, have been violating one of those laws by allowing private financiers to encroach on the public domain. The resulting injury involves more than national economics, great as that is. It involves national character. If these telephone monopolies are not to be postalized, then private franchises must continue to be granted, and in the struggle for them both private and public character must be demoralized. Compare the history of New York and Berlin as to street-railway franchises; and then that of London and San Francisco on the telephone, where a Bell Co., on the one hand, and a competitor and what is regarded as an intruder into its domainthe Home Telephone Co .- on the other, both bought up the city council, one to defend and the other to procure privileges and franchises which have been postalized in all the leading countries. Behold the consequences of our violation of sound public economics and of our neglect to discharge the national postal obligation-rates the highest in the world, and a public state of morality to shame us.

Such, sir, are the results of a business and economical survey of the field of communication by electricity. In the domain of public morals the lesson is not different. The perversion of the laws of public and private financiering, by which public governments have been disinherited of their normal functions, has led to such corruption and demoralization-of the functionaries giving and the alien claimants receiving the despoiled in--that cities like New York with its street railways, Philadelphia with its gas works, and San Francisco with its telephones, have shamed the scions of Roman corruption in their most dishonorable days. The policy of weakening these governments by alienating their functions to ambitious private finance has made them despised and attractive only to such weak political creatures as see opportunity for individual enrichment. Compare them, sir, with the proud cities of other lands, undespoiled of their rightful attributes of public service and where public position gives honor, prestige, and respect. Sir, all other countries have granted their postal systems their full rights. Why has not ours? It is notorious that since the Civil War the history of our country has not been the narrative of social institutions, but a stirring story of the gigantic achievements of individuals in the domain of private finance. think of the names of a half dozen such men quicker than you can recall the names of the contemporary Presidents of the Meanwhile the substantive powers of our national life have belonged not to the States or the Government, as representing society as constitutionally organized, but to private individuals and their personal empires, really great princes of finance with powers exceeding those of the States, and collectively directed, exceeding, too, the active resistant powers of the National Government. At some points their private activities have trenched over onto the Government domain, with the result that some of its functions have been partly diverted, and others suspended, in their interest. Such has been the master-liness of their control that even the most popular national institution, the postal system, has had to yield two of its principal functions—the parcel post and the electrical method of communication. For 40 years it was deprived of the parcel func-Now like influences are trying to withhold its function of electrical communication. Their efforts raise an issue which patriotic citizens will not longer ignore. It is: Which is now to be paramount in the country—the Government or certain ambitious financiers? [Applause.]

Mr. MOON. Mr. Chairman, does the gentleman from Michigan [Mr. Samuel W. Smith] desire to proceed?

Mr. SAMUEL W. SMITH. Yes; I desire to proceed. I yield

20 minutes to the gentleman from Rhode Island [Mr. Kennedy].

Mr. KENNEDY of Rhode Island. Mr. Chairman, as a minority member of the Committee on the Post Office and Post Roads I desire to record my disapproval of that feature in the present Post Office appropriation bill which gives the Postmaster General power to revoke the appointment of any assistant postmaster and appoint his successor at his discretion, thereby proposing to take assistant postmasters in the first and second class offices out of the civil service, thus striking a blow at the merit system.

The purpose of the merit system is obviously to obtain the best possible service for this department of the Government; to promote industry, efficiency, and economy in the public service, as well as to remove from political-party struggle the compensation for injury received in the course of employment

corrupting influence of a vast number of business positions held out and offered as spoils to the victors.

The Post Office Department does a great part of the business of the Government. In recent years, owing to the postal savings banks and the parcel post, the department has assimilated an enormous mass of new and diversified business, and all with a remarkable ease and in a manner satisfactory to the people

The handling of the increased and diversified business with such apparent facility speaks volumes in favor of the organization of the department and proves beyond peradventure that its present personnel, selected upon merit, measures up completely to all the requirements of a system whose successful operation depends upon the honesty, industry, and efficiency of the agencies in charge.

This proposition to remove assistant postmasters from the classified civil service is a step backward and deserves the universal censure and condemnation of all good citizens without regard to party affiliation. It is a gross injustice to a set of men comprising about 2,500 in number the country over who were classified by an Executive order which became effective in December, 1910, and which required that any incumbent then in office, before he should become classified, must give evidence of his qualifications for the performance of official duty. More than this, it is a blow leveled directly against the civil service, a movement in support of the semi-barbarous maxim that "to the victors belong the spoils."

For many years previous to the adoption of the act of 1883 the abuses and evils resulting from appointment to and removal from public office to serve party ends were debated in Congress. Though public-spirited men of all parties agreed upon the proposition that public offices are created for the public convenience and not for the benefit of those selected to fill them, the spoils system continued to prevail until the enactment of 1883 to regulate and improve the civil service of the United States. Since that law was enacted, appointment and promotion in the service have been made to depend upon fitness, so that the incumbent in office under the system has been enlisted for public rather than for party service.

The rider which appears in section 6 of the present bill seeks to reverse the present order in relation to one set of employees in the teeth of emphatic party declarations to the contrary.

Why select these post-office officials for this slaughter? Public opinion is strongly against it; party platforms decry it; the Chief Executive in all his utterances unequivocally assails it; the Postmaster General himself, in his recent report, proclaims that "it is highly important that only the most efficient employees should be in the service." "For this reason," he says, "the merit system should be adhered to in the Post Office Department above all others, in order to secure the very highest standard of efficiency in the conduct of its affairs."

The duties connected with the post-office administration are of a business character, and under the merit system the present, honest, efficient, and economical operation of this department, due to the industry and intelligence of every employee in the classified list, from assistant postmaster down, should meet with the approval of all patriotic Americans. No party has a corner on honesty or efficiency. These are personal attributes that exist apart from party consideration; and the door of opportunity under the merit system is open to all who possess the qualifications to enter.

Many of the assistant postmasters have been promoted from clerkships and supervisory positions. Their years of experience have acquainted them with the infinite etails of the office. Their removal, as proposed in this amendment, will necessarily cripple the system and bring down the high standard of efficiency hitherto attained in the department. lieve the merit system should be extended rather than curtailed. thus tending always to bring the department to a higher plane

But, Mr. Chairman, while I am unalterably opposed to this feature in the bill, I am glad to register my approval of other portions of it which are extremely meritorious in my opinion. The proposal to increase the compensation of rural letter carriers, whose burdens, under the parcel-post increment, will be measurably augmented, should be met with general approbation, as well as the amendment to extend to all postal employees who are injured or killed in the course of duty the benefits of com-pensation now provided by law for railway postal clerks and post-office inspectors.

The latter is an application of the principle enacted into law

in case the injury was not caused by the willful misconduct or

negligence of the employee himself.

Under the postal laws and regulations the period of leave of absence of carriers in cases of illness or disability received in the service is limited to 150 days in one calendar year, and a distinct provision is made that carriers who desire leave of absence for a longer period will be dropped from the rolls without prejudice. What relief is given to the carrier who has labored a number of years in the service if i'lness or disability re-ceived therein should make it imperative that he request leave of absence beyond the limitation period and is consequently dropped from the rolls?

None whatever is offered to him; and yet were he engaged in a different occupation, where the doctrine of "master and servant" applied, under the laws of most of the States of the Union, he would receive compensation in accordance with the nature and extent of his disability; or in the absence of a workmen's compensation act he would have the right to sue his employer at common law, a right, however, which does not

extend to him as an employee of the Government.

The effect of this proposed legislation, which carries its merit upon its face, would be to negative substantially the harsh and rigorous effect of the present laws in cases of illness or dis-

ability received in the service.

This legislation, affording as it would justifiable compensation, is in accord with the broad, enlightened, and progressive spirit that is world-wide to-day; and, besides, it is responsive to the recommendation of the First Assistant Postmaster General for the year ending June 30, 1913, "that the present law be amended so as to indemnify employees of all classes in the Postal Service."

The postman to-day is one employee in the service of the Government who is deserving of benevolent consideration. He is the daily messenger of all classes and creeds. From morn till eve he tramps his accustomed route and knows no rest until

his ever-increasing daily task is accomplished.

"He trudges along through the snow and the sleet,
With a pack that is heavy to bear;
The slush of the roadway has hampered his feet,
And the whiteness has powdered his hair.
But he stands by the gate with a smile on his face,
And his whistle is cheery and gay;
Oh, people who live in a fur-away place,
Thank God for the postman to-day!

He carries a message that comes from the heart
Of a boy who has gone from his home;
And sometimes a letter to make the tears start,
From a soul that is sad and alone.
The news of a world that is far from our sight
Is stored in his magical pack;
And he mingles the sorrow with words of delight,
For he carries a world on his back."

[Applause.]

Mr. SAMUEL W. SMITH. Mr. Chairman, how much time did the gentleman use?

The CHAIRMAN. The gentleman used 12 minutes. Mr. SAMUEL W. SMITH. Will the gentleman yield back the remainder of his time?

Mr. KENNEDY of Rhode Island. I yield back the remainder

of my time

Mr. SAMUEL W. SMITH. I yield 20 minutes to the gentle-

man from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, on Tuesday last the gentleman from New Hampshire took occasion to make certain statements relative to business conditions in New Hampshire and New England. It is not my purpose at this time to take exception to his statements, which can readily be done, relative to the cause of Democratic success in the last presidential election, nor do I desire to contradict his statement regarding business conditions in New Hampshire. Of this latter I have very little knowledge other than the general opinion that New Hampshire conditions can not be so very different from those in other States, but I do desire to relieve the gentleman and the Democratic Party of the burden of feeling it their duty to report upon business conditions in the whole of New England. quote from his remarks:

And I venture to say that if the gentleman from Illinois could assemble the manufacturers and business men of New England and recite to them his Dr. Cook story of "America prostrate." it would provoke such laughter as would warm the heart of the most pretentious vaudeville artist of any American circuit. I believe, Mr. Chairman, on the whole that the business interests of New England are well satisfied with the achievements of this Congress to date.

So much has been said upon this floor in the course of debate within the last few weeks as to business conditions, and believing that these statements have been dealing in generalities that I have taken pains to make inquiries about the business in the district I represent, namely, that section of western

Massachusetts extending from the New York State line to the Connecticut River. About a month ago I sent out about 500 inquiries—one-half, were addressed to employers of labor and the other half to employees as represented by labor organizations. The responses to these inquiries will relieve my friend from the necessity of including in his picture of business pros-perity that portion of New England which I have the honor of representing

I did not submit inquiries to merchants, for the reason that their business is so dependent on the manufacturer and the employee that the others are naturally a barometer of the busi-

ness of the merchants.

At a conservative estimate the responses received represent the employment of 35,000 people. Some of the lines represented include paper mills, woolen mills, cotton and worsted mills, machine shops, book manufacturers, foundries, taps and dies, electrical machinery, box manufacturers, leather works, carriage robes, metal works, whips, and so forth, so that it is fair to state that it is as diversified a section in the nature of employment as represented by any member in this House.

I entered upon this inquiry in no spirit of partisanship, neither as a calamity howler, nor as a prosperity prophet, but absolutely for the purpose of securing information, and I am glad to lay the result of that information before the House at this time. As stated, the inquiry was in the form of two letters. The first letter was to the manufacturers, and was as follows:

House of Representatives, Washington, December 22, 1913.

Washington, December 22, 1913.

I am addressing you and other concerns in western Massachusetts in order to obtain information as to present condition of business. I should be pleased if you would assist me to the extent of answering in whatever detail you may see fit the following questions, it being, of course, understood that any information received will not be used in any personal way.

1. How has business compared during the past six months with the corresponding six months of last year or two years ago?

2. So far as you know, has there been any variation in that period of the rate of wages or of the cost of purchasing ordinary commodities of life, as compared with corresponding period of last two years?

3. Has there been variation in the price of your product during this period; and if so, to what do you ascribe the cause?

4. What comparison do you make with prospect of business during the next six months and corresponding period; and if any variation, to what do you ascribe it?

5. Are people generally employed in your community and at satisfactory wages; and what is the comparison in the number of your employees now and the corresponding time last year?

Thanking you in advance for furnishing the information desired, I am,

Sincerely, yours,

In answer to question 1, as to how business compared during the past six months with the corresponding period of last year or two years ago, the replies were as follows:

Ten per cent reported that business was the same, 27 per cent reported that business was better, and 63 per cent reported that business was poorer.

In answer to question 2, as to the variation in the rate of wages and the cost of purchasing the ordinary commodities of life during this same period, the replies received were as follows

Sixty per cent reported that wages were higher, 40 per cent reported that wages were the same, 60 per cent reported that commodities were higher, and 40 per cent reported that commodities were the same.

In answer to question 3, as to the variation in the price of their product during this time, replies were as follows:

Three per cent reported that prices were higher, 38 per cent reported that prices were the same, and 59 per cent reported that prices were

In answer to question 4, as to the prospects for business for the next six months, compared with prospects for the same time last year, and if any variation the cause for the same, replies were as follows:

Twelve and a half per cent reported that prospects were the same for the next six months, 12½ per cent reported that prospects were better for the next six months, and 75 per cent reported that prospects were poorer for the next six months.

The reasons given in answer to the second part of this question are rather interesting, and I will read some of them:

tion are rather interesting, and I will read some of them:

I believe the general prospect of business in my line for the coming six months correspond favorably with the six months a year ago.

Judging the outlook by our own business would say that prospects for 1914 seem to us very good. There are no great amount of workmen idle here, and so far as our business in concerned our pay rolls show a larger number than a year ago.

We enter the coming six months with more promise of good business than a year ago, and our active board members all share this feeling.

Employing the same number of people and paying same wages, but we are piling up goods to some extent.

Prospects of next six months full of uncertainty, as to the effect of the tariff, the disturbances of values, and the instinctive feeling of fear of further legislation concerning business.

Prospects of business are exceedingly poor. We ascribe it to the uncertainty as to the effect of the tariff, the new currency bill, and also the scare thrown into business over the resuming of more antitrust legislation.

The unfavorable effect of the tariff bill may be somewhat offset by the passage of the currency bill, and, while not wishing to appear pessimistic, we feel that the outlook is decidedly uncertain, with the chances largely favoring a decrease of business over former years.

While we do not believe in taking any pessimistic view of conditions and believe that occasionally we are bound to have depressions in business, yet business in general with us does not look as bright as we might wish.

We have no positive year of conversions.

business, yet business in general with us does not look as bright as we might wish.

We have no positive way of comparing prospects of business during the next six months. In this connection, will add that on December 1, 1912, we had on hand four times the volume of orders that we had on December 1, 1913. There has been a heavy decline in new orders during the last two months. For the past six weeks the universal reply of our prospective customers has been that they are marking time; in other words, waiting to see what effect the tariff will have on the situation. Business has shown a very spasmodic condition during the past six months. There has been no pressure or stability to it. We think that our business is quite indicative of general conditions, and have found the entire business situation uneven. We feel that the spotted conditions of business is very apt to continue during the coming six months, basing our judgment upon futurities in orders this year as compared to previous years.

basing our judgment upon futurities in orders this year as compared to previous years.

From present indications our business for the next six months will undoubtedly be much worse than during the past six months, owing to the fact that there are practically no new developments contemplated.

The prospect of business for the next six months is not at all encouraging in comparison with the large volume we received during the first six months of 1913. We were then tremendously busy; in fact, running two or three nights a week. We had a large number of unfilled orders on hand at all times. At the present time the outlook is not at all encouraging. We have very few orders on hand, and have the largest stock of finished goods on our shelves that we have ever had in the 40 years we have been in business, which means that we will be obliged to go on short hours in the factory for some time, until there is a decided change for the better.

Our business for the first six months of 1913 was by far the largest we have ever experienced. We are starting off very slowly this year, and it certainly does not look very promising for the first six months of 1914. We have on hand at the present time the largest amount of semifinished and finished goods we have ever carried, and it simply means that we are obliged, for the first time in many years, to run our factories on short hours.

In answer to question 5, as to whether people were generally

In answer to question 5, as to whether people were generally employed in the community, and also the comparison of number of their own employees at the present time and the corresponding time last year, the replies were as follows:

Twenty-two per cent reported the same number employed in the community, 6 per cent reported more people employed in the community, and 72 per cent reported less people employed in the community.

In answer to second part of question-

Twenty-five per cent reported same number employed in their own business, 17 per cent reported more people employed in their own business, and 58 per cent reported less people employed in their own business.

Some of the replies to this question are interesting, and I will read a few of them:

People here are generally well employed and at satisfactory wages. Our employees are more in number than a year ago.

At the present time we are employing about 5 per cent more men than same time in 1912. In 1912, however, we were operating 54 hours a week, while now we are running only 40 hours a week.

There seems to be a great many more unemployed in our vicinity than last year at this time. Our number employed has decreased 15

Per cent.

People in the community are fairly well employed, although we have reduced our working force about 20 per cent.

The number of unemployed has increased perceptibly. Number of our own employees has decreased about 10 per cent less than a year

our own employees has decreased about 10 per cent less than a year ago.

We do not believe that anywhere near the same number of people are employed here as there were a year ago at this time. As for our own business we are employing about two-thirds the number we were a year ago, and it is our understanding that in the majority of instances other manufacturers are practically in the same condition we are.

Help are not generally employed. About 75 per cent employed by us. No change in hourly rate of wages, but hours employed were reduced. We are employing about 10 per cent less people, and think this is true of other factories here. No trouble in getting help.

Have laid off a good many of our employees, and a portion of the remaining are working short time.

We have laid off about 15 per cent of our employees, but in all probability we shall have to lay off quite a large percentage more in a short time.

We have shall have to lay off quite a large percentage more in a short time.

People are not generally employed in this town or in my business to the extent of a year ago, but know of no reduction in wages.

Have reduced our force considerably, and the remaining are working on short time. No immediate prospect of getting back to the regular

schedule

The other letter, as stated, was sent out to labor organizations, and was as follows:

House of Representatives,

Washington, December 23, 1915.

Dear Sir: I am writing you and officers of other organizations in western Massachusetts in order to secure information as to the present business conditions. Will you be kind enough, at your convenience, to answer the following questions:

1. Are the members of your organization as generally employed now as during the corresponding period of the last two years? If there is any difference, greater or less, to what do you ascribe the cause?

2. Has there been any change in the rates of wages during these periods; and if so, what is the reason for the difference?

3. Do the members of your organization find the prices of the ordinary commodities of life have changed during these corresponding periods; and if so, to what do you ascribe the cause?

Thanking you in advance for furnishing me with the information desired, I am,

sired, I am, Sincerely, yours,

In answer to question 1, as to whether the members of the organizations were as generally employed now as during corresponding time last year, 72 per cent reported that members were as generally employed and 28 per cent reported that members were not as generally employed.

Some of the answers to this question were:

We are better and more in our craft are employed.

Not as generally employed; cause, curtailment of expenses of pay roll.

The year just passed was, from our point of view, one of the dullest building years for four or five years. The cause is attributed to the tariff and currency bill.

In only one instance did the unions report men were more generally employed.

In answer to question 2, as to whether there has been any change in the rate of wages during this period, and cause for same, replies were as follows: Seventy-two per cent reported that wages were higher and 28 per cent reported that wages were the same.

In a majority of cases the cause given was-

The scale of wages has increased, owing to the high cost of living.

There has been an increase in wages during the year 1913, brought about after years of effort by the unions.

In answer to question 3, as to whether the price of the ordinary commodities of life have changed during this time, they all answered that prices have advanced. Some of the reasons are as follows:

Commodities have increased; cause, supply and demand make a sliding scale; also due to trusts and combinations.

Prices have advanced greatly in every commodity, and are of an inferior quality. Cause: Monopoly of money and business interests and concentration of the money power. Food products, especially meat, are very high on account of monopoly, there really being no competition in this locality.

There has been an increase in the price of the ordinary commodities of life. We find a big increase in meats, but do not know what to ascribe the cause to.

The price of the necessities of life have certainly raised, and the members here ascribe the cause purely and simply to the trusts.

Prices of ordinary commodities of life has increased. Meat has raised 25 per cent, butter and milk 10 per cent; some think this is due to shortage of beef and the others that when the wages go up they raise the price of beef in proportion.

It will be seen that these replies are first-handed informa-

It will be seen that these replies are first-handed informa-tion, not generalities, not compiled for partisan purpose, not made up in the spirit of optimism or pessimism, but the absolute facts, from which the conclusions to be drawn are

First. Business is not as good in western Massachusetts as

during the past two years.

Second. The prospects of business are not as good as they were a vear ago.

Third. The cause of same is the effect of the Democratic tariff and the uncertainty of future Democratic legislation.

I would respectfully commend this method of inquiry regarding actual conditions at home to our Democratic friends, who are so optimistic in regard to the future business prosperity under existing and expected Democratic legislation. [Applause.]

I yield back the remainder of my time.

The CHAIRMAN. The gentleman's time has expired.

Mr. MOON. Does the gentleman from Michigan desire to occupy any further time now?

Mr. SAMUEL W. SMITH. No; I wish the gentleman from Tennessee would use some of his time.

Mr. MOON. I yield 30 minutes to the gentleman from Connecticut [Mr. Relley].

Mr. REILLY of Connecticut. Mr. Chairman, this Post Office appropriation bill contains considerable legislation, and I wish

to be recorded as in favor of all of it. We heard this morning a very excellent statement by my col-

league on the committee, the gentleman from Indiana [Mr. Cox], in relation to the civil-service feature of this bill as it affects assistant postmasters. I fully agree with his position in that matter. I believe that if we are to have a real civilservice or merit system the present law should be changed, and that the man who stands first should be the one to receive a position in competition. Until that is changed, or until post-masters themselves are placed under a civil-service rule, I believe assistant postmasters should not be under the civil service, but should be, as the postmaster is, subject to removal at the pleasure of the appointing power.

I believe that the civil service, excellent as a whole, should not be extended to all offices. I believe that confidential positions, positions for the faithful performance of the duties of which the superior is bonded, should not be under the civil service. I take my hat off to no man in defense of the civil service as a whole, applied to those positions outside of confidential ones and those for which the superior is bonded.

I believe that as a matter of self-defense, which was referred to here to-day, the postmaster should have the right to choose his assistants and I think self-defense is the proper term to apply to it. It reminds me of a story told by a friend of mine, Frank Fogarty, the noted comedian, that I believe illustrates this proposition fully. Two Milesians were boasting of the relative merits of their families. Patrick said, "I have the finest six girls that ever blessed a father or mother." Michael said, "I agree with you, but they have nothing on my six boys fine strapping big fellows, the oldest 28 and the youngest 18. You know them, and it is the pride and boast of my life that from the day they were able to walk I never had to raise my hand to one of them—except in self-defense." [Laughter.] So [Laughter.] So I believe that the chief reason why we will have to raise our hand or our foot to Republican assistant postmasters is selfdefense on the part of the Democratic appointees.

We talk about the merit system and fairness. Is it fair to ask a postmaster, Democrat or Republican, to take as his assistant a man who may be a mental sharp but a moral crook; a man who is certain to be his political opponent and possibly his personal enemy? You say he can get rid of the assistant postmaster without violating the civil-service rules. Yes; he can demote him. But what guaranty has he that he will find anyone in the office who is more desirable, so far as his official position is concerned?

This bill simply does by direction what may be done by indirection. It is the man-fashion way of doing business, and until the postmasters themselves are placed upon the civil-service basis I do not believe that the assistant postmasters should be placed there, for the reasons I have stated.

In connection with this legislation there are one or two other things to which I wish briefly to refer. The provision in this bill which asks for compensation to clerks, foot carriers, mounted carriers, rural carriers, and special messengers should be passed. The compensatory law protects certain employees of the Post Office Department to-day, namely, railway mail clerks, seagoing clerks, and post-office inspectors. I believe that to-day with the present ruch and arrived. that to-day, with the present rush and swirl of automobiles on our public highways, the letter carrier is liable to be injured as much as the railway mail clerk. He has to dodge machines, and runs the danger of being assailed or injured by vicious men or vicious animals, especially dogs, or injured going up and down rickety stairways. In many ways is the foot carrier liable to injury in the legitimate discharge of his duty.

The same thing applies particularly to rural carriers, whose horses may be frightened by automobiles, and who may be injured by falling through unsafe bridges, made so by floods or some other calamity. Even the clerk in the post office, with the new parcel post piling up boxes and packages 50 pounds in weight, may be injured by the falling of one of these bundles. A case was recited to-day where an injury of that nature took These employees are all liable to injury. As a matter of fairness. I believe that the protection given to the other set of employees should be extended to this.

The provision is that any one of these employees designated who is injured in actual performance of duty, to him shall be given full pay for a year, and if still unable to resume work, one-half pay for another 12 months. If he should die as a result of the injury, his legal representative, who may be dependent on him, shall receive \$2,000, but in no case shall any compensation be given or death benefit be given where the employee is lighte in any degree for the accident. ployee is liable in any degree for the accident. That is a compensation law which is fair and just, and I believe should become a part of the bill and a part of the law of the land in simple justice to the most faithful set of employees that this or any other Government ever had.

The principle of workmen's compensation is well established, and many of the States have enacted laws that are working satisfactorily to employer and employee. Employers, who at first feared the legislation with its increased cost, have stated freely, from time to time, that they were mistaken in their original opposition to its enactment and would oppose any effort to repeal it.

With respect to legislation of this kind, I find that the Congress has failed to keep up with the progress that has been made in the several States. It is true, Mr. Chairman, that we have a Federal workmen's compensation law, the act of May 30, 1908, providing for compensation for accidental injuries to certain employees of the United States. It is also true that, while the law has done much good, it is wholly inadequate and should be amended to cover all employees of the Government. Judging from the report of the Secretary of Commerce and Labor of February 27, 1913, it should also be amended so

as to grant very liberal compensation for permanent partial disability. The report states:

disability. The report states:

While a very considerable number of serious injuries were debarred from compensation under this act because of the restrictions of its application, the failure to recognize permanent partial disability on a different basis from disability from which complete recovery may be anticipated results in very inadequate compensation of such cases. Thus fractures of an arm or leg led to payments in amounts less than \$25, the loss of an eye in amounts varying between \$25 and \$50, and in a case of the loss of a right arm the injured workman was entitled to a payment of less than \$50, while in three cases of the loss of both legs, occurring during the third year, the average compensation was \$377.40. These small amounts were due to the fact that compensation payments (limited to usual wages) must cease when the injured employee is able to resume work, and in any case can not continue beyond 12 months.

A law that permits such a condition to exist should be speedily amended, as it seems to me, Mr. Chairman, that in respect to permanent-disability provisions it is a farce.

During the three years covered by the report there were 21,033 accidents reported in all the departments of the Government. Of the total number of accidents 670 were reported as fatal, and approximately 10 per cent of these fatalities were in occupations not subject to compensation under this or any What number of employees of the Government who other law. received injuries and were not entitled to compensation is problematic, but I judge from the report from which I quote the above figures that they are far in excess of those covered by the law.

In the Postal Service during the three years covered by the report 670 city carriers, 141 rural carriers, and 176 other employees received injuries more or less serious, but none of them were entitled under this or any other law to any compensation whatever.

In order to provide for postal employees who are not covered in the Federal compensation law the committee has inserted a paragraph in the pending bill, and I trust that our action in this respect will meet the approval of every Member of the House

A bill to supersede the present inadequate compensation law for Federal employees disabled by accident or disease has been introduced in the Senate by Mr. Keen, of Indiana, and in the House by Mr. McGillicuppy, of Maine, in the form of H. R. 5899. The latter bill is now pending before the Committee on the Judiciary, and I trust that the committee will see its way, clear to report the bill to the House at an early date,

Mr. GORMAN. Will the gentleman yield?

Mr. REILLY of Connecticut. Certainly.
Mr. GORMAN. Does the bill make any compensation where the employee is guilty of contributory negligence or where the accident is the result of the negligence of a fellow servant?

Mr. REILLY of Connecticut. The compensation is only paid where the employee is not responsible for the injury in any degree.

RETIREMENT OF SUPERANNUATED EMPLOYEES.

Mr. Chairman, I come now to a subject that I trust will receive the serious consideration of the Members of this House, in the form of remedial legislation, at a very early date—the retirement of superannuated letter carriers, clerks, and other civil-service employees. It was not until I became a member of this body that I learned that old worn-out letter carriers and other superannuated employees of the Government were not retired on part pay, but, on the contrary, were dismissed from the service when they could no longer keep up the pace. One of the first letters I received after being elected a Member of Congress was from an old postal employee, who had received an official notice from his postmaster informing him that he had been off duty the allotted number of days in the year allowed by the department and that his resignation would be accepted. The simple statement of that heart-broken man asking me to assist in having him kept on the rolls made my heart ache. He had spent 34 years of his life pounding the pavements in all kinds of weather and at all hours of the day and night, and was known and loved by the citizens of the community he served, composed of all classes and creeds and political affiliations. He had not only given the best years of life to the Government in building up the Postal Service, but was at an age and in such a condition that he could not hope to find employment of any kind. He was in such financial straits that if thrown on the world he would have to depend on the bounty of relatives or friends, or

else become a public charge.

What a cruel, cruel fate to leave a man to who had lived an honorable, upright life and was a model citizen. Why, Mr. Chairman, if this man had worked for a railroad company or a banking institution or a large corporation of any kind, and was treated in such a manner, it would be the subject of public condemnation. But being a life-long employee of the Governour hands.

ment no one seems to take more than a passing interest in him. We legislate here to curb the trusts and the railroads and corporations, and denounce them as soulless, but I believe it would be well for us to reflect and take a few leaves from the book of rules which govern them in their treatment of their employees.

I have heard men say that Government employees are not compelled to continue in the service, and that few of them die and none resign. Well, all I can say is that this same rule applies to men in any vocation in life. Large employers of labor encourage their employees to continue with them and offer many inducements as a reward for long, loyal, and faithful service. It is these encouragements that act as an incentive for men to stay with these firms. It is the loyal and faithful service of the employees that helps largely to make their business a success. It is mutual understanding, sympathy, and cooperation that makes a business profitable and likewise expand. In this House there are many, many men that are doing everything in their power to so conduct themselves and represent their people as to merit their being continued here. We do not have to stay, not one of us, and if we do not like the job we can quit. But few of us leave here of our own accord, and the majority of those who go out do so after a desperate fight. And so, Mr. Chairman, we should be reasonable and apply the golden rule in considering the welfare of these Government employees. They are human, just the same as we. They have their hopes and their ambitions and their ideals, just the same as we. They are citizens of our country and must of necessity live exemplary lives to hold the positions they do. Yes, Mr. Chairman, I dare say that we could learn much and be better men were we to pattern our lives and our conduct by the lives that many of them live.

This question of making some provision for the retirement of superannuated civil-service employees is one that we should not close our eyes on any longer. It is a problem that should be solved for the best interest of the Government service. It should be considered from a business as well as a humanitarian standpoint, and from either or both angles it should be faced and some practical solution arrived at. In the name of good common sense and in the name of humanity I make this appeal for justice to those whose sole hope for relief is in

READY TO TAKE THE JOBS.

When we come before Congress and ask for an increase of pay and better hours for these employees we are often met with the answer like that which was given me by a Member in relation to the proposed slight increase for the rural carriers, an increase from \$1,100 to \$1,150. He said: "Why, in my district hundreds of men are clamoring and waiting for a chance to take the rural carrier's job at the present pay or less."

That is no answer. That could be applied to the Member himself or to me. There are hundreds of men in my district and in yours, Mr. Chairman, who would be perfectly willing to take our jobs at the present rate of pay, and in my case, at least, I feel that they might fill it just as well. It is no answer that other people will do the work as cheaply or cheaper. It is no reason for not granting a decent wage to a faithful employee.

I believe the Government is the poorest-paying employer in the world, and I say that intending to include therein all branches of the service from the man who receives \$800 to the man who receives \$8,000. I believe that the same service with the same ability, the same intelligence, the same faithfulness given to this Government if given to a private corporation would receive in reward double the pay on an average that the Government pays to-day.

I believe, Mr. Chairman, that this legislation along the compensatory line and for retirement under civil pensions are matters that should become a law. Just so long as we retain our present merit system, so called—imperfect though it may be—I believe, with the distinguished chairman of the committee, so long will we be forced, as a matter of fairness, as a matter of business, to provide a civil pension. You can not fairly treat men who are retained under the present system longer, it may be, than the efficiency will warrant; you can not expect to have them thrown out into the street when they become unable to work. You must provide the civil pension.

It will be a matter of great economy to this Government to provide that pension, because you will not only be acting in a humanitarian sense but in a business sense in providing it, as you will take care of the superannuated employee during the remainder of his short life and at the same time be replacing him with a man more competent, who will give better service to the Government. So long as one is retained the other must come.

GROWTH OF BUREAUCRACY.

Mr. Chairman, I believe these employees in the Postal Service particularly—and it may in a way apply generally to Government employees, but I know it applies to the employees of the Post Office—are among the very best assets of this Government, and it comes with poor grace from any whipper-snapper, placed in temporary charge of these men—I do not care what his politics—to assume a bureaucratic air of superiority, that condemns every move made for the employee, and who feels the moment he gets into this temporary position of power he is not showing the real caliber of a supervisory official unless he immediately disbelieves all that is told to him by the employee and believes that his whole effort must be to get the most out of the fellow for the Government that has temporarily placed him in power.

The report that the eight-in-ten bill, so called, which the Congress in its wisdom passed at the last session, is working great injury to the service and is costing a great deal of money, is simply an emanation from lickspittle postmasters and other officials, who think that in assuming such attitude they are doing something that will prove their fitness for the job. I have in mind now a convention held last year of first-class post-masters, I think they were called, and I wish to be distinctly understood that when I refer to first-class postmasters, I do so in a sense specifying the relative standing of the office which they occupy. I do not wish to imply for a moment that it applies to the character of service given by the men themselves, because there are postmasters in first-class offices who are not by any means first-class postmasters. These postmasters con-demned the eight-in-ten law, but it was simply carrying out that bureaucratic idea that men have the moment they assume any position of authority over other mer. They did not treat that law fairly, but it remains in spite of them. I repeat, these post-office employees are without question the greatest asset the Post Office Department has.

WONDERFUL GROWTH OF POST-OFFICE SERVICE.

This is a department that is growing by leaps and bounds, and its growth was splendidly told by the distinguished chairman of the committee yesterday. Let me give a further idea of the growth of this business. Ten years ago the appropriations for the entire post-office service amounted to \$138,000,000. This present bill reported by the committee has appropriations for the First Assistant's department alone the sum of \$137,000,000, within a million dollars of the amount of the appropriation for the entire department 10 years ago. This is a service that now entails an appropriation of over \$300,000,000. It is now self-sustaining, and it is a service that is giving better hours of employment to the men and women who work in the department; a service that has given to the people of this country the parcel post, which is being greatly extended and enlarged in every sense, and yet with all these increased charges it is a department so well conducted at present that there is a surplus of almost \$4,000,000 to its credit.

When the employees of this department that have shown such increased efficiency ask for legislation that will better in a degree their position, I say such legislation should be granted. No set of Government employees are more entitled to it, and I sincerely trust that the legislation asked in this bill will be passed in this House. It will be legislation that will redound to the credit of the Congress and will be of great benefit to this army of faithful employees. [Applause.]

CARBYING EXCESSIVELY HEAVY LOADS OF MAIL.

It seems to me that the Post Office officials should devise some means to relieve letter carriers from carrying excessively heavy loads. I do not speak of emergency or extraordinary occasions, when the mail is received in large volumes, such as the Christmas rush, but of the ordinary everyday work. A visit to a post office at 7 o'clock in the morning will disclose a condition that is known to comparatively few people outside the local officials of post offices and the working force. Every carrier leaving the office for his district is loaded down with mail ranging in weight from 50 to 125 pounds and more. Some of the men fairly stagger under their burden, but there is no alternative but to go on and deliver the mail as quickly as possible to their patrons. These loads are carried amidst conditions which aggravate the physical strain. The shoulder is dragged; the spine is stiffened; the chest is restricted. The streets may be sloppy or slippery. The eye and hand must be working; the mind must be clear. Part of the physical and nervous strength must be directed to these other parts of his task.

To my mind it is brutality, and useless brutality, too. The great bulk of the weight is in second-class and parcel-post matter. I believe that the great bulk of this mail could and should be delivered by wagon or motor vehicles. When I was a boy I remember distinctly the letter carrier coming to our house loaded down and struggling along just the same as the letter carrier of to-day. The veterans of those days have to a large extent disappeared.

They have dropped out of sight and new faces, younger men, have taken their places. The old fellows have done their work and performed it well. They have reached the stage in life, however, where they could no longer stand the physical strain, and like an old dishrag they have been thrown aside and dropped out of the service as useless material. In the last decade many innovations have been installed in the Postal Service that are of great public benefit, the postal savings bank and the parcel post being the latest and most popular. In up-to-date estab-lishments where large numbers of men and women are employed new responsibilities bring about new methods of handling business if the officials are alert and progressive enough to meet new conditions. I do not know where the responsibility rests, for the antiquated methods of continuing to load down letter car-riers with burdens that tax their strength to the utmost, but I hope that the Post Office Committee will inquire into couditions that I have cited and see if some method can not be devised to place a limit on the amount of weight that letter carriers should be required to carry on any one trip. The following statement is taken from the report of a subcommittee of the Committee on Expenditures in the Post Office Department, to inquire into conditions in the New York and Brooklyn post

It is our judgment that a letter carrier should not be required to take out a weight exceeding 75 pounds. This, however, is on certain days much exceeded, the testimony showing one case of 112 pounds. We recommend that a limit of 75 pounds' weight for a carrier on any one trip be fixed, save in cases of special emergency, of which due record should be made and explanation given.

The popular theme and the one that public men talk most about seems to be conservation of our natural resources. This, indeed, is very commendable, but I believe that we should first conserve the health and strength of our workers and not permit a condition to exist that makes physical wrecks of them.

THE EIGHT-HOUR WORKDAY.

"Far better for the pockets as well as the peace of mind of employers if they would work their men only eight hours a day." Thus spoke Secretary of Commerce Redfield before the American Association for Labor Legislation at a meeting in Washington, D. C., with the American Political Science Association on December 31, 1913.

In the last annual report of the solicitor to the Secretary of the Navy appears the following comment on the eight-hour workday:

workday:

The effect of the act of June 19, requiring Government contracts to contain a provision that the employees of contractors and subcontractors should not work more than eight hours a day on the work involved has ind a decided effect in the direction of making the eight-hour workday general. That, of course, was the object of the act, and it is gratifying to see that it has operated so satisfactorily; and there seems to be little reason to doubt that with the powerful effect of the Government's practice exercised in this direction the eight-hour day will, in the not distant future, become a universal custom of the country. Just after the passage of the act rumors were prevalent that manufacturers and contractors were likely to ignore the Government's call for supplies and work and decline Government contracts. So far, however, as this office has been able to perceive, that result has not been realized. Competition has been as keen as ever and no difficulty on account of the eight-hour law has been experienced in placing contracts. "First costs" to the Government have been somewhat increased, but costs of maintenance have not been affected, as the eight-hour day for laborers and mechanics in the employ of the Government has prevailed for a number of years.

The above statements are in keeping with the spirit of the

The above statements are in keeping with the spirit of the times and are reiterations of the set policy of the Government in recognition of the eight-hour workday for all Government employees. The Postal Service is now working on an eighthour basis mider the act of August 24, 1912, which limits the hours of labor to 8 hours within a period of 10 consecutive This law was enacted by Congress for the purpose of relieving a very unsatisfactory condition which existed, wherein the day's work of postal employees was spread over long and unreasonable stretches of the day. The elasticity of the law made postmasters and supervisory officials indifferent to the working conditions of the employees, and when the bill to regu-late the hours of labor was introduced in the House it met with the most violent opposition of department officials under the Hitchcock administration, and many postmasters throughout the country, who were drawing salaries from the Government and devoting their time to other business. The wisdom of the legislation was so apparent, however, that Congress enacted it into law. This law went into effect March 4, 1913, and since that time the great majority of hold-over postmasters have done everything in their power to try and discredit it, not-withstanding the fact that few, if any of them, ever gave eight hours' service to the Government in any one day. These men

have given out interviews to the press that were entirely erroneous and without any foundation in fact, and if a clerk or carrier was to make a statement for publication to make known the true conditions and place the responsibility for bad schedules and inefficient service on the shoulders of those responsible, it would leave him liable to removal from the service. information of the Members of this House, I submit herewith three statements made at the convention of the New York State Association of Postmasters, held in Troy, N. Y., June 10 and 11, 1913.

Statement of Edwin A. Niess, assistant attorney in the office of the Attorney General for the Post Office Department:

I infer from what I have heard in this convention and elsewhere that the restriction of the services of letter carriers and clerks in post offices to 8 hours in a period of 10 consecutive hours is not producing results satisfactory to the postmasters, and in some instances is productive of complaints from patrons whose mail is delayed in delivery or dispatch on account of this provision. I may say further that it has proved expensive to the Government, and some change in the law is probable.

Statement of Postmaster Gleason, of Carthage:

Statement of Postmaster Gleason, of Carthage:

Mr. President, ladies, and gentlemen: The chairman of the program committee requested me to say something on the S-in-10-hour law and its operations in the smaller offices.

It is easier and more comfortable to speak in favor of a law already in force than to protest and work for its repeal. However, if by any word of mine the repeal of the vicious S-in-10-hour law might be hastened. I would feel much as the girl did who rode through the long tunnel with her lover. As the train came out into the light the young man carelessly remarked. "They say this tunnel cost over a million dollars." With flushed face and tumbled hair the girl, drawing a long breath, replied, "It is certainly worth it." It would be worth the effort of every postmaster whom this law touches to express his views forcibly whenever and wherever the opportunity offers.

At the outset the law was not wanted by the department nor the postmasters. At the meeting of this association held last year in Rochester the law was poposed by every postmaster present. And the great hue and cry that was made about the overwork of the clerks and carriers was, it would seem, but a petty game of politics. Conceding that there might be a grain of truth in the claim that in the largest cities the help was overworked, it has proved a swift and sure hardship to thousands of offices in order to relieve the situation in the few offices where the conditions might just as well have been relieved in some other way.

I have been postmaster in the Carthage office nearly 16 years—but the end is in sight—and in all that time the 48-hour-a-week law was the best we ever had, satisfactory both to the postmaster who aims to give the best possible service to the people and to the carriers and clerks who are willing to give an honest day's work, whether he is working for the Government or an individual, and he is a better man for so doing. A postmaster who gets into the work himself, even as to minor details, is a better official than t

to minor details, is a better official than the one who leaves it to his subordinates.

It induces shirking.

This law gives governmental aid to the shirk, the man that has no excuse for living. It is impossible to know, at least to prove, whether a carrier is giving honest time to his work or not. There is opportunity for loitering without detection, and instead of working to get everything cleaned up for the day they work with one eye on the clock. The framers of this law must have reasoned from the ideal standpoint instead of from real practice. If the same amount of mail, both in bulk and weight, was handled each day; if the trains were always on schedule time and were run conveniently for the clerks and carriers to do 8 hours' work within the 10 hours; if the holiday business could be cut out; if there were but one mail a day, this law might be all right; but there are too many "ifs" to overcome, and the whole postal department is casting about for relief.

We postmasters can appreciate the dilemma of the two men who were walking along together, one named Wood, the other Stone. Coming toward them was a young woman in a hobble skirt, looking as if her feet had been put through a napkin ring. Stone turned to Wood and Wood turned to Stone and then both turned to rubber. We are rubbering to see when this law will be repealed.

Under the 48-hour law carriers made their deliveries, had time to take care of the late afternoon mails, and made the late collections. I am sure in my office no carrier suffered from burdensome overwork or overtime, and what would be true there would be true clesewhere. With us, and probably in the large majority of offices, the biggest and most important mails are received in the early morning, and all the help is needed to handle it quickly; but under this law the help is so divided you can not have them when most needed. Later they are all there when there is not much to do, and if there is a place on top of this green earth that is exasperating it is in an office with a lot of unemp

The law is a time filter instead of a method to secure the maximum of service. As I have said, the carriers began early in the morning to deliver important mail, leaving the unimportant for the afternoon deliveries; then when the late afternoon mails come in the carriers have served their schedule time, the law must be obeyed, and the mail that should be delivered stays in the office until the next morning, thus working inconvenience with the business men.

The public is finding fault, and justly, because it is not getting the service to which it is entitled.

Just a word about "important mail." All mail is important to the one to whom it is addressed. To the man who subscribes for a weekly newspaper, to the woman who expects her fashion magazine or the last word about Lydia Pinkham's Discovery, to the child who knows the very hour his Youth's Companion reaches the home office—to all these any mail is important, and they want it when it should be delivered.

Again, you condemn the 8-in-10-hour law when a patron of the office calls on the phone or calls at the office and inquires how it is that a letter that was received at your office in the early afternoon was not delivered until nearly noon the next day. You try to explain that it is the 8-in-10-hour law. It may be that the carrier had the letter out on his afternoon trip but was unable to cover his route, as he must return to the office so as not to violate the law. Again, when some one complains that mail deposited in a collection box in the early afternoon was not collected and dispatched until the next day. These are some of my own experiences.

WAIT TILL CHRISTMAS.

WAIT TILL CHRISTMAS.

Wait TILL CHRISTMAS.

If there is a single postmaster who has not criticized the law his wall will be heard when the rush of the Christmas holiday business begins. Every postmaster knows that a 'sub' is a poor reliance where efficient help is needed. Carriers and clerks must have experience to handle the heavy Christmas mail with dispatch and accuracy. Under the present law it will be practically impossible to meet the emergency. It is safe to say that unless there is a change the post office men will not be overwhelmed with congratulations for satisfactory Christmas service.

Senator Bristow, who is working for the repeal of the law, told the Senate recently that "in order to correct a few isolated abuses we have enacted a law which requires the employment of additional clerks and carriers where they were never needed and are not needed to-day."

Last, but not least, the law is condemned because it is an expensive law, bringing about confusing conditions in the department. The fact came out in the Senate a few days ago that this bad law will cost the Government more than \$3,000,000 a year. The reason for this is so well stated by Senator Bristow that I will quote direct from him: "Say Monday is a heavy day and Friday will be a light day. Under the old system a carrier might work over half an hour on Monday and he would be permitted to deduct that from some other day during the week, putting in his 48 hours during the week instead of 8 hours each day. The result of that provision has necessitated this additional expense, even where the burden of the service is no greater now than it was then."

SHOULD BE REPEALED.

Here is a law that furnishes opportunity for shirking, a law that upsets any system of efficiency in a post office, a law that hinders the distribution and delivery of the mail at the earliest possible time, a law that works to disadvantage in cases of emergency, a law that demoralizes the condition of the entire Postal Service, a law that has already plunged the department into a debt of several millions. What shall be done with it? In behalf of the postmasters, who feel its injustice, I ask for its repeal.

A statement of Postmaster Callanan, of Schenectady:

A statement of Postmaster Callanan, of Schenectady:

Postmaster Gleason, I think you can appreciate, yourself, without my saying it, how much interest this body has in your paper and what a hearty response is shown to your sentiment. I think we all agree with you. I think this is a pretty one-sided question, too, and if there is any postmaster here who has the courage and bravery to get up here and defend this law, I would like to see him do it. I would like to see some of the Congressmen here who voted for this law. I am afraid they would soon take French leave. Nothing has been done in the history of the Postal Department which so thoroughly interferes with the service as this 8-in-10-hour law. I used to be able to deliver a very important western mail on our afternoon delivery, but now I have to deliver it the next morning. I don't think anybody could be a friend of this law. It wouldn't do any harm, Mr. Koons, to express to your superiors at Washington what the New York State postmasters think of this law. We may have been somewhat afraid to express our views last year, but we mean what we say now.

I also submit the statement of Postmaster Isador Sobel, of

I also submit the statement of Postmaster Isador Sobel, of Erie, Pa., a man who did his duty properly, adjusted the service to meet the new conditions before the law was put in force, March 4, 1913:

to meet the new conditions before the law was put in force, March 4, 1913:

I might talk to you about the City Delivery. How about the eight-inten? The eight-inten suits me to a "T," although I suppose most of you are surprised to hear me say that. It didn't take us very long to readjust our schedules, and with the addition of a very little help the eight-inten suits. In my youth I was educated that the day was 24 hours, but the Post Office Department has said to us that it has been changed to 10 hours. Frankly speaking, the second-class offices are very hard pushed with this eight-inten hour law. I think those of you who will sit in your offices for the next 8 or 10 years may see some change in this law.

My entire strength in my office in the enforcement of this law and in connection with all other matters pertaining to the work of the office has not been due to the fact that I was well versed in the technical work of the office at all, but through the discipline of my men, getting acquainted, as it were, with their shortcomings. Through the errors that occur in the office and getting in touch with the public, I became as much familiar with the work in my office as if I had passed from room to room and done the entire work. One time a postmaster at Rochester, N. Y., who had just been appointed, attended a meeting of the national association, and said that he had been attempting to put some new schemes in operation at his office, but every time he suggested anything the assistant postmaster, who had served many years, would tell him it couldn't be done. He was told to be firm and to go ahead and do whatever ne thought was right, regardless of what his assistant thought. He went home and put his schemes in operation, and saw to it that they were followed up, and before he went out of office he was running a first-class post office. I have been honored with four appointments as postmaster, not so much through political pull, because I was always a friend of my Congressman, but he said he could never find anyone

York State postmasters: Do your work just as well during the last few days of your postmastership as you have in the past.

For the information of the Members of the House, I desire to state that I was informed by an official of the Postal Service that one of the men who spoke against the eight-hour law was referred to as a big, good-natured blowhard who knew nothing whatever about the Postal Service, and spent the greater part of his time attending to his private business. I asked this official if that postmaster ever refused a salary check, and he laughed and said, "No; I don't think he ever passed up anything that once got into his hands."

I would also like to draw particular attention to the fact that this law had only been in force and effect a period of three months at the time that these criticisms were made against it. These postmasters were evidently laboring under the impression that it would be popular with the department to condemn the eighthour law, knowing, as they did, of the intense opposition to the enactment of the law by the officials under the Hitchcock administration. It was a matter of keen disappointment to the postmaster who was referred to as the big, fat, good-natured blow-hard when he received notice before that convention adjourned that a successor had been appointed in his place.

I also submit for consideration of the Members of this body two clippings from the Idaho Statesman, one under date of June 22, 1913, and the other of December 2, 1913:

two clippings from the Idaho Statesman, one under date of June 22, 1913; and the other of December 2, 1913:

Something not generally known by those who patronize the post office—and who does not—is that the man who stands at the window and deals out stamps or letters or papers and packages or advice or impudence or courtesy is himself constantly on trial, and that the holding of his job is dependent upon his record. The practice of the Post Office Department is not to reward the worthy servant, but to punish those who are slack or incompetent.

In the Boise post office, for instance, there is a regular demerit system kept by Postmaster McMillan and his assistant, Mr. Nelson, which is held a dead secret from all except the higher authorities until the fatal moment arrives, if it should arrive, when the sum of demerits accumulated shall be sufficiently large to demand the separation of the man and his job. This doesn't often occur in Boise, but it is like the sword of Damocies in that it hangs "hair-hung and wingswing," over each devoted head.

This demerit system was created through an order of the Post Office Department of five years ago and covers the whole range of post-office work. Character, efficiency, accuracy, faithfulness, regularity, and knowledge are all taken into account in these records. Determination of the latter is made the subject of yearly examinations of the employees. These examinations are now being held in all the larger post offices of the United States. One of the most interesting of these is what is called case examinations, when distributing clerks are required to show their knowledge of their distribution scheme. The examinations consist in sorting addressed cards representing all the possible separations called for by the scheme. A record of 95 per cent correct and an average of 16 cards correctly thrown per minute is required as a minimum. If the percentage of correctness is greater than this, the clerk is given two creening of correctness is greater than this, the clerk is given tw

year is drawing the maximum of \$1,200 a year, the amount that is drawn, for instance, by Ross Miner, who has been a carrier in Boise for 20 years.

"Under a former regulation the carriers were required to work only 48 hours a week, although the way in which these hours of labor were distributed throughout the week was somewhat dependent upon the exigencies of the occasion. This regulation worked out all right, but, as you know, in any considerable number of men there are always a few that are inclined to look for the best of it. There are enough of them among the clerks and carriers in the post offices of the United States to begin agitation against the 48-hour law, as it was called, so that a recent session of Congress was induced to amend the law so that no carrier or clerk is permitted to work more than eight hours in any one day. In this way the efficiency of all the offices in the United States has been impaired so far as mail delivery is concerned.

"In Boise, for instance, our heaviest mails are the Sunday and Monday arrivals. Both mails have to be delivered, in large part, on Monday, and with most of the carriers it is a physical impossibility for the carrier to handie the mail matter in his district in eight hours, although in nearly every instance this could be done in 10 hours. Throughout the week there are usually days when the work could be done, if the Sunday and Monday mails had been gotten out of the way, with less than eight hours' work dally.

"The practical result of this regulation here is that on Monday the carriers succeed in distributing the first-class letter mail and some newspapers, while perhaps Tuesday and Wednesday they manage to dispose of the packages and circulars. I am unable to say just what valid argument was used to convince Congress of the need of changing the law from not more than 48 hours a week to eight hours a day. The only actual difficulty ever experienced with the 48-hour law was in seeing that the clerks and carriers did not work over hours enough during the first p

"The former law fixed the limit at 48 hours a week," said one of the officials. "It was a satisfactory regulation. Under the present plan, however, some difficulty is met.

"For instance, the work Monday is considerably heavier than on any other day in the week on account of the Sunday's accumulation. Formerly the carriers used to spend about 10 hours doing their Monday work. An accurate record was and is now kept of the time put in by each employee. If a man puts in 10 hours on Monday he would make it up by doing less than eight hours' work on some other day.

"As it is now, if the Monday work is so heavy that a carrier can not cover his route he must let some of the work go over until the next day, and some of the people living at the outer edge of his route do not get their mail until the next day. On another day, when there is much less work to be done the eight hours must be put in just the same, and it is hard to find work for the carriers to do at such times."

Ludging from reading these articles they were given or in-

Judging from reading these articles they were given or inspired by the assistant postmaster of Boise or some high official of that office who knew the methods employed to keep the records of the employees. It will no doubt be news to the Members here that a secret system of espionage is being prac-ticed on the employees in the Postal Service, as the statement is made that it has been instituted through an order of the Post Office Department, and if such is the case it must be a relic of the former administration. One thing is plainly evident on its face and that is the utter incompetency of the assistant postmaster of Boise, or whoever gave that information to the press, as I believe he is unfit to hold a position of any kind in the Government service where he would have supervision over employees. He lacks that balance to win the confidence and cooperation necessary to successfully conduct any business, and the Postal Service would be materially benefited were he out of it. Officials of this Government should try and enforce the laws enacted by Congress and not assume to themselves through their egotism the position of official censors.

Men whom the accident of birth or fortune makes laborers are

human beings with all the feelings and aspirations, all the capacities for joy and sorrow, for pleasure and for suffering, possessed by the other men whom birth or fortune places in more happy planes of life. I believe it is of far more importance that men and women engaged in the Government service should not have their health ruined or their lives destroyed than it is that some whippersnapper of a boss, holding a temporary posi-tion of authority, should be allowed to make an unenviable name for himself.

Let us examine the records of the Post Office Department and the reports of the department officials, and what do we find? The Postal Service has conducted the largest business in its history; increased revenue over expenditures of approximately \$4,000.000, the first surplus of its kind in the Post Office Department for 30 years. Such a record is one that Postmaster General Burleson can well be proud of. This showing has been made in the face of liberal treatment of the employees and the prompt delivery and dispatch of the mail such as the public has never enjoyed before. I trust that he will hesitate before taking the advice of these hold-over officials, whose policy of retrenchment and false economy was so genuinely rebuked by the American people in the last general election.

I read with much interest the debate in the Senate in May, 1913, on the deficiency bill appropriating \$600,000 to take care of the growing needs of the Postal Service for the remainder of that fiscal year. Senator Bristow, of Kansas, and Senator Bryan, of Florida, worked themselves up to a fever over this appropriation, and charged that the eight-hour-in-ten law was responsible for creating the deficiency. The Senator from Florida offered an amendment to the law whereby compensatory The Senator from time would be given to the employees for overtime instead of paying for it in money, as the law now provides. It might be well for us to know just what was responsible for the deficiency, in order that no one will be deceived. The annual report of the Postmaster General for the fiscal year ended June 30, 1913, contains the following statement:

tains the following statement:

The growth of the parcel-post business has been phenomenal. During the first six months of its operation approximately 300,000,000 parcels were handled. The percentage of loss and damage has been relatively small, as has also been the number of complaints of delay or unsatisfactory service. The department has earnestly endeavored to avail itself of every possible means for reducing to a minimum the difficulties incident to taking over such a vast enterprise. Officers and employees have shown commendable zeal and resourcefulness in meeting every exigency that has arisen in connection with the service. The proper handling and prompt delivery of the more important classes of mail have not been impeded, and at the same time the parcel-post business has been conducted with gratifying celerity and dispatch.

It appears to me. Mr. Chaptenen, that the handling of this

It appears to me, Mr. Chairman, that the handling of this great volume of new business must have required additional help, and it is falacious to fool oneself into the belief that the business could be handled otherwise. Should a private corporation attempt by subterfuge to compel their employees to take care of such an exceptionally large amount of new business without additional help or extra pay for overtime, there is not a question of doubt in my mind or in the mind of any fairminded man but what there would be trouble. Yes, Mr. Chair- on 400-mile distances or zones.

man, and the gentleman who seemed on that occasion so solicitous of the Government as to place this burden on the postal employees, would no doubt be shouting loudest against the heartless corporation. But such is politics, and such is life, and I presume it will be so until the people do more thinking and studying of public affairs.

Prior to the holidays a few weeks ago, according to press notices, orders were issued for the closing of all the executive departments of the Government at 12 o'clock on the day before Christmas and the day before New Year's Day. I have been informed that this order also included the navy-yard em-ployees, and I am heartily glad that this was so, as it is seldom that the fellow who does the real hard work is given a share of any of the good things going. There is no fault to be found with the order if public business did not suffer and the employees could be spared. While these clerks were enjoying this extra half holiday and the full holidays of Christmas and New Year's Day, the clerks in post offices were compelled to work day and night, and the letter carriers were required to carry loads that taxed their strength to the limit. These employees did not complain, nor were they envious of their more fortunate brothers in the executive departments, as they realized that the mail had to be distributed and delivered, and they gave every ounce of energy they possessed in getting it to its proper destination as promptly as possible. I have been informed that in the Brooklyn post office ambulances were called three different times on Christmas eve to take several of the employees who collapsed to hospitals for treatment. A newspaper dispatch contains the information that a carrier in Newark, N. J., collapsed under the strain, stricken with apoplexy, and I presume that these were but incidents of like conditions that applied to the rest of the post offices in the country. As I read in the papers of the public expression of Postmaster General Burleson to the postal employees, commending them for the splendid manner in which they acquitted themselves in handling the enormous quantity of mail during the recent holiday season, it brought to mind the thought that something more substantial than expressions of thanks should be shown to a body of men who are ready at all times to do their duty and to meet any emergency to the best of their ability and with no other purpose in view than the knowledge of a duty well performed.

Mr. MOON. Mr. Chairman, I yield 30 minutes to the gentleman from Colorado [Mr. KINDEL].

Mr. KINDEL. Mr. Chairman, the subject of parcel post is

not a new one with me. Seven years ago, after having fought the railroads for their discriminatory rates for 16 years, I concluded that the thing with which to conquer the railroads and express companies would be a parcel post. I am glad that we now have a parcel post, although under its present rules it is far from being perfect.

While our Postmaster General takes great credit upon himself, I must say that I can not agree with the distinguished chairman of the Post Office and Post Roads Committee, who thinks that Mr. Burleson is the best man on earth. He may be that, but certainly he has not demonstrated to me that he is the

wisest in conducting the parcel post.

I have made an exhaustive comparison of rates, and when I have demonstrated my findings I think I will have convinced most everyone that the parcel-post rates are out of all proportion and that they are apparently made to aid the express companies and mall-order houses instead of the general public, which has been promised a parcel post and will expect to have

one which will reduce the cost of living materially.

I will demonstrate to you that you can not ship above 10 pounds and you can not ship farther than 150 miles in competition with the express rates that will be in effect after February

I will first dispose of this map, which in colors displays the territories embraced—the official, the southern, western, and other classification territories. This colored in red is the official; this in yellow is the southern; this in blue the western; and this, more particularly west of Denver, is recognized as the transcontinental.

The Interstate Commerce Commission has ruled that the express rates in our section west of the one hundred and iffth meridian should be in the ratio of 23 to 10 in comparison with the rates east of the ninetieth meridian. The parcel post could, and would in a way, remedy these discriminations if the rates were properly graduated and if a zone system on a declension basis were inaugurated. While I admire the gentleman from Maryland, Mr. Lewis, for the interest he has taken in the matter of parcel post, I can not agree with him in his theory of a rate of a half cent per pound per 100 miles, which we now have in effect. The present zone system beyond the fourth is based

To get back to the express rates from New York to Indianapolis the rate is \$2.40 per 100 pounds, while from Price, Utah, to San Francisco, Cal., the same distance, it is \$4.80 per 100 pounds, or 100 per cent higher rate. It is discriminations like this that we had hoped to overcome with the parcel post. Abilene, Kans., is in the central part of the United States, as every primary-school boy knows. The rate from Abilene to San Francisco is double that which it is from New York to Abilene. Now, talk about conservation; our section of the country is certainly being conserved with a vengeance. It is worse. It is confiscation that we suffer under the discriminatory transportation rates which are now in force.

Nowhere in transportation do I know of a case where a premium is paid for reshipping except under our present parcel For example, the express companies assess the following penalties for reshipping 100 pounds from New York to San

2 Itticioco.	
New York via Chicago to San Francisco	\$1.30
New York via Omaha to San Francisco	1.65
New York via Chevenne to San Francisco	1, 70
New York via Denver to San Francisco	2, 05
New York via Pueblo to San Francisco	2, 30
New York via Ogden to San Francisco	1. 65
New York via Elko, Nev., to San Francisco	1. 43
New York via Reno, Nev., to San Francisco	

Here I might ask why are the rates from the two Colorado points 100 per cent higher than those from the two Nevada points?

If you board a street car here at the Capitol and go as far as the Treasury Building, it will cost you 5 cents. If you then reship yourself to Georgetown on another car, it will cost you another 5 cents, or an increase of 100 per cent. If you buy a through ticket from Washington to San Francisco, it is certainly considerably less than if you bought it from Washington to Chicago and then bought another ticket from Chicago to San Francisco. This same rule applies to freight and express rates; then why should it not be the rule in parcel post?

For example, if you ship 50 pounds to the second zone, 150 miles, it is 54 cents; then if you reship it to the 300-mile zone, making another 150 miles, you pay another 54 cents; and again, if you reship from this latter point to the destination, 450 miles in all, then the total rates will be \$1.62 for 50 pounds, while the present graduate rate figures \$2.03 for 50 pounds, or 41 cents

higher than the sum of the locals,
Again, take, for example, Chattanooga, Tenn., the town of our
distinguished chairman of the Post Office Committee, or the town of Austin, Tex., the town of our distinguished Postmaster General. From Chattanooga to Wilmington, Del., the rate by parcel post on 20 pounds is 83 cents; from Chattanooga to New York the parcel-post rate on 20 pounds is \$1.22. Now, by reshipping the 20-pound package from Chattanooga at Wilmington to New York this combination of rate takes place: Chattanooga to Wilmington, 83 cents; Wilmington to New York, 24 cents; making a total of \$1.07; so you see that the sum of the locals is 15 cents less than the through rate from Chattanooga to New York. If you increase the shipment to 100 pounds—assuming that the weight limit is to be extended—you could save 95 cents by reshipping in this case. This rule holds good in all zones beyond The Austin, Tex., case will duplicate the same figures.

The express companies are manifestly very well pleased to have the parcel-post rate for short distances very low, because they will make the post office perform the service of delivery of their shipments from junction to the interior points. The mail-order houses will do likewise. Thus 100 pounds can be shipped by express to Des Moines, Iowa, and from there reshipped to near-by points by parcel post in 20 or 50-pounds lots with the saving of \$5 by reshipping on parcel post at Des Moines instead of through shipment by parcel post. The same thing can be done between any points of similar distance. therefore behooves the American public to get wise and trick the post office instead of being tricked by the post office.

Again, assuming that the parcel-post rate and weight limit were extended to 100 pounds, then on 100 one-pound packages from Washington, D. C., to Salt Lake City, Utah, which is in the eighth zone, the rate will be 12 cents per pound, or \$12. If you then ship a parcel weighing 100 pounds the rate would also be \$12, but if you were to ship 100 one-pound packages to the third zone they would cost you 6 cents each, or \$6, while the 100pound parcel in the same zone would cost you \$2.04. In the latter case you get the advantage of \$3.69, because of a wholesale shipment instead of retail shipments. In the fourth zone the rate on similar shipments is \$7 as against \$4.03. Under these circumstances, in the first, second, and third zones there would be a difference of \$3.96; in the fourth zone, \$2.97; in the fifth zone, \$1.98; in the sixth and seventh zones, 99 cents each; while in the eighth zone, as shown above, there would be no difference. Now, the graduate of rates ought and can be ar-ranged on a basis that would prevent the possibility of reship-

ping, and these other inconsistencies mentioned. In other words, there should be a penalty on parcel post reshipping as there is in all other transportation.

I have offered under my resolution. No. 179, a new graduate on an eight-zone system, under which the pound number is multiplied by the zone number, with three added for overhead charge to the result of the multiplication, which produces the answer or the rate. The parcel-post rates should be, above all things, simple and automatic, as well as equitable, and ought to be as readily calculated as our monetary system, under which 10 dimes make a dollar or 4 quarters make a dollar. My system would secure for us the long and fat hauls as well as the short and lean haul business, something which can not be accom-

plished under our present parcel-post rate system.

I have here prepared a table on which are indicated 32 shipping points. My calculations with respect to those points have resulted in figures here shown, which demonstrate that there are only few cases-those within the 150-mile radius and those in the section west of the one hundred and fifth meridian-where the parcel-post rates are less than the express rates. Under such conditions how can the parcel-post system be of advantage and a general saving to the public? Has it not become a paper tariff, and is not our Government getting money under false pretences when it accepts a package beyond a third zone, in which case the rate in all territory east of the Missouri River is usually about 100 per cent higher than the express rates on a 20-pound package?

Owing to the increased business in the near-by zones, I am reminded that I am very much in favor of increasing the pay of our rural delivery men, who are being overloaded with local-

zone delivery business.

Now, gentlemen, you must consider that the parcel post under above rates is not insured. If you desire to put it on the same basis of insurance as an express package you would have to pay 10 cents extra in each case. You can plainly see that none but a fool would patronize the parcel post in the cases shown above, yet our Postmaster General at this time is seriously considering increasing the weight limit of packages from 20 to 100 pounds and continuing present graduation of rates and zones. This would be all right if rates and zones were correct. To illustrate that they are entirely out of reason, I would take Bangor, Me., as an initial point and Denver as the destination point; the latter becomes the apex of rates. If San Francisco is taken as the initial point and Chicago as the destination, then Chicago becomes the apex point. They tell us that the mailcarrying rates have something to do with this condition-that is, that they must be regulated before the parcel post can be changed. I ask how is the parcel post affected by the railroad rates when you can reship just beyond the zone line and save 95 cents on a package of 100 pounds, as I have illustrated above? At present the parcel post is simply a plaything in the hands of express companies, and it will continue to be so if we go on at this rate. If anybody here thinks I am not right, I want him to come up and I will prove to him that what I say is correct.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield? The CHAIRMAN. Does the gentleman from Colorado yield

to the gentleman from Wisconsin? Mr. KINDEL. Certainly.

Mr. STAFFORD. As I understand the gentleman, he is using the express rates as they have recently been determined by the Interstate Commerce Commission-the rates that will go into effect shortly?

Mr. KINDEL. Yes; on February 1.

Mr. STAFFORD. These rates are materially lower than the present parcel-post rates, are they not?

Mr. KINDEL. Yes; only in the case of the short distances up to the third zone and on packages weighing less than 10 pounds are the parcel-post rates lower than the express rates.

Mr. STAFFORD. I understand the Interstate Commerce Commission, which has had this subject under consideration for more than two years past-Mr. KINDEL. Yes, sir-

Mr. STAFFORD. Determined those rates independent entirely of the parcel-post rates under the law passed about a year and a half ago?

Mr. KINDEL. They simply concurred with the Postmaster General's proposed rates by their rubber stamp of approval, without investigating. Since last March I have been busying myself with the Interstate Commerce Commission and Post Office officials, endeavoring to convince them of the fallacy of the present system of zones and rates.

Mr. STAFFORD. You do not mean to convey the impression that the Interstate Commerce Commission merely rubber stamped the rates adjudicated by them, so far as the express companies were concerned?

Mr. KINDEL. No, sir.

Mr. STAFFORD. That was a matter of investigation of more than two years' standing.

Mr. KINDEL. Yes; and cost about \$225,000. I mean to say that the rates of the Postmaster General were concurred in by a rubber stamp, so to speak, by the Interstate Commerce Com-

Mr. STAFFORD. And I presume that your argument leads naturally to the further step that you wish the postal authorities to enter into competition now with the revised express rates so as to meet the rates determined upon by the Interstate Commerce Commission for the express companies'

Mr. KINDEL. That is exactly what I want to do, and theythe Post Office officials-can not do it with the rates they now have in effect. Beyond a 600-mile distance they have flat 400mile zones, and, as I have said, the zones cease at Salt Lake when New York is the initial point, and at Denver when Bangor, Me., is the initial point. Why should Denver pay as high a rate on parcel post from Bangor, Me., as San Francisco or Salt Lake City, which are from 700 to 1,500 miles longer haul? I do not believe in flat rate on parcel post. I think that only one kind of matter, namely, letters-that is, intelligence-should be carried on flat rate, but when it comes to merchandise and traffic, as in the parcel post, the rates should be commensurate with the service.

Mr. STAFFORD. I know that the gentleman has given a very great study to this question of the zone system. I assume he would extend the application of the zone system to periodicals and to all character of postal matter that bears the general character of merchandise.

Mr. KINDEL. Yes; that is true. The fault that I find with the new rule that is to go into effect on March 1 is that the rate on books shall be 4 cents for 8 ounces and 12 cents for 9 ounces, say, from New York to San Francisco or Salt Lake.

Mr. STAFFORD. Of course, under the new rule of the Post-

master General the rate for books remains as to all those under 8 ounces 1 cent for every 2 ounces and for 8 ounces 4 cents; but on the weights above 8 ounces the parcel-post rates are applied under the order of the Postmaster General.

Mr. KINDEL. Sixteen ounces costs 12 cents from here to San Francisco; that is the rule of the various zones-4 to 12 centsbut there should be a distinctive order made there. One of the things that I complain of in the parcel post to-day is that they have increased the weight from 11 to 50 pounds in the first and second zones, but they have not increased the size of the package. England or Germany can ship an 11-pound package over here under 72-inch measurement, while our citizens must crowd 50 pounds into a 72-inch size package in our domestic parcel post, which in many cases can not be done.

We talk of how the parcel post will cheapen the cost of living by making it possible for the farmer to ship directly to the consumer, but I will show you that many of the farmer's products can not be shipped by parcel post in 50-pound lots because the 72-inch package can not contain 50 pounds. I have had prepared for me by the Bureau of Standards a table of weights under 72inch measurement. I find that a cubic foot contains but 31 pounds of apples, 27 pounds of blueberries, 11 pounds of grass seed, 35 pounds of bolted corn meal, 32 pounds of cotton seed, 18 pounds of onion sets, 14 pounds of peanuts, and so on.

Mr. MONDELL. W Mr. KINDEL. Yes Will the gentleman yield?

Mr. MONDELL. Has the gentleman met the situation in his own State, as I have in mine, that on many of our mountain roads the parcel-post rate for the first and second zones is so much below the current freight rate, and that, therefore, packages of flour and canned goods and groceries are being unloaded on the parcel-post carriers in vast quantities?

Mr. KINDEL. Yes.

Mr. MONDELL. How does the gentleman think we are going to meet that situation?

Mr. KINDEL. I have contended from the first that those near-by zone rates are entirely too low. If they can prove their assertions that they are making money on that basis, then I say that the only thing to do is to follow up with the other distances and make them correspondingly low so as not to throw the big and paying business to the express companies as is now being done. certainly will not get any of the long and profitable haul busi-

ness under the present rates. It is out of all reason to expect it.
Mr. CRAMTON. As I understand your contention, it is not so much that as a whole we fail to compete in rates with the express companies, but that our rates are so arranged as to zones that we let them keep the business that they want and

we take the business that they do not want.

Mr. KINDEL. Exactly. You understand the express companies have an office in each railroad town of any size. Now, if they can unload, as they are doing to-day, at these points and then do their distributing by parcel post, then the Post Office

Department is getting the worst of it. That is what I complain of. The shipment by express can have the stamps put on before it goes to the express office, and when it reaches the junction point or post-office station can be reshipped by parcel post to the detriment of the parcel post. It is hard to explain a matter of this kind in a speech.

Now, I want to say, for time is fleeting, that the Interstate Commerce Commission, with Mr. Lane as the commissioner, engineered the making of the tariff on express rates, which I regard as the greatest and most scientific tariff that has ever come to my notice. It is wonderfully accurate and automatic. The only objection I have to the present express rates is that when the territory of the fourth zone in express tariff is reached the rates are at the ratio of 23 to 10 as against the eastern territory.

My great appreciation of the work of the four men, Mr. Lane, Mr. Marble, since deceased, Mr. Ryan, and Mr. Dunlap, led me to introduce my resolution, No. 175, asking that a year's salary be paid to Mrs. Marble, who is the widow of Mr. Marble, formerly secretary to Commissioner Lane, and afterwards his successor as Interstate Commerce Commissioner, and who practically killed himself by overwork in the service.

The present personnel of the Interstate Commerce Commission, working under this same excellent express tariff, say that the opposite is true when applied to the parcel post. Who can say which is right, and under what kind of rates are we to work?

Here is what I have said to my people in Denver. I showed them first that where the parcel post and express rates meet in the second zone the parcel post has a slight advantage.

From Denver to Norton, Kans., a distance of about 300 miles. the uninsured parcel-post rate is \$2.04, as against \$2 insured express rates per 100 pounds. From Denver to Chicago the parcel-post rate on 100 pounds would be \$6.02, while the express rate is \$4.20. On a 20-pound parcel between Denver and Chicago the rate is \$1.22, while the express rate is \$1. Between Denver and New York the parcel-post rate on 100 pounds would be \$10.01 and the express rate \$5.70, and on a 20-pound parcel between Denver and New York the parcel-post rate would be \$2.10, while the express rate is \$1.30.

Now, remember that under these rates I have mentioned parcel-post shipments are not insured. An extra charge of 5 cents is made if you insure a package valued at \$25, or 10 cents for a package valued at \$50. So the whole fabric is wrong, and ought to be righted, instead of compounding and perpetuat-

ing the errors that we here show.

The Postmaster General is now contemplating extending weight limit to 100 pounds. See what will happen under present graduate.

Express and parcel-post rates effective Feb. 1, 1914.

Between Denver and—	100 pounds.	pounds.	pounds.	pounds.	1 pound.
Sidney, Nebr	{ \$1.60 1.04	\$0.48 .24	\$0.34 .14	\$0.27 .09	\$0.22 .08
Norton, Kans	{ 2.00 2.04	.56	.38	.29	.00
Omaha, Nebr	{ 2.90 4.03	.74 .85	.47	.33	
Kansas City, Mo	{ 3.35 4.08	.83	.51	.36	.24
St. Louis, Mo	{ 3.85 6.02	. 93 1. 22	.56	.38	.24
Chicago, Ill	{ 4.20 6.02	1.00 1.22	.60	.47	.24
Cincinnati, Ohio	{ 4.20 8.01	1.00 1.61	.60	.40 .41	.24
Pittsburgh, Pa	{ 4.90 8.01	1.14 1.61	. 67 . 81	.43 .41	
Buffalo, N. Y	\$ 5.10 8.01	1.18 1.61	.69	.44 .41	.00
Washington, D. C	{ 5.30 10.01	1.22 2.01	.71 1.01	.45	.20
New York, N Y	{ 5.70 10.01	1.30 2.01	.75 1.01	.47	.20
Portland, Me	{ 5.95 10.01	1.35 2.01	1.01	.49 . <i>51</i>	.26
Portland, Oreg	{ 6.80 6.02	1.52 1.22	.86	.53	.27
Seattle, Wash	{ 6.95 8.01	1.55 1.61	.87 .81	.54	.27
San Francisco, Cal	{ 6.75 6.02	1.51 1.22	.85 .62	.53	.27
Ogden, Utah	3.60 4.03	. 88 . 83	.54 .48	.37	.24
San Antonio, Tex	{ 4.€5 6.08	1.09	.64 .62	.42	.25

In addition to being higher than the express, these parcel-post

rates do not include insurance.

One of the important matters to be considered in parcel post is that the express companies allow a 25 per cent discount on all shipments of food products except candy, which is considered a luxury. This is not true of the parcel post. Under it everything eatable goes at the current merchandise rate. Now, under what I have shown here, how is the parcel post going to be of any avail to the general public, except on parcels weighing from 1 to 10 pounds and in only near-by zones? This could be easily remedied, but I will not be able to go into that further now.

The CHAIRMAN. The time of the gentleman from Colorado

has expired.

Mr. KINDEL. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. KINDEL. In further extension of my remarks, I have prepared comparative tables of freight, express, and parcelpost rates, to be inserted herewith.

I consider the present graduate of parcel-post rates a worse botch than the one that preceded it, which I exposed in a speech on October 2, 1913, to the chagrin of the parcel-post and Inter-

state Commerce officials.

I necessarily have to repeat much, for that is a vice peculiar to speeches which seek to hammer a fact into every conceivable shape. Further, I make no pretense to literary accuracy; truth is my whole aim and object. Therefore, I again say what excuse is there for this great Government, in the land of the brave and the free, for compounding and perpetuating error in the much-hoped-for parcel post, which every fair-minded citizen believed would be the means of reducing the cost of living.

Take any of the tables in which I make comparisons of ex-ress and parcel-post rates. I find that the parcel-post rates press and parcel-post rates. figure exactly 25 per cent higher on the average than the express rates. These tables are all based on 20-pound shipments. By perusing the tables anyone can see that the Government need not expect any business over 5 pounds or beyond the 150-mile zone and that the post office becomes the burden carrier or messenger boy for the express companies and the mail-order houses. If the express companies had been given a commission to fix the parcel-post rates, could they have made them more to their liking and advantage than they are to-day? Why did the Interstate Commerce Commission make the express rates west of the one hundred and fifth meridian 130 per cent higher than those in effect east of the ninetieth meridian? Why did the Interstate Commerce Commission make the express rate of 64 cents on 20 pounds from New York to Chicago and at the same time concur with the rubber stamp in Postmaster General Burleson's parcel-post rate of \$1.22 on 20 pounds from New York to Chicago? In addition to that, the express companies are allowed to give 25 per cent reduction on all eatables except candy, which would make the express rate on a 20-pound package 48 cents, while by parcel post it would be \$1.22. Of what avail is such a paper tariff in the parcel post to the public? Why continue to mislead and do that which we condemn in others? Is it not simply a case of getting money under false others? Is it not simply a case of getting money under false pretenses? Since Congress is in the mood of investigating everything, had it not better inquire into these matters?

After all, is not this apparent discrimination the result of

cause and effect? There are 21 Members of the House of Representatives on the Interstate Commerce Committee, and not one Democrat of whom resides west of the ninetieth meridian, and every one of them is a lawyer, not a shipper, merchant, or granger among them. When complaining of this matter in the operating.

Democratic caucus, I said, among many other things, that there was not a man on the Interstate Commerce Committee who knew the difference between a bill of lading and a waybill, and I was hooted at for making this statement, but no correction or change in the personnel was made. I now repeat there is not a man among them who can reconcile the present parcel post with the express tariff. The same can be said of the Post Office and Post Roads Committee, every one of them living east of the Missouri River.

The chairman of the latter committee, Mr. Moon, of Tennessee. who was the dispenser of time in debate, took two hours to relieve himself of a speech, but gave me only 30 minutes to present my findings. Since I failed to interest the committees, I now appeal to the House and the public generally.

I have taken the matter up with several Cabinet officers and the honored President himself, and while I have a great regard for the President, who is unquestionably an authority on syntax and etymology, he admittedly knows little or nothing about the science of transportation.

This is not the first time I have made known the inconsistencies and injustices to the powers that be. Besides, this being my fourth speech on the subject, I have almost daily talked to the various heads and subheads for the past nine months. Some changes have followed, but not one of them in a logical or scientific way.

Until the President realizes his mistake and sends the blundering Postmaster General Burleson and Chairman Clark, of the Interstate Commerce Commission, one of them to punch cows in Texas and one to punch railroad tickets in Iowa, we can not hope for any improvement.

Chairman Clark champions the railroads by saying the railroads must have more pay because of the parcel-post traffic, which continues to increase so rapidly (?). I say wait 60 days and with an X ray you will not find a parcel over 5 pounds weight going over 150 miles distance.

To my constituents I would say, in conclusion, I have done my best and am glad to say that through my efforts, which have cost me a fortune and the best years of my life, the first-class freight rate from Chicago to Denver has been reduced from \$2.32 per 100 to \$1.80 per 100 pounds, and countless other reductions.

The first suit in the United States against the express companies was brought by me, with the result that the rate was reduced from New York to Denver from \$8.50 to \$8 per 100 pounds. Not being satisfied with this 50-cent victory, I brought a second suit against the express companies before the Interstate Commerce Commission, in consequence of which several hundred commercial bodies have been encouraged to bring suits since, with the result that we now have an express rate from New York to Denver of \$5.70 instead of \$8.50 per 100 pounds.

I am assured by the Post Office officials that the parcel post will right itself in time, but I say that it will be accomplished only when patriotic and efficient men apply themselves to the task of righting it. As for me, I shall continue, like radium, to work in my own way for the benefit of mankind, especially the suffering poor.

The Post Office should, and can, be made the enlarger of the common life by utilizing it as the instrument of trade and industry instead of a "gold brick."

Then why continue to bamboozle the American public, whose expectation after investigation will be turned to consternation, followed by retribution?

The Kindel parcel-post graduate is offered as a substitute for the irreconcilable and unscientific one under which we are now

Statement showing the postage at the proposed rates and the estimated cost of handling parcels (Nov. 20, 1913).

[This table of parcel-post rates and cost of service to the Government was issued by the Post Office Department.]

	Zones.											
Weight.		150 miles.	300 miles.	600 miles.	1,000 miles.	1,400 miles.	1,800 miles.	1,800 miles and over.				
	1	2	3	THE PUBL	5	•		8				
1 pound	\$0.05 .0325	\$0.05 .0375	\$0.06 .045	\$0.07	\$0.08	\$0.09	\$0.11	\$0.12 .14				
2 pounds	{ .06 .035	.06	.08	.11	14	.17	.21	. 24				
3 pounds.	{ .07 .0375	.07	.10	.15	.20		.31	.36				
4 pounds.	{ .08 .04	.08	.12	.19	THE RESERVE OF THE PARTY OF THE		.41	.48				

Statement showing the postage at the proposed rates and the estimated cost of handling parcels (Nov. 20, 1915) -- Continued.

The language for the college to well and the	Jan Haul			Zo	nes.			
Weight.	50 mfles.	150 miles.	300 miles	600 miles.	1,000 miles.	1,400 miles.	1,800 miles.	1,800 miles and over.
	1	2	3	4	5	6	7	8
5 pounds.	\$0.09 .0425	\$0.09 .0675	\$0.14 .105	\$0.23 .18	\$0.32 .28	\$0.41 .38	\$0.51 .48	\$0.6 .5
5 pounds	{ .10 .045	.10	.16	.27	.38	.49	.61	.7
pounds.	{ .11 .0475	.11	.18	.31	.44	.57	.71	.8
pounds.	12	.12	.20 .15	.35	.50	.65	.81 .75	.9
pounds.	13 .0525	.13	.22	.39	.56	-73 -66	.91	1.0
0 pounds.	14 .055	.14	.24	.43	.62	.81	1.01	1.2
1 pounds	{ .15 .0575	.15	.26 .195	.47 .36	.68	.89	1.11	1.3
2 pounds	{ .16	.16	.28	.51	.74	.97	1.21 1.11	1.4
3 pounds	{ .17 .0625	.17	.30	.55	.80	1.05	1.31 1.20	1.8
4 pounds.	18	.18	.32 .24	.59	.86	1.13 1.01	1.41	1.6
5 pounds.	19 .0875	.19	.34	.63	.92	1.21	1.51	1.8 1.8 1.6
6 pounds.	{ .20 { .07	.20	.36	.67	.98	1.29	1.61	1.9
7 pounds	{ .21 .0725	.21	.38	.71	1.04	1.37 1.22	1.71 1.58	2.0
8 pounds	22	.22	.40	.75	1.16	1.45	1.81 1.65	1.9 2.1 2.0
9 pounds	{ .23 .0775	.23	.42 .315	.79	1,16	1,53 1,36	1.91 1.74	2.2
20 pounds	24	.24	.44	.83 .63	1.22 1.03	1.61	2,01	2.1
25 pounds.	.29	.29 .2175		.00	1.03	1.43	1.83	2.2
io pounds	(.34	.34	Line De la comi					
5 pounds	\ .1050 \{ .395	.255 .39 .2925	1000					
0 pounds	1 .1175	.44	postage: th	ne other the	each of the estimated cos based on th	t		
5 pounds.	1 .13	.33	the eighth	, where it is	fixed at 2,200	miles.	State of title 2	oues, excep
50 pounds.	1 .1425	.3675	ENTER DE					
	1 .155	. 405	ME SHARM					

Here I show from above Post Office figures that our Govern-express companies charge, including delivery. Had we not betment is paying more to the railroads for haulage than the ter make contract with express companies to do our hauling?

	From New York to—											
The second of the second secon	Newark, N. J.	Philadelphia, Pa.	Boston, Mass.	Pittsburgh, Pa.	Grand Rapids, Mich.	Des Moines, Iowa.	Denver, Colo.	Salt Lake, Utah, \$1.71 (San Fran- cisco, \$2.24).				
	Zones.											
	1	2	3	4	5	6	7	8				
20 pounds, parcel post	\$0.24 .08 .31	\$0.24 .18 .38	\$0.44 .33 .36	\$0.83 .63 .46	\$1.22 1.03 .62	\$1.61 1.43 .82	\$2.01 1.83 1.30	\$2.40 2.23 1.71				

In addition to the above, fruits and nuts are carried from California to New York by express at a rate of 4 cents per pound, while the parcel-post rate is 12 cents per pound. In other words, you can ship 10 pounds of fruit or nuts by express from California to New York and intermediate points for 40 cents, or 100 pounds for \$4, while by parcel post the rate would be \$1.20 for 10 pounds, or \$12 for 100 pounds. It must be remembered that the railroads receive only one-half of the gross receipts of the express companies. In this case, then, the railroads get from the express companies 2 cents per pound, and, according to the above Post Office report, they charge the Government 11 cents per pound, or almost 600 per cent higher rates for the same service that they give the express companies. And yet we talk of being an intelligent and progressive Nation,

who are going to reduce the cost of living by the parcel

post.

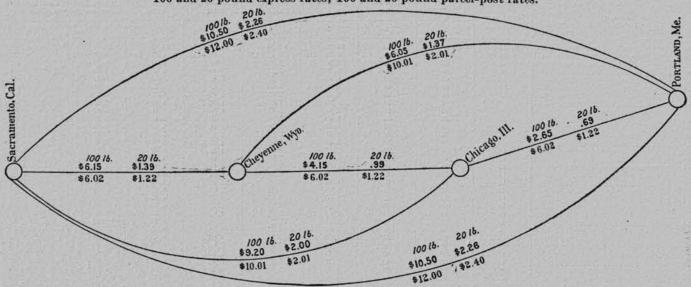
And to think of it! We pay nearly \$2,000,000 per year to support this Interstate Commerce Commission when any boy with a rubber stamp would have better judgment than to indorse such an idiotic proposition as our present parcel post.

Notwithstanding the above claim of cost of service, our Government does carry packages from Europe to any part of the United States at the following rates:

Germany, 4h pounds	\$0.33
Germany, 11 pounds	. 81
Italy, 7 pounds	. 39
Great Britain, 11 pounds	· 79
dreat billam, if pounds	. 10

Kindel's Exhibit of parcel post and express rates passed on and approved by Interstate Commerce Commission.

100 and 20 pound express rates; 100 and 20 pound parcel-post rates.



Express rates carry \$50 insurance.

All eatables, except candy, take 25 per cent lower rate than merchandise.

Parcel-post rates are without insurance.

Eatables are not allowed lower rates.

Weight of package increased to 50 pounds in the first and second zones, but size of package still remains 72 inches, the size of a gentleman's medium-sized hatbox.

How long will the American people be fooled by the present parcel-post "gold brick"?

Has anybody heard protests from express companies and mail-order houses?

Express rates appear above the line, parcel post below the line.

Parcel-post rates and excights, inaugurated by Postmaster General Burleson, objected to by George J. Kindel.

Pounds.	Local zone.	50 miles.	50 to 150 miles.	150 to 300 miles.	300 to 600 miles.	600 to 1,000 miles.	1,000 to 1,400 miles.	1,400 to 1,800 miles.	1,800 miles and over.
		1	2	3	4	5	6	7	. 8
	\$0.05 .06 .06 .07 .07 .08 .08 .09 .10 .10 .11 .11 .12 .12 .13 .14	\$0.05 .06 .07 .08 .09 .10 .11 .12 .13 .14 .15 .16 .17 .18 .19 .20 .21	\$0.05 .06 .07 .08 .09 .10 .11 .12 .13 .14 .10 .15 .16 .17 .18 .19 .20 .21	\$0.06 .08 .10 .12 .14 .16 .18 .20 .22 .24 19 .26 .28 .30 .32 .32 .34 .35 .38	\$0.07 .11 .15 .19 .23 .27 .31 .35 .39 .43 .47 .51 .55 .59 .63 .67 .71	\$0.08 .14 .20 .26 .32 .38 .44 .50 .56 .62 .63 .74 .80 .86 .92 .98 1.04 1.10	\$0.09 .17 .25 .33 .41 .49 .57 .65 .73 .81 .20 .97 .1.05 1.13 1.21 1.29	\$0.11 .21 .31 .41 .51 .61 .71 .81 .91 1.01 19 1.11 1.21 1.31 1.41 1.51 1.61	\$0. 1. 1. 1. 1. 1. 1. 1. 2.
9	.14	. 23	.23	.42 .44 39	.79 .83 39	1.16 1.22 39	1.53 1.61 40	1.91 2.01 39	2. 2.
1 2 2 3 4 4 5 5 6 6 7 7 8 8 9 9 0 0 1 2 2 3 4 4 5 5 6 6 7 8 8 9 9 0 0 1 2 2 3 4 4 5 5 5 6 6 7 8 8 9 9 0 0 1 2 2 3 6 6 7 8 8 9 9 0 0 1 1 2 2 3 6 6 7 8 8 9 9 9 0 0 1 1 2 2 3 6 6 7 8 8 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9	. 26 . 26 . 27	. 25 . 26 . 27 . 28 . 29 . 30 . 31 . 32 . 33 . 34 . 25 . 35 . 36 . 39 . 40 . 41 . 42 . 43 . 44 . 45 . 45 . 46 . 47 . 48	.25 .26 .27 .28 .29 .30 .31 .32 .33 .34 .35 .36 .37 .38 .40 .41 .42 .43 .44 .45 .46 .47	.46 .48 .48 .50 .52 .54 .56 .68 .60 .62 .64 .66 .68 .70 .72 .74 .76 .78 .80 .82 .82 .84 .79 .86 .88 .90	.87 .91 .95 .99 .1.03 1.07 1.11 1.15 1.19 1.23 59 1.27 1.31 1.35 1.35 1.43 1.43 1.43 1.43 1.51 1.55 1.59 1.63 79 1.63 79	1. 88 1. 94 2. 00 2. 06 2. 12 2. 18 2. 24 2. 30 2. 36	1. 09 1. 77 1. 85 1. 93 2. 01 2. 09 2. 17 2. 25 2. 33 2. 41 60 2. 49 2. 57 2. 65 2. 73 2. 81 2. 81 2. 89 2. 97 3. 05 3. 13 3. 21 3. 21 3. 23 3. 24 3. 36 3. 37 3. 45 3. 61	2.11 2.21 2.31 2.41 2.51 2.61 2.71 2.81 2.91 3.01 59 3.11 3.21 3.31 3.41 3.51 3.61 3.71 3.81 3.91 4.01 79 4.11 4.21 4.31 4.41	2. 2. 2. 3. 3. 3. 3. 3. 3. 4. 4. 4. 4. 4. 4. 4. 5. 5. 5. 5. 5. 5. 5. 5. 5. 5. 5. 5. 5.
6	. 28 . 28 . 29 . 29 . 30 . 30 . 31 . 31 . 32 . 32 . 32 . 33 . 33	.50 .51 .52 .53 .54 45 .56 .57 .58 .59 .60 .61	.50 .51 .52 .53 .54 .50 .55 .56 .57 .58 .59 .60 .61	. 96 . 98 1.00 1.02 1.04 99 1.06 1.08 1.10 1.12 1.14 1.16 1.18 1.20	1.87 1.91 1.95 1.99 2.03 99 2.07 2.11 2.15 2.19 2.23 2.27 2.31 2.35	2.78 2.84 2.90 2.96	3.69 3.77 3.85 3.93 4.01 100 4.09 4.17 4.25 4.33 4.41 4.49 4.57 4.65	4.61 4.71 4.81 4.91 5.01 99 5.11 5.21 5.31 5.44 5.51 5.61 5.71 5.81	5, 5, 5, 6, 6, 6, 6, 6, 6, 6,

Parcel-post rates and weights, inaugurated by Postmaster General Burleson, objected to by George J. Kindel-Continued.

Pounds.	Local zone.	50 miles.	50 to 150 miles.	150 to 300 miles.	300 to 600 miles.	600 to 1,000 miles.	1,000 to 1,400 miles.	1,400 to 1,800 miles.	1,800 miles and over.
		1	2	3	4	5	6	7	8
59	\$0.34	\$0.63	\$0.63	\$1.22	\$2.39	\$3.56	\$4.73	\$5.91	\$7.08
60	.35	. 64 55	.64 60	1.24 119	2.43 119	3.62 119	4.81 120	6.01 119	7. 20
61	.35	. 65	. 65	1.26	2.47	3,68	4.89	6.11	7.32
62	.36	. 66	.66	1.28	2.51	3.74	4.97	6.21	7.44
63	.36	. 67	.67	1.30	2.55	3.80	5.05	6.31	7.56
64	.37	.68	.68	1.32	2.59	3,86	5.13	6.41	7.68
65	.37	.69	. 69	1.34	2.63	3.92	5.21	6.51	7.80
66	.38	.70	.70	1.36	2.67	3.98	5.29	6.61	7.92
67	.38	.71	.71	1.38	2.71	4.04	5.37	6.71	8.04
68	.39	.72	.72	1.40	2.75	4.10	5.45	6.81	8.16
69	.39	.73	.73	1.42	2.79	4.16	5.53	6.91	8.28
70	.40	.74 65	.74 70	1.44 139	2.83 139	4.22 139	5.61 140	7.01 139	
71	.40	.75	.75	1.46	2.87	4. 28	5.69	7.11	8.40
72	.41	.76	.76	1.48	2.91	4.34	5.77	7.21	8.52
73	.41	.77	.77	1.50	2.95	4.40	5.85	7.31	8.64
74	.42	.78	.78	1.52	2.99	4.46	5.93	7.41	8.76
75	.42	.79	.79	1.54	3.03	4.54	6.01		8.88
75	.43	.80	.80	1.56	3.07			7.51	9.00
76	.43	.81	.81	1.58		4.58	6.09	7.61	9.12
77	.44	.82	.82	1.60	3.11	4.64	6.17	7.71	9.24
78	.44	.83	.83	1.62	3.15	4.70	6.25	7.81	9.36
89	.45	.84 75	04 00		3.19	4.76	6.33	7.91	9.48
80		.85	.84 80	1.64 159	3.23 159	4.82 159	6.41 160	8.01 159	9.60
81	.45	.86	.85	1.66	3.27	4.88	6.49	8.11	9.72
82	.46		.86	1.68	3.31	4.94	6.57	8.21	9.84
83	.46	.87	.87	1.70	3.35	5.00	6.65	8.31	9.96
84	.47	. 88	. 88	1.72	3.39	5.06	6.73	8.41	10.08
85	-47	. 89	. 89	1.74	3.43	5.12	6.81	8.51	10.20
86	.48	.90	.90	1.76	3.47	5.18	6.89	8.61	10.32
87	.48	.91	.91	1.78	3.51	5.24	6.97	8.71	10, 44
88	.49	.92	.92	1.80	3.55	5.30	7.05	8.81	10.56
99	.49	.93	.93	1.82	3.59	5.36	7.13	8.91	10, 68
90	.50	.94 85	.94 90	1.84 179	3.63 179	5.42 179	7.21 180	9.01 179	10,80
91	.50	.95	.95	1.86	3.67	5.48	7.29	9.11	10.92
92	.51	-96	.96	1.88	3.71	5.54	7.37	9.21	11.04
93	.51	.97	.97	1.90	3.75	5.60	7.45	9.31	11.16
94	.52	.98	.98	1.92	3.79	5.66	7.53	9.41	11.28
95	.52	.99	.99	1.94	3.83	5.72	7.61	9.51	11.40
96	. 53	1.00	1.00	1.96	3.87	5.78	7.69	9.61	11.52
97	.53	1.01	1.01	1.98	3.91	5.84	7.77	9.71	11.64
98	.54	1.02	1.02	2.00	3.95	5.90	7.85	9.81	11.76
93	.54	1.03	1.03	2.02	3.99	5.96	7.93	9.91	11.88
00	.55	1.04 95	1.04 100	2.04 199	4.03 199	6.02 199	8.01 200	10.01 199	
		2101 00	1.01 100	m 17 100	11 (10) 100	0.04 100	0.01 200	10.01 199	12.00

Notice how the rate advances 1 cent per pound between zones after second zone on the first pound, and then how the rate increases 19 cents on 10 pounds, 39 cents on 20 pounds, 59 cents on 30 pounds, 79 cents on 40 pounds, and 99 cents on 50 pounds, etc., instead of 1 cent per pound as in the first instance.

The 5, 15, 25, 35, and so on, figures in zone 1 column indicate what can be saved in reshipping 150 miles into the next zone after the second.

Kindel's parcel-post graduate. Copyrighted and presented to the people of the United States.

Pounds.	Local zone.	First zone, 150 miles.	Second zone, 150 to 350 miles.	Third zone, 350 to 600 miles.	Fourth zone, 600 to 900 miles.	Fifth zone, 900 to 1,250 miles.	Sixth zone, 1,250 to 1,650 miles.	Seventh zone, 1,650 to 2,100 miles.	Eighth zone, 2,100 miles and over.
1	\$0.03	\$0.04	\$0.05	\$0.06	\$0.07	\$0.08	\$0.09	\$0.10	\$0.11
2	.04	.05	.07	.09	.11	.13	.15	.17	.19
3	.04	.06	.09	.12	.15	.18	.21	.24	.27
4	.05	.07	.11	. 15	.19	.23	.27	.31	.38
5	.05	.08	.13	.18	.23	.28	.33	.38	.43
6	.06	.09	.15	.21	.27	.33	.39	.45	.5
7	.06	.10	.17	.24	.31	.38	.45	.52	.5
8	.07	.11	.19	.27	.35	.43	.51	.59	.5
9	.07	.12	.21	.30	.39	.48	.57	. 66	.7
0	.08	.13	10 .23 .25	10 .33	10 .43	10 .53	10 .63	10 .73	10 .8
1	.08	.14	. 25	.36	.47	.58	. 69	.80	.9
2	.09	.15	.27	.39	.51	. 63	.75	.87	.9
3	.09	.16	.29	.42	. 55	.68	.81	.94	1.0
	.10	.17	.31	.45	.59	.73	.87	1.01	1.1
	.10	.18	.33	.48	.63	.78	.93	1.08	1.2
6	.11	.19	.35	.51	.67	.83	.99	1.15	1.3
7	.11	.20	.37	.54	.71	.88	1.05	1. 22	1.3
8	.12	.21	.39	.57	.75	.93	1.11	1, 29	1.4
9	.12	. 22	.41	.60	.79	.98	1.17	1.36	1.5
i	. 13	. 23	20 .43	20 .63	20 .83	20 1.03	20 1.23	20 1.43	20 1.63
	CONTRACTOR OF THE PERSON NAMED IN COLUMN 1		-		-	NAME AND ADDRESS OF THE OWNER, WHEN	CONTRACTOR OF THE PARTY OF THE	THE RESIDENCE OF THE PARTY OF	
	.13	.24	.45	. 66	.87	1.08	1.29	1.50	1.7)
	.14	.25	.47	. 69	.91	1.13	1.35	1.57	1.79
	.14	.26	.49	.72	.95	1.18	1.41	1.64	1.87
	.51	.27	.51	.75	.99	1.23	1.47	1.71	1.95
	.15	.28	.53	.78	1.03	1.28	1.53	1.78	2.03
	.16	.29	.55	.81	1.07	1.33	1.59	1.85	2.11
	.16	.30	.57	.84	1.11	1.38	1.65	1.92	2.19
	.17	.31	.59	.87	1.15	1.43	1.71	1.99	2.27
	.17	.32	.61	.90	1.19	1.48	1.77	2.06	2.31
	.18	.33	30 .63	30 .93	30 1.23	30 1.53	30 1.83	30 2.13	30 2.43
	.18	.34	.65	.96	1.27	1.58	1.89	2.20	2.51
2	.19	.35	.67	.99	1.31	1.63	1.95	2.27	2.59
	.19	36	.69	1.02	1.35	1.68	2.01	2.34	2.67
	.20	.37	.71	1.05	1.39	1.73	2.07	2.41	2.78
5	.20	.38	.73	1.08	1.43	1,78	2.13	2.48	2.8
	.21	.39	.75 .77	1.11	1.47	1.83	2.19	2.55	2.91
7	.21	.40	.77	1.14	1.51	1.88	2.25	2.62	2.99
8	.22	.41	.79	1.17	1.55	1.93	2.31	2.69	3,07
	.22	.42	.81	1.20	1.59	1.98	2.37	2.76	3. 15
)	.23	.43	40 .83	40 1.23	40 1.63	40 2.03	40 2.43	40 2.83	40 3.23
	.23	.44	.85	1.26	1.67	2.08	2.49	2.90	3.31
2	.24	. 45	.87	1.29	1.71	2.13	2.55	2.97	3.39
	.24	.46	.89	1.32	1.757	2.18	2.61	3.04	
	.25	.47	.91	1.35	1.79	2.23	2.67	3.11	3.47
5	.25	.48	.93	1.38	1.83	2.28	2.73	3, 11	3.55
	.26	.49	.95	1.41	1.87	2.28	2.79		3.63
5	.26	.50	.97	1.44	1.91	2.38	2. 85	3.25	3.71
Z	.20	.51	.99	1.47	1.91			3.32	3.79
	.27		1.01			2.43	2.91	3.39	3.87
		.52		1.50	1.99	2.48	2.97	3.46	3.95
)	.28	. 53	50 1.03	50 1.53	50 2.03	50 2.53	50 3.03	50 3.53	50 4.03

This graduate can be extended to any weight without discriminations by multiplying the pounds by the zone and adding 3, the overhead charge, except in the local zone, where the rate is found by dividing the weight in pounds by 2 and adding 3. Thus the rate on 10 pounds in the local zone is 10+2=5+3=8. Fractions are disregarded. The rate on 10 pounds to the the eighth zone is 10×8=80+3=83.

WHAT SOME THINK OF KINDEL'S AND THE PRESENT PARCEL-POST GRADUATE.

[Comments on the Kindel graduate of parcel post by Mr. Frank H. Mc-Cune, of Portland, Oreg., expert traffic man and many times a pleader before the Interstate Commerce Commission.]

Mr. McCune says:

I think your schedule plan excellent of increasing the haulage cost uniformly from zone to zone, plus the terminal cost. It is in accord with natural transportation laws.

[Letter from Mr. H. H. Buckwalter, of Denver, Colo.]

JANUARY 18, 1914.

Hon. Geo. J. Kindel, House of Representatives, Washington, D. C.

Dear Sir: This is the first real, scientific dope on post charges I have seen. It is not only perfect but educational. A glance at the system shows the lack of system in the present schedule. I positively can't see how the post-office people arrived at the figures now in use. Maybe they used a dream book, because the schedule is certainly a nightmare. I'm for your plan now and forever.

Yours, truly,

H. H. Buckwalter.

UNITED STATES SENATE,

Washington, D. C., January 22, 1914.

Hon. George J. Kindel, House of Representatives, Washington, D. C.

Dear Mr. Kindel: I wish to acknowledge receipt of House joint resolution 179, introduced by yourself on December 20, 1913, to establish a fair and relative parcel-post graduate. From the little study I have been able to give the figures submitted by you I have no reason to believe they are unreasonable, and I hope I shall have a chance to vote upon your resolution, with what amendments I may feel are necessary after further examination. There is no question but that it provides rates much better than the present ones.

Thanking you for sending the same to me, I remain, Yours, truly,

REED SMOOT.

THE DANIELS & FISHER STORES Co., Denver, Colo., January 19, 1914.

Hon. George J. Kindel, Congressman First District Colorado, Washington, D. C.

Washington, D. C.

My Dear Mr. Kindel: I received your letter of January 13.

I am glad to see you are going after the parcel-post game the way you are, as it is of material benefit to us here in Colorado, especially in our wholesale departments where good and cheap service to our wholesale customers means so much; in fact, we have a great many cases now where the parcel-post rate is much cheaper than the freight rate, and it is bound to help us whip the freight rates into line.

I am afraid, however, that the express rates going into effect February I will materially affect the tonnage moving via parcel post. It so figures out on our stuff that after the 1st of February every package over 4 pounds we will switch back to express again, as the express rate will then be cheaper than the parcel post. The Washington authorities ought to keep this matter pretty well in mind, or the sudden drop in parcel-post tonnage will scare them to death.

Very truly, yours,

A. B. Trott.

BUENA VISTA, COLO., January 18, 1914.

Hon. George J. Kindel, Washington, D. C.

My Dear Congressman: Your parcel-post graduate at hand. It surely will be an improvement on the one we now have. I hope for its adoption.

for its adoption.

Why was the weight limit to the second zone extended to 50 pounds without an allowance being made for increased size in package?

Why should Europeans be granted a 72-inch measurement on 11 pounds while we must crowd 50 pounds into the same size package?

At the present moment it is hope deferred to see the express companies eclipsed by our parcel post.

With best wishes.

Yours, very truly,

W. M. TEETER.

Every State having two Senators, I selected two cities in each State that were on railroad and enjoyed both express and post office, with the following result.

The rates are on 20 pounds, the present weight limit beyond the second zone.

Express rates are shown in roman figures and parcel-post rates in Italic.]

From Denver to—	20-pound express rate.	20-pound parcel- post rate.
1. Fayette, Ala.	\$1.19	81.61
2. Dothan, Ala 3. Fayetteville, Ark	1.31	1.61
4. MOHUCCHO, ATK	1.12	1.23
5. Tucson, Ariz. 6. Holbrook, Ariz.	1.05	1.22
7. Eureka Cal	1.81	1.61
8. Truckee, Cal 9. Danbury, Conn	1.51 1.30	1.22 2.01
9. Danbury, Conn. 10. Plainfield, Conn. 11. Dover, Del	1.32 1.27	2.01
12. Georgetown, Del. 13. Washington, D. C.	1. 29	2.01
13. Washington, D. C	1.25 1.43	2.01
15. Pensacola, Fla	1.34	1.61
16. Brunswick, Ga. 17. Rome, Ga. 18. Boise, Idaho.	1.43	2.01
18. Boise, Idaho	1.16	1.22
19. Montpelier, Idaho	1.00	1.22
21. Springfield, III. 22. Muncie, Ind	.96 1.00	1.22
23. Evansville, Ind	1.00	1.22
24. Marshalltown, Iowa. 25. Council Bluffs, Iowa.	.90	1.23
26. Great Bend, Kans	. 65	.83
28. Elizabethtown, Ky	1.05	1.61
28. Elizabethtown, Ky 29. Covington, Ky 30. Napoleonsville, La	1.02 1.25	1.61
31. Shreveport, La.	1.05	1.22
33. Portland, Me	1.37 1.35	2.40
34. Hagerstown, Md.	1. 22 1. 25	2.01
30. Napoleonsville, La 31. Shreveport, Le 32. Augusta, Fla 33. Portland, Me 34. Hagerstown, Md. 35. Baltimore, Md. 36. Chatham, Mass 37. Boston, Mass	1.37	2.01
37. Boston, Mass. 38. Marshall, Mich. 39. Detroit, Mich.	1.32 1.08	2.01
39. Detroit, Mich.	1.10	1.61
40. New Ulm, Minn	.93	1.22
41. St. Paul, Minn. 42. Ellisville, Miss.	1. 22 1. 16	1.61
43. Jackson, Miss. 44. Boonville, Mo	0.0	1.22
45. St. Louis, Mo	.93 1.27	1.22
45. St. Louis, Mo. 46. Missoula, Mont 47. Billings, Mont 48. Grand Island, Nebr	.93	.83
48. Grand Island, Nebr	.61	.83
49. Sidney, Nebr. 50. Austin, Nev 51. Elko, Nev. 52. Cangerd N. H	1. 24 1. 10	1. 22
		2.01
53. Manchester, N. H. 54. Atlantic City, N. J. 55. Trenton, N. J. 56. Albuquerque, N. Mex	1.32 1.30	2.01 2.01
55. Trenton, N. J.	1. 28	2.01
56. ADdqueque, N. Mex. 57. Deming, N. Mex. 58. Rochester, N. Y. 59. New York, N. Y. 60. Durham, N. C. 61. Asheville, N. C. 62. Fargo, N. Dak. 63. Bismark, N. Dak.	.71	.83
58. Rochester, N. Y.	1. 22 1. 30	2.01
60. Durham, N. C.	1.37 1.24	2.01
62. Fargo, N. Dak.	1.24	1.61
		. 83
64. Cincinnati, Ohio	1.10	1.61
67. Muskogee, Okla	88	1.22
68. Astoria, Oreg. 69. Baker City, Oreg.	1.63	1.61
70. Lock Haven, Pa.	1. 22	2.01
		1.61
73. Previdence, R. I.	1.32	2.01
71. Fittsourgh, Fa. 72. Kingston, R. I. 73. Previdence, R. I. 74. Florence, S. C. 75. Columbia, S. C. 76. Deadwood, S. Dak. 77. Aberdeen, S. Dak.	1.38 1.36	
76. Deadwood, S. Dak	. 68	.83
78. Murfreesboro, Tenn	1.13	1.61
79. Memphis, Tenn	1.05	1.22
81. El Paso, Tex.	-90	.83
83. Salt Lake City, Utah	. 78	.83
84. Montpelier, Vt	1.32	2.01 2.01
86. Charlottesville, Va.	1.25	2.01
88, Seattle, Wash.	1.22	1.61
89. Spokane, Wash	1.47	1.23
91. Wheeling, W. Va.	1.12	2.01 1.61
92. Madison, Wis	1.00	1.22
94. Evanston, Wyo	.79	.83
76. Deadwood, S. Dak. 77. Aberdeen, S. Dak. 78. Murfreesboro, Tenn. 79. Memphis, Tenn. 80. Fort Worth, Tex. 81. El Paso, Tex. 82. Price, Utah. 83. Salt Lake City, Utah. 84. Montpelier, Vt. 85. Rutland, Vt. 86. Charlottesville, Va. 87. Staunton, Va. 88. Seattle, Wash. 89. Spokane, Wash. 89. Spokane, Wash. 90. Martinsburg, W. Va. 91. Wheeling, W. Va. 92. Madison, Wis. 93. Milwaukee, Wis. 94. Evanston, Wyo.	-44	.24

Miles		Parcel post and express rates based on 20-pound shipments and distant												istances	
2. Birmingham. Percel post. 81.79			THE RESERVE TO SERVE THE PARTY OF THE PARTY		100				P40.804					1	Kansas
2. Birmingham, Express. 89.78 3. Bottom (2. Saysess. 80.44) 4. Bullafon (2. Saysess. 80.44) 5. Butto, Month (2. Saysess. 80.44) 5. Butto, Month (2. Saysess. 80.44) 6. Cheyenne, Express. 80.47 6. Cheyenne, Express. 80.47 6. Cheyenne, Express. 80.48 6. Che					10.910				17.24			P.V.	000		
3. Boston Parcel ports 50. 44 51. 22 1.22	2. Birmingham {Express	\$0.78					Marie San								
## Surphysion So. 64 So. 72 So. 84 So. 72 So. 84 So. 72 So. 84 So. 74 So. 7	3. Boston	\$0.44 ² \$0.46	\$0.92												
S. Butte, Mont Street, 1981, 1982, 1982, 1982, 1983, 1	4. Buffalo	\$0.83 2	\$1.224	\$0.48				the last							
C. Cheyeune. St. 1.31 81.06 81.04 81.134 81.05 81.07 8	[Parcel post	\$2.407	\$2.01 6	\$2.407						itu.					3
Miles	Miles Parcel post	2,358 \$2.01 6	2,008 \$1.61 5	2,461 \$2.01 7	2,054 \$1.61 s										
7. Chicago. S. Clucimati. S. Cluci	Miles	1,805	1,377	2,019	1,529	815	\$1.22.4								
8. Cincimianti. Express. So. 50. 50. 50. 50. 50. 50. 50. 50. 50. 50	7. ChicagoExpress	\$0.61 797	\$0.64 649	\$0.66 1,011	\$0.52 523	\$1.47 1,528	\$0.99 1,006								
9. Cieveland. Express	8. Cincinnati{Express	80.54	\$0.62	\$0.65	\$0.50	\$1.58	\$1.08	\$0.41			181-18				
Deniver Express \$1,25 \$1,10 \$1,20 \$1,00	9. Cleveland{Parcel post Express	\$0.83 ² \$0.50	\$0.83 3	\$0.83 ° \$0.56	\$0,24 1 \$0.89	\$2.01 6 \$1.60	\$1.61 5	\$0.44°2 \$0.44							
Miles	Parcel post	\$2.01 6	\$1.61 5	\$2.017	\$1.61 6	\$0.83 8	\$0,241	\$1.225				Septime a			
11. Detroit. Express. 50.58 50.69 50.41 50.44 51.46 51.11 50.44 50.41 50.39 51.10 51.29 51.29 51.40 51.20 51.20 51.20 51.20 51.20 51.20 51.20 51.20 51.20 51.20 51.20 51.20 51.20 51	Miles	1,849	1.367	2,066	1,551	922	107	1.025	1.256	1,373	\$1.615				
12. Galveston Express S1.20 80.78 81.28 81.10 81.65 81.00 80.98 80.96 81.00 81.02 81	11. DetroitExpress	\$0.58 642	753	739	251	1,800		272	269	173	\$1.10 1,297	41 00 1			
Parcel post	12. Galveston{Express	\$1.20	\$0.78	\$1.28	\$1.10	\$1.85	\$1.20	\$0.98	\$0.96	\$1.03	\$1.09	\$1.02			
14. Kansas City Express. 80.06 80.507 80.09 80.44 80.09 80.44 80.09 80.45 80.00 80.0	13. Indianapolis{Parcel post	\$0.83 ³ \$0.56	\$0.83 ³ \$0.60	\$1.22 4 \$0.65	\$0.83 ³ \$0.50	\$1.61 6 \$1.53	\$1.22 5 \$1.02	\$0.241 \$0.36	\$0.241 \$0.34	\$0.44 ² \$0.44	\$1.22 5 \$1.00	\$0.44 ² \$0.41	80.94		
Miles	Parcel post	81.220	\$0.83 a	\$1.61 5	\$1.22 4	\$1.61 5	\$0.83 3	\$0.83 3	\$0.83 3	\$1.22 3	\$0.83 #	\$1,22 3	\$1.224		
Miles	Miles	1,209 \$2,40 8	727 \$2.40 7	1,426 \$2,40 8	962 \$2.40 8	1,278 \$1.22 4	\$1.22 4	\$2.01 7	\$2.40 T	760 \$2.40 7	623 \$1.22 4	708 \$2,40 7	\$40 \$1.61 6	\$2.01 7	\$1.61
10. Louisville Express S0.58 S0.00 S0.67 S0.64 S1.58 S0.00 S0.41 S0.44 S0.44 S0.45 S0.45 S0.65 S0.65 S1.62 S0.45 S0.65 S	Miles	2.889	2,110	3,276	2,778	1,215	1,302	2.217	2,411	2,655	1,568	2,489	1,693	2,298	1.897
	16. Louisville{Express Miles	\$0.58 707	\$0.60	\$0.67	\$0.54 541	\$1.58 1,824	\$0.09 1,190	\$0.41 306	\$0.34 114	\$0.46 358	\$1.02 1,191	\$0.44 353	\$0.91 1,040	\$0.40 112	\$0.62 552
	17. Memphis Express	\$0.75	\$0.51	\$0.87	\$0.69	\$1.66	\$1.12	\$0.58	\$0.58	\$0.65	\$1.05	\$0.64	\$0.76	\$0.54	\$0.65
19. Nashville	18. Milwaukee Parcel post	\$1.22 a 0\$.66	\$1.22 4 \$0.71	\$1.22 4	\$0.83 ³ \$0.56	\$1.61 5	\$1.22 4	\$0.24 1 \$0.34	\$0.44° \$0.48	\$0.44 ² \$0.50	\$1.22 4 \$1.02	\$0.44 ² \$0.44	\$1.61 5 \$1.02	\$0.44°2 \$0.44	\$0.83 * \$0.54
Miles	Parcel post	\$0.83 3	\$0. 24 2	\$1.224	\$0.83 3		\$1.61 5	· \$0.83 3	\$0.44 2	\$0.83 3	\$1.22 5	\$0.83 3	\$1.224	80. 44 2	\$0.83
Miles	Miles Parcel post	764 \$1.22 °	\$0.83°2	1,165 \$1.61 6	728 \$1.61 5	1,885 \$2.01 6	1,246 \$1.61 6	\$1.224	\$1.221	\$1.22 5	1,239 \$1.61 b	\$1.22 5	879 \$0.44 ²	\$1. 22 4	\$1, 22 t
21. New York	Miles	1,150	348	1,550	1,257	2,192	1,457	921	829	1,073	1,349	1,098	412	867	878
22. Omaha. Express. \$0.86 \$0.84 \$0.94 \$0.78 \$1.25 \$0.72 \$0.61 \$0.70 \$0.69 \$0.74 \$0.78 \$0.70 \$1.02 \$0.63 \$0.44 \$1.02 \$0.63 \$1.02 \$0.64 \$1.02 \$0.65 \$1.02 \$0.65 \$0.64 \$0.83 \$1.02 \$0.83 \$1.0	21. New York{Express Miles	\$0.36 187	\$0.85 988	\$0.36	\$0.46 411	\$1.72 2,432	\$1.33	\$0.64 912	\$0.59 751	\$0.54 575	\$1.30 1,933	\$0.59 662	\$1.24	\$0.62 812	\$0.86 1,310
23. Philadelphia Express \$0.31 \$0.41 \$0.45 \$0.48 \$1.72 \$1.32 \$0.62 \$0.56 \$0.56 \$0.56 \$1.27 \$0.58 \$1.22 \$0.58 \$0.92 \$1.22 \$	22. Omaha{Express	\$0.86	\$0.81	\$0.94	\$0.78	\$1.25	\$0.72	\$0.61	\$0.70	\$0.69	\$0.74	\$0.70	\$1.02	\$0.63	\$0.44
24. Pittsburgh. (Express. \$0.41 \$0.72 \$0.54 \$0.34 \$1.64 \$1.19 \$0.50 \$0.84 \$0.86 \$1.14 \$0.36 \$1.14 \$0.46 \$1.08 \$0.44 \$0.72 \$1.996 \$1.454 \$468 \$1.1 \$155 \$1.493 \$0.88 \$1.448 \$0.72 \$1.70 \$1.22 \$1.22 \$1.25 \$1.	23. Philadelphia Express	\$0.31	\$1.224 \$0.81	\$0.44° \$0.44	\$0.44 2	\$2.40 7 \$1.72	\$2.01 ⁵ \$1.32	\$0.62	\$0.83 a \$0.56	\$0.83 ° \$0.50	\$2.016 \$1.27	\$0.83 3 \$0.58	\$1.61 6	\$0.83 ° \$0.58	\$1.61 5
Miles	24 Pittsburgh Express	\$0.44 2	\$0.833	\$0.83 3 \$0.54	\$0.34	\$2.01 6 \$1.64	\$1.61 6	\$0.83 3	\$0.442	\$0.241 \$0.36		\$0.44 2		\$0.83 2	\$1.22
Miles	Miles Parcel post	\$0, 83 3	792 \$1.61 ⁵	\$0.24 I	\$0.83 a	1,996 \$2.40 7	1,434 \$2.017	\$1.22 4	\$1.224	135 \$0. 83 ³	1,493 \$2.01 7	\$08 \$1. 22 4	1,438 \$2.01	\$1.224	\$1.61 °
26. Portland, Oreg. Express. \$2.13 \$2.14 \$2.20 \$2.08 \$0.92 \$1.42 \$1.93 \$2.01 \$2.03 \$1.52 \$2.01 \$2.01 \$2.22 \$1.98 \$1.86 \$1.98 \$1.86 \$1.22 \$1.85 \$1.98 \$1.86 \$1.22 \$1.85 \$1.98 \$1.86 \$1.22 \$1.25 \$	Miles	. 512	1,310 \$2,40 T	\$2.40 8	592 \$2, 40 ⁸	2,458 \$0.83 a	2,211 \$1.225	1,115 \$2.01 7	1,019 \$2.40 7	775 \$2,40 7	2, 177 \$1. 22 ³	843 \$2.40 T	2,062 \$2.40 6	1,058	
27. Salt Lake City. Express. \$1.67 \$1.71 \$1.73 \$1.60 \$0.78 \$0.87 \$1.48 \$1.53 \$1.57 \$0.90 \$1.55 \$1.56 \$1.48 \$1.25 \$1.60 \$0.78 \$0.87 \$1.48 \$1.50 \$1.57 \$1.763 \$1.890 \$628 \$1.799 \$1.698 \$1.65 \$1.22 \$1.65 \$1.22 \$1.65 \$1.22 \$1.65 \$1.22 \$1.65 \$1.22 \$1.65 \$1.22 \$1.65 \$1.22 \$1.65 \$1.22 \$1.65 \$1.22 \$1.2	26. Portland, Oreg. Express	\$2.13 3,088	\$2.14 2,660	3,302	2,812	\$0.92 725	\$1.42	\$1.93	\$2.01	\$2.03	\$1.52 1,390	\$2.01 2,526	\$2.22 2,515	\$1.98 2.414	1,998
28. San Antonio. Express. 81.31 80.92 81.39 81.28 81.99 81.16 81.13 81.10 81.22 81.09 81.19 80.52 81.08 80.90 Miles. 1.672 870 2.072 1.268 2.068 82.062 1.188 1.206 1.201 1.201 1.445 1.001 1.388 2.07 82.016 82.40 7 82.40 8	27. Salt Lake City. Express	\$1.67	\$1.71	81.73	\$1.60	\$0.78	\$0.87	\$1.48	\$1.53	\$1.57 1,860	\$0.90 628	\$1.55	\$1.56	\$1.48	\$1.25 1,168
29. San Francisco	28. San Antonio Express	16.14	\$0.92	\$1.39	\$1.28	\$1.93	\$1.16	\$1.13	\$1.10	\$1.61 5 \$1.22	\$1.224	\$1.19	\$0.52	\$1.08	\$1.224
Miles	(Parcel post	. \$2.40 8	82. 40 7	\$2.40 8	\$2.40 8	\$1.224	\$1.22 5 \$1.41	\$2.02	\$2.40 7 \$2.09	\$2.40 s \$2.09	\$1. 22 5	\$2.407	\$2.01 6	\$2.407	\$2.01
30. Seattle. Express. \$2.09 \$2.10 \$2.17 \$2.02 \$0.88 \$1.47 \$1.88 \$1.98 \$2.00 \$1.55 \$1.99 \$2.25 \$1.96 \$1.59 \$1.92 \$1.81 \$1.92 \$1.81 \$1.92 \$1.81 \$1.92 \$1.81 \$1.92 \$1.81 \$1.92 \$1.81 \$1.92 \$1.81 \$1.92 \$1.81 \$1.92 \$1.9	Miles Parcel post	\$2.40 8	2,585 \$2.40 T	3,289 \$2,40 8	2,797 \$2.40 s	1, 183 \$0.83 3	1,270 \$1.61 5	2,276 \$2.017	2,518 \$2.407	2,609 \$2.40 T	1,377 \$1.61 °	2,548 \$2.407	2, 177 \$2.40 7	2,408 \$2,407.	2,017 \$2.01
31, St. Louis	30. SeattleExpress	3,034	2,807	8,126	2 762	783	\$1.47 1 469 \$1.224	\$1.88 2,248 \$0.442	2,533	2,605	1,576	2,520	2,701	2,431	\$1.83 2,215 \$0.44
Parcel post \$1.22 \$1.21 \$1.22 \$1.22 \$1.22 \$1.22 \$0.83 \$0.83 \$0.83 \$0.83 \$1.22 \$0.83 \$0	31. St. Louis Express	\$0.65 982	\$0.59	\$0.71 1,196	\$0.60 708	\$1.48	\$0.96 922	\$0.44 286	\$0.46 339	\$0.54 525	\$0.93 917	\$0.52	\$0.90	\$0.41	\$0.51 £77
32. St. Paul. (Express. 50.86 \$0.82 \$0.90 \$0.76 \$1.20 \$0.93 \$0.04 \$0.65 \$0.62 \$0.65 \$0.62 \$1.16 \$0.63 \$0.65	32. St. PaulExpress	\$0.86 1,207	\$0.82	\$0.90	\$0.76 934	\$1.20	\$0.93	\$0.57	\$0.83 a \$0.65 695	\$0.72	\$0.93 940	\$0.62	\$1.16	\$0.63	\$0.65
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$	33. Washington Parcel post	\$0.241	\$0.834	\$0.50	\$0.44°2 \$0.48	\$2.407	\$2.016 \$1.31	\$0.83 \$	\$0.833 \$0.54	\$0.442 \$0.50	\$2.01 6	\$0.83 3 \$0.58	\$1.16	\$0.83 ³ \$0.56	\$1.22 \$0.80

between cities. Copyright, 1914, by George J. Kindel.

15. Los Angeles.	16. Louisville.	17. Memphis.	18. Milwankee.	19. Nashville.	20. New Orleans.	21. New York.	22. Omsba.	23. Philadelphia.	24. Pittsburgh.	25. Portland, Me.	26. Portland, Oreg.	27. Salt Lake Oity.	28. San Antonio.	29. San Francisco.	30. Seattle.	31. St. Louis.	32. St. Paul.
\$2.01 7 \$1.96 2.531 \$2.01 6 \$1.84 1.951 \$2.01 7 \$1.98 2.01 7 \$1.98 2.01 7 \$1.98 2.01 7 \$1.98 2.01 7 \$1.98	\$0.83 ² \$0.54 580 \$0.83 ² \$0.48 589 \$0.24 ¹ \$0.42	\$0.83 \$0.62 618 \$0.44 \$0.48 258 \$0.83 \$0.83	\$0.83 ³ \$0.57														
\$2.01 6 \$1.87 1,971 \$2.40 8 \$2.10 5,152 \$1.61 6 \$1.76 \$2.40 8 \$2.07 \$,018 \$2.40 8	\$0.69 679 \$0.83 * \$0.61 774	\$0.83 8 80.61 \$94 \$1.22 5 \$0.81 1,156 \$0.83 8 80.75 678 \$1.22 4 \$0.77 1,154 \$1.22 6	\$0.83 \$ \$0.57	\$0,83 \$ \$0.66	\$1.616 \$1.06 1,536 \$1.224 \$0.98 1,072 \$1.61 \$1.00 1,247 \$1.24	\$1.61 5 \$0.90 1,408 \$0.24 1 \$0.38 91 \$0.83 2	\$1. 61 5 \$0.88 1,319 \$1.22 4	\$0.442				,					
\$2.01 9,677 \$2.40 % \$2.20 5,561 \$1.22 4 \$1.12 1,152 \$0.33 % \$1.02 761 \$1.51 %	\$0.48 425 \$1.22 4 \$0.73 1,153 \$2.40 7 \$2.02 2,473 \$1.61 6 \$1.51 1,720 \$1.22 5 \$1.26 5 \$1.26 6	\$0.68 805 \$1.616 \$0.91 1,485 \$2,407 \$2,207 \$2,407 \$1.66	\$0.54 653 \$1.22 \$0.71 1,200 \$2.01 \$1.94 2,168 \$1.61 \$1.52 1,531 \$1.61 \$1.61 \$1.61	\$0.60 612 \$1.225 \$0.80 1,280 \$2.40 \$2.529 \$1.61 \$1.61 1,767 \$1.22 \$0.98	\$0.89 1,140 \$2.01 \$1.14 1,685 \$2.40 \$2.22 2,740 \$2.01 \$1.74 1,889 \$0.83 \$0.76	\$0.46 440 \$0.44 2 \$0.41 \$29 \$2.40 8 \$2.16 \$,200 \$2.40 7 \$1.71 2,439 \$2.01 6 \$1.26	\$0.77 965 \$1.61 6 \$0.97 1,598 \$1.61 6 \$1.77 1,799 \$1.22 4 \$1.17 1,087 \$1.22 4 \$1.02	\$0.44 \$49 \$0.83 * \$0.48 \$2.40 * \$2.40 * \$2.13 1,500 \$2.40 * \$1.69 2,573 \$2.01 6 \$1.33	\$0.83 ² \$0.59 789 \$2.40 ⁸ \$2.04 2,756 \$2.01 ⁶ \$1.59 1,955 \$1.61 ⁵ \$1.18	\$2.40 \$ \$2.22 \$, 180 \$2.40 7 \$1.73 \$2.642 \$2.40 7 \$1.44	\$1. 22 4 \$1.07 902 \$2.01 7 \$2.18	\$1.61 s \$1.52					
1,451 \$0.83 ** \$0.68 475 \$1.22 ** \$1.24 ** 1,538 \$2.01 ** \$1.90 2,080 \$2.01 ** \$1.90 2,508 \$2.40 **	1,087 \$2,407 \$2.09 2,469 \$2,407	707 \$2.01 \$2.04 2,535 \$2,40 \$2.00 \$,640 \$0.44 \$0.50 \$0.55 \$1.22 \$0.76 881 \$1.22	1,291 \$2,40 f \$2,06 2,283 \$2,01 7 \$1.84 2,153 \$0.83 2 \$0.48 371 \$0.44 2 \$0.54 325 \$1.22 4	950 \$2.407 \$2.12 \$.516 \$2.407 \$2.00 \$.657 \$0.50 \$2.8 \$0.50 \$2.8 \$0.72 \$0.72 \$0.72 \$0.83 \$0.83	\$2.40 T \$2.12 2,465 \$2.40 T \$2.20 2,926 \$1.22 4 \$0.73 699 \$1.61 5 \$0.96 1,22 5 1 \$1.22 5	1,941 \$2.40 \$ \$2.24 \$,188 \$2.40 \$ \$2.15 \$,160 \$1.22 \$ \$0.68 1,054 \$1.22 \$ \$0.90 1,322 \$0.44 \$	978 \$2.01 6 \$1.88 1,786 \$1.61 6 \$1.72 1,985 \$0.83 2 \$0.59 414 \$0.44 2 \$0.52 871 \$1.22 4	1,707 \$2,40 \$ \$2,22 \$,097 \$2,40 6 \$2,09 \$,069 \$1,22 4 \$0,67 \$63 \$1,22 5 \$0,88 1,231 \$0,24 1	1,476 \$2,40 \$ \$2,12 2,744 \$2,40 \$ \$2,02 2,716 \$0,83 \$0,58 614 \$1,221 \$0,76 \$1,221 \$0,76 \$0,44	2, 162 \$2, 40 \$ \$2, 30 \$, 391 \$2, 40 \$ \$2, 19 \$, 153 \$1, 61 \$ \$0, 79 1, 500 \$1, 61 \$ \$0, 94 1, 477 \$0, 83 \$	2,471 \$0.83 4 \$0.90 772 \$0.24 1 \$0.44 186 \$2.01 7 \$1.95 \$2.01 5 \$1.76 1.845 \$2.40 \$	1,560 \$0.83 ± \$1.03 823 \$1.22 4 \$1.14 1,087 \$1.61 5 \$1.445 \$1.445 \$1.22 5 \$1.40 1,360 \$2.40 †	\$2.01 6 \$1.83 1.915 \$2.01 7 \$2.24 2.657 \$1.224 \$0.99 920 \$1.61 6 \$1.24 1,514 \$1.61 6	\$1, 22 4 \$0.99 \$68 \$2.01 7 \$2.00 \$2,294 \$2.01 6 \$1,94 \$2,178 \$2,40 8	\$2.01 ¹ \$1.87 2,391 \$2.01 ⁵ \$1.69 1,828 \$2.40 ⁵	\$0.83 * \$0.62 576 \$1.22 4	\$1.224

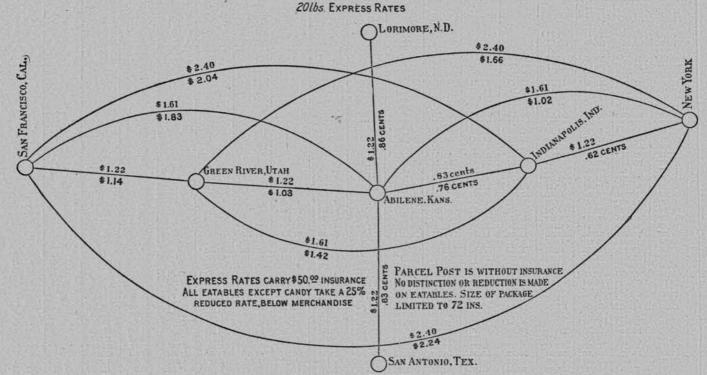
Tables that explain themselves.

[Express rates are shown in	roman figures an	d parcel-nost	rates in italic !
I maprous rucco me o ono ma m	TOTAL TIP THE OUT	or Descoor Done	THE COLUMN TOWN TOWN

From New York to-	Distance.	First- class freight rate.	100- pound express rate.	20-pound express rate.	20-pound parcel- postrate.
	Miles:	1			
Chicago, Ill.2	912	\$0.75	\$2.40	\$0.64	81.22
Philadelphia, Pa.*	91	. 22	.90	.34	.24
Boston, Mass. ⁴ St. Louis, Mo. ⁵	235 1,065	.34	1.00 2.60	.36	1.22
Pittsburgh, Pa.6	444	. 45	1.50	.46	.83
Cleveland, Ohio 7	584	. 53	1.90	.54	.83
San Francisco, Cal.8	3, 191	3.70	10, 40	2.24	2.40
Cincinnati, Ohio 9	757	. 65	2.15	.59	.88
Detroit, Mich.19	693	. 59	2.15	.59	.85
Kansas City, Mo.11	1.342	1.43	3.50	. 86	1.66
Baltimore, Md. ¹²	188	.34	1.00	.36	1.25
Minneapolis, Minn.13	1,332	1.15	3.70	.90	1.22
Buffalo, N. Y.14		.39	1.50	.46	2.40
Los Angeles, Cal. 15	3,149	3, 70	9.70	2.10	2.40
Milwaukee, Wis.16	997	.75	2, 60 1, 25	.68	1.66
Washington, D. C. ¹⁷		.70	2.30	.62	1.21
St. Paul, Minn.19		1.15	3.70	0.90	1.25
Denver, Colo.30		2.50	5.70	1.30	2.01
Atlanta, Ga.21	876	1.17	3, 05	.77	1.98
Rochester N. Y 22	373	.35	1.50	.46	
Louisville, Ky.23	871	.75	2, 40	. 64	1.2
New Orleans, La.	1,372	1.18	4.50	1.06	1.66
Omaha, Nebr.25	1,405	1.43	3.70	.90	1.60
Portland, Oreg.26	3,204	3.70	10.00	2.16	2.4
Seattle, Wash. ²⁷ . Columbus, Ohio ²⁸	3,136	3.70	9.95	2.15	2.40
Columbus, Onio 28	637	. 59	2.00	.56	. 85
Providence, R. I. ²⁹	1,270	1.25	1.00 3.30	.36	1.60
Toledo, Ohio a	705	. 59	2.15	.59	1.00
Dallas Toy 32	1,773	2.35	5. 20	1.20	1.60
Dallas, Tex.33. Richmond, Va.33.	343	.37	1.55	.47	.4
Memphis, Tenn.34	1,157	1.00	3.25	.81	1.2
Dayton, Ohio 35	708	. 63	2.15	. 59	.85
Syracuse, N. Y. 36	293	.35	1.40	.44	1.2
Nashville, Tenn. 37	998	91	2.85	.73	1.2
Springfield. Mass. 38	139	.22	1.00	.36	. 2.
Albany, N. Y 26. Grand Rapids, Mich. 40	145	.26	1.00	.36	.2.
Grand Rapids, Mich.40	821	.72	2.30		. 8.
Houston, Tex.41	1,734	2.35		1.24	1.66
Jacksonville, Fla. 42	193	1.06	3.35 1.00	.83	1.2
Worcester, Mass 43	2,797	3,50	9.00		2.40
Salt Lake, Utah 6	2, 442	3.15	7.75	1.71	2.40

From-	Distance between.	First- class freight rate.	pound express rate.	20-pound express rate.	20-pound parcel- post rate.
	Miles.		VILLE EN		
New York to Chicago	912	\$0.75	\$2,40	\$0.64	\$1.23
Chicago to Philadelphia	821	.73	2.30	62	1.23
Philadelphia to Boston		. 35	1.40	.44	
Boston to St. Louis	1,230	.88	2.75	.71	1.61
St. Louis to Pittsburgh	621	.561	2.10	.58	. 83
Pittsburgh to Brooklyn		. 45	1.50	. 46	. 83
Brooklyn to Cleveland	586	. 53	1.85	.53	. 83
Cleveland to San Francisco	2,636	3.60	9.65	2,09	2.40
San Francisco to Cincinnati		3.50	9.65	2.09	2.40
Cincinnati to Detroit	271	.381	1. 25	.41	- 44
Detroit to Kansas City	714	1.01	2.55	. 67	1.23
Kansas City to Baltimore	1,211	1.441	3.20	.80	1.22
Baltimore to Minneapolis		1.07	3.50	. 86	1.28
Minneapolis to Buffalo	945 2,774	.95	3.00	.76	1.22
Buffalo to Los Angeles	2,774	3.60	9.35	2.03	2.40 2.01
Los Angeles to Milwaukee Milwaukee to Washington	2,350 875	3.40 .72	9.10	1.98	
Washington to Indianapolis		.62	2.50 2.00	.56	.83
Indianapolis to St. Paul	593	.81	2.35	.63	. 83
St. Paul to Denver	874	1.62	3.85	.93	1.22
Denver to Newark		2.494	5, 60	1.28	2.01
Newark to Atlanta	867	1.17	2.95	.75	1.22
Atlanta to Rochester		1.26	3, 20		1.22
Rochester to Louisville	608	. 53	2.00	.56	. 83
Louisville to New Orleans	778	.90	2,95	.75	1.22
New Orleans to Omaha	1,080	1.15	4.10	.98	1.22
Omaha to Portland, Oreg	1,799	3.00	8.05	1.77	1.61
Portland, Oreg:, to Seattle	185	.30	1.40	.44	. 24
Seattle to Columbus, Ohio	2,538	3.60	9.20	2,00	2.40
Columbus, Ohio, to Providence.	827	. 641	2. 25	.61	. 83
Providence to Des Moines	1,392	1.25	3.50	.86	1.61
Des Moines to Toledo	602	.88	2.20	.60	. 83
Toledo to Dallas	1,145	1.87	4.10	.98	1.22
Dallas to Richmond	1,370	2. 231	4.95	1.15	1.61
Richmond to Memphis	550	. 89	3, 25 2, 10	.81	1.22
Memphis to Dayton		.891	1.40	.58	. 83
Dayton to Syracuse		.38	1.40	.44	. 60
New Haven to Nashville		.91	2.95	.75	1.23
Nashville to Springfield		.95	3.05	.77	1.22
Albany to Jersey City	143	.26	1.00	.36	2,24
Jersey City to Grand Rapids		.72	2.25	.61	. 85
Grand Rapids to Houston		1.87	4.40	1.04	1.6
Houston to Jacksonville	978	1.52	3.75	.91	1.2
Jacksonville to Worcester, Mass.		1.13	3.75	.91	1.2
Worcester, Mass., to Spokane		3.50	9.15	1.99	2.4
Spokane to Salt Lake City	922	1.72	4,40	1.04	.8.

KINDEL'S EXHIBIT OF I.C.C. GOLD BRICK 2016s PARCEL POST RATES



Parcel post rates appear above the line, express rates below the line.

something for the members of the house to ponder over.
Post Office Department,
Fourth Assistant Postmaster General,
Washington, January 27, 1914.

Hon. George J. Kindel, House of Representatives.

MY DEAR MR. KINDEL: In compliance with your telephonic request, I beg to submit below a list of the parcel-post units that contain 100 or more post offices, together with the number of stations, rural routes, and statute miles in each respective unit:

Parcel-post unit number.	Number of offices.	Stations.	Rural routes.	Area in square miles.
716	108	11	30	898. 49
767	155	507	34	905. 29
817	101		48	905. 29
818	111	14	48	911.87
868	215	7	57	911.87
869	138	233	41	918. 52
917	111	5	59	905. 29
918	129	14	64	911.87
919	114	13	68	918.52
967	105	3	27	905. 29
968	113	14	81	911.87
969	100		66	918.52
1021	107		14	931.51
1022.	102		2	937.83
1023	101		2	944. 21
1318.	163	8	57	911, 87
1421	108		5	931.51
1423	103			944. 21
1470	100		39	924.99
1471	107		7	931.51
1472	141		1	937.83
1473	130			944. 21
1476	101		19	962. 62
1521	100		29	931.51
1622	106	. 2	13	937. 83
1623	114			944. 21
1624	116			950.38
1672	108	10000	MEDICE.	937.83
1673	123			944. 21

This data is up to January 15, 1914, except that relating to rural routes, which is to June 1, 1913.

Sincerely, yours,

Jas. I. Blakslee,

JAS. I. BLAKSLEE, Fourth Assistant Postmaster General.

Mr. MOON. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. Hay, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the Post Office appropriation bill (H. R. 11338) and had come to no resolution thereon.

LEAVE OF ABSENCE.

Mr. Helm, by unanimous consent, was given leave of absence indefinitely, on account of illness.

COMMITTEE ON ROADS.

Mr. SHACKLEFORD. Mr. Speaker, as chairman of the Committee on Roads, I have filed a report to-day, and I ask unanimous consent that I may file an additional or supplemental report within five days.

The SPEAKER. The gentleman from Missouri, chairman of the Committee on Roads, announces that he has filed a report to-day, and asks unanimous consent for leave to file a supplemental report in five days. Is there objection?

There was no objection.

POST OFFICE APPROPRIATION BILL.

Mr. SAMUEL W. SMITH. Mr. Speaker, I ask unanimous consent to print the report of the minority on the Post Office appropriation bill in the RECORD. It should have been printed this morning, but by mistake it was omitted.

The SPEAKER. The gentleman from Michigan asks unanimous expent that the report of the minority by printed in the

The SPEAKER. The gentleman from Michigan asks unanimous consent that the report of the minority be printed in the RECORD. Is there objection?

There was no objection.

The report is as follows:

[House Report 165, part 2, Sixty-third Congress, second session.]

Mr. Samuel W. Smith, from the Committee on the Post Office and Post Roads, submitted the following views of the minority, to accompany H. R. 11338:

The undersigned minority members of the Committee on the Post Office and Post Roads are opposed unqualifiedly to the proposed section 6 of the Post Office appropriation bill, removing assistant postmasters from the classified service, thus restoring them to the spoils system.

The undersigned minority members of the Committee on the Post Office and Post Roads are opposed unqualifiedly to the proposed section 6 of the Post Office appropriation bill, removing assistant postmasters from the classified service, thus restoring them to the spoils section 6 of the bill reads:

"SEC. 6. That hereafter any assistant postmaster who may be required by law or by authority or direction of the Postmaster General, to execute a bond to the Postmaster General to secure faithful performance of official duty may be appointed by said Postmaster General, who may require such bond, without regard to the provisions of an act of Control of the Control of

outside of the classified service the entire internal-revenue force of trained clerks, storekeepers, gaugers, etc., can be supplanted by partisan appointees.

In the currency law also the principle of civil service was again ignored and the employees under the Federal Reserve Board will be legalized partisan spoils, the Baltimore platform to the contrary notwithstanding, President Wilson approved the deficiency appropriation bill containing a rider providing that deputy marshals and deputy collectors of internal revenue and their subordinates should be removed from the classified service. The President failed to veto this attack by his party associates upon the merit system.

The determined assaults upon the civil service, evidenced by overt acts, give credence to the suggestion that the price of administration legislation is a place at the follitical pie counter. It is within the power of the President, even now, without resort to a veto, to have the obnoxious section 6 of the post-office bill eliminated.

We regret exceedingly that partisan politics has been injected into the great supply bill for the postal department by this attempt to cripple the service in one of its most important branches for the purpose apparently of getting offices with which to pay political debts.

We feel it to be our bounden duty to the Postal Service, a service probably nearer the people than any other, to emphasize our objections to a proposition that violates every principle of good faith toward the people—that repudiates every promise and profession that the civil service would be honestly administered. Hence we make this minority report, hopeful that the President himself, late vice president of the National Civil Service Reform League, will intervene for the protection

of the Postal Service, or that enough Democrats who have the good of the service at heart may join with the Republican side of the House to accomplish the defeat of a proposition so unworthy.

SAMUEL W. SMITH,
H. STEENERSON,
MARTIN B. MADDEN,
AMBROSE KENNEDY,
W. W. GRIEST,

APPENDIX.

DEMOCRATIC ATTACKS UPON THE CIVIL SERVICE.

THE SEVEN-YEAR TENURE PLAN.

This was proposed by a Democratic House in the legislative appropriation bill and was vetoed by President Taft. The effect of the plan is stated in the President's veto briefly, as follows:

"The effect of this section is to leave it to the discretion of the head of the department in the case of each classified employee at the end of his term of seven years to say whether that employee, no matter how high his standing, shall continue or whether another shall be selected from the eligible list submitted, in accordance with law and regulation, by the Civil Service Commission."

THE INCOME-TAX COLLECTION PROVISION.

In the office of the Commissioner of Internal Revenue at Washington, D. C., there shall be appointed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, one additional deputy commissioner, at a salary of \$4,000 per annum; two heads of divisions, whose compensation shall not exceed \$2,500 per annum; and such other clerks, messengers, and employees, and to rent such quarters and to purchase such supplies as may be necessary: Provided, That for a period of two years from and after the passage of this act the force of agents, deputy collectors, inspectors, and other employees, not including the clerical force below the grade of chief of division employed in the Bureau of Internal Revenue in the city of Washington, D. C., authorized by this section of this act, shall be appointed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, under such rules and regulations as may be fixed by the Secretary of the Treasury to insure faithful and competent service, and with such compensation as the Commissioner of Internal Revenue may fix, with the approval of the Secretary of the Treasury, within the Himitations herein prescribed: Provided further, That the force authorized to carry out the provisions of Section II of this act, when not employed as herein provided, shall be employed on general internal-revenue work.

PROVISION TAKING DEPUTY MARSHALS AND DEPUTY COLLECTORS OF INTER-

PROVISION TAKING DEPUTY MARSHALS AND DEPUTY COLLECTORS OF INTERNAL REVENUE OUT OF THE CLASSIFIED SERVICE.

Hereafter any deputy cellector of internal revenue or deputy marshal who may be required by law or by authority or direction of the collector of internal revenue or the United States marshal to execute a bond to the collector of internal revenue or United States marshal to secure faithful performance of official duty may be appointed by the said collector or marshal, who may require such bond without regard to the provisions of an act of Congress entitled "An act to regulate and improve the civil service of the United States," approved January 16, 1883, and amendments thereto, or any rule or regulation made in pursuance thereof, and the officer requiring said bond shall have power to revoke the appointment of any subordinate officer or employee and appoint his successor at his discretion without regard to the act, amendments, rules, or regulations aforesaid.

THE PRESIDENT'S MEMORANDUM.

I am convinced, after a careful examination of the facts, that the offices of deputy collector and deputy marshal were never intended to be included under the ordinary provisions of the civil-service law. The control of the whole method and spirit of the administration of the provision in this bill which concerns the appointment of these officers is no less entirely in my hands now than it was before the bill became law; my warm advocacy and support both of the principle and of the bona fide practice of civil-service reform is known to the whole country, and there is no danger that the spoils principle will creep in with my approval or countrance.

BALTIMORE DEMOCRATIC PLATFORM, 1912.

The law pertaining to the civil service should be honestly and rigidly enforced, to the end that merit and ability shall be the standard of appointment and promotion, rather than service rendered to a political party.

PRESIDENT WILSON IN HIS PREELECTION CAMPAIGN PLATFORM.

I am a hearty believer in the principles of civil-service reform, and shall take pleasure at all times in doing what I can to promote those principles in practice.

PROVISION RELATING TO EMPLOYEES AUTHORIZED BY THE CURRENCY LAW. SEC. 11. The Federal reserve board shall be authorized and empow-

(1) To employees as may be deemed necessary to conduct the business of the board. All salaries and fees shall be fixed in advance by said board, and shall be paid in the same manner as the salaries of the members of said board. All such attorneys, experts, assistants, clerks, and other employees shall be appointed without regard to the provisions of the act of January 16, 1883 (vol. 22, U. S. Stat. L., p. 403), and amendments thereto, or any rule or regulation made in pursuance thereof: Provided, That nothing herein shall prevent the President from placing said employees in the classified service.

HOUR OF MEETING TO-MORROW.

Mr. MOON. Mr. Speaker, I ask unanimous consent that when the House adjourn to-day it adjourn to meet at 11 o'clock

to-morrow morning.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that when the House adjourns to-day it adjourn to meet to-morrow at 11 o'clock. Is there objection?

Mr. PAYNE. I object.

ADJOURNMENT.

Mr. MOON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 7 minutes p. m.) the House adjourned until to-morrow, Saturday, January 17, 1914, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS.

Under clause 2 of Rule XXIV, executive communications were

taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on examination and survey of the waterways from Orangeburg to Charleston, S. C., including cutoff or canal from Edisto River to Ashley River, with a view to providing a more direct route between said cities than that afforded by existing channels (H. Doc. No. 606); to

the Committee on Rivers and Harbors and ordered to be printed.

2. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of harbor at Norfolk and Portsmouth and approaches thereto, and channel to Newport News, with a view to securing increased width of channel and providing additional anchorage area (H. Doc. No. 605); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

3. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Alloway Creek, N. J., above Quinton (H. Doc. No. 604); to the Committee on Rivers and Harbors and ordered to

be printed, with illustration.

4. A letter from the Secretary of the Treasury, transmitting a copy of a communication of the Postmaster General, submitting estimates of deficiencies in appropriations for the Postal Service, payable from the postal revenues, for the fiscal year ending June 30, 1914 (H. Doc. No. 600); to the Committee on Appropriations and ordered to be printed.

5. A letter from the Secretary of the Treasury, transmitting a copy of a communication of the Postmaster General submitting estimates of special appropriations for the Post Office Department for the purpose of equipping and furnishing the new Washington, D. C., post-office building, to cover the expense of moving, etc. (H. Doc. No. 599); to the Committee on Appropriations and ordered to be printed.

6. A letter from the Secretary of War, transmitting, with letter from the Chief of Engineers, reports on preliminary ex-

amination and plan and estimate of cost of improvement of Santee River, S. C. (H. Doc. No. 603); to the Committee on Rivers and Harbors and ordered to be printed.

7. A letter from the Secretary of War, transmitting, with letter from the Chief of Engineers, reports on preliminary examination and survey of Mill Creek, Middlesex County, Va. (H. Doc. No. 602); to the Committee on Rivers and Harbors and ordered to be printed with illustrations. and ordered to be printed, with illustrations.

A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Pere Marquette River, Mich., from deep water in the harbor of Ludington, following the south branch of said river to the State road and iron bridge and thence to the city of Scottville (H. Doc. No. 601); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

9. A letter from the Assistant Secretary of the Treasury, transmitting a request that the estimates for the Division of Appointments, Secretary's Office, Treasury Department, for the fiscal year 1915 be amended by dropping therefrom one clerk at \$1,200 per annum, instead of one clerk at \$1,800 per annum (H. Doc. No. 598); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. LEWIS of Maryland, from the Committee on Labor, to which was referred the bill (H. R. 10735) to create a bureau of labor safety in the Department of Labor, reported the same without amendment, accompanied by a report (No. 167); which said bill and report were referred to the Committee of the Whole House on the State of the Union.

Mr. SHACKLEFORD, from the Committee on Roads, to which was referred the bill (H. R. 11686) to provide that the United States shall, in certain cases, aid the States and sub-divisions thereof in the construction and maintenance of rural post roads, reported the same without amendment, accompanied by a report (No. 168); which said bill and report were referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows

A bill (H. R. 4992) granting a pension to George McC. Foster; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 11240) granting a pension to Harriett A. Turnbull; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions,

A bill (H. R. 7577) granting a pension to Belle S. Gould; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 5858) granting a pension to Nettie Metzgar; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials

were introduced and severally referred as follows:
By Mr. WICKERSHAM: A bill (H. R. 11740) to cure defects in and to validate chapters 52 and 54 of the acts of the Legislature of the Territory of Alaska, approved by the governor of the Territory of Alaska May 1, 1913, and for other purposes;

to the Committee on the Territories.

By Mr. KALANIANAOLE: A bill (H. R. 11741) to ratify, approve, and confirm an act duly enacted by the Legislature of the Territory of Hawaii relating to the granting of a franchise for the purpose of manufacturing and supplying gas in the district of South Hilo, county of Hawaii, Territory of Hawaii; to the Committee on the Territories.

By Mr. TAYLOR of New York: A bill (H. R. 11742) providing for the erection and completion of a public building in the city of New Rochelle, in the State of New York; to the Committee on Public Buildings and Grounds.

By Mr. MURRAY of Oklahoma: A bill (H. R. 11743) prescribing fees for printing records and documents in the courts

of the United States; to the Committee on the Judiciary. By Mr. KINKAID of Nebraska: A bill (H. R. 11744) to provide for the insurance of deposits in national banks; to the Committee on Banking and Currency.

Also, a bill (H. R. 11745) to provide for certificate of title to homestead entry by a female American citizen who has intermarried with an alien; to the Committee on the Public Lands. By Mr. BURNETT: A bill (H. R. 11746) authorizing a survey of Coosa River between Rome Ga., and Lock and Dam No. 4, in Alabama; to the committee on Rivers and Harbors.

By Mr. McKellar: A bill (H. R. 11747) to increase the limit of cost for the purchase of a site and the construction of a public building in Memphis. Torn: to the Committee on Public

public building in Memphis, Tenn.; to the Committee on Public Buildings and Grounds.

By Mr. McGILLICUDDY: A bill (H. R. 11748) authorizing the payment of pensions monthly by means of the issuance of a certificate with coupons attached; to the Committee on Invalid Pensions.

By Mr. FESS: A bill (H. R. 11749) to create a national university at the seat of the Federal Government; to the Committee on Education.

By Mr. BYRNES of South Carolina: A bill (H. R. 11750) providing for the survey of South Fork of Edisto River, S. C.; to

the Committee on Rivers and Harbors.

By Mr. KETTNER: A bill (H. R. 11751) granting land to the county of San Diego, State of California, for public watering purposes; to the Committee on the Public Lands.

By Mr. HUGHES of West Virginia: A bill (H. R. 11752) providing for the appointment of a board of survey for the purposes of gelecting a grantiple site for a paralla water lands. pose of selecting a suitable site for a naval armor plant at or near Huntington, W. Va., and submitting an estimate of the cost thereof; to the Committee on Naval Affairs. By Mr. RIORDAN: A bill (H. R. 11753) to provide for the

survey of Great Kills Harbor, N. Y.; to the Committee on Rivers and Harbors

By Mr. ADAIR: A bill (H. R. 11754) to amend the acts to regulate commerce so as to provide that publishers of newspapers and periodicals may enter into advertising contracts with common carriers and receive payment for such advertisements in transportation; to the Committee on Interstate and Foreign Commerce.

By Mr. DOOLITTLE: A bill (H. R. 11755) to establish a Government bureau to loan money on agricultural lands as security; to the Committee on Banking and Currency.

By Mr. LEVY: A bill (H. R. 11756) to give effect to the fifth article of the treaty between the United States and Great Britain, signed January 11, 1909; to the Committee on Foreign Affairs

By Mr. STANLEY: A bill (H. R. 11757) to amend an act of July 2, 1890, entitled "An act to protect trade against unlawful restraints and monopolies"; to the Committee on the Judiciary

By Mr. GODWIN of North Carolina: A bill (H. R. 11758) to appropriate \$416,000, in addition to the amount heretofore authorized, to complete the project for the improvement of the Upper Cape Fear River, N. C.; to the Committee on Rivers and Harbors,

By Mr. MERRITT: A bill (H. R. 11759) providing for a survey of Ogdensburg Harbor, N. Y.; to the Committee on Rivers

By Mr. IGOE (by request): A bill (H. R. 11760) to empower and direct the President to appoint a commission to select and locate the route or routes of the railroad approach or approaches in the State of Illinois to connect with the Municipal Bridge of the city of St. Louis, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. TAYLOR of New York: A bill (H. R. 11761) viding for the erection and completion of a public building Nyack, in the State of New York; to the Committee on Public Buildings and Grounds.

By Mr. MONDELL: A bill (H. R. 11762) to provide for the leasing of coal lands, and for other purposes; to the Committee on the Public Lands.

By Mr. CROSSER: Resolution (H. Res. 371) directing the Committee on Interstate and Foreign Commerce to report to the House a bill providing for the ownership and operation of railroads by the Government of the United States; to the Committee

on Interstate and Foreign Commerce.

By Mr. CRAMTON: Resolution (H. Res. 372) authorizing a survey of Belle River, Mich.; to the Committee on Rivers and Harbors.

Also, resolution (H. Res. 373) authorizing a survey of St. Clair River, Mich.; to the Committee on Rivers and Harbors.

By Mr. MOON: Resolution (H. Res. 374) to change the rules

of the House temporarily for the consideration of House bill 11338; to the Committee on Rules.

By Mr. ANSBERRY: Memorial from the General Assembly

of the State of Ohio, urging the passage of a bill relating to the volunteer retired list; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions

were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 11763) for the relief of
M. Heldenbrand; to the Committee on Claims.

By Mr. BAILEY: A bill (H. R. 11764) granting a pension to

Annie McNamara; to the Committee on Invalid Pensions.

By Mr. BARTHOLDT: A bill (H. R. 11765) to perfect the title to land belonging to the M. Forster Real Estate Co., of St. Louis, Mo.; to the Committee on the Public Lands.

By Mr. BRUCKNER: A bill (H. R. 11766) for the relief of Petter Johnson; to the Committee on Claims.

By Mr. BROUSSARD: A bill (H. R. 11767) for the relief of

I. C. Johnson, jr.; to the Committee on Naval Affairs. By Mr. BUCHANAN of Illinois: A bill (H. R. 11768) granting a pension to P. T. Christensen; to the Committee on Invalid Pensions.

By Mr. BURNETT: A bill (H. R. 11769) granting a pension to Oscar H. Cox; to the Committee on Pensions.

Also, a bill (H. R. 11770) granting an increase of pension to

John Watts; to the Committee on Invalid Pensions,
Also, a bill (H. R. 11771) for the relief of the heirs of Robert

Tharp, deceased; to the Committee on War Claims.

By Mr. CALDER: A bill (H. R. 11772) for the relief of the
P. J. Carlin Construction Co.; to the Committee on Claims.

By Mr. CAMPBELL: A bill (H. R. 11773) granting an in-

crease of pension to John N. Gill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11774) granting an increase of pension to L. D. Frogue; to the Committee on Invalid Pensions.

By Mr. CARLIN: A bill (H. R. 11775) granting a pension to Thomas McCormick; to the Committee on Pensions.

Also, a bill (H. R. 11776) granting an increase of pension to Georgiana W. Sampson; to the Committee on Invalid Pensions.

By Mr. COOPER: A bill (H. R. 11777) granting a pension to Edward H. Burrington; to the Committee on Pensions.

By Mr. DOOLITTLE: A bill (H. R. 11778) for the relief of Harrison D. Burcham alias T. C. Watson; to the Committee on Military Affairs

By Mr. FORDNEY: A bill (H. R. 11779) to remove the charge of desertion from the record of Fredolin Solodin; to the Committee on Military Affairs.

By Mr. GARDNER: A bill (H. R. 11780) for the relief of William W. Russell; to the Committee on Military Affairs.

By Mr. GILLETT: A bill (H. R. 11781) for the relief of Albert W. Phelps: to the Committee on Claims.
By Mr. HAMMOND: A bill (H. R. 11782) granting an in-

crease of pension to Martha Jane Curtis; to the Committee on Invalid Pensions.

By Mr. HINEBAUGH: A bill (H. R. 11783) granting a pension to Anna Lakin; to the Committee on Invalid Pensions.

By Mr. IGOE: A bill (H. R. 11784) for the relief of Martha A. Murphy; to the Committee on War Claims.

By Mr. KITCHIN: A bill (H. R. 11785) granting a pension to Nancy E. Burse; to the Committee on Invalid Pensions.

By Mr. LEE of Pennsylvania: A bill (H. R. 11786) granting

an increase of pension to William Adams; to the Committee on Invalid Pensions

Also, a bill (H. R. 11787) granting an increase of pension to Franklin Simons; to the Committee on Invalid Pensions.

By Mr. LOBECK: A bill (H. R. 11788) granting a pension to James T. McIntosh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11789) granting a pension to Anna Lefevre; to the Committee on Invalid Pensions.

By Mr. McKELLAR: A bill (H. R. 11790) for the relief of Mrs. Lottie Bowman, widow and heir of Thomas R. Bowman,

deceased; to the Committee on Claims. By Mr. MOON: A bill (H. R. 11791) granting an increase of

pension to Andrew Tanner; to the Committee on Pensions.

By Mr. OLDFIELD: A bill (H. R. 11792) granting an increase of pension to Nancy Halcum; to the Committee on Pensions.

By Mr. SELLS: A bill (H. R. 11793) granting a pension to

Robert McIntosh; to the Committee on Pensions.

Also, a bill (H. R. 11794) granting a pension to Isaac E. Ledford; to the Committee on Pensions

Also, a bill (H. R. 11795) granting a pension to A. C. Don-

nelly; to the Committee on Pensions. Also, a bill (H. R. 11796) granting a pension to William H.

Hart; to the Committee on Pensions. Also, a bill (H. R. 11797) granting a pension to Andy C. Shipley; to the Committee on Pensions.

Also, a bill (H. R. 11798) granting an increase of pension to

D. K. Rowe; to the Committee on Pensions. Also, a bill (H. R. 11799) granting an increase of pension to James Wintersteen; to the Committee on Invalid Pensions.

By Mr. SINNOTT: A bill (H. R. 11800) granting a pension

to John Tooly; to the Committee on Pensions By Mr. SMITH of Texas: A bill (H. R. 11801) for the relief of the heirs of Benjamin Clark, deceased; to the Committee on

War Claims. By Mr. STEPHENS of Texas: A bill (H. R. 11802) granting

a pension to Arthur H. Brady; to the Committee on Pensions. By Mr. STONE: A bill (H. R. 11803) granting an increase of pension to Walter W. Donahue; to the Committee on Invalid Pensions.

By Mr. SWITZER: A bill (H. R. 11804) granting a pension to Jennie Betts; to the Committee on Invalid Pensions.

By Mr. UNDERWOOD: A bill (H. R. 11805) for the relief of

Walter F. Lockhart; to the Committee on War Claims.

Also, a bill (H. R. 11806) for the relief of heirs of James H. Ware, deceased; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. ANSBERRY: Memorial of Farmers' Institute at Convoy, Ohio, favoring a liberal appropriation for elimination of hog cholera, and against any reduction in present rate of

By Mr. ASHBROOK: Petition of Dr. D. M. Smith, William Schligerman, and William Murphy, of Newark, Ohio, protesting against the passage of a bill for Federal prohibition legislation;

to the Committee on the Judiciary.

Also, petition of Cliff Koner and 15 other citizens of Holmes County, Ohio, protesting against the passage of H. R. 9674; to the Committee on the District of Columbia.

By Mr. BAILEY (by request): Petition of members of the Socialist Party of Bradford, Pa., favoring an investigation of the mining troubles in the United States; to the Committee on Rules.

By Mr. BRITTEN; Memorials of Local Joint Executive Board of Chicago, Ill., of the Bakery and Confectionery Workers' Union, and Local Union No. 1, International Association of Bridge and Structural Iron Workers of Chicago, Ill., favoring an investigation of strike conditions in Michigan; to the Committee on Rules.

Also, memorial of United Lithuanian Societies of Chicago, Ill., protesting against Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, memorial of Austin Court, No. 9, Guardians of Liberty, Chicago, Ill., favoring Burnett immigration bill; to the Committee on Immigration and Naturalization.

By Mr. BRODBECK: Petition of citizens of Adams County,

Pa., favoring a national prohibition amendment; to the Committee on the Judiciary.

By Mr. BROWNING: Memorial of Central Branch, Socialist Party, Camden, N. J., favoring investigation of strike conditions in Michigan; to the Committee on Rules.

By Mr. BUCHANAN of Illinois: Petition of Alvin C. Glander, of Chicago, Ill., favoring the passage of the Bartlett-Bacon bills (H. R. 873 and S. 927); to the Committee on the Judiciary.

Also, memorial of Bridge and Structural Iron Workers' Union and the Bakery and Confectionery Workers' International Union, of Chicago, Ill., favoring an investigation of the strike in the copper mines of Michigan; to the Committee on Rules.

By Mr. CLARK of Florida: Petition of citizens of Ocla, Fla., opposing House bill 9674; to the Committee on the District of Columbia.

Columbia.

Also, petition of citizens of Bell, Fla., opposing the Sunday-Also, petition of cruzens of Beil, Fig., opposing the Sundayobservance bill; to the Committee on the District of Columbia.
By Mr. COOPER: Memorials of Federated Trades Council,
Milwaukee, Wis.; Cigar Makers' Union No. 447, Kenosha, Wis.;
Metal Polishers and Buffers' Union No. 45, Kenosha, Wis.;
Social Democratic Party, Racine, Wis.; Trades and Labor
Council, Kenosha, Wis.; Tailors' Union No. 427, Racine, Wis.;
Paintens' Union No. 108, Pagine, Wis.; Metal Polishers and Council, Kenosha, Wis.; Tailors Union No. 421, Racine, Wis.; Painters' Union No. 108, Racine, Wis.; Metal Polishers and Buffers' Union No. 89, Racine, Wis.; B. I. L. Local No. 331, Beloit, Wis.; Cigar Makers' Union No. 100, Edgerton, Wis.; and Bohemian Slovak Socialist Branch, Kenosha, Wis., favoring investigation of strike conditions in Michigan; to the Committee on Rules.

Also, petitions of citizens of Milton and Milton Junction, Wis., protesting against H. R. 9674; to the Committee on the District of Columbia.

By Mr. CRAMTON: Memorial of Association of Fully Disabled Union Veterans, favoring House bill 8005, for relief of maimed soldiers; to the Committee on Invalid Pensions

Also, memorial of J. S. Miller, of Bailey, Mich., favoring H. R. 11332; to the Committee on Invalid Pensions,

By Mr. DALE: Petition of American Association of Foreign Language Newspapers, protesting against the passage of the Burnett literacy-test bill; to the Committee on Immigration and Naturalization.

By Mr. DANFORTH: Petition of Local Union 259, T. I. U. I., of Rochester, N. Y., favoring investigation of mining conditions in Michigan; to the Committee on Rules.

Also, petition of American Association of Foreign Language Newspapers of New York City, protesting against the immigra-tion bill; to the Committee on Immigration and Naturalization.

By Mr. DOOLITTLE (by request): Petition of citizens of Emporia, Kans., protesting against Sabbath observance bill; to the Committee on the District of Columbia.

Also, memorial of Methodist Episcopal Church, Le Roy, Kans., favoring national constitutional prohibition; to the Committee on the Judiciary.

By Mr. ESCH: Resolutions of American Federation of Musicians, No. 201, of La Crosse, Wis.; Local 1, La Crosse, Wis.; Local 519, A. A. of S. and E. R. E. of A., La Crosse, Wis.; Teamsters Local Union 199, La Crosse, Wis.; Metal Polishers and Brass Molders, No. 18, La Crosse, Wis., favoring investigation of strike conditions in Michigan; to the Committee on

Also, petition of Germania Club, German-American Alliance, Reedsburg, Wis., protesting against House joint resolution 168; to the Committee on the Judiciary.

Also, papers in support of a bill granting a pension to John W. Marshall; to the Committee on Invalid Pensions.

By Mr. GARDNER: Memorial of the Andrew Jackson Branch of the American Continental League, of Whitman, Mass., protesting against the appropriation of any funds for celebrating

100 years of peace with England; to the Committee on Foreign Affairs.

By Mr. GILLETT: Petition of citizens of the city of Northampton, Mass., for a two-battleship program; to the Committee on Naval Affairs

By Mr. GILMORE: Memorial of Campbell's Branch of Brockton Socialist Club and Brockton Socialist, favoring an investigation into the strike conditions in Michigan; to the Committee on Rules.

Also, petition of Boot and Shoe Workers' Union, of Boston, Mass., favoring an investigation into the strike conditions of Michigan; to the Committee on Rules.

Also, memorial of the Socialist Party, Brockton, Mass.. protesting against the passage of the Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, memorial of members of the Massachusetts Association of Sealers of Weights and Measures, favoring the passage of a bill for uniformity of weights and measures; to the Committee on Interstate and Foreign Commerce.

By Mr. GRAHAM of Pennsylvania: Petition of the Italian Journal, of New York City, N. Y., protesting against the literacy test in the Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, memorial of citizens of Philadelphia, protesting against the appropriation for celebrating "One hundred years of peace with England"; to the Committee on Foreign Affairs.

Also, petitions of Camp No. 146, Pennsylvania Patriotic Order of Americans, of Germantown; Philadelphia Patriotic Order Sons of America; Washington Camp, No. 363, of Olney; Phila-delphia Washington Camp, No. 34, Patriotic Order Sons of Amer-ica, of Philadelphia, Pa., favoring the passage of the Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, memorial of Philadelphia (Pa.) Board of Trade, pro-testing against House bill 1873; to the Committee on the Judi-

Also, memorial of Philadelphia (Pa.) Board of Trade, pro-

testing against H. R. 1933; to the Committee on Labor. By Mr. HAMMOND: Petition of Frederick Keye No. 1, Department of North Dakota, Spanish War Veterans, Fargo, N. Dak., favoring the passage of a bill granting pensions to the widows, etc., of Spanish War veterans; to the Committee on Pensions

By Mr. HAYDEN: Petitions of Brotherhood of Painters and Paper Hangers of America, Local Union No. 983; members of Local Yuma of the Socialist Party of America; Warren District Trades Assembly, of Bisbee, Ariz.; Cooks and Waiters' Union, Local 380; Meat Cutters and Butchers; and Bisbee Socialist Local, favoring an investigation of the conditions of the copper-

mine troubles in Michigan; to the Committee on Rules.

Also, petition of Joseph K. Strewer and 47 other citizens of Tucson, Ariz., protesting against the passage of H. R. 9674, the Sabbath observance bill; to the Committee on the District of Co-

By Mr. HENSLEY: Petition of R. Lee Lashley et al., favoring investigation of strike conditions in Michigan and Colorado; to the Committee on Rules.

By Mr. HINEBAUGH: Petition of Progressive Lodge No. 440, International Association of Machinists, of Rockford, Ill., favoring an investigation of the trouble in the copper regions of Michigan; to the Committee on Rules.

By Mr. IGOE: Memorials of L. Marcus and other citizens, the Karl Marx Educational Club, the Jewish Educational Al-liance, M. Newman and other citizens, the Polish Societies of the Polish National Alliance, and Schiff-Nordau Lodge, No. 58, Independent Western Star Order, all of St. Louis, Mo., protesting against the Burnett immigration bill; to the Committee on Immigration and Naturalization.

By Mr. JOHNSON of Washington: Memorial of various labor organizations, favoring the passage of the seamen's bill without amendments; to the Committee on the Merchant Marine and Fisheries.

By Mr. KENNEDY of Rhode Island: Memorial of Polish Branch 109, Socialist Party, of Woonsocket, R. I., favoring congressional investigation of copper strike conditions in Michigan;

to the Committee on Rules.

Also, memorial of New England Manufacturing Jewelers and

Silversmiths' Association, protesting against the passage of House bill 1873; to the Committee on the Judiciary.

By Mr. KINKAID of Nebraska: Petition of sundry citizens of Amherst, Nebr., protesting against the passage of the Sabbath observance bill (H. R. 9674); to the Committee on the District of Columbia.

By Mr. LLOYD: Petitions of merchants of Coatsville, Lan-caster, Greentop, Queen City, Bevier, Callao, New Cambria, mittee on the Judiciary.

Atlanta, Ethel, Granger, Glenwood, Kirksville, State of Missouri. favoring tax on mail-order concerns doing interstate business; to the Committee on Ways and Means.

By Mr. LONERGAN: Petition of James R. Marr and others, of Bridgeport, Conn., favoring an amendment to the Kahn law; to the Committee on Patents.

Also, petition of the American Association of Foreign Lan-guage Newspapers (Inc.) of New York, protesting against the literacy test in the Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, petition of the Connecticut Laundrymen's Association, favoring the passage of the Lindquist pure-fabric bill (H. R. 10080); to the Committee on Interstate and Foreign Commerce.

Also, petition of the Atwater Manufacturing Co., of South-ington, Conn., protesting against the passage of House bill 1873 and Senate bill 927, relative to anti-injunction legislation; to the Committee on the Judiciary.

By Mr. MAHER: Petition of the George Washington Branch of the American Continental League, of Brooklyn, N. Y., protesting against an appropriation of "One hundred years of peace with England"; to the Committee on Foreign Affairs.

Also, petition of the New York Post Office Clerks' Association, protesting against the clause in the Post Office appropriation bill withdrawing assistant postmasters from the protection of civil service; to the Committee on the Post Office and Post Roads.

By Mr. MOON: Papers to accompany House bill 11791, for the relief of Andrew Tanner; to the Committee on Pensions

By Mr. PARKER: Memorial of the common council of the of Glens Falls, N. Y., favoring the passage of House bill 11326, for the improvement of the Narrows of Lake Champlain, New York and Vermont; to the Committee on Rivers

By Mr. PETERS of Massachusetts: Petition of Massachusetts Association of Sealers of Weights and Measures, favoring the passage of a bill for uniformity of weights and measures; to the Committee on Coinage, Weights, and Measures.

Also, petition of Socialist Party of Massachusetts, favoring

an investigation into the strike conditions in Michigan; to the Committee on Rules.

Also, papers in support of pension claim of William Calvin (H. R. 4963); to the Committee on Pensions.

Also, petition of Local Union 229, Boot and Shoe Workers' Union, Boston, Mass., favoring investigation of strike conditions

in Michigan; to the Committee on Rules.

By Mr. REILLY of Connecticut: Petition of International Cigar Makers' Union, of New Haven, Conn., favoring an investigation into the strikes in the United States; to the Committee

By Mr. RIORDAN: Petition of citizens of New York State. favoring two-battleship program; to the Committee on Naval Affairs.

By Mr. SCULLY: Petition of stockholders of the First National Bank of Sea Bright, N. J., favoring protection by the Federal Government of this peninsula, Fort Hancock, and the ship channel; to the Committee on Rivers and Harbors.

Also, petition of the borough of Keyport, N. J., favoring Federal aid for the borough of Sea Bright for protection of the peninsula; to the Committee on Rivers and Harbors.

Also, petition of National Civil Service Reform League, protesting against Post Office appropriation bill; to the Committee on the Post Office and Post Roads.

Also, resolutions of Chamber of Commerce, Long Branch, N. J., favoring bill providing seacoast protection along the New

Jersey coast; to the Committee on Rivers and Harbors.

Also, petition of citizens of Long Branch, N. J., favoring the passage of the bill restricting immigration; to the Committee on Immigration and Naturalization.

Also, memorial of Typographical Union No. 658, Perth Amboy, N. J., favoring congressional investigation of the strike in the copper regions of Michigan; to the Committee on Rules.

Also, petition of Daughters of Liberty of Long Branch and Highlands, N. J., favoring the passage of the Burnett immigration bill; to the Committee on Immigration and Naturalization.

By Mr. J. M. C. SMITH: Memorial of Bricklayers', Masons', and Plasterers' International Union of America, favoring investigation of the copper strike in Michigan; to the Committee

Also, memorial of local Socialist Party of Kalamazoo, Mich., favoring an investigation of strike conditions in Michigan; to the Committee on Rules.

Also, petition of Malleable Iron Works, Albion, Mich., protesting against the Bacon-Bartlett anti-injunction bill; to the Com-

Also, papers to accompany House bill 10689, for increase of pension for Sarah E. Freed; to the Committee on Invalid

By Mr. SMITH of Texas: Memorial of Kiesders Socialist Local and other Socialist societies, favoring an investigation of strikes throughout the United States; to the Committee on Rules.

By Mr. STEVENS of Minnesota: Memorial of District Lodge, No. 32, International Association of Machinists, favoring investigation of strike conditions in Michigan; to the Committee on Rules.

Also, memorial of German-American Alliance of Minnesota, opposing the enactment of legislation providing for an amendment relative to the manufacture, etc., of intoxicating liquors for beverage purposes; to the Committee on the Judiciary.

Also, petitions of St. Paul (Minn.) Branch of Journeymen Tailors and county committee of Public Ownership Party, St.

Paul, Minn., favoring investigation of strike conditions in Michigan; to the Committee on Rules.

Also, memorial of Workmen's Circle of St. Paul, Minn., opposing Burnett immigration bill; to the Committee on Immigration

By Mr. SUTHERLAND: Papers to accompany bill (H. R. 11738) granting a pension to James M. Black; to the Committee on Invalid Pensions.

By Mr. TAVENNER: Memorial of Local Union No. 796, Carpenters and Joiners of America, Rock Island, Ill.; Local Union No. 241, United Brotherhood of Carpenters and Joiners of America, Moline, Ill.; Cigar Makers' Union, No. 451, Bushnell, Ill.; Socialist Locals of Macomb, Ill., and Silvis, Ill., favoring investigation of strike conditions in Michigan; to the Committee on Rules.

Also, petition of Nelson H. Greene, of Moline, Ill., protesting against Senate bill 2232; to the Committee on the Post Office and Post Roads.

By Mr. WILLIS: Petition of Mrs. J. J. Kranter and 18 other members of Broken Sword Missionary Auxiliary of the Methodist Episcopal Church, of Bucyrus, Ohio, favoring the adoption of a constitutional amendment prohibiting polygamy; to the Committee on the Judiciary.

SENATE.

SATURDAY, January 17, 1914.

Prayer by the Chaplain, Rev. Forrest J. Prettyman, D. D. The Journal of yesterday's proceedings was read and approved. ACCOUNTS FOR AUDITOR FOR DISTRICT SUPREME COURT.

The VICE PRESIDENT. The Chair lays before the Senate a communication from the Attorney General, transmitting, in response to a resolution of December 23, 1913, a report on the receipts and disbursements of all moneys received by the auditor for the Supreme Court of the District of Columbia since his incumbency in office, and so forth. The communication and accompanying paper will be referred first to the Committee on Printing, as the Chair does not remember the Senator who introduced the resolution.

VESSEL BRIG "JUNO" (H. DOC. NO. 609).

The VICE PRESIDENT laid before the Senate a communication from the assistant clerk of the Court of Claims, transmitting findings of fact and conclusions of law filed under the act of January 20, 1885, in the French spollation claims set out in the annexed findings by the court relating to the vessel brig Juno, William H. Nichols, master, which, with the accompanying paper, was referred to the Committee on Claims and ordered to be printed.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented memorials of Anthony Wayne Branch, American Continental League, of Philadelphia; of General Sullivan Branch, American Continental League, of Pittsburgh; and of Andrew Jackson Branch, American Continental League, of Shenandoah, all in the State of Pennsylvania, remonstrating against any appropriation by Congress for the celebration of the so-called "One hundred years of peace among English-speaking peoples," which were referred to the Committee on Foreign Relations.

Mr. BORAH presented the petition of E. H. Rettig, of Opportunity, Wash., with reference to the needs of those engaged in agricultural pursuits, and praying for the enactment of legislation to provide for the establishment, operation, management, and control of an agricultural capital or central clearing house for the scientific distribution and marketing of agricultural products, and for other purposes, which was referred to the Committee on Agriculture and Forestry.

Mr. BRADY. I present resolutions adopted by the Upper Snake River Valley Good Roads Association at a regularly called meeting on December 3, 1913, at Rexburg, Idaho, favoring the enactment of legislation making an appropriation sufficient to cover the expense of building a public highway through the Targhee National Forest Reserve from a point near Ashton, Idaho, to the present western entrance to the Yellowstone National Park. I ask that the resolutions be printed in the RECORD and referred to the Committee on Agriculture and

There being no objection, the resolutions were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

The following resolutions were passed by the Upper Snake River Valley Good Roads Association at a regularly called meeting on the 3d day of December, 1913, at Rexburg, Idaho:

Resolution.

Resolution.

Whereas the greatest natural wonder in America to-day, and the place most people desire to visit for a summer outing, is the Yellowstone National Park; and

Whereas the Legislature of the State of Idaho has created a State highway leading to the Yellowstone National Park, to be known as the Boise-Yellowstone Highway, and have appropriated the sum of \$10,000 to pay the expense of surveying and locating the same; and Whereas said highway, after paralleling the right of way of the Oregon Short Line Railway through Bonneville, Jefferson, Madison, and Fremont Counties, must necessarily follow said railway through the Targhee National Forest to the said park, this being the most feasible and practicable route; and
Whereas it will be necessary to expend considerable sums of money to improve the present poorly constructed wagon road through said national forest reserve, which is the main obstacle to those traveling by automobile or other conveyance to reach the Nation's wonderland; that said counties have at considerable expense built fairly well-constructed wagon roads through said yellowstone Highway in connection with the State of Idaho, if the Federal Government will appropriate a sufficient sum to properly build a good wagon road through said forest reserve; that the Federal Government exercises full control of and collects all the revenue produced in said forest reserve, and the same should be used in the building of said wagon road through said forest reserve for the use and benefit of the people of the United States who desire to visit said park; and

Whereas the Upper Snake River Valley Good Roads Association, an organization including the counties of Bonneville, Jefferson, Madison, and Fremont, and having a large cash contributing membership, including the county commissioners of said counties, does hereby pledge its support, financial and otherwise, to the duly constituted Federal, State, and municipal authorities: Therefore be it

*Resolved, That we do hereby request the Congress of the United

C. C. DIETRICH, Secretary.

Mr. WEEKS presented a petition of the Board of Trade of Quincy, Mass., praying for the enactment of legislation provid-ing for the acquisition of the Chesapeake & Delaware Canal, which was referred to the Committee on Commerce.

Mr. SMITH of Michigan presented a memorial of sundry citizens of Cedar Lake, Mich., and a memorial of sundry citizens of Mendon, Mich., remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which were referred to the Committee on the District of Columbia.

He also presented resolutions adopted by the board of directors of the Grand Rapids Association of Commerce, of Michigan, favoring the execution of the proposed park-commission plan for the development of the city of Washington, which were referred to the Committee on the District of Columbia.

Mr. SHIVELY presented a petition of the Retail Merchants' Association, of Evansville, Ind., praying for the enactment of legislation to authorize the Secretary of the Treasury to employ consulting architects in connection with the work of the Supervising Architect's Office, which was referred to the Committee on Public Buildings and Grounds.

He also presented a resolution adopted by the Indiana Division, Farmers' Educational and Cooperative Union of America, praying for the enactment of legislation providing for the further extension of the parcel-post system, etc., which was referred to the Committee on Appropriations.

Mr. TOWNSEND presented resolutions of the Trades and Labor Council of Escanaba, Mich., praying that an investigation be made into the conditions existing in the mining districts of Michigan, which were referred to the Committee on Education and Labor.

He also presented a memorial of sundry citizens of Durand, Mich., and a memorial of sundry citizens of Vassar, Mich., remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which were referred to the Committee on the District of Columbia.

He also presented resolutions of the Grand Rapids Association of Commerce, of Michigan, favoring the adoption of the proposed park system for the city of Washington, which were referred to the Committee on the District of Columbia.

Mr. BURTON presented a petition of sundry citizens of Toledo, Ohio, praying for the enactment of legislation to further restrict immigration, which was referred to the Committee on Immigration.

JOE JOUBERT.

Mr. CLARK of Wyoming. From the Committee on Public Lands I report back favorably, with amendments, the bill (H. R. 3638) providing for the issuance of patent to Joe Joubert, and I submit a report (No. 157) thereon. I ask unanimous consent for the present consideration of the bill.

The VICE PRESIDENT. The Secretary will read the bill.

The Secretary read the bill.

The VICE PRESIDENT. Is there objection to the present

consideration of the bill?

Mr. CHAMBERLAIN. Mr. President, I rise to a parliamentary inquiry. Is this one of the unanimous-consent requests that under the rule adopted yesterday requires a roll call before we can act on it?

Mr. CLARK of Wyoming. No. The VICE PRESIDENT. It is not.

Mr. CHAMBERLAIN. I had hoped that it was not. The VICE PRESIDENT. The Chair hears no objection to the request of the Senator from Wyoming, and the bill is before

the Senate as in Committee of the Whole.

The amendments of the Committee on Public Lands were, in line 3, after the word "for," to strike out "the west half of the northwest quarter" and insert "lots one (1) and two (2) in," and in line 5, before the word "west," to strike out "sixty-eight" and insert "eighty-eight," so as to make the bill read:

Be it enacted, etc., That patent be issued to Joe Joubert for lots one (1) and two (2), in section 7, township 39 worth, range 88 west, and the east half of the northeast quarter section 12, township 39 north, range 89 west of the sixth principal meridian, Douglas (Wyoming) land district, which tract was included in homestead entry Douglas 02699 made by said Joubert.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed,

ELLA O. RICHARDSON.

Mr. RANSDELL, from the Committee on Public Lands, to which was referred the bill (S. 388) for the relief of Ella O. Richardson, reported it without amendment, and submitted a report (No. 158) thereon.

AGRICULTURAL COOPERATION AND RURAL CREDIT.

Mr. CHILTON, from the Committee on Printing, to which was referred the resolution (S. Res. 245) submitted by Mr. Gore on the 16th instant, reported favorably thereon, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That there be printed for the use of the Senate document room 1,000 additional copies of Senate Document No. 214, Agricultural Cooperation and Rural Credit in Europe.

MISSISSIPPI RIVER FLOODS (S. DOC. NO. 366).

Mr. CHILTON. I am directed by the Committee on Printing, to which was referred an article taken from the report of the Mississippi River Commission for 1912 giving a description of the flood of 1912 of the Mississippi River, and so forth, submitted by the Senator from Mississippi [Mr. VARDAMAN] on December 22, 1913, to report it favorably, with the request that the article be printed as a public document.

The VICE PRESIDENT. Without objection, that action will

ADDRESS BY J. C. SCHMIDLAPP (S. DOC. NO. 367).

Mr. CHILTON. I am directed by the Committee on Printing, to which was referred an address delivered by Mr. J. C. Schmidlapp at a joint meeting of the Optimists' Club and the Commercial Club of Cincinnati, Ohio, giving some impressions of the economic conditions in Germany, submitted by the Senator from Ohio [Mr. Burron] on December 23, 1913, to report it favorably, with the request that it be printed as a Senate document.

The VICE PRESIDENT. Without objection, it is so ordered.

TELEPHONE SERVICE IN THE DISTRICT (S. DOC. NO. 368).

Mr. CHILTON. I am directed by the Committee on Printing, to which was referred a communication from the Public Utilities Commission of the District of Columbia, transmitting information relative to telephone service in the District, to report it |

favorably, with the request that it, together with the accompanying papers, be printed as a public document.

The VICE PRESIDENT. Without objection, the communication and accompanying papers will be printed as a public docu-

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. OLIVER:

A bill (S. 4042) granting an increase of pension to George R. Hall (with accompanying papers); to the Committee on Pen-

By Mr. MYERS:

A bill (S. 4043) granting an increase of pension to Henry C. Williamson; to the Committee on Pensions.

By Mr. HOLLIS:

A bill (S. 4044) to correct the military record of Samuel C. Rowe; and

A bill (S. 4045) to correct the military record of John Chick; to the Committee on Military Affairs.

By Mr. BORAH (by request):
A bill (S. 4046) to provide for the establishment, operation, management, and control of an agricultural capital or central clearing house for the scientific distribution and marketing of agricultural products, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. JONES:

A bill (S. 4047) granting to the Washington-Oregon Corporation a right for an electric railroad, and for telephone, tele-graph, and electric-transmission lines across the Vancouver Military Reservation, in the State of Washington, and repealing an act entitled "An act granting to the Washington-Oregon Corporation a right for an electric railroad, and for telephone, telegraph, and electric-transmission lines across the Vancouver Military Reservation in the State of Washington," approved August 9, 1912; to the Committee on Military Affairs.

Mr. JONES. With reference to this measure, I desire to say, that it covers the proposition involved in Senate bill 821, and in

that it covers the proposition involved in Senate bill \$21, and in view of that I ask that Senate bill \$21 be taken from the calendar and referred to the Committee on Military Affairs.

The VICE PRESIDENT. The bill will be read by title.

The SECRETARY. A bill (S. \$21) authorizing the Secretary of War to relieve the Washington-Oregon Corporation, as far as he may deem advisable in the public interests, from certain conditions in an act entitled "An act granting to the Washington-Oregon Corporation a right for an electric railroad, and for conditions in an act entitled. An act granting to the washing-ton-Oregon Corporation a right for an electric railroad, and for telephone, telegraph, and electric-transmission lines across the Vancouver Military Reservation, in the State of Washington," approved August 9, 1912.

The VICE PRESIDENT. The Chair hears no objection, and

the bill will be taken from the calendar and rereferred.

By Mr. JONES:

A bill (S. 4048) to provide for the repayment of certain fees, commissions, excess payments, and purchase moneys, paid under the public laws; to the Committee on Public Lands.

By Mr. HUGHES:

A bill (S. 4049) for the relief of the Paterson & Hudson River Railroad Co.; to the Committee on Claims.

A bill (S. 4050) granting a pension to Rose V. Stoops; to the Committee on Pensions. By Mr. SHIVELY:

A bill (S. 4051) to correct the military record of John Davis (with accompanying paper); to the Committee on Military Affairs

By Mr. SIMMONS: A bill (S. 4052) for the erection of a monument to Nathaniel Macon; to the Committee on the Library.

(By request.) A bill (S. 4053) for the relief of the Atlantic Coast Line Railroad Co.; to the Committee on Claims.

By Mr. CHILTON:

A bill (S. 4054) to provide for the bringing of suits against the United States; to the Committee on the Judiciary.

AMENDMENTS TO DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. MARTINE of New Jersey (by request) submitted an amendment proposing to pay the balance due to depositors in the Freedmen's Savings & Trust Co., intended to be proposed by him to the District of Columbia appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. LODGE submitted an amendment proposing to appropriate \$5,000 for the removal of dead and down timber from the woods and streams of Rock Creek Park in the District of Columbia, etc., intended to be proposed by him to the District of Columbia appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

OMNIBUS CLAIMS BILL.

Mr. TOWNSEND submitted an amendment intended to be proposed by him to the omnibus claims bill, which was ordered to be printed and, with the accompanying papers, referred to the Committee on Claims.

COMPENSATION OF STAR-ROUTE CONTRACTORS.

Mr. BRADY submitted the following resolution (S. Res. 246), which was read and referred to the Committee on Post Offices and Post Roads:

Resolved, That the Postmaster General is hereby directed to inform the Senate as to what provisions have been made for increasing the compensation of star-route contractors, made necessary because of increased weight of the mails as a result of the establishment of the parcel post; the names and addresses of such contractors in Idaho; the amount of additional compensation claimed by them; and the amount which it is proposed to pay them.

COOPERATIVE AGRICULTURAL EXTENSION WORK.

Mr. SMITH of Georgia. Mr. President, I gave notice several days ago that I would desire to present this morning to the Senate the bill S. 2091. In view of the condition of the business of the Senate I will wish this morning not only to present some views in support of that measure, but also to ask that it be taken up for consideration. It was reached on yesterday on the calendar and passed over for the day. I brought it to the attention of a number of Senators and suggested to them that this morning might be a very suitable time to pass finally upon the measure. Perhaps I might now ask unanimous consent that the bill be taken up for consideration.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3091) to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the United States Department of Agriculture.

Mr. SMITH of Georgia. Mr. President, at the last Congress a bill upon this subject was introduced and reported favorably by a majority of the Committee on Agriculture and Forestry. A similar bill was reported favorably by the Committee on Agriculture of the House, and it passed the House. Senators who were Members of the last Congress will remember that when the House bill came up for consideration in the Senate the Senate adopted a substitute. The House declined to recede from its disagreement, conferees were appointed, and the conferees The Senate conferees did not report the discould not agree.

agreement to the Senate.

The present bill is upon the same line as the bill then before the Senate, with some modifications which I think quite materially improve the bill. The pending bill contemplates the conduct of agricultural extension work from the colleges of agriculture under the immediate direction of the colleges of agriculture, but requires that the plans each year shall be sub-mitted by the representatives of the college of agriculture of each State to the Department of Agriculture in Washington City and shall receive the approval of the Department of Agriculture before the appropriation carried by the bill can be received by the State for the work done in the line of agricultural extension. This bill far better than the former bill seeks to bring about cooperation between the State colleges, the experiment stations, and the Department of Agriculture in the conduct of agricultural extension work from the colleges of agriculture.

We are all familiar with the fact that something over 50 years ago the Morrill bill was passed, and as a result of the appropriation carried by that bill in each State there is now a college of agriculture. About 25 years later the Hatch bill was passed, and now in each State there is an agricultural experiment station established as the result of the appropriation carried in the Hatch bill. Other appropriations have also been made to further support these institutions. The experiment stations are conducted exclusively, I think, from Government funds. The agricultural colleges have been largely supported by State appropriations, and now probably threefourths of the money spent upon the agricultural colleges comes from State appropriations.

Mr. BORAH. Mr. President—
The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Idaho?

Mr. SMITH of Georgia. I do.

Mr. BORAH. I wish to ask the Senator if this is the bill we

had before us at the last session?

Mr. SMITH of Georgia. I just stated that it is upon the same line as that bill, with certain improvements, which I mentioned a few moments ago.

Mr. BORAH. Is it the Senator's intention to dispose of the bill to-day?

Mr. SMITH of Georgia. Yes; I hope so.

Mr. STERLING. Mr. President-

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from South Dakota?

Mr. SMITH of Georgia. I yield.

Mr. STERLING. The Senator from Georgia has just stated that he hopes to dispose of the bill to-day. My attention has been called to the bill and I am very much interested in it, but I have not yet had time to examine its provisions as closely as I should like. I wonder if the Senator would insist on disposing of the bill to-day or whether he would be willing to let it go over for a short time.

Mr. SMITH of Georgia. I would greatly prefer to dispose of it to-day, but as the consideration of the bill proceeds I would not wish to press that view upon a Senator who still felt that he could not consent to act upon it to-day. Its provisions are simple. It carries an appropriation of \$10,000 a year to each State, beginning the 1st of next January.

Mr. CLARK of Wyoming. Mr. President— The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Wyoming?

Mr. SMITH of Georgia. I do.

Mr. CLARK of Wyoming. I want to call the attention of the Senator from Georgia to an inquiry I made at the time the bill was under consideration by the Senate before. The statement that he has just made recalls it to my own mind. He uses the words "each State." Under present conditions we have a Territory of the United States that to my notion at least is more in need of this particular legislation than any of the States of the Union, to wit, the Territory of Hawaii. It is recognized, I think, in all quarters that the recent tariff legislation has placed the agricultural interests of the Territory of Hawaii, which are very, very important and of tremendous money value, in rather a chaotic if not an unsatisfactory condition.

The Territory of Hawaii now, I understand, receives aid under the Morrill Act, and my contention at that time and now is that if an extension of the Morrill Act is made it should be made to any community or place where the Morrill Act now applies. I will ask the Senator if it is the intention of the committee-assuming that it might have been an oversight in this bill-to limit the bill to the States or whether the Territories now receiving the benefit of the Morrill Act will be included?

Mr. SMITH of Georgia. If the Senator from Wyoming will prepare an amendment including any Territory which receives the benefit of the Morrill Act, so far as I am personally con-

cerned I will accept it.

Mr. CLARK of Wyoming. I will say to the Senator that in looking over the bill I had inserted as proposed amendments wherever the word "State" occurs the words "or Territories," but thinking that would rather disfigure the bill, I propose to add at the end this:

The word "State," wherever the same appears herein, shall be held to include any Territory which is now or may be hereafter included under or have the benefit of the act of Congress approved July 2, 1862—

And so on. I want to ask the Senator would that be agreeable to him?

Mr. SMITH of Georgia. I think it will; but the total of \$480,000 should be increased \$10,000, on account of each Territory added. I have just said that the bill carries an appropriation of \$10,000 to each State, beginning the 1st of next January. At the end of 12 months thereafter it carries an appropriation of \$300,000, to be divided among the States according to rural population, with the condition that no State shall receive the benefit of the fund that does not appropriate to the cause an amount equal to the amount which the State would receive from this Federal appropriation. The appropriation of \$300,000 each year continues and increases \$300,000 each year for nine years until it reaches the sum of \$3,000,000.

Mr. President, when I was diverted from the line of thought which I was presenting I was calling to the attention of the Senate the fact that our agricultural colleges and our agricultural stations have been in operation for quite a number of years. We have spent upon them something like \$70,000,000. We spend now about \$4,000,000 each year. We spend about \$15,000,000 annually upon the Agricultural Department for

purely agricultural work.

While it is true that in the colleges of agriculture there are young men receiving an education and being trained as experts upon agricultural lines, it is also true that the number of students who reach those colleges in proportion to the number engaged in agriculture is almost negligible. The colleges of agriculture do the greater part of their work along the line of scientific investigation, and the experiment stations exclusively upon the line of investigation. They study problems connected with the farm and connected with farm life; they study soils and analyze them. They determine the plant food found in particular soils. They analyze plants and determine the plant food required by particular plants. They ascertain where a particular soil used for a particular plant lacks an element of food necessary to bring to the plant its highest perfection. They analyze fertilizers and determine what class of changed cultivation can make available the plant food in a particular piece of soil and what fertilizer is necessary to stimulate that soil so as to produce for the plant a plant food which will bring from the plant the best return to the man cultivating the plant. They study plant diseases. They study seed problems; by experimentation they determine a seed that will resist a particular disease from which in certain localities a particular plant suffers.

They study animal life and the character of food calculated to produce the best results. They study animal diseases—how to cure them and how to avoid them. They investigate orchards and find how to stop the ravages of diseases upon them. They test in localities the best class of orchards for a particular kind of product in a particular section. They are continuously working out the problems of the farm and of farm They have a vast amount of valuable information which they have gathered, and they are day by day demonstrating new truths of great value to the agricultural interests of our I believe it a perfectly safe proposition to say that if the truths known in experiment stations and the agricultural colleges, and also those known in the Agricultural Department, were put into application upon the farms of this country, with no increased cost of production, but with probably a lessened cost of production, we could double the agricultural production of the country

The Agricultural Department is studying the same problems in a broad way. The experiment stations and the State colleges study these problems with reference to their particular States and localize their work in the States where they are found, while the Agricultural Department studies the problems broadly with reference to the entire Nation, handling more particularly problems that apply to a number of States than problems that apply to a particular State.

We have this expenditure of money, wisely expended, and this vast amount of information, continually accumulating, that is

not bringing back the returns which it should. It is not bringing the returns to the farmer and to the Nation because it is not used.

Agriculture is an art as well as a science. It must be taught by practical illustration rather than on paper. Experience has shown that it can not be taught simply by the distribution of literature. It can be taught in the colleges to a few, but not to the great body of those engaged in agriculture.

The object of this bill is to authorize the colleges of agriculture, under the plan which it provides, to send out their skilled teachers, who in each locality, alongside the farmer's home, on the farmer's own land, enlisting his cooperation, will take tracks of land and cultivate them in the way which has

take tracts of land and cultivate them in the way which has been shown by scientific experimentation to be the best way. These trained leaders will show how to select seed, analyze the piece of soil, show the plant food it lacks, show the plant food required by the plant to be used, show how to make available in a particular piece of soil for plant-food purposes the plant food it contains, personally direct the cultivation of the particular piece of soil, and a demonstration right in the midst of the farmers' homes of the truths which have been developed by research and by study. They will over and over again do the same thing on all the varied lines of agricultural

Is this the way to carry these truths worked out at agricultural colleges and experiment stations to the farmers? Will this mode of procedure accomplish the results so much to be desired? Is it practicable to carry the work of the agricultural colleges and experiment stations to the grown farmers, enlisting them in an effort to use the knowledge possessed and show

them practically how to use it?

This problem is not one for the simple application of logic. It has already been tried. We have tried it to a limited extent in our own country, and it has been tried with great success abroad. Dr. Knapp is authority for the statement that the only way successfully to carry the truths of the colleges and the experiment stations and the department to the farmers of the country is by practical demonstration alongside the farmers' Dr. True is authority for the same statement, and the presidents of all the State agricultural colleges of the United States have concurred in the view that the way to carry these truths into practical use is by farm-extension work from the colleges through trained demonstrators who, at the homes of the

farmers, will practically teach the truths that have been developed by these years of study and investigation.

Dr. Knapp has tried it to a limited extent, beginning in Texas,

with a cooperative-farm demonstration on a single piece of land. The check that has been made to the ravages of the boll weevil has largely been due to the demonstration farm showing how to cultivate the cotton with greater speed and with choicer seed and by diversification. Farm demonstration along the line this bill contemplates has helped largely to aid the people of those ravaged sections to resist the pest of the boll weevil.

The boys' corn clubs are a part of the demonstration work of the Agricultural Department. How much they have accomplished! In my own State the average production of corn a few years ago was 13 bushels to the acre. It has risen certainly above 16 bushels and probably to 19 bushels, and last year 88 corn-club boys, under farm-demonstration instruction, raised over 100 bushels to the acre. In South Carolina a farm-demonstration teacher directed the work of a corn-club boy, who broke the world's record, producing 242 bushels of corn on 1 acre.

The girls' tomato canning clubs have been stimulated upon

the same lines. The president of the Agricultural College of New Hampshire bore testimony before us of a boy from the college of agriculture who went into a section of his State and, by demonstrations in quite a large area, saved the apple orchards, showing farmers the little scale which was ruining their trees and how to get rid of it, so that quite a section of land which had gone back to a very small price and on which they were cutting down their old apple trees changed back to the former plan of apple culture and the land increased, according to his statement, in two years over 500 per cent in value.

Mr. GALLINGER. Mr. President—
The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from New Hampshire?

Mr. SMITH of Georgia. Yes.

Mr. GALLINGER. I am greatly interested in the discussion of this question. I believe it is one of the most important that we have had before the Senate for a long time. I wish to ask the Senator from Georgia, for information, as to the cost in-curred by those boys who raised such an enormous quantity of corn on an acre. Can the Senator tell approximately what was the added cost of accomplishing that result? Mr. SMITH of Georgia. In the instance where there was a

yield of 242 bushels to the acre I am not able to say, but the net profit was enormously more in spite of the added cost than was the case before. In the experiments in Georgia, which I have watched much more carefully than in other States, I would say that the results were brought about less by the added cost of fertilizer than by the better preparation of the soil-Mr. GALLINGER. That is what I supposed.

Mr. SMITH of Georgia. By deeper plowing, greater care to pulverize the soil, greater care to mix into the soil leguminous matter and vegetable matter that would make the plant food already in the soil thoroughly available.

Mr. GALLINGER. It was really along the line of what we

frequently denominate intensive farming, I assume.

Mr. SMITH of Georgia. Intensive and more intelligent farming.

Mr. GALLINGER. And more intelligent farming. I will say to the Senator that I was pleased to hear him allude to the movement that is now on foot in my own State, as well as in other New England States, to bring back the apple orchards

other New England States, to bring back the apple orenards to a condition where they will again be profitable to the farmers. The fact is that in New England the farmers have allowed their apple orchards to fall into decay. They have paid little attention to them by way of pruning, and none at all by spraying, so that the diseases incident to those trees progressed until the apple trees were practically destroyed, became useless, and were cut down in great quantities for the purpose of fuel. college of agriculture has taken that matter up; the young men are going out and teaching the farmers the truths concerning which they ought to have information, and they are going back, not only to the planting of new orchards but are intelligently taking care of the old orchards. In that way we are producing some of the best apples that any State of the Union is giving to our people, and an export trade is being developed that is of great interest to our people and of great advantage to them.

I ask pardon for interrupting the Senator, but the question

he is discussing, to my mind, is of the utmost importance to the agricultural interests of our country, and I trust that he will be successful in passing his bill through the Senate at as early an

hour as possible.

Mr. OVERMAN. Will the Senator yield to me to make a short interesting statement as to canning?

Mr. SMITH of Georgia. Certainly.

Mr. OVERMAN. About three weeks ago I was called to the Marble Room by an official of the Department of Agriculture and introduced to a little 12-year-old girl. He told me she had made \$1,000 from a half acre of ground raising and canning tomatoes

Mr. SMOOT. Mr. President-

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Utah?

Mr. SMITH of Georgia. Yes.

Mr. SMOOT. In that connection I wish to say that at about the same time of which the Senator from North Carolina [Mr. OVERMAN] speaks and in the same place I was introduced to a young boy from the State of Utah who had raised upon 1 acre of land 785 bushels of potatoes. I want to say, also, that there was not a single cent of expense attached to the raising of the potatoes upon that 1 acre of farm outside of the close attention given to it by the boy. It was an acre of land adjoining 10 acres which were planted in potatoes by the boy's father. The average yield on the full 10 acres was not quite so much as on the 1 acre cultivated by the boy, which certainly proves beyond a question that the boy had given especial attention to the weeding and to the deep plowing and to the perfect irrigation upon that 1 acre of land, and there was not a cent of cash, so far as cash outlay was concerned, placed upon that 1 acre.

Mr. SMITH of Georgia. I thank the Senators for these illustrations that they bring from their own States. I had thought to mention a claim by a boy in my own State, who showed me a couple of years ago, at a fair in south Georgia, some potatoes that were a part of between 700 and 800 bushels that he raised on an acre, but it sounded so big that I was almost afraid to repeat it. Since, however, the Senator from Utah brings the same account from his State, I mention the report from my own. They were sweet potatoes in our State,

however, and not Irish potatoes.

Mr. SMOOT. Irish potatoes were raised in our State.
Mr. BURTON. Mr. President, the Senator has been interrupted considerably in his remarks; but I wish to ask certain questions as to the proposed appropriation, in order that it may be clearly understood what is the amount contemplated and

what is its distribution.

As I read the bill, the initial sum is to be \$480,000 per year, with the thought that there should be \$10,000 for each State. The following year there is to be an additional appropriation of \$300,000, and the same addition in each succeeding year for 9 years, making in all 10 years, so that at the end of 10 years the total appropriation would be \$480,000 plus 10 times \$300,000, or \$3,480,000. In lines 20 and 21 it is possible there is no ambiguity, though at first, as I read them, those lines seem to contemplate an addition of \$3,000,000 per year for each succeeding year. Do I understand it means that, in addition to the \$3,480,000, a further sum of \$3,000,000 per annum shall be appropriated at the end of 10 years, making \$6,480,000?

Mr. SMITH of Georgia. No; that is not my understanding.

The continued appropriation thereafter is to be \$3,000,000 each

Mr. ROOT. I think the use of the word "additional," in line 21, page 3, might introduce some ambiguity.

Mr. GALLINGER. Yes.

Mr. BURTON. I did not think it altogether clear, and for

that reason I desired to raise the question.

Mr. SMITH of Georgia. If the Senator would not object to taking up the critical suggestions with regard to particular lines of the bill after I finish my more general remarks upon the bill, it would be helpful to me rather than to take them up now.

Mr. BURTON. Would the Senator prefer not to be inter-

rupted upon this subject?

Mr. SMITH of Georgia. I would prefer not to be interrupted now for a critical discussion of the bill, because I think we ought to go over it critically later on and see what verbal

changes might perhaps properly be made.

Mr. BURTON. Very well. While I am on my feet, since other Senators have spoken of their States, I wish to say something of the State of Ohio, which is usually facile princeps (easily chief) in almost every branch of endeavor and so readily at the fore that it needs no exploitation either in the Senate or elsewhere. That has been especially true with regard to this recent movement for the raising of increased quantities of corn and vegetables.

Mr. ROOT. Does the Senator mean that Ohio would not take

its quota under this bill? [Laughter.]

Mr. BURTON. That is a different question. I should be very glad to accept such appropriations as belong to the State according to its deserts, which would give it a very considerable

In the corn-growing movement trainloads of the corn growers came here last month from Ohio, ambitious, intelligent lads—I do not know the exact number, but I think between 1,000 and 2,000—and they showed a most remarkable record of results achieved in the State. At a later time I was invited out from this Chamber to meet half a dozen young girls from Geauga County, one of the oldest counties in the State, who had made a remarkable record in raising tomatoes and in canning them. They were young women—young girls of education and cultivation-who had been attracted by this movement to add to the agricultural resources of the State.

As I understand, the object of this bill is to bring home to the farmer the results of agricultural education; to awaken an interest, as far as possible, in every rural home in this country; to extend all over the States the instruction which heretofore has been largely theoretical and confined to the halls of the colleges. Demonstrators may go to the different counties and townships and spread the benefits of agricultural education. I must say that, from that standpoint, I very heartily approve it.

Mr. OVERMAN. Mr. President, there is one matter I should like to bring to the Senator's attention. As I understand, in the agricultural appropriation bill I introduced an amendment appropriating \$150,000 for demonstration work, which was adopted

in the Senate. This is in addition to that, is it?

Mr. SMITH of Georgia. Entirely. I wish to give one other illustration to the Senate, brought out before our committee, of the great service that can be rendered by carrying this demonstration work home to the farmer. It was brought to the attention of the committee by the president of the Agricultural College of Wisconsin, who told us of an experience which the president of the College of Agriculture of Illinois had.

There was a section of Illinois in which the corn raised for quite a number of years had dropped down to between 14 and 15 bushels to the acre. The president of the college sent his experts there and analyzed the soil, and after some study and some experimentation found that with no additional work, but with a different plan of culture and a dollar and a half to the acre of phosphorus, the yield of that corn could be brought back to between 50 and 60 bushels to the acre, it actually costing only a dollar and a half an acre to make the change. planted a 5-acre field under his demonstrator, following the results of his scientific investigation and carrying out exactly the plan which his study and investigation showed him was wise, and the field brought about 60 bushels to the acre. farmers from that section were invited in to see what had been done, to see what was the result, that they might have the actual demonstration before their eyes of what they could do with a little more intelligent work and an expenditure of a dollar and a half an acre.

Then he went on to tell me of the remark of an old farmer. who came up to Dr. Hopkins and said: "Doctor, I am 70 years I have raised a family of six children. struggling barely to feed and clothe them. I could not send them to college. I wanted to. If I had just known 30 years ago what you have shown us to-day, that instead of having 14 or 15 bushels of corn to the acre I could get 60, my boys would have gone through college and would have been educated. I

am so sorry you did not come sooner."

I mention this to illustrate the fact that not only can we bring a better financial return of general benefit to the country, but this improved line of work will bring benefits far beyond mere financial returns. It will bring benefits in the line of more prosperous farmers, better schools in the country, better roads, and largely increasing farm population coming with the pros-perity and happiness that better conditions bring to farm life.

Will the Senator add to that, as I hope he feels Mr. ROOT. he can, that it will tend to bring also the benefits of better busi-

ness-business cooperation among farmers? Mr. SMITH of Georgia. Undoubtedly. Mr. BRISTOW. Mr. President—

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Kansas?

Mr. SMITH of Georgia. Certainly. Mr. BRISTOW. I am very much interested in the Senator's discussion; but I have been communicated with a good deal by the farmers of my own State, and some of them think these demonstrators do not know much about their business, and they rather resent their visits to the farms as being a kind of a nuisance instead of a benefit. I have heard farmers say that if they would work on the farm awhile themselves and get some practical knowledge they would be more useful in undertaking to teach the farmers; that they came out there with a lot of theories that would not work well, and that the actual experience of the farmer who has worked his farm intelligently and

read his agricultural papers year after year gives him a better knowledge than the demonstrator himself has. The incompetency of some of these demonstrators has resulted in a good deal of criticism of the bill in certain sections of my own State. I should like to have the Senator deal with that phase of the subject.

Mr. SMITH of Georgia. I will. That prejudice we must overcome. We found it in my own State. I can recall one place, a few miles from Atlanta, where a demonstration was made five years ago revolutionary of the farmer's conception of plowing and preparation of the soil, where the farmers came by and heartily joined in the merriest laughter at the expense of the man directing the change; and yet I am gratified to say that the change doubled the production of cotton and more than doubled the production on 4 acres of corn; and now around that whole section where the farm demonstrator was ridiculed on account of the lack of knowledge of those who ridiculed him they have adopted the improved methods and are getting the resulting benefits.

This plan of demonstration has been tried abroad. For 30 years Belgium has had her trained demonstrators going through the farming sections of Belgium, carrying the knowledge of the college and experiment station to the farmer on his farm; and the department of agriculture of Belgium reports an increased average production per acre of over 60 per cent, with a less

eost of production.

In Denmark they have their traveling teacher or leader, whose business it is to carry to the farm the knowledge that research has obtained, and also to direct cooperation among the farmers of Denmark in marketing their crops, in better business methods, and in better systems of farm bookkeeping. The benefits that have come to the agriculturist, the farmer of Denmark, are testified to by the large increase of profits from his farm and the general improvement of farm life over the entire section.

Perhaps no country has given more thought to this subject than Germany. Those profound people, those great thinkers, when they determined a number of years ago to build up the power of their nation by the improvement of the individual citizen, by the better preparedness of the individual man to do what opened up to him in life, whether as an artisan or otherwise, did not overlook the farmer. More than 25 years ago Germany began a system along the line of what we propose in this bill, and the German Wanderlehrer went from community to community, and in each locality carried the knowledge gathered at their colleges of agriculture and experiment stations and Jemonstrated it at the farmer's home. Not only so, but the German Wanderlehrins, in petticoats, went to the farm homes and carried their knowledge of household problems, of domestic science, and of hyglene, and added vastly to the skill of the German woman on the farm.

Farm life is isolated. The farmer has not the opportunity by contact with his fellows to grasp all the progress that is going on around him with the readiness that is offered to men

in the cities and which is absolutely essential.

It has been found by experience that experimentation in agriculture is expensive. It is not in the line of the ordinary farmer to conduct it. It is a work of governmental responsibility. It is a work that concerns the welfare of all the people. It must be done by the Government, by the States or the Nation, or by both.

After having worked out truths through experimentation, the object of this bill is to carry to the farmers systematically and thoroughly that which is now being carried in a desultory way. A number of the States are doing it to a greater or less extent. The Department of Agriculture is doing it in spots.

The purpose of this bill is to coordinate the work of the States and the Department of Agriculture, to use the agricultural land-grant colleges to start it by the aid of the National Government, and, under plans prepared to suit each State, but approved by the Department of Agriculture here, and through the State colleges, to carry the tested information to the spots where experience has shown us it will do the work.

I believe we all realize the importance of the farm to the Nation. Not only for our food, but for the raw material that enters into nearly all of our industries, we rely upon the farm.

I believe there are lines that can be properly followed, directed, and partly supported through legislation which we may pass, practical and not extremely expensive, that will greatly add to the fertility of the soil and to the net profits of our agricultural work, and will greatly improve the general conditions of farm life. I wish to name them—five in number. First, the study of market problems in the Agricultural Department, stimulating throughout the country the better preparation of foodstuffs and other agricultural products for market, helping point

the place where best it can be marketed, helping to cooperate with local organizations of consumers to bring closer together the producer and the consumer. I am glad to say we have already begun a work on that line under an appropriation made last year. It is progressing nicely, and I feel sure that it will receive the support of Congress with liberal appropriations, and that in a few years it will help largely to save what a former Secretary of Agriculture referred to in this way: Secretary Wilson declared about two years ago that for what the farmer received 50 cents the average consumer in the United States paid a dollar, and then he pertinently inquired what becomes of that other 50 cents. The result of his investigation was that but a small part of it went for transportation and a large part of it went to waste.

The second proposition is the one covered by this bill, agricultural extension work, the work of carrying the knowledge of the colleges and the experiment stations to the farmer and of enlisting the complete use by the farmer of this knowledge. Dr. Knapp has said that to fully accomplish the result you must have a trained leader in each small locality, one at least for every county, because he must make sufficient demonstrations and interest a sufficient number of people in his demonstrations at overcome the predisposed opposition. Then this wise and most useful man, who I think rendered a great service to the people of the whole country in connection with his work in the Agricultural Department, added that the intelligent thought of the world was realizing that no problem of education was complete that did not undertake through a system of rural teachers to carry into use existing scientific truths and those still to be acquired, continuously, to the home of the farmer, and impart it through practical demonstration.

Third, the parcel post we have adopted. It will be improved, and it should be a great means of facilitating the exchange of commodities from the farm to the consumer and back to the

farm when the farmer is the purchaser.

As to the fourth item, we should direct our attention to the subject of good roads, and not alone with national advice and with some appropriations for great highways, but looking toward bringing up the average country road, and that better standard of efficiency which can be accomplished at small expense but with continuous attention.

Fifth, the problem that we are soon to have before us, that of rural credits. I believe it is practicable to adopt and so encourage a system of organizations which in their loans to the farmer upon limited areas of land will shape the payments so that the interest will not be paid annually, but annually a part of the principal will be paid and at the termination of the contract the

loan, principal and interest, will both be paid.

. President, I believe there are practical and sane ways in which we can aid the farming classes of this country, not in a sense of paternalism, not in a sense of taking from them their own responsibilities, but to stimulate them as individuals to a better condition of preparedness as individuals to carry individual responsibility and thrust open the door of hope to many a struggling farmer and encourage many a tenant farmer to become the owner of the land he tills. If western Europe could increase 60 per cent the products of her soil by agricultural extension work, I think we have the organization already at hand to do better work in our own country. I do not doubt that through this farm demonstration work in the course of a few years the net profits of the farmers of this country can be doubled, and it will mean more than the mere additional gain of farm products and form profits. It will mean better farm homes; it will mean better country schools; it will mean a continual increase of rural population, prosperous, patriotic, and

Mr. BRISTOW. Mr. President---

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Kansas?

Mr. SMITH of Georgia. Yes.

Mr. BRISTOW. I join the Senator in his hope that we may extend all the benefits we can to the farmer and give him the advantage of all the scientific information that is available, but I am of the impression that one of the most important things, so far as legislation relating to agricultural interests is concerned, is to provide him with a market for what he now has as well as to enable him to raise more of his products.

Mr. SMITH of Georgia. I will be glad to hear the criticism upon the particular line the Senator from New York [Mr. Root] suggested, the possibility or necessity for an amendment of

some paragraph to make clearer its meaning.

Mr. CUMMINS. Mr. President—
The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Iowa?
Mr. SMITH of Georgia. Yes.

Mr. CUMMINS. Naturally I am very much interested in this subject, inasmuch as I come from a State which, generally speaking, has an agricultural product of greater value than any other State in the Union. I should like to ask the Senator from Georgia whether he has a table which shows the distribution of the appropriation according to the last census that would indicate how much each State will receive?

Mr. SMITH of Georgia. I have it not with me. find it as an exhibit to the report of the Agricultural Committee of the House. I did not include it in the report of the Committee on Agriculture and Forestry of the Senate. I sought to put into the report of the committee of the Senate matters not contained in the report of the House committee

Mr. CUMMINS. The inquiry is preliminary to another. What is the meaning or definition of the term "rural popula-

Mr. SMITH of Georgia. It says "as shown by the last census report," and I understand that the census reports include towns of 2,500 population and less as rural. The bill takes the census report on rural population as the basis of rural population, and the census report, as I understand it, classifies towns of perhaps less than 2,500 inhabitants as rural,

Mr. CUMMINS. It is, then, the purpose to accept the interpretation or application of those words found in the last census report?

Mr. SMITH of Georgia. That is the provision of the bill. Mr. CUMMINS. Does the Senator from Georgia believe that is a fair interpretation or meaning of the term? If we are trying to provide a standard for the distribution of this appropriation, could we not find a standard that would do more perfect justice to the rural population than to include towns of 2,500 inhabitants and less?

Mr. SMITH of Georgia. It is necessary, of course, to use some figure as to population gathered together in determining what you will consider rural. The Census Office have adopted 2,500, and furnished us a census on that basis. Even if some of us might have thought that a little under 2,500 would have been wiser, we did not have the population furnished us sufficiently in that way. I think the argument in favor of 2,500 is that if you will go to the smaller towns, while you will find the men in them engaged in various lines of occupation, most of their investments are in farms; that nearly all the population of the smaller towns are at least semiagricultural, and have their farm investments and run their farms in cooperation with their general work. I suppose that the Census Office fixed 2,500 population as a result of investigation, concluding that they must place it arbitrarily somewhere, and they thought that was the best point of demarkation between the people who were more largely interested in farm work than they were in other lines of work.

Mr. CUMMINS. Why not adopt another standard, that is also furnished by the census report, namely, the area of land in each State under practical cultivation? It is intended to make that land more productive. It seems to me the benefits of the bill if distributed according to the lands under cultivation in each State would be more fairly, more equitably divided than though the population including towns of 2,500 people is accepted as the standard.

Mr. SMITH of Georgia. I will give this reason why the change suggested by the Senator from Iowa would not be desirable: We are sending men out to handle the people according to population, largely. The extent of their work will depend more upon the number of people to be reached than the mere number of acres. You might have a State where the system of cultivation was one under which one man handled a large number of acres. You might have another State in which the system was one under which a man handled a very few acres. Therefore, population rather than acreage would seem to be the fair plan of division.

Mr. CUMMINS. If that will do, why not, then, accept still another furnished by the census report, namely, the population actually engaged in agricultural pursuits or farming? I do not think it is fair to divide the appropriation in this way. I think that States which have a large population in towns of 2,500 and less, having comparatively little interest in agriculture, will receive an undue proportion of this gratuity or benevolence granted by the General Government in the aid of better soil production.

Mr. ROOT.

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from New York?

Mr. SMITH of Georgia. Yes, sir.

reference to the question put by the Senator from Iows IMr. CUMMINS].

The people who really need this instruction are the small landholders, not the large landholders, and the people whom we should most desire to help are the small holders and not the large holders. It is the small farmer who is getting along just on the edge of poverty, with the little farm, who needs the kind of instruction and the encouragement which this bill will furnish, and not the man who has his thousand acres and who has at his own command, without any help, all the literature and all the instruction and high-priced assistance and superintendence for himself.

I wish while I am up to say something about the inclusion of the small town, the village itself. The village of less than 2,500 is essentially a farming community. Its life is the farming production about it. Its activity is but a facility for the farming community. The men who compose the village are living upon the product of the farm and are really engaged in the activities which are necessary to its production and marketing of the production. You are not getting far from the farm laborer when you go into a village of less than 2,500. In my own State this method of distribution will exclude the greater part of the population, but I do not believe that any better method can be reached than the one which is prescribed in the bill.

Mr. SMITH of Georgia. I will state that the presidents of colleges and the Secretary of Agriculture and men in the Department of Agriculture who have been studying this problem for several years suggested to us this plan of distribution as the result of their observation. They thought the plan was the plan that would serve most. It came from no particular State, but from all of them, as I understand it, as a result of their observation. I had not heard it suggested that there was a better plan until the Senator from Iowa suggested it. I have not looked at the figures to see how it distributes them, although I know that they were published in a report made by the Committee on Agriculture of the House.

Mr. CUMMINS. Mr. President, I shall address the Senate at some future time upon this particular subject and present the effect of the distribution according to the rule adopted in the bill. I think it a very unwise as well as unfair rule.

The observation made by the Senator from New York [Mr. Roor] in one respect is true. This bill is intended partially, possibly largely, for the benefit of the small farmer, but the conclusion which is to be drawn from that fact is not the conclusion found in the bill.

If the small farmer is to be benefited fully, then you must adopt the rule of persons engaged in agriculture. I agree that possibly the rule of area would not take sufficient account of the small farmer, but the rule of population engaged in agriculture gives to the small farmer the very consideration which the Senator from New York says he ought to receive.

There is a distinct wrong, viewed from my standpoint, in taking the standard adopted by the Census Bureau in its classification. It is all right for the purposes of the census, but it is not right for the purposes of distributing an appropriation of this sort. There are very many places in the United States having populations of 2,500 and under which have no relation at all to agriculture—I do not intend to be invidious enough to point them out just now, but every Senator here knows where they are—where a large part of the population of the State is gathered together in communities of 2,500 or less, communities which are not engaged in agriculture and have no interest in agriculture except to consume the products of agriculture.

It is not, as it seems to me, a just provision for this great interest to divide the largess of the Government in that way.

I want to ask the Senator from Georgia another question. It seems to me that section 2 of the bill gives undue emphasis and importance to field demonstration. It would appear from that to be the intent of Congress that the money should be practically all expended, so far as it is expended in agriculture, upon field demonstration. We have had a good deal of experience in this in my State, as I know the Senator from Georgia has had in his. I do not undervalue the great benefit that the farmer will derive from field demonstrations. Necessarily, however, there can be comparatively few of such demonstrations; I mean few compared with all the farmers of a county. We have derived greater benefit from short courses in the various communities, usually led by a professor or an instructor employed by the agricultural college. I would not want anything to go into this bill that would seem to discourage that method of instruction in the science of farming. I do not intend to compare the value of the field demonstration with the neighborhood Mr. ROOT. I want to make a suggestion in support of the short course, which is really nothing but a temporary college method of distribution which is included in the bill and with course; but I feel very sure that we ought to stimulate and

ought to encourage the short course held in the various localities of the State and at which all the farmers with their wives and their children can gather from time to time in order to study

these various subjects.

I do not mean to say that this bill excludes in terms that kind of instruction in the science of agriculture, but there is so much prominence and so much emphasis given to the field demonstration that the agricultural college and the Department of Agriculture might infer that this money ought to be expended in that way, and the Secretary of Agriculture might refuse to approve a plan that involved as one of its considerable features the neighborhood short course. I wanted to suggest to the Senator from Georgia that any doubt with reference to that could be eliminated by changing the phraseology a trifle in the second section.

I ask another question which the Senator from Georgia can answer at his leisure. These questions are not asked in hos-

tility to the bill, for I am in favor of the bill.

Mr. SMITH of Georgia. I remember very well that the Senator from Iowa was a warm advocate of the measure from the time it was introduced into the Senate.

Mr. CUMMINS. The only objection I have to the bill is

that the appropriation is not sufficiently large.

Mr. SMITH of Georgia. I really think that we ought to double the first appropriation. We started two years ago by asking for an appropriation of \$300,000. Instead of now start-We started two years ago by ing at \$300,000, having lost those two years, I should be glad to see it started at \$600,000 and increased only for eight years instead of nine years. I am not, however, going to press that unless some other Senator feels that it should be done.

Mr. CUMMINS. We should endeavor to bring the benefits of this work to the people generally, to arrest one thing which is this work to the people generally, to arrest one thing now in progress in this country and to which comparatively little attention is paid here, namely, the robbing of the soil. This country is destroying the fertility of its soil. We do not produce as much in the United States per acre as we did years ago. The reason that we do not do so is because we are taking every year from the soil elements that we are not restoring to the soil. Presently our land will be as barren as any that can be seen elsewhere

Mr. SMITH of Georgia. If the Senator from Iowa will allow

Mr. CUMMINS. I will pass from that. I touched on that subject accidentally.

Mr. SMITH of Georgia. If the Senator from Iowa will allow me just a moment, turning to section 2, he will find the language

Cooperative agricultural extension work shall consist of the giving of

There the word "instruction" comes firstand practical demonstrations in agriculture.

Mr. CUMMINS. I understand that.

Mr. SMITH of Georgia. In the latter place it says, "through field demonstrations, publications, and otherwise." I think that the words "field demonstrations" are used to emphasize the fact that this system of instruction, which is not now general, shall become general, and not to eliminate other lines of instruction which are already general.

Mr. CUMMINS. Mr. President, I had in my memory the language used in the Lever bill of the last session. I know that there were some things in that bill which the Senator did not intend to include in this bill, but I think the language of that bill is a little broader and gives a little better idea of what is

to be done than does this one.

Mr. SMITH of Georgia. That bill came nearer coinciding to my own language than this one does, as I came nearer drawing it than I did this.

Mr. CUMMINS. The other point which I desire to mention to the Senator from Georgia is the proviso in section 3, which

Provided further. That no payment out of the additional appropriations herein provided shall be made in any year to any State until an equal sum has been appropriated for that year by the legislature of such State, or provided by State, country, college, or local authority for the maintenance of cooperative agricultural extension work.

Is it the idea of the Senator from Georgia that if a particular community were to furnish a sum that would be fairly adequate for that community, then the State could secure a part or all of this additional appropriation, or would a county or college or local authority be required to furnish the full one-half?

Mr. SMITH of Georgia. My own view was that the State

handled uniformly throughout the State. It would be difficult properly to put the teachers into the State unless it were uniformly done, and I think that a State ought to produce in some way its full half. The real purpose was to require the full half to come from the State, so that the college of agriculture would have in its work double the amount of the national appropriation to handle its men throughout the State.

Mr. CUMMINS. I agree with the Senator from Georgia, and my question is whether this proviso ought not to be so changed as to make it perfectly clear that the college which is to distribute or use the fund should not have in its possession, through an appropriation by the State legislature or in some other way, the equivalent of the appropriation coming to that State from

the General Government.

Mr. SMITH of Georgia. It seems to me very clear that that certainly was what we meant.

Mr. CUMMINS. How could a county give to the fund a part which would entitle that county

Mr. SMITH of Georgia. It could not do so.

Mr. CUMMINS. What is the use of having the provision in

Mr. SMITH of Georgia. There were members of the committee who wanted that broad provision, that the counties might raise a part of it. It was thought that in some States the fund would be raised by county contributions to the general fund. Some counties might not contribute and the people of the community might raise it. It was to give a broad op-portunity in the State to raise the fund in any way they could; but it was contemplated that the State, either as a State or by subdivisions or by individuals, must put up with the agricultural college a sum equal to the amount appropriated by the National Government or the part proposed to be appropriated under the pending bill should not go to that State.

Mr. CUMMINS. What the Senator from Georgia means, I take it, is that the agricultural college must have at its disposal, derived from the State in some form or from some source within the State, a sum equal to the appropriation made by the

General Government.

Mr. SMITH of Georgia. That is it.

Mr. CUMMINS. I fear that the language used here might give rise to some misunderstanding about that.

Mr. SMITH of Georgia. I do not see how under this language they could get the money unless from some source in the State the equivalent fund was put up. Mr. BACON. Mr. President-

The VICE PRESIDENT. Does the Senator from Georgia yield to his colleague?

Mr. SMITH of Georgia. Yes. Mr. BACON. Mr. President, there is a matter about which will not undertake to offer an amendment, but I desire to call it to the attention of my colleague and to make a suggestion in regard thereto. It is in section 2 and reads in this way:

SEC. 2. That cooperative agricultural extension work shall consist of the giving of instruction and practical demonstrations in agriculture and home economics to persons not attending or resident in said colleges in the several communities.

Of course, I understand the purpose of that. It is to extend these benefits and these opportunities to those who have not the advantages of the colleges, and possibly it is not intended to exclude those who have the advantages of the colleges from these additional advantages.

There is a condition of affairs in our State which when I call it to the attention of my colleague I am sure he will recognize, as I know he is familiar with it. The Agricultural College of Georgia, as my colleague knows, is now a part of our State university, and it has been very largely added to and extended by appropriations from the State. It is a most valuable and important institution and is doing a great work in our State. We have two classes of students there. There are the young men who go there and take regular courses, in which they have the advantage not only of the technical instruction in agriculture, but all the advantages of the university. Of course, those young men are not in a condition to receive any advantages from this demonstration work; but, as my colleague will recall, we have also another class of students there. In order to give the farming population the advantage of the instruction we have a special course consisting of a term of only a few weeks-possibly a month or six weeks-which is so adjusted that farmers, not only young men but mature men, can, at a time when their crops are not needing special attention, attend this special course. There are hundreds of farmers in Georgia who, in the month of August, I think, or possibly in September, at a time ought to furnish in some way its entire part. If it were appropriated by the legislature for the whole State, well and good; if it were made up in other ways by the State, well and good. It would be very difficult to handle it successfully unless it were dents in the ordinary sense, but still they are students. They

are enrolled and have the advantage of this instruction. might happen that under this phraseology, as it is a matter of an appropriation, none of the money could properly be expended in demonstration work upon the farms of any one of the farmers who go there and actually become students for a short course of weeks.

I do not see what advantage there is in putting this language in here. Why should we not simply in a general way state the object without by such language possibly excluding from the benefit of the bill some who ought to have the opportunity for this demonstration work? The very men—the regular farmers, not young men—who go there to attend these courses and other than for months at a time are the advanced class of and stay there for weeks at a time are the advanced class of farmers who want this demonstration work. They are the very men who will seek it, to whom it will be of the greatest ad-vantage, and who will benefit the most by it, because they are so deeply interested in the subject that they actually leave their farms and go there and at the university town remain a month or six weeks in securing direct practical instruction in the State agricultural college.

You will notice that the words are very broad. The provision ys "persons not attending or resident." These farmers do attend, and they attend in large numbers, and are, I repeat, of a class which would possibly most desire to have on their farms this demonstration work; yet, it being a matter of appropriation and expenditure, it might be held by an auditor that that was not within the scope of the bill.

Mr. SMITH of Georgia. If there could be any possibility of such a construction being put upon the bill, all interested in it would desire to have it avoided.

Mr. BACON. I am quite sure of that.

Mr. SMITH of Georgia. I do not see any objection myself to just omitting the words "attending or" and leaving it "to persons not resident in said colleges"; but I should want to submit that for consideration,
Mr. BACON. This is a regular course.

Mr. SMITH of Georgia. Suppose a farmer attended the regular course and went back and was on his farm. If it would exclude the demonstration on his farm, it would be a mistake. He would be the very man whose farm it would be desirable to use, because he would help the demonstrator see that the demon-

stration was made perfectly on his farm.

Mr. WILLIAMS. Why not say, "or not regularly matricu-

lated as students at "?

Mr. BACON. I do not see what is to be lost by striking out, in the seventeenth line, after the word "economics," all of that line and line 18.

Mr. SMITH of Georgia. Would not simply omitting the two words "attending or" be sufficient, so that it would read, "to persons not resident in said colleges"?

Mr. BACON. I think so.

Mr. WILLIAMS. If it were made to read, "or not regularly matriculated as students at," that would avoid the difficulty. The danger is that if you struck out all of that language, pos sibly this money might be appropriated merely in the further extension of work going on at the college now.

Mr. SMITH of Georgia. The purpose was to exclude the use

of any of this money at colleges.

Mr. WILLIAMS. Yes.

Mr. SMITH of Georgia. The purpose was to force the use of all this money in the country, where the farmers live, with the farmers who really needed it most, who did not go to the college and who could not be persuaded to go to the college, and some of whom, like the ones referred to by the Senator from Kansas [Mr. Bristow] in his State, do not now believe in scientific agriculture, so that they might have the benefits of the demonstration which would convert them.

Mr. BACON. Why not, instead of the language used, then, after the word "persons," insert the words "engaged in practical agriculture," and strike out all other description? That

might cover it, might it not?

Mr. SMOOT. No; I think if we adopted those words the object of the bill would be defeated.

Mr. BACON. I do not want to do that. Mr. SMOOT. The junior Senator from Georgia has certainly stated the case exactly as I understand it; that is, that words should be used for the purpose of compelling the expenditure of the money away from the colleges, so that it must be used in demonstration work in the different communities in which the work is needed.

Mr. BACON. I think striking out the words "attending or"

will cover it.

Mr. SMOOT. I think, myself, that will cover all the objections the senior Senator from Georgia has.

Mr. BRADY. Mr. President, it seems to me the language at present in the bill is entirely apt, and really conveys the meaning that the Committee on Agriculture and Forestry intended to have conveyed. As I understand, it was the intention to have this money spent in communities and places where the people were not attending the colleges or were not resident members of the college. If they are not attending the college they would be entitled to this instruction. I believe it would be a very good idea to leave it just as it is, and at the same

time I believe the ground will be thoroughly covered.

Mr. SMITH of Georgia. The truth about it is that the real object this bill had in view was to prevent the diversion of the money to the college. It was to force it away from the college, and to the country. This language is in the present tense—"to persons not attending or resident in said colleges." That is to say, if they are now attending and are there, it could only be spent there for them. That was the view of the framers. It was to exclude the expenditure at the college and to force it

to be spent out in the country.

Mr. BRADY. In demonstration work for the farmer.

Mr. BACON. Yes; but that is not the language of the bill. If it were stated as my colleague states it, it would be a different thing; but it expressly says that this demonstration work shall not be extended to anyone attending these course

Mr. ROBINSON. Mr. President, will the Senator yield to me

for just a moment?

Mr. BACON. Yes.

Mr. ROBINSON. Practically all of these agricultural colleges are now doing demonstration work. All of them have farms upon which the demonstration work is being conducted, and any person who is attending an agricultural college is not in need of the instruction which is contemplated by this bill. When the suggestion was first made by the senior Senator from Georgia I thought it was quite forceful, but upon further consideration of the matter I believe it might defeat one of the primary purposes of the bill to adopt the amendment which has been suggested.

There is no necessity for agricultural-extension work to persons who are so situated as to be able to attend agricultural colleges. I believe the primary purpose of this bill is to carry the information which is gathered at those colleges and at the experiment stations to the farmers who are deprived of the opportunity to attend the demonstrations which are made either at the experiment station or at the agricultural college.

All of the agricultural colleges with which I am familiar are doing demonstration work, so that one who has the advantage of training in those colleges does not need the demonstration work. The primary purpose of this bill is to give the information which the colleges accumulate to those who have

no opportunity of attending the colleges.

I do not know of an agricultural college in the United States They all have farms. that does not do demonstration work. One of the primary things they do is to give instruction in practical farming; and if this work is going to be conducted on a cooperative plan between the Department of Agriculture and the agricultural colleges, the inevitable result will be, if this amendment be adopted, or if any amendment be adopted along the lines suggested by the senior Senator from Georgia, that the entire appropriation will be diverted to the use of the colleges, or the greater part of it will be.

The primary purpose of the bill, as I understand, is to reach those who can not be reached by the colleges and the experiment stations throughout the United States. During the last few years there has been a great revival and awakening in agriculture. I express it as my opinion that the work done already by the Department of Agriculture in the matter of demonstration has been of incalculable value to the farmers of the United States, and it is of primary importance in the adoption of this bill that every dollar of this fund shall be used for those who can not or who do not avail themselves of the privileges of the agricultural schools.

If the Senator will permit me just one further statement, I believe this bill is of far-reaching importance. Its provisions have been well considered, and it ought to be adopted without any amendment giving the colleges the power to apply this fund to experiments conducted on farms owned by those who

are attending the colleges.

One of the reasons why I reach that conclusion is this: Those who are attending the colleges will be very prompt to apply for the use of this fund on their farms, and I fear the result will be that the great part of it will be used in making demonstrations for persons who already have the opportunity of acquiring the information which is sought to be carried to the farmers by this bill, and that the primary purpose of the billthat is, to awaken those who are indifferent, to give inspiration

to the farmers who do not realize the value and importance of scientific agriculture-will be lost if this language should be eliminated from the bill.

Mr. VARDAMAN. Mr. President-

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Mississippi?

Mr. BACON. I do.

Mr. VARDAMAN. If the Senator will pardon me, I was absent at a meeting of the Committee on Privileges and Elections this morning, and did not have the pleasure of listening to the address of the junior Senator from Georgia, nor have I heard the amendment proposed by the senior Senator from Georgia and referred to by the Senator from Arkansas. should like to have that amendment read.

Mr. BACON. There has been none offered. I am simply calling attention to what I consider to be phraseology which is open to criticism and about which, possibly, there should be an amendment. I have not yet offered any amendment.

Mr. VARDAMAN. I thought the Senator had offered an amendment, and I simply wanted to follow his amendment.

Mr. BACON. I have not. I will state, for the benefit of the Senator from Mississippi, that the language to which I called attention is in the second section, which I will again read:

That cooperative agricultural-extension work shall consist of the giving of instruction and practical demonstrations in agriculture and home economics to persons not attending or resident in said colleges in the several communities.

I had called the attention of the Senate to the fact that in my State there are two classes of men who attend the agricultural college, which is now a part of the State university, and with which I have some familiarity from the fact that I am one of its trustees.

One class is the class properly to be excluded, and which is intended by this bill to be excluded, to wit, the young men who go there and take a regular course. They are students; they are matriculated in the college, and in my State they not only have the advantage of the agricultural college but they have the advantage of the university, so far as they can give any time to instruction other than purely technical agricultural instruction.

We have another class of men, however, who attend the agri-cultural college and to whom it is extremely important, I think, to extend the advantages of this bill. They are not young men; they are grown men, matured men. They are farmers, men who are engaged in the actual business of agriculture and for whom there is, in our agricultural college, a special course

every year of a month or six weeks.

We have large numbers of farmers, hundreds of them in my State, who go there and spend that month or six weeks for the purpose of having special instruction along certain lines in They are men who can not give up their regular agriculture. vocation for the purpose of going and getting this instruction, but who go there during this short period, which is generally fixed for a time when their crops do not demand their exclusive attention. As I said before, when the Senator from Mississippi was not in the Chamber, they are men advanced in their ideas as to agriculture, men who are anxious to learn, men who are anxious to get the benefit of all this agricultural education, and they are the very men upon whose farms this demonstration work would be most desirable and most valuable. Yet, according to the language of this bill, if it were strictly construed, as it may be by an auditor, they would be excluded from ever having demonstration work done upon their farms, by reason of the fact that they did spend a few weeks at this college attending, in the language of the bill, the instruction there to be given.

All that has been said by the Senator from Arkansas, so far as the purpose of it is concerned, is certainly something with which we would all agree. We want so to frame this bill that none of the money can be used in the agricultural colleges. None of us differ as to that. Everything the Senator says applies properly to the students who are engaged in the regular course of study at these colleges; but it does not apply, and can not be made to apply, and none of the reasoning suggested by the Senator from Arkansas can be made to apply, to these farmers who spend a few weeks there and attend only for a

Demonstration work is not something which can be done in a month. I hope the Senator from Arkansas will recognize the correctness of that suggestion. Demonstration work is something which begins with the planting, and continues through the cultivation, and up to the gathering of the crop. The farmers who go there for a month have no opportunity to have the advantage of the demonstration that is carried on upon a farm, except as to some particular process. They have no oppor-

tunity to have the advantages of the general demonstration as to the preparation, planting, and cultivation of a crop.

The regular students, who are there for nine months in the year, of course, have; but the man who leaves his farm when his cotton is laid by, as it is called in the South, and takes the month of time between the laying by of his cotton and the beginning of the opening of the cotton to go and receive this particular instruction at this farm, has no opportunity in that time to have the advantage of the demonstration which is made at the agricultural college. That demonstration began six months before, and it is to continue several months afterwards, and while he is there all he can have any advantage of is some demonstration as to a particular process-not any general demonstration.

Mr. ROBINSON. Will the Senator yield for just one state-

ment?

Mr. BACON. Certainly.

Mr. ROBINSON. That is true largely, or at least in part; and it is also true that any farmer who is sufficiently wideawake and active to attend an agricultural college is likely to avail himself of the advantages of demonstrations which are made at the college, even though he be not present during the entire course of the demonstration.

The purpose of this bill is to reach the farmer who is not awake, who is so situated, for one reason or another, that he can not attend the colleges. It is to differentiate, if you please, between the work done at the college and the carrying of that work to the minds of the farmers themselves who have no opportunity of attending the colleges. Now, if you permit the farmer who attends the college to have these demonstrations on his farm, the great probability is that practically all the demonstration will be carried on upon the farms of those who are attending the colleges, and the man who is asleep will remain The work will not be carried to him; the instruction will not be given to him, because the man who is attending the college will solicit the demonstration to be made on his farm, and the college, appreciating the fact that he is awake, will be disposed to cooperate with him. The result will be, I fear, to defeat the primary purpose of the bill, which is to awaken the farmers throughout the country to the necessity of acquiring scientific information concerning agriculture.

Mr. BACON. The Senator has emphasized what he previously said, which I think we properly appreciate, so far as his purpose is concerned. I entirely disagree with him as to one matter, however, and that is that the purpose of this bill is to limit the appropriation to those who are sluggards and asleep. I think it is to be extended to those who are wide-awake and progressive and who wish to accomplish great things. I quite agree that it is to be differentiated from the work that is to

be done at the colleges.

Here is a man, however, who is so interested in his business that although he has been actively engaged on it all the six or eight months during the preparation and planting and early cultivation of his crop, in a time of comparative rest between the laying by of his crop, as we term it, and the beginning of the harvesting of it, he is going not simply to devote himself to pleasure but to go to the university where this college is located for the purpose of getting still further information.

I repeat, Mr. President, these auditors are very bright men.

Here is an appropriation, and under the language of this proposed law this particular man-the man who above all others ought to have the advantage of it-will be excluded. I do not think we differ at all, except as to the one suggestion made by the Senator from Arkansas that these progressive men ought not to be excluded. We do not differ at all as to the purpose to exclude from it those who are the regular students or the regular officers of colleges.

Mr. ROBINSON. If the Senator will yield, I think-The VICE PRESIDENT. The morning hour having expired, the Chair lays before the Senate the unfinished business, which

is Senate bill 48.

RAILROADS IN ALASKA.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes.

Mr. BACON. I am probably responsible for the hour having expired without Senate bill 3091 being acted upon. I hope the Senator from Oregon will consent that the unfinished business may be laid aside until we may dispose of it, if possible.

Mr. CHAMBERLAIN. I desire to state in this connection that I am simply going to ask for a unanimous-consent agreement for a time when we will vote on this bill, on which I think there will be no discussion, and I will then be glad to lay the bill aside informally.

The VICE PRESIDENT. The Secretary will call the roll. The Secretary called the roll, and the following Senators answered to their names:

Ashurst Bacon Hollis Hughes Smith, Ga. Oliver Overman Perkins Pittman Poindexter Reed Robinson Saulsbury Shafroth Sheppard Shields Shively Smoot Sterling Johnson Kern Lane Bankhead Sterling
Stone
Swanson
Thomas
Thompson
Townsend
Vardaman
Walsh
Weeks
Williams Brady Brandegee Bristow Lea Lippitt McCumber McLean Martine, N. J. Bryan Burton Chamberlain Chilton Dillingham Shively Simmons Gallinger Norris

The VICE PRESIDENT. Fifty-one Senators have answered

to the roll call. There is a quorum now present.

Mr. CHAMBERLAIN. Yesterday I suggested a form of unanimous-consent agreement with reference to the time when the pending Alaska railroad bill, so called, shall be voted on. I yield the floor for a moment to the Senator from Mississippi [Mr. WILLIAMS], and then I desire to offer a substitute agreement, which I present after talking with a number of Senators

who may want to discuss the subject.

Mr. WILLIAMS. Mr. President, upon day before yesterday said something about an official of one of the railways in Alaska who had been before the subcommittee of which I was chairman during the discussion of the income-tax bill. At that time I could not remember his name. His name is Mr. Falcon Joslin, as was suggested by the Senator from Minnesota [Mr. Nelsch] at the time. Nor could I then remember what railroad he is connected with. He is president of the Tanana Valley Railroad Co., with headquarters at Fairbanks, Alaska, and is not connected with the Guggenheim roads at all.

Mr. CHAMBERLAIN. I desire to state in this connection that Mr. Joslin has always been a friend of the proposed bill and has taken great interest in the development of Alaska.

Now, Mr. President, I desire to offer the following unanimous-consent agreement in lieu of the one which was offered yesterday

The VICE PRESIDENT. It will be read.

The Secretary read as follows:

The Secretary read as follows:

It is agreed by unanimous consent that on Thursday, January 22, 1914, immediately upon the conclusion of routine morning business, the Senate will proceed to the consideration of Senate bill 48, to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes, and any amendments that may be offered; and that at not later than 4 o'clock p. m. on that legislative day the Senate will proceed to vote upon any amendment that may be pending, any amendments that may be offered, and that in the debate no Senator shall speak more than 15 minutes on the bill itself and not more than 15 minutes on any amendment thereto; and that a final vote upon the bill and all pending amendments shall be taken on the legislative day of Thursday, January 22, 1914, before adjournment on that day.

The VICE PRESIDENT. Is there objection to the proposed

unanimous-consent agreement?

Mr. GALLINGER. I observe the words "and that no Senator shall speak more than 15 minutes," and so forth.

Mr. CHAMBERLAIN. That is, after 4 o'clock on the day.

Mr. GALLINGER. After 4 o'clock on that day?

Mr. CHAMBERLAIN. Yes, sir.

Mr. GALLINGER. And the Senator makes it the legislative day instead of the calendar day?

Mr. CHAMBERLAIN. At the request of one of the Senators

I have made it the legislative day.

Mr. THOMAS. I did not catch the reading of the proposed agreement completely. I should like to inquire whether it requires that we shall begin to vote at any particular hour?

Mr. CHAMBERLAIN. At 4 o'clock. We begin to vote at 4

o'clock on Thursday.

Mr. BACON. What does that mean, that we begin to vote at

The VICE PRESIDENT. It does not so read. Mr. CHAMBERLAIN. We intended to have it read "not later than 4 o'clock."

The VICE PRESIDENT. The Secretary will read it again. The Secretary read as follows:

It is agreed by unanimous consent that on Thursday, January 22, 1914, immediately upon the conclusion of routine morning business, the Senate will proceed to the consideration of Senate bill 48, to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes, and any amendments that may be offered, and that at not later than 4 o'clock p. m. on that legislative day the Senate will proceed to vote upon any amendment that may be pending, any amendments that may be offered, and that in the debate no Senator shall speak more than 15 minutes on the bill itself and not more than 15 minutes on any amendment thereto, and that a final vote upon the bill and all pending amendments shall be taken on the legislative day of Thursday, January 22, 1914, before adjournment on that day.

Mr. BACON. It seems to me there is some little ambiguity, to say nothing of inconsistency, in the agreement as framed. It can very readily be corrected by striking out certain words and simply making 4 o'clock the period at which the limited debate shall begin

Mr. CHAMBERLAIN. That is the intention of the agree-

ment.

Mr. BACON. It says we shall begin to vote at that time, We do not want to be put in that position. The subsequent phraseology, to vote on the bill and pending amendments, provides for everything that is needed in that regard. So, if the 4 o'clock limit is agreeable and if it is so framed that the 4 o'clock limit shall apply to the time when 15 minutes' debate shall thereafter be enforced, it is all right; and I, for myself, have no objection to it.

Mr. CHAMBERLAIN. I will state to the Senator that that was my intention, and I followed almost literally the agreement that was adopted without any objection in reference to the currency bill. That was the purpose, I will say to the Senator; and if he can suggest any elimination of words that will better carry out that purpose, I shall be glad, so far as I am concerned, to have the agreement changed in that regard.

Mr. BACON. It is very easily fixed. I suggest to the Senator that some of the words be stricken out, so that it will read

It is agreed by unanimous consent that on Thursday, January 22, 1914, immediately upon the conclusion of routine morning business, the Senate will proceed to the consideration of Senate bill 48, to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes, and any amendments that may be offered; and that after 4 o'clock p. m. on that day no Senator shall speak more than 15 minutes on the bill itself, and not more than 15 minutes on any amendment thereto; and that a final vote upon the bill and all pending amendments shall be taken on the legislative day of Thursday, January 22, 1914, before adjournment on that day. ment on that day

That covers the entire ground.

Mr. CHAMBERLAIN. I am perfectly willing to accept those changes in the proposed agreement. The modification really carries out the purpose that I think the original proposition did, but it may be a little more clearly expressed.

The VICE PRESIDENT. Is there objection to the unanimous-consent agreement as proposed? The Chair hears none,

and the unanimous-consent agreement is entered into.

Mr. PITTMAN. With the consent of the Senate, I give notice that on Thursday morning, at the close of the morning business, I will address the Senate on the pending Alaska bill.

COOPERATIVE AGRICULTURAL EXTENSION WORK

Mr. SMITH of Georgia. I ask that the Senate now proceed to the consideration of Senate bill 3091.

The VICE PRESIDENT. Is there objection?

Mr. STERLING. There is objection to the immediate consideration of the bill.

Mr. SMITH of Georgia. I did not hear the Senator from South Dakota.

The VICE PRESIDENT. The Chair did not hear whether the Senator from South Dakota was objecting to the further consideration of the bill.

Mr. STERLING. I object to the further consideration, if it

shuts off all question and inquiry.

Mr. SMITH of Georgia. It does not at all. I simply asked unanimous consent to take up the bill again and to proceed with its consideration.

Mr. BACON. Before the Senator proceeds, I wish to state, with regard to the suggestion made by me, that I have but one

Mr. SMITH of Georgia. Has the consent of the Senate been given?

I thought it had. Mr. BACON.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3091) to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the United States Department of Agriculture.

Mr. BACON. I want to say that I had but one purpose, and that was to safeguard against the possibility of certain very worthy men among our farmers being excluded from the benefit of the bill; but there seems to be among those immediately in charge of it confidence that it will not exclude them. As I said in the beginning, I do not myself propose to offer any amendment. I think possibly the fact that the matter has been

debated and that confidence has been expressed will prevent the construction being put upon it which I have presented. Mr. SMITH of Georgia. I think not only they will receive the benefit of it when at home, but any demonstrator will be very fortunate to have their cooperation and assistance. I do not think they could possibly be excluded from deriving the benefits of the demonstrations when they have left the college and have gone to their homes.

Mr. GALLINGER. Mr. President, I simply wish to make an inquiry. On page 4, commencing at line 9, the proviso reads:

Provided further, That no payment out of the additional appropriations herein provided shall be made in any year to any State until an equal sum has been appropriated for that year by the legislature of such State, or provided by State, country, college, or local authority for the maintenance of cooperative agricultural extension work.

I will ask the Senator if there would be any objection to striking out the word "or" before "local authority" and adding "or individual contribution"?

Mr. SMITH of Georgia. I do not think so.

Mr. GALLINGER. Our agricultural college was largely founded by contributions from an individual, and if the State did not feel like making this appropriation, small appropriation as it is, we might have some rich man, some farmer perhaps, who felt that the State ought not to be discriminated against, and who would make the contribution.

Mr. SMITH of Georgia. I would be glad myself to join with the Senator from New Hampshire in the suggestion of an amend-ment by striking out the word "or," in line 13, before the word "local," and adding, after the word "authority," "or in-dividual contribution." I move that amendment.

The VICE PRESIDENT. Is there objection to the amendment? The Chair hears none, and the amendment is adopted.

Mr. STERLING. Mr. President, I do not propose to enter upon any discussion of the bill. I did not anticipate that the bill would be brought on for full discussion and final disposition to-day; but there are one or two features of the bill to which the Senator from Georgia has not referred and to which no reference has been made in the statements of any of the Senators, to which I wish to call attention.

I am in receipt this morning of a communication from the agronomist at our State agricultural college. He incloses with his letter an article which he proposes to publish in regard to the bill, and he suggests some objections to the bill. I should like to call the attention of the Senator from Georgia and the attention of other Senators to a particular paragraph or paragraphs in his proposed article:

An educational antifederalist-

He says

would amend the title of the Lever bill by striking out the word "cooperative" and making the amended title read as follows: "A bill to provide for agricultural extension work in the agricultural colleges in the several States receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto."

He proceeds in this proposed article:

Furthermore, the text of the bill would be so amended as to harmonize with the amended title. Under such a new reading the Federal Department of Agriculture would not be empowered to "cooperate" in the educational affairs of the States in any such wholesale way. It should not so "cooperate"; and if it is further empowered to do so, in addition to the power in that direction which it already has, the ultimate effect will be wasteful, bureaucratic, pernicious.

Then follows this paragraph:

Whatever modicum of good can come or is coming out of Federal interference with State educational affairs under the general heading, "Cooperation," is secured largely at the expense of duplicating efforts already inaugurated by the States, thus causing friction and bitterness and consequent waste of effort, and, furthermore, at the expense of destroying the initiative of the people, who should conduct their own affairs.

I have not had time since the receipt of the communication this morning to read the entire article, but in glancing over it I have marked certain paragraphs. One toward the conclusion of the article is as follows:

The writer has a right to urge that this article be not construed as any attack upon the Federal Department of Agriculture or any of its excellent workers. It is an attempt to outline, if possible, the fact that the initiative in local and State educational affairs should come from local and State communities. It is to urge upon the authorities of a supposedly anti-Federal administration that they give evidence of good faith by urging Congress to amend the proposed Smith-Lever bill by striking out the word "cooperative" in the title and amend the text to correspond thereto.

I will say to the Senator from Georgia that not having examined the entire article and being without opportunity to study the subject in connection with the article, I am unable to judge whether these objections to the bill are valid or not, and hence I had hoped that there might be time for further consideration.

I want to call attention to a statement made in an address by Prof. Davenport, dean of the college of agriculture and director of the agricultural experiment station at the State University of Illinois, his address being made in November and before the Association of State Agricultural Colleges here in Washington. He takes the same view with reference to cooperation and holds to the position that the Federal Government has in the matter of agriculture and agricultural education a great field, but that there is a separate field which should be occupied by the State colleges themselves, and that the interference of one with the other causes duplication, a waste of effort, and friction. Says Mr. Davenport:

To the Federal department belong all matters requiring national administrative authority—

He specifies them-

such as import and export regulations, live-stock and meat inspection, and international relations in general; also the control of matters requiring interstate regulations, such as contagious or infectious diseases of animals and plants, together with investigations preparatory to or arising out of such control.

Problems covering a wide expanse of country, such as the weather service, come preeminently within the province of the department and without argument. We should have no weather service without a national department for its administration, for no cooperative scheme that could be devised between the States could establish it, because of the inherent weakness of cooperation and the necessity for definite organization in order to accomplish specific ends.

Without reading further along that line, I will call attention to what he says about the functions of local institutions:

To the State institutions belong the study of local questions, the meeting and mastering of local situations, and the appeal to the local constituency by such studies and demonstrations of either local or general truths as shall best advance the agriculture of their respective localities, and this, again, they must be able to do without the cumbersome machinery of enforced cooperation with anybody.

The department should work with large agricultural questions in the abstract and with groups of people rather than with individuals, except when necessary to the discharge of its national functions. The State institutions, on the other hand, live and work largely in a world of the concrete, and especially with and through individuals, many of whom are their graduates, who should be stimulated to solve their own problems and not habituated to stand helplessly waiting for outside assistance.

It occurs to me, Mr. President, that there is considerable force in what is stated by Dr. Hume, the State agronomist of South Dakota, and what is said by Dean Davenport, of the University of Illinois; and, as I have stated, I have heard no mention of this particular phase of this subject since the discussion began.

Mr. SMITH of Georgia. Mr. President, in the bill which was introduced two years ago we did not use the term "cooperation" and we did not provide for any authority whatever in the Department of Agriculture in any way to advise with the local colleges in this work. The changes made have been due to the conviction we have reached that the attitude of Dean Davenport as to this particular measure is not sound. I suppose I was fully as much inclined to the view he expressed, and am still generally as much inclined to that view as is anyone upon the floor of this Chamber. I would very much oppose any interference that would give national control in any way to our local systems of education; but I have brought myself to agree to the change from the original bill which I introduced to the present bill containing the features differing from the original bill to which Dean Davenport and the gentlemen connected with the agricultural colleges of South Dakota object, because I really think those changed provisions will render this bill more

The Department of Agriculture has been engaged most effectively in demonstration work. They have men who are trained in agricultural extension work. It has only been done in spots, but where done it has been most valuable. While some of the States have engaged in it, others have not, and we concluded that it was advisable to take the plans gotten up by the different States for the work, subject to the approval of the Department of Agriculture, because such a course would help perfect and systematize the work in its origin and be of great benefit to those engaged in it.

Mr. VARDAMAN. Mr. President—
The PRESIDING OFFICER (Mr. THORNTON in the chair).
Does the Senator from Georgia yield to the Senator from Mississippi?

Mr. SMITH of Georgia. I do.

Mr. VARDAMAN. I am very greatly interested in the work sought to be done by this measure.

Mr. SMITH of Georgia. One moment, if the Senator will allow me. I should like to finish answering the Senator from South Dakota.

Mr. VARDAMAN. I was going to ask the Senator from Georgia a question.

Mr. SMITH of Georgia. Very well.

Mr. VARDAMAN. There are two institutions in the State of Mississippi-the Agricultural and Mechanical College, of Starksville, where boys and men are instructed, and the Industrial Institute and College at Columbus, established for the education of women. I have not had an opportunity to examine this bill as I should like to consider it, and I rise to ask the Senator from Georgia if the appropriation carried therein applies only to agricultural and mechanical colleges?

Mr. SMITH of Georgia. I should like to finish answering the Senator from South Dakota [Mr. Sterling] and then I will come to the question of the Senator from Mississippi.

Mr. VARDAMAN. I beg the Senator's pardon. wish to interrupt the course of his argument, but I am deeply concerned in the subject matter of this measure.

Mr. SMITH of Georgia. I will come back to the Senator's question in a few moments and answer it with pleasure.

Mr. VARDAMAN. Very well.

Mr. SMITH of Georgia. Replying further to the Senator from South Dakota [Mr. STERLING], I wish to call his attention to the fact that this bill limits the employment of the force and the conduct of this work exclusively to the colleges of agriculture. The Department of Agriculture here will not employ a man, will not control the work, and will have no connection with the actual work done, but the State college will conduct the work. The only part the Department of Agriculture has is that when the representatives of the college get up their plan for the ensuing year it is submitted to the department here for its approval. That being obtained, the relation of the department to it ceases and the work is conducted exclusively by the land-grant colleges.

Mr. STERLING. Mr. President

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from South Dakota?

Mr. SMITH of Georgia. I do.

Mr. STERLING. Does the Senator from Georgia refer to the language of the bill which provides that the work shall be carried on by the agricultural colleges?

Mr. SMITH of Georgia. Yes.

Mr. STERLING. That is the very language.

Mr. SMITH of Georgia. Oh, yes. It is found in two or three aces. It is found in every place. There is not a suggestion places. It is found in every place. There is not a suggestion anywhere in the bill except that the land-grant college is to

Mr. ROBINSON. Will the Senator from Georgia yield to me for a question?

The PRESIDING OFFICER. Does the Senator from Georgia

yield to the Senator from Arkansas?

Mr. SMITH of Georgia. Allow me to first answer the Senator from Mississippi before I am drawn away from the point he

The bill provides that the money shall go to the land-grant Where there are two or more of them the legislature of the State can select the college to handle the funds.

Mr. VARDAMAN. As I was about to remark, Mr. President, that in the State of Mississippi there is an institution established for the purpose of affording industrial education to women, and I am afraid that under the provisions of this bill that institution would not share in its benefactions. that it is quite as important-indeed more so-that the character of instruction to be given under this plan is needed quite as much among the women of the country as it is among the men. We all understand the far-reaching influence of the home, and we all realize the advantages of instruction in home economics. Unless the bill is so framed that its provisions can be made to apply to institutions designed for the education of women, I think it ought to be amended so that they may share in the appropriation. I shall look further into the matter, and if the bill does not cover that I wish to offer an amendment to do so in order that it shall.

Mr. SMITH of Georgia. Mr. President, the bill covers no contribution to either of the colleges mentioned by the Senator from Mississippi-not a dollar of this money can be spent in those colleges; not a dollar of it can be used in any of the colleges. The bill simply provides a plan by which the ac-cumulated scientific information acquired by the experiment stations and by the agricultural colleges may be carried to the home of the farmer through a trained representative and be demonstrated and taught in the country at the farmer's home.

Mr. VARDAMAN. Is not that done through the cooperation of agents of agricultural departments and the educational institutions of the State?

Mr. SMITH of Georgia. It is done by the agents of colleges of agriculture in the States. The Agricultural Department here does not select them. The college in the Senator's State designated by the legislature of his State selects the men to do the

work, and the work is to be done in cooperation with the men on the farm and with the women on the farm.

Mr. VARDAMAN. That quite answers my question.

Mr. SMITH of Georgia. Yes. Whichever college makes the selection, I hope that that college will not only select men but that it will have women traveling. I called attention this morning to the fact-

Mr. VARDAMAN. I did not have the pleasure of hearing the Senator this morning. As I have said, I was absent at a

committee meeting.

Mr. SMITH of Georgia. The country which does this work, perhaps, most perfectly, or more perfectly than any other country, is Germany. Germany has not only her man teacher traveling but has her woman teacher out in the homes carrying instruction in home economics and domestic science to the women on the farm. The legislature of the Senator's own State can name the college, where more than one receives the benefit of the land grant, which shall administer the fund.

Mr. SMOOT rose.

Mr. ROBINSON. Mr. President-

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Arkansas;

Mr. SMITH of Georgia. I think the Senator from Utah first

interrupted, but I yield to both Senators,
Mr. SMOOT. I thought the Senator from Georgia was

Mr. ROBINSON. Mr. President-

The PRESIDING OFFICER. The Senator from Arkansas is

recognized by the Chair.

Mr. ROBINSON. I merely desire to say to the Senator from South Dakota [Mr. STERLING] that instead of duplicating demonstration work this bill will prevent duplication. That, to my mind, is one of the strongest arguments in favor of the bill. The theory of the bill is that the general plan of the work shall be planned out between the Department of Agriculture and the land-grant agricultural colleges in the respective States. stead of encouraging a duplication of work of the character contemplated by the bill, I repeat it will prevent it.

The second objection suggested by the document presented by the Senator from South Dakota is that the bill constitutes an unwarranted Federal interference in local matters. I have no sympathy with that suggestion. In my judgment, one of the strongest and best features of the bill i the fact that while the Federal Government is expending money for the purposes con-templated by the bill it still retains a general supervision, if you please, over the manner of expenditure. When the Federal Government is called upon to expend money for any purpose, criticism does not lie because the Government reserves the right to see that the money is expended for the beneficial purposes contemplated by the appropriation itself.

Instead of constituting a valid criticism of the bill, in my judgment, the two points urged by the memorandum presented by the Senator from South Dakota comprise two of the most valuable features of the bill. While under this bill the Federal Government lets the work be done largely under the actual control of the agricultural colleges, it does reserve the right to co-operate with those colleges, through the Department of Agriculture, to determine the plans by which the work shall proceed. In doing that it will prevent duplication, and it will see that the moneys are properly expended.

Mr. SMOOT. Mr. President, I had intended to speak at some length on this bill, but really I am so interested in seeing it pass the Senate at the earliest date possible that I am going to withhold the remarks I had expected to make. I will content myself with saying that I am heartily in favor of the provisions of this bill. Its beneficial results can not be overestimated. It means everything to this Nation; but I do feel that it could go still further and achieve still more beneficial results to the American home.

I believe in the scientific education of our farmers. what has been accomplished along that line in the past, and I can in some degree appreciate what can be accomplished in the future; but I believe that it is of just as much importance that our girls and housewives be taught how to take care of that which is produced upon the farm as it is to teach the farmer how to produce crops from the soil. When we stop to think that there are \$10,000,000,000 spent annually in the United States for food, shelter, and clothing, and that 90 per cent of that \$10,000,000,000 is handled and spent by the women of this country, we can appreciate how important it is to begin to think seriously of how to educate the girls and the women of this country as to the value of a dollar.

Mr. President, the pending bill provides for aid "in diffusing among the people of the United States useful and practical information on subjects relating to agriculture and home economics." In section 2 it is provided:

That cooperative agricultural extension work shall consist of the giving of instruction and practical demonstrations in agriculture and home economics.

There is no Senator here who does not know that in every agricultural college in the United States home economics are taught, but the instruction is so limited and the amount of means that can be spared for this work from their annual appropriation is so small that the results are not what they

Mr. President, I have introduced a bill in the Senate, being Senate bill 280, providing for an appropriation of \$10,000 annually to each of the agricultural colleges in the States and Territories, to be used for research work in home economics. The bill which we have now under consideration provides for demonstration work, but it does not provide for collecting the information necessary to be carried to the homes of the people and for the development and teaching of home economics. had intended offering this bill as an amendment to the bill at present under consideration; but Dr. True has advised me that he thought it would better serve both purposes if the pending bill were allowed to pass without further amendment and go to the House, where a similar bill has already been reported. The junior Senator from Georgia, as he informed me, was perfectly willing that the bill to which I have referred should be offered as an amendment; but I would not do a thing that would jeopardize the bill which we have under consideration, for I am, as I have said, heartly in favor of it. I believe, however, that when the questions involved in Senate bill 280 are brought to the attention of Congress they will—
Mr. SIMMONS. Mr. President—
The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from North Carolina?

Mr. SMOOT. I will as soon as I finish the sentence. When that bill is brought to the attention of Congress I have no doubt that it will be passed, for it has in view, in my opinion, the solution of one of the greatest subjects before the American people to-day.

Mr. SIMMONS. Mr. President, I do not quite understand

what the Senator meant by his statement a few moments ago. Does the Senator mean that any amendment made by the Senate to the pending bill will jeopardize the passage of the bill? I am inclined myself to offer amendments to it.

Mr. SMOOT. An amendment, of course, that does not really affect the object of the bill or add to its purpose would not jeopardize it in any way in the House; but a similar bill has been reported and is upon the calendar of the House. The bill introduced by me is an extension, as it were, along the lines of another agricultural system, and Dr. True thought—

Mr. VARDAMAN. Mr. President——
The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Mississippi?

Mr. SMOOT. In just a moment.
Mr. VARDAMAN. I merely want to ask the Senator under what title or name does the bill appear in the other House?

Mr. SMOOT. It is exactly the same bill as introduced here and is known as the Lever-Smith bill. That is the bill to which I had reference.

Mr. VARDAMAN. I simply wanted to know if that was the identical bill.

That was the bill to which I referred. I am informed, I will say to the Senator from North Carolina, that that bill has been reported to the House and is now upon the calendar of the House, and I do not wish to jeopardize the immediate passage of it in the House by introducing another bill, which I believe will pass upon its merits. As soon as it is brought to the attention of the House, I believe they will see the wisdom of it.

Mr. SIMMONS and Mr. WILLIAMS addressed the Chair.

Mr. SIMMONS: Mr. President, I think I have the floor. The PRESIDING OFFICER. The Senator from North Caro-

lina has the floor.

Mr. SMOOT. I yielded to the Senator from North Carolina. Mr. SIMMONS. I am glad to have the explanation of the Senator. I did not like the intimation contained in the Senator's previous statement that we must not amend a bill here for fear that it may jeopardize it in the other House. I wish to offer some amendments, but I am as much in favor of the general principles of the bill as is the Senator and I will do nothing to jeopardize or imperil its passage by any amendment that I intend to propose. I have no intention of offering an amendment that will change the fundamentals of the bill.

Mr. SMOOT. I will say to the Senator that I did not want to offer an amendment that would jeopardize the bill in any

way, but I did not say that we must not offer amendments. Of course, the Senator will recognize the difference.

Mr. WILLIAMS. Mr. President—
The PRESIDING OFFICER. Has the Senator from Utah yielded the floor; and if not, does he yield to the Senator from Mississippi?

Mr. SMOOT. I yield to the Senator from Mississippi.

Mr. WILLIAMS. I wanted to say a word or two in connection with what the Senator has just said. The State of Mississippi has the honor of having been the first State of the Union to establish a woman's university. We believe that at a certain stage of progress the pathway for the education of men and women diverges, and that there are certain things which after that time women ought peculiarly to learn and certain other things which men ought peculiarly to learn. Home economics is preeminently a question for the consideration and education of women. Our agricultural and mechanical college is not coeducative, nor is our women's industrial institute and college coeducative. It is not a land-grant college; it is a State college, and I suggest that the Senator from Utah amend his bill before he offers it finally so that in those States where the women have a separate industrial institute the money may go to them in order that, instead of going to teach home economics to boys at agricultural colleges, it may be applied to teach home economics to women at women's colleges, because they are the ones through whom the information is to be best filtered to the home itself. I hope that the Senator will so amend his bill as that in the case of my State and other States, if there are others in the same situation, the legislature may designate the women's

Mr. SMOOT. Mr. President, I follow the course that has always been followed in all the supplementary acts to the Morrill Act, passed over 50 years ago. Congress up to the present time has never made an appropriation for educational purposes unless it has confined the appropriation to agricultural colleges receiving benefits from the Morrill Act or acts supplementary thereto. That is the reason I have followed that plan, but I recognize the force of the suggestion of the Senator from Mississippi.

Mr. WILLIAMS. I understand that; but the money would be worse than wasted if you merely taught boys home economics.

Mr. SMOOT. If the Senator will read the bill closely, he will find that the bill provides for the collection and dissemination of information on this subject not only to rural districts but to the homes in the cities, and I believe myself, Mr. President, that to-day

Mr. WILLIAMS. Does the bill of the Senator contemplate purely research work and the dissemination of information?

Mr. SMOOT. Merely research work and dissemination of in-

Mr. WILLIAMS. No teaching in colleges at all?

Mr. SMOOT. Not at all. It provides for research work and dissemination. I want through the passage of the bill to reach all the homes in the United States, the same as is done in France and in Germany, so that when a home needs instruc-tion—and almost every home in the United States does need instruction-it can receive it, and have a demonstration in the home as to how to cook bread, how to cook meat, how to prevent waste, and how to take care of and manage a home.

WILLIAMS. Does the Senator's bill also involve home

sanitation in any way?

Mr. SMOOT. It does. Mr. President, I will content myself now simply by saying that I shall ask the Senate at an early day to grant me the privilege of speaking upon this most important subject, for I believe that the results which will flow from it will be even more beneficial than the magnificent results which are bound to flow from the passage of the bill which we now have under consideration.

Mr. SIMMONS. Mr. President, I desire to offer an amendment. On page 3, line 19, I move to strike out "\$300,000" and insert "\$500,000"; and on page 3, line 21, to strike out "\$3,000,000" and insert "\$5,000,000."

I do not desire to enter into any discussion of the amendment further than to say that I am heartily in sympathy with the objects of the bill, but I think the amount provided to carry out its provisions is wholly inadequate. If we are going to help the farmer, we ought to do it upon a comprehensive scale, and we ought to appropriate an amount sufficient to carry this demonstration work to every community in the United States within the next nine years. Of course, in the beginning the amount, even as increased by my proposed amendment, would be very inadequate, but at the end of 10 years the amount would be, on an average, about \$100,000 to each State. While I do not think that is adequate to accomplish the purpose we have in view, it would be very much better than the amount provided

in the bill, and I hope the proposition to increase this appro-

m the bill, and I hope the proposition to increase this appropriation will meet with the approval of the Senate.

Mr. VARDAMAN. Mr. President, I do not wish to do anything that is going to interfere in any way with the expeditious passage of the bill, but I agree most heartily with the Senator from North Carolina that the best investment this Government can make is in the improvement of the minds of the men and women in the rural districts of America.

We all understand that upon the country home depends the permanency of American institutions. They form the source of all enduring prosperity, and every dollar invested in this way brings a thousandfold in return for the investment.

I, for one, desire to register my approval of the measure, and to say that if more money could be expended in the improvement of the agricultural interests, if more money could be spent in arousing the American farmer to the importance of the part he plays in the economy of this Government, and less for building ships and maintaining armies, greater benefit and advantage would result to the entire country.

I hope the amendment may be adopted, unless the Senators who have charge of the bill should feel that its adoption will in some way impede its progress through the Senate and its becoming a law.

The PRESIDING OFFICER. The Secretary will state the amendment proposed by the Senator from North Carolina.

The Secretary. On page 3, line 19, it is proposed to strike out "\$300,000" and to insert in lieu thereof "\$500,000," and in line 21 it is proposed to strike out "\$3,000,000" and to insert in lieu thereof "\$5,000,000."

Mr. BRISTOW. Mr. President, I do not intend to oppose this measure, but I do not believe it is so important as seems to be indicated by the remarks of some of the Senators.

As I said a short time since, the bill is not very popular with the farmers of Kansas, judging from the correspondence I have received from them. For myself, I believe it would be better to appropriate money to establish agricultural schools or branches of the present agricultural colleges in the various counties of the States and to aid in establishing industrial branches in our high schools in the various county-seat towns. By such a policy as that the children of our farming regions would be educated in scientific agriculture, and when they returned from school to their homes to do the work upon the farms they would instinctively and naturally apply to their daily work the ideas received in the schools. I think the results of that would be very much more satisfactory than to pursue such a line of education as suggested in the bill, and I regret that the legislation has not taken that course.

I am not in sympathy with the spirit of the discussion that has been had here this afternoon, because it has proceeded to a certain extent, it seems to me, upon the hypothesis that the farmer is an ignorant man, who knows little about his business, and that it is necessary to send people around to show him things he ought to knew in regard to his daily vocation. has been the general tone of the debate. My observation has been that the farmer is just as intelligent and just as well in-formed as to his own business as is the merchant or any other man in any other vocation, and many farmers are really better informed in regard to the business of farming than are the demonstrators who go around to teach them. At least, that is the experience in the State which I in part represent.

I am not going to oppose this measure, because its purpose is good, though I do not think it is the wisest legislation we could have for the farmer. I think, as a rule, that in regard to his business, and indeed in regard to other matters, including the current affairs of life, he is better and more thoroughly informed than is the average business man. He can discuss with equal intelligence any question that affects the welfare of the country. He can discuss these questions just as intelligently as the man of any other vocation. He does not need anybody to instruct him any more than the merchant needs somebody to instruct him as to how to take care of his store. We are proceeding upon an entirely wrong hypothesis in the discussion of

this legislation.

Mr. SIMMONS. Mr. President-

I yield to the Senator from North Carolina. I should like to inquire of the Senator from Mr. BRISTOW. Mr. SIMMONS. Kansas if there has been up to this time any demonstration work of consequence in his State?

Mr. BRISTOW. I think so. Our agricultural college there conducts the demonstration work, and I think it is doing a great deal of good. I think the gentlemen who are in control of it are enthusiastic and earnest, but the farmer does not take to it so well as he does the instruction of his children along scientific lines. He rather resents it. At least, the Farmers' Union, a farmers' organization in our State, has passed resolutions

against this bill, because the farmers think it is proceeding upon the hypothesis that they do not know anything about their

Mr. SIMMONS. Have they been sending the demonstrators out to the fields, and having demonstrations in the fields?

Mr. BRISTOW. To a certain extent; yes.
Mr. SIMMONS. Have the men who have gone out to do the

Mr. BRISTOW. No.
Mr. SIMMONS. Have they been graduates of the college? Mr. BRISTOW. They may have been graduates, but they have been the usual demonstrators who go about and instruct the farmers

Mr. SIMMONS. If the Senator will pardon me. I ask these questions because in my State we have had a great deal of this demonstration work, and I find the farmers very enthusi-

Mr. BRISTOW. I have talked with other Senators, and they make the same report. It may be somewhat different in my State with our farmers. The most popular branch of agricultural education we have had in Kansas has been the contests that have been carried on by boys and girls in the production of prize crops. That has been very useful, because the young minds are eager for new ideas, they grasp them readily and put them into practical operation, and with the experience of the father, with the conditions of climate and soil that exist in

the immediate vicinity, a line of experimental work becomes very useful and very interesting to these young people.

Mr. SIMMONS. The boys' clubs and the girls' clubs in my State have accomplished wonderful things. A few days ago a couple of boys from my State were in my office. I think one of them had raised about 190 bushels of corn to the acre and the other about 160 bushels. But it is not the boys any more than the fathers and the mothers of the boys who are enthusiastic about this work in my State. I thought probably it was done in my State on a different plan than that on which it has been done in the State of Kansas, and that might account for the

different reception it has had.

The work in my State is done first, I think, under the supervision of the General Government. The counties contribute one half of the expense and the General Government the other half. just as is the principle of this bill. This bill, as I understand, is only an extension of certain work now being done by the department. It simply provides a larger fund for the work than

is now available to the department.

There is a State agent in my State. He is a very high-class farmer, a man of broad intelligence. He selects the county demonstrators, the county paying half the expenses. He does not necessarily select a college-bred man. Generally he selects a practical farmer, and before that farmer begins his demonstration work he undergoes a process of instruction in his work under the general direction of the State agent, so that he brings to his aid in the work not only his practical knowledge as an actual farmer but the knowledge he has gained through the literature of the department and through the instruction of the general agent of the department, who is a man thoroughly familiar with farm work.

The result of that demonstration work in North Carolina has been, I think-that is the general consensus of opinion there—that it has already added very largely to the productiveness of our farms, especially our corn and our cotton farms and to some extent our tobacco farms and our wheat farms. yield per acre has been largely increased. In fact, I that, taking all of these four staple crops-corn, cotton, tobacco, and wheat—the yield per acre has been largely increased in my State in the last few years. The farmers are disposed to attribute this better cultivation and these better results to some extent—not altogether, of course, but to some extent—to the scientific and practical information they have received through the farm demonstrations that are being conducted all over the State. They are not being conducted in every county, it is true, but they are being conducted in a large number of the counties of the State.

Mr. BRISTOW. I do not wish to be understood to say that I do not believe good has come from these demonstrations, but I do not believe it is the best way to promote the interests of scientific agriculture.

Mr. VARDAMAN. Mr. President—
The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Mississippi?
Mr. BRISTOW. In just a moment. I think that by the establishment of departments of domestic science and agriculture in the various high schools throughout the States where you primarily instruct the youth in the science of agriculture and in domestic science, we would get a better result, and that

in the course of time we would have a much better system. I think that this, while useful, is the superficial way of promot-

ing the development of agricultural education.

Mr. VARDAMAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Mississippi?

Mr. BRISTOW. I do.

Mr. VARDAMAN. I do not want to take the Senator from the floor nor to interrupt him unnecessarily, but his remarks regarding the relative value of the instruction to the youth and that received by the more mature man or woman recall a very interesting conversation I had a few days ago with one of the most progressive farmers in my State, who attended the Agricultural and Mechanical College in his boyhood. I wish to say in this connection that the Agricultural and Mechanical College in Mississippi is one of the best in America. After remaining there two or three years this gentleman became a very prosperous planter or farmer, and after two or three years of experience on his farm he returned to the college and with the demon-strators he remained five or six weeks. He told me that the information he received from the demonstration work was really of more practical benefit to him in the management of his plantation than the instruction he received during the entire freshman session in which the science of agriculture was a part of the course.

The value of an idea or a thought is incalculable. Its influence is far-reaching, not only upon the farmer, upon the merchant, and upon the lawyer, but it sometimes helps the statesman. There is no doubt in the world, however, that the man who is daily engaged in this work, who goes out and meets men from other parts of the country who have had their thoughts put into practical operation, who have had their ideas materialized into corn, oats, wheat, or cotton, is greatly benefited. There can not be a dollar judiciously invested by the Federal Government or the State government to promote this sort of education that will not bring the largest return, because upon the prosperity of the farmer the prosperity of all other business and the general welfare of the Republic depends.

Mr. BRISTOW. I thoroughly agree with the Senator's last observation; and, of course, I was interested in the incident he related; but I want to repeat the suggestion I made a short time ago, and that is, that the farmers of the country are not only interested in the means of producing crops so as to get the largest return, but they are also interested in legislation that will provide for them a good market for their surplus. While I think legislation of this character is good, I think without an effort on our part to open up markets for our surplus products, instead of opening up markets for the surplus products of other countries, this educational feature will not bring the results which it otherwise ought to bring.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from North Carolina [Mr. SIMMONS].

Mr. SMITH of Georgia. Mr. President, before a vote is taken on the amendment I wish to call the attention of the Senate to the status in which this bill is in the House. It is on a special calendar, which, as I understand, precludes action except upon the bill just as it stands. If we make so important an amendment as that proposed by the Senator from North Carolina, then, as I understand, the bill will have to be referred in the House to the committee, and the progress that has been made in the House on the measure will be largely There are Senators who have served in the House who are familiar with the rules of the House-I am not-who tell me that is the case.

I think it would be unfortunate to make that kind of an amendment at this stage. So far as I am concerned, I should be glad to see the amount \$500,000 instead of \$300,000, if the Senate were willing to pass it and the House to accept it; but I think it would be a mistake to make the amendment at this stage.

Mr. SIMMONS. Mr. President, I understand the Senator from Georgia admits the merit of the amendment; but he opposes it because he anticipates the House may find itself in a position, not with reference to the Senate bill, but with reference to the House bill, where it will not be able to amend the

It does not seem to me the Senate ought to act upon such considerations as that. We are supposed to perfect our legislation without any reference to the situation in the House. think it would be a bad precedent to establish to say that we are not to amend a measure here in a particular in which we think it ought to be amended for the reason, not that the amendment may not meet with the approval of the House but that

there is a parliamentary situation in the House that will not permit it to consider the bill as amended.

I suggest to the Senator that if the House is in such a situation as that, it can adopt its bill and send it over here, and we will amend it when it comes over here. We ought to adopt our bill, however, and send it over to the House, and let the House accept it or not, exactly as it sees fit.

Mr. ROOT. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from New York?

Mr. SIMMONS. Certainly.

Mr. ROOT. I think the question of amount may very well be a question of time. I am warmly in favor of this bill. I should like to see it become a law as early as possible, in order that the work of creating an organization under it may begin. That is the great trouble. It is easy for us to vote money, but it is going to be a great and difficult work to build up the

organizations that are to give effect to the bill.

There is no use of picking up men in the street and sending them around when they do not know anything. Such a course would bring the whole system of education into disrepute. have had some reference to-day, here in the Senate, to incidents which illustrate that. The sooner the work begins of getting together the personnel and making the organizations to do this work the better; and we can not make up by increased money

for the injury which delay will do.

Furthermore, I do not think the sum ought to be increased now. I do not believe the officers who are charged with the performance of the duties under the bill can usefully employ at first any greater sum than the bill now carries, because they will have to get their personnel; they will have to get their organizations. The appropriation of too much money at the beginning will merely tend toward useless extravagance.

Mr. SIMMONS. Does the Senator think it is going to take them nine years to get their organizations?

Mr. ROOT. It will take them more than nine years to perfect their organizations. I think the appropriation which is in the bill now goes as far as we can usefully go without having our allotment of money in advance of the personnel through

which the money can be used.

Mr. SIMMONS. Mr. President, I have noticed that when it is proposed to appropriate money for the benefit of the farmers of this country the Senate becomes exceedingly economical

and penurious.

The Senator says, and he says correctly, that one of the chief things is to secure competent men to do this work. think that is one of the troubles with the demonstration work up to this time. The fund at the disposal of the Agricultural Department, part of which, I understand, has been made up of private donations, has been so very small, so utterly inadequate, that they have not been able to pay the agents employed to do this work sufficient money to secure the best talent. know that has been the situation in my State, and I rather suspect that is at the bottom of the trouble in the State of the Senator from Kansas.

What we want is to get the very best talent engaged in this work. Unless we can get that we are not going to get the best results. In order to get the best results we shall have to pay good salaries, much larger salaries than have been here-

tofore paid.

If the United States is going to help the farmer, if it is going to bring instruction to the door of every farmer in this country, and if one farmer is entitled to have the benefit of this instruction at the expense of the United States Government, every farmer in the United States is equally entitled to have the benefit of it—if, therefore, we are going to give instruction in modern methods of soil cultivation to the millions of farmers scattered throughout the United States, it does seem to me that \$310,000 a year is a pitiable sum for us to appropriate for that purpose. It is a trifling sum, Mr. President, and I can that purpose. It is a triffing sum, Mr. President, and I can not see why if we are going to undertake this work we should not in the very beginning lay it out upon broad, comprehensive lines and appropriate a sum of money sufficient to meet the situation and to bring the benefit of this knowledge, admitted by all Senators to be of the greatest importance, to the individual farmer in every community in this country.

Mr. THOMAS. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Colorado?

Mr. SIMMONS. I do.
Mr. THOMAS. I merely wish to inquire if the bill does not provide that the State shall duplicate this amount by an appropriation before it becomes effective? Mr. SIMMONS. Yes.

Mr. THOMAS. If so, then is not the amount appropriated, when the condition is complied with, \$600,000 a year.

Mr. SIMMONS. It is \$600,000 a year, to be distributed among 48 States in the Union.

Mr. THOMAS. It is to be distributed among 48 States; but

they will have that amount to begin with. Mr. SIMMONS. And \$600,000 to enlighten the millions of farmers in such work is, I say, a sum that is pitiable, and it is

Mr. THOMAS. It may be pitiful, but it seems to me to be sufficient to initiate the enterprise, and in view of the fact it means a considerable burden upon some of the States it is a large amount. For example, the State which I represent in part here is one whose present burdens are such as to make the amount required by the Government to be appropriated quite a considerable item. Some other States, of course, are much more capable of carrying the burden. By some it will not be felt at all; but when we consider that of the 48 States there are

a very large number whose finances are not in any satisfactory condition, it is a sufficient amount to begin this work with. Mr. SIMMONS. The State of the Senator from Colorado is

not a distinctively agricultural State.

Mr. THOMAS. Oh, Mr. President, the State which I in part represent, I will say to the Senator, is one of the great agricultural States of the Union.

Mr. SIMMONS. I know it is becoming one of the great agricultural States, but it will not become one until we get enough

water on the ground in order to raise crops.

Mr. THOMAS. The agricultural products of my State exceed its mineral products over five times, and in some lines of production we lead all the other States in the Union; for example, in the production of beet sugar ours is the first State in the Union. Colorado is one of the great agricultural States, and it is becoming more so all the time.

I am heartily in sympathy with this bill and I want to see it enacted. I believe, as was stated here by some other Senator, perhaps it was stated more than once, that we ought to appropriate money for things of this sort rather than for battleships that become utterly useless before they are completed, and rather than make other appropriations for which there is really no positive need or justification.

Mr. DU PONT. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Delaware?

Mr. SIMMONS. I do. Mr. DU PONT. I should like to ask the Senator from North Carolina whether, if his amendment is carried, there will be a greater amount payable to each State each year than the \$10,000 now provided in the bill?

Mr. SIMMONS. My amendment only goes to the additional This additional sum is to be distributed among the States

according to the agricultural population.

Mr. DU PONT. In section 3 of the bill, in the sixth line, the sum of \$480,000 each year is appropriated, "\$10,000 of which shall be paid annually in the manner hereinafter provided to each State.'

Mr. SIMMONS. That is the fixed appropriation. My amendment only goes to the additional appropriation, not to the fixed

Mr. DU PONT. That is what I wished to ascertain.

Mr. SIMMONS. Mr. President, I recognize the fact that there are some States which are less agricultural than other States. I did not mean to say that Colorado is not a State in which agriculture had not reached a very high state of per-They do some magnificent farming there. meant to say was that it is not to the same extent an agricultural State as some other States, that agriculture is not the dominant industry. I may be mistaken about that, but I do not think I am. However, in that State, under this bill, if the number of its farms is limited the amount that it is to receive of this additional appropriation will be likewise limited; that is to say, a small agricultural State would have to pay, in order to get the benefit of this additional sum, the same proportion that a large agricultural State would have to pay. It would be no hardship upon the small agricultural State, because it would not be entitled to participate except in proportion to its agricultural population, while the larger agricultural State would participate in proportion to its population. In other words, it would only be a question whether the State was willing to put up the same amount that the Government put up for every unit engaged in agriculture in its boundaries.

I do not see the force of the argument that by reason of increasing the amount a small State would not be able to put up its pro rata part. I think the Senator will find that the farmers of this country are sufficiently interested, and I think he

will find when this work is put in practical operation and its benefit shown the farmers will promote it to such an extent that there will be no difficulty about their being heard when their legislature meets and in forcing a contribution by the State equal to the contribution of the Government, even if that contribution were much larger than my amendment pro-

Mr. President, I can not sympathize with the argument of the Senator from New York [Ar. Roor] that this matter will be jeopardized by a little delay. It seems to me that both Houses are in a parliamentary position for speedy action upon the bill. If the House does not accept our amendment, but, on the contrary, passes its bill and sends it over here, then we can amend that; if the House does accept our amendment, then it can pass our bill; but whichever course may be pursued by the House when this bill goes to it, there will be no delay. I can see no reason for the assertion or the argument that there will be any delay because the bill is amended. We are right at the beginning of a new session. We have months before us. I do not think that for the purpose of getting this bill through next week we ought to forego such amendments as the Senate, in its judgment, thinks are necessary to make it a more just and a more equitable measure to the great interests involved.

Mr. CUMMINS. Mr. President—
The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Iowa?

Mr. SIMMONS. Certainly.

Mr. CUMMINS. I desire to make a suggestion to the Senator from North Carolina in view of the objection to his amendment made by the Senator from New York [Mr. Root]. say in the beginning that I am in favor of the amendment proposed by the Senator from North Carolina. We have here \$10,000 given to each State for the first year. That is all. That does not require, of course, a similar sum to be expended by the State.

Mr. SIMMONS. It does not.

Mr. CUMMINS. Now, suppose every penny of that were paid out to farm demonstrators, and they were paid a salary of

\$1,200 a year, that would give something like eight to a State.

Mr. SIMMONS. About eight.

Mr. CUMMINS. Would there be any difficulty in getting eight competent men in North Carolina within a year to do that

Mr. SIMMONS. Certainly not, if you paid them anything like

reasonable salary.

Mr. CUMMINS. The next year, if we divided it numerically, according to the number of States, and that is good enough for an approximation, there would be added to each State about \$6,000, and the State would add \$6,000. Twelve and ten make twenty-two. Twenty-two thousand dollars is all that would be expended during the second year.

Mr. SIMMONS. Yes.

Mr. CUMMINS. Can anybody think that there will be any difficulty in getting competent people to carry out the provisions of this act, at least enough competent people, so that a great deal more than \$22,000 will be consumed? I see nothing in the suggestion that we can not get ready.

Mr. SIMMONS. I think we have over 20 at work in my State now, but they are paid largely by the counties, and the salaries

paid are wholly inadequate.

Mr. CUMMINS. This contribution is given so gradually that there will be no trouble whatever in each State getting ready to get all the instructors who will more than consume the amount that will be at their disposal, as it seems to me.

Mr. SIMMONS. To supplement the argument of the Senator wish to state that I have been advised by the Agricultural Department that they get better results when they give each demonstrator a small territory. On one occasion, when I suggested three small counties for one demonstrator, they said that that territory was too large, that a good-sized county, thickly populated, would be about as much as one demonstrator could attend to, and that two small counties were about as much as one demonstrator could attend to. So to cover my State we would need not less than 50 demonstrators.

Mr. President, I do not care to pursue the argument further. Mr. LANE. Mr. President, I will detain the Senate just a moment. This bill, it seems to me, proposes to attempt to teach the farmer how to farm better than he does now, and also it is designed, it seems, to give him practical information on the subject of agriculture and home economics; in other words, it proposes to enable him to raise a larger amount from the same quantity of land and with the same amount of cultivation than is now the case. It seems to me that that is not exactly what the farmer needs at this time. I believe him to be fairly well posted. I believe him to be fully as well posted on matters of general interest and general information as the average citizen throughout the country, and that perhaps the farming class are the best posted of any citizens in this country.

The evil which now besets the farmers, it strikes me-and that is my opinion; I am giving it to you for what it is worth-is not his ignorance us to how to raise sufficient crops from the soil. He seems to be, however, in a difficult position in respect to his ability to market his crops. If you teach him, in other words, to raise larger crops than he does now and to live at smaller expense, in doing so I do not believe it will alleviate his condition so much as if you were to provide that he should be placed in a position wherein he could market his crops economically and receive the value for them or a greater portion of the cost than is now paid by the consumer of those crops.

I saw an article the other day written by some one who stated the rate received by the farmer for what he raises. It was stated that in many instances he receives only one-tenth of the price which the consumer pays for the product, and in some cases the consumer pays as much as one hundred times as great an amount as the price the farmer receives for the produce. At any rate, there is a great difference. I do not remember who wrote the article.

I will say that the trouble in the part of the country in which I live is not in the fact that the farmer is not intelligent. He is the most intelligent member of our community, and the people who would be sent out to teach him, I think, perhaps might not be as well fitted to give him information as he would be to impart it to them. But his crying need now is that the representatives of the Government shall assist him in reaching a market for his produce at the least cost possible in fairness to the carrier and in fairness to the men who handle the crops after they are produced.

Right here I wish to suggest a provision. It is that a portion of this money, in addition to being expended in giving useful and practical information on subjects relating to agriculture and home economics, in line 5, on page 1, shall be expended in pointing out to the farmer the proper method of marketing his crops, according to the best judgment and in the best manner.

Mr. SMITH of Georgia. Will the Senator from Oregon allow

me to ask him a question?

Mr. LANE. Certainly.

Mr. SMITH of Georgia. We have already passed a bill making an appropriation, through which we have organized a market division in the Agricultural Department which is engaged in the work of studying the problems of marketing the crops. We started it last July. Our next estimate of the Agricultural Department increases the appropriation from \$50,000 to \$195,000

The theory of this bill is that it goes hand in hand with the appropriations to the Agricultural Department creating and maintaining a market division. The Department of Agriculture is to continue the study and prepare the facts, as far as possible, on the subject of marketing. It is expected that the farm demonstrators from the colleges will familiarize themselves with all the facts gathered by the Department of Agriculture and that they will be instrumental in helping stimulate cooperation among the farmers themselves and helping them prepare and utilize the services rendered them by the department through the market division.

Mr. LANE. Do you think that would be helping them?

SMITH of Georgia. Yes. I will state to the Senator that I presented to the Senate two years ago two measuresone for the market division and one for extension work. agree fully with the Senator that the market problem is just as important as the productive problem. I think they go hand in

Mr. LANE. I will say, in conclusion, it strikes me that that is the more important subject. My attention was also attracted by the fact that, while I live in a State which is largely devoted to agriculture and farming of all kinds and fruit raising, I do not remember to have received one letter from the farming community urging my support of this bill or in any way commenting upon it.

Mr. BRISTOW. Mr. President, I want to supplement what the Senator from Oregon [Mr. Lane] has said. I think by far the most important legislation that we could enact in regard to the farming interest would be to provide markets and in some way correct the methods of toll taking that are indulged in by middlemen on products after they leave the farm until they are

finally consumed.

We had the spectacle last fall of eggs that were bought from the farmers along in April, May, and June for from 15 cents to 22 cents a dozen being sold in November and December for 50 cents a dozen; and still we would pass legislation to help springtime will be even less than it is now. But what good are you doing the man who consumes the eggs or, indeed, the farmer in the end? The evil of agriculture is not the lack of intelligence on the part of the farmer in getting his land to yield the crop; it is in the handicap that he is under in marketing his crop or finding a market for it.

Mr. VARDAMAN. Mr. President—
The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Mississippi?

Mr. BRISTOW. I do.

Mr. VARDAMAN. Does the Senator think the farmer is

now suffering from an overproduction?

Mr. BRISTOW. I am not stating that he is suffering from overproduction, but I am saying that what the farming interest of the United States needs most is a market that is a live, active market.

Mr. VARDAMAN. Why not help him in the bill? Mr. BRISTOW. That is what the Senator from Oregon has suggested.

The difficulty is, if the Senator will permit me to refer to what in some quarters is rather an uncomfortable subject, that during the last 9 or 10 months instead of undertaking to enlarge the markets of the American farmer we have been enlarging the markets of the farmers of other countries by throwing our market places wide open to them.

Mr. REED. Mr. President—
The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Missouri?

Mr. BRISTOW. I do.

Mr. REED. If the Senator from Kansas will be so kind, I should like to have him detail to us a plan by which we can enlarge the markets of the American farmer, and if he has a feasible plan, I shall be very pleased, indeed, to cooperate with him in getting it adopted.

Mr. GALLINGER. Mr. President-Mr. REED. I hope the Senator from New Hampshire has not

risen to propose the old, obsolete fake of the home market.

Mr. GALLINGER. The Senator from New Hampshire is not responsible for words he has not spoken. I rose, Mr. President, to ask the Senator from Kansas whether he has observed the fact that either two or three great shiploads of corn have recently come into the United States from a foreign country?

Mr. BRISTOW. I am advised by the public press that not

Mr. BRISTOW. I am advised by the public press that not 1, 2, or 3 shiploads, but 13 shiploads are on the way from Argentina to New York, and that 5,000,000 bushels have been contracted for by the Corn Syrup Co., which is said to be a subsidiary organization of the Standard Oil Co. This corn is to be used in the making of corn sirup. That is, this product is to be made from corn grown in Argentina instead of in the United States.

Mr. REED: Mr. President—
Mr. BRISTOW. If the Senator from Missouri will permit me to answer the question, I will say that first I would protect the American farmer in his home market, and then by a series

of reciprocity treaties I would enlarge his market across the seas.
Mr. REED. Now, will the Senator kindly allow me?
The PRESIDING OFFICER. Does the Senator from Kansas

yield to the Senator from Missouri?

Mr. BRISTOW. I do. Mr. REED. I am interested in this question. There is, of course, the old home-market argument, but the people of the United States eat only a certain amount, and you can not make them eat any more by statute, hence you can not materially increase the home consumption. You could prohibit them from eatcrease the home consumption. You could prohibit them from eating corn raised elsewhere, which might be all right for the gentlemen who raise the corn, but it might be a little hard on the man who has to buy it to eat it. If there are 13 shiploads of corn coming here, in one form or another, it will finally find its way to the stomachs of the American people. The man who will stand up and protest against the opportunity for people to buy their foodstuffs wherever they can buy them, when food is almost at a prohibitive price, thinks more of the votes of a few farmers of his district than he thinks of the welfare of the American people as a whole.

Mr. BRISTOW. I desire to say, if the Senator will permit

me, I supposed he rose to ask another question.

Mr. REED. I was coming to the point. The Senator says that we could, by a plan for reciprocity treaties, enlarge the markets for American grain. Does the Senator know of any country the government of which is so benighted, so lost to the welfare of its own people, that it is willing to prohibit them from buying their corn and wheat from other countries and force them to buy our corn at a higher price than they can get corn elsewhere? If he does, I should like to have the names of the countries

Mr. BRISTOW. The Senator refers to the suggestion I made the farmer produce more eggs so that the price along in the I that we should give our own farmers the advantage of their own market, and offers a covert criticism to the remark by saying that anyone who objects to the importation of farm products into the United States to compete with the farm products that we grow here is showing a lack of interest in the general American-consuming public.

But, if the Senator will study the question from a practical point of view, he will learn that while the meat that is imported from Argentina costs the packers who import it less than the meat that is produced in Kansas City or in Chicago from the American-grown cattle, it does not sell for any less when it reaches the New York market. It sells for the same.

Mr. REED. Mr. President, of course it is true that if 2 pounds of meat are offered of the same quality from the same block at the same time they will sell for the same price, but the fact that both pounds of meat are there to supply the

market reduces the price of both.

Mr. BRISTOW. That theoretically is true, but, as a matter

of fact, it does not do it.

Mr. REED. If it has not done it up to this hour, it is bound to do it in the course of time when the competition is fully established. If competition does not exist, if there is an international trust on beef, that question of course must be met, but I should like to have something beside bald assertions to demonstrate that the importation of 13 shiploads of corn into this country has no effect upon the supply and demand.

I call the Senator's attention to the fact that if the shipment of meat from abroad has not lowered the price one penny, then it has not injured the American farmer one penny. If not lowered the price of corn a penny to the consumer, it has not lowered the price of corn to the American producer. can not allege in one breath that the price remains steadfastly the same to the consumer and in the next breath say that the producer has been injured.

Mr. BRISTOW. The Senator's logic, of course, is very conclusive, but it does not harmonize with facts. The truth is that the price of American cattle has gone down, while the price of meat on the block that the consumer buys has not. Now, that is

a fact which argument can not destroy.

Mr. REED. What about the price—
The PRESIDING OFFICER. Does the Senator from Kansas yield further to the Senator from Missouri? Mr. BRISTOW. I do.

Mr. REED. What about the price that is paid by the re-

Mr. BRISTOW. I suppose the retailer is paying the packers just the same that he has always paid.

Mr. REED. Does the Senator know or does the Senator sup-

Mr. BRISTOW. I do not know whether the retailer is making more profit or not, or whether all the profit is confined to the packers. What I know is that the consuming public is paying the same price for its steaks, while the packers are paying less for the cattle from which they make the steaks.

Mr. REED. Now, Mr. President, if the Senator will pardon

The PRESIDING OFFICER. Does the Senator from Kansas yield further to the Senator from Missouri?

Mr. BRISTOW. I do.

Mr. REED. When we come to deal with facts and put facts before the country, we ought to do so with some degree of accuracy. The Senator makes the assertion that the price of meat has gone down to the farmer and has not gone down to the consumer a particle, and he does not know what the price is to the retailer. If the price has gone down to the retailer, then, certainly, if the retailer is getting the same price from the consumer, he is making more profit, and it certainly is benefiting somebody.

If, on the other hand, the prices are absolutely the same to the consumer, with no increased profit to the retailer, then we have an interesting proposition, for that means that we have a Meat Trust in this country; and I undertake to say that if we have that we ought to direct our attention to it, instead of floundering around here and protesting against the people ever having

any chance at a reduction by buying something from abroad.

Mr. BRISTOW. I will say to the Senator that I have a bill before the Committee on Interstate Commerce—

Mr. VARDAMAN. Mr. President—

The PRESIDING OFFICER. Does the Senato: from Mis-

Souri yield to the Senator from Mississippi?

Mr. BRISTOW. In just one moment. I will say to the Senator from Missouri that I have a bill before the Interstate Commerce Committee now pending which I think would have a curative effect-at any rate, that is my opinion-in regard to the Meat Trust, and I hope the committee will deal with it at this session of Congress.

Mr. VARDAMAN. I rise to a parliamentary inquiry, Mr. President. What is before the Senate?

The PRESIDING OFFICER. The consideration of Senate.

bill 3091.

Mr. VARDAMAN. I thought it was ancient history. Mr. BRISTOW. This is not ancient history; it is modern history, as the Sena or from Mississippi will find out if he will examine the current news of the day.

Now, I want to ask the Senator from Missouri a question. Does he think that the Corn Syrup Co., which the papers tell us h. . contracted for 5,000,000 bushels of corn from Argentina, will sell its sirup to the American people any cheaper than it would if it had bought that corn from the farmers of Illinois or Ohio or Maryland?

Mr. REED. I think, Mr. President, that it is indubitably true, barring combinations and monopolies-

Mr. BRISTOW.. Oh, well-

Mr. REED. Just let me conclude-that a greater supply has a constant tendency to reduce prices if there has not been a corresponding increase in demand; that the man who has two or three places from which he can supply his demand will get better prices than if he has but one; that a country that has two or three source: of supply will get better prices than if it has but one.

Now, I can not answer as to what this particular sirup mill will do, but if that mill is going to consume a given quantity of corn a year and other mills are going to consume quantities of corn, if a part of that corn is obtained from outside of the United States at a lower price, the result in the end will be a reduction of the price of their product to the American people, always providing that there is not a monopoly; and the way to stop a monopoly is not by stopping the source of supply, but by destroying the monopoly by direct action.

Mr. BRISTOW. I, of course, can not take issue with the Senator when he says that barring combinations and monopolies the price depends largely upon the supply and demand, but my complaint has been that because of combinations and monopolies the placing of the farmer's products upon the free list has resulted in advantage to the monopoly, disadvantage to the farmer, and no advantage whatever to the consuming public.

The VICE PRESIDENT. The question is on the amendment

proposed by the Senator from North Carolina [Mr. SIMMONS].

Mr. REED. Mr. President, I merely want to make this observation: I have been sitting in the Senate here now for a number of months seeking to avoid being drowned in the river of tears which is pouring from the eyes of my friends on the other side over the wrongs and injuries of the poor American farmer. am going to take a few minutes now to swim out of that stream of sorrow. One of two propositions is true: Either competition of American grains with the grains of South America in the markets of the United States will reduce the price of those grains or it will not. If it does reduce the price of those grains, then the 100,000,000 American citizens who consume grains are bound to receive the benefit first or last. Monopoly or no monopoly, combination or no combination, the people will get the benefit, because it is impossible that all forms of foodstuffs that are manufactured from grain shall come within the control of any one or any dozen combinations. If the sirup company which appears to not be a sweet morsel to the Senator from Kansas [Mr. Bristow]-should buy a million or ten million bushels of corn abroad, and thus lessen its consumption of corn grown here at home, the 10,000,000 bushels it would have consumed of American corn will be left upon the market. Being left upon the market, it will increase the supply, and having increased the supply, there will be a reduction of price to the manufacture: or user of corn, and inevitably a reduction to the ultimate consumer. If, on the other hand, the price in this country is not affected, it must be because of this: While that 10,000,000 bushels of corn is flowing in from Argentina or from some other South American countries to our Atlantic ports we are shipping great quantities of corn abroad; instead of the South American corn going to Liverpool and meeting us in competition there, the lines of trade have been merely shifted, and our corn, which can more advantageously or easily reach Liverpool, has gone there direct, and the Argentine corn has come to take its place, with some saving in freight rates. If, on the other hand, as the Senator contends, there is no reduction in the price of corn to the ultimate consumer, there can be no reduction in the price of corn to the producer, for the very reason that I offered a few moments ago.

Mr. President, upon the question of the poor American farmer, I wish to say that I come from an agricultural State, the best agricultural State there is in the Union; a State with more diversity in its products than any other State is blessed with.

I know that the State pride of other Senators will lead them to challenge that statement, but if it were a matter of discussion I would undertake to make it good. The farmers of Missouri are more prosperous to-day than they have ever been in the history of the State. There is no clamor among them for pro-They have the best soil or as good soil as there is in the world; they have splendid railway facilities. the competition in this country to-day, which is the only competition any American farmer need fear—the competition of the American farmer who I'ves in the same county and the competition of the American farmer who lives in other American States. There they must meet men of the highest intelligence; they must compete with men who possess modern machinery and ample capital; they must compete with men who have every advantage which they possess. That is the competition that they have always had to meet. Any American farmer who can meet the competition of the great army of other American farmers can meet the competition of any man beneath God's bending sky. He has always done it in the past; he will always do it in the future. He is compelled to do it whether he wills it He must meet competition not only at home but abroad. He has always met the competition at home and abroad.

The attempt to say that there has been discrimination against the American farmer does not commend itself to the judgment of men who know the facts. The claim so often made that there has been discrimination in the tariff law against the American farmer falls flat when it is laid down alongside the facts in the There is not an article in the entire tariff law, from first to last, upon which a reduction of the tariff was made that does not benefit the American farmer in common with every other American citizen. Even though the reduction was on an article used exclusively by manufacturing plants, yet that benefit flows back to the American farmer the same as it comes to the American mechanic, the preacher, or the doctor, or the banker. In the long list every reduction goes for the benefit of all American consumers.

The repeated statement coming from the other side of the Chamber that we took the tariff off the farmers' goods and that we took nothing off that which the farmer consumes is a statement which is not only false, but is known to be false by the men who continue repeating it.

Mr. GALLINGER. Mr. President-

Mr. REED. It is not a question of difference of opinion, but it is a question of fact; and yet we have heard it here upon the floor of this Chamber for months and months at a time

Mr. GALLINGER. Mr. President—
The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from New Hampshire?

Mr. REED. Yes.

Mr. GALLINGER. I rise to say that that is a pretty serious accusation the Senator is making against Members on this side of the Chamber, that they are stating falsehoods, and that they know them to be false. For my part I repudiate it, and I call the attention of the Senator to a rule of the Senate that I think will forbid such a statement.

Mr. REED. The Senator from New Hampshire is oversen-

sitive to-day

Mr. GALLINGER. Not at all; but the Senator from New Hampshire regrets that the Senator from Missouri is so im-

prudent as to make that statement.

Well, Mr. President, I have often had occasion to think, as I pass along the weary trail of this life, that if I could just lift my eyes to that high plane which is occupied by the Senator from New Hampshire and occasionally bathe myself in the sweet light that is shed from his soul, I, of course, would be ready to walk with the archangels.

Mr. GALLINGER. Mr. President, that is an unnecessary allusion. It was interesting the first time the Senator made it in this Chamber, and perhaps it is interesting to some now, but the Senator from New Hampshire claims no such beatific virtue as the Senator from Missouri grants him. I think that the exigencies of this debate do not really require an attack of that kind.

Mr. REED. I thought the remarks of the Senator from New Hampshire injected into mine, in which he accused me of improper conduct, were as far from having any basis as anything I repeat that any man of intelligence who says that the reductions made in the tariff do not inure to the benefit of the farmer makes a statement which, if he makes it as a statement of fact, is untrue, and as an intelligent man he must know it is untrue

Mr. GALLINGER. The Senator from Missouri has modified his statement now, but even with that modification he comes very near transgressing the rule of the Senate.

Mr. President, while I am on my feet, if the Senator will permit me, I wish to say that the Senator is making an appeal that the consumers of the country have benefited by tariff legis-Will the Senator inform us of any article that has been reduced in price to the consumers of the country since the tariff was revised?

Mr. REED. Yes; men's clothing.

Mr. GALLINGER. We all know that is not true.

Mr. REED. Well, if the Senator talks about parliamentary retorts and parliamentary conduct, that is a direct challenge of

the truthfulness of my statement.
Mr. GALLINGER. Not at all. The Senator may believe that, but the rest of us do not; at least, those of us who are

on this side of the Chamber do not.

Mr. REED. I take it, Mr. President, the Senator has not bought a suit of clothes recently. [Laughter.] I know that I got one from my tailor and I got it for \$5 less than the usual price, and he told me it was the difference in the cost of the oth. That is all I know. I have only bought one suit.
Mr. GALLINGER. Well, Mr. President, does not the Senator

know that there is not a difference of \$5 in the price of cloth

in a suit of clothes?

Mr. REED. I think there certainly is in the kind of clothes buy. There may not be in the kind the Senator buys.

Mr. GALLINGER. That may be-

Mr. REED. The Senator asked me to name some articles which are cheaper. I will mention ladies' gloves. There has been a marked reduction in ladies' gloves. Mr. GALLINGER. I have been told to the contrary by those

who buy them.

Mr. REED. The Senator's informants did not know where to

Mr. GALLINGER. Well, they did not go to the Senator's expensive shops evidently, if the Senator wears clothing so superior to that of the rest of us.

Mr. REED. Oh, I do not know. Not being possessed of that character of shrewdness which has made the Senator's State one of the wealthiest in the Union, I possibly have been paying

a higher price, but I am sure I never obtained better values.

Mr. President, the interruption of the Senator led me away from the theme I was discussing. I affirmed that the reduction generally of the articles upon the tariff list did inure to the benefit of the farmer. I want to discuss that for a moment; but before I do so I wish to go back again to the proposition I have repeatedly made, that if there has been no reduction in the price of the articles upon which the tariff was reduced, then the American manufacturer has suffered nothing. If prices have remained the same under the low tariff as under the high tariff, if they have remained the same under the Underwood bill as they were under the Aldrich bill, then let us have done with this weeping and wailing and gnashing of teeth over the wrongs and injuries which have been perpetrated against the American manufacturer, for, if prices have remained just as they were before we changed the tariff rate, then the manufacturer is able to sell his goods at exactly the same price as formerly. So that, if the Senator from New Hampshire is correct in his statement that there has been no reduction in prices to the American people, there can have been no reduction in prices to the American manufacturer; and if there has been no reduction in prices to the American manufacturer, then let us have done with the cry that the new tariff law has injured and ruined and destroyed the American manufacturer, because he stands just where he stood before and is extorting the same prices and receiving the same profits. If, on the other hand, there has been a reduction or is to be a reduction, let us see whether the American farmer can get any benefit.

We reduced the tariff upon woolen goods, including clothing. The American farmer uses woolen goods the same as any other citizen. We reduced the tariff upon blankets. The American farmer uses blankets the same as all other classes of citizens. We reduced the tariff upon steel and iron in its various forms. The American farmer uses those products in common with every other citizen of the Republic. We reduced the tariff We reduced the tariff upon bagging. The American farmer uses bags in common with every other citizen and much more than the average citizen. We reduced the tariff upon cotton goods, and the American farmer uses cotton goods just as extensively as any other class of people in this Republic. We reduced the tariff upon leather and upon the various products of leather. The American farmer uses them the same as other citizens of the Republic use the products of leather.

Mr. OLIVER. Mr. President

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Pennsylvania?

Mr. REED. I will yield when I have concluded this sentence. So I might go down the entire list, including every schedule in the tariff bill, and show that the American farmer is a direct consumer as often as is any other class of our people, except as to those particular commodities which are used in the processes of manufacture, and then he is a consumer of the manufactured article. Hence, if there is any reduction, he re-ceives the benefit of that reduction. An attempt, therefore, to say that the American farmer does not receive the benefit of tariff reduction upon all the articles in the entire schedule the same as any other citizen is a false claim, and is known to be false by those who make it.

Mr. OLIVER. Mr. President, if the Senator will yield to me I should like

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Pennsylvania?

Mr. REED. Certainly.

Mr. OLIVER. I should like to ask the Senator whether the American farmer to-day is purchasing any or all of these articles, such as cotton goods, woolen goods, blankets, leather, and so forth, at any lower price than that for which he was purchasing them a year ago when the exorbitant Payne tariff law was in force?

Mr. REED. Then, I want to ask the Senator a counter question.

Mr. OLIVER. I should rather have the Senator answer my question first.

Mr. REED. I will answer; but will the Senator tell me whether the manufacturers are selling these articles any cheaper, and, if they are not, then how have they been injured, and what becomes of your cry that the smoke will die out of the chimneys; that the fires will become black in the furnaces, and desolation and woe will sweep over that part of country where there are manufactories?

Mr. OLIVER. If the Senator will yield, I should like to call his attention to the fact that he has not answered my question.

Mr. REED. Very well; I will answer it. I have not undertaken to go through the lists of the retail and wholesale prices of goods; but, standing upon the floor and speaking from my own experience and knowledge, I have called attention to two articles which have been reduced in price. I will say, however, that the question is utterly immaterial, for if the prices have not been reduced then the manufacturer has not suffered. I believe they have been reduced, and I believe that further reductions are bound to come. They can not be brought about in minute; but inevitably they will result, or else the tariff is still so high as to be prohibitive, and if it is so high as to be prohibitive, surely the manufacturer ought to quit complaining and go to work.

Mr. OLIVER. I presume, Mr. President, the Senator will not contend that the tariff is prohibitive upon the numerous articles which he and his party have placed upon the free list?
Mr. REED. I hope the tariff is nowhere prohibitive; I hope

it is competitive; but if it is competitive a reduction in the price is inevitable to some extent. If there has been no reduction, it is some evidence that it is prohibitive; but if it is prohibitive, or if there has been no reduction, then certainly the manufacturers of this country can not be heard to complain, for they have not been hurt.

Mr. President, I repeat what I said a moment ago, that it seems to me that there are two classes of people to consider in this country. The two classes are the producers and the consumers. This cry about the farmer sounds a good deal to me like the Macedonian cry which so many candidates utter just before an election. They are wanting the farmers to come over and help them a good deal more than they are desirous of helping the farmers.

Mr. GALLINGER. Mr. President, I assume that an American consumer who eats a loaf of bread and only needs one loaf can not well eat an American loaf and a foreign loaf at the same He would get into trouble if he tried to do so. is that if we open our markets to foreign countries and they are enabled to send their goods in here at a lower rate of duty, we will have a surplus in this country. The Senator from Missouri admits that, and then says that the farmers will have to sell their surplus at a lower cost, so that, according to his view, it does not make much difference what becomes of the American

Mr. President, we have had a profitable trade with Canada heretofore, Canada purchasing much more from us than we did from her, a condition which greatly troubled some of our tariff reformers in past years. I find now that the Underwood tariff law has been a life-saver for Canada. Up to October the balance of trade was running steadily against her, and most seri-

ous consequences were feared; but the moment the wall along the border went down Canadian goods rushed into this country, with the result that in a single month exports trebled, all of the increase coming to this country save for a small amount of wheat, which went to England.

Mr. REED. Exports of what?

Mr. GALLINGER. Of Canadian products.

Mr. REED. That is very vague, indefinite, and uncertain.

Mr. GALLINGER. Yes.

Mr. REED. If they sent to us a few million bushels of wheat and our mills ground that wheat and American labor got the benefit of it, and possibly the American consumer some of it, and the greater part of it was sent abroad, it certainly would not have any effect, except to furnish employment for American labor.

Mr. GALLINGER. The imports included not only Canadian wheat but all the products of Canadian farms, and to some extent of Canadian factories. Of course, a very large amount is made up of beef which came into this country, which may have reduced, and I understand did reduce, the value of cattle on the American farms, but the American consumer did not get any benefit from that. The Senator throws up his hands, and well he may, because the truth is that beef has been increasing in price rather than decreasing in price since the passage of the wonderful Democratic tariff bill, which was going to reduce the high cost of living.

Mr. REED. Let me call the Senator's attention to the fact

that beef had been increasing in price for some years before the

enactment of the tariff law,

Mr. GALLINGER. Yes; it had; but the Senator and his party were going to stop that increase and give us a decrease.

Mr. REED. Very well.

Mr. GALLINGER. That was the promise of the Baltimore

Mr. REED. We promised not to reduce prices—no political party ever promised to reduce prices. We did promise to give American citizen a chance to buy in a reasonably free market. We did denounce the high cost of living.

Mr. GALLINGER. Yes.

Mr. REED. We did say we would do what we could to We have taken the first step in pulling down that wall behind which the American manufacturer was able to plunder the American people, and beyond which the American people could not go for relief from the exactions of monopoly.

We are about to enter upon some legislation that will produce still greater calamity howl. We are about to strengthen the trust laws in this country, so that combinations in restraint of trade will be brought to book and properly punished. When we have done so against the protest of our friends upon the other side, when we have pulled the wagon through to the end with every one of these balking horses sitting back on his haunches and digging his hoofs into the ground and trying to stop progress, if any good has resulted they will deny us the credit. If we have not produced an absolute industrial revolution and brought prices down, they will denounce us; and if prices have gone down, they will then rise in the name of the American manufacturer and American farmer and protest to all the gods at once that we have brought calamity upon the country by reducing prices.

Mr. GALLINGER. The Senator's delicate reference to the

Republican Party, made in my time, is appreciated, and now I

If the Democratic Party did not, in its Baltimore platform, say that the reduction of the tariff would reduce the high cost of living, I am unable to read the English language correctly. That was the promise. It was repeated and reiterated on every stump from Maine to California, and the American people were led to believe that the Democratic Party could accomplish that result. The Democratic Party has failed to do it, and it is idle for the Senator from Missouri to contend to the contrary.

Mr. President, I do not know exactly what brand of clothing the Senator from Missouri wears. Evidently it is better than that which I wear, because the Senator intimated that. If the Senator has a tailor, however, who says that he now furnishes a suit \$5 cheaper, because of the difference in the price of cloth, the Senator had better investigate the facts and correct his tailor in his mathematics.

Mr. REED. That would be the last thing I would do, as long as the price was coming down. [Laughter.]
Mr. GALLINGER. Mr. President, some of the rest of us have bought clothing, probably not of so fine a quality as that worn by the Senator from Missouri, but some of us have tailors who are inclined to tell the truth about their business. I happen to have one I have employed for over 40 years, and he is a most excellent man. He tells me he is not going to make

clothing any cheaper because of the tariff, because he can not afford to do it, and that the difference in the price of cloth is negligible, and that if he should undertake to make clothing cheaper because of the difference in the price of cloth, it would be a mere trifle at best, which I understand to be the fact.

Mr. REED. Will the Senator pardon a further interruption?

Mr. GALLINGER. Certainly.

Mr. REED. If the reduction to the tailor is a mere trifle, so inconsequential that he can not carry it on to his customer, then is it not also a trifle to the man from whom the tailor bought the goods?

Mr. GALLINGER. Five cents a yard is a pretty good profit on cloth. If we open our markets to English cloth and German cloth and French cloth and Canadian cloth, of course, when men buy expensive clothing, which is usually of English or German manufacture, they are going to leave the American cloth on the American market, and the American woolen mills will suffer the consequence, as they are suffering it to-day. Twenty-five per cent of the looms of the woolen mills of the United States are idle at this moment. I do not know how

many more will be idle six months from the present time.

Mr. REED. May I ask the Senator if 25 per cent of the looms are not always idle, or nearly always idle? Do they not

carry a surplus in every mill in this country?

Mr. GALLINGER. There are some looms that are idle all

Mr. REED. Certainly.

Mr. GALLINGER. But this is a much larger proportion than is usually idle at this season of the year.

I do not know that anything is to be gained by continuing this discussion. The Senator from Missouri believes that the Democratic Party has conferred a great boon upon the American people in this legislation that the Democratic Party gave the country. I have believed to the contrary, and I believe to the contrary now. I do not think my sincerity or my honesty of purpose or of belief should be called in question because I hold

The Senator says we are flooding the Senate Chamber and the country with crocodile tears over what the Democratic Party has done for the country. I have not seen any tears. There has been more pathos in the voice of the Senator from Missouri, which always borders on tears, than I have heard on this side of the Chamber at any time during the discussion of this question.

Time will tell whether or not the Democratic Party has conferred a boon on the country. For my part, I am quite willing to wait and see the result of this legislation. I believe it will prove disastrous; I believe it is to-day proving disastrous; but if what I fear does not come to pass, if the country prospers under this legislation, no one will rejoice more than Republicans will rejoice.

I do not believe there is a Republican in this land who wants to see hard times or a panic; but, notwithstanding that fact, there is no reason why Republicans should not contend for the principles in which they believe and the doctrines of the party to which they belong without being accused of ulterior motives or of bringing disaster to the industries or the happiness of the American people.

I am quite willing to let the matter rest there. purpose of saying anything that would excite the unkind feelings of the Senator from Missouri. The Senator from Missouri started out by saying that I rose to talk about "that moss-grown idea of the home market." I did not intend to do that; but I will say now that a market in which 92 or 93 per cent of the products of the American mills and the American farms is consumed by their own people is a market that we ought to protect under all circumstances. We ought not to open it to the products of the underpaid labor of Europe or of Asia to the detriment of the people we try to represent.

Mr. REED. Has the Senator concluded?

Mr. GALLINGER. I have concluded for the present; yes. Mr. REED. The Senator has gone back once more to the old, musty ghost—if I may apply the adjective musty to a ghost—of the underpaid labor of Asia. The complaint he has been making, however, is of the shipment into this country of goods of some kind, which he does not name, from Canada-a country 90 per cent of whose citizens speak our language, a large proportion of them being emigrants from the United States; a country like ours in every respect; a country where farm wages are higher than they are in the United States; and where horses and cattle, as has been demonstrated on this floor, are for the most part higher than they are in the United States. That is the competition that he says has come to us, and not competition from the pauper hordes of Asia. If any

competition from the pauper hordes of Asia has come to us since the enactment of the tariff bill, will the Senator please tell us what it is?

Mr. GALLINGER. I did not say "the pauper hordes of Asia" or of Europe; I said "the underpaid labor.".
Mr. REED. Very well; I will accept the amendment.

Mr. GALLINGER. If the beautiful suit which the Senator is wearing, which he says is superior to that which I wear, is of English or German cloth, as I apprehend it may be, that is one article that has come in under the tariff law. I do not agree with the Senator, however, as to Canadian wages.

Mr. REED. Mr. President, may I relieve the Senator's mind? The suit I am wearing, which I bought from a cheap tailor in my own town, I bought two years ago. I do not know where it was made. I never inquire whether his goods happen to be made in Germany or France or where; but I assume the Senator from New Hampshire always does inquire with care, for I am sure he could not be induced to patronize anything but home industries.

Mr. GALLINGER. The reason I alluded to the Senator's suit is that he observed to me that I probably had not pur-chased a suit recently, and I inferred that he had, because he

told us he got it \$5 cheaper than he used to get it.

Mr. REED. It may astonish the Senator to know that I have another suit. [Laughter in the galleries.]

The VICE PRESIDENT. The galleries will please observe

Mr. GALLINGER. Concerning the importations from Canada, of course they are largely of cattle, horses, and so forth. It may interest the Senator from Missouri to know that under the tariff law which the Democratic Party has given us, if a citizen of the United States drives a steer to the international boundary to get it into Canada he has to pay \$10 for the privi-lege, while if a Canadian drives a steer to the international boundary we fling the gate wide open and he comes in without paying any duty at all. That is one of the beauties of this tariff law, as far as our relations with Canada are concerned.

Mr. REED. Will the Senator pardon me further?

Mr. GALLINGER. Yes.

Mr. REED. It would look as though the American consumers were being benefited both ways. Our cattle can not be taken away; they must be kept at home and be consumed; and the Canadian cattle can come in for our people to use.

Mr. GALLINGER. Yes; to make our cattle of less value to the American farmer, but the beef no lower in price to the

American consumer.

Mr. REED. The Senator overlooks the very practical fact that most of the cattle that are imported into this country from Canada are young cattle that have been grassed up there upon the almost illimitable prairies and then brought down here to be fed United States corn, and that the farmer, by being allowed to get his calves in that way and turn them into money, has been very greatly benefited.

Mr. GALLINGER. Senators representing western districts

tell me that the Senator from Missouri has made a remarkable discovery in this matter. I am not informed as to it, and I do not care to discuss it. I simply call attention to the discrimination that the existing tariff law makes in behalf of Canada

and against the United States.

I shall conclude what I have to say on this subject by saying that the Senator and I will both wait, I have no doubt with some patience, and perhaps with hope, that the tariff law which the Senator so eloquently and somewhat violently defends will work out to the welfare of the American people. Let us hope so.

Mr. BRISTOW. Mr. President, I do not desire to indulge in any further tariff debate; but the Senator from Missouri stated that any man who said that the tariff had not benefited the farmer, and that he had suffered loss from it, stated what he knew to be false.

Mr. REED. Mr. President, will the Senator pardon me just one interruption? The Senator is not quoting me accurately. I did not make that statement. I made the statement that those people who said that the benefits of the reductions brought about by the tariff did not flow to the farmer as they did to other individuals were making a statement which was not true and which they knew was not true.

Mr. BRISTOW. I had just made the statement that the reduction in the duty on cattle had resulted in a reduction of the price of cattle to the farmer, but that it had not resulted in a reduction of the price of meat to the consumer.

Mr. REED. Will the Senator permit me a further interrup-tion? My remark had no relation whatever to the Senator's observation which he has just repeated. I was dealing with the general question. I would not have the Senator from Kansas understand that I for a moment meant to apply that remark

to him individually or to anything he had said. There was nothing personal in my remark.

Mr. BRISTOW. With that statement from the Senator, I

have nothing further to say.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from North Carolina [Mr. SIMMONS]. Mr. BACON. Mr. President, I move that the Senate proceed to the consideration of executive business.

Mr. SMITH of Georgia. Before that motion is made, Mr. President, if the Senator will withhold it for a moment—

Mr. BACON: Certainly.
Mr. SMITH of Georgia. I move that this bill be made the special order immediately following the disposition of the

Alaska railroad bill.

Mr. ASHURST. Mr. President, some time ago I asked unanimous consent that the Senate proceed to the consideration of the weman-suffrage amendment, and the Senator from Georgia assured me that when the currency bill and the Alaska railroad bill were disposed of-he did not say he would consent, but he assured me that there would be no further objec-

Mr. SMITH of Georgia. This bill will take only a very short

Mr. ASHURST. Then, with that understanding—Mr. SMITH of Georgia. I do not expect, personally, to inter-

pose an objection.

Mr. CLARK of Wyoming. Mr. President, I did not under-

stand what the request was.

Mr. SMITH of Georgia. My motion was that this bill be made the special order immediately after the Alaska railroad bill. Ordinarily, I would seek to get it up Monday, but I shall be out of the city Monday, Tuesday, and Wednesday.

Mr. CLARK of Wyoming. Does the Senator make that as a

motion?

Mr. SMITH of Georgia. Yes.
Mr. CLARK of Wyoming. Of course if it is made as a motion, I suppose there is nothing to do except to take a vote upon it. If it is made as a request for unanimous consent, I shall object to the unanimous-consent agreement.

Mr. SMITH of Georgia. I was under the impression that

Mr. SMITH of Georgia. I was under the impression that that time probably would be agreeable to all of us. It will give us until about next Saturday.

Mr. CLARK of Wyoming. It is not a question of time; it is a question of indulging in the practice of piling up orders, one behind the other.

Mr. SMITH of Georgia. This bill having been so nearly completed to-day, it seemed to me that if we could fix a time to dispose of it now it would be in the economy of time.

Mr. CLARK of Wyoming. I have not any question but that the Senator can easily take it up at the time he suggests, but I do not like to see a formal order entered when there is a special order already before the Senate.

Mr. SMITH of Georgia. I have agreed with several of my friends that I would make the motion, and not try to press the bill this evening; so I think I ought to make the motion still, and I hope it will be carried, to make this bill the special

order at the conclusion of the Alaska railroad bill.

Mr. CUMMINS. Mr. President, a parliamentary inquiry. Has an order been entered, or a unanimous-consent agreement made, with regard to the time of voting upon the Alaska railroad bill?

The VICE PRESIDENT. Yes; the legislative day of next

Thursday.

The motion of the Senator from Georgia [Mr. SMITH] is that the pending bill be made the special order immediately follow-

ing the disposition of the unfinished business.

Mr. CUMMINS. Another parliamentary inquiry: Does that mean, may I ask the Senator from Georgia, that at that time the bill will be again taken up for consideration? I suppose that is what it means.

The VICE PRESIDENT. That is all a special order means. Mr. SMITH of Georgia. It will require a two-thirds vote to make this bill the special order. That will require a call of the yeas and nays, and I shall not insist upon it. Instead, I wish to give notice that immediately upon the conclusion of the consideration of the Alaska railroad bill I shall move to take up this bill, and endeavor to keep it before the Senate until we reach a final vote upon it.

Mr. CLARK of Wyoming. That is better. I do not think the Senator will find any difficulty in that course.

EXECUTIVE SESSION.

Mr. BACON. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the

consideration of executive business. After 10 minutes spent in

executive session the doors were reopened, and (at 5 o'clock p. m.) the Senate adjourned until Monday, January 19, 1914, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 17, 1914. SURVEYOR GENERAL.

Frank H. Gould, of San Francisco, Cal., to be suveyor general of California, vice Edward H. Archer, whose term will expire February 10, 1914.

UNITED STATES MARSHAL,

James B. Holohan, of California, to be United States marshal, northern district of California, vice Charles T. Elliott, removed.

PROMOTIONS IN THE ARMY.

MEDICAL DEPARTMENT.

Col. William C. Gorgas, Medical Corps, to be Surgeon General, with the rank of brigadier general, for the period of four years beginning January 16, 1914, with rank from that date, vice Brig. Gen. George H. Torney, who died December 27, 1913.

APPOINTMENTS IN THE ARMY.

MEDICAL RESERVE CORPS.

To be first lieutenants with rank from January 15, 1914.

William Grosvenor Bissell, of New York. Herbert Eddes Brown, of Texas. John Graham Davis, of Iowa. Henry Stewart Fruitnight, of New York. Axel Emanuel Hedback, of Minnesota. Iverson Howard Jewell, of Arkansas. Harry Carl Nichols, of Nebraska. Edwin Jacob Schisler, of Missouri.

Robert Boyden Underwood, of Tennessee. Jesse LeVan Wagner, of Pennsylvania.

PROMOTIONS AND APPOINTMENTS IN THE NAVY.

Commander Andrew T. Long to be a captain in the Navy from the 20th day of December, 1913.

Lieut. Commanders Provoost Babin and Gilbert S. Galbraith to be commanders in the Navy from the 1st day of July, 1913. Lieuts, Ivan E. Bass and William S. Pye to be lieutenant com-

manders in the Navy from the 1st day of July, 1913.

Lieuts. (Junior Grade) William L. Beck and David A. Scott to be lieutenants in the Navy from the 1st day of July, 1913.

Ensign Aquilla G. Dibrell to be a lieutenant (junior grade) in the Navy from the 6th day of June, 1913.

Passed Asst. Surg. Walter S. Hoen to be a surgeon in the

Navy from the 14th day of November, 1913.

The following-named assistant surgeons to be passed assistant surgeons in the Navy from the 28th day of March, 1913:

Andrew B. Davidson, Duncan C. Walton, and Willard J. Riddick.

Asst. Surg. William H. Halsey to be a passed assistant surgeon in the Navy from the 1st of October, 1913.

Asst. Surgs. John J. O'Malley and Robert F. Sheehan to be passed assistant surgeons in the Navy from the 5th day of Octo-

The following-named citizens to be assistant paymasters in

the Navy from the 15th day of January, 1914:

Josiah Merritt, a citizen of California, King Terrell, a citizen of New Jersey, Charles G. Holland, a citizen of Georgia, Hiram P. Tudor, a citizen of Missouri, Richard C. Reed, a citizen of South Carolina, Andrew Mowat, a citizen of Rhode Island, and George C. Simmons, a citizen of Michigan.

POSTMASTERS.

In compliance with the request of the Senate of January 13, 1914. Senate resolution of January 12, 1914, advising and consenting to the appointment of A. W. Howell to be postmaster at Frost, Tex., and James Norton to be postmaster at Hackensack, N. J., are herewith returned.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 17, 1914. (Omitted from RECORD of January 17, 1914.)

COLLECTOR OF INTERNAL REVENUE.

Lewis T. Carpenter, of Arizona, to be collector of internal revenue.

POSTMASTER.

IOWA.

Wallace M. Higbee, Fairbank, Iowa.

HOUSE OF REPRESENTATIVES.

SATURDAY, January 17, 1914.

The House met at 12 o'clock noon. The Chaplain, Re . Henry N. Couden, D. D., offered the fol-

lowing prayer:

We invoke Thy blessing, Almighty God, our heavenly Father, upon this great body of representative men. Impart unto them health of body, a sound mind, a sensitive conscience, a warm, sympathetic, patriotic heart, that its proceedings my be in consonance with the laws which Thou hast ordained and redound to the good of the people here represented. And Thine be the praise, through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and

approved.

IMMIGRATION.

Mr. ASWELL. Mr. Speaker, I ask unanimous consent to e =tend my remarks in the RECORD on the subject of the pending immigration bill.

The SPEAKER. Is there objection?

There was no objection.

CHANGE OF REFERENCE.

Mr. LINTHIGUM. Mr. Speaker, I ask unanimous consent that the Committee on the Library be discharged from further consideration of the bill (H. R. 11174) providing for the appropriation of a sum of money for the erection at Fort McHenry of a monument and flagstaff to Francis Scott Key and a me-morial hall to the defenders of the Nation in the War of 1812, and the erection of a monument upon the North Point battle field, and for the necessary alterations in the buildings and grounds in connection therewith, and that the same be referred

grounds in connection therewith, and that the same be referred to the Committee on Appropriations.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I would like to have some explanation from the gentleman from Maryland before giving consent to this change of reference.

Mr. LINTHICUM. Mr. Speaker, this bill was referred to the Committee on the Library. It was to purchase a site and erect a memorial building. The Committee on the Library has no jurisdiction, because the building is to be erected on Government property. It ought to be referred to the Committee on Appropriations. It is merely taking the bill away from the Committee on the Library, with the consent of that committee, and referring it to the Committee on Appropriations.

Mr. STAFFORD. I understand it has the full approval of the Committee on the Library?

the Committee on the Library?

Mr. LINTHICUM. It has the approval of the chairman. talked to the chairman and he said that the committee had taken up the matter and found that it was not within their jurisdiction.

The SPEAKER. Without objection, it will be so ordered.

There was no objection.

LAURA F. STIMSON.

Mr. LLOYD. Mr. Speaker, I present the following privileged resolution from the Committee on Accounts, which I send to the desk and ask to have read.

The Clerk read as follows:

House resolution 366 (H. Rept. 170).

Resolved, That the Clerk of the House be, and he is hereby, authorized to pay, out of the contingent fund of the House, to Laura F. Stimson, widow of E. D. Stimson, late an employee of the House in the folding room, a sum equal to six months' salary, amounting to \$450, and an additional amount, not exceeding \$250, for the funeral expenses of the said E. D. Stimson.

Mr. LLOYD. Mr. Speaker, this simply provides the usual mount that we pay on the occasion of the death of an employee. Mr. Stimson was employed in the folding room.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

JOHN A. BARNES.

Mr. LLOYD. Mr. Speaker, I also present the following privileged resolution from the Committee on Accounts, which I send to the desk and ask to have read.

The Clerk read as follows:

House resolution 352 (H. Rept. 171).

Resolved, That the Clerk of the House is hereby authorized and directed to pay, out of the contingent fund of the House, to the legal representative of John A. Barnes, deceased, late an employee of the House in the folding room, a sum equal to six months' salary, amounting to \$450, and an additional amount not exceeding \$290 for the funeral expenses of the said John A. Barnes.

With the following committee amendments:

Line 6, strike out the figures "\$290" and insert in lieu thereof "\$250," so that it will read:
"An additional amount not exceeding \$250 for funeral expenses of the said John A. Barnes."

Mr. LLOYD. Mr. Speaker, this is on account of the death of another employee in the folding room.

Mr. STAFFORD. Mr. Speaker, I notice in the reading of the resolution that this amount is to be paid to the legal representative of the deceased employee. Do we pay these stated amounts regardless of whether the deceased person leaves any direct relatives or not?

Mr. LLOYD. That is the rule; yes.
Mr. STAFFORD. At present we have under consideration the Post Office appropriation bill, and we propose in that to pay certain sums to the dependent relatives. I was curious to ascertain from the chairman of the committee whether the committee made any difference between paying the sum to the relatives and to the legal representative, who is the administrator? Mr. LLOYD. It seldom occurs that a resolution of this kind is

offered, because in nearly every instance the deceased employee has a wife. In that case we always provide that payment shall go to the wife. If there is some one specially dependent upon the deceased, if he has no wife, then we provide for the pay-ment to that dependent person. In this particular case, as in a few others in the past, there is no particular person specially dependent upon the deceased.

Mr. STAFFORD. Does the gentleman think it is good policy of the Government to pay a gratuity to the legal represent-atives where there are no dependent persons living, that may go to the payment of his debts or in the usual course of ad-

ministration for other purposes?

Mr. LLOYD. This is a gratuity in a sense and it is not a gratuity in another sense. This is an allowance that we make to the family of a deceased person, without reference specially to whether the individual has anyone immediately dependent upon him.

Mr. STAFFORD. Of course no one can have any objection to paying the funeral expenses of every deceased employee, but to pay six months' salary to the legal representatives that may even escheat to the estate or go to his administrator for the payment of expenses I do not see why the National Government should indulge in that policy.

Mr. LLOYD. In this case I can assure the gentleman it will go to his creditors, and that probably the estate will not be

sufficient to pay the debts he owes.

The SPEAKER. The question is on the amendment, which the Clerk will report.

The Clerk read as follows:

Line 6 of the resolution, strike out the figures " $290\,\text{"}$ and insert in lieu thereof " 250."

The question was taken, and the amendment was agreed to. The question was taken, and the resolution as amended was agreed to.

ADDITIONAL TELEPHONE OPERATOR.

Mr. LLOYD. Mr. Speaker, I offer the following privileged resolution from the Committee on Accounts.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House resolution 357 (H. Rept. 172).

Resolved, That the Clerk of the House be, and he is hereby, authorized to appoint one additional telephone operator at a salary of \$75 per month for the remainder of the present session, the same to be paid out of the contingent fund of the House.

Mr. LLOYD. Mr. Speaker, this provides for an additional employee. We have never had this additional employee in the past; but owing to the fact the membership of the House has increased very greatly we find that the telephone force are very much hampered in the discharge of their duties, and the Clerk and the chief telephone operator both assure us that we specially need additional help, and the Committee on Ac-counts thought it was the proper thing to provide this additional assistance.

Mr. STAFFORD. As I understand it, this employee is to be attached to the main exchange of the Capitol telephone service?

The SPEAKER. The question is on agreeing to the resolution. The question was taken, and the resolution was agreed to.

ASSISTANT TO JOURNAL CLERK.

Mr. LLOYD. Mr. Speaker, I offer the following privileged resolution.

The SPEAKER. The Clerk will report the resolution. The Clerk read as follows:

House resolution 354 (H. Rept. 169).

Resolved. That the Clerk of the House be, and he is hereby, authorized to appoint a messenger to the Journal clerk, who shall be paid out of the contingent fund of the House at the rate of \$1,600 per annum until otherwise provided.

The committee amendments were read, as follows:

Line 2, after the letter "a," insert the word "special," and after the word "messenger" strike out the words "to the "and insert the words "who shall also serve as assistant"; and in line 4 strike out the figures "1,600" and insert in lieu thereof the figures "1,800," so that the resolution as amended will read as follows: "Resolved, That the Clerk of the House be, and he is hereby, authorized to appoint a special messenger who shall also serve as assistant Journal clerk, and who shall be paid out of the contingent fund of the House at the rate of \$1,800 per annum until otherwise provided."

Mr. LLOVD. Mr. Speckar, at the present time the Journal

Mr. LLOYD. Mr. Speaker, at the present time the Journal clerk of the House has no assistance of any character. There is no one specially provided whose duty it is to carry bills from the Journal clerk's table to the Journal clerk's office, or from Journal clerk's office to the enrolling clerk's office, and at the present time that service has to be rendered by pages on the floor. It sometimes happens that it is necessary for the Journal clerk to be away from his place for a few minutes, or possibly a few hours, and at the present time there is no other officer who is authorized to take his place and perform the duties of the office when he is away temporarily. Now, under the Republican régime there was an assistant Journal clerk-

Mr. MANN. And stenographer.

Mr. LLOYD. And this in part restores the position that was held under the Republican regime, though the salary is not so great and the duties are fixed a little differently from the duties which were performed by the assistant Journal clerk then.

Mr. MANN. I did not catch the amendment, my attention being diverted. Does this office still retain the title of mes-

Mr. LLOYD. Special messenger, with the duties of—I will read it—"special messenger, who shall also serve as assistant Journal clerk."

Mr. MANN. Would it not be better to call him assistant Journal clerk? If we start in creating special messengers whose salary is \$1,800 we commence a rather dangerous prac-

tice, I think

Mr. LLOYD. Not if you give him the additional duty. The necessity for using the word "messenger" is this: That in addition to the work he is expected to do as messenger he is also to serve as assistant Journal clerk. If he is appointed to messenger duty, he will have enough to do in connection with the other duties he is performing. He is assigned to that kind of duty, and if it is specified in the resolution, he will expect perform also the duties of the Journal clerk in the absence of the Journal clerk and the duties of assistant Journal clerk during the presence of the Journal clerk.

Mr. MANN. It seems a strange thing to appoint a special messenger and then say that he shall perform the duties of

assistant Journal clerk.

Mr. LLOYD. Oh, I beg the gentleman's pardon. We have some special messengers in the House at the present time who receive salaries as high as \$2,000 each.

Mr. MANN. We have nominally some special messengers who are really minority or majority employees on the floor of the

House receiving that rate of pay.

Mr. LLOYD. And we also have a special messenger in the folding room who receives \$2,000 a year.

Mr. MANN. I do not know how that came in, but I suppose

it was originally some political appointment.

Mr. LLOYD. Neither one of us knows, I suppose.

Mr. MANN. But it certainly is anomalous to appoint a man as a special messenger and require him also to perform the duty of Journal clerk. The Journal clerk is one of the principal officers of the House. I think he ought to have additional help. We formerly gave the Journal clerk an assistant and a stenographer. When they were taken away I thought it was an error natural on the part of a new party, coming into power, who did not have full knowledge of the work to be done. We can afford to give the Journal clerk the proper officials and the proper assistants. It seems to be anomalous to say you will appoint a messenger to perform the duties of a much higher officer. We

need some additional help in the House.

For instance, I noticed in the Record the other day, but did not call attention to it because I was absent, that on the first day of this session the Committee on Enrolled Bills presented to the President the currency bill for his approval, whereas, of course, we know that that is not so, although the Record, of course, we know that that is not so, although the Record, and I suppose the Journal, will say hereafter that the currency bill was approved by the President of the United States in December, but was not presented to him for approval until the 12th day of January. That is somebody's mistake—a thing which ought not to occur. But it probably comes about because of the fact that the employees are pressed with work so that they do not give the proper and diligent attention to noticing

The SPEAKER. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on agreeing to the resolution as amended.

The resolution was agreed to.

HEARINGS, COMMITTEE ON THE MERCHANT MARINE AND FISHERIES.

Mr. HARDY. Mr. Speaker, I ask unanimous consent, in behalf of the Committee on the Merchant Marine and Fisheries, to consider a resolution authorizing certain printing to be done The SPEAKER. The gentleman will send it to the desk, and

the Clerk will report it.

The Clerk read as follows: House resolution 376.

Resolved, That the Committee on the Merchant Marine and Fisheries be, and is hereby, authorized to have printed 2,500 copies of volumes 1, 2, and 3 and 3,400 copies of volume 4 of the proceedings of the Committee on the Merchant Marine and Fisheries in the investigation of shipping combinations under House resolution 587 of the Sixty-second Congress, second session.

The SPEAKER. Is there objection to the present considera-

tion of the resolution?

Mr. MANN. Reserving the right to object, Mr. Speaker, can

the gentleman say what it will cost?

Mr. BARNHART. Mr. Speaker, reserving the right to object, would like to ask the gentleman what objection he would have to letting the resolution take the regular course and go to

the Committee on Printing?

Mr. HARDY. I would not have any objection; but the Government Printer is now printing those volumes at the Government Printing Office under the authority they have for printing a thousand copies under a resolution heretofore adopted, and these additional copies could be printed at but little additional

We find that there is a great demand for these documents. I am sure that the number that I have asked to have printed will be demanded, and perhaps more, because of the fact that the proceedings which are to be printed cover the investigation of the committee into the alleged Shipping Trust, and every shipping line in the whole United States was called upon for reports. All of these shipping lines will perhaps want these volumes, and particularly the fourth volume, which embraces a summary of the important facts brought out by the committee. In addition to that, these volumes contain the consular reports from our representatives abroad touching the subject of our investigation, and they are sources of information on that question that will be wanted by universities and colleges and students of our merchant marine and the freight and transportation questions all over the country. Of course, I can not give you an estimate of the cost.

Mr. BARNHART. Mr. Speaker, will the gentleman yield? The SPEAKER. Does the gentleman from Texas yield?

Mr. HARDY. Yes.

Mr. BARNHART. The members of the Committee on Printing are in Washington. We could consider the resolution within the next two or three days. It does seem to me that these matters should take their regular course. I think, from the statement of the gentleman, that there will be no difficulty

about having the resolution favorably reported.

Mr. FINLEY. Mr. Speaker, will the gentleman yield?

Mr. HARDY. Yes.
Mr. FINLEY. Mr. Speaker, I would like to ask the gentleman from Texas this question: Does he not think that makeletes of this sort ought to go to the committee that has jurisdiction of them rather than that he should ask that action be taken by unanimous consent without consideration by a committee?

I am not a member of the Committee on Printing, but for many years I was, and I found that it worked for economy to have these matters considered by the committee having juris-

diction of the subject matter.

Mr. HARDY. Let me make a suggestion along that line. Could your committee have a hearing on Monday so as to determine this matter? I understand there is much economy in having the whole work done at once and not by piecemeal.

Mr. BARNHART. It could.

Mr. HARDY. Then I ask that the matter be referred to the Committee on Printing.

The SPEAKER. The Chair refers the matter to the Committee on Printing.

PUBLIC PRINTING.

Mr. BARNHART. Mr. Speaker, I ask unanimous consent to proceed for two or three minutes as introductory to a request for unanimous consent.

The SPEAKER. The gentleman asks unanimous consent to proceed for three minutes as an introduction to a request for unanimous consent. Is there objection?

Mr. MANN. What is the subject? Mr. BARNHART. The printing bill. The SPEAKER. Is there objection?

There was no objection.

Mr. BARNHART. Mr. Speaker, for a good many years past Members of both the House and the Senate have devoted a great deal of time to hearings for the preparation of a printing bill, providing for a revision of the present printing laws and the rules governing the printing for the House of Representatives and the Senate.

During the last Congress, as I recall it, the Senate passed a bill, but owing to the fact that the House was overwhelmed with business the Printing Committee was not able to get its bill up for consideration, and it went over, and is reintroduced in the

present term.

The bill provides for a revision of the laws governing the apportionment of the printing to the membership of the House, and is, therefore, I believe, of vital importance to every Member. It is of vital importance to the Treasury of the United States, and it is of vital importance to the people of the United States who want to secure the sort of public documents that they might want, of most interest and worth in the respective districts in which they live. Therefore, I am going to ask unanimous consent that House bill 6539, the same being known as the printing bill just described, be considered in order for consideration at any time when the same does not conflict with the consideration of general appropriation bills or special orders established under the rules.

Mr. MANN. Will the gentleman yield for a question? Mr. BARNHART. I will.

Mr. MANN. Is this bill on the calendar? Mr. BARNHART. Yes; it is on the calendar. Mr. MANN. Has it been reported?

Mr. BARNHART. I am not sure as to that. The bill has been introduced.

Mr. MANN. Oh, I know; but it is not customary for the House to give unanimous consent for the consideration of bills until they are reported.

Mr. BARNHART. I understand that, and if the gentleman

has objection to it I can only permit it to take its place.

Mr. MANN. I do not feel like consenting to an order for the consideration of a bill in the House at any time when it has not yet been reported. I asked the gentleman whether it had been reported, and although he is chairman of the committee he does

Mr. BARNHART. Yes; I do know that it has not been for-

mally reported.

Mr. MANN. Well, then, I object.

The SPEAKER. The gentleman from Illinois objects.

POST OFFICE APPROPRIATION BILL.

Mr. MOON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the Post Office appropriation bill (H. R. 11338).

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 11338) making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1915, and for other purposes, with Mr. Hay in the chair.

Does the gentleman from Michigan [Mr.

SAMUEL W. SMITH] desire to proceed?

Mr. SAMUEL W. SMITH. I yield one hour to the gentleman from Illinois [Mr. Madden].

The CHAIRMAN. The gentleman from Illinois is recognized

Mr. MADDEN. Mr. Chairman, what I shall have to say will probably not interest the House much, but I want to call attention to the fact that the constantly increasing activities of the American people are, perhaps, better reflected through the Post Office appropriation bill than through any other instrumentality.

This bill carries an appropriation of \$305,270,000 for the payment of the expenses of the Postal Service of the United States for the current year. It affects every citizen in the Union. It covers the payment of men who enter every household. more patriotic lot of men were never engaged in any service in any country in the world than the men who are engaged in

I want to try to explain, if I can, in a measure, some of the provisions of the bill. For example, legislation has been

enacted providing for the automatic promotion and classification of every employee in the post-office service except the supervisory employees. These are the men who direct the activities of the service, the men by whose experience the Postal Service is made efficient and popular with the people. They are a deserving class; they are the only men who have had no consideration given to them. It seems to me that the time has come when the Congress of the United States should consider them among the men who are worthy of some legislation ameliorating the conditions under which they work.

The classification law, as it relates to post-office clerks, provides that all men shall be automatically promoted at the rate of \$100 a year until they reach a salary of \$1,100; and this bill provides for the promotion of 75 per cent of the men from the

\$1,100 to the \$1,200 grade.

I have long believed it to be a mistake to leave this class out of the automatic-promotion provision of the law. The fact that they are only promoted at the whim of the postmaster, whosoever he may be, sometimes does injustice to those worthy men. The belief was, when this provision was made for the promotion of only a percentage of the men from \$1,100 to \$1,200, that it would be an inducement to the men to do better work and thereby merit the promotion. But, however you may attempt to safeguard the situation, it is almost sure to follow that some favoritism will creep in in the promotion of men where one man has the say as to who shall be promoted. I believe that simple justice demands that the automatic-promotion provision of the law should apply to this class as to all other class

We have another provision in the law which provides for men to be promoted to a special grade from \$1,200 to \$1,300, and this promotion is altogether within the jurisdiction of the postmaster, and perhaps it is wise that as to this particular class that should be so, because the purpose in creating the grade was to encourage men in the Postal Service to become expert distributors. No man is supposed to reach the \$1,300 grade unless he be an expert distributer, but it is within the jurisdiction of the postmaster to say in this case whether the man is an expert distributor or not, and it is within his power to exercise favoritism as to who or who shall not be promoted

to the \$1,300 grade.

This bill provides for the promotion of a thousand men from the \$1,200 to the \$1,300 grade, and leaves it within the jurisdiction of the postmasters all over the United States to say

what man or what men shall be promoted to the grade.

I am rather inclined to think that the authority should be left to the postmaster in cases of this kind, because without that authority there would be no inducement to men to study the schemes which are intended to be learned in order that they may become expert distributors, and the Postal Service is efficient in a large degree to the extent of the number of expert

distributors we have engaged in the service.

We have a provision in this bill which fixes the compensation of watchmen and laborers-350 at \$840 a year and 1,450 at \$720 a year. The man who draws \$720 per annum does exactly the same work as the man who draws \$840 per annum, and it has always seemed to me to be very unjust to make two classes of these men. Most of the men employed in this service live in large cities, and the cost of living in the cities is much higher than it is in the rural districts, and \$340 per annum for the work that they perform is none too high. I hope that during the consideration of this bill under the five-minute rule we will be able to find a way to make but one class, and to pay that one class the maximum of \$840 per annum.

We have a system of pneumatic tubes in a good many large cities of America, by means of which we transmit the mails from the post office to the station, and this tube system has become obsolete, in my judgment. It is not large enough to do the work that it was intended to perform. The size of the tube used is about 8 inches in diameter, and the size of the package that can be transmitted through the tube is an ordinary bundle

of letters as tied up by the carrier.

The expense of redistribution at the end of the tube is enormous in the city of Chicago, where I have made a special investigation of it. We are paying \$17,000 a mile for rent per annum for the use of the tube, and we are spending \$60,000 for redistribution of the mail at the end of the tube. We are able to transmit but a very small percentage of the mail through the tubes, and if the Government is to continue the practice of using pneumatic tubes for the transmission of the mails it will have to increase the size of the tubes so that we can transmit five or six bags in one tube instead of one package, or five or six packages, as the case may be. If the tube was large enough we could transmit the mail at the rate of about 4 cents a mile unit. For example, if we had six bags of mail in one receptacle go through the tube, it would not cost to exceed 4 cents a mile

for the transmission of those bags, whereas now the movement of the mails over the surface by screened wagon and automobile costs all the way from 38 cents to 60 cents per mile. I commend the consideration of this question to those who are responsible for the economical and expeditious movement of the mail.

Mr. SELDOMRIDGE. Mr. Chairman, will the gentleman

yield?

eld?
Mr. MADDEN. Surely.
Mr. SELDOMRIDGE. Is it practical, or does the gentleman

know whether it is practical, to put the mail in large bags?

Mr. MADDEN. Oh, yes. Five or six bags can be placed in one receptacle without any trouble.

Mr. GOULDEN. Mr. Chairman, will the gentleman yield? Mr. MADDEN. Certainly. Mr. GOULDEN. What would be the additional cost over an What would be the additional cost over and above the \$17,000 per mile now charged to install and maintain a large tube?

Mr. MADDEN. Oh, the tubes ought to be built by the Gov-

ernment itself.

Mr. GOULDEN. I agree with that. And they can be built in New York and Mr. MADDEN.

Chicago and like cities, to cover every phase of the mail movement for not to exceed, I think, \$10,000,000.

Mr. GOULDEN. May I ask the gentleman from Illinois whether his committee has given any consideration to that?

Mr. MADDEN. We have. There is a commission appointed through the activities of the Post Office Committee, and I believe that commission is about ready to report, and we will then be able to have definite and scientific information upon which to base some future action.

Mr. GOULDEN. Has the gentleman at his command now

the number of miles over which these tubes are being operated

in the entire country?

Mr. MADDEN. We have only 9 miles in Chicago. I forget the mileage in New York, and a small number in Boston. Mr. GOULDEN. There is not much more mileage in New

York than in Chicago?

Mr. MADDEN. No; but we ought to have a great deal more mileage and it ought to be constructed along scientific lines, or we ought to do away with the mileage that we already have.

Mr. Chairman, last year the House passed, on the recommendation of the Post Office Committee, a provision authorizing the payment of \$2,000 to the relatives or legal representatives of any railway mail clerk who might be killed in the performance of his duty, and it also provided for the payment of a full year's salary in case of disability as the result of accident to these men, and for an additional year at half pay. It provided also for the protection of the supervisory force in the Railway Mail Service. This, I think, was a very salutary meas-It was a move in the right direction, for the men in the Railway Mail Service are performing a very hazardous em-

I come now, Mr. Chairman, to the question involved in section 6 of the bill which is now before the House. It provides that assistant postmasters shall be taken from under the protection of the classified service. I think this is a backward movement. The 2,400 men acting as assistant postmasters throughout the United States are occupying these places as the result of examination as to their efficiency and experience. I think it quite safe to say that more than 95 per cent of these men entered the service at the lowest grade, that because of their long service and activity they have accumulated knowledge and experi-ence to especially fit them for the places which they now occupy. The United States Government is a great business institution. There ought not to be any politics in its management. The men in charge of the various activities of the Government should be in charge of those activities because of their knowledge and experience and fitness.

The men who are now acting as assistant postmasters are so acting because of their knowledge and experience and fitness, It would be a great calamity, it seems to me, to enact this provision of the law recommended by the Committee on the Post Office and Post Roads. I think it quite safe to say that in the great post office in the city of Chicago, with 6,750 men, most of the men holding places of high responsibility and trust are men who were appointed to the service during Mr. Cleveland's administration as President. Nobody ever questions their right to their political belief. No one ever has, so far as I know. think it is safe to say also that no man ever inquired into the politics of a man applying for a position in that great office; that all men come into the service as a result of examination under the civil-service rules, and all men have been promoted without qualification from place to place and from grade to grade, without any question being raised as to their politics.

Mr. GOULDEN. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Certainly. Mr. GOULDEN. The gentleman has made the statement that these twenty-four hundred men were all put there on account of their qualifications, after an examination under the civil-

service rules? Is that correct?

Mr. MADDEN. That is true.

Mr. GOULDEN. I have heard it stated on this side of the House, I think, that they were not subject to any civil-service examination whatever, and that it was simply a matter of favoritism.

Mr. MADDEN. Oh, no. I think the gentleman is not as well informed as he usually is or he would not make that statement

Mr. GOULDEN. I have only quoted what I have heard stated and I am asking the gentleman for information, as he is usually

well informed.

Mr. MADDEN. I will give it to the best of my ability, and I am not here to denounce the attitude of any man here; I am not here to change any man's belief; I am not making the talk I am making now based on politics. I think every man has a right to his political belief, but if we have a civil-service law we ought to live up to it strictly; and I am here to say that every man qualified to take the examination, and does take it successfully, if he be a citizen of the United States, a man of good moral character, with the ability that is required to perform the duties to which he aspires, regardless of what his politics may be or what his nationality or color or creed, ought to be permitted to serve, and he ought to be protected in his right to serve the Government so long as he behaves himself

and does his duty properly. [Applause.]

Mr. GOULDEN. Will the gentleman pardon another question? I am going to say that, although on this side of the House, I am in sympathy with the gentleman on this proposi-

tion.

Mr. MADDEN. I think the gentleman has always been in

sympathy; we harmonize very well.

Mr. GOULDEN. On some things. I would like to ask the gentleman, however, when these assistant postmasters, and what number of them, were placed under the direction of the

Mr. MADDEN. They were placed under the civil service in

1910 some time; I am not sure about the date.
Mr. GOULDEN. By whose authority?
Mr. MADDEN. By order of the President of the United States.

Mr. GOULDEN. One more question, if the gentleman will pardon me. Does the gentleman know-and I am only asking for information, for I have heard the charge made that 95 per cent were Republicans-does the gentleman have any knowledge on the subject as to what proportion are members of his

own party?

Mr. MADDEN. I really could not say. I want to be frank in replying to the gentleman, but I do not know the politics of any man in the service. I have never asked a man who came to me in my official capacity for any assistance what his politics was. I do not care what a man's politics is. If he is a good citizen, if he is capable of performing the duties he is charged with performing, if he passes the examination for entrance into the public service and is qualified to perform the duties of the office, I believe he ought to be protected in his right to the office.

Mr. GOULDEN. I am entirely in accord with my distinguished friend from Illinois. If, however, there were two men applying to me of equal qualifications, and one of them was a Democrat and the other a Republican, I fear the Democrat

would get the preference.

Mr. MADDEN. I think that would be natural enough and yet would not be discrimination. I can subscribe to that doctrine myself. Now, this bill also provides that all letter carriers, all rural carriers, all clerks, and special delivery messengers are to be provided with an indemnity against accident or death. If any of these classes of men or boys should be killed while in the performance of their duties, the Postmaster General would be required to pay to their legal representatives \$2,000. If they are injured so as to be disabled from performing their duties, the Postmaster General would be required to pay the salary for one year at full pay and for another year at half pay. only class of men not covered by this provision is the supervisory officers of the Post Office Department, and I could never understand why they should not be considered sufficiently worthy to be placed under the protection of this provision. They are the only class of men in the service who are not classified, the only men in the service who have not had their compensation increased since 1884, the only men in the service who have not been accorded the privileges granted in this indemnity clause of

the bill. This bill provides for an increase in the compensation of the rural carriers from \$1,100 to \$1,150 per annum for the standard route of 24 miles, and for an increase of \$22.50 a mile over the standard route of 24 miles, not to exceed \$25 in all, which would make it possible for a man receiving the maximum pay to get \$1,175, whereas they now get but \$1,100. The bill also provides that rural carriers on less than the standard route of 24 miles shall receive an increase of 10 per cent to their present compensation. That will add to the expense of the Rural Route Service of the United States about \$3,000,000 per annum, and will do what the committee believes to be but simple justice to

a very worthy, hard-worked force of men.
Mr. FRANCIS. Mr. Chairman, will the gentleman indulge a

question?

Mr. MADDEN. Certainly.

Mr. FRANCIS. Does not the gentleman think that the character of the roads over which these rural mails are carried has more to do with what should be paid to the rural carrier than anything else? There is a great difference between a man driving over a pike or pavement and a man driving over a mud road. There is no comparison between the two.

Mr. MADDEN. If we went into that field, we would have to

send an inspector out with each carrier to see if the road over which he carried the mail was the kind of a road that justified a larger compensation than over some other road, and we can

mot very well do it.

Mr. FRANCIS. As a matter of fact, are not the roads already classified now, and does not the department have to know that a road is such and such before a rural route can be

established?

Mr. MADDEN. Of course they must have a report, but not with a view to finding out the character of the road particularly. The report is required principally with a view to finding out the population that lives there or would be served on the route.

Mr. FRANCIS. Is not the one as easy of ascertainment as

the other? Might not the road be a turnpike?

Mr. MADDEN. It might be a good road to-day, and six months later it might be a bad one.

Mr. FRANCIS. They could inspect it and see if it is bad.
Mr. MADDEN. When my good friend SHACKLEFORD has his
bill passed, providing for Federal cooperation in road building, I do not think the gentleman will have a right to complain that

the roads are not all boulevards.

Now, Mr. Chairman, there is one provision in this bill, known as section 14, which I do not approve of. It is the provision authorizing the Postmaster General to assess the employees of the Post Office Department for the purpose of creating an in-surance fund out of which may be paid the losses created by defalcation of any member of the working force of the department. This, it seems to me, would be a very vicious thing to do. It is vicious. It is unjust to the men. It is not justified by the conditions that prevail. The losses are already guarded against now by insurance, and what I think should happen is that every man who is required to give a bond for the faithful performance of his duty should have the premium of that bond paid for out of the Treasury of the United States, so that the man himself might be able to draw all the salary that he is supposed to be entitled to draw. But to assess one man for a possible loss created by the action of another man is not justified, and this section of the bill ought not to receive the favorable consideration of the House.

There is another provision in the bill, known as section 16, which I think is very wise, and that is the provision which authorizes the Postmaster General to pay subcontractors where the contractor fails to make his payments. Up to the present time a man might be able to take a contract from the Government of the United States to move the mails by screen wagon or other service and employ other people to do that work and fail to make his payments to the men he employed, and still there might be no remedy for those men. This provision simply applies the remedy which will enable men who perform faithful service for a dishonest contractor to get their pay.

Mr. McKENZIE. Mr. Chairman, will my colleague yield?

Mr. McKenzie. Mr. Charman, whi his contaged Mr. McKenzie. These amounts are to be paid out of any money that may be due to the principal contractor?

Mr. MADDEN. Oh, yes; not to exceed the amount of the contract

Mr. BUCHANAN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes; I yield. Mr. BUCHANAN of Illinois. Does the gentleman think we ought to follow that principle a little further and have the

Government insure workingmen who are injured in the service of the subcontractor, and who secure a judgment against a subcontractor and sometimes are not able to collect it, owing to the fact that the subcontractor has not sufficient property to justify it?

Mr. MADDEN. Well, I think, to the extent of the amount due, the Government might well become responsible for the payment of the same, either in the case of injury or in a case

where a man has been unable to collect from the contractor.

Mr. BUCHANAN of Illinois. I mean in cases where judg-

ments are secured and the contractors are unable to pay the judgments on account of not having property.

Mr. MADDEN. I would not agree that the Government should assume the responsibility beyond the amount that it had contracted to pay to the contractor.

Mr. BUCHANAN of Illinois. The Government should require the subcontractor to give a bond and hold the bondsmen lighter.

the subcontractor to give a bond and hold the bondsmen liable, so far as that is concerned—and it would not come out of the Treasury of the Government-just as a builder would have a contractor give a bond for the construction of his building or other obligation that it might be necessary to meet.

Mr. MADDEN. I would not want the Government to be charged with the responsibility of meeting a greater obligation than is provided in the contract, and I would not want the Government to be charged with the obligation of paying something that it did not owe the contractor. I would not want the Government to be charged with the responsibility of paying a judgment rendered against the contractor if the amount due the contractor was less than the amount of the judgment. It would not be fair.

Mr. BUCHANAN of Illinois. The gentleman said he would not want the subcontractor to be at a loss on account of the

failure of the principal contractor.

Mr. MADDEN. Only to the extent of the amount due. Mr. BUCHANAN of Illinois. That is what I speak of.

Mr. MADDEN. The same thing would apply in either case, but it should only cover the amount due.

Mr. WILLIS. Mr. Chairman, will the gentleman yield for a

Mr. MADDEN. Surely.
Mr. WILLIS. I wish to make an inquiry about section 12.
The gentleman has a copy of the bill before him?

Mr. MADDEN. Yes. Mr. WILLIS. It is the one that relates to the control over the maintenance and equipment of buildings. As I understand, under the present law the construction, maintenance, and equip-

under the present law the construction, maintenance, and equipment of public buildings is entirely under the control of the Treasury Department.

Mr. MADDEN. Yes.

Mr. WILLIS. And it is proposed here that where buildings are to be jointly used by the Treasury Department and by the Post Office Department or by the Post Office Department and any other department of the Government there shall be joint invisibilities between the Postmaster General and the Secretary jurisdiction between the Postmaster General and the Secretary of the Treasury. Does not the gentleman think that would lead to confusion in the transaction of the public business?

Mr. MADDEN. My opinion is that where a public building is used altogether for post-office purposes the selection of the site, the erection of the building, and the equipment and main-tenance of that building should be entirely within the jurisdic-

tion of the Postmaster General.

Mr. WILLIS. Does the gentleman say that the erection of the building should be under the supervision of the Postmaster General?

Mr. MADDEN. Yes.
Mr. WILLIS. Does the gentleman think the office of the Supervising Architect should be transferred bodily to the Post Office Department?

Mr. MADDEN. I think that some assistant of the Supervising Architect should be designated to help out in the matter of the construction of strictly post-office buildings, and that the Postmaster General should be given entire jurisdiction, with the assistance, of course, of the Supervising Architect.

Mr. WILLIS. The gentleman has not quite covered the other

Mr. MADDEN. I know. I am going to cover it.
Mr. WILLIS. All right.
Mr. MADDEN. I think perhaps where the building is used for court purposes and for customs purposes and all other governmental activities, and where the post office is only a very small part of the activities for which the building is erected, it would be unwise to make joint jurisdiction. And yet I think it would be for the more efficient management of the Postal Service if the Postmaster General were permitted to make

such changes in that part of the building occupied for postal purposes as would meet the needs of the case. For example, if the Postmaster General should conclude to-day, after careful investigation, that certain changes were necessary in order to economize in the transaction of the business of his office, he would not be able to make those changes without going to the Secretary of the Treasury and getting his permission, and I do not think he ought to be required to do that. If he wants a chair or a desk now, he must go to the Secretary of the Treasury to get it. I think really that the Post Office ought to stand by itself. To-day it does not. To-day we have a false notion of what the situation is.

The receipts of the Post Office Department may be stated to be \$300,000,000, and the expenses may be stated to be \$296,000,-000. That would show a surplus of \$4,000,000. But the fact is that the Post Office Department ought to be charged with interest on the cost of the sites and buildings, or charged rent, and let the figures show just exactly what it does cost to oper-

ate the Post Office Department.

Mr. WILLIS. I agree, in part, with the statement of the

gentleman.

Mr. MADDEN. You can not do that very well without placing these matters under the jurisdiction of the Postmaster General. Mr. WILLIS. Another thing to which I wish to call the at-

tention of the gentleman specifically is the language of the latter part of the section, which reads:

And all sites for Federal buildings to be used in part for post-office purposes shall be selected jointly by the Postmaster General and the Secretary of the Treasury, who shall be jointly charged with the direction and control of the equipping and maintenance of such buildings.

Now, when it comes to the appointment of a custodian and to the furnishing of the necessary supplies, does not the gentleman think it is a poor business method for two Cabinet officers to have jurisdiction over that?

Mr. MADDEN. I think they ought not to have two men in

charge of the maintenance of the building.

Mr. WILLIS. That is what it provides.

Mr. MADDEN. I know that, but I do think this, that the Postmaster General ought to have supervision, with the Secretary of the Treasury, in the selection of the sites. Why? Because the location of the site may have a lot to do with the expense of operating the post office. Why? Under the postal laws every railroad company hauling the mails is required to deliver them to the post office if it is within a certain distance of their terminal; whereas if the Government selects a post office a long distance away from the terminal of the railroad the Government is required to hire wagons to haul the mails. Now, for example, in the city of Chicago we are having some trouble about the selection of a post-office site. Some people want the site located where about 60 per cent of the mail comes, close by the terminal station, so that there will be no charge for wagon service. We are paying \$184,000 a year for screen-wagon service there, and we will probably be obliged to pay more in the near future. If we could save 60 per cent of that \$184,000 by locating the site of the post office close to the terminals of these railroads, we would be able to capitalize that and pay more money for the site and yet save money to the Government.

Mr. WILLIS. As a matter of fact, as the thing works out in practice now, do not the Treasury Department officials always confer with the Post Office Department when they are selecting

a site for post-office buildings?

Mr. MADDEN. They always confer with them, but they rarely accept their advice.

Mr. WILLIS. If the gentleman knows that to be a fact I

will accept it.

Mr. MADDEN. That is the fact out my way.

Mr. WILLIS. It is not the fact out my way. It seems to me the authority should be vested in one officer instead of being scattered. Now, will the gentleman yield for another question?

Mr. MADDEN. Certainly. Mr. WILLIS. Will be again state specifically just what change it makes in the pay of the rural carriers?

Mr. PAYNE. Before the gentleman gets off from that point, I want to ask him if it is not a fact that the postmaster is appointed, as a general thing, custodian of the building?

Mr. MADDEN. No; the collector of customs is the custodian

Mr. PAYNE. It is almost universally the fact that the post-

Mr. PAINE. It is almost universally the fact that the post-master is appointed custodian without pay.

Mr. MADDEN. I do not know what they do in small places.

Mr. WILLIS. The responsibility is with the Treasury De-partment, and if it is divided we do not know where it will be.

Mr. MADDEN. Now, in answer to the question by the gen-tleman from Ohlo as to the change in the salary of the rural

carrier, let me say that the pay of a carrier on a 24-mile

standard route is now \$1,100. This bill recommends the payment of \$1,150 for such a carrier and recommends an addition of \$22.50 per mile over 24 miles, not to exceed \$25 altogether. making it \$1,175 to any man carrying more than the standard 24-mile route, and for a man carrying less than the standard route of 24 miles it recommends an increase of 10 per cent in

Mr. WILLIS. That increase in pay is a just provision of the law. Now, will the gentleman state for the information of myself and others how the present law will be changed by section 7, relating to the compensation for injuries or death incurred

in the line of duty?

Mr. MADDEN. The law prior to this recommendation only covered railway mail clerks and railway supervisory officers. This will include the city carrier and clerk and the rural car-

rier and the special-delivery messenger.

Mr. WILLIS. If the gentleman will yield once more, I will not trespass further. The gentleman remembers that a good deal of controversy arose about the authority of the Postmaster General to use aeroplanes in delivering the mail. I notice on page 13, at the bottom of the page, a proviso, and I want to get the gentleman's interpretation of that, because he is thoroughly cognizant of the postal laws. It says:

Provided, That out of this appropriation the Postmaster General Is authorized to provide difficult or emergency mail service in Alaska, including the establishment and equipment of relay stations, in such manner as he may think advisable, without advertising therefor.

Does the gentleman think that is broad enough to give the Postmaster General authority to use aeroplanes?

Mr. MADDEN. No; it does not. We had a specific provision

for that, and it was defeated by the House.

Mr. WILLIS. I know that it was.
Mr. MADDEN. This was not intended to do that, and it was only intended for relay stations where there would be difficulty in getting a team to go beyond a certain point.

Mr. WILLIS. Then, what does this mean:

Out of this appropriation the Postmaster General is authorized to provide difficult or emergency mail service in Alaska.

If the Postmaster General thought it would be more convenient and economical to use aeroplanes in the transportation of mails from one mountain to another, would not he have the authority to do so under this provision?

Mr. MADDEN. I would not think that he had.

Mr. WILLIS. I thank the gentleman for his courtesy. Mr. MADDEN. Mr. Chairman, I think it is not only important that the assistant postmasters should be protected by the civil-service law, but that all men who enter the service should be encouraged to hope that they will be allowed to remain in the service as long as they behave themselves and perform their duties. The one thing which will make for the efficiency of the Postal Service is continued assurance that merit will prevail. A man enters the service in his early manhood. He does so with the firm determination to make it a life work. He learns what there is to be learned and applies himself diligently to the task assigned him; he works with a feeling that he is a member of the great army of men who are serving their country. He becomes an expert in the line in which he is engaged; a specialist—this is an age of specialists. It is through specialists that we get the best results. The Post office Department is highly specialized, for every man in it is required to learn and perform his part scientifically. Each man is always required to be at his best. We should encourage them to be faithful by giving them assurance of permanency of tenure. He should realize that nothing but failure to perform his duty will interfere with the permanency of his position. This is the best way to make the post office serve the people. It is a great arm of the Government. It reaches every home; every man, woman, and child is interested in its work. The men who carry the mails do so in rain or sunshine, in storms or fair weather; they are patriotic, deserving, conscientious, and worthy of the best consideration that can be given to them. By all means I say let merit guide in the management of this great arm of the Government service.

Mr. SAMUEL W. SMITH. Mr. Chairman, how much time

has the gentleman from Illinois consumed?

The CHAIRMAN (Mr. Oldfield). Forty-five minutes.

Mr. SAMUEL W. SMITH. Mr. Chairman, I yield 10 minutes

to the gentleman from Pennsylvania [Mr. Kelly].
Mr. KELLY of Pennsylvania. Mr. Chairman, I have had so many requests and communications from persons and associations in my district that I feel I should say a few words in regard to section 6 in this bill and the proposition to take the assistant postmasters from the civil-service list. I want to read a paragraph from resolutions adopted by the East Pittsburgh Branch, National Association of Post Office Clerks. It touches

one phase of the matter that seems most important to me. This branch resolved:

That the law enacted September 30, 1910, placing assistant post-masters under civil service is a wise and just law, inasmuch as it secures the most worthy men for that position, and also affords the post-office clerks their only chance for advancement under the civil-service employment.

I also wish to print resolutions received from the organization of carriers of the same office in East Pittsburgh, calling attention to the same proposition. These are samples of the resolutions I have received from many sources.

I want to answer the question of the gentleman from New York [Mr. PAYNE], propounded a moment or two ago to the gentleman from Illinois [Mr. MADDEN], regarding the situation at present, and to do so from an official statement. I think it answers clearly the question as to whether or not those at present employed as assistant postmasters have been covered into the civil service through competitive examination. comes from an official source and states:

comes from an official source and states:

The order by which these positions of assistant postmaster were classified was different from all previous orders of this character in that it provided before any incumbent then in office, who had not passed a civil-service examination, should become classified he must prove to the satisfaction of the Post Office Department that he was capable of performing the duties of the office in an efficient and satisfactory manner.

This was a test never before applied to a class of employees covered into the classified service by an Executive order. The result has been that only those who could and did successfully meet the test have been retained and classified.

All the positions in first and second class post offices are now classified except that of postmaster.

The present incumbents did not all reach their present position without examination and years of practical post-office service; many of them have been promoted from the initial and intervening grades of clerkship and supervisory positions and are fully conversant with eduties of every position in the office. Those who are classified have long since ceased to be active in politics, and are complying strictly with the departmental mandate against political activity or offensive partisanship. Their time is exclusively devoted to post-office service, and no part of it is given to political management or committee work.

So that of the 2,400 assistant postmasters almost all of them

So that of the 2,400 assistant postmasters almost all of them have been placed in the classified service as the result of a test which demonstrated their ability and efficiency.

Mr. GOULDEN. Mr. Chairman, will the gentleman yield? Mr. KELLY of Pennsylvania. Certainly.

Mr. GOULDEN. Can the gentleman tell the committee how many of the old assistant postmasters then in the service of the Government were retained under this order of President

Mr. KELLY of Pennsylvania. All but about 100 of the 2,400 assistant postmasters now have a competitive status. That is the answer given here in an official bulletin of the Civil Service

Mr. DECKER. Mr. Chairman, will the gentleman yield?

Mr. KELLY of Pennsylvania. Certainly.
Mr. DECKER. I believe the gentleman read that before these assistant postmasters could be covered into the classified service they had to convince the Postmaster General—and I believe he was a Republican at the time—that they were qualified. Would the gentleman mind stating to us what method was used to convince the aforesaid Postmaster General that these men were qualified?

Mr. KELLY of Pennsylvania. I could not answer exactly as to the method, except that ability and efficiency must be clearly

shown.

Mr. DECKER. The gentleman would not state that they took an examination?

Mr. KELLY of Pennsylvania. They had an examination to prove efficiency and ability, and it was required that they satisfy the examiners as to their possession of the necessary qualifica-

Mr. DECKER. Does the gentleman know that to be the fact-that they took an examination?

Mr. KELLY of Pennsylvania. I have just read from the National Civil Service Reform League statement, headed by such men as Charles W. Eliot and Judge George Gray.

Mr. DECKER. That did not say that they took an examina-

Mr. KELLY of Pennsylvania. It states that they hold their

positions under competitive status; yes

Mr. DECKER. Are not the facts of the case these, that these men were covered into the civil service on the recommendation of their postmaster? I know that was the case in the largest post office in my district. The man there never did take an examination.

Mr. KELLY of Pennsylvania. I would say to the gentleman that the order which put these assistant postmasters under the classified service was different from any other order ever issued, and put a different phase upon it, so far as ability and efficiency were concerned.

Mr. DECKER. Let me ask why it should have been different. Why did not they make them take an examination just the same as the other fellows? Why should they make a different rule in respect to these assistant postmasters who had received their appointments on the ground that they were good Republicans? Why did they not require them to go into permanent life tenure under the same rule as the rural carrier and the mail distributor and every other employee of the Post Office Department?

Mr. KELLY of Pennsylvania. Mr. Chairman, in saying that it was different I mean that it went farther. It went farther in the direction of the merit system and the civil-service idea than any other Executive order ever issued. It went farther than any other order in that they were compelled to give full satisfaction as to ability and efficiency before they could be classified, and at the present time twenty-three hundred out of twenty-four hundred are on the competitive basis as the result of that requirement.

Mr. DECKER. Will the gentleman yield further? Mr. KELLY of Pennsylvania. Yes.

Mr. DECKER. I would like to ask this question: When these assistant postmasters were covered into the civil service, and thereby given life positions, does the gentleman know of any reason why the gates should not have been thrown open and an opportunity given to other efficient and qualified men to compete for these positions, following the same rule that applies to other men who have obtained their positions under the civil service?

Mr. KELLY of Pennsylvania. There was exactly that proposition involved, and the requirement of the order implied that

very procedure.

Mr. DECKER. I would like to have the gentleman's au-

thority for stating that.

Mr. KELLY of Pennsylvania. The experience of those who have been in the service for 10 or 15 years and have performed their duties satisfactorily, of course, overbalances anything else in regard to considerations of ability.

Mr. DECKER. Does the gentleman mean to state as a fact, and if so, I would like to have his authority, that the gates were thrown open and other men were allowed to compete with these

assistant postmasters?

Mr. KELLY of Pennsylvania. I contend that on the ground that out of the number of assistant postmasters at the present time, 2,300 of them are now on the basis of having met all qualifications on a competitive basis.

Mr. DECKER. In other words, the gentleman means to say that 2,300 out of 2,400 men who received positions as the result of political preferment have been covered into life jobs:

Mr. KELLY of Pennsylvania. No; I mean nothing of the I mean that at the present time, counting those who have been appointed since, counting vacancies filled and those retired because they were inefficient and their places taken by efficient assistants, 2,000 of the 2,400 now are on that basis, and I desire to put that statement from the official bulletin in the Record. I want to make this point—
Mr. KAHN. Will the gentleman yield for a question?

Mr. KELLY of Pennsylvania. For a question only, as I have but 10 minutes.

Mr. KAHN. Is it not a fact that when the civil-service law was originally extended there was a Democratic President in office, Mr. Cleveland; and is it not a fact that he put the ægis of the civil service over Democratic officeholders of his administration, and they were not removed and could not be removed under the succeeding Republican administration; and was not that the first instance where men were covered into the civil service in large numbers by an Executive order?

Mr. KELLY of Pennsylvania. That is absolutely true, and it was without regard to any test of efficiency or ability or any-

thing else.

Mr. SHERLEY. Will the gentleman yield for a question?
Mr. KELLY of Pennsylvania. For a question only.
Mr. SHERLEY. Is that to show the civil service is simply for the purpose of protecting and saving political employees of an outgoing administration?

Mr. KELLY of Pennsylvania. No; it is for the purpose of basing postal results on business efficiency and merit, and that is what is being demanded in this country more and more every I want to advance a point in reference to this general question, and that is that these assistant postmasterships as well as other administrative offices of that kind are created for one purpose only, and that is for the public service and benefit of the people of this Nation.

The CHAIRMAN. The time of the gentleman from Penn-

sylvania has expired.

Mr. KELLY of Pennsylvania. I would like to ask unanimous consent to extend my remarks, including the resolutions

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to extend his remarks in the RECORD. there objection? [After a pause.] The Chair hears none.

The resolutions are as follows:

Resolutions of the United National Association of Post-Office Clerks, Branch 1263, East Pittsburgh, Pa.

Branch 1263, East Pittsburgh, Pa.

At a meeting held January 7, 1914, by East Pittsburgh, Pa., Branch 1263, U. N. A. P. O. C., the following resolutions were adopted:
Whereas the law enacted and passed September 30, 1910, making civil service rather than the service rendered to a political party the standard of appointment and promotion; and
Whereas an attempt has been made in the House of Representatives to annul the civil-service status of assistant postmasters by an amendment to the appropriation bill December 17, 1913; it is hereby

Resolved, By this branch assembled, that the law enacted September 30, 1910, placing assistant postmasters under civil service is a wise and just law, inasmuch as it secures the most worthy men for that position and also affords the post-office clerks their only chance for advancement under the civil-service employment; and be it further

Resolved, That we object to the amendment to the Post Office appropriation bill of December 17, 1913; and be it further

Resolved, That a copy of these resolutions be sent to the Hon.

Boise Penrose, Hon. George T. Oliver, Hon. M. Clyde Kelly, our Representatives at Washington, D. C., imploring and beseeching them to do all in their power to defeat the bill in its present amended form; that a copy be sent to the Post Office Clerk, the official organ of the U. N. A. P. O. C.; and that a copy be placed on the minutes of our branch.

FRANK H. ZISCHKAU, RUSSELL L. CALE, HARRY R. CAMPPELL, Committee. HENRY WAGNER, President. F. J. DITTMER, Secretary.

Resolutions of Branch 1473, National Association of Letter Carriers, East Pittsburgh, Pa.

Whereas a second attempt has been made in the House of Representa-tives to annul the civil-service status of assistant postmasters by an amendment added to the Post Office appropriation bill, December 17, 1913: Therefore be it

Resolved, That we, the members of Branch No. 1473, National Association of Letters Carriers, vigorously protest against any amendment or changes that would in any way weaken their standing as civil-service employees; and be it further Resolved, That merit and ability shall be the standard of appointment and promotion rather than service rendered to a political party; and it is further Resolved, That a copy of these resolutions be sent to our Congressman, Scantor, and the secretary of the National Association of Assistant Postmasters.

Postmasters.

R. B. FIGARD, W. A. WALFORD, W. C. SHIREY, Committee.

Statement of National Civil Service Reform League.

Statement of National Civil Service Reform League.

The assistant postmasters were classified over three years ago by President Taft in an Executive order, in which he required that every assistant postmaster should satisfy the department as to his efficiency and qualifications before he be given a competitive classified status. All but about 100 of the 2,400 assistant postmasters in these offices now have such a status. Many of them have been appointed since the issue of this order, either through promotion, transfer, or original examination. The post offices, therefore, are now supplied with a thoroughly trained expert force from the assistant postmasters on down.

This organization is vitally important to the efficient management of the postal business, particularly in view of the development of the postal savings banks and the parcel post system. The postmasters in these offices are not themselves postal experts—at least at the time of appointment—and have to depend on the permanent expert staff under them for the management of the office. If the assistant postmasters are removed from the classified service, they will become political job holders, changing with every change in the postmastership. The appointments of the assistants will be governed to a large degree by political considerations, and it is a notorious fact that postmasters are forced under such a system to accept inferior persons as their assistants for political or less worthy reasons, and that they are, in fact, not free to make their own selection.

With assistant postmasters chosen on the merit basis alone, on the other hand, the tone and efficiency of the entire Postal Service have been elevated. The opportunity to advance to an assistant postmastership has improved the character of the applicants for the minor positions and served as an incentive to all employees to prove by efficient service their fitness for advancement. So beneficial has been the classification of the assistant postmasters that Postmaster General Burleson is strongly

Mr. KELLY of Pennsylvania. I deny the proposition that these offices are instituted for the purpose of perpetuating any party in power. If, then, public offices exist only for the service of the people, it follows that they must be administered not only with honesty but with trained knowledge and ability. Especially is this true in this time, when the functions of Government are growing in extent and complexity.

The just and impartial administration of the civil service is the only way to assure trained knowledge and ability, as it is the only way to destroy the spoils system that degrades and oppresses the people.

This rider means a backward step, it means new poison to our political life, more office-seeking mania, and more power to the spoils-hungry politician. It means less efficiency in the public service, less respect for Government, and less independence for every legislator in this body.

It has no place in this appropriation bill, and the attempt to incorporate it in this legislation is unwarranted from every It is a covert and unfair blow at the civil-service system, which has proven its worth and which is approved by a vast majority of the American people. So fully approved has it been that there is a widespread demand that the entire Postal Service be placed under civil-service requirements so that every postal official, including postmasters, shall be taken out of politics. But, in spite of that public demand, we are forced to consider this rider with its directly opposite tendencies.

I took occasion to protest against such assaults on the merit system in other bills passed during this Congress, and I am convinced that these riders are not simply isolated evidences of intention, but that they are a part of a policy. I warn you again that the people will stand for no such policy, which can have but one purpose and that the building of an official autocracy strong enough to maintain itself in defiance of public opinion.

Every sign of the times points in the opposite direction. The people propose to run this Government. If they can not do it through one party, they will do it through another. They propose to run it themselves. I hope that every Member who believes in fundamental Democracy, who opposes the use of public funds and public offices to defraud the people, and who values his dignity and independence as a Representative will vote against this rider.

Mr. SAMUEL W. SMITH. Mr. Chairman, I yield 15 minutes to the gentleman from Missouri [Mr. Borland].

Mr. BORLAND. Mr. Chairman, I am very strongly opposed to this provision of the Post Office appropriation bill removing assistant postmasters from the protection of the civil service. It does not belong on an appropriation bill. It is not a mere repeal of an Executive order which covered these men into the civil service, but it is a substantive piece of legislation which excepts them for all time from the operation of the civilservice law. It does not even leave it optional with the President to place them under the civil service.

It could not be put upon a Post Office appropriation bill without some sort of a rule overriding the established practices of this House, a method that we Democrats have denounced repeatedly when we were in the minority as an arbitrary exercise of gag rule. I am here to oppose the putting of that legislation upon an appropriation bill in that form; but, in the second place, I oppose the legislation itself. I stand with President Wilson and the Postmaster General on this question. I think it is a return, a bold and indefensible return, to the spoils system. [Applause on the Republican side.] What the people of the United States are demanding to-day is an extension of the United States are demanding to-day is an extension of the doctrine of merit and efficiency in the public service and not a curtailment of that doctrine. I listened for some time to the forceful, ruggedly honest chairman of the Post Office Committee, and a great many things that he said would meet the agreement of Democrats. There is no doubt that when an administration comes into power it is entitled to have its own advisers in the Cabinet; it is entitled to have its own diplomatic representatives abroad, to put men in the service who represent and carry out the policies of the Government, the policy of the party in power as distinct from its mere administrative work, representing and reflecting the views of the administration representing and reflecting the views of the administration. There is no parallel between that and the duties of assistant postmasters, nor can it be said there is any parallel with the legislative body of the Nation, the House and the Senate, which negistative body of the Nation, the House and the Senate, which must reflect the changing political views of the people, and reflect it as correctly and as up to date as is possible in a free government to reflect it. Those men who represent the people, who come directly from the people, who vote taxes, charges, and impositions on the people, make the laws for the people and expend the people's money, must reflect directly the political sentiment of the Nation. But the Post Office Department is a great business institution. It is one of the largest, one of the most complicated, and at the same time one of the most suc-cessful business institutions ever established and carried on in the civilized world.

There is not a business institution of its magnitude anywhere, extending its ramifications over the territory of a great Nation of 3,000 miles in extent, reaching from the great, busy, throbbing hearts of industry of a million or three million people in a metropolis down to the humblest farm home away back among the hills, or at the top of Bitter Creek, and putting the mail into the hand of the humblest farmer in the land, the farthest removed from the centers of trade and of commerce.

The ramifications of that service have become one of the great business problems of this Nation. To it applies distinctively and with a peculiar force the necessity of a merit system and a

permanent tenure of office.

Why, these assistant postmasters occur only in cities of a sufficient size to have an important branch of the Postal Service. It would be bad enough to leave those men subject to political appointment and political change if the service had not grown to the extent that it has grown; but in late years we have imposed new activities upon the Postal Department, with the consent and at the insistent demand of the American people-activities of the most complicated and technical business charac-We have imposed upon them the duties of the postal savings bank, and now we are barely beyond the threshold of the great activities of the parcel post, an activity which alone has engaged, as I understand, in this country, when it was handled by the express companies, the skill and the experience and technical ability of many men each drawing more than \$10,000 salary. So that if the great express companies have found the need to employ men of great experience and capacity, so much more will the great Post Office Department find the same need.

Mr. BARNHART. Mr. Chairman, will the gentleman yield? The CHAIRMAN. Does the gentleman from Missouri yield? Mr. BORLAND. I have only a brief time, but I will yield

to a question from the gentleman.

Mr. BARNHART. Does the gentleman from Missouri know of any business institution in this world that provides in its organization that the manager thereof shall have nothing whatever to say about his help; that he shall have no voice in select-

Mr. BORLAND. Well, I see the force of that question. is an argument against the whole civil service. Undoubtedly that question is asked to bring out the idea that the postmasters who are appointed will have the selection of those assistant postmasters. I expect, however, that there are very few men of so limited a political experience in this House as to really believe that that would be the case. The postmasters will not have the selection of these men.

Mr. RUCKER. Who will?

Mr. BORLAND. The postmasters did not have it under the régime of the Republicans that we have so roundly denounced. It has been my experience and observation that not only was the postmaster named by some political officer in authority for political purposes and named without any special regard to his experience in that post-office business, but that same authority named also the assistant postmaster, and without consultation with the postmaster. And not only that, but it has frequently happened, I will say to my friend from Indiana [Mr. BARN-HART], that the assistant postmaster was named from the faction of the party that did not happen to land the postmaster. I have known of cases-and I have no doubt my friend has, too-where they not only did not work in harmony, but where they did not trust each other personally, and I have always regarded it as a political blunder, if no worse, to put those men under political appointment.

Mr. BARNHART and Mr. BOWDLE rose.

The CHAIRMAN. To whom does the gentleman yield?
Mr. BORLAND. I have not much time, but I will yield
once more to the gentleman from Indiana [Mr. BARNHABT].

Mr. BARNHART. Does the gentleman know of any business institution that will tolerate clashes constantly between its heads of departments, as is indicated here between a postmaster and a deputy postmaster? Would that be tolerated by any board of directors in any business institution?

Mr. BORLAND. Unquestionably not.

Mr. BOWDLE. Now will the gentleman yield?
Mr. BORLAND. Yes; I will yield to the gentleman.
Mr. BOWDLE. Is it not true that the difficulty about the gentleman's question is just this: That he is trying to assimilate a privately owned enterprise to a great national institution, and that, as a matter of fact, the civil-service law was adopted in order to prevent an enormous political evil arising from the struggle of two contending parties for those offices, and that. therefore, there is no reasonable comparison between the two?

Mr. BORLAND. Yes. And the logic of the gentleman's

question would go to the full extent of naming 700 new men in the Kansas City post office every time the political com-plexion of the Government changes. I am going to meet the plexion of the Government changes. I am going to meet the gentleman more than half way. I think the time is rapidly approaching when the common sense and hard business judgment of the American people will demand that the postmasters themselves be placed under the civil service [applause], and that all men who are charged with any administrative and technical

duties on the part of the Government shall be placed in their positions on the basis of merit and permanency in office.

Mr. RUCKER. Will the gentleman yield? Mr. BORLAND. Yes.

Mr. RUCKER. Do you think the examinations held for assistant postmasters or for postmasters secure the best material for

Mr. BORLAND. No; I do not think they do.

Mr. RUCKER. Do you not believe the man charged with the responsibility can come as near selecting a man who is qualified, who will give satisfaction to all the patrons of the office, as a mere civil-service examination conducted on lines that have no bearing whatever upon the duties of the office?

Mr. BORLAND. The gentleman knows that if the ideal situation existed which he presents, there would be no necessity for any civil-service regulations. The civil service exists for the purpose of meeting a part of the deficiencies of human nature. The gentleman knows that the ideal situation presented by his question never exists, never did exist, and never can exist.

it did exist, there would be no necessity for the civil service.

Mr. RUCKER. It exists in every town in this country to-day.

The man who could not select that kind of an assistant ought

not to be in a position to name him.

Mr. COOPER. Will the gentleman yield?

Mr. BORLAND. Yes. Mr. COOPER. Is it not true that under the policy or practice suggested by the question of the gentleman from Missouri [Mr. Rucker] assistant postmasters were appointed in this The Member of Congress wanted it understood that if John Smith was appointed postmaster it was done upon the express condition that John Brown should be the assistant postmaster, and that in many cases the postmaster had to agree to that before he could get the appointment, and in that way the Congressman fixed up a part of his own machine.

Mr. RUCKER. That is exactly what I would do in every case, and I have no apology for it.

Mr. BORLAND. It would be bad enough under the old conditions; but under the altered conditions, since the Post Office Department has become distinctly a business institution, there is no justification whatever for appointing these men for political purposes. Now, we have a condition of affairs where the postmaster himself is subject to political appointment. Positions ranging all the way from \$180 a year to \$8,000 a year are given to men who do not present and are not asked to present any evidence of their experience or ability in the post-office business.

Mr. MOON. Is not the gentleman mistaken about that?

Mr. BORLAND. No; I think not.

Mr. MOON. You say that from \$180 up they are appointed and confirmed by the Senate?

Mr. BORLAND. No; I did not say that they were appointed

or confirmed by the Senate.

Mr. MOON. What did you say?

Mr. BORLAND. I said those places were given to men who did not present and were not asked to present any evidence of previous experience in the post office.

Mr. MOON. They are all subject to examination, and above \$180 they are subject to a civil-service examination.

\$180 they are subject to examination by the inspector.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BORLAND. Can the gentleman from Michigan let me have five minutes more

Mr. SAMUEL W. SMITH. Yes. The CHAIRMAN. The gentler The gentleman from Missouri is recog-

nized for five minutes.

Mr. BORLAND. It is true that there is an examination being prepared, which was to begin on the 10th of January of this year, so that nobody knows what the result of it is. By it fourth-class postmasters are to be examined, to what extent I do not know, and neither does the gentleman; but we will assume that as to fourth-class postmasters there is going to be some experience qualification. The gentleman from Tennessee can give no reason why these fourth-class postmasters should be under civil service and assistant postmasters not. But as to postmasters who have assistants-

Mr. RUCKER. First and second class.
Mr. BORLAND. As to first and second class postmasters it still remains true that experience in the postal business is not one of the qualifications expected of them.

Mr. RUCKER rose.

Mr. BORLAND. I am sorry I can not yield any more. I have had to ask for more time as it is. Now, if these men go into these great offices, some of them paying \$6,000 and \$8,000, which is more than the salaries of the First, Second, Third, and Fourth Assistant Postmasters General of the United States, if

they go into these offices without any previous training in this great, complicated business they will have to rely then upon their assistant postmasters, who are presumably at least experienced, whether they have any other qualifications or not. Presumably an assistant postmaster has the experience necessary to run that office to the satisfaction of that community. Is this experienced assistant to be thrown out, and are both places to be made political appointments? I object to any such idea. It is unjust to the great army of postal clerks and carriers, for it takes away their right to aspire to promotion to an assistant postmastership. I do not even believe those men are appointed in all cases for party service. I believe they are often appointed for service to some political officeholder who has the recommendation of their appointment.

Mr. RUCKER. The gentleman ought not to go that far.

Mr. BORLAND. I will go that far.

There is no more reason why the gentleman should desire to retain that right of recommendation than that he should appoint officers in the Army or chemists in the Agricultural Department.

Mr. RUCKER. The gentleman goes entirely too far. Mr. BORLAND. I say that they are appointed not neces sarily for party services, distinguished as such, nor because their views upon party questions are sound, and would appeal to the mass of the voters in their district if they were candidates for an elective office; but they are appointed because they have been politically useful to the man who recommends their appointment. Why, they may not have been serving the party. They may have been serving only a faction. They may have served only a political boss or leader. [Applause.] I object to either the postmaster or the assistant postmaster being made the official whip cracker over the heads of the men in the classified service, in the interest of either party, faction, or boss. [Applause.]

Mr. Chairman, I ask unanimous consent to extend my remarks by inserting in the RECORD a letter from the Postmaster General.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to extend his remarks by inserting in the Record a letter from the Postmaster General. Is there objection?

There was no objection. The letter is as follows:

DECEMBER 20, 1913.

Hon. John A. Moon,
Chairman Committee on the Post Office and Post Roads,
House of Representatives.

Chairman Committee on the Post Office and Post Roads,
House of Representatives.

My Dear Judge Moon: I am somewhat disturbed by a paragraph in this morning's paper to the effect that your committee has voted to put into the Post Office appropriation bill for the next iscal year a provision removing the position of assistant postmaster from the classified service. I think the enactment of such a provision would be subversive of the best interests of the Postal Service, and certainly it would militate against the effectiveness of the policy outlined in the last annual report of the department.

There are at this time 2,464 post offices of the first and second classes in which the positions of assistant postmaster are classified. All save about 100 of the persons occupying these positions are now within the classified service. In these 100 cases the benefits and rights of classification have been withheld from the incumbents, because they have failed to satisfy this department as to their capacity for efficient service.

In the interest of the most efficient and effective Postal Service it is vitally necessary that the positions of assistant postmaster be filled by persons specially qualified to discharge the duties thereof, and I feel that no person should hold the position of assistant postmaster whose capacity and efficiency has not been properly and thoroughly tested. Among the qualifications necessary for this position are practical knowledge of and experience in post-office work, coupled with administrative ability. The present administration has been rigidly enforcing the policy of filling these positions either by the promotion of competent employees already in the office or by the transfer of experienced employees from some other branch of the Postal Service. Only in rare instances are postmasters permitted to fill the position otherwise, and then only by selection from a certification of eligibles resulting from an open competitive civil-service examination.

In connection with this subject I wish to dir

"It is hoped that by thus maintaining a high standard of efficiency for postmasters and keeping paramount the interest of the Postal Service in making appointments that the way will be made clear for the eventual classification of all presidential postmasters." (Page 43.)

"The Post Office system is essentially a business institution. It touches every home, comes in contact with every commercial institution and with those engaged in every line of industrial enterprise throughout the country, and in the nature of things it is highly important that only the most efficient employees should be in its service. For this reason the merit system should be adhered to in the Post Office Department above all others in order to secure the very highest standard of efficiency in the conduct of its affairs." (Page 43.)

I have received no official advice as to the accuracy of the newspaper report referred to, and therefore my anxiety and deep interest in the Postal Service must be the excuse for this letter. I trust, however,

that in its wisdom your committee will not see fit to recommend the enactment of the legislation referred to.

Very sincerely,

A. S. BURLESON, A. S. Burleson, Postmaster General.

Mr. BORLAND. I yield back the remainder of my time. The CHAIRMAN. The gentleman yields back three minutes.

Mr. MOON. Mr. Chairman, I yield to the gentleman from Missouri [Mr. Rucker] two minutes.

Mr. RUCKER. Mr. Chairman, I want to say that my distinguished colleague [Mr. Borland] comes from Kansas City, where they have bosses. Out in the country, where I live, every man is a free man, we have no bosses. I have named a number of postmasters in my district, and I challenge my colleague to name one of them who is not as good a man as you or I am. [Applause.] I challenge him to name one of them who is not as loyal a party man as he or I. True, they are my friends or they would not have obtained my indorsement, but they are also the friends of the President in the White House, the friends of Democratic Senators, the friends of Democratic principles, for the supremacy of which they have battled for

Mr. BORLAND. Will the gentleman yield?
Mr. RUCKER. I will, although I have only two minutes.
Mr. BORLAND. Does the gentleman want to retain the right to name those postmasters?

Mr. RUCKER. Unquestionably I do.

Mr. BORLAND. You regard it as a valuable right, do you?
Mr. RUCKER. Yes; because I believe I can select a man
in every town in my district who will give better satisfaction
as a postmaster than any mere civil-service examiners can My colleague seems to think that no one is qualified select. to distribute mail and sell postage stamps unless he can name all the principal cities in South America and the rivers in Africa. [Laughter.] It is absurd. How did all these men, so eminently qualified and for whom my colleague pleads, get their experience? There are Democrats growing up in the country everywhere who are entitled under a Democratic administration to recognition; and if that means going back to the spoils system, then I am a spoilsman and I have no apology to make for it. [Applause.]

Mr. MOON. Mr. Chairman, I yield to the gentleman from New York [Mr. GOULDEN].

Mr. GOULDEN. Mr. Chairman, the bill H. R. 11338, now under consideration, making appropriations for the Post Office Department for the fiscal year beginning July 1, 1914, is an admirable measure.

The increases provided for making advances in the carriers' and clerks' lists are more than in previous years, but not sufficient to do justice to a most deserving class of men. Seventyfive per cent of the \$1,100 class in the large cities will go to \$1,200 under this bill.

Considering the high cost of living and the arduous work performed by these faithful public servants, the pay of all classes

is too small.

This is especially so when the rapid increases of the rural free delivery carriers are considered. This, too, in view of the fact that the city offices show a handsome profit yearly while the others a big deficit.

While in favor of giving every citizen mail and parcel-post advantages, I am pleading for a class of hard-working, faithful

men who need and should have better pay.

Section 6, intended to take assistant postmasters out of the civil service, is, to my mind, a step backward, and not justified under our enlightened and progressive Government, especially so under Democratic administration.

President Taft, for what he thought good and sufficient reasons, three years ago placed these twenty-four hundred men under the protection of the civil service. Now, if it is deemed wise and necessary after this trial to return them to the exempt class, President Wilson can do so by an Executive order

For this reason, and the further one of placing riders on appropriation bills, I am opposed to this section. If the President does not wish to assume the responsibility of rescinding the order of his predecessor, there must be good and valid reasons for his action.

If Congress wishes to make the change, let it be done on its merits in the usual way of changing or making new laws.

I have received a number of protests against the adoption of this section from both individuals and organizations. To save

of this section from both individuals and organizations. To save time and space I will insert but one, that of the New York Post Office Clerk's Association, and with that will close the matter. Whereas the Committee on the Post Office and Post Roads of the House of Representatives have placed in the Post Office appropriation bill now pending before that committee a clause withdrawing assistant postmasters in first and second class post offices from the protection of the civil-service law; and

Whereas such action on the part of the committee, if enacted into law, will be the means of removing from office a large number of efficient employees who have been promoted to that position on merit after years of faithful work in the Postal Service; and Whereas the enactment of such a law will be a long step backward in the upbuilding of the civil service in the Post Office Department, the Postal Service, and the public service in general: Therefore be it

Resolved, That we, the New York Post Office Clerks' Association, in regular meeting assembled on Sunday, December 28, do protest against the enactment into law of such an unjust measure; and be it further Resolved, That the Representatives in Congress from the metropolitan district of New York be forwarded a copy of these resolutions, and that they be requested to vote and work against the passage of the amendment above mentioned.

Mr. MOON. Mr. Chairman, I yield to the gentleman from New York [Mr. GOLDFOGLE].

[Mr. GOLDFOGLE addressed the committee. See Appendix.]

Mr. MOON. Mr. Chairman, I yield five minutes to the gentleman from South Carolina [Mr. BYRNES].

Mr. BYRNES of South Carolina. Mr. Chairman, I wish to direct the attention of members of the House to section 9 of this bill, which relates to the compensation of rural carriers. While this section ostensibly provides an increase of salary for all carriers, as matter of fact under its provisions the salary of one class of carriers instead of being increased will be materially decreased, and where there is an increase it is not a proportionate increase, but certain classes of carriers will

receive a greater proportionate increase than others

In order to confirm this construction of the provisions of this section I wrote the Postmaster General asking that furnished with a statement of the cost of the Rural Delivery Service under the schedule now existing and the cost under the schedule proposed in this bill. The statement I have received from the Postmaster General I wish to include as part of my remarks. Under this statement it will be seen that the total compensation of carriers engaged in triweekly service will be reduced \$29,451.10. The salaries of the triweekly carrier with a 24-mile route will be reduced \$41, and every carrier in this service, regardless of length of route, will receive less, and this in spite of the 'recognized fact that the parcel-post law has placed upon them increased labors. For the increased labor they will receive a decreased salary.

As to the carriers engaged in the daily service this statement shows that carriers whose routes are from 16 to 24 miles will receive an increase of \$75, while the salary of carriers with a 24-mile route is increased but \$50. The salary of the carrier

traveling a 25-mile route is increased \$72.50.

I can not conceive of any good reason why the carrier of a 23-mile route should be increased \$75 and the salary of the carrier of a 25-mile route increased \$72.50, while the salary of

the carrier of a 24-mile route is increased only \$50.

The Postmaster General, in his annual report, informs us that the postal service is now for the first time since 1883 self-supporting, and that for the fiscal year ending June 30, 1913, there is an actual surplus of \$3,841,906.78. I have no doubt that the increased revenue is due, in some measure at least, to the success of the parcel post. On account of this service the Postmaster General has asked for increased appropriations for Railway Mail Service and star-route service, and the provisions of this bill indicate that the committee intended to grant some increase to the rural carriers. Even if it were so worded as to carry a proportionate increase to all carriers I submit that the increase would not be commensurate with the increased service demanded of the carriers. service now demands greater expense, greater labor, and longer

The time has passed when the carrier could travel his route riding a motor cycle. Nowadays he is a movable express office and has more use for a two-horse wagon than a motor cycle, and this service is destined to increase instead of decrease. If the request of the carriers for an allowance to cover expenses can not be granted, we should at least increase the salary of the carrier traveling a standard route of 24 miles from \$1,100 to \$1,200 per annum, and for each mile above 24 add \$30 per year, and for each mile below the standard deduct a like Such a provision would be more equitable than the schedule in section 9 of this bill, which proposes to help one class more than others. These gentlemen are not at war with each other. One class of carriers does not wish to profit at the expense of another class, but they believe in and ask for a proportionate increase for all carriers.

I now wish to direct your attention to the estimate of the total cost of the Rural Delivery Service under the present and proposed schedules. The Post Office Department, according to the report of this committee, estimated for carriers, Rural De-

livery Service, for the year 1915, the sum of \$48,650,000, and this amount is carried in the bill; but the estimate of the department did not include the increase of salary for carriers provided for in the bill, and the statement I have from the department shows that this increase of salaries will amount to \$2,868,976. The total appropriation for this service includes an increase of \$1,000,000 for new work, but this increase in salaries, amounting to practically \$3,000,000, will mean a deficit of \$2,000,000 in this department unless the total amount is increased. Such a deficit will result in a curtailment of the Rural Delivery Service because of the lack of funds. This will be of some interest to those of you who hope to have rural routes established in your districts. The benefits of this rural service are so appreciated by the American people that it is their desire to see it extended instead of curtailed.

Give the carriers a living wage. Make the increase proportionate and provide for such increase in the total appropriation, so that the Rural Delivery Service will not be crippled.

Mr. MOON. Does the gentleman mean to say that there will be a deficit under the section as now provided?

Mr. BYRNES of South Carolina. Under the section as now

Mr. MOON. The gentleman means after the increase in pay is granted?

Mr. BYRNES of South Carolina. Yes. Mr. MOON. That is not done yet, the gentleman understands. That is subject to the rule.

Mr. BYRNES of South Carolina. If the increase in pay of \$2,886,000 is granted, then there is a deficit in the department, so far as rural free delivery is concerned, and we know what chance we will have of the establishment of any new rural routes next year.

The CHAIRMAN. The time of the gentleman from South

Carolina has expired.

By unanimous consent Mr. BYRNES of South Carolina was granted leave to extend his remarks in the RECORD, as fol-

Statement showing cost for Rural Delivery Service under present and proposed schedules.

DAILY SERVICE.

Length of route (miles).	Num- ber of car- riers.	Present rate of pay.	Total cost.	Proposed rate of pay.	Total cost.	Gross increase.
6	1 2 10 7 28 30 66 71 131 144 282 282 637 544 1,686 3,433 3,314 9,984 7,994 11,908	\$484 484 523 523 572 572 616 616 660 770 770 770 770 880 880 990 1,056 1,106 1,100	\$484 968 5, 289 3, 696 16, 016 17, 160 40, 656 43, 736 86, 460 217, 140 217, 140 217, 140 217, 140 217, 140 3, 503, 523 3, 499, 584 10, 982, 400 13, 197, 800	\$532.40 532.40 580.80 580.80 629.20 677.60 677.60 726.00 845.00 955.00 9,065.00 1,065.00 1,131.00 1,131.00 1,150.00 1,172.50 1,172.50	\$532, 40 1,064, 80 5,808, 00 4,065, 60 17,617, 60 18,876, 00 44,721, 60 48,109, 60 95,108, 00 104,544, 00 238, 290, 00 238, 290, 00 608, 335, 00 519,520, 00 1,499,685, 00 1,795,590, 00 3,888,378, 00 3,748,134, 00 11,481,600, 00 19,372,985, 00 14,097,650, 00	\$48.40 96. \$9 369. \$9 1, 601. 60 1, 716. 00 4, 035. 60 4, 373. 60 8, 646. 00 9, 504. 00 21, 150. 00 21, 150. 00 47, 775. 00 16, 175. 00 126, 450. 00 228, 550. 00 499, 200. 00 899, 850. 00 899, 850. 00
Total	42, 198		45, 089, 418		47, 978, 882. 60	2,889,464.60

SINGLY SERVED TRIWEEKLY ROUTES.

11	2	\$440	\$880	\$314.60	\$629, 20	\$250, 80
12	4	484	1,936	338.80	1,355.20	580.80
14	5	484	2,420	363.00	1,815.00	605.00
16	24	528	12,672	421.50	10, 116.00	2, 556, 00
18	25	528	13, 200	477.50	11,937.50	1, 282, 50
20	.68	572	38,896	532.50	36, 210.00	2,686.00
22	66	572	38, 896	565.50	38, 454.00	442.00
24	43	616	26, 488	575.00	24, 725. 00	1,763.00
25	40	616	24,640	586. 25	23, 450, 00	1,190.00
26	70	616	43, 120	587.50	41, 125.00	1,995.00
28	61	660	40, 260	587.50	36, 837. 50	3, 422, 50
30	61	660	40, 260	587.50	36, 837, 50	3, 422. 50
32	21	770	16, 170	587.50	12,337.50	3, 832, 50
34	20	770	15, 400	587,50	11,750.00	3, 650, 00
36	2	880	1,760	587.50	1,175.00	585, 00
38	1	880	880	587.50	587.50	292.50
40	1	990	990	587.50	587.50	402.50
57	1	1,100	1,100	587.50	587.50	512.50
Total	517		319,968		290, 516, 90	29, 451, 10

, Statement showing cost for Rural Delivery Service, etc.-Continued. TRIWEEKLY BOUTES SERVED TOGETHER.

Total	123		132,286		141, 248. 50	8,962.50
16	2	\$770	\$1,540	\$845.00	\$1,690.00	\$150, 00
	4	880	3,520	955.00	3,820.00	300, 00
	7	990	6,930	1,065.00	7,455.00	525, 00
	16	1,056	16,896	1,131.00	18,096.00	1, 200, 00
	10	1,100	11,000	1,150.00	11,500.00	500, 00
	5	1,100	5,500	1,172.50	5,862.50	362, 50
	79	1,100	86,900	1,175.00	92,825.00	5, 925, 00

RECAPITULATION.

	Num- ber of carriers.	Present cost.	Proposed cost.	Increase.	Decrease.
DailyTriweekly (served	42, 198	\$45,089,418	\$47, 978, 882. 60	\$2,889,464.60	
singly)	517	319,968	290, 516. 90		\$29, 451. 10
Triweekly (served together)	123	132, 286	141, 248. 50	8,962.50	
Total	42,838	45, 541, 672	48, 410, 648. 00	2, 898, 427. 10	29, 451. 10
	LOCAL CO.	TOTAL SALES	The second second		I I S S A A S C S S S

Net increase, \$2,868,976.

Mr. MOON. Mr. Chairman, I yield 30 minutes to the gentle

man from Missouri [Mr. LLOYD].

Mr. LLOYD. Mr. Chairman, the pending appropriation bill carries the largest amount ever carried in any bill that has ever been presented to the Congress of the United States, an amount so large that as far back as 1900 we said it was impossible that such increase in expenditures could arise. In the year 1900, only 13 years ago, the amount carried by the Post Office appro-priation bill was \$102,000,000. This bill carries \$306,000,000, or three times as much. The appropriations for Postal Service in 13 years, therefore, have trebled. This is a most astounding fact, when you come to consider what this may mean in the near future. If there is the same proportionate increase in expenditure on account of the Postal Service in the next 15 years as there has been in the last 13 years, the amount carried by the then bill will be more than \$1,000,000,000. It is astonishing to know how rapidly we are progressing in the Postal Service. It is surprising to contemplate what we have done in recent years in advancing this splendid service. No business institution in the land, none on earth, as far as I know, compares with this institution, the Postal Service of the United States. We paid in 1900, \$19,000,000 to the postmasters who had charge of the various post offices in the United States. We propose in this bill to expend next year \$30,750,000 for a like service. The salaries of the postmasters alone have increased 60 per cent in 13 years. The City Delivery Service, so important to the business success of the land, has made a marvelous growth, as shown by the number of employees necessary to carry on its work. In 1900 we expended \$14,250,000 for that service, while we propose in this bill to expend for next year \$38,000,000, or very nearly three times as much as was expended for like service 13 years ago. The Railway Mail Service, having reference now to the railway mail clerks who render service on the trains in the United States, received in 1900 nearly \$9,000,000 for their service, while it is proposed in this bill to pay them \$30,000,000 for like service, an increase of more than three times the amount that was paid in 1900. The clerks of the post office in 1900 received \$12,500,000 for their service. It is proposed in this bill that there shall be expended next year for that service \$45,000,000, or nearly four times as much as was paid 13 years ago.

In 1900 we expended for rural service \$425,000. Notice the amount—\$425,000. We now propose in this bill to expend for next year \$48,650,000, or one hundred times as much as we paid 13 years ago. In 1900 we expended \$425,000 for experimental We are now expending as a part of the permanent appropriation this vast sum of money for this splendid One remarkable difference that is observed in expenditure is with reference to the transportation on the railroads. In 1900 we expended for that service \$37,000,000, and it is proposed by this bill to expend \$60,500,000, or less than

60 per cent more than in the year 1900.

The impression has gone to the country, as you know, that we are expending an enormous sum beyond that which should be expended to the railroad companies for carrying the mails, and yet I call your attention to the fact that the expenditure for the carrying of the mails is nothing like keeping pace with the other expenditures of the Postal Service. I do not say this as having any bearing on the question as to whether the railroad companies are to-day receiving too much or too little for the services they perform.

There is one branch of the Postal Service that is not appreciated in the country, in my judgment, as it deserves. I have reference to the inspection branch. I may be mistaken, but in my judgment there is no money expended by the Postal Department from which we get better returns than for the services that are performed by the inspectors of the United States. I shall not take the time in the few moments that I have at my command to go into their work and explain in detail the splendid service they render to the American people. This bill increases the number of inspectors from 390 to 420. This is necessary because of the fact that the inspection service has more work to perform than those now employed in it can perform, and it is necessary to enlarge the force in order that they may perform the work that devolves upon them.

The most remarkable thing, however, in connection with the Postal Service is the branch of the service with which most persons have but little familiarity and hear the least. I have reference to the monetary branch, that branch of the service which is controlled by the Third Assistant Postmaster Gen-There passes through that office the demands for \$250,-000,000 worth of postage stamps every year. The Third Assistant Postmaster General controls the Money-Order Division, and in that division last year there was done \$625,000,000 worth of domestic business. The international work that was done in sending orders to other countries amounted to over \$110,000,000.

The Third Assistant Postmaster General has charge also of the postal savings banks of the United States, and they have on deposit at the present time about \$35,000,000, so that this officer has charge of the most gigantic business of any man living to-day in the United States or elsewhere. The present Postmaster General was exceedingly fortunate in selecting for Third Assistant Postmaster General a man of splendid business qualifications, large experience in public affairs, and a man who has performed his duties as an officer in a manner that has not been surpassed heretofore. No more competent official could

have been chosen. [Applause.]

I have been interested especially recently in an investigation of the subject of railway mail pay, one of the most difficult propositions that has been presented to the American Congress at any time. The present system of pay is one of the most difficult to understand of any system of business that can be I will warrant you that I am safe in making the statement that I can go to any promiscuous audience in the country and inquire if there is a man within that audience who can explain the present system of railway mail pay, and I will hardly find an individual in an assemblage of one thousand who can rise in his place and satisfactorily explain the present system of railway mail pay. There was appointed a short time ago, as you are all aware, a commission to investigate the system of railway mail pay and ascertain if possible whether we could not devise a simpler and better system than that which is now in vogue, and whether we can not ascertain in some practical way whether the railroad companies are receiving sufficient compensation for the services they render or are receiving too much for carrying the mails. This commission has had numerous hearings from various sources with reference to this subject. have been exhaustive both from the part of the Post Office Department and from the railways and experts of the country.

If you have not read those hearings, if you are interested at all in the subject of railway mail pay, I feel sure that you will find in them that which will give you information which you have not heretofore received. It is not my purpose to go into the work of that commission and to indicate in advance what in my judgment may be some of the recommendations which it may make, but I am hopeful that the report which it shall submit in the near future will be one that will give information that has never yet been given by any report of any commission appointed on that subject. This subject of railway mail pay, the question of how much we pay, is the most difficult question to answer. Suppose one of your constituents asks you how much we pay to-day for carrying the mails. You can only answer in a general way. You say we pay \$60,000,000 for carrying the mails, but that does not answer the question. He asks you how much you pay for carrying passengers of the country on the railway mail train. Your answer is very readily made in a way that he can well understand when you say 2 cents, 2½ cents, or 3 cents a mile, as the case may be. He asks you, however, the more important question for you to determine, what we pay for carrying the mails of the country, and unless you go into a learned dissertation you will make no answer more direct than to say that we are paying \$60,000,000 for that

My own judgment is that we need to get down to some kind of a simple system of ascertainment of pay. We ought to get some kind of a basis, so that every individual Member of Congress may say to his constituents what we pay, so that our constituents themselves may determine whether that is too much or

Different systems have been suggested of determining railway mail pay. We have to-day what we call the weight system. But it is so complex in its ascertainment that no individual anywhere, unless he has some expert knowledge along the lines of investigation, can understand how it is obtained. We say that we pay so much per pound for carrying the mails. How much per pound do we pay? Is there an individual Member present who can answer? No; you can not answer that question directly, because we do not pay the same amount on all roads of the country. We have different prices for different ascertainthe country. We ments of weight.

That accounts, too, very largely for the fact that the railway mail pay has not increased as rapidly as have other expenditures in the Postal Department, because the more mail that is

carried the less per pound we pay.

I intimated a moment ago that I was hopeful that the commission might be able to report, and that Congress in the near future might adopt, some kind of a system that may be explained, so that the people can understand and so that the Congressman himself may be in a position to explain it to his constituents when they inquire. Different schemes have been suggested, as I intimated a moment ago, for a change. The Post Office Department, during the last régime, suggested that we should change from the weight basis to a space basis, and that we ought to pay for the amount of mail carried on the basis of the space we use in carrying the mails rather than for the weight that is carried; insisting that the weight is an in-consequential question in the determination of what the railroad should receive, but that the space occupied in the train is the more important question to be determined, and that on that basis a railroad should receive its pay rather than on account of the weight of the mail carried.

There were numerous hearings held and vast statistical information gathered by the Post Office Department, and it is to be found in what is known as Report No. 105, from which publication the then Postmaster General, Mr. Hitchcock, reached the conclusion that if the space system were adopted, there would be a saving to the American people at once of \$9,000,000. The railroad companies came back at once and insisted in the hearings before the Postal Commission that they are not receiving enough pay, and that they have not hitherto received enough pay by at least \$15,000,000 annually. Here is the Post Office Department on the one hand insisting that there ought to be a reduction of \$9,000,000, while the railroad companies insist

that there should be an increase of \$15,000,000.

Now, is there any one present who has carefully investigated this question and can determine with accuracy just what should be paid to the railroad companies for carrying the mails? It has been suggested that we might determine the pay by paying so much per mile for every car that may be used. Here, for example, is a mail car starting out from Washington. so much for the first mile, and then so much for each additional mile that that car may travel; and the suggestion is to let the distance traveled by the car determine what should be paid for the carriage of the car, based upon an allowance of so

many cents per mile.

That system, if worked out, would be a practical system that you can explain. Suppose that a full post-office car of 60 feet in length starts out on its journey, and under the law it is to receive 20 cents per mile for every mile it travels. You and everyone else can make a computation of the amount that must be paid to the railroad companies for the carriage of that carload of mail. But suppose there is only one-half a car of mail to be carried on the train, and all the space that is needed is 30 feet instead of 60 feet, then you might pay 10 cents per mile for carrying that half a car of mail; and if that were the basis of pay, every man and woman in the country could understand what was the basis on which we pay for the carriage of the mails.

This plan, if carried into execution, it seems to me, would be a practical one. I am inclined to try to work out some kind of a scheme by which we should pay for the cars used, and pay so much per mile for the distance the car travels.

Mr. SELDOMRIDGE. Mr. Chairman, will the gentleman par-

don an interruption there?

The CHAIRMAN. Will the gentleman yield?

Mr. SELDOMRIDGE. I am interested in what the gentleman says about this matter of railway mail pay. It is a question that has puzzled me a great deal. How would the gentleman overcome that situation which might arise on the many branch roads of the country where the mail car is not a separate entity, as it is on the regular lines of travel, but is simply a compartment of a coach or baggage car?

Mr. LLOYD. If it requires enough space to constitute a quarter of a car, I would provide for the payment on the same basis. If not, I should think arrangements should be made to pay so much per pouch for every particular pouch that is car-

Mr. STAFFORD. Mr. Chairman, as I understand the gentle-man's presentation, he has limited it entirely to the space used in the so-called railway post-office cars and compartment cars, and not to the so-called storage cars that carry the heavy bulk mail throughout the country. Or does the gentleman intend to convey the impression that we should pay on the basis of the space occupied, regardless of weight, whether in railway

post-office cars or storage cars?

Mr. LLOYD. I was only trying to express to you just in a general way, without reference to stating any definite plan, that in my judgment we ought to get down to some kind of a practical basis, so that all of us can understand just what we are paying. That raises a very nice question-whether we shall pay the same amount for the transportation of a storage car as we pay for the transportation of the ordinary railway mail car. That is a question to be worked out. My candid judgment is that there should not be so much paid for carrying a storage through car as should be paid for the transportation of the ordinary railway mail car, where the railway mail employees are in the car and distributing the mail.

Mr. STAFFORD. But, as the gentleman knows, from the study he has given to this subject, the ordinary loaded storage car carries a weight of mail averaging from 12 to 15 tons, whereas the average weight of the mail in a full-sized railway

post-office car averages from 2½ to 3 tons.

Mr. LLOYD. If the weight ought to be taken into consideration, then the storage car should receive more pay for the actual transportation than an ordinary railway post-office car; but, as I was saying, that is one of the things to be worked out. I was answering on the theory that the same number of pounds of mail were carried in the storage car that are carried in the regular railway post-office car. If the weight in both cases were equal, I should say that the storage car ought not to receive as much compensation for its transportation as the railway mail car.

But there are numbers of difficulties in connection with this matter. I am not aiming to present those difficulties to-day, nor am I undertaking to present a plan. The sole purpose of this suggestion is to indicate to you that, in my judgment, it is possible to reach some kind of a practical solution of the matter, so that when it is adjusted we will know what we are paying for carrying the mails and every individual in the land can have some idea as to whether the compensation is reasonable

or unreasonable.

The Interstate Commerce Commission have investigated the subject, and have ascertained that we pay about 22½ cents per mile for every mile that a passenger coach is carried. should we pay any more for carrying a mail coach than we pay for carrying a passenger coach? Why, will you answer me, may we not be required to pay as much for carrying a mail car as for carrying a passenger car? They are both about the same size; they are pretty nearly of the same length. If they are of the same length, the same size, and the same weight, why should not the railroad company receive the same price for transporting them? But that raises another question which the Interstate Commerce Commission have very seriously considered. Ought we to pay to the railroad companies a sufficient amount, so that they may make the same kind of profit for carrying the mails that they make for carrying freight or passengers? There are numbers of individuals in the land who believe that the railway companies ought not to place themselves on the same basis in carrying the mails that they do in carrying passengers, because they have a protection from the United States Government that they do not have in carrying passengers. More than that, they enjoy the right of eminent domain, the right to take your property from you without your consent, and that right comes to the railroad company by reason of the laws of the land. There are those who believe that because of the extraordinary privileges that are given to the railroad companies they ought to do something in return, and that they ought not to demand the same compensation for carrying the mails that they would demand for carrying passengers or freight.

Mr. McKENZIE. Will the gentleman yield?

Mr. LLOYD. Yes,
Mr. McKENZIE. The 22½ cents a mile that the gentleman spoke of as applied to passenger coaches is the actual cost of moving the car, is it not?

Mr. LLOYD. No; the 22½ cents is what the people of the

United States actually pay for the transportation of the car.

The people of the United States to-day are paying 221 cents, on an average, for the transportation of every passenger car in the United States 1 mile.

Mr. McKENZIE. That is based on the supposed actual cost of moving it, is it not, without any profit or revenue?

Mr. LLOYD. No; that is the actual amount that they re-

ceive, from which they may make a profit or a loss

Mr. HOWARD. Have you made any estimate of the value of the franchises that the railroad companies of this country enjoy, which they have received absolutely free-as free as the air?

Mr. LLOYD. That is one of the things that goes into the question of determination as to whether the railroad companies should receive the same compensation for carrying the mail that they receive for carrying passengers or freight.

Mr. HOWARD. As a matter of fact, those franchises which were granted to them gratis are worth millions upon millions of

dollars.

Mr. LLOYD. In some instances that is true, and in other cases they have been required to pay for the property; but where they have been required to pay for the property have acquired a right which you have not. They have authority to build a railroad right through your dwelling house and destroy it. They have the right to take the most valuable property you have, and you have nothing to say in return except this: "I must receive reasonable compensation for the property which you take from me." It is my purpose to speak of one or two other branches of postal legislation. I am especially interested in the extension of the delivery of mail. At the present time we deliver the mail in large cities at the door of every individual, and we deliver the mail in the country at the door of every farmer who is accessible to town, but in a town of 2,000, 2,500, or 3,000-I care not how large a territory over which it may spread-we do not deliver any mail. My judgment is that we ought to take that into consideration; that these people in the smaller towns of the country have as much right to have the mail delivered at their doors, if they want it, as has the farmer or the men who live in the city.

I introduced a bill following this line several years ago, and I have made two or three speeches on the floor of the House in which I have advocated it. I am glad to know that there is a provision in the bill of \$200,000 for further experiments along

the line. [Applause.]

Mr. MOON. Mr. Chairman, in looking over my remarks in the House a day or two ago I find that I stated that for the next fiscal year approximately 600,000,000 packages would be carried through the parcel post, yielding sixty millions of money. I am afraid the language would indicate that I intended that there would be \$60,000,000 profit. Of course, that was an estimate as to the gross amount. The net amount that would arise from that source it is impossible to ascertain, because we do not know what part of the expense of handling and carrying ought to be charged to the parcel post.

Again, in the same remarks I submitted an estimate of the deficit that might arise in the event that we undertook to establish 1-cent postage for first-class matter. My estimate, roughly made, was to the effect that we would probably lose \$37,000,000, estimating profits from a possible increase in first-class matter on that account. The department has since made rather an accurate estimate of that matter, and I am in receipt of a communicaion from the department to-day which I will ask the Clerk to read, and I will place it in the RECORD.

The Clerk read as follows:

POST OFFICE DEPARTMENT, THIRD ASSISTANT POSTMASTER GENERAL, Washington, January 17, 1914.

Hon. John A. Moon,

Washington, January II, 1914.

Hon. John A. Moon,

Chairman Committee on the Post Office and Post Roads,

House of Representatives, Washington, D. C.

My Dear Mr. Moon: This department has received a large number of communications urging the adoption of 1-cent letter postage, and it is assumed that similar communications have been received by your committee. In order, therefore, that you may be advised of the probable loss to the postal revenues in the event of the enactment of legislation providing for a reduction in the letter rate from 2 cents an ounce to 1 cent an ounce I may say to you, after consultation with the Postmaster General and the chiefs of the Divisions of Classification and Stamps, that this department estimates that if the letter rate of postage should be reduced as indicated it would result in decreasing the annual revenue derived from first-class matter by approximately \$75,000,000. This conclusion is based on the income of the department from matter mailed at the 2-cent letter-postage rate during the fiscal year ended June 30, 1913.

Yours, very truly,

A. M. Dockery,

Third Assistant Postmaster General.

A. M. DOCKERY, Third Assistant Postmaster General.

Mr. MOON. Mr. Chairman, the estimate made by the chairman of the committee was, of course, exceedingly rough, without the facts in detail being before him. It appeared clearly that we could not go to 1-cent letter postage without the loss which I suggested would occur as a minimum of \$37,000,000.

I am surprised that the amount is so great, but it makes the reason the greater for the committee not yielding to the suggestions of 1-cent postage.

I now yield 10 minutes to the gentleman from Colorado [Mr.

SELDOMRIDGE]

Mr. SELDOMRIDGE. Mr. Chairman, yesterday, in the latitude of debate allowed on this bill, the gentleman from Washington [Mr. HUMPHREY] took the opportunity to engage the attention of the committee in a narration of the facts connected with an apparent decline in the steel and iron industry of the country, and took occasion to attribute this condition to the effect of the legislation of the party in power. We have been regaled with these statements from time to time from Members on the other side, representing various constituencies, and it would seem now that the gentleman from the Northwest has mingled his voice with that of the gentleman from Illinois, and possibly the gentleman from Pennsylvania, in order to create throughout the country a belief that the policies of this administration have been productive of depression and loss in business affairs.

Of course, Mr. Chairman, we expect that those who have been beneficiaries of special privileged legislation in the past, and into whose coffers has flowed the stream of golden profits from the operation of our protective-tariff laws, that they would be the first to find occasion in any apparent loss of business to charge the same to the Democratic Party. Were these representations to go before the country without refutation or denial it might result in a feeling of unrest and dissatisfaction to the

party in power on the part of the people throughout the country.

But we know, Mr. Chairman, that it is not altogether true that this business condition is capable of analysis along the line that these gentlemen have followed, but we do know that if any depression exists that it is due to causes other than those which have been named. In fact, we know that in European countries for the past six months there has been an unusual stringency in money affairs; that the great nations of Germany, France, England, and Italy are to-day seeking by every means in their power to control the supply of gold which they have; that it is difficult for them to finance their great governmental necessities, and naturally they are seeking to realize from the sale of American securities the wherewithal to supply their financial requirements. It is also true that during 16 years of Republican rule the country had been asking for and demanding from that party legislation along the line of relief from currency restriction and from control of credit which has hampered, to a large extent, the development of the industrial and agricultural sections of our country.

It is undoubtedly true that at the present time many large building operations are in process of stagnation and of development, because of the inadequate sources of financial relief, which the projectors of these enterprises desire to secure. But. Mr. Chairman, we should not take the statement made by the gentleman from Washington [Mr. Hump ex] as entirely correct. In fact, we would rather have him quote from business conditions in the district and section of country that he represents, in order that there might be in the statements which he makes some degree of local authority. I hold in my hand a copy of the Trade and Crop Bulletin, issued in December last, the Seattle National Bank, of Seattle, Wash. has resources amounting to \$16,000,000, and we learn from a perusal of this publication that its purpose is to portray the business conditions existing in that particular section of the country, the Pacific Northwest. I would like to call the atten-tion of the committee to some of the statements made in this bulletin, issued by this great bank of Seattle, because I believe that a declaration made by an institution of this character is more worthy of belief and more credible than any statement made by one whose purpose is apparently to alarm and scare the country into the idea that we are hovering upon the border of business and commercial collapse. This bank goes on to state as follows:

We have been in receipt of late of a great many trade reports, covering many sections of the United States, which, while lacking in unanimity, would indicate as a whole fairly satisfactory conditions. With the exception of lumber, reports covering the Pacific Northwest indicate more uniformly satisfactory conditions than those which obtain over the country as a whole. Our grain crops have averaged up to last year and, incidentally, indicate another great grain empire, making rapid strides in Montana.

Lumber is the one unsatisfactory staple important to this section of which we hear complaint, and the complaint in this respect is general. Mills have been curtailing and shutting down, and as a consequence production has decreased, further resulting in a slight betterment in prices. The lumber output this year will aggregate \$50,000,000. Our California market has been only nominal, owing to crop losses there.

Let me state in this connection that I recently interviewed a Member of this House who comes from the same section of the country represented by the distinguished gentleman from Washington [Mr. Humphrey] with reference to this apparent decline in the lumber business in that section, about which so much has been said, and I have been informed-and I do not vouch for this upon my own knowledge, but by the statement made by an honorable Member of this body—that this decline in the lumber business in the Northwest has been due almost entirely to the fact that the market in Australia has been closed to the exportation of California, Oregon, and Washington lumber; that there has developed in the Continent of Australia a colossal lumber trust which has closed the doors to American importation; and as our Republican friends through their 16 years of power have been unable to give to this country a merchant marine, controlled and dominated by American interests, in order that our citizens might avail themselves of American transportation to put their products at the doors of foreign markets, our friends from the Northwest find themselves to-day the victims of this inaction and incompetency. So the conditions there are not of domestic origin, but are those resulting from conditions in the Continent of Australia.

The bank report goes on as follows:

The bank report goes on as follows:

Our fish crop, meaning principally our salmon output, has exceeded the most brilliant expectations, even for the quadrennial or sockeye year, and Puget Sound waters alone are credited with producing \$15,000,000 this year, most of which is marketed through Seattle. Twenty-five million dollars more would about cover the yield from salmon and other fisheries in adjacent waters, a very heavy proportion of this crop being handled through Seattle.

Salmon means ready money, for it moves to market and into cash through an ever-widening market with a quickness not exceeded in any staple line of product.

Our fruit crop has been short of last year's glut, naturally, but prices have been highly satisfactory, and thousands of cars have already been turned into cash.

I desire now, Mr. Chairman, to call the attention of the committee to a statement made by the officers of this bank which is analytical of the business conditions existing throughout the country, and which I believe is to be taken with more assurance of belief and accuracy than the statements made by the gentleman from Washington, who desires to attribute these conditions to Democratic legislation. The bank makes this statement:

Business moves in cycles, and we are now between two cycles. The results of 1997 have waned, but have not disappeared, and the approaching upward movement is not sufficiently perceptible to make us feel that we are out of the woods. One thing is certain, and that is that the scarcity of money is not peculiar to the United States alone. It is world-wide, and while the breadth of the situation saves our pride somewhat, it does not offer in itself a special hope of the solution of this problem. The credit machine is too tightly wound, and the world's investments of late years have not been of a liquid character; armament, automobiles, and extravagances in municipal and in public improvements are examples.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. SELDOMRIDGE. Mr. Chairman, I would like to have 10 minutes more

Mr. MOON. Mr. Chairman, I would be very glad to give it to the gentleman, but I have more time promised than I can afford to give. It is impossible for me to give another minute.

Mr. SELDOMRIDGE. Very well. I will take occasion to conclude my remarks at another time.

Mr. MOON. Mr. Chairman, I yield to the gentleman from New Jersey [Mr. TUTTLE] for 30 minutes. Mr. TUTTLE. Mr. Chairman, the distinguished chairman of the Committee on the Post Office and Post Roads, in his very able and eloquent speech at the opening of this debate, took occasion to make some observations upon the subject of Government-owned railway post-office cars which should receive the careful and serious attention of the Members of this House. A joint committee of the Congress is about to report the results of its investigation of the whole question of compensation to railroads for carrying the mails, and will recommend legislation which should receive consideration before the close of the present

The pending appropriation bill, among its legislative features,

provides in—

SEC. 8. That the Postmaster General is hereby authorized, in his discretion, to contract for the construction of and to purchase steel full railway post-office cars and storage mail cars, and to pay not exceeding \$200,000 for the same out of the appropriation for railway post-office cars; and to contract with railroad companies for hauling them and their contents, including mails, equipment, supplies, officers, employees, and railway postal clerks, and for their maintenance, heating, lighting, cleaning, and repairing, upon such routes and between such points as he may deem advisable, and to pay for the same out of the appropriation for inland transportation by railroad routes: Provided, That for the purpose of readjusting compensation for the transportation of the mails upon the routes over which such cars shall be operated from the date on which such operation begins for the remainder of the contract terms, the Postmaster General is authorized to weigh the mails transported in such railway post-office and storage mail cars, which shall be verified and stated monthly in such manner as he shall direct, from which returns he shall compute the average daily weights of mails carried in

such railway post-office cars and storage mail cars on the routes over which they may be operated, and deduct such average weights per day from the average weights per day upon which the pay for the transportation of the mail on the routes respectively was allowed at the last regular readjustment, and readjust the pay on such routes at not exceeding the statutory rates for the reduced average weights of mails per day: Provided further, That the weights of mails, equipment, supplies, or other matter carried in such cars shall not be included in the weights of mails upon which any readjustment of pay to railroad companies shall be made: Provided further, That the Postmaster General is authorized to return to the mails where practicable empty mail bags, supplies, etc., that have theretofroe been withdrawn from the mails as provided by law and transported by freight or express, and thereafter transport them in the railway post-office cars and storage mail cars herein provided, but the weights thereof transported as herein provided shall not be included with the weights upon which the readjustment of compensation for transportation as provided herein is based.

The question of the compensation for the transportation of

The question of the compensation for the transportation of the mails has been a vexed one ever since the railroads superseded the stagecoaches in 1837. The history of the Railway Mail Service, from its beginning down to the present day, is one of contention between the railroads and the Post Office Department over the adequacy or inadequacy of the rates paid

and the proper basis of payment.

The intricate, complicated, cumbersome, defective in many respects method used in computing the amounts due for railroad service has never been understood by our people, and the common impression has always been that the Government has been imposed upon, and that we have been paying the railroad companies well in excess of what they have earned or deserved for their part in the development of our gigantic and marvelously successful postal system.

When the railroads first came into service in 1837 the compensation was limited not to exceed in any instance "more than 25 per cent over and above what similar transportation would cost in post coaches." In 1839 this compensation was further ceed \$300 per mile per annum. In 1845 the railroads were classified, dependent upon size of mails, speed, and importance of the service, and pay was limited to \$300 per mile per annum for first class, \$100 per mile for second class, and \$50 per mile for third class. These rates held for a period of 20 years, wholly arbitrary and subject to the varying judgment of the department officials. In 1867 the mails were weighed in order to secure a more equitable assignment of reads limited by an act restricting the cost on any route to not exorder to secure a more equitable assignment of roads.

During the late sixties the distribution of mail in transit was begun, and became an important branch of the service; but it was recognized that if the railroads were not only to transport the mail itself, but also to supply, equip, and haul post offices for the distribution of mails, the weight basis was not adequate or just, and in the law of 1873 the classification of mail routes was abandoned. The average weight of mails carried the whole length of the route with due frequency and speed was made the gauge of compensation, and additional allowance was provided for railway post-office cars of length 40, 45, 50, and 60 feet, respectively.

This act fixed the schedule of mail pay, as follows:

This act fixed the schedule of mail pay, as follows:

The pay per mile per annum shall not exceed the following rates, namely: On routes carrying their whole length and average weight of mails per day of 200 pounds, \$50; 500 pounds, \$75; 1,000 pounds, \$100; 1,500 pounds, \$125; 2,000 pounds, \$150; 3,500 pounds, \$175; 5,000 pounds, \$200, and \$25 additional for every additional 2,000 pounds; the average weight to be ascertained in every case by the actual weighing of the mails for such a number of successive working days, not less than 30, at such time after June 30, 1873, and not less frequently than once in four every four years, and the result to be stated and verified in such form and manner as the Postmaster General may direct.

Note.—Act of March 3, 1905, provides that beginning with the adjustment of 1906 the period of the weighing upon which such adjustment is based shall be not less than 90 successive working days.

These rates were reduced 10 per cent by the law of 1876 and were further reduced 5 per cent in 1878. On March 2, 1907, a still further reduction of 5 per cent was made on all weights over 5,000 to 48,000 pounds. On June 7, 1907, the Postmaster General issued an order changing the divisor-from 6 to 7computing the average daily weight of mails, thus resulting in another reduction of about 8 per cent in the pay of railroads for mail transportation.

In addition to the above payments based upon weight there is a further allowance when full railway post-office cars are provided—the Post Office Department deciding when these are necessary. The rates of pay for these cars were fixed originally

as follows:

Length of car and rate per annum per mile of track. 40 feet _____ 45 feet _____ 50 feet ____ 55 to 60 feet ___ feet ______feet _____

In order to obtain these rates a round trip must be made over each mile of road per day.

But the act of 1907 reduced postal-car pay to \$27.50 per annum per mile on 45-foot cars, \$30 on 50-foot cars, and \$40 on 55 to 60 foot cars, a reduction of 83 per cent, 183 per cent, and 20 per cent, respectively.

Land-grant roads receive 80 per cent of compensation provided in these acts.

Since this method of pay has been in effect there has been constant discussion in and out of Congress over the rate and the basis of its ascertainment. Various congressional commissions have been appointed from time to time. In 1878 the Hubbard Commission, in 1883 the Elmer-Thompson-Slater Commission, in 1898 the Wolcott-Loud Commission in turn investigated, made their recommendations, and dissolved without any action being taken by Congress. The Post Office Department has made diligent efforts to ascertain a proper basis of pay which would be fair alike to the Government and the railroads.

In 1909 Postmaster General Hitchcock, under authority of the law of March 3, 1879, obtained a vast amount of statistical data upon railroad operations, particularly those of the passenger-train service, the amount of car space devoted to passenger service proper, express service, the mail service, and the operating expenses and revenues.

The results of this inquiry are contained in a very comprehensive report by the Postmaster General, under date of August 12, 1911 (H. Doc. 105), as to the operation, receipts, and expenditures of railroad companies transporting the mails, with recommendations for legislation.

With this data, and that assembled by former congressional and departmental committees, the Interstate Commerce Commission, the Post Office Department, and the committee from the railroads, the present commission, headed by former Senator Jonathan Bourne, has made an exhaustive investigation of the whole subject, with the expert assistance of Dr. M. O. Lorenz, an associate statistician of the Interstate Commerce Commission. It is expected that a report will be made at an early date, and we hope to lay before Congress a reasonable and acceptable plan for the adjustment of this much-mooted ques-

I desire at this time to discuss only the Government ownership of the railway post-office cars, reminding the committee, however, that this is distinct from the question of whether the railroads are overpaid or underpaid.

One of the first propositions taken up by the present commission was that of the advisability of the Government owning the postal cars. The two rates of pay for the same service, viz, one rate for the weight of mail in the car and another payment for the car itself, have given rise to much confusion. proof of this is seen in the wide currency gained by the statements of Postmaster General Vilas in 1887, to the effect that at least \$1.500,000 annually might be gained for the Government if it should purchase its own post-office cars, and also the surprising assertion the other day by that usually careful and judicious student of postal affairs, Mr. Chairman Moon, that—

if a car costs \$6,000, and the Government pays an annual rental of \$5,000 on it, and the car lives 15 years, there is \$75,000 for the use of a car that the Government could have purchased in the first instance for \$6,000, and the repairs upon it amount to 20 per cent, so it is a dead loss of over \$60,000 in a period of 15 years upon one of those cars, and a corresponding loss upon the all-steel cars.

The fallacy of these conclusions has often been shown. The additional compensation allowed for railway postal cars is not to be regarded as a rental charge; it is supposed to cover the extra cost imposed upon the railroads of hauling in trains the great weight and space due to moving a distributing post office on wheels, with necessary working space for clerks, as compared with transporting the mails merely as weight, in which case far less space would be required, and that in much lighter

In a hearing before the joint commission Second Assistant Postmaster General Stewart said:

The fallacy of the statement of Mr. Vilas, it seems to me, lies in this: That there is no account taken of the cost of operating the cars. The payment that we make to the railroad companies for cars may soon equal their cost, but there is nothing to be argued from that as to the adequacy or inadequacy of that pay, because that leaves out of consideration entirely the cost of operating or hauling the cars.

And, again, to the House Committee on the Post Office and Post Roads, December 4, 1913:

Mr. Stewart. The amount we pay, and which we are now considering as compared with the cost of the cars, is based for services rendered for hauling the cars. It is for their operation. If you take a passenger or any other car and make the same comparison with revenue received per car you will have a similar result. The amount which a railroad company receives is not for the construction of a car, but for the operation of it, for the performance of a service.

In this connection I desire to read from a letter of Postmaster General Hitchcock to Hon. John W. Weeks, the whole text of which will be inserted as a part of my remarks:

OFFICE OF THE POSTMASTER GENERAL, Washington, D. C., March 2, 1910.

which will be inserted as a part of my remarks:

OFFICE OF THE POSTMASUR GENERAL,

Washington, D. C., March 2, 1919.

Hon. John W. Weeks,

Chairman Committee on Post Offices and Post Roads,

House of Representatives.

My Dear Sir: In response to your inquiry made of the Second Assistant Postmaster General in regard to the cost of maintaining and operating rallway post-office cars and its relation, received by railroad companies for the same and your reference to the speech delivered by Senator Vilas on the subject in the United States Senate February 13, 1895. I have the honor to advise you as follows:

The department has not at this time sufficient information upon this point to give from its own records a reliable estimate. As you are aware, we have recently asked railroad companies to submit answers to inquiries with reference to the cost of operating the mail service, and it is believed that when these shall have been received we will be in a position to furnish such information. Inasmuch, however, as it may be of importance to you to have estimates made from time to time by others and such incomplete information as we have at present, I submit the following:

The cost of operating a railway post-office car has been variously estimated, but not officially by the department) as from 15 to 30 cents a car-mile. The average run per day of such a car is about 300 miles. Estimating the cost at 18 cents a car-mile, the total cost of operating such car for one year would be \$19,710.

The specific tems which constitute this total cost are not definitely known to the department. However, as to the cost of lighting, cleaning, repairs, etc., the General Superintendent of Railway Mail Service and such as a superintendent of Railway Mail Service and such as a superintendent of Railway Mail Service and such as a superintendent of Railway Mail Service and such as a superintendent of Railway Mail Service and such as a superintendent of Railway Mail Service and such as a superintendent of Railway Mail Service and such as a s

Such theory is not justified by the facts, as will appear from the following:

A careful perusal of the debates in both Houses of Congress which led to the enactment of the present law fixing the rate of pay for railroad transportation of the mails and for railway post-office cars clearly indicates that the additional compensation for railway post-office cars was intended to cover the additional expense imposed upon the railroad companies for building, maintaining, and hauling such cars. The companies at that time insisted that these cars, which were practically traveling post offices, did not carry a remunerative load, and that, therefore, the amount of pay, based on weight, did not compensate them for their operation. This led to the specific appropriation for railway post-office cars. In this commection it should be borne in mind that the purpose of the railway post-office cars is to furnish ample space and facilities for the handling and distribution of mails ar route. Therefore the space required is much greater than would be required for merely hauling the same weight of mails.

In regard to any proposal for Government ownership of postal cars, other facts as well as the above should be given consideration. Such cars must be overhauled, cleaned, and inspected daily. It would be necessary either to arrange with the railway companies for this service or for the department to employ its own inspectors, repair men, and car cleaners at a large number of places throughout the country, which would probably be more expensive than the cost to the railway companies in that respect at present. It would hardly be feasible to establish a Government repair shop. Therefore the department would be compelled to use the shops of the several railway companies in that respect at present. It would hardly be feasible to establish a Government repair shop. Therefore the department would be compelled to use the shops of the several railway companies in that the railroad work would be given the preference.

Yours, very truly,

FR

FRANK H. HITCHCOCK, Postmaster General.

Mr. Worthington, of the Southern Pacific, testified that the cost of maintenance, \$1,225, with allowance of \$800 for interest on investment and depreciation, together with train-hauling cost of \$15,000, would make an aggregate for direct train haul and

maintenance per annum of \$17,025.

Mr. MAPES. Will the gentleman yield?

Mr. TUTTLE. Certainly.

Mr. MAPES. In reading the testimony of Mr. Stewart before the committee, I find he was asked if he could give the amount which the railroads receive for hauling the privately

owned cars, like the packers' and others, and he was not able to give the committee that information, as I recall it. Can the gentleman tell us what the railroads received for hauling those cars?

Mr. TUTTLE. I am coming to that matter now.

Mr. Worthington also makes the following comparison of rates per mile received by his company for 60-foot railway post-office cars as compared with rates it would receive under its published tariff from Chicago to California for moving empty cars belonging to other railroads:

Railway postal-car pay for 60-foot car, per mile run— Tariff rates for empty sleeping and dining cars, per mile run— Tariff rates for passenger coaches, per mile run— Tariff rates for empty freight cars moving in freight trains, per 8. 3

He calls attention to the fact that the tariff rates mentioned "are for hauling in trains only, and do not include any obligation on the part of the carrying railroad for maintenance or cost of car ownership."

Mr. MAPES. Will the gentleman yield?

Mr. TUTTLE. Certainly.

Mr. MAPES. In order to be sure that I understand the gentleman, is it the statement of these railroad officials that they receive something about four times as much from other railroad companies for hauling the cars of those companies as they receive from the Government?

Mr. TUTTLE. These figures compare the postal-car rates with what is received from other railroad companies for hauling empty sleeping cars, dining cars, passenger coaches, and empty freight cars. It appears they receive approximately three times as much for hauling sleeping, dining, and passenger coaches as they receive for the postal-car pay per mile run.

Mr. MAPES. I suppose that is due somewhat to the fact they do not haul the cars of those other companies regularly;

but they do haul the postal cars every day. Mr. TUTTLE. That is probably a factor. Mr. STAFFORD. Will the gentleman yield?

Mr. TUTTLE. Certainly.

Mr. STAFFORD. The gentleman as a member of the com-mission has given the subject of the cost of carriage of railway post-office cars as full consideration as any Member of the House. I would like to ask him, so as to make clear his exposition, whether the rates, as quoted by Mr. Worthington, of 5.5 per mile run and the rate quoted by the representative of the Pennsylvania Railroad of 4.4 per mile run is the average rate, including their return for the tonnage on the mail car, that is usually carried in those cars, or whether it is merely the rate of pay based upon the prescribed rate-per-mile run of railway post-office cars?

Mr. TUTTLE. I will read Mr. Worthington's statement,

which I think answers the question:

To cover these expenses the railroads receive from the department for railway-post-office-car pay, for 60-foot car, \$40 per mile per annum, or 10.96 cents per day for furnishing a car, maintaining it, and hauling it both ways over a mile of railroad, this being equivalent to 5.46 cents per car-mile run. Assuming an average annual mileage of 100.000, the total railway-post-office-car pay per annum would be \$5,480, or about one-third of the above expenses. In the case of half lines, where no pay is received for return movement, the revenue would be only one-half of this.

Mr. STAFFORD. That statement shows it does not include any pay that the railroads receive for the mail that is included in railway post-office cars.

Mr. TUTTLE. It refers only to the railway-post-office-car

pay and not to the transportation of the mail in the car.

The Pennsylvania lines give 4.4 cents a running mile as the average present pay for their railway post-office cars and 3.4 cents as the cost of repairs, light, heat, and so forth, leaving 1 cent a mile for cost of hauling and return on capital invested.

Mr. Worthington, being reminded by the chairman that his computation was based entirely on his railway post-office revenue, and upon the latter's suggestion that he should have considered in his computation the revenue received from the mail carried in the railway post-office car, stated that if the pay for the 2½ tons were included the total rate for these cars would be about 20 cents, whereas for their passenger cars they received 31.3 cents.

Mr. A. H. Rowan, of the New York Central lines, in his testimony states that in addition to the transportation charge for the weight of mail handled in the car-estimated to be 2 to 3 tons—his lines receive for their railway post-office service pay ranging from 3.4 cents per mile for a 40-foot car to 5.04 cents per mile for a 60-foot car, making the average earnings on a railway post-office car 20 cents per mile as compared with 32 cents per car-mile received from passengers, the average number of passengers carried being 16.

The data in Table 7, House Document No. 105, shows that the operating expenses, excluding taxes, of a passenger train car mile-that is, the cost of running one passenger coach 1 mileare 18.5 cents; but perhaps a better determination of this carmile operating expense is the result of the special reports made to the Interstate Commerce Commission for the year ending June 30, 1912.

June 30, 1912.

Sixty-four railroads reported a complete separation of their operating expenses as between freight and passenger services in a special report required by the Interstate Commerce Commission in 1913. The average operating expense per passenger train car mile for all of these roads taken together for the year ending June 30, 1912, was 19.41, exclusive of interest, dividends, and taxes. This result is probably somewhat lower than it would have been if all roads had been included, because among the omitted roads are those in the New England States and the Pennsylvania Railroad, which have a higher operating expense per car mile than the above average. This is indicated by the fact the average passenger car-mile revenue of 62 roads was 23.9 cents as against 25.4 for the country as a whole.

It thus appears that the average passenger car-mile cost of operation is not far from 20 cents, and if the Government owned its own cars and engaged the railroads to operate them, a much lower rate than this could not be expected; and the authorities agree that the Government can not impose a confiscatory rate upon the carriers.

Gen. Stewart, on the basis of weighings in 1907, estimates that the transportation cost of mails carried in the full cars is \$15,382,443. To this should be added \$4,323,577 paid additionally for the cars, making a total cost of \$19,706,020 for the two items. The car miles made by railway post-office cars in 1913 was 104,588,541. Dividing this in the estimated cost above stated gives a car-mile rate of 18.84 cents. On this basis we would have to have a rate lower than this figure for all cars in order to effect an economy.

Mr. MAPES. Mr. Chairman, I do not want to interrupt the gentleman, but I am very much interested in what he has to say. Do the railroads claim that they are carrying the mails now at less than cost? What is the explanation of the wide difference in the figures that the gentleman has given?

Mr. TUTTLE. The gentleman means the difference between the Post Office figures of 18.84 and the Interstate Commerce

figures of 19.41. Mr. MAPES. I thought what the Government was actually

paying was something like 5.46.

Mr. TUTTLE. The 5.46 cents per car mile run is for railway post-office cars only. The Post Office and Interstate Commerce Commission figures cover the pay for the weight of the mails as well as for the railway post-office car.

Mr. MAPES. Is that ample compensation to the railroads for

the work that they are doing?

Mr. TUTTLE. The question of compensation is one upon which the department and the railroads have widely differed. The commission is about to bring in its conclusions, and the Post Office Department will probably insist that the railroads are receiving adequate pay. The railroad representatives who have appeared before our commission have claimed they are being underpaid by some \$15,000,000. I myself do not care to express an opinion as to the adequacy of the compensation at this time.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. TUTTLE. Yes.

Mr. STAFFORD. If I understand the exposition just presented by the gentleman, it costs, for the operation alone, per train-mile, for a passanger coach, 19.41 cents, whereas all that the Government pays for the use of the railway post-office car and the mail carried in that car is 18.84 cents, so that the Government is receiving a service to-day at 5.7 mills less than the cost of operation of a corresponding passenger car. Is that the deduction of the gentleman?

Mr. TUTTLE. That would be approximately the deduction. Of course, these two computations are made upon different sets of figures. The 19.41 cents rate was compiled by the Interstate Commerce Commission, as of June 30, 1912, while Gen. Stewart's figures are based upon the weighings of 1907, five years Of course, the conditions may have changed in the previous.

interval. Mr. WILLIS. Mr. Chairman, will the gentleman yield just there?

The CHAIRMAN. Does the gentleman yield?

Mr. WILLIS. Would it interrupt the course of the gentle-man's argument if he would discuss the question of rates of postage? Members of the House are receiving communications overy day about the penny-postage proposition. Has the gen-tleman's committee made any investigation on that subject; and if so, what is the conclusion arrived at, and what is the gentle-man's own opinion? The gentleman has studied the matter, and I am anxious to have his opinion,

Mr. TUTTLE. That has not been under consideration by the committee

Mr. WILLIS. I understand; but it is an interesting postal The gentleman does not care to discuss that?

Mr. TUTTLE. No; I do not care to discuss that, because I have only a limited time, and I want to finish with this propo-

The CHAIRMAN. The time of the gentleman from New

Jersey has expired.

Mr. TUTTLE. Mr. Chairman, I ask unanimous consent to

extend these remarks in the RECORD.

The CHAIRMAN. The gentleman from New Jersey [Mr. TUTTLE] asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. TUTTLE. It has been suggested that private concerns, owning their own cars, are paid by the railroads three-quarters of a cent or a cent a mile for the privilege of hauling these cars. In reply to this I quote Dr. Lorenz:

cars. In reply to this I quote Dr. Lorenz:

It needs no great acumen to see that if the railroads pay anyone for the privilege of hauling his cars they get back the money, unless there is an illegal rebate, in some other manner. In the case of these special commodity shipments the railroad gets its remuneration by charging a rate for the commodities carried in the car, the mileage charge paid by the railroad company being explained by its being saved the expense of furnishing and keeping in repair the special type of car required. If it be desired that the railways pay the Government something for the privilege of hauling the postal cars, it would be necessary, under any equitable arrangement, at the same time to have the Government pay the railroads for the mail carried in the cars at a sufficiently high rate to compensate them for the service of transporting the car. How would the Government ownership of the car help to determine what the proper transportation rate would be? Private shippers of perishable commodities have a reason for wishing to own their own cars, which would be of no weight in the case of the Post Office Department. That reason is that, irrespective of any direct saving, there is an advantage in having an adequate supply of cars adapted to their special needs. There is no complaint, however, on the part of the Post Office Department that it is not supplied with the special cars which it needs.

Attention has been called to the Pullman cars which are operated by the railroads. In this case it would be difficult to make a comparison, as the rates paid vary with the amount of earn-

This is true also of the express companies, and it would be difficult indeed to compare the compensation paid by the express companies with that paid by the Government for the transportation of the mails.

The railroad company gets a percentage of the express rate, while the Post Office Department pays according to the weight and distance carried. The only figures on a common basis are those for November, 1909, when the car-foot mileage in pasthose for November, 1909, when the car-toot mileage in passenger trains was ascertained separately for passenger, mail, and express services. If the empty space hauled in connection with the mail service is charged to that service, then the comparison is as follows: From the mail, 3.37 mills per car-foot mile; from express, 3.86 mills; and for other passenger-train services, 4.34 mills.

It appears from these computations, therefore, that the express companies in 1909 were not favored beyond the Government, but, of course, conditions have changed and these figures may be unsafe to-day.

There are fortunately certain kinds of private-owned cars which the railroads operate, and the rates charged for their haulage may be considered an indication of what the Interstate Commerce Commission believes to be equitable for the passenger

For example, the railroad tariff for hauling private passenger cars, not occupied, is 25 cents per car-mile; if occupied, 25 passenger fares, or 50 cents per car-mile.

Special baggage cars, loaded but unoccupied, must pay 25 cents per mile for first 500 miles, and 20 cents per mile for longer distances. If accompanied, 30 cents per mile, and if passengers are also carried, 25 fares are exacted.

The Fish Commission has its cars hauled at rates paying from 10 to 20 cents per car-mile, but the acting commissioner states that he thinks that the railroads appreciate the advantage of having the lakes contiguous to their lines stocked with fish and therefore grant extremely low rates. Many lines give free transportation.

A careful study, therefore, of every phase of this question leads me to the conclusion that there is no ground for the contention that an economy would result from the purchase of the railway post-office cars. Mail cars do not move themselves, and the Government would have to pay the railroads for hauling the cars either directly or so many cents per car-mile, or indirectly by paying for the mail in cars at so much per ton-mile. In either case the Government ownership of the cars would not

help in the slightest degree to tell what the proper transportation charge would be.

I submit that the wise course will be to suspend consideration of this section until the report of your committee is before you and the House is fully informed upon one of the most important problems awaiting solution by this practical and business-like

Mr. SAMUEL W. SMITH. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. KAHN].

The CHAIRMAN. The gentleman from California [Mr. Kahn] is recognized for 10 minutes. Mr. KAHN. Mr. Chairman, on the 10th of last October, when the urgent deficiency bill was before this House, the Democratic majority raped the civil service successfully; and, doubtlessly emboldened by their success on that occasion, they are preparing to commit another outrage in the same direction in the pending

Post Office appropriation measure.

The provisions of section 6 of this bill would take the assistant postmasters of this country out of the civil service. Those employees can be recruited, and are recruited, from the clerks and carriers of the Postal Service. An efficient clerk or an efficient carrier, ambitious to rise in the world, may take a civilservice examination for the position of assistant postmaster, and if he be successful and a vacancy should occur there is a possibility of his appointment to that position under the civilservice law. And yet the Democratic majority of this House under section 6 of the Post Office appropriation bill would deprive the ambitious clerks and carriers of the right to take a civil-service examination in order that they might improve their stations in life.

I am not surprised at the attitude of the gentlemen on the Democratic side of this House. The pressure for place is undoubtedly very great. Your Democratic constituents are demanding their reward. They want the jobs. They insist on their pound of flesh. Not alone are the civil-service positions sought for, but various executive chiefs have demanded the resignation of postmasters, United States marshals, district attorneys, and other Federal employees, even though those officials still had two or three years to serve under their commissions. Happily some of these men have had the backbone and the courage peremptorily to refuse to surrender their commissions and to demand that their official conduct be investigated, to find out why they should be removed from office.

Mr. Chairman, the Democratic national convention which met in Baltimore a year ago last summer adopted this civil-service plank:

The law pertaining to the civil service should be honestly and rightly enforced, to the end that merit and ability shall be the standard of appointment and promotion rather than service rendered to a political party. And we favor a reorganization of the civil service with adequate compensation commensurate with the class of work performed for all officers and employees. We also favor the extension to all classes of civil-service employees of the benefits of the provisions of the employers' liability law. We also recognize the right of direct petition to Congress by the employees for the redress of grievances.

I commend that plank to my friends on the Democratic side of this House

The law pertaining to the civil service should be honestly and rightly enforced, to the end that merit and ability shall be the standard of appointment and promotion rather than service rendered to a political

When that plank was written it was doubtlessly lauded to the skies by every Democratic candidate for Congress. You won an overwhelming victory at the polls. And now you are deliberately trying to revert to the old Jacksonian doctrine, "To the victor belong the spoils."

With my Democratic friends that language and that plank

are now simply an agglomeration of words, words, words.

Mr. DIFENDERFER. Mr. Chairman, will the gentleman

yield?

Mr. KAHN. In order that there might be no mistake about pledging the candidates of the Democratic Party to the planks of the platform, the Democratic national convention first nominated its candidates and then submitted and adopted the platform in order that the candidates might know positively what the tenets of the party would be, and govern themselves accord-

ingly.
Mr. DIFENDERFER. Mr. Chairman, will the gentleman vield?

The CHAIRMAN. Does the gentleman yield?
Mr. KAHN. And the Democratic candidates subsequently accepted the platform and with it, of course, the civil-service plank. And yet, when the urgent deficiency bill was presented to the distinguished leader of the Democratic Party—the present Chief Executive-he finally affixed his signature to the bill, civilservice plank notwithstanding, although I am willing to admit that he did it with a very wry face.

Mr. DIFENDERFER. Will my friend from California permit a question?
Mr. KAHN. Certainly.

Mr. DIFENDERFER. The platform of the Democratic Party a year ago last summer was adopted just prior to the presidential election of that year, was it not?

Mr. KAHN. Yes.

Mr. DIFENDERFER. It had no particular reference to the placing of 51,000 employees under the civil service afterwards

by Executive order, had it?

Mr. KAHN. If the gentleman has followed the history of his country, he must know that practically every President since Grover Cleveland, who began the practice, has issued an Executive order before he retired from office extending the civil service of the United States.

Mr. DIFENDERFER. Except President McKinley.
Mr. KAHN. President McKinley unfortunately became a
martyr to duty. He was not allowed to fill out his term.
Mr. DIFENDERFER. Then do you believe in disregard-

ing the Executive orders of a prior President of the United

Mr. KAHN. Executive orders have been issued frequently, and have generally been respected by the successors of the Presidents who issued them. Thus when President Cleveland extended a blanket order covering many employees of the Government into the classified civil service, the President who

succeeded him did not undertake to reverse that order.

Mr. DIFENDERFER. In the case that I have particular reference to President McKinley did reverse the order of Presi-

dent Cleveland.

Mr. KAHN. I do not recall that.
Mr. DIFENDERFER. He absolutely revoked it.
Mr. KAHN. I do not recall the incident.

Mr. DIFENDERFER. If my friend from California will permit, I do not want it understood that I am opposed in any way to merit service, because I believe that the efficiency of this Government depends largely upon it, but I do insist that we ought to have merit service and not snivel service.

Mr. KAHN. When these orders have been issued heretofore, the employees of the Government who were affected by them have generally had experience extending anywhere from 1 to 20 years or more, and it has been presumed by the executives of the Government, and, I think, rightly so, that the officers cov-ered into the civil service were entitled by their experience to continue in the employ of the Government.

Mr. PAYNE. Will the gentleman allow me?

Mr. KAHN. Yes.

Mr. PAYNE. I think the gentleman ought to limit that. The

Cleveland order extending to railway-mail clerks the protection of the civil service was issued very soon after the fresh clerks came in, and I remember distinctly in my own district the new railway-mail clerks got so balled up that letters were not delivered for a week, and sometimes longer, and papers accumulated for several weeks before they were delivered, because of the freshness of the men who were put into the service. When McKinley came in, in order to relieve the mails, he suspended that order of President Cleveland and put back some of the old experienced clerks who had been removed in order to make place for the Cleveland employees, and after that he extended the order, covering those clerks.

Mr. KAHN. I thank the gentleman.

Mr. FITZGERALD. If the gentleman will yield, perhaps he will explain why President McKinley revoked the order turning into the classified service the employees in the Internal Revenue offices, and later, after the employees had all been changed by the Republican collectors, he then issued another order putting them back into the classified service. Was that because there was a congestion in the mails?

Mr. PAYNE. That is a suggestion, but not very well founded

in fact.

Mr. KAHN. However, the employees who have generally been covered into the civil service by Executive order have been men who have had more or less experience, and in order to retain the services of experienced men they were continued under these orders

I do not desire to detain the committee any longer. I desire to ask unanimous consent to extend my remarks by inserting in the RECORD an article published in the North American Re-

view of December, 1913, written by Col. George Harvey, its editor, being an editorial on "Breaking the Pledge."

The CHAIRMAN. The gentleman from California asks unanimous consent to extend his remarks in the RECORD. Is there

objection?

There was no objection.

The article referred to is as follows:

BREAKING THE PLEDGE.

And 'tis a kind of good deed to say well;
And yet words are not deeds.

The Democratic Party, acting through its representatives assembled in convention in Baltimore, made the following declaration:

"The law pertaining to the civil service should be honestly and rigidly enforced, to the end that merit and ability shall be the standard of appointment and promotion, rather than service rendered to a political party."

The candidate for President designated simultaneously with the promulgation of this doctrine was a vice president of the National Civil Service Reform League at the time of his nomination and continued to hold that position during the campaign which resulted in his election. In August, 1912, replying to an inquiry addressed by the league to the three leading candidates, he wrote as follows:

"I am a hearty believer in the principles of civil-service reform and shall take pleasure at all times in doing what I can to promote those principles in practice."

One month after he was elected President of the United States, Mr. Wilson declined reelection as vice president of the Civil Service Reform League in a communication to the chairman of the committee on political activity reading as follows:

"Thank you for your thoughtful letter of November 26. Perhaps It would be wise for me not to associate my name with any league or association during my term as President, though I beg you to believe that my interest in and my sympathy with the work of the Civil Service Reform League has not been and can not be abated."

On September 8, 1913, following the precedent, established at President Wilson's instigation, of attaching "riders" to appropriation bills, Representative Barrillari, of Georgia, proposed an amendment to the urgent deficiency bill, reading as follows:

"All Executive orders heretofore made placing the positions of deputy marshals and deputy internal-revenue collectors in the classified service, and all regulations made thereunder, are hereby revoked, and hereafter appointments to said positions

of 1883.

In this form the bill came before the House for final action on October 10, and was adopted by a vote of 110 to 106. All of those voting in the affirmative were Democrats. Of those voting in the negative, 56 were Pemocrats, 44 were Republicans, and 6 were Progressives. Three days later the "rider" passed the Senate by a vote of 31 to 18, 2 Democrats voting in the negative.

Simultaneously with the passage of the bill by the House the National Civil Service Reform League unanimously adopted the following resolutions:

2 Democrats voting in the negative.

Simultaneously with the passage of the bill by the House the National Civil Service Reform League unanimously adopted the following resolutions:

"Resolved, That the National Civil Service Reform League most strongly opposes and condemns congressional action as taken in the new tariff law and as proposed in the urgent deficiency bill involving the exemption of important departments of the civil service from the progress toward the general recognition and enforcement of the merit system in the Federal service but also as a departure from the solemn piedge and definite promise to sustain and promote the merit system contained in the platform of the Democratic Party.

"Resolved, That the league officially condemns the practice of attacking the merit system by riders to revenue and appropriation bills, as such provisions have no proper place in such bills, and such practice prevents the fair and independent consideration of the merits of the propositions contained in such riders."

Upon the passage of the amendment by the Senate, the secretary of the league telegraphed to the President as follows:

"On behalf of the National Civil Service Reform League I earnestly urge that you veto urgent deficiency appropriation bill because of provision exempting from civil-service law subordinates of collectors of internal revenue and marshals. Provision affects not only deputies but all subordinates of collectors and marshals and is a vicious attack on merit system through rider legislation."

On October 22, nine days after receipt of the protest by the league, President Wilson signed the bill and filed the following memorandum:

"I am convinced, after careful examination of the facts, that the offices of deputy collector and deputy marshal were never intended to be included under the ordinary provisions of the civil-service law. The control of the whole method and spirit of the administration of the provision this bill, which concerns the appointment of these officers, is no less entirely

shals. But why? What are the "facts" from which this conclusion is deduced? No such exemption appears in the statute itself and but two official rulings have been rendered on the question. One was by the Attorney General, in 1907, and the other by the Comptroller of the Treasury, in 1910. Both wera to the effect that these appointments do fall within the meaning of the statute and that the President had the undoubted right, which thereupon he exercised, to include them in the classified service. On this statement, which it temperately pronounces "unfortunate," the Civil Service Reform League, of which Mr. Wilson was but recently a vice president, and is still, we assume, : member, "takes issue squarely with the President."

With respect to the army of subordinates and employees withdrawn by the "rider" from the classified service the President maintains a discreet silence. Here apparently could be found no room for even an imagined interpretation of intent.

The President continues:

"The control of the whole method and spirit of the administration of the proviso in this bill, which concerns the appointment of these officers, is no less entirely in my hands now than it was before the bill became a law."

That is, the President might issue an Executive order, as his predecessors had done, requiring collectors and marshals to continue to appoint their subordinates from the civil-service registers. The league begged him to prove his good faith by doing so forthwith. His response appeared in the following order issued by Commissioner Osborn, of the Internal Revenue Bureau, on October 29:

"Collectors of internal revenue:

"Referring to that parties of the appears to the proton of the p

"Collectors of internal revenue:

"Collectors of internal revenue:

"Referring to that portion of the urgent deficiency act, approved October 22, 1913, relating to the appointment of deputy collectors of internal revenue, collectors are advised that the object of this provision of law is efficiency and only efficiency, and that any tendency to use this class of appointments merely for personal reward, or for anything that savors of the spoils system, will be regarded as a very serious disregard of public duty, and that they will be expected to deal with these matters in a spirit which the whole country will approve.

"Hereafter when vacancies in this class of offices occur or changes are contemplated, and before such vacancies are filled or such changes are effected, collectors will forward to this office the names of the persons whom it is desired to appoint, together with a statement of their qualifications and records.

"No appointments in this class of officers shall hereafter be made by collectors without the approval of the department.

"(Signed) W. H. Osborn,

"Commissioner.

"By direction of the President. (Signed) W. G. McAdoo, "Secretary of the Treasury."

"(Signed) W. G. McAdoo,

"Secretary of the Treasury."

"Efficiency and only efficiency" is a most resolute phrase, used first by Andrew Jackson and since by every spoilsman in public office. But the true way to obtain efficiency, according to the league to whose principles Mr. Wilson has so frequently and so recently avowed his allegiance, is through the merit system, which now, so far as it applies to some thousands of employees, by his signature to the bill and by his refusal to renew the Executive order, he has abolished. The Osborn notice contains not a word which President Jackson would have disapproved. It leaves the collectors wholly free to make whatever changes they may see fit, after having set forth the admirable qualifications which assuredly every appointee will possess, for the information and approval of the sympathetic department. "Any tendency to use this class of appointments" for political purposes "will be regarded as a very serious disregard of public duty." Yes, indeed; very serious! Yery solemn would be better; very solemn buncombe.

To say, as Commissioner Osborn says, "by direction of the President." that a change which wholly eliminates restriction upon appointments and reestablishes what Woodrow Wilson so accurately described in The State as "the unfortunate. the demoralizing influences which have been allowed to determine Executive appointments since President Jackson's time," in no way "sayors of the spoils system," evinces a hardihood of presumption that would have surpassed the imagination of Machiavelli.

President Wilson's reference to the country-wide knowledge of his "warm advocacy and support" of civil-service reform calls for no comment. It has long been recognized and served an excellent purpose in winning votes in the recent campaign. The point in issue is one not of profession but of performance.

Why did President Wilson permit this backward step to be taken? That is the question. By a nod of his head he could have beaten it in the House of Representatives, where a chang

Mr. KAHN. I yield back the remainder of my time. Mr. SAMUEL W. SMITH. I yield 10 minutes to the gentle-

man from Ohio [Mr. WILLIS].

The CHAIRMAN. The gentleman from Ohio [Mr. WILLIS]

is recognized for 10 minutes.

Mr. WILLIS. Mr. Chairman, in the course of this debate the attitude of President McKinley has been brought in question with reference to the civil service. Fortunately, I happen to have before me a copy of the Congressional Record of April 24, 1890. I want to read for the benefit of the erring brethren across the aisle just what Mr. McKinley said on that occasion in order that there may be no doubt at all as to the position which that great, heroic soul occupied with reference to this matter. He said:

Mr. McKinley. Mr. Chairman, in the single moment that I have I desire to say that I am opposed to the amendment of the gentleman from Tennessee to strike from this bill the appropriation for the execution of the civil-service law. My only regret is that the Committee on Appropriations did not give to the commission all the appropriation that was asked for for the improvement and extension of the system. If the Republican Party of this country is pledged to any one thing more than another, it is to the maintenance of the civil-service law and its efficient execution; not only that, but to its enlargement and its further application to the public service.

The law that stands upon our statute books to-day was put there by Republican votes. It was a Republican measure. Every national platform of the Republican Party since its enactment has declared not only in favor of its continuance in full vigor but in favor of its enlargement, so as to apply more generally to the public service. And this, Mr. Chairman, is not alone the declaration and purpose of the Republican Party, but it is in accordance with its highest and best sentiments—aye, more, it is sustained by the best sentiment of the whole country, Republican and Democratic alike. And there is not a man on this floor who does not know that no party in this country. Democratic or Republican, will have the courage to wipe it from the statute book or amend it, save in the direction of its improvement.

Look at our situation to-day. When this party of ours has control of all the branches of the Government it is proposed to annul this law by withholding appropriations for its execution, when for feur years under a Democratic administration nobody on this side of the House had the temerity to rise in his place and make a motion similar to the one now pending for the nullification of this law. We thought it was good then, good enough for a Democratic administration; and I say to my Republican associates it is good enough for a Republican administration; it is good and wholesome for the whole country. If the law is not administered in letter and spirit impartially, the President can and will supply the remedy. Mr. Chairman, the Republican Party must take no backward step. The merit system is here and it is here to stay, and we may just as well understand and accept it now and give our attention to correcting the abuses, if any exist, and improving the law wherever it can be done to the advantage of the public service.

William McKinley, speaking on this floor 24 years ago, could not imagine the situation that actually confronts us to-day. wherein we see the party in control of affairs in this House seeking by subterfuge to strike down the civil service. That the Democratic majority of this House is opposed to the merit system is indicated by the fact that when statements have been made here, as they have been made within the last two days, attacking not simply the appointment of assistant postmasters under civil-service rules but attacking the Rural Free Delivery Service and other branches of the civil service-when these statements have been made by gentlemen across the aisle they have been received every time by loud applause on the Democratic side, thus indicating that it is the purpose not of the great man in the White House, I am glad to say, not of the Postmaster General, but it is the purpose, apparently, of a majority of the gentlemen on the Democratic side of this House to strike down and paralyze the civil-service system of the

Now, I want to read again two or three sentences from what

The merit system is here, and it is here to stay, and we may just as well understand and accept it now and give our attention to correcting the abuses, if any exist, and improving the law wherever it can be done to the advantage of the public service.

The civil service is here, and it is here to stay, and it will be sustained by the best sentiment in this country, without regard to political opinion.

Mr. BOOHER. Will the gentleman yield? Mr. WILLIS. I will yield to the gentleman. Mr. BOOHER. As the gentleman has read what Mr. McKin-

ley, as a Member of Congress, said in 1890, will be kindly read

what Mr. McKinley, as President, did in 1897? Mr. WILLIS. I do not have that before me.

[Laughter on the Democratic side.] All I know about that proposition is that President McKinley and the party for which he spoke was the founder, originator, and defender of the civil service, and that they have defended it in the history of this country, and they proposing to continue to defend it against the veiled assaults that are being made upon it by its enemies, the professional job hunters and hungry place hunters. Mr. FINLEY. Will the gentleman yield?

Mr. WILLIS. Yes.

Mr. FINLEY. I understood, perhaps erroneously, that Senator Pendleton, of Ohio, had a great deal to do with the passage of the civil-service law.

Mr. WILLIS. Certainly, most every good thing comes out of

Ohio; the gentleman is correct. [Laughter.]

Mr. FINLEY. How does the gentleman figure that his party

originated the law and was responsible for it?

Mr. WILLIS. Senator Pendleton was a great Democrat, but he had to go outside of his party to get support for the law, and therefore it is a Republican law. It was passed by a Republican Senate and signed by a Republican President.

Mr. BOOHER. Will the gentleman tell us why Charles Sumner, of Massachusetts, a distinguished Republican, denounced it as the "snivel-service" law?

Mr. WILLIS. Oh, I am not responsible for that; what I am talking about is the attack by the Democratic Party on the law now

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. WILLIS. Certainly.
Mr. GARRETT of Tennessee. Does the gentleman from Ohio remember the remarks of another gentleman from Ohio-a late Member of the House-about the civil service? I refer, of course, to Gen. Grosvenor, whom many of us remember very pleasantly?

Mr. WILLIS. I do not recall the remarks of Gen. Grosvenor, but I would be glad to have the gentleman quote them. I know they would be entertaining and instructive. I know, of course, that he was opposed to the civil-service law.

Mr. CARTER. Will the gentleman yield?

Mr. WILLIS. I will.

Mr. CARTER. The gentleman spoke about professional job

Mr. WILLIS. Oh, I did not refer to any Member of the House, but to the gentlemen back home who are writing to Democratic Members of the House, making their lives miserable in demanding appointments,

Mr. CARTER. That is whom I thought the gentleman referred to, but I want to ask him as to the fellow back home who has been taking his part in the community and making the best citizen he could be have the best citizen he could, is he, because he seeks a place in the post office, any more of a professional job hunter than the man who runs for Congress?

Mr. WILLIS. I do not think so—not at all; but the point I make is this: I do not think there is anything disreputable at all in seeking to get a post-office job. If I were a Democrat and in good standing, I have no doubt that I would be a candidate for one now.

Mr. BOOHER rose.

Mr. WILLIS. Oh, let me finish that-one at a time, and it What I say is that it is unwise legislation to will last longer. turn a great business concern—the greatest not only in this country but in the world-over to a lot of mere politicians, whose only recommendation is that they have been able to deliver Squasbville Township or the sixteenth ward

A little while ago the gentleman from Missouri [Mr. Lloyd] delivered a most instructive and remarkable address, in which he traced with great lucidity and eloquence the growth and development of the Post Office Department in the past 13 years. Among other important facts, he pointed out that in that period the annual appropriations for the Rural Free Delivery Service had increased from \$400,000 to more than \$48,000,000, and that the Post Office Department is now handling \$625,000,000 worth of business per annum. This is the greatest business institution, not only in this country but in the whole world, and the fact that this immense amount of business has been transacted practically without scandal and with the greatest degree of efficiency is the highest possible comment upon the work of the civil service. It seems to me extremely bad business judgment to turn a great enterprise of this character over to the management of those who have had no practical experience in handling the problems with which they are to deal. These assistant postmasters throughout the country are trained men, they have had experience in their work, they understand the intricate details of the parcel-post system and the recently established postal-savings bank. It certainly would be an inexcusable business blunder to remove these men, who are holding their position because of merit, and put in their places men who were appointed as a reward for political services. On this point the minority on the Committee on the Post Office and Post Roads say with great force and clearness:

There are about 2,400 assistant postmasters in the United States, practically all of whom have entered the classified service by a civil-service examination. It is proposed to take these tried and faithful public servants out of the classified list and make their tenure of office dependent on the whim of the postmaster appointed under the spoils system as a reward for party service. In many, if not most, cases it would be equivalent to a dismissal from office without cause or excuse. But the injustice of the proposal as affecting these men is not the main objection to it, but that it is an attack on the merit system and civil-service reform generally. It is a backward step, and will be injurious not only in its effect on the Postal Service but to the cause of good government generally. It is one step in the direction of the readoption of the spoils system.

For these reasons, so clearly stated by the gentleman from Minnesota [Mr. Steenerson] and the gentleman from Illinois [Mr. Madden], I am strongly opposed to section 6 of this bill and trust that, in the interest of the purity of our civil service, it may be stricken from the measure.

Mr. BOOHER. Mr. Chairman, will the gentleman yield?

Mr. WILLIS. Certainly.

Mr. BOOHER. I want to ask my friend from Ohio if he is not more concerned now and more agitated over the idea that a good many Republicans are likely to be turned out and Democrats put in their places than he is concerned about the civil

Mr. WILLIS. Oh, the gentleman is tremendously mistaken. I am not very much of a partisan.

Mr. BOOHER. I understand the gentleman is not. just about as much a partisan as I am, but is it not the fact that the gentleman's party is bitterly opposed to this provision of the bill because they are afraid that a great many Republicans will be turned out of office and the Democrats put in?

Mr. WILLIS. Oh, I know my friend from Missouri so well-

Mr. BOOHER. That is why I am urging it, I will be honest

enough to say. [Laughter.]

Mr. WILLIS. I know my friend so well that I know he is perfectly frank and sincere in the position that he takes, and I want to say to him in the greatest sincerity and frankness that that is not the only reason, nor the main reason, why I am in favor of the maintenance of the merit system.

Mr. BOOHER. No; it is not the only reason.
Mr. WILLIS. I believe sincerely, and I think the gentleman believes sincerely, and I think that every friend of the civil-service system in this country believes sincerely, that this is a blow at the civil service, and that is why I am opposed to section 6.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. SAMUEL W. SMITH. Mr. Chairman, I yield 10 minutes more to the gentleman from Ohio.

Mr. WILLIS. Mr. Chairman, if it be true that the opposition to this is because it is going to take a Republican out of office, how does the gentleman explain the position that is taken by the National Civil Service Reform League? I have before me a document which I shall ask permission to insert in the Record. Who are some of the men whose names appear upon it? The document referred to is as follows:

NATIONAL CIVIL SERVICE REFORM LEAGUE, Offices 79 Wall Street, New York, January 14, 1914.

NATIONAL CIVIL SERVICE REFORM LEAGUE,
Offices 79 Wall Street, New York, January 14, 1914.

To the Members of the House of Representatives:
On behalf of the National Civil Service Reform League I respectfully but earnestly urge that the rider in the Post Office appropriation bill now before the House taking assistant postmasters in first and second class offices out of the classified curvil postmasters in first and second class offices out of the classified curvil control of the classified service, they will become political obtained them for the management of the office. If the assistant postmasters are removed from the classified service, they will become political obtained the control of th

ROBT. W. BELCHER, Secretary. Mr. BOOHER. Will the gentleman tell the committee who the Civil Service Reform League is?

Mr. WILLIS. I am going to tell about that. In the first place, if it is a matter that concerns simply Republicans and

Democrats, will not the gentleman explain why the great Postmaster General, whom we all love and respect through our knowledge of his eminent qualifications, is standing up so courageously in the face of a hungry, rioting crowd of office seekers, saying that the civil-service system shall be main-[Applause on the Republican side.]

An article in the Washington Times of January 15 contains the following statements, including Postmaster General Burle-

Backed by President Wilson, Postmaster General Burleson is prepared to make a hard fight to prevent the disintegration of the merit system in the Postal Service.

That the President has considered seriously the veto of the Post Office appropriation bill, if necessary, in order to get rid of the spoils provision concerning the assistant postmasters is very definitely understood. It is not believed he will be compelled to go to such an extreme, because, with a better understanding of his insistent support of the civil-service law it is believed the Senate will remove the obnoxious proviso.

PROBE UNDER WAY.

The Civil Service Commission has been giving attention to various reports of violations of the law in different departments of the Government service. It has found the Postmaster General thoroughly in sympathy with its purposes of preserving the law's integrity; and the commission and the Postmaster General count confidently on the fullest measure of support from the President.

Just at this time the Post Office Department is the center of interest. Mr. Burleson is a determined supporter of the merit system, and has insisted that under no consideration will he permit the department to have its efficiency in anywise impaired by reason of politics and patronage. His ambitions for the department are concerned with making a record of efficiency and development. He has a good deal of sympathy for those Democrats who think the civil-service law has been administered in a way hostile to them in the past; but, when urged to turn the Republicans out by wholesale, he recently said that "two wrongs would not make a right," and that after both parties had mocked the purposes of the law in such fashion, there would be nothing worth while left of it. Therefore he insisted that merit should continue to rule, even if Republicans kept jobs that they didn't originally get strictly on merit.

DEMOCRATS ARE DISPLEASED.

DEMOCRATS ARE DISPLEASED.

DEMOCRATS ARE DISPLEASED.

This attitude has been by no means pleasing to a good many Democrats in active politics, who feel constantly the pressure from patriots at home in need of the jobs, but the Postmaster General has stood pat and is still standing.

Recently, when the rider regarding assistant postmasters was written into the Post Office appropriation bill, he wrote a letter fully setting forth his views on this civil-service subject. It was addressed to Chairman Moon, of the Post Office Committee, and protested against the spoils rider. This letter, to which reference has repeatedly been made, has never till now been made public. Its text indicates the character of the contest that will be likely to follow if there is persistence on the part of Congress in efforts to open up the spoils jack pot.

ATTITUDE OF BURLESON

The letter follows:

The letter follows:

MY DEAR JUDGE MOON: I am somewhat disturbed by a paragraph in this morning's paper to the effect that your committee has voted to put into the Post Office appropriation bill for the next fiscal year a provision removing the position of assistant postmaster from the classified service. I think the enactment of such a provision would be subversive of the best interests of the Postal Service, and certainly it would militate against the effectiveness of the policy outlined in the last annual report of the department.

There are at this time 2,464 post offices of the first and second classes in which the positions of assistant postmaster are classified. All save about 100 of the persons occupying these positions are now within the classified service. In these 160 cases the benefits and rights of classification have been withheld from the incumbents because they have failed to satisfy this department as to their capacity for efficient service.

MERIT SYSTEM NECESSARY.

MERIT SYSTEM NECESSARY.

In the interest of the most efficient and effective Postal Service it is vitally necessary that the positions of assistant postmaster be filled by persons specially qualified to discharge the duties thereof, and I feel that no person should hold the position of assistant postmaster whose capacity and efficiency has not been properly and thoroughly tested. Among the qualifications necessary for this position are practical knowledge of and experience in post-office work, coupled with administrative ability. The present administration has been rigidly enforcing the policy of filling these positions either by the promotion of competent employees already in the office or by the transfer of experienced employees from some other branch of the Postal Service. Only in rare instances are postmasters permitted to fill the position otherwise, and then only by selection from a certification of eligibles resulting from an open competitive civil-service examination.

In connection with this subject I wish to direct your attention to the following excerpts from the last annual report of this department:

"BLOW TO PARTISANSHIP.

"The prime consideration in perfecting the personnel of the Postal

"The prime consideration in perfecting the personnel of the Postal Service should be to recognize efficiency and to eliminate partisanship. It is the earnest hope that ultimately all positions will be covered under the classified civil service and that merit and faithfulness will be the sole consideration in making appointments as well as promotions." (Page 8.)

sole consideration in making appointments as well as promotions."
(Page 8.)

"It is hoped that by thus maintaining a high standard of efficiency for postmasters and keeping paramount the interest of the Postal Service in making appointments that the way will be made clear for the eventual classification of all presidential postmasters." (Page 43.)

"The post-office system is essentially a business institution. It touches every home, comes in contact with every commercial institution and with those engaged in every line of industrial enterprise throughout the country, and in the nature of things it is highly important that only the most efficient employees should be in its service. For this reason the merit system should be adhered to in the Post Office Department above all others in order to secure the very highest standard of efficiency in the conduct of its affairs." (Page 43.)

I have received no official advice as to the accuracy of the newspaper report referred to, and therefore my anxiety and deep interest in the

Postal Service must be the excuse for this letter. I trust, however, that in its wisdom your committee will not see fit to recommend the enactment of the legislation referred to.

ALBERT S. BURLESON.

Why do you not stand with your President? There is no doubt about his attitude. The Postmaster General is standing as a guardian between the Post Office Department and the crowd of office seekers, and I am asking you simply to stand by your leaders. About this Civil Service Reform League

Mr. BOOHER rose.

Mr. WILLIS. Oh, I can not yield now.

Mr. BOOHER. I want to answer what the gentleman has just said.

Mr. WILLIS. But I want to answer him first. Who are some of the men in this National Civil Service Reform League? The gentleman wants to know. Here is one—Mr. Charles J. Bonaparte. Does anybody suppose that the Hon. Mr. Bonaparte is lying awake nights because a Republican is going to lose his office? [Cries of "Oh, yes," on Democratic side.] gentlemen are sadly mistaken in their knowledge of political conditions if they think that. Then there is ex-President Charles W. Eliot.

Mr. BAILEY. He is a Republican. Mr. WILLIS. Oh, no. The gentleman shows his lack of acquaintance with the political situation when he says that. Then there is the Hon. Franklin MacVeagh. Everybody knows he occupied a position as a Cabinet member in the preceding administration, but it is reported he was a Democrat and a free trader, even while he was in the Cabinet. [Laughter on the Democratic side.] Others of the eminent men who are at the head of the National Civil Service Reform League are Hon. Joseph Choate; Hon. George Gray, of Delaware, a Democrat; Hon. Seth Low, Dr. Harry Garfield, and President A. T. Hadley. Now, let us be very frank about this, as my friend from Missouri [Mr. Booher] is. There is no doubt about the position he takes on this matter, because he wants to put Democrats in office, and he does not care a fig about the civil-service system. Let me tell you that if it is supposed that public sentiment is back of this thing a great mistake is made. There are some good things in this bill; I am not complaining about all the work of the committee. This section 7, providing for compensation features, is eminently fair and humanitarian.

This section provides:

That hereafter the Postmaster General shall have authority to employ acting employees in place of all employees or substitutes hereinafter mentioned who are injured while on duty, who shall be granted leave of absence with full pay during the period of disability, but not exceeding one year, then at the rate of 50 per cent of the employee's salary for the period of disability exceeding one year, but not exceeding 12 months additional, and to enable the Postmaster General to pay the sum of \$2,000, which shall be exempt from payment of debts of the deceased, to the legal representatives, for the benefit of those dependent on him for support, of any railway postal clerk, substitute railway postal clerk, supervisory official of the Railway Mail Service, letter carrier in the City Delivery Service, rural letter carrier, post-office clerk, or special-delivery messenger who shall be killed while on duty, or who, being injured while on duty, shall die within one year thereafter as the result of such injury: Provided, That no compensation shall be paid any such employee for any injury occasioned by his own negligence.

These provisions are eminently fair and just and in line with humanitarian legislation. It certainly is proper that the beneficent provisions of the compensation act which now apply to those who are injured in the Railway Mail Service should be applicable to substitute postal clerks, letter carriers, rural carriers, and to post-office clerks and to special-delivery messeugers. These provisions certainly ought to meet with the approval of everyone who is inclined to do the fair thing with reference to those who are employed in the Government service.

Section 8, in regard to the construction of steel railway postoffice cars, is a good provision. It provides, in part, as follows:

That the Postmaster General is hereby authorized in his discretion to contract for the construction of and to purchase steel full railway post-office cars and storage mail cars, and to pay not exceeding \$200,000 for the same out of the appropriation for railway post-office cars.

It would seem that no argument was necessary to show the justice and propriety of legislation of this character. long time the railway postal clerks have been subjected to the awful dangers that must necessarily attach to travel in wooden cars in heavy trains made up of steel passenger cars and heavy sleepers. The amendment which this section seeks to place upon the postal laws is certainly a fair one and meets with my hearty approval. It has been too long delayed. I trust that it will be only a short time until all the railway postal clerks are housed in steel cars.

Section 9, for the enlargement of the payment of certain employees, is proper and right.

Section 9 provides:

That from and after the 1st day of July 1914, the compensation of rural letter carriers for carrying the mail six days each week on stand-

ard routes of 24 miles in length shall be the sum of \$1,150 per annum, to be paid monthly; and on routes exceeding 24 miles in length, the sum of \$22.50 per mile per annum for each mile in excess of 24 miles; and on routes under 24 miles in length, an increase of 10 per mile per annum; on routes carrying the mail three times each week, of the same length as above, the pay shall be one-half the compensation there provided: Provided, That no carrier's pay shall be increased more than \$75 per annum on account of the passage of this act.

This reasonable increase of compensation for the rural letter carriers is surely to be commended. The work of these public servants has been vastly increased because of the establishment and successful operation of the parcel post. It is only fair that their compensation should be somewhat increased to accord with the heavier burden which they are obliged to bear.

But the section that ought to call down upon this bill the absolute condemnation of every patriotic citizen in this country is

section 6. This section is as follows:

That hereafter any assistant postmaster who may be required by law or by authority or direction of the Postmaster General to execute a bond to the Postmaster General to secure faithful performance of official duty may be appointed by said Postmaster General, who may require such bond, without regard to the provisions of an act of Congress entitled "An act to regulate and improve the civil service of the United States," approved January 16, 1883, and amendments thereto, or any rule or regulation made in pursuance thereof, and the Postmaster General shall have power to revoke the appointment of any assistant postmaster and appoint his successor at his discretion without regard to the act, amendments, rules, or regulations aforesaid.

Why, I have before the horse a climbing from one of the best

Why, I have before me here a clipping from one of the best Democratic papers in Ohio

Mr. CARTER. What is it? Mr. WILLIS. The Daily Journal-Herald, of Delaware, Ohio, and my friend and colleague from the fifth district [Mr. Ans-BERRY] knows it perfectly well, knows it about the best of any of the Ohio delegation, and knows that the editor of it is about as good a Democrat as there is in Ohio. He holds an office under the State administration and is a true-blue Democrat-Hon. J. D. Knowles. Here is what he says at the head of the column in big, high letters for the edification of his Democratic brethren in the country. Here is what this Democratic editor says in the Daily Journal-Herald of January 14, 1914:

EFFICIENCY COUNTS.

There is a question of considerable importance that is being carefully considered by persons close to the work of the National House, and that is the propriety or the impropriety of placing assistant postmasters in the civil-service class. The national Democratic platform contains a plank of this flavor, and many prominent men over the country have interested themselves in the perfection of a plan that will work out to this and

Interested themselves in the perfection of a pian that will work out this end.

Efficiency is the end sought and the Post Office Department could equip itself with an army of competent servants if a pian like this were to be adopted. Men skilled in this work should be so valuable that it ought to require much more than now to remove them. Take, for example, our own townsman, Mr. Hosea Spaulding. Who in Delaware would even hint that he is not the man for the place? He has passed through one administration after another and his faultless work goes on just the same with no interruption, and, better still, no discontent to anyone for a mere political reason. The time has come when men who deliver the goods are given such security of position as to make them just continue to deliver the goods. Get competent men to do the work, then help them. That's the way we do in our business.

I have already referred—

I have already referred—— Mr. ANSBERRY. If the gentleman will yield, I do not desire to ask him a question, but only to make a suggestion, and that is this

Mr. WILLIS.

Mr. WILLIS. I shall most certainly appreciate it.
Mr. ANSBERRY. That if the opportunity is given me to select or suggest to the Post Office Department assistant postmasters in my district, I assure the gentleman I will see that that editorial is carried out in that those places will go to men who have delivered the goods, and men in addition to that who will carry out strictly the definition of the Democratic platform that my friend from California has read as to merit and ability. Some of the gentlemen now occupying those positions in my

district I could not indorse on that proposition.

Mr. WILLIS. Well, I thank my friend for the suggestion he has made, and, knowing his sincerity and ability, I know he will make an effort to carry out that proposition; but he is like most of the brethren-not all of them, because there are some remarkable exceptions here; some strong men, such as the gentleman from Missouri [Mr. Borland] and the gentleman from New Jersey [Mr. HAMILL], have stood up and have fought this proposition in the face of hostile opinion on their own sidebut the gentleman, like most of his brethren on his side, takes the common position that our Democratic friends usually take with reference to the civil-service law, and that is that they are in favor of the law always but absolutely opposed to the enforcement and application of it. That is what this amounts to, and I will tell you, gentlemen, speaking in the greatest seriousness, not simply because the National Civil Service Reform League calls attention to this; not because the President is against it, and you know that he is; not because the Postmaster General is against it, and has published a letter in the strongest terms

objecting to such legislation; not simply because of these facts, but because everybody in the country knows that if this bill is passed with section 6 in it you pass it because you are undertaking to do just what you undertook to do when you kept the employees under the income tax out from under the civil service; just what you did when you refused to let the employees provided for in the Federal reserve banks act go under the civil

Mr. BARKLEY. Mr. Chairman, will the gentleman yield? You are undertaking to pay off your political debts, and you violate the rules and spirit of the civil service.

The CHAIRMAN. Does the gentleman yield? Mr. WILLIS. Yes; I will yield to the gentleman.

Mr. BARKLEY. I am satisfied from my knowledge of the gentleman from Ohio that he desires to be fair.

Mr. WILLIS. I am fair, Mr. BARKLEY. Does the gentleman think that it is any more of a blow to the civil-service system for this House to exempt assistant postmasters by law than it was for President McKinley to exempt the internal-revenue collectors and marshals by Executive order, and to suspend the civil-service requirements as to railway mail clerks? Wherein lies the difference as to the blow to the civil service?

Mr. WILLIS. Is my friend through? Mr. BARKLEY. Yes; I am through.

Mr. WILLIS. Now, Mr. Chairman, without admitting at all the implications of the gentleman's statement, the question that my good friend from Kentucky has asked illustrates the same old proposition over and over again, and that is this, that the constant and only excuse that the Democrats in this Congress and in the preceding Congress have brought up when they have undertaken to do something that they are ashamed of, that really is not in harmony with their platform and is contrary to public sentiment, is that they have undertaken to find somewhere, at some time, an instance in which Republicans may have done what they are proposing to do. I want to suggest to the gentleman that I want to go ahead; I want to make progress. It is not a sufficient answer to me to say that any Republican in any preceding administration may have done or said thus and so. I am standing upon the merits of this proposition, and I throw full into your faces the charge that you are now seeking to prostitute and defeat and destroy the civil-service law, no matter what anybody else at any other time may have said or done. [Applause on the Republican side.]

Mr. RUSSELL rose

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. WILLIS. I wish the gentleman from Michigan would give me a minute more, so that I can yield to the gentleman from Missouri [Mr. Russell].

Mr. SAMUEL W. SMITH. I yield to the gentleman one minute more

Mr. WILLIS. Now I yield to the gentleman from Missouri.
Mr. RUSSELL. My friend will agree with me that a postmaster in a first or second class office is not under the civil service, and yet such a postmaster is more responsible to the public for good service than anyone else in that office. Is not

that true as to the postmaster himself?

Mr. WILLIS. Yes; all right.

Mr. RUSSELL. Now, as long as the postmaster himself is not under the civil service, does it not occur to the gentleman and is it not reasonable to contend that the postmaster should himself select at least one man in that office to help him give good service to the public, for which he is more responsible to

the public than anybody else?

Mr. WILLIS. To my mind that is not a reasonable contention, because the same line of reasoning will apply to every em-

ployee in the office.

I want to say to my friend from Missouri that if you want to start upon that career there is no end to it, except the absolute disruption of the whole civil-service system in this country at a time when we most need it, when the parcel post has just begun, practically, and with the postal savings bank just established, and with a proposition now brought up for taking over the telegraphs and telephones of this country, and with a proposition pending in this House for the Government to build and operate a railroad in Alaska. I say that at the very time we are extending the functions of the Government, and when, if ever, there is a need for the stringent application of the civil-service principles, it is now proposed by this section of the pending bill not to go forward, but to turn backward; not to perfect, but to cripple; not to build, but to destroy.

Mr. POST. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman yield?

Mr. WILLIS. Yes; I yield.

Mr. POST. I understood my colleague from Ohio to say a moment ago that we were opposed to the merit system because we want to prostitute it in politics.

Mr. WILLIS. I do not know whether that is just what I said, but that is well stated. [Laughter on the Republican side.]
Mr. POST. Well, the gentleman did put it that way.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. WILLIST has again expired.

Mr. WILLIS. I am sorry, because I would like to yield more to the gentleman.

Mr. SAMUEL W. SMITH. Mr. Chairman, I yield two minutes more to the gentleman from Ohio.

Mr. WILLIS. The gentleman from Michigan has kindly yielded me more time, and I shall be glad to answer my col-

Mr. POST. I want to give the gentleman a concrete illustration to show that the merit system, as it has been administered heretofore, has been indeed prostituted to politics. In the city of Springfield, Ohio-and the gentleman is familiar with that -we have a post office where there are 107 employees, and of that number only 6 are Democrats. I want to ask the gentleman if in the city of Springfield, in the application of the merit system, that office has not been prostituted to politics?

Mr. WILLIS. Now, my friend, that is altogether unfair to undertake to make me responsible for the fact that the Democrats in Clark County can not pass a civil-service examination. [Laughter on the Republican side.] I am not responsible for that, neither is a Republican administration.

Mr. POST. Let me give the gentleman another concrete illus-

league.

Mr. WILLIS. Very well. Let us have it.
Mr. POST. Right here, under the very nose of the Goddess
of Liberty, right in front of the Capitol here, in the Congressional Library, you have 496 employees under the civil service, and less than 50 of them are Democrats. Have you not prostituted the merit system to politics in that case? Those people are there under a Republican administration.

Mr. WILLIS. I do not know anything of the facts concern-

ing the service in the Library of Congress, except that it is good, nor of the politics of the employees, and I really doubt whether

Mr. FITZGERALD. Mr. Chairman, will the gentleman yield?
Mr. WILLIS. Yes; I will yield to the gentleman from New York.

Mr. FITZGERALD. The gentleman knows that the Postal Savings Bank System has recently been established, and the Parcel Post System has recently been initiated. He knows that we are going to build a railroad in Alaska and that we have just enacted an income-tax law, all of which require expert, experienced, and competent men. In view of all this, does not the gentleman from Ohio think it was a very great misfortune that his party carried only two States in the last election?

Mr. WILLIS. I think it was a great misfortune to the country that the gentleman's party has control of Congress and the Government. I agree with the gentleman on that. What is

the gentleman's question?

Mr. FITZGERALD. But in view of the-

Mr. WILLIS. Will the gentleman state his question? I can

not be interrupted for mere persiflage.

Mr. FITZGERALD. In view of the radical difference of opinion expressed by the vast majority of the country in opposition to the sentiments of the gentleman, does he not think he

is getting unduly excited? Mr. WILLIS. Not at Not at all. I am as calm as a midsummer night's dream, and I am trying to warn gentlemen on that side. I do not want them to go wrong. I do not want the gentleman to desert his Postmaster General and to desert his President. I want him to stand by his colors. Will he do it? [Applause on the Republican side.]

Mr. FITZGERALD. I will stand by my colors; yes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WILLIS. I ask unanimous consent to extend my remarks in the RECORD by inserting certain of the documents to which I have referred.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.
Mr. SAMUEL W. SMITH. Mr. Chairman, I yield 40 minutes to the gentleman from Oklahoma [Mr. Morgan].
The CHAIRMAN. The gentleman from Oklahoma [Mr.

Morganl is recognized for 40 minutes.

Mr. MORGAN of Oklahoma. Mr. Chairman, on the 25th of January, 1912, Sixty-second Congress, I introduced H. R. 18711, entitled "A bill to regulate the commerce of certain corporations, and for other purposes." I have reintroduced

this bill. Its new number is H. R. 1890. The bill creates "an interstate corporation commission." The commission is given supervision over our great industrial corporations commonly called trusts. On the 20th day of February, 1912, I delivered a speech in the House in which I advocated the creation of such a commission. So far as I know, H. R. 18711, introduced by me, was the first bill introduced in this House to create such a commission. So far as I have been able to ascertain, I was the first Representative in Congress to advocate such a measure on the floor of the House.

Since I introduced my bill, H. R. 18711, two great political parties have indorsed the proposition. The Republican national

convention in June, 1912, declared that-

In the enforcement and administration of Federal laws governing interstate commerce and enterprises impressed with a public use engaged therein there is much that may be committed to a Federal trade

In September following the Progressive Party in its platform

We urge the establishment of a strong Federal administrative com-mission of high standing which shall maintain permanent active super-vision over industrial corporations engaged in interstate commerce.

During 1912, under Senate resolution 98, Sixty-second Congress, the Senate Committee on Interstate Commerce held an exhaustive hearing on the subject of antitrust legislation. The proceedings of these hearings cover nearly 3,000 printed pages. Over 100 persons were heard. A large majority of those who were interrogated on the subject indorsed the commission plan.

The testimony before the Senate committee shows the National Civic Federation sent letters to 1,006 business men to ascertain their views on the subject; that the inquiries went to bankers, merchants, manufacturers, and business men generally, and that 892 answers were received; 614 of these declared in favor of an interstate trade commission. Finally, after this exhaustive hearing, the majority of the Senate Committee on Interstate Commerce, through Senator CUMMINS, filed with the Senate a carefully prepared report in favor of the creation of a Federal commission with extensive control over our great industrial corporations engaged in interstate and foreign commerce. This brief review demonstrates that wonderful progress has been made in the growth of the sentiment in favor of creating a national trade commission. The plan has been indorsed by Sen-ators and Representatives in Congress, by distinguished political economists, by manufacturers, merchants, bankers, and business men, by the Senate Committee on Interstate Commerce, by the platform declarations of two great political parties, and finally by a majority of the voters of the United States in 1912 by their ballots cast in support of the Republican and Progressive platforms.

ADMINISTRATION SAID TO FAVOR COMMISSION.

According to the newspaper reports, the President of the United States in a few days will present to Congress a message relative to antitrust legislation. These reports say the President will favor the creation of an interstate-trade commission to exercise certain authority over the large industrial corporations. I am anxiously awaiting what the President shall say to us. I shall give what he says very careful and candid consideration, and I shall be pleased if the administration in power shall support a proposition which I was the first to intro-

duce in this House nearly two years ago.

I am myself very much in favor of creating an interstate-trade commission. And right here I will say that one of the reasons why I am in favor of such a commission is because I have concluded that the Attorney General of the United States is now exercising a power over the business and financial interests of this country which, in my judgment, he is authorized to do by the law. My information of what the Attorney General is doing comes from the newspapers. But I assume these

reports are, in substance, correct.

DISSOLUTION OF PHONE TRUST.

In the Washington Star of December 20, 1913, is an account of the dissolution of the so-called Telephone Trust. I wish to make some quotations from this article.

The headlines are as follows:

NO PHONE TRUST UNDER AGREEMENT-SURRENDER TO UNITED STATES WILL AVOID YEARS OF COSTLY BATTLING IN THE COURTS—MAY AVERT MOVE-MENT FOR PUBLIC OWNERSHIP—PRESIDENT WILSON SEIZES OPPORTUNITY TO REASSURE "BIG BUSINESS" AS TO INTENTIONS.

The first paragraph of the article is as follows:

The greatest antitrust victory of President Wilson's administration thus far—the voluntary dissolution of the so-called Telephone Trust—commanded the attention of all administration officials to-day.

ORIGIN OF PLAN.

The origin of the plan is told in this language: The plan originated with the American Telephone & Telegraph Co., and the agreement was the result of negotiations between its vice president, N. C. Kingsbury, and Attorney General McReynolds. Great admiration for the attitude of the corporation is expressed by President Wilson, as well as by the Attorney General.

THE AGREEMENT.

In brief, the agreement provides that the American Telephone & Telegraph Co. will dispose promptly of its holdings in the Western Union Telegraph Co., so that each concern shall be under distinct management, and so that each shall be entirely independent.

PRESIDENT WILSON'S LETTER.

President Wilson's letter, written to the Attorney General, is one of the most interesting documents made public in connection with the settlement. It reads:

settlement. It reads:

MY DEAR MR. ATTORNEY GENERAL: Thank you for letting me see the letter from the American Telephone & Telegraph Co. It is very gratifying that the company should thus volunteer to adjust its business to the conditions of competition.

I gain the impression more and more from week to week that the business men of the country are sincerely desirous of conforming with the law, and it is very gratifying indeed to have occasion, as in this instance, to deal with them in complete frankness and to be able to show them that all we desire is an opportunity to cooperate with them. So long as we are dealt with in this spirit we can help to build up the business of the country upon sound and permanent lines.

Cordially and sincerely, yours,

Woodbrow Wilson.

WOODROW WILSON.

MONTHS OF INVESTIGATION.

The announcement of the agreement for a reorganization comes at the conclusion of several menths of negotiation, in which the Attorney General and Mr. Todd and Mr. Kingsbury, Theodore N. Vail, president of the American Telephone & Telegraph Co., and other parties on both sides conferred. Mr. McReynolds took up the question early in his administration of the Department of Justice, and officials of the telephone company showed a willingness from the first to do anything in reason to satisfy the Government's lawyers.

EFFECT OF AGREEMENT ON STOCKS.

TELEPHONE STOCK GOES UP.

The announcement from Washington that the American Telephone & Telegraph Co, had reached an agreement with the Department of Justice whereby it would relinquish control of the Western Union and avoid a suit under the antitrust law caused an excited advance in the stock of the telephone company at the opening of the stock market

stock of the telephone company
to-day.

The first transaction in the stock was a block of 2,000 shares, one of
the largest blocks of that stock which has been handled on the exchange
for years. Prices ranged from 120\(\frac{1}{2}\) to 124, a maximum gain of 62
points. Subsequently the advance was run up to 7 points. The price
of 124\(\frac{1}{2}\) represented a gain of 14\(\frac{1}{2}\) points since Monday. The price later
reacted 3 points. American Telephone convertible bonds gained 3.

PRESIDENT VAIL EXPRESSES HIS VIEWS.

ANXIOUS TO MEST LAW.

LYNDONVILLE, VT., December 20.

LYNDONVILLE, VT., December 20.

Theodore N. Vail, president of the American Telephone & Telegraph Co., gave out the following statement last night on the proposed reorganization of his company and its separation from the Western Union Telegraph Co.:

"The correspondence published was the result of a protracted and exhaustive discussion between the Attorney General and our company, and speaks for itself. We are complying with the wishes of the Government because we desire that our operations shall continue to be as we have always believed them to be, in strict conformity to law, and for that reason we are now adjusting them to the law as understood and interpreted by the Attorney General.

EX-ATTORNEY GENERAL WICKERSHAM'S OPINION.

NOT A NEW IDEA.

Ex-Attorney General George W. Wickersham, when he heard the

ex-attorney General George W. Wickersham, when he heard the news, said:

"I can't say I am pleased, because I think it will be an economic mistake. I see no reason why telephone and telegraph companies should not be conducted as one concern.

"However, the action of the Wilson administration in bringing about this voluntary dissolution is not a new policy. When I was Attorney General there were a number of such dissolutions brought about by the efforts of Mr. Taft and myself."

M'REYNOLDS WRITES KINGSBURY.

Mr. McReynolds, in accepting the American Telephone & Telegraph as offer, wrote to N. C. Kingsbury, vice president of the company, as

"Permit me to acknowledge, with expressions of appreciation, your letter of December 19 outlining the course of action which the telephone companies composing the Bell system obligate themselves to follow in

the future. "Your frank negotiations in respect of these matters compel the belief that what you propose will be carried out in good faith; and it seems to me clear that such action on your part will establish conditions under which there will be full opportunity throughout the country for competition in the transmission of intelligence by wire.

TELLS OF ADMINISTRATION'S PLANS.

"May I take this occasion to say that the administration earnestly desires to cooperate with and to promote all business conducted in harmony with law; and that, without abating the insistence that the statutes must be obeyed, it will always welcome opportunity to aid in bringing about whatever adjustments are necessary for the reestablishment of lawful conditions without litigation."

NEW YORK, NEW HAVEN & HARTFORD RAILROAD.

In the Washington Star of January 11, 1914, appeared a long article announcing that an agreement had been reached between the Attorney General and the New York, New Haven & Hartford Railroad relative to its dissolution.

The following are quotations from the article:

NEW HAVEN GIVES IN-ÉLLIOTT YIELDS TO M'REYNOLDS'S PLANS FOR DISSOLUTION.

The New York, New Haven & Hartford Railroad and the Department of Justice last night announced a preliminary agreement designed to effect a reorganization of the New Haven, and to prevent a suit for its dissolution under the Sherman law.

In compliance with department demands the New Haven will dispose of its holdings in the Boston & Maine Railroad, cancel its joint agree-ment controlling the Boston & Albany, give up its trolley lines and several of its steamship lines.

TEXT OF CHAIRMAN ELLIOTT'S STATEMENT.

Announcement of the agreement was made in the following statement from Chairman Howard Ellott and President A. T. Hadley, a member of the New Haven board:

"An agreement has been reached between the Department of Justice and the New Haven Rallroad. The New Haven, in addition to the cancellation of the Boston & Albany agreement, which becomes effective February I, will dispose of its holdings in the Boston & Maine Railroad, the various trolley systems, the Merchants & Miners Transportation Co., the Eastern Steamship Corporation, and the Maine Steamship Co under a plan the details of which will be worked out as promptly as possible with representatives of the Department of Justice by Chairman Howard Elliott and Messrs. Moorefield Storey, of Boston, and Walker D. Hines, of New York, special counsel of the board of directors.

Now, Mr. Chairman, so far as I have been able to ascertain, the Attorney General of the United States is not by law clothed with any authority to enter into agreements with individuals or business concerns relative to how they shall transact business or upon what terms or conditions they shall engage in interstate trade and commerce.

According to these newspaper reports, the business interests of the country are going to the Attorney General and entering into agreements with him. Negotiations are being carried on and the Attorney General is fixing the conditions and the terms by which individuals, associations, and corporations shall engage in interstate business.

My purpose in calling attention to this is to emphasize and urge upon Congress the importance of creating additional administrative and executive machinery to enforce the laws of

this Nation.

READJUSTMENT OUTSIDE OF COURT.

We need a commission to aid in the readjustment of business in harmony with the law, through conference, negotiation, and In other words, to do outside of the courts, but by mediation. express authority of the law, what the Attorney General, according to newspaper reports, is now doing without authority of law.

The United States is a Government by law and not by men.

This Republic is founded on the principle that all shall recognize the absolute supremacy of the law.

The highest officer of the Government, as well as the most humble citizen, is subject to the law.

The Attorney General of the United States has no authority, power, or jurisdiction except such as is conferred upon him

I have examined the statutes creating the Department of Justice and the office of Attorney General. I have examined subsequent statutes relating to the authority and duties of the

Nowhere do I find any law conferring upon the Attorney General the authority or imposing upon him the duty, outside of proceedings in court, to direct upon what terms or under what conditions citizens of the United States may engage in inter-

state trade and business.

Attorney General.

If newspaper reports are true, this is what the Attorney General has been doing. Newspapers of the country have contained long articles relating to the negotiations between the Attorney General and the officers of the New York, New Haven & Hartford Railroad Co., and also between the Attorney General and the officers of the American Telephone Co. These newspaper accounts publish what purports to be the final agreement, understanding, or arrangement made by the formal approval or consent or acquiescence of the Attorney General. The newspapers publish what purports to be a letter from the Attorney General relative thereto, and also a letter from the President to the Attorney General, apparently approving what the Attorney General has been doing, not through proceedings in court by indictment and prosecution, nor by proceedings in equity, but by negotiations wholly outside of court.

Where is the authority for this kind of proceedings?

Under the Sherman antitrust law the only authority given to the Attorney General is found in section 4, which provides as follows:

SEC. 4. The several circuit courts of the United States are hereby invested with jurisdiction to prevent and restrain violations of this act; and it shall be the duty of the several district attorneys of the United States, in their respective districts, under the direction of the Attorney General, to institute proceedings in equity to prevent and restrain such violations

It is well settled that the Attorney General is not authorized to furnish legal opinions except to the President, heads of departments, and other high executive officials.

Nearly 100 years ago Attorney General William Wirt held that the Attorney General could not act as an arbitrator. (1 App., 209.) And in refusing to give an opinion, Attorney General Wirt referred to the act creating the office of Attorney General, and said:

This act limits me to questions of law propounded by the President and heads of departments, and to these limits I have made it a rule to confine myself, on the ground that in a government purely of laws no officer should be permitted to stretch his authority and carry the influence of his office beyond the circle which the positive law of the land has drawn around him. (1 App. Atty. Gen., p. 211.)

What I say is not to criticize the Attorney General. His predecessor in office, Attorney General Wickersham, in a recent interview, referring to the work of the present Attorney General in securing the dissolution of certain large corporations outside of court, appeared to boast of the fact that he, when in office, had done the same thing.

The Attorney General, outside of court proceedings, is now exercising a power over the business, financial, and commercial interests of this country far greater than the dispensing power exercised by the Stuart Kings of England, which led to the Revolution of 1688.

If the Attorney General is to exercise this power, if he is to open up negotiations with business concerns and enter into some agreement or understanding as to the terms, conditions, and so forth, under which they may engage in trade and commerce, then Congress should confer this authority upon him, and make this a part of his legal duties. I believe, however, that the wise thing to do is to create a Federal trade commission and confer upon it the authority and power to do what I claim the Attorney General is now doing without authority.

Mr. SLOAN. Will the gentleman yield? Mr. MORGAN of Oklahoma. I will.

Mr. SLOAN. Does the gentleman believe that the New Haven Railroad Co. will not continue to be good, as they have agreed

to be good to the Attorney General? Mr. MORGAN of Oklahoma. I am not so familiar with the officers of the New Haven Railroad Co. as is the Department of Justice and its officials, because I have not been negotiating with them, but so far as I know they will carry out in good faith what the newspapers say is the agreement entered into between the Department of Justice and the railroad.

Mr. THOMPSON of Oklahoma. Will the gentleman yield? Mr. MORGAN of Oklahoma. I will yield to my colleague. Mr. THOMPSON of Oklahoma. Do I understand my col-

league to criticize the present Attorncy General for insisting on the dissolution of the partnership of the New Haven Railroad Co., the trolley lines, and the steamship lines that it has controlled up to this time and approve the conduct of former Attorney General Wickersham in permitting these combinations?

Mr. MORGAN of Oklahoma. I am not, Mr. Chairman, criticizing the Attorney General's good results he has achieved. As I said, I believe, through force of circumstances, through the fact that Congress has failed to give him or some other administrative branch of the Government proper power, he has been forced to some extent to do things never contemplated by law that he should do. If good results are attained, the people are inclined to excuse an officer for exercising powers not authorized by law. I certainly have no criticism to make of the Attorney General in doing what I believe he has tried to do conscientiously; but it is a most dangerous practice to permit high public officials to assume and exercise unauthorized

Mr. THOMPSON of Oklahoma. Let me ask the gentleman if he approves of what Attorney General Bonaparte did in permitting the absorption of the Tennessee Coal & Iron Co. by the United States Steel Co.?

Mr. MORGAN of Oklahoma. In answer to that there is no one act, no one circumstance connected, so far as I know, with the administration of President Roosevelt and his Attorney General that has brought so much criticism as the arrangement, or whatever you may call it, that was entered into by that administration in relation to the absorption of the Tennessee

administration in relation to the absorption of the Teleficase Coal & Iron Co. by the United States Steel Co.

Mr. THOMPSON of Oklahoma. Will the gentleman yield?

Mr. MORGAN of Oklahoma. Yes.

Mr. THOMPSON of Oklahoma. In what respect did Mr.

Wickersham accomplish one-half or one-hundredth part of what Attorney General McReynolds has accomplished in his term of

Mr. MORGAN of Oklahoma. I am not concerned about that. I would like to see the present Attorney General accomplish a thousand times more than he has already accomplished, if the

people shall be benefited thereby.

Mr. THOMPSON of Oklahoma. I appreciate that, but I want my colleague to answer my question, and that is, If he approves the conduct of ex-Attorney General Bonaparte and President Roosevelt in their permitting the absorption of the Tennessee Coal & Iron Co. by the United States Steel Co?

Mr. MORGAN of Oklahoma. No; I do not approve of it, Mr. BARKLEY. Will the gentleman yield?

Mr. MORGAN of Oklahoma, Yes. Mr. BARKLEY, Do I understand the gentleman from Oklahoma to contend that the present Attorney General is exceeding his authority under the law in construing the antitrust law and permitting corporations to arrange their affairs in accordance with his construction of the law?

Mr. MORGAN of Oklahoma. I understand it is the duty of the Attorney General to enforce the law through proceedings in courts. I do not understand that the Attorney General has any authority to enter into any agreement whereby any individual, association, or corporation shall engage in trade and commerce

in the United States.

Mr. BARKLEY. Does the gentleman mean to say that under the law as it is now the Attorney General has no authority to construe the antitrust law to corporations and say that they may with safety within the meaning of the law do so and so, and thereby obviate the necessity of an expensive and tedious

lawsuit in order to bring about the same result?

Mr. MORGAN of Oklahoma. I will answer that by saying again that I can not find any authority whereby the Attorney General or the President is authorized to negotiate with a business concern and enter into any agreement, contract, or arrangement expressing the conditions under which they shall engage in business. I do not say this to deter the Attorney General from doing what he can within the scope of the law to encourage business concerns to comply with the law; but I am doing it to call the attention of this House to the fact that we are negligent in our duty if we do not by enactment at this session of Congress create laws which will create an executive authority that will be legally empowered to do outside of court what the Attorney General is, in my judgment, doing without authority of law.

Mr. BARKLEY. If I understand the gentleman, then, his position is that whereas under the law now there is no provision that either prevents the Attorney General or any other agency from negotiating with business corporations to bring about an adjustment of their affairs to conform to the law, he desires affirmative law, affirmatively authorizing some agency

to do that which the Attorney General is now undertaking to do.

Mr. MORGAN of Oklahoma. Yes. Mr. Chairman, as I have already said, I introduced in this House nearly two years ago the first bill to create an interstate trade or corporation commission-H. R. 17811. I have reintroduced that bill at this I presented it in an argument before the Committee on the Judiciary a few weeks ago. I believe that such a commission would be a splendid administrative body to do this work that the Attorney General is now doing, as I sincerely believe, without the sanction of law either express or implied.

Now, Mr. Chairman, aside from this phase of the proposition, there are many good reasons for creating a Federal commission to supervise the trusts and I wish to discuss the proposition

generally.

A FEDERAL COMMISSION IS NEEDED.

I wish first, in the very briefest manner, to enumerate some of the purposes for which we need such a commission:

1. To aid the courts in the dissolution, disintegration, and reorganization of unlawful corporations.

To aid in the enforcement of the laws.
 To do the work of investigation, recommendation, and publicity now assigned to the Bureau of Corporations.

4. To aid in the readjustment of business in harmony with the law through conference, negotiation, and mediation. other words, to do outside of the courts, but by express authority of the law, what the Attorney General, according to newspaper reports, is now doing without authority of law.

5. To control the practices and business method: of large

industrial corporations.

6. To reenforce, restore, and maintain competition as a factor in price regulation and, if necessary, exercise direct control over the prices of all monopolistic corporations.

7. To maximize the power of our industrial corporations as agencies for the equitable distribution of wealth and to minimize their power as instruments for the concentration of wealth.

8. To enable us to secure all the benefits of large industrial units and escape the evils and dangers thereof.

9. To relieve doubt and uncertainty in business and to promote trade, encourage business, and contribute to the general prosperity of the country.

10. To secure for labor the largest amount of employment, the highest rate of wages, and the most favorable conditions under which to perform labor.

11. To respond to the imperative public sentiment of the country for antitrust legislation that will adequately protect the people from all monopolistic industrial concerns.

To promote the general welfare, strengthen the fabric of the Republic, and to increase, extend, and magnify its power and influence throughout the world.

AID IN DISSOLUTION OF CORPORATIONS.

We need a commission to aid in the dissolution of unlawful corporations. Our courts are overcrowded with business. are unfitted for the work of supervising the dissolution and re-organization of gigantic business concerns. They have not the executive machinery necessary to dismantle these vast industrial corporations, nor the expert knowledge of business conditions to devise and execute proper plans for their reorganization, nor the time to supervise the readjustment of their complicated business affairs, nor the facilities to exercise the proper degree of scrutiny and watchfulness over the business methods of the new concerns into which they may be divided.

AN ENFORCEMENT AGENCY.

Neither the Sherman antitrust law nor any additional enactments can be made effective without a proper enforcing agency. The courts have no adequate executive machinery to give effect to their own judgments and decrees

A commission would be exceedingly helpful in this work. The Sherman antitrust law has largely failed to meet the expectation of its authors. The fault is not so much in the law as in Congress for failure to create the proper executive machinery to give force, life, and vitality to the law. The Attorney General's Office was not organized and is not now equipped to do the work now devolving upon it. It is folly to enact additional laws until we have created the administrative and executive machinery to insure the thorough and effective enforcement of the law we now have. If the men who conceived and enacted the Sherman antitrust law had placed its execution and administration under an independent commission, with adequate authority and power, the trust question would have been largely settled long ago, our industrial force would have developed along safe, conservative, permanent, and legitimate lines, and the prosperity of the country would not now be endangered by the process of tearing down great business organizations.

It is unwise to multiply our restrictive and prohibitory laws when existing laws are dormant for want of proper enforcement

We are poor architects, indeed, of constructive legislation if our plans and specifications call for statutory material which can not be utilized in our enforcement structure.

We will gain little by enacting laws to prohibit interlocking directorates, or to abolish holding companies, or to provide for Federal incorporation, or to establish a national-license system, or to enact other prohibitory or restrictive legislation unless we shall create adequate executive and administrative machinery to enforce our enactments.

A farmer might as well plant crops without men, means, and machinery for cultivation as for Congress to multiply anti-trust laws without creating adequate executive machinery and equipment for their enforcement. For wise laws not properly enforced will be as unfruitful to the public as good seed not properly cultivated will be unprofitable to the farmer.

Mr. MAPES. Mr. Chairman, will the gentleman yield?
Mr. MORGAN of Oklahoma. I yield to my colleague from

Mr. MAPES. I would like to have the gentleman's opinion on this point: Would he dissolve the great combinations of capital, for instance, like the Steel Trust, combinations made up. as it were, of independent steel companies, and of the great Harvester Trust, made up, as it were, of the Deering Co. and others, or would he place this interstate trade commission over them and let them control the prices and the amount of profits they should make and the issuance of their stocks, bonds, and so forth?

Mr. MORGAN of Oklahoma. I would, of course, let the courts, the proper constitutional authority, decide whether the United States Steel Corporation and other corporations are lawful. If they are unlawful, of course the courts will dissolve them. My conception is that we will continue to have large industrial corporations. My idea is that large corporations are beneficial in some respects. My conception is that the population, the wealth, trade, and commerce of this great Nation will grow, and that along with the growth of our country our business concerns will naturally grow larger.

So long as we have men with great minds who are capable of organizing and directing great business concerns—industrial organizations that will advance the greatness and glory of this country; that will aid in producing and distributing wealth among the people; that will advance our splendid civilization

and the benign principles of this Republic; and that will be instruments to promote the public good—so long I bid Godspeed to the growth and development of our great business concerns. [Applause on the Republican side.] I would not limit their growth so long as they are servants of the people and contribute to their welfare.

Mr. MAPES. If they are allowed to continue, then, is it the gentleman's idea that they should be controlled and supervised

by this commission that he advocates?

Mr. MORGAN of Oklahoma. Yes; that is my idea.

Mr. MAPES. Will the gentleman yield?

Mr. MORGAN of Oklahoma. I yield to my colleague from

Mr. MAPES. I am very much interested in what the gentleman is saying, and in that connection I would like to ask him if he would have this commission have control of the issue of stocks and bonds of corporations engaged in interstate commerce, something after the manner of the recommendations of Mr. Brandeis that are appearing in his articles

Harper's Weekly?
Mr. MORGAN of Oklahoma. In answer to that I will say that I believe the Federal Government should exercise such control over the issuing of stocks and bonds of large business concerns as will properly protect the public.

WORK OF CORPORATION COMMISSION.

The Bureau of Corporations has done good work, but a commission will do better work. It will carry more weight, command higher respect, and inspire greater confidence with the The recommendations made, the reports submitted. statistics gathered, the information furnished, and the conclusions reached by a commission will be accepted more readily than when coming from a single commissioner, however eminent, able, and conscientious he may be.

The report of the Senate Committee on Interstate Commerce

If the Bureau of Corporations were converted into an independent commission composed of trained, skillful men and clothed with adequate authority, there could be gathered more complete and accurate knowledge of the organization, management, and practices of the corporations and associations engaged in national and international commerce than we now have.

TO CONTROL PRACTICES.

We need a commission to act as an administrative board to control the practices and business methods of large industrial corporations.

The primary object of all prohibitory, restrictive, and regulative statutes pertaining to industrial corporations is to control the practices and business methods of such corporations. The object of controlling practices and business methods is to secure reasonable prices and charges and prevent unjust discriminations as to individuals or localities.

Statutes of this kind may be divided into two classes. First, those which prohibit some specific thing, act, or practice; and second, those which promulgate a general rule prohibiting or making unlawful certain kinds or classes of acts or practices. We may wisely specifically prohibit certain well-known practices. of industrial corporations which are notoriously injurious to the public and are under condemnation of the public. But we should also promulgate some general rules of conduct for our big industrial corporations and thereby place all acts or practices of a certain kind or character under the condemnation of the law. This is what Congress did when, 27 years ago, it first assumed the gigantic task of regulating and controlling the acts and practices of common carriers. The first section of the "Act to regulate commerce," approved February 4, 1887, and which created the Interstate Commerce Commission, fixed a general standard by which all charges of common carriers should be measured by declaring that "all charges * * * shall be reasonable and just." Section 2 prohibits and makes unlawful "unjust discrimination." Section 3 makes it unlawful for a Section 3 makes it unlawful for a common carrier "to make or give any undue or unreasonable preference or advantage to any particular person, firm, corporation, or locality."

The act clothes the Interstate Commerce Commission with power and jurisdiction to determine what are "just and reasonable charges," what "device" other than a "special rate, rebate, or drawback" shall be "unjust discrimination," and what act, practice, or method shall constitute "undue or unreasonable preference or advantage to any particular person, company, firm, corporation, or locality."

These provisions have worked well in controlling the practices and charges of railways and other common carriers, and, I be-lieve, similar provisions would prove equally effective and satisfactory in controlling the charges and practices of industrial corporations.

By sections 4 and 5 of my bill (H. R. 1890) I fix a standard by which the acts and practices of industrial corporations sub ject to the act shall be measured. By a clause in section 9 I have empowered the commission to prohibit by rule, order, or regulation, any act, practice, or method which shall be contrary to the general rules laid down in sections 4 and 5.

Sections 4 and 5 and part of section 9 are as follows:

Sections 4 and 5 and part of section 9 are as follows:

Sec. 4. That every practice, method, means, system, policy, device, scheme, or contrivance used by any corporation subject to the provisions of this act in conducting its business, or in the management, control, regulation, promotion, or extension thereof, shall be just, fair, and reasonable and not contrary to public policy or dangerous to the public welfare, and every corporation subject to the provisions of this act in the conduct of its business is hereby prohibited from engaging in any practice, or from using any means, method, or system, or from pursuing any policy, or from resorting to any device, scheme, or contrivance whatsoever that is unjust, unfair, or unreasonable, or that is contrary to public policy or dangerous to the public welfare, and every act or thing in this section prohibited is hereby declared to be unlawful.

Sec. 5. That every corporation subject to the provisions of this act shall deal justly and fairly with competitors and the public, and it shall be unlawful for any such corporation to grant to any person or persons any special privilege or advantage which shall be unjust and unfair to others, or unjustly and unreasonably discriminatory against others, or to enter into any special contract, agreement, or arrangement with any person or persons which shall be unjustly and unreasonably discriminatory against others, or which shall give to such person or persons an unfair and unjust advantage over others, or that shall give to the people of any locality or section of the country, or that shall be contrary to public policy or dangerous to the public welfare, and any and all the acts or things in this section declared to be unlawful are hereby prohibited.

Paragraph of section 9:

Paragraph of section 9:

The commission is hereby authorized and empowered to make and establish rules and regulations not in conflict with the Constitution and laws of the United States to aid in the administration and enforcement of the provisions of this act, and may, by such rules and regulations, prohibit any particular or specific act or acts, practice, method, system, policy, device, scheme, or contrivance that is contrary to any of the provisions of this act.

The rules of conduct promulgated in these sections if enacted into law would blaze a pathway for the guidance of our business now groping in darkness through a trackless wilderness of doubt and uncertainty. The principles of business honestly enunciated in these sections are in harmony with existing public sentiment and would be approved by the conscience of the

We should crystallize this sentiment and conscience into law. We will thereby aid all legitimate industry, promote peace in the social and industrial world, encourage the growth and expansion of business along lines which are morally sound, and inaugurate a policy that will bring blessings to all our people and higher glory to the Republic.

TO REENFORCE COMPETITION.

We need a commission to reenforce, restore, and maintain competition as a factor in price regulation, and if found necessary exercise under the law direct control over the prices of

Hitherto we have acted upon the principle that competition will serve as a sufficient regulator of prices. We have enacted laws to prevent monopoly and maintain effective competition among the manufacturers and dealers in all articles and products in common use. Unquestionably existing laws have not been adequate to do this. In spite of the Sherman Antitrust Act, in spite of the weapon of publicity as wielded by the Bureau of Corporations, in spite of prosecutions, proceedings, findings, decrees, and judgments rendered in the United States courts, combinations have been formed, concentration of business has continued, industrial corporations have enlarged their capital, increased their output, extended their business, perfected their machinery, equipment, facilities, and organizations, and per-sisted in acquiring those things which added to their arbitrary control and domination of the prices at which they sell their products. Competition has been losing ground. The sphere of its influence has been lessened. The field wherein its power is dominant and supreme has constantly diminished. Competition has fought its great decisive battle, and met its Waterloo.

Mr. SLOAN. Will the gentleman yield?

Mr. MORGAN of Oklahoma. I yield to the gentleman.

Mr. SLOAN. Mr. Chairman, assuming that the majority would have the wisdom to follow the gentleman's suggestion in this particular, would it be the policy of the Government, as suggested by the gentleman, to keep on prosecuting, as it were, for the offense or would you grant immunity under the new system of control for past offenses and shortcomings generally? Mr. MORGAN of Oklahoma. I will say I would not grant

immunity, and that I would continue to enforce the law as we now have it.

TO AID THE DISTRIBUTION OF WEALTH.

We need a commission to maximize the power of our indus-

of wealth and to minimize their power as instruments for the concentration of wealth.

The census of 1910 shows that one-third of our manufacturing establishments employ 90 per cent of the 7,000,000 wage earners in these establishments and produce 95 per cent of all our manufactured products. In round numbers, 10 per cent of our manufacturing establishments employ three-fourths of the labor in such establishments and produce four-fifths of the product.

One per cent of our manufacturing establishments employ one-third of the labor and produce nearly one-half of our

manufactured products.

We have had a revolution in the nature and character of our industrial concerns. Our business methods have changed. The instrumentalities used in commerce and trade have changed. But our laws have not changed. Interstate business ir largely under control of the gigantic business concerns—great corporations-mammoth industrial organizations, wielding incomprehensible power in the business and commercial world. This power may be used for the glory of our country or it may be used for the exploitation of the public and oppression of the

We do not realize to what extent the corporations control the business of this country. We do not comprehend how these corporations now touch every avenue of trade, commerce, and business, receive tribute from every avocation, calling, and profession of life, and draw support and sustenance from every home

and fireside in the land.

The corporations of the country in 1912 made an annual net profit of \$3,213,247,000. Industrial manufacturing corporations alone made an annual net profit of \$1,309,819,000. They employ 7,000,000 persons and their annual products are worth \$21,000,000,000. The corporations of the country, by a conservative estimate, own one-half of the wealth of the Nation. Probably not one-tenth of the people have any interest in these corporations.

The corporations are modern inventions which have contributed largely to the production of the wealth of this country. They have likewise been great engines for the concentration of wealth. The people know this. They will not be satisfied until Congress shall use all its constitutional power, if necessary, to make these corporations instruments for the distribution of wealth, because upon the equitable distribution of the wealth produced depends the very perpetuity of this Republic.

Finally, I plead for a great commission to stand like an armed sentinel to jealously guard the mighty hosts of intervening corporations, plying between the producer and the consumer, and see that these corporations do not exact excessive, exorbitant, or unrighteous charges for the service they render to the public.

I believe that would be a very wise provision.

CONTROL OF PRICES.

Mr. FESS. Will the gentleman yield?

Mr. MORGAN of Oklahoma. I yield to the gentleman from

Mr. FESS. Has the gentleman provided in any part of the bill for any form of control of the prices of articles sold, or would the gentleman go to that extent?

Mr. MORGAN of Oklahoma. I will try to make that plain. I would go this far: If necessary for the public welfare we should authorize the commission to regulate the prices at which large industrial corporations shall dispose of their products.

Section 3 of my bill, H. R. 1890, promulgates a standard for the control of the prices at which industrial corporations subject to the act shall dispose of their products.

It provides as follows:

SEC. 3. That the price or prices at which any corporation subject to the provisions of this act shall sell or dispose of any article of merchandlse, or any product whatsoever, shall be just, fair, and reasonable, and it shall be unlawful for any such corporation to sell or dispose of any article of merchandlse, or any product whatsoever, at a price or at prices that are unjust, unfair, or unreasonable, and every corporation subject to the provisions of this act is hereby prohibited from so doing.

In support of this provision I will say:

1. The Federal Government long ago assumed the right to control the prices of products sold through the instrumentalities of interstate commerce. This it did when the Sherman law was approved, July 2, 1890. Prices may be controlled either directly or indirectly. When by law we declared that certain acts, contracts, agreements, combinations, and conspiracies relating to trade and commerce were unlawful we thereby entered upon the policy of controlling prices indirectly. It can not be denied that the very object of this law was to prevent monopolistic prices. If the Congress may control prices by indirect methods, we certainly have the power to do the same thing by trial corporations as agencies for the equitable distribution direct methods. Otherwise the Sherman antitrust law is a

sham and subterfuge and should be held invalid as against the legal principle that one can not do indirectly what he is forbidden to do directly.

All antitrust laws now in force, or which may hereafter be enacted, which control the practices, methods, or in any way regulate, restrict, or limit the acts of corporations engaged in interstate commerce are primarily for the purpose of controlling

the prices and charges of such corporations.

2. The Federal, State, and municipal governments have long ago entered upon the policy of the direct control of the prices and charges of transportation and communication corporations and of practically all public-service and public-utility corpora-This is done upon the theory that such corporations in their nature have large monopolistic power. If we control the charges of such corporations on the ground that they naturally possess monopolistic power, we are inconsistent unless we control the charges of industrial corporations which have acquired large monopolistic power. In its effect upon the people acquired monopoly is as dangerous as natural If public policy demands the direct control of natural monopolies, it also requires the direct control of acquired

3. At present there is no law which in the least controls the prices at which our great industrial corporations dispose of their products. It matters not how large the corporation may be or what monopolistic power it may have or how avaricious its manager and owners may be, in the matter of prices it is a law unto itself. I believe it would be wise public policy to declare, as I have done in section 3 of House bill 1890, that these great industrial corporations, commonly called trusts, shall dispose of their products at prices which shall be "just, fair, and reasonable." We will be doing just what Congress did and reasonable." We will be doing just what Congress did when it passed the act of February 4, 1887, "to regulate com-

which declared that-

All charges made for any service rendered or to be rendered in the transportation of passengers or property, as aforesaid, or in connection therewith, or for the receiving, delivering, storage, or handling of such property, shall be reasonable and just; and every unjust and unreasonable charge for such service is prohibited and declared to be unlawful.

My conclusion is this: That, so far as is consistent with the public good, we should continue to use only indirect methods to regulate prices; we should rely, so far as possible, upon competition and supply and demand as price regulators; that natural economical forces are the safest for the control of our trade, commerce, and business; and that we should leave to the individual, so far as possible, the freedom of contract, and encourage individual initiative, effort, and ambition in every legitimate line of business endeavor. But there is a limit to the power that can be safely intrusted to an industrial corporation, and we must restrict that power, or exercise governmental control over their charges and prices.

The CHAIRMAN. The time of the gentleman fom Oklahoma

has expired.

Mr. THOMPSON of Oklahoma. Mr. Chairman, I would like to ask the gentleman a question. The CHAIRMAN. The gentleman's time has expired.

Mr. MORGAN of Okiahoma. May I have five minutes more? Mr. SAMUEL W. SMITH. Mr. Chairman, I yield to the gentleman five minutes more.

The CHAIRMAN. The gentleman from Oklahoma [Mr. Morgan] is recognized for five minutes.

Mr. MORGAN of Oklahoma. I will yield to my colleague for

a question

Mr. THOMPSON of Oklahoma. My understanding is that my colleague from Oklahoma is complaining about the present conditions under the Sherman antitrust law. I will ask him, as a follower of President Taft, why it was, after the Supreme Court of the United States rendered its rule of reason decision, that the Republican administration then in power did not remedy that decision, and why the gentleman did not introduce a bill to that effect?

Mr. MORGAN of Oklahoma. Well, Mr. Chairman, in the first place, if I remember correctly, we had a Democratic House at that time, and of course we did not have the control of the legislative department of the Government.

Mr. MONDELL. Will the gentleman yield there for a sug-

Mr. MORGAN of Oklahoma. Certainly.

Mr. MONDELL. Judging by the way the corporations' coons have been coming down from the apple tree without any change in that rule-of-reason decision, would it not seem that the ruleof-reason decision was a very excellent one and was producing very excellent results?

Mr. MORGAN of Oklahoma. It strikes me, Mr. Chairman, that there is very much force in that suggestion.

Mr. THOMPSON of Oklahoma. Then, do I understand from the gentlemen on the other side that they approve of that ruleof-reason decision?

Mr. MORGAN of Oklahoma. I will answer that question. I will say this, that my conception is that it is our duty to uphold the law. I believe that is a cardinal principle of the Republican Party, and I believe the great mass of the Republicans throughout this Nation now and in the past have always stood by the National Government and upheld the supremacy of the law. They have always upheld the law. have always been in favor of supporting and standing by the law as it has been construed by the highest court of our land.

Mr. THOMPSON of Oklahoma. Mr. Chairman, am I to understand, then, that the gentleman approves of the construction of the Supreme Court of the United States, and is not in favor of amending any construction that they have put upon the laws of

Mr. MORGAN of Oklahoma. Oh, no; certainly not. ought to enact laws that we think are right, and if by decisions of the Supreme Court the law has been said to be so and so, if necessary we ought to amend our Constitution in order to rectify that law. But that decision of which my colleague complains was rendered and promulgated by the Chief Justice of the Supreme Court, who, I understand, is a Democrat. I am not here to criticize that decision. I am here to accept it as the law of the land. I am here to try, through legislation, to help all I can. I am here to try, by adding my little mite, to contribute to additional legislation that will make our laws more effective, that will make our laws more helpful to the great masses of the people, that will not disorganize business, destroy commerce, and take earnings and employment from wage earners, but laws that will bring peace and prosperity to the people of the country. And so I believe that proper control over these gigantic business concerns will enable us to appropriate from them all that is good and to destroy all that is bad. I believe that it will enable this Government to go on and achieve even greater things in the future than have been achieved in the past. [Applause on the Republican side.]

The CHAIRMAN. The time of the gentleman has expired. Mr. MORGAN of Oklahoma. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record.

The CHAIRMAN. The gentleman from Oklahoma asks unani-

mous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. MORGAN of Oklahoma. Mr. Chairman-

Mr. THOMPSON of Oklahoma, Mr. Chairman, will the gen-

Mr. MORGAN of Oklahoma. Certainly.

Mr. THOMPSON of Oklahoma. I want to ask my colleague from Oklahoma if he was a follower of the progressive principles as initiated by Col. Roosevelt or a follower of the stand-patter as exemplified by President Taft in the last campaign?

Mr. MORGAN of Oklahoma. Mr. Chairman, the Republican platform of 1912, upon which President Taft ran, declared in favor of a trade commission to exercise administrative power over industrial corporations; and the Republican platform was the first to declare for such a commission. About six weeks thereafter the Progressive Party nominated Theodore Roosevelt and placed in its platform a similar but somewhat stronger declaration in favor of such a commission. In answer to the gentleman's question, I can say that in advocating the creation of this commission I am following both William Howard Taft and Theodore Roosevelt. But it so happens that my bill to create such a commission was introduced about six months before either the Republican or the Progressive Party made platform declarations thereon. I am therefore not following any party or any leader, but have been led by the dictates of my own judgment. I shall be highly pleased if the present Democratic administration will follow the lead I suggested in Congress two years ago.

Mr. THOMPSON of Oklahoma. The gentleman answers still without information as to whom he supported for President in 1912, and I would like to know whom he supported for Presi-

dent at that time, Mr. MORGAN of Oklahoma. I will answer that very frankly by telling what our condition was in Oklahoma.

Mr. THOMPSON of Oklahoma. I am not asking that. Mr. MORGAN of Oklahoma. Mr. Chairman, the only way I

can tell whom I supported is by telling for whom I voted. had 10 presidential electors on the Republican ticket. After the Progressive Party was organized their leaders made some effort to have a full set of electors placed on the ticket. But the laws made by the Democratic Legislature of Oklahoma prevented them from placing their names on the ballot. They

went into court, but failed, and so we had but one set of electors. They were on the Republican ticket. I voted for them. I can not yield any further along that line.

Mr. THOMPSON of Oklahoma. I would like to know for whom the gentleman voted.

The CHAIRMAN. The gentleman from Oklahoma declines to yield.

QUASI PUBLIC CORPORATIONS.

Mr. MORGAN of Oklahoma. Many of our industrial corporations have become impressed with a public use. are public agencies. They are in every legitimate sense of the word quasi public corporations, and we should by law declare them to be such. By statutory enactment they should be placed in a class with our railways, telegraph and telephone companies, and with all other public-service and public-utility corporations. We must in some way make a distinction between the gigantic corporations, possessing large monopolistic power, and controlling the manufacture, sale, and distribution of the necessities of life, and the smaller corporations, which possess little, if any, monopolistic power, and which are in no way in a position to impose any great burden upon the people through excessive prices. Out of nearly 300,000 industrial corporations in the United States perhaps 300 to 500 would cover all the industrial corporations which really possess such monopolistic power as to be able to injure any great part of the public through the possession of monopolistic power. Let us separate the sheep from the goats. The sheep may be permitted to gambol unmolested upon the public industrial commons, but the goats must be placed in a corral under the surveillance of representatives of the Federal Government.

The great corporations largely control the productive forces of our country. The wealth produced naturally accompanies. Measured by their stocks and bonds our corpora-The wealth produced naturally flows into the tions own \$92,000,000,000 of our national wealth. Upon this vast sum they make an annual net profit of nearly 4 per cent. All our farms and farm property are valued at only \$41,000,000,-000. Industrial and manufacturing corporations have stocks and bonds outstanding of about \$37,000,000.000-almost equal to the value of all the property possessed by all our 6,500,000 farmers. THE INTERSTATE COMMERCE COMMISSION A MODEL

The success which has attended the well of this great Interstate Commerce Commission abundantly justifies the Nation in creating a similar commission to supervise, regulate, and con-

trol the gigantic industrial corporations of our country. Twenty-six years ago a great controversy was in progress in The parties engaged in the contest were the people and the railroads. Congress created the Interstate Commerce Commission to aid the people in their struggle. Congress also promulgated a new code of business morality for the guidance of the railroads. The act creating the Interstate Commerce Commission, in substance, declared, first, that the railroads should give to the public reasonable and just rates; second, that they should give to individuals and localities equality of rates; and, third, they should give to all impartial privileges and facilities. Prior thereto the great transportation companies had possessed the power to levy annually upon the people of the United States millions of dollars of unjust tribute. The railway managers were absolute in their power, supreme in their authority. All this has been changed. The people are now supreme. They are free from railway domination. They are masters of the railways, not their subjects.

The people of the United States are now in a second great Their antagonist at this time is our great industrial corporations. These gigantic organizations are strongly intrenched. They have untold wealth. They have unlimited resources. They have able leadership. They have the confidence which comes from many victories already won. They are equipped in every way to make a long, stubborn, and effective The interests of 100,000,000 people are at stake. Congress is in duty bound to aid the people in every conceivable and legitimate way. We should create every constitutional agency to protect the people from monopolistic corporations. should we hesitate to utilize a governmental agency that has achieved such unparalleled results in the regulation of transportation companies?

Let us, therefore, give the people a great commission, clothe it with ample power, and direct it to proceed forthwith to bring these, our gigantic industrial corporations, into subjection.

As a new moral code for the guidance of these great business institutions let us proclaim by legislative enactment that their prices must be reasonable and just; that all must be given like privileges and advantages; and that the National Government will not tolerate practices or methods in business that are unfair, unjust, or unreasonable, or that are against public policy or dangerous to the public welfare.

Mr. SAMUEL W. SMITH. Mr. Chairman, I yield 20 minutes to the gentleman from Wyoming [Mr. MONDELL].

The CHAIRMAN. The gentleman from Wyoming [Mr. Mon-

DELL] is recognized for 20 minutes.

Mr. MONDELL. Mr. Chairman, the gentleman from Oklahoma [Mr. Thompson] who just interrogated the other gentleman from Oklahoma his colleague [Mr. Morgan], seems to be hard to please. So far as I have observed, the only hopeful sign and symptom under this Democratic administration has been the disposition of great corporations to realize the efficacy of the Sherman antitrust law as interpreted by the Supreme Court. The administration is not entitled to any credit at all for this most helpful and desirable manifestation.

It is the natural outcome and consequence of the vigorous, forceful, and successful prosecutions under the Sherman antitrust law during the administration of William Howard Taft. The gentleman has complained of the "rule-of-reason" interpretation of the Sherman law. I realize that some gentlemen on that side find it difficult to understand anything that has to do with reason or any rule of reason. In their philosophy a statute must be so interpreted as to make it impossible of execution or entirely destroy its usefulness. That, as I understand it, is the position of some gentlemen on the other side.

Mr. SLOAN. Will the gentleman yield? Mr. MONDELL. Yes; I will,

Mr. SLOAN. Does the gentleman understand that the majority know just where they do stand on the rule of reason, or will they know until the next message is delivered from that

desk by the President of the United States?

Mr. MONDELL. I was about to remark that just at this critical moment there seems to be a question as to whether the administration proposes to strike its colors to the freebooters of monopoly or raise the black flag of piracy against all suecessful enterprise, and we shall not know which horn of the dilemma they expect to take or will take until they hear further from the source the gentleman from Nebraska has suggested.

But I rose not to speak of these things, but to refer briefly to a section in this otherwise very excellent measure, section 6, which provides for another onslaught by the place hunters upon

the civil service of the Government.

Mr. BUCHANAN of Illinois. Will the gentleman yield just for a moment?

Mr. MONDELL.

Mr. BUCHANAN of Illinois. What does the gentleman think about the rule of reason, as applied to the Standard Oil Trust and the Tobacco Trust by the Supreme Court, and as applied to the Hatters' Union? They do not compare very well, do they?

Mr. MONDELL. I do not know so much about the effect of

the tobacco decision, but-

Mr. BUCHANAN of Illinois. Affirming damages of \$250,000 against the hatters, and allowing the Standard Oil to continue, and the Tobacco Trust to continue to rob the people under the

Mr. MONDELL. As I have said, I do not know so much about the effect of the decision in the tobacco case, but I am somewhat familiar with the effect of the decision in the Standard Oil case, for I live in a region containing, we hope and believe, great oil deposits. For years we had great difficulty in securing the development of those deposits. I charge those difficulties to no one in particular, but I do know, and all my people know, that since the Standard Oil decision was rendered there is an entirely different condition in our country. Now there is no difficulty whatever in securing capital and agement for the development of oil property, and no difficulty, unhampered of anyone, to find a market for the product when produced. An ounce of fact is worth a ton of speculation in this as in every other matter.

Mr. BUCHANAN of Illinois. Mr. Chairman, the fact is that oil has increased in price to the consumer and the Standard

Oil Trust stock, I believe, has gone up.

Mr. MONDELL. I am not informed how much oil may have advanced in price, take the country as a whole. I do not keep advised on oil stocks. No one who was familiar with the operations of the Standard Oil Co. is necessarily greatly surprised, if it is a fact, that the dissolution of the company has not cheapened oil. The complaint of intelligent men against the cheapened oil. Standard Oil Co. has never been wholly or principally that it raised the price of oil unreasonably. In fact, in defense of that company it was constantly urged that the price of oil under its management was not abnormally or unreasonably high. Possibly that great corporation exerted to a certain extent a steadying influence that had something to do with the maintenance in most of the country of a reasonable price for oil. The charge and complaint against the Standard Oil Co. was as to its

methods, under which it drove out its competitors; methods under which it ruined them; methods under which it assumed to itself the sovereign right of saying whether men should develop enterprises and have a free opportunity in the world. was not altogether, or in the main, a question of the cost or price It was a question of industrial liberty, and industrial liberty is largely established; at least it is advancing under Supreme Court decisions rendered in prosecutions by Republican administrations under the Republican Sherman antitrust law. If you gentlemen do not gum the cards, the better conditions in connection with our control over great corporations will advance,

Mr. BUCHANAN of Illinois. Let me ask the gentleman-I

think the gentleman wants to be fair-

Mr. MONDELL. I should like to carry on a discussion with the gentleman at any length, and if the gentleman from Michigan [Mr. Samuel W. Smith] will give me more time, I will be very glad to do it; but I rose to discuss an entirely different

Mr. SAMUEL W. SMITH. I want to say right here that I regret I will not be able to give the gentleman any more time.

Mr. BUCHANAN of Illinois. Just one moment.

Mr. MONDELL. I can not yield any further. Mr. Chairman, gentlemen on the other side have complained at various times when I have expressed surprise and even amazement at some of the things they have done. After reading section 6 of this bill I promise never again to allow surprise or astonishment to affect me sufficiently to give expression to

After what is proposed in this section, nothing you gentlemen can do should cause astonishment or surprise to any reasonable person. The President's attitude in the matter is a peculiar one, if we may judge from the newspaper reports. It is said, and I hope the President is not incorrectly quoted, else I should not want to mention the matter at all-the statement in the newspapers is that the President felt entirely comfortable about the onslaught of the spoilsmen on the civil service of the Government so long as the President had the appointments to make. But this proposition to have the Postmaster General make the appointments, we understand, occurs to the President as not being altogether proper. It is not the spoils system so long as the President is to make the appointments, but it is the spoils system in all its iniquity if the Postmaster General has to do it.

Mr. THOMPSON of Oklahoma. Will the gentleman yield?

Mr. MONDELL. Yes; for a question.
Mr. THOMPSON of Oklahoma. I would like to ask the gentleman if he is referring to his speech he made during the Republican administration, making an onslaught on the civil-

Mr. MONDELL. I never delivered a speech containing an onslaught on the civil-service system. I believe in the civil service. I am also a partisan, and I believe in having political appointments made by the party in power from among its supporters. This great Government, so far as the ordinary machinery of administration is concerned, so far as its scientific and business activities are concerned, will never be wisely or economically administered except under a civil-service system. Further than that, after having had some 18 years' experience with nominations for public office, I suggest to my friends on the other side that theirs may not be altogether a bed of roses when they have to hand out a few more slices of pie and have not enough to go around among the hungry hordes that, so long held back from the pie counter, are now clamoring for a place at the board.

Mr. CARTER. Will the gentleman yield?

Mr. MONDELL. For a question. Mr. CARTER. The gentleman speaks of the hungry horde at the pie counter. Does he think that the fellow down at the fourth-class post office, say, who has applied for a position, is any more of a hungry applicant at the pie counter than the man who has run eight or ten times and served 15 or 20 years in

Mr. MONDELL. That is not the sort of a man that this item I am speaking of has to do with. It has to do with the men the majority of whom fill places secured either by advancement or direct examination, and, whether they so won them or not, are men who have by reason of experience in office qualified themselves to perform their duties infinitely better than the majority of the men who would be selected to take their places even by so conscientious a gentleman as my friend from Oklahoma from among his constituents who will be clamoring for these jobs.

Now, Mr. Chairman, what I rose to say was that I fear the Postmaster General in his entirely laudable attempt to enlarge

to the conditions that exist, at least, in some parts of the country.

This is the situation in my mountain State. It is a situation that I know of no remedy for except in the modification of the order in regard to the 50-pound limit and rate. Under the 50-pound limit the rate in the first and second zones is \$1.08 a hundred pounds or 54 cents for 50 pounds. Now, in our country a post office on a star route within the first and second zone from the supply office may be 100 or more miles from the supply office. The ordinary freight rate on an average to good road is about \$1 a hundred per 100 miles or 20 cents a ton a mile, as the freighter puts it. It may in very exceptional cases be a little lower on goods that can be compactly stored and are not liable to damage over very good roads, and it increases rapidly, even under the keenest competition, when the roads are difficult or when the goods to be carried are bulky or liable to

As the distances from a post office of supply-generally on a railroad-over a star route to office of supply within the first and second zones may be anywhere from 50 to 150 miles, it will be readily seen that the parcel-post rate may in many cases be less than the ordinary freight rate by team. For instance, on one star route in my State there is a large creamery in a mountain valley and that creamery, I think, has already started to ship all its product by parcel post to the nearest railroad point. The parcel rate being, as I understand it, some 25 or 30 cents a hundred less than any freighter, under the keen competition that exists, can afford to haul it.

Another star-route carrier in my State, who drives a twowheel cart with a pair of horses over a mountain road, found confronting him the other morning 2,400 pounds of flour and nearly the same amount of sugar, and a large consignment of

Another star-route carrier, who a part of the time when the weather is very bad carries the mail on horseback, was overjoyed in the midst of a winter squall the other day to find awaiting dispatch the first half-ton installment of 5 tons of

navy beans.

Another star-route carrier, desiring to bid for the coming contract term, calls attention to the fact that there are three settlements of quite considerable importance having country stores on his route, with a population to be supplied aggregating, I should say, 2,500 people, to which the wagon-haul freight rate is \$1.30, \$1.60, \$2.10, respectively. They are all within the second zone rate of \$1.08 a hundred, or 54 cents for 50 pounds. The problem here is not one as to what extent the farmers shall utilize the parcel post to ship out their products, nor is it a question as to what extent the individual farmer or ranchman will avail himself of the parcel post to obtain his groceries and supplies from town. The real serious problem is how to provide for such services as that without at the same time taking over the general overland freighting business of the country-the transportation of the goods of country merchants and the products of considerable industries to the points of distribution.

As matters now stand the parcel-post carrier will be required to carry all the canned goods, flour, sugar, in fact, a very large proportion of all the goods, particularly groceries, required by very considerable populations of stockmen and farmers living in the mountain valleys on star routes, and this Government haul will largely be for small merchants. I realize that the Postmaster General believed he was doing entirely the proper thing in his recent order relative to the 50-pound limit and rates, but the officials of the department evidently failed to acquaint him with the conditions to which I have referred with which they should have been entirely familiar. I am frank to say that I do not see how we are going to meet it. Already practically every star-route carrier in my State has appealed to me for relief from the burdens that were placed upon them, first, by the inauguration of the parcel post; second, by the increase to 20 pounds; and, third, by the increase to 50 pounds.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. MONDELL. I will ask the gentleman from Michigan

to grant me five minutes more.
Mr. SAMUEL W. SMITH. Mr. Chairman, I would like to do

so, but I am so hard pressed for time that I can not.
Mr. MONDELL. Then I will ask the gentleman to give me two minutes more.

Mr. SAMUEL W. SMITH. I will grant the gentleman two minutes.

Mr. MONDELL. Mr. Chairman, the Government, of course, ought not to enter into the freight-hauling business. Wagon-haul freight ever intended that under the parcel post. and extend the parcel post has not given sufficient consideration | rates are generally as low as they can well be under the conditions, because there is ordinarily competition. No one expects the Government to embark in the business of hauling freight, and in some way the situation to which I have referred must In the meantime the present star-route carrier is having a hard time of it under a contract which did not cover parcel carrying, much less freight hauling. Prospective bidders hesitate to submit bids for carrying the mail for a new contract term, because while they may be entirely familiar with the conditions of mail carrying, they can not form an intelligent opinion as to how much freight there may be to haul under the conditions which now exist. The Post Office Department is doing its best to afford relief to the men now under contract, although, like all Government bureaus under like circumstances, it seems to feel that Uncle Sam is rather hard up and therefore they must be exceedingly careful about the allowances which they The allowances are, I think, fairer under the second than they were under the first readjustment. I trust they will be more liberal under the readjustment based on the increase to

50 pounds, for that hit the star-route carriers hard.

The CHAIRMAN. The time of the gentleman from Wyoming

has again expired.

Mr. MOON. Mr. Chairman, I yield to the gentleman from Kentucky [Mr. Rouse].

Mr. ROUSE. Mr. Chairman, I offered this amendment to the Post Office appropriation bill, which seeks to take out of the civil service the assistant postmasters in first and second class cities, and am firmly convinced that it should be adopted, not because there are no men employed in the first and second class post offices who will make competent assistant postmasters, but because I believe, in the first instance, that the postmasters should be allowed to select their confidential men, the man whom the postmaster is constantly associated with and who is really an assistant, the man who takes the place and supervises the office during the postmaster's absence. The actions of the assistant are considered as the actions of the postmaster. Is it just that any man should be held responsible for the acts of another when he did not choose that man to act for him and one in whom he has never placed implicit confidence and trust?

Mr. Chairman, there are two first-class post offices-Covington and Newport-in my district, and I am personally acquainted with nearly every man in these post offices. I will venture the opinion that there are enough men connected with these two offices to ably administer the duties of as many first-class post offices as there are men connected with these two offices. The postal men of my district are able, intelligent, and faithful to their trust, and no two offices in the United States can boast of better averages than is yearly made by the men con-nected with the Covington and Newport post offices. I am proud of these men, my constituents and my friends. The question of qualification only does not enter into this amendment. I believe when an administration changes men should be appointed to office who believe with the administration and are in accord with its policies. You can not have first-class service when the principal and assistant entertain different views and do not work in harmony and for the interest of the party which is in power. To force upon a postmaster an assistant whose views are not in harmony with his puts that postmaster at a distinct disadvantage; it subjects him to a handicap which would not be tolerated in any other line of The injustice is obvious, and as a result works to the detriment of the service. It is a gross violation of the letter, the spirit, and every rule of good business. It is an undisputed fact that for business to succeed the work of its employees must conform and dovetail with each other. When the assistant has not the trust and confidence of his principal. and when the work of the assistant does not conform with that of the postmaster, instead of being an assistant he is a detriment to the service and a load to be carried.

Can you picture in your mind any business being a success when the heads thereof have different views as to the manner in which the business should be conducted? Not only should the postmaster be allowed to select his assistant and be regularly associated with some person of his choice, but the head of every business should have this power, and it is exercised in all business except certain branches of the Government serv-The United States marshals select their deputies, the collectors of internal revenue select their deputies and assistants, and why not give the postmasters the same privilege?

The report of the minority on this amendment terms it "as vicious legislation, a step backward, and an attack on the merit system and civil-service reform generally." Do we expect any other report from the Republicans of the House? Do you gentlemen know that the assistant postmasters were placed under the civil service by an Executive order of President Taft on the 30th day of September, 1910, and that of the twenty-four the increase of the salary of the rural carrier 10 per cent.

hundred and more assistant postmasters in the United States not 50 of this number were Democrats? These assistants were placed under the civil-service blanket with one stroke of the pen, to be there for life, and only a very small per cent of the twenty-four hundred men ever passed the civil-service examina-tion. Do you consider this "vile legislation"? Did you con-sider it "vile legislation" when President Taft placed over 40,000 fourth-class postmasters under the civil service without an examination? We all know this action was done for political purposes only. I do not wonder at you taking the stand that this is "vile legislation." Whenever we propose an amendment which might provide a place for a Democrat now held by a Republican you term it "vile legislation and a step back-We have thousands of good Democrats who can fill these places and who want to fill these places, and let us re-move the political civil-service blanket and let some good Democrats occupy these positions, and they will fill the offices with honor to themselves and credit to the Government.

Gentlemen of the majority, I appeal for justice in the interest of the service and the party, and if the conditions that exist at the present time should continue, the penalty of injustice to the

faithful at home will be paid by the Democratic Party.

Mr. Chairman, this bill carries the largest amount of appropriation of any bill that has ever passed Congress-over \$300,-000,000—yet this money is not taken out of the pockets of our people with no return. The person who makes the greatest use of the stamp contributes in proportion the largest amount of this appropriation. The Post Office Department is the greatest branch of the Government; it serves all the people, rich or poor salte with no fevers and is now self successing under poor, alike, with no favors, and is now self-sustaining under the able management and direction of the greatest Postmaster General this country has ever known and his corps of untiring and competent assistants, with a surplus at the end of the last fiscal year of more than four and one-half million dollars.

There are several amendments added to this bill which should pass at the earliest date and become permanent law; the amendment regarding the limit of funds to be deposited with postal savings banks should be adopted. By this provision the amount deposited is unlimited and the amount on which interest is paid the depositor is raised from \$100 to \$1,000. The Government pays 2 per cent interest to the depositor and immediately deposits the money with the banks on which 21 per cent is paid to the Government. On December 1, 1913, the Postal Savings System had been in operation for 30 months and there was over \$33,000,000 deposited in the banks belonging to the people who deposit their money with this system. It is estimated that with the limit provision repealed and the amount on which interest is paid raised to \$1,000 that this amount will be doubled within a year, and that the Postal Savings System will be self-sustaining. This amendment will not injure any bank in the country, because the money that is deposited with the Postal Savings System comes either from foreigners or from that class of our citizens who never do business with the banks. The people are benefited, the banks benefited, the Government is putting into circulation money that is idle or money that will be sent to foreign countries never to return, and no person is injured.

The amendment dispensing with surety bonds now required of officers and employees accountable for funds or property and to substitute therefor a guaranty fund established by assessment levied against officers and employees will be much cheaper to the officials and at the same time provide for a safer guaranty and should be adopted.

Our able Postmaster General, who is at all times thinking and working for the interest of the great department of the Government of which he is the head, has made wonderful strides during the past six months in pushing the parcel post. He has raised the weight limit upon which articles can be mailed, and every person residing in the city or country is benefited by this order, and I predict that before many months other orders will be issued which will further benefit the people by this service. The express companies were charging exorbitantly and have been forced to cut their rates nearly half in order to meet the rates offered by the parcel post. Many of us live in small towns, miles from the railroads and express offices, and could not have access to the express. The parcel post takes care of us rural people like the express companies do to the city people and with less expense.

The parcel post benefits the merchant in the city and in the country the farmer, the city man, and, in fact, all classes of I admit the parcel post has added additional burdens to the rural carrier, and to these faithful officials Congress should take notice and increase their salary in accordance with The salaries proposed in my bill would pay to the carriers for routes between 6 and 8 miles in length \$532. For routes from 8 to 10 miles, \$580; for routes from 10 to 12 miles, \$629; for routes from 12 to 14 miles, \$677; for routes from 14 to 16 miles, \$726; for routes from 16 to 18 miles. \$847; for routes from 18 to 20 miles, \$968; for routes from 20 to 22 miles, \$1,089; for routes from 22 to 24 miles, \$1,161; for routes of 24 miles and over, \$1,210. The carriers on star routes are paid an amount in addition to their contract price, when it appears that the weight of mail has been materially increased on account of the extension of the parcel post.

Mr. Chairman, we have offered an amendment to the present law providing that the Postmaster General shall have authority to grant leave of absence with full pay for one year to the railway mail clerk and substitute, the letter carrier, the rural carrier, the post-office clerk, and the special delivery messenger when injured while on duty, and also for 50 per cent of salary for the succeeding year, and also to enable the Postmaster General to pay the sum of \$2,000, which shall be exempt from payment of debts of the deceased, to those dependent upon these officials in case of death.

The Postmaster General has recommended that leave of absence with pay not to exceed 20 days in any fiscal year may be allowed to any railway postal clerk on account of personal illness, and that the substitute clerk in such a case shall be paid by the Government and not by the regular clerk. This amendment is not included in the bill at this time, but is a good recommendation; it is right, just, and should be adopted, and I trust that it will be included in the bill before it becomes a law.

Mr. Chairman, I offered the amendment to the bill providing that all railway companies carrying mail shall furnish free transportation on the lines of their respective roads to railway mail clerks, including transfer clerks, terminal railway postoffice clerks and clerks detailed to division superintendent and chief clerks' offices. This is not entirely new; the railway mail clerks are granted this concession and it should be granted to all the clerks in the service.

We have considered and offered amendments to this bill as recommended and asked for by the clerks and carriers in first and second class offices, by the railway mail clerks, by the rural and star carriers, and I think this is one of the best bills ever reported by the Post Office Committee. [Applause.]

Mr. MOON. Mr. Chairman, I yield to the gentleman from

Michigan [Mr. BEAKES].

Mr. BEAKES. Mr. Chairman, I should feel very sorry, indeed, for the star-route carriers in Wyoming if I felt sure that the gentleman from Wyoming [Mr. MONDELL.] in no way exaggerated their condition, but the gentleman from Wyoming has spoken of the assistant postmasters, who, he said, owed their positions to examinations and promotions. Is not this a slight exaggeration? All the examination that the majority of assistant postmasters that I know of ever took was an examination into what they had done for the Republican Party, and all promotions that I know of are promotions from a ward worker to an assistant postmaster. The gentleman must remember that nearly all of these men were covered into the civil service. I, for one, am a believer in the civil service, and I believe that the assistant postmasters should be under the civil service, but they should come in by examination or promotion of the genuine

Mr. MONDELL. Mr. Chairman, will the gentleman yield?

Mr. BEAKES. I yield.
Mr. MONDELL. The gentleman would be in favor of it, then, if all these offices were filled with Democrats and then

covered into the civil service?

Mr. BEAKES. Mr. Chairman, if I had my way, I would fill these offices by examination now, and I would make the present incumbents eligible to examination. Some of the present incumbents whom I know I would be glad to see retained, but for the future I would make the office of assistant postmaster one to be filled by promotion from the ranks of post-office employees. I would hold this office as a reward for faithful service on the part of the clerks or carriers-something ahead to spur them on to make a study of their life business and perfect themselves in all the details of a great business, which comes so close to all the American people. The fault with the civil-service system, as I view it, is that when a man gets in, after a few slight and immaterial promotions, there is nothing ahead. In business circles, outside the Government service, a man begins down in the ranks and he is spurred on by the knowledge that if he shows unusual knowledge, skill, efficiency, or capacity, there is almost no limit as to how far up the ladder he may climb. There is always something ahead for him. But in the civil service, after one or two rungs of the ladder, there is a blank wall and nothing ahead. And the Post Office Depart-

ment is conducting a great business, one of the greatest in the country, which goes into every home throughout the land, and presents all the great problems found in other classes of business. It is made up of details, all of which must be coordinated. The maximum of efficiency is required at the minimum of cost. When you consider how much less is the cost to the people of matter handled through the Post Office Department than that handled by private parties, you can readily see why there must be the maximum of efficiency at the minimum of cost in order to make both ends meet. That such an enormous business is carried on with such a multiplicity of detail at such a small cost for each transaction, without loss to the Government—that both ends do meet—is a high tribute to the men in the Post Office Service.

While this appropriation bill, totaling \$305,247,767, is the largest appropriation bill coming before Congress and constitutes much more than a quarter of all the expenses of the Government, it is for the only department which pays its own way, and the committee believes that the expenditures will be fully met by the sale of stamps. The bill was thrashed out in committee item by item, and I wish to bear witness to the careful consideration given each item by my colleagues on the committee. The appropriations as reported are as low, I believe, as they could be made without injury to the service. In fact, I think the committee is practically a unit now on each item in the appropriation bill, differing only on the one question of the propriety of taking the assistant postmasters out of the civil service. But this unanimity in support of the appropriation did not come until after warm and animated discussions, look-

ing at each item from every angle. There is one item in the appropriations on which I wish to dwell a moment, and that is the appropriation of \$200,000 for village free delivery. This appropriation was not recommended by the department. In fact, at first it was not favored by a majority of the committee, but after free discussion it received an overwhelming majority in the committee. The Post Office Department, in fact, recognized the justness of the claims of these villages for free delivery by stating that they were working on plans for free delivery in all villages by rural carriers. They did not have these plans perfected and asked for no appropriation by which they could be carried out, so that if this appropriation were dropped from the bill free delivery in 114 villages which now have it would be dropped. The citizens of these villages are very proud of having their mail delivered, and to take away from them this accommodation would be a distinct step backward. They have had this delivery long enough to look upon it as a right, and there is no reason why the continuance of it should be denied them. I hope that a plan will be worked out to give all villages free delivery of mail. The cities have it, the farmers have it. Why should the villages, The cities have it, the farmers have it. Why should the vinages, alone of our population, be discriminated against? Many of these villages are practically one-street villages, and it is certainly an anomaly that a village resident a mile from the post office can not have his mail delivered while a farmer a quarter

of a mile from the post office may have his mail delivered.

The main reason given for a discontinuance of the village free delivery is that the postal revenues in these villages have not increased in as great a proportion as had been expected. Having served as postmaster myself, and having given as postmaster some study to the increase of revenue, I would say that the increase of revenue in these villages is small because proper facilities are not afforded for mailing letters without going to the post office. No street boxes for mailing letters have been provided. If this were done, I venture the prediction that the desired increase in revenues would follow. You have made it easier for these village residents to get mail, but you have not made it easier for them to send out mail, and it is on the mail

sent out that you get your revenues.

It costs the Government \$97,000 to deliver mail to 114 villages scattered in 41 States of the Union. These villages have a total population of 252,720. In other words, it costs less than 38 cents to deliver mail for an entire year to each unit of population. According to the report of Gen. Roper, it takes but 11.86 per cent of the revenues of these offices to pay for village carriers, and these carriers are employed to do extra work in the offices. The expense of the City Delivery Service is \$36,000,000 for 46,000,000 people, or 78 cents per unit of population, and the 42,000 rural delivery routes, supplying 20,000,000 people, costs \$45,000,000 a year, or \$2.25 a year per unit of population. Judging the subject in the light of the cost, one can not blame the villages if they should bitterly resent the taking away of this privilege which has been accorded them and to the enjoyment of which they have become accustomed.

Mr. Chairman, I lift my voice in behalf of the residents of Morenci, a thriving village in my district, close to the Ohio line. They have been highly appreciative of having their mail deliv-

ered. They would bitterly but justly resent it if their Representative on the floor of this Congress should allow this privilege to be taken away from them without doing his utmost to prevent it. There are other villages in my district that are asking for this right. They are getting an inkling as to how much it is appreciated in Morenci, and, Mr. Chairman, I am going to devote myself to an effort to get it for them. see no just reason why this Government should discriminate against the villages, and I predict, also, that in time the added expense would be fully met by increased revenues. bill does not attempt to bring about full village delivery; it merely provides for a continuance of the service in villages which now have it and for the starting of it in a like number of villages which do not now have it. The extension of the service to all villages, I think, ought to be provided for in the appropriation bill next year. We must take no step backward, however, and, once having conferred a privilege so highly ap-

preciated, we should not take it away.

The main increases in the Post Office appropriations are caused by the increased cost due to the rapid growth of the parcel post. This service is growing by leaps and bounds, and it is doubtful, indeed, if all the items of appropriation are as large as the tremendous increase in parcel post will demand. While we get this money back in postage on parcel-post packages, we must provide in advance for all the expenses of the parcel post from July 1, 1914, to July 1, 1915. An attempt has been made to do this in this bill. The people are just beginning to learn the use of the parcel post, and they are very highly appreciative of it. But not all the benefit has come to those who make use of it. Already it has forced the express com-panies to make a very material reduction in their rates, in many cases compelling them to cut their rates into halves. caused a great saving to consumers, running into the millions of dollars. But this taking over by the Government of a large proportion of the express business of the country by the Post Office Department gives rise to many new and perplexing prob-The method of carrying mail other than the letter mail in cloth sacks in use so many years is not fitted for the safe carrying of parcel post without breakage, and the recent in-crease in weight will cause an increase in the necessity of devising a different method of handling packages. A small 20-pound package of iron placed in a sack with fragile packages and handled the way these sacks are handled would have a tendency to do much damage. While this has nothing to do tendency to do much damage. While this has nothing to do with this appropriation bill, I hope I will be excused for referring to it only as illustrating one of the many problems to which your committee, together with the department, must give its attention.

The parcel post is only in its infancy, and the volume of it will increase manyfold. It will greatly increase the revenues of the Post Office Department, but it must also correspondingly increase the expenses, and that in every branch of the service. Not only the cost of transportation, the number of employees in the service, the expense of the rural carrier, the cost of city delivery, the cost inside the post offices and the railway mail car, the cost of the screen-wagon service, the amount of the star-route contracts, but in many other ways. It will also compel the building of additions to a number of post offices, and an increase in the size of offices to be hereafter built. It is a big business that the Post Office Department has added to its already large business, and it is a great testimonial to the efficiency of the department that this big business has been successfully carried on with so little preparation for it. We have taken this great step in advance, and we must devote ourselves to improving the service and making it of still more

value to the people.

This bill provides for an increase of \$50 a year each in the salaries of approximately 42,000 rural mail carriers. this is a small enough increase when the extra work imposed

upon them by the parcel post is considered.

The bill provides for 30 additional post-office inspectors, which will be a welcome addition to a greatly overworked but highly efficient force of men. The business of the post office has become so extensive, its employees so numerous, its activities so varied, that money spent for inspection is money well spent and is returned manyfold in increased efficiency of the work

The principal increases in appropriations in this bill are \$600,000 for the screen-wagon service, caused by the parcel post; \$1,570,000 for the star-route service, expense caused by the parcel post, and which I hope will in some measure at least alleviate the distress of the star-route carriers who so feelingly appeal to the gentleman from Wyoming [Mr. Mondell] when confronted with the task of carrying out 5 tons of beans on one trip; \$750,000 for temporary and auxiliary clerk hire caused by the shifting demands of a new service such as the parcel

post is; \$3,688,000 for railroad transportation, caused by the increased weight of the mails; \$1,647,900 compensation to clerks and employees; \$400,000 for rent, light, and fuel in post-office buildings; \$2,340,000 for pay of letter carriers; \$690,000 for substitutes for letter carriers; \$470,000 for horse-hire allowance; \$2,197,840 for pay of employees in the Railway Mail Service; \$410,000 for the expenses of operating railway mail terminals, which, besides shortening the time, it is estimated, are effecting a saving of \$1,500,000 in expenses a year; and \$1,150,000 for the rural mail carriers.

It will be noticed that a very large part of this increase is demanded by the rapidly increasing volume of parcel post, which is adding greatly to the work of all departments of the As to the appropriation for rural mail carriers, the service. increase is needed for increase and extension of the service, and if the House should agree to the proposed legislation in-creasing the compensation of the rural carriers \$50 each it will be necessary to add approximately \$2,000,000 to this appropria-

The bill, as has long been customary in a Post Office appropriation bill, carries some new legislation. That referring to the assistant postmasters has already been referred to, and this is really less material than some of the other legislation that the bill contains, although, of course, more productive of partisan debate. Unlike many preceding bills, however, this new legislation has all been eliminated from the appropriation part of the bill and put at the end of the bill in added sections, numbered from section 2 to section 18, inclusive. The propriety or necessity of most of this new legislation is so apparent that I need take no time to refer to it, and there are only two points that I wish to take up.

The first is an appropriation of \$200,000 for the purchase by the Government of steel railway post-office cars. This appropriation is for the purpose of determining what the saving will be if the Government should own its own railway mail cars instead of continuing to rent them from the railroads. The Government is paying the railroads now a rental of \$5,000 a year for each of these cars and paying also for the mail carried in them by The rental cost for these cars is considerably over \$5,000,000 a year. Approximately two years' rental will build one of these cars. Many private corporations own their cars and pay the railroads for hauling them over their roads. If it pays the private corporations to own their cars, why should it not pay the Government, especially when the Government can buy these cars at a cost of two years' rental? A peculiar fact is that where the Government occupies a compartment car for its mail—that is, one half of the car being used for a rallway-mail post office and the other half for baggage or express—the Government pays no rental at all; just simply pays for transporting the mail by its weight. If the Government can use half a car without rental, why should it be compelled to pay as large a sum as \$5,000 a year for the rental of a whole car?

The other point I wish to refer to is the extension of the law

granting full pay to railway mail clerks granted leave of absence on account of injuries received while on duty, and giving the family of a railway mail clerk \$2,000 if he is killed while on duty, so that it will apply to letter carriers, rural carriers, post-office clerks, or special-delivery messengers. There is no reason why the Government should not be subject to a workmen's compensation law as well as an individual or corporation. If this law is just as to railway mail clerks, and I believe it is eminently just, it is as just to the other postal employees, who are liable to be run down by automobiles, bitten by vicious dogs, or injured in many ways through no fault of their own. I feel sure that Congress will feel the propriety of the Government providing for its employees injured in the line

There is nothing in this bill about superannuated employees, but with the avenues of promotion practically closed, and civilservice employees growing older with their wages only sufficient in most cases for their daily living, the question must eventually be taken up and settled in a spirit of mercy. Superannuated employees can not render efficient service; neither can a merciful Government turn them out helpless on a cold world absolutely incapacitated from earning their living in other employment, and the civil-service law will shortly make this a burning question.

Mr. Chairman, your committee worked many days on this bill. They had before them the careful estimates of the Post Office Department. They wanted to cut the appropriation to as low a figure as was consistent with the good of the service. We grant that the total asked for in the bill is large, but it is not so large that the estimated revenues of the Post Office Department will not care for it. It is not true economy to be parsimonious. We must serve the people well. It is a big business, employing 295,469 people, and is growing so rapidly that the number of employees must largely increase. It is well handled and it comes close to the people. It has done much, and it will do more. It has had a wonderful development. But I believe the development of the next five years will far exceed the development of any five years of its history.

Mr. MOON. Mr. Chairman, I yield 10 minutes to the gentle-

man from Illinois [Mr. GORMAN].

Mr. GORMAN. Mr. Chairman, there has been so much said here this afternoon by gentlemen on the Republican side of the House concerning their love for the civil-service law that one would get the impression that the Republicans alone are in favor of its enforcement. I wish to take advantage of this opportunity to publicly declare that I am in favor of an honest and conscientious application and enforcement of the civil-service law. I believe that all appointments to positions in the civil service should be governed in the first instance by the qualifications of the man or woman appointed to the position, and that retention in the civil service should continue as long as the employee renders conscientious and efficient service to the Government.

I listened with a great deal of interest to gentlemen on the other side of the House reading to us from ancient volumes what some Republicans said in times past concerning civil service, and if they are going to read all that Republicans have said in favor of civil service they will keep us here an out-rageously long time, because Republicans have said a great many things in favor of civil service. But if some one of the distinguished and scholarly gentlemen on the other side of the House will take upon himself the insignificant task of writing down what Republican administrations and Republican leaders have done in favor of an honest, conscientious application of the civil-service laws, he can write it in capital letters on the back of a postage stamp and have room to spare. [Applause

on the Democratic side.1

Mr. Chairman, the question of civil service that is here involved, as I view it, is not whether we shall have civil service, but as to whether the administration charged with its application will do it in an honest and conscientious manner. knowledge which I have gained from conditions obtaining here in Washington in the Government service, and in view of the statements that have been repeatedly made here upon the floor of the House by gentlemen whom I believe to be in a position to know, that 95 per cent of the Government employees now under civil service are Republicans, leads me to believe that there has been a gross violation of the civil-service law and partisan favoritism carried on under that law and in violation of it by the Republicans during their years of power.

The last Republican President, Mr. Taft, has been lauded here by the Republicans because of his issuing an Executive order extending the civil service. But if President Taft had issued that order before his defeat for the Presidency it would, in my judgment, have shown better faith on the part of Presi-It was stated on the floor of the House a few days ago that President Taft's order extending the scope of the civil-service law was made before his defeat, but everyone who was at all familiar with the conditions knows that President Taft was defeated by the bosses of his own party at Chicago in June, and what happened in November was only anticipated by the issuing of his Executive order in October extending the

scope of the civil-service law.

Mr. Chairman, while the Republicans have done little for civil service it might be observed in this connection that they have done a great deal to civil service. If I were to go into details and cite specific instances, it would extend beyond the limit of time allotted to me; but to sum it up in a word, Republican administrations have time and again done the same thing to the spirit of civil service that the bosses of the Republican Party did to the delegates elected to the Republican convention at Chicago in June, 1912. The bosses used the steam roller on Republican delegates who were not friendly to Mr. Taft and Republican administrations used the steam roller on the civil-service law when it stood between them and the friends whom they wanted to reward.

Mr. Chairman, one of the gentlemen on the Republican side this afternoon quoted the plank in the Democratic platform making reference to civil service. There is another plank in the Democratic platform adopted at Baltimore which I hope my Democratic associates will do something to carry out during the life of the present Congress, and that is the plank which commits the Democratic Party to a policy of economy by the wiping out of unnecessary and useless offices, the salaries for which are consuming the taxes of the people.

positions were created by the Republicans and appointments made to these positions as a reward for services rendered to the Republican Party. Some of the men so appointed had developed humps on their backs from carrying their election precincts or districts, but none of them was appointed by virtue of any civil-service test to determine their qualifications for the office, and after the creation of these places and the appointments had been made, Executive orders extending the civil service were issued from time to time to retain these men in power. I am one of the new men in the present Congress, and I have been amazed, Mr. Chairman, in going through the various departments here in Washington, at the number of big, able-bodied men whom I have seen sitting around the corridors in the various public buildings performing no useful function, doing absolutely nothing but drawing the salary that is paid them, and on inquiry as to how long these men have been in the Government service I have been informed that they have been here, some of them, 15, 20, and 25 years, and now they are all civil-service employees.

The only thing I have ever seen some of these men do in the way of work is to open a door leading into the office of a Government official as a visitor approaches it or close the door after a visitor has departed. Will some gentleman on the other side of the House be kind enough to inform us as to the kind of civil-service test one should be subjected to to determine a man's qualifications to fill so absolutely useless a posi-

Mr. Chairman, among the other employees of the Government whom I have had the good fortune to see at their work are the Government clerks, and there are many thousands of these. They report for duty about 9 o'clock in the morning and quit at 4.30 in the afternoon. The first hour of their day is usually devoted to making preparations for beginning work, and the last hour is devoted to prayerful contemplation to the approach of quitting time. The mechanics employed at the Government Printing Office, the Bureau of Engraving and Printing, and in the navy yard are as hard working an army of men as I have ever seen employed anywhere; but the Government clerk, protected by civil service, after appointment by Republicans as a reward for services rendered to the party and after long years in the Government service, develops an impression that he is molded of superior clay and comes to regard himself as absolutely secure in his position. And in view of the fact that many of them were appointed with a view to doing nothing but drawing salary, they can not be successfully accused of neglecting their duty or being incompetent, and my observation of them has led me to the conclusion that they are eminently qualified to do nothing, and they live up religiously to that qualification.

Mr. Chairman, I am one of those who had the good fortune to sit here yesterday and listen to the eloquent, forceful, powerful, logical speech of the distinguished chairman of the Com-mittee on the Post Office and Post Roads when he told the House that in his judgment the Diplomatic Corps should be entirely abolished as a useless appendage to this Republic. I believe, Mr. Chairman, with the distinguished chairman of the committee, that the Diplomatic Corps maintained by our Government at a great expense is absolutely worthless to us. created at a time when the Republic was young and a stranger among the nations, and there may have been some occasion in those days for the creation of such a corps on the theory that it would help our Government to be represented abroad.

Mr. WILLIS. Mr. Chairman, will the gentleman yield? The CHAIRMAN. Does the gentleman from Illinois yield to the gentleman from Ohio?

Mr. GORMAN. I must decline to yield now. I do not wish to be discourteous, but my time is very brief.

Mr. Chairman, from my reading of the functions performed by the gentlemen who occupy these high-salaried positions of ministers to European courts, the most useful thing they do is that of serving as matrimonial agents in bringing about the introductions of rich Americans with daughters of marriageable age to dissolute dukes or puny princes with matrimonial inclinations. In the days before we had the telephone, the telegraph, wireless telegraphy, and a well-developed Postal Service there may have been some occasion for a representative stationed abroad, but in these years of our modern progress, in view of the speed with which we can do things, aided as we are by modern scientific inventions, it seems to me that if the Government of the United States wants to transmit a communication to a foreign Government it can very properly, safely, and with due dignity transmit it by mail or by cable or with the aid of our wireless telegraphy; but I believe it is beneath During the many years of Republican administration, and while the civil-service law was on the statute books, numerous any foreign court, garbed in the livery that royalty may dicthe dignity of any American citizen to require him to sit around

tate, in order that he may be on hand to carry a message from

this Republic, flunky like, to any king.

Mr. Chairman, in carrying out the party's pledge to the people—of economy in the public expenditures by abolishing useless offices—the Democratic Party could render no better service with the money thus saved than to apply it to the increase in salaries of the men in the Postal Service, who render real service to the country. In the large cities throughout the land, where the cost of living has increased out of all proportion to the income of men who work for moderate fixed salaries, there are a great number of letter carriers and clerks in the Postal Service who, in my judgment, are underpaid. There has been a good deal of agitation in recent years for the establishment of a minimum-wage principle, and some of the private concerns throughout the country have voluntarily, without legislative enactments requiring it, adopted such a principle. I believe the principle to be economically sound and that the Government should not require the clerks and carriers in the first and second class offces who are married and raising families to work for less than \$1,200 a year.

With a view to bringing about economy in the public service, I would suggest, Mr. Chairman, that the President be authorized to appoint a commission of five, to be known as the commission on efficiency and economy in the public service, and that this commission be authorized to examine into and determine what places or positions in the Government can be dispensed with without interfering with in any manner or impairing the efficiency of the service, and that the compensation of such commission be fixed at one-half of whatever sum is saved to the Government in salaries during the first year after the recommendations of such commission have been put into effect.

I desire also to direct the attention of the committee to a

feature of this bill which, in my judgment, should limit or define the duties of the men referred to. I have in mind that section of the bill which provides for the appointment and compensation of inspectors. I know, of course, that inspectors are necessary to the service and that the work of the department could not be efficiently carried on without the aid and assistance of inspectors, but there has been a great deal of complaint among the post-office employees of the undue activity of these inspectors. Some nen, on being appointed inspectors, seem to develop the idea that a proper discharge of their duty as inspectors requires them also to be "spies." I have known of instances where inspectors trailed letter carries days at a time with a view to determining how fast their work was done on certain days and comparing it with the time consumed on the same trips other days. Instances have been cited to me where inspectors have watched the clerks at their work in the post offices day after day with a view to finding out whether or not the persons watched were opening mail. Now, I realize, of course, that some men will go wrong and do things that they should not do, but it seems to me that an inspector who takes it upon himself to dog the footsteps of a man or spy upon a clerk without some basis for suspicion that the person followed or watched requires such following or watching is insulting to the dignity of a respectable man, and the men in the Postal Service, from my knowledge of and observation of them, will compare favorably in character, dignity, and worth with an equal number of men in any other line of employment, and if inspectors, without direction from their superiors and in the wrongful exercise of authority vested in them, do such things, they ought to be called to account for it. If it is done by order of the inspector's superior, there ought to be some basis for the insinuation against the person watched or followed which such conduct If there are inspectors in the service whose work consists exclusively of dogging the footsteps of men or watching them in the offices, the money so expended by the Government could be put to better use. No private concern would subject its employees, under ordinary circumstances, to such humiliation, and the Government of the United States should treat the hard-working, conscientious men of the Postal Service with that same measure of dignity that every honest, law-abiding, industrious man has a right to expect from his employer

Mr. MOON. Mr. Chairman, is the gentleman from Oklahoma, Mr. Murray, on the floor? The gentleman from South Caro-

hira, Muray, on the hoor? The gentleman from South Carolina, Mr. Johnson, seems to be absent, too. Is the gentleman from Kentucky, Mr. Barkley, present? He desires to speak.

They all seem to be absent, Mr. Chairman. Will the gentleman from Michigan [Mr. Samuel W. Smith] occupy some time?

Mr. Samuel W. Smith. I desire to say to the chairman of the committee that I expect some Members are on the way over from the House Office Building, and they will be here in moment

Mr. JOHNSON of Washington. Mr. Chairman, if the gentleman from Michigan [Mr. Samuel W. Smith] will permit, I

desire to place in the RECORD a number of protests from the State of Washington in regard to the destruction of the civil service as planned in this bill. The post offices there are few and far between, but they have reached a high state of excellence through the zealous service of assistant postmasters. ask that they be placed in the RECORD.

The CHAIRMAN. The gentleman from Washington asks unanimous consent to place certain documents mentioned in the

RECORD. Is there objection?

There was no objection.

Mr. JOHNSON of Washington. Mr. Chairman, the hardest worked men among all of the Federal employees in the State of Washington are the assistant postmasters. In a State where the population grows by leaps and bounds every one of them works to the limit. They have little rest; they have few hours of leisure. No Democrats in my great State are clamoring for this additional patronage, so far as I know. They want the civil service improved, not broken down.

I submit an article from the Centralia (Wash.) Daily Chronicle-Examiner, from the pen of Thomas H. Dunckley, which I commend to those who have the real advancement of the Postal

Service at heart:

A BLOW AT THE CIVIL SERVICE.

A second attempt has been made in the House of Representatives to annul civil-service status of assistant postmasters by an amendment added to the Post Office appropriation bill on December 17, 1913, and as a State organization and individual members they should fight and protest against the passage of this amendment. The deputy collectors had no organization and lost only by a small margin, while the assistant postmasters have both State and National associations. The United National Association of Post Office Clerks at its last annual meeting passed resolutions indorsing the Executive orders extending the classification of assistants.

Assistant postmasters in first and second class offices are classified civil-service employees. They are the first set of Government employees whose inclusion by Executive order was qualified and restricted by a requirement that before receiving the benefit of a classified status each one should be subjected to a test to demonstrate to the Postmaster General his efficiency in the position; this applied to all who had not taken a civil-service examination. This order was issued September 30, 1910, and became effective December 1, 1910. This order, therefore, has been in effect a little over three years. The platform adopted at Baltimore contained this:

"The law pertaining to the civil service should be honestly and rigidly enforced to the end that merit and ability shall be the standard of appointment and promotion rather than service rendered to a political party."

Assistant postmasters in first and second class post offices are classified employees of the Post Office Denartment

Assistant postmasters in first and second class post offices are classified employees of the Post Office Department.

It is believed to be conducive to the best interests of the Postal Service that they shall continue to have the same status and the same tenure as all other supervisory employees in first and second class post offices.

same tenure as all other supervisory employees in first and second class post offices.

There are very good reasons why the assistant postmasters in first and second class offices (about 2,400 in all) should be retained. They are experienced; most of them have performed the duties of assistant postmaster for the past 10 or 15 years—some of them longer than that—and it would necessarily take a political appointee, without experience, a long time to become as proficient as the man who has 10 or 15 years' experience behind him.

The new appointee must begin to learn the multitudinous daties of the position exactly where the present one began 10 or 15 years ago. Meantime the service to the public is deficient in the same degree as the relative importance which attaches to the duties of assistant postmaster in any post office.

The present system contemplates promotion of experienced supervisory post-office employees to all vacancies in the position of assistant postmaster, so that the service under such conditions is maintained at a high standard.

The order by which these positions of assistant postmaster were classified was different from all previous orders of this character, in that it provided before any incumbent then in office who had not passed a civil-service examination should become classified he must prove to the satisfaction of the Post Office Department that he was capable of performing the duties of the office in an efficient and satisfactory manner.

prove to the satisfaction of the Post Office Department that he was capable of performing the duties of the office in an efficient and satisfactory manner.

This was a test never before applied to a class of employees covered into the classified service by an Executive order. The result has been that only those who could and did successfully meet the test have been retained and classified.

All the positions in first and second class post offices are now classified, except that of postmaster.

The present incumbents did not all reach their present position without examination and years of practical post-office service; many of them have been promoted from the initial and intervening grades of clerkship and supervisory positions, and are fully conversant with the duties of every position in the office. Those who are classified have long since ceased to be active in politics and are complying strictly with the departmental mandate against political activity or offensive partisanship. Their time is exclusively devoted to post-office service and no part of it is given to political management or committee work. If these positions were thrown open to political preference, the appointees would be compelled to immediately cease their political activity, as required by postal regulations and Executive order.

Mr. Chairman, I desire also to call attention to the following

Mr. Chairman, I desire also to call attention to the following editorial from the Tacoma Daily Ledger:

ASSISTANT POSIMASTERS ARE IMPERILED BY A RIDER,

Democratic hunger for office is far from appeased. One after another, obstructions presented by civil service are being removed to open the way to the pay roll. The most recent effort in that direction is the insertion of a rider on a Post Office appropriation bill, providing that assistant postmasters in first and second class offices shall be taken out of the classified list. That has been done in committee. What Congress as a body will do with the rider remains to be seen, though from

what has already been accomplished one may fairly infer that the heads of assistant postmasters who happen to be Republicans will fall in the basket before long.

When Mr. Taft was President he issued an Executive order placing assistant postmasters under the civil service. We suppose the backers of this order will say that the order had the effect of putting a lot of men in the classified list without requiring them to undergo a civil-service examination. There are said to be about 3,000 positions affected by the Democratic rider.

It was Mr. Taft's idea that assistant postmasters should continue in office, without regard to changes in administration, in order to make sure that there was always an official in a post office familiar with its affairs. In many offices the assistant postmaster is the active executive head. It does not matter much whether the postmaster is on hand or not. Business goes on efficiently anyhow.

If any change is made, instead of overthrowing Mr. Taft's order, it should be so extended as to inleude postmasters, for the postmaster really has no duties of a confidential nature affecting national administration polic'es.

really has no duties of a confidential nature altecting national administration policies.

The growing practice of rider legislation is to be deplored. Instead of attaching such a measure to the Post Office appropriation bill it should be considered separately and on its merits. The Democrats have found the rider a convenient means of hampering the civil service and making places for the faithful. They employed it in the income-tax provision of the tariff bill, in the urgent deficiency bill, and in the banking and currency bill. Now, in their hunger for more spoils, they are proposing to use it to oust assistant postmasters that were covered in the civil-service Executive order in 1910.

Mr. PAYNE. Mr. Chairman, I want to suggest to the gentleman from Tennessee [Mr. Moon] that possibly these gentlemen he is waiting for are taking a Saturday half holiday. I think it would be a good example to follow. The gentleman from

Tennessee is not to blame that they are not here.

Mr. MOON. No; by no means, I take it. Does the gentleman from Michigan [Mr. Samuel W. Smith] desire to have anyone else address the House?

Mr. SAMUEL W. SMITH. As I said, Mr. Chairman, I understand two or three gentlemen are now on their way hither from the House Office Building.

Mr. MOON. Mr. Chairman, I will ask how much time is unexpired?

The CHAIRMAN. The gentleman from Tennessee has occupied 8 hours and 22 minutes, and the gentleman from Michigan

7 hours and 47 minutes.

Mr. MOON. How much time have I left?

The CHAIRMAN. The Chair does not know how much time the gentleman has left. The gentleman has consumed 8 hours and 22 minutes.

Then, I would have an hour and 38 minutes Mr. MOON. left. How much has the gentleman from Michigan?

Mr. SAMUEL W. SMITH. Both of these gentlemen that I referred to are on their way here.

The CHAIRMAN. The gentleman from Michigan has 2 hours

and 13 minutes left. Mr. MOON. Well, the gentleman from Michigan had better

occupy some of the time, then. Mr. SAMUEL W. SMITH. I hope not to detain the com-

mittee but a moment or two. These gentlemen are on their way here.

Mr. MOON. Will the gentleman from Michigan favor us with a speech?

Mr. SAMUEL W. SMITH. I yield five minutes to the gentle-

man from Nebraska [Mr. Barton].

The CHAIRMAN. The gentleman from Nebraska [Mr. Barton] is recognized for five minutes.

Mr. SAMUEL W. SMITH. Or will the gentleman from Tennessee care to have the gentleman from South Carolina [Mr. Johnson] occupy some time now?

Mr. MOON. No.

Mr. SAMUEL W. SMITH. Mr. Chairman, then I yield to the gentleman from Nebraska [Mr. Barron] 10 minutes.

The CHAIRMAN. The gentleman from Nebraska [Mr. BAR-TON] is recognized for 10 minutes.

Mr. BARTON. Mr. Chairman, on October 27 I introduced House resolution No. 295, asking the Secretary of the Treasury for information as to the ownership of certain railroad property in Kansas formerly belonging to the central branch of the Union Pacific. This resolution reads as follows:

House resolution 295.

House resolution 295.

Resolved, That the Secretary of the Treasury be directed to send to the House of Representatives the following information, so far as this information is now contained in the files of the Treasury Department:

First, What corporation now holds title to the 100 miles of railroad extending from Atchison to Waterville, Kans., formerly owned by the Central Branch of the Union Pacific?

Second. Did the United States issue subsidy bonds to this railroad company to the amount of \$1,600,000?

Third. If so, has the principal and interest been paid? If not, state the amount still due.

Fourth. Has the United States made demands upon the present owners of the said railroad for reports of its business?

Fifth. Has the United States commenced action to recover the amount of principal and interest due from said railroad? If so, state action taken by your department.

The resolution was referred to the Ways and Means Committee, and, with many other matters referred to them, is now enjoying quiet repose. Having grave fears that this condition will grow worse and this resolution with its comrades may under the hypnotic influence of this committee sink into its everlasting sleep, I desire now to call the attention of the Members to this resolution.

On the 1st of January of each year it is a common custom of business concerns to collect deferred debts, but our Government does not seem to adhere to this established and good business principle

During the years 1886, 1887, 1888, \$1,600,000 United States subsidiary bonds were delivered to this company. These bonds matured 30 years after date and were dated when issued. They hattreed 30 years after date and were dated when issued. They bore interest at 6 per cent per annum, payable semiannually, on the 1st of July and January of each year. The interest and principal was paid from time to time by the United States as they matured, amounting in the 30 years to \$3,880,000. If to this sum there be added 6 per cent simple interest on the principal was paid to be a sum of the content of the sum of the cipal sums since paid, we have about \$5,250,000, less the amount paid or credited thereon on account of 5 per cent of the net earnings received and one-half transportation charges for carrying Government property, amounting in all to about \$804,000, leaving about \$4,500,000 yet due. In addition to this loan the company received patents to 223,080.50 acres of land.

The Hon, Franklin MacVeagh, then Secretary of the Treas-The front. Frankin Macveagh, then secretary of the Treasury, requested the Hon. W. T. Thompson, then Solicitor of the Treasury, to examine into the condition of this claim and report to him the possibilities of collection. On July 27, 1913, Mr. Thompson, in a well-considered 44-page brief, which I hold in my hand, but which I will not print in the RECORD on account of its length—it is open to the inspection of any Member who is interested in this business—made a careful analysis of the case, and made recommendations as follows:

the case, and made recommendations as follows:

1. That so much of Treasury Department Circular No. 79, dated April 19, 1895, or any other Treasury order which in effect directs the payment of one-half of the transportation charges over this road be paid to the company earning the same, should be revoked, and all such charges should be retained by the Treasury Department and applied to reimburse the Government for interest paid on said subsidy bonds.

2. That the Secretary of the Interior should forthwith make demand upon the present owner of said railroad for reports of said road which it is now in default of to that officer.

3. That demand should be made upon the present owner of the road to pay or reimburse the Government for principal and interest paid on account of the subsidy bonds issued and paid by the Government in aid of the construction of this road.

4. That in the event of the failure on the part of the present owner of the road to reimburse the Government as aforesaid, that an action be directed to be brought to foreclose the Government's subsidy bond lien and for a sale of said road and telegraph line, for an accounting of its net earnings, and for a personal judgment against the present owner of the road for any deficiency which remains unpaid upon said lien and judgment after proper application of the proceeds of said sale.

5. That if it becomes necessary to protect its interest and to secure reimbursement for the moneys expended on account of the subsidy bonds, the United States bid in at the foreclosure sale and take over said road and telegraph properties, and should it be determined that the act of March 3, 1887, did not amount to an appropriation for that purpose, Congress be asked to appropriate a sum sufficient therefor. It is my candid conviction that if these steps are taken with that vigor and determination which the magnitude and importance of the claim demand, the United States will ultimately receive satisfaction of at least the principal of this claim.

Respectfully submitted.

W. T. THOMPSON, Solicitor, Treasury.

To date, so far as I can learn, this amount is still due the Government. The purpose of my resolution was to show the true condition, so that the Members of this body might be fully advised. My reason now for calling this matter to your attention is not only to attract the attention of the Members of this body to the existing condition, but also to attract the attention of the Attorney General.

I prophesy the Democrats will say that a Republican administration did not attempt collection as an excuse for their not taking action. This faulty argument was advanced in defending caucus action and outrages upon the classified civil service, but that kind of argument will not be convincing to the American people. The question as presented to them as to our actions here will not be directed to partisanship, but whether the subject matter treated is right or wrong. If it is right that we proceed to make this collection, and I can not think of one legitimate argument against so doing, then the responsibility of action rests with the Attorney General. If he refuses to accept this responsibility and permits this corporation to keep the sum of \$4,500,000 that belongs to the people of this country, then it is our duty as their representatives to demand that action be taken. I sincerely trust that the Attorney General will do his duty and make this collection; if not, I am going to ask you, the representatives of the people, to assist me in forcing action.

It can not be denied that the Government delivered the bonds; that the company defaulted the principal and some of the interest; that the property is in existence that guaranteed the loan. What would you do if this was your private business? Would

you not enforce collection?

Mr. Chairman, I favor the proposition of building a railroad in Alaska, but when we speak of that some gentlemen have viewed with consternation the proposition that the Government should attempt to put its money into a railroad. Here we have a case where the Government made a loan, and the company still owes the Government, after nearly 35 years, \$4,500,000, and no effort is made to collect the debt, while the Alaska proposition offers to repay the money as the land is sold. [Applause.]

yield back my remaining time.

The CHAIRMAN. The gentleman has one minute remaining. Mr. SAMUEL W. SMITH. I yield one minute to the gentleman from Ohio [Mr. WILLIS].

Mr. WILLIS. Mr. Chairman, I simply want to refer to an interesting state of facts, to which I wished to call the attention of the gentleman from Illinois [Mr. GORMAN] a few moments ago when he declined to yield to me. The gentleman is opposing the Diplomatic Corps and saying that it ought to be abolished. I note that when, on December 3, the vote was had on a bill to establish a perfectly useless ministership to Paraguay the gentleman from Illinois [Mr. Gorman] was not present to vote, but the gentleman from Tennessee [Mr. Moon], whose animadversions upon the Diplomatic Corps have been so generally quoted through the country, was here and voted for the bill to establish an additional office in Paraguay.

Mr. MOON. That was my prerogative. The gentleman would probably vote against all of them if he had the chance. Mr. DONOVAN. I should like to inquire of the gentleman

from Ohio how he voted on that proposition?

Mr. WILLIS. I voted against the bill. Mr. MOON. I yield 20 minutes to the gentleman from South Carolina [Mr. Johnson].

Mr. JOHNSON of South Carolina. Mr. Chairman, I have introduced into the House and had referred to the Committee on the Post Office and Post Roads a bill to do justice to the rural letter carriers. In the first place, it increases their pay from \$1,100 to \$1,200 a year. In the second place, it provides that for all mileage in excess of 24 miles they shall be paid at the rate of \$50 per mile per annum. In the third place, it provides that where a rural carrier is required to carry into the interior and supply a post office with a mail pouch he shall be paid \$10 per

mouth for that service.

Since the passage of the parcel-post law the work of the rural carriers has been very largely increased. I believe that as the parcel post is improved and the people more generally take the benefit of it, the rural letter carriers instead of going out as they now do with their one-horse vehicles will be called upon

to use two horses.

During the Christmas holidays, when I was in my district, I saw some of the carriers as they started out on their morning Packages and parcels were piled up until the men

could just barely look over them.

The Parcel Post Service has provided an especially low rate for packages that are mailed in the country to be carried into the town by the rural carriers. It has provided an especially low rate for parcels that are mailed at the office from which the rural route starts, where there is no railway transportation and nobody handles the package except the office from which the route emanates and the rural carrier from that office. The result of that is that the merchants in the towns and villages are taking advantage of the rural service to send out into the country all sorts of merchandise.

It might surprise some of you gentlemen to know that I saw a sack of flour being carried out by a rural carrier. All manner of merchandise is being sent out by merchants over rural routes, and these carriers are burdened with it. There is no expense to the Government because the packages are mailed at the office from which they travel. It does not involve the matter of railway transportation and the great handling of the matter by the clerks, so that whatever revenues come to the Government by reason of the parcel post in this respect is largely clear profit.

These carriers are not only carrying merchandise to the people in the country, but the people in the country are beginning to learn the advantage of sending their products to towns. And here incidentally I may remark that I have been all the while an ardent advocate of the Parcel Post System. I never did look at it as a means of helping the great mail-order houses to get their merchandise over the country, but I look upon it of State.

as a means to help the people of the country to get their products to town.

Have you ever thought, gentlemen, that if any manufacturing concern had to allow a large part of its products to go to waste that it would either have to charge a very high price for what it did sell or the manufacturer would never pay a dividend? Every up-to-date factory should have a market for all of its products and all of its by-products. We have in this country people out on the farms producing thousands of things like tomatoes, beans, and cabbage that are good to eat but which are going to waste. They absolutely rot, while not far away hun-

dreds of thousands of people are suffering for those very things. Now, there is a wasted energy; there is an economic waste that ought not to be permitted. It has gone on because under our system of transportation there was a missing link, and we have not enabled the farmer to take all that he made to the market. It is just as important for the people and the civilization of this country that all that is produced and is needed should find its way to the markets from the farm as that all that is produced in the factory should find its way to the

That brings me back to these carriers. I believe that the par-cel post is going to be developed, that it is going to be utilized by the people of the country for the purpose of getting their products to the towns. It is going to be used by the merchants in the towns to get their merchandise to the country, and the burden of carrying into effect these beneficial reforms will fall upon the shoulders of these carriers. I think I can safely say that I understand the duties of a rural letter carrier as well as any other Member of Congress. I spent several months in going over the rural routes. I know that they must travel through the heat and dust of summer, that they must travel through the cold of winter. They are subjected to all of the vicissitudes of the weather. While the expense of living has been going up by leaps and bounds these carriers have not escaped. They must not only live, but they must maintain a horse or horses and other outfit.

The CHAIRMAN. The time of the gentleman from South

Carolina has expired.

Mr. Chairman, I yield five min-Mr. SAMUEL W. SMITH.

utes to the gentleman from Michigan [Mr. Hamilton].

Mr. HAMILTON of Michigan, Mr. Chairman, I want to condense into a few words my objection to section 6 of this bill, whereby it is proposed to remove assistant postmasters from the classified service.

The postal system is a business system which touches every home and is part of the working machinery of every business enterprise in the United States. It is important, therefore, that every employee in this vast system should be efficient, and we should be seeking ways to promote this efficiency rather than ways of impairing it.

The essential qualifications of an assistant postmaster are practical knowledge, experience, and administrative ability, and the men who hold these places now are men whose capacity

and efficiency have been tried, tested, and approved.

To take them out of the classified service and fill their places by political appointment is obviously detrimental to the Postal Service and is contrary to the platform declaration of the Democratic Party that-

merit and ability shall be the standard of appointment and promotion rather than service rendered to a politica! party.

This standard has governed these appointments heretofore, and the platform on which a majority of this House was elected condemns the purpose of this provision and puts its advocates in the attitude of repudiating their party pledge for the purpose of injuring the public service.

Mr. SAMUEL W. SMITH. Mr. Chairman, I yield 30 minutes

to the gentleman from Pennsylvania [Mr. MOORE].

Mr. MOORE. Mr. Chairman, at this late hour, Saturday afternoon, I do not intend to take up the question of the Government ownership of railroads in Alaska, as I had hoped to do, but shall confine myself to a subject that will take less time. Perhaps I should begin with a story which may or may not pertain to some of our great Chautauqua lecturers, even to those who find themselves unable to live upon the salaries paid them by the Government. I have no particular one in mind. but my lecturer was visiting an up-State town, where he held forth to the audience, which gradually disappeared. When he had about three-quarters finished the audience had reduced itself to one.

Mr. BRYAN. Will the gentleman yield? Mr. MOORE. I hope the gentleman will not interrupt the story.

Mr. BRYAN. That evidently was not the present Secretary

Mr. MOORE. I said that in the beginning. The gentleman evidently is mistaking himself by reason of the similarity of names. He has mixed himself up with the Secretary of State,

which I much regret.

The lecturer was holding forth and the audience had diminished to one. At the close he said, "I feel that something is due to the audience and I want to thank him for his kindness and patience in remaining until I have concluded my perora-Whereupon the audience promptly arose and said, "You owe me nothing, sir; nothing at all; I am the next speaker on the program." [Laughter.] So I am grateful to the distin-guished gentleman from New York [Mr. PAYNE], who used to make the motion to adjourn, for having held here until this time, and I am grateful to the chairman of the committee [Mr. Moon] for his patience, and to my friend the distinguished minority leader of the Post Office and Post Roads Committee, the gentleman from Michigan [Mr. SMITH], for having yielded me some of his time.

Mr. PAYNE. But none of us are on the program. [Laugh-

Mr. MOORE. I thank you just the same for having remained until these remarks are started, and I hope you will

stay until I have delivered my peroration.

We are discussing the state of the Union, as I understand it, and the state of the Union is such that we may commend the leaders of the House for permitting a general discussion of public questions in the time allowed for the consideration of the Post Office bill. It is evident from what has been said that there is much valuable information concerning the country's welfare which the people have not acquired through the newspapers and which they will not acquire until they subscribe to the Congressional Record and peruse it diligently.

From the Republican point of view, as described by the gentleman from Washington [Mr. HUMPHREY], more men are out tleman from Washington [Mr. HUMPHEY], more men are out of employment, due to the Democratic tariff, than the newspapers generally care to acknowledge, and as the gentleman from Georgia [Mr. HARDWICK] sees it, the Democratic tariff has brought unbounded prosperity, which has made "the country smile and blossom as a rose." No one in particular on the Democratic side refers to any reduction in the high cost of living. I observed that the gentleman from South Carolina [Mr. Johnson], in his eloquent speech on the parcel post a few moments ago, said forcefully and truthfully that the cost of few moments ago, said forcefully and truthfully that the cost of living had been getting higher and higher and higher. He fixed no limitation to the height to which the cost of living has risen, though we have been governed by the Democratic Party for nearly three years in this Congress and for one year from the White House.

But the gentleman from Alabama [Mr. Underwood] blandly quotes the New Year's speech of the Hon. John Wanamaker, delivered before the directors of the Union League of Philadelphia, to show that notwithstanding the uncertainty that besets us in the industrial and mercantile world we ought to cheer up and be hopeful. When he brought Mr. Wanamaker into court as his best witness, the gentleman from Alabama evidently did not know that on the day after Christmas this greatest of American merchants, with his large department stores in Philadelphia and New York, was advertising his readiness to take "the overstocks of manufacturers and jobbers," and that in his advertisements he was telling of the difficulties that confronted the

manufacturers.

In the Philadelphia Record, a Democratic newspaper, a portion of which I have in my hand, in a signed advertisement on the day after Christmas, less than a week before he delivered the address quoted by the gentleman from Alabama, Mr. Wanamaker said:

A station clock needs to be only a minute wrong to make thousands of people miss their trains, and if the pendulum of the clock of business loses a single beat it starts a halting and trembling and worriment from one end of the country to the other.

I do not know whether in writing this paragraph Mr. Wanamaker had in mind the effect upon the country of a change from the system of progress and revenue raising created by the Payne tariff bill or not, but in the next paragraph he says:

There was some such little worry started in Manhattan as long ago as Thanksgiving. Some business brains that were usually as regular as chromometers began to lose minutes. People got to thinking about hard times, and so got to losing time.

Whether Mr. Wanamaker had in mind the passage of the Underwood tariff bill, which was making the people in the factories and foundries mark time, or not, I do not know. In the next paragraph he said:

Men and firms usually very reliable began to do unusual things.

And why? We were changing. We were in a transition period. The textile, the industrial, and the mercantile worlds were wondering what the change would bring about, because

we were to pass from a Republican tariff bill to an uncertain Democratic tariff bill; but he went on in that advertisement the day after Christmas to say:

There was a check and a halt and a wait and a worry in business. Old-time conservative firms stopped buying new stocks and began almost frantically to advertise special sales. Firms even that scarcely ever used the newspapers began to advertise. Manufacturers saw their winter stocks pilling high and joined in the worrying, and all the time people went on about their Christmas merrying and let business worry itself along. And the result is that now—

The day after Christmas, mind you, when ordinarily the stocks would be cleaned out and the bargains would have been taken by people who sought them, no matter what the wages paid to those who made them—the day after Christmas, said Mr. Wanamaker-

there is a congestion of merchandise, and millions of dollars are tied up in winter clothing that people have not found it necessary to buy.

Did they have the money? But we will read further from what Mr. Wanamaker said the day after Christmas:

Most manufacturers and a great many stores are heavily overstocked with these winter goods. The overstocked manufacturers and whole-salers are bound to lose money—

Bound to lose money, he says-

if the owners hold the surplus goods over to the next winter.

Then Mr. Wanamaker said that he had room in his great store to take these surplus stocks, and added:

And we stand ready to take them. We will take the overstocks on hand of manufacturers and jobbers, no matter how large. * * * This means a fine opportunity for the people.

And then he says:

It gives the mill people and ourselves employment when some manufacturers need money. It means, too, in some instances that one dollar will buy as much as two did some months ago.

Mr. BEAKES. Will the gentleman yield?
Mr. MOORE. Yes.
Mr. BEAKES. Does not the gentleman from Pennsylvania think that that was written by some advertising writer like a fire sale?

Mr. MOORE. Mr. Wanamaker's facsimile signature is attached to this and here it is. I know it very well, and I would swear to it in court.

Mr. BEAKES. Does not the gentleman know that the habit of attaching John Wanamaker's signature to advertising-

Mr. MOORE. I venture to say Mr. John Wanamaker would dismiss any man who intimated that was not written by himself and that he was not himself thoroughly qualified to write it. He is proud that he is able to write his own advertisments, and that startling statement comes from him.

Mr. KENNEDY of Connecticut. Will the gentleman permit a

question?

Mr. MOORE. Yes, sir.
Mr. KENNEDY of Connecticut. Is not that the usual advertisement issued by Mr. Wanamaker in all the New York and Philadelphia papers on the day after Christmas?

Mr. MOORE. It may be.

Mr. KENNEDY of Connecticut. Yes, sir.

Mr. MOORE. It may have been in other papers besides Philadelphia, but it has not been customary on the day after Christmas, during the existence of a Republican tariff, that that kind of an advertisement would appear. That advertisement said that manufacturers were overstocked and could not sell their goods; and, in effect, that the people were working half time and at half price in order that shoppers might secure

bargain sales. That is not customary in Republican times.

Mr. KENNEDY of Connecticut. Will the gentleman permit

another question?

Mr. MOORE. Certainly.

Mr. KENNEDY of Connecticut. Does not Mr. Wanamaker issue an advertisement every three months to take over all the surplus stocks of manufacturing concerns?

Mr. MOORE. I am not aware of it if he does. Now, at the time this advertisement appeared, on the day after Christ-

Mr. ASHBROOK. Will the gentleman yield?

Mr. MOORE. Yes; for a question. Mr. ASHBROOK. I saw an editorial in an Ohio paper along about Christmas time in which the statement was alleged to have been made by my good friend Moore of Pennsylvania, and I would like to ask him whether it is a correct statement. Speaking about getting a regional bank for Philadelphia, the gentleman is alleged to have said: "If you can convince President Wilson that it would help the Democratic Party it would come here." Did the gentleman say that?

Mr. MOORE. I guess I did say it; perhaps not literally, but that was the substance of it.

Mr. ASHBROOK. Well, the gentleman is more of a partisan than I assumed he was.

Mr. MOORE. I am a partisan; there is no question about that. I am a Republican and a protectionist.

Mr. ASHBROOK. I will ask the gentleman if he can point to any instance where President Wilson has been guilty of any

such partisanship as he has charged here?

Mr. MOORE. I am glad to do it. The currency bill itself is the finest evidence of partisanship this country has ever seen. The currency bill, passed by a Democratic Congress at the dictation of the President of the United States, gives him, the Democratic President, absolute power to appoint the organization committee and a Federal reserve board of his own party, which Federal reserve board will have authority and jurisdiction over the local reserve boards. Such an evidence of partisanship has not been seen in recent times.

Mr. ASHBROOK. Well, will the gentleman then explain why so many Members on his side of the House voted for that bill? I understand 48 Republicans voted for it.

Mr. MOORE. They may have had reasons of their own for voting for it; but so far as the gentleman from Pennsylvania is concerned, he spoke against the bill and voted against it. thank the gentleman from Ohio for asking me that question,

Mr. FESS. Mr. Chairman, will the gentleman yield? Mr. MOORE. Certainly.

Mr. FESS. Do you know of any administration, from the time of Washington down to the present, where more partisan-

ship has been shown than has been shown by this one?

Mr. MOORE. I am not as good a historian as my friend from Ohio, but during my whole lifetime I have not seen such an exhibition of partisanship as has been displayed by this an exhibition of partisanship as has been displayed by the present administration. I challenge anyone to point to the appointment to public office of anyone who is not a partisan of the present President of the United States. On the other hand, I can point to dozens of appointments made by the President's the Han William Howard Taff from the party predecessor, the Hon. William Howard Taft, from the party of the opposition—dozens of them. Some of the most noted men in this country were so honored by President Taft, although they did not belong to his party. But up to this time I have not heard of a single individual having been appointed by the present President of the United States who is not a full-fledged Democrat. And moreover, whereas the former President of the United States, Mr. Taft, did provide that the assistant postmasters should be treated as of and in the civil service, under the present administration they are to be taken out, and the very bill that we now have under discussion proposes ruthlessly to destroy the vital principles of the Civil Service Reform Association, of which the present President of the United States was an honored vice president.

Mr. BRYAN. Mr. Chairman, will the gentleman yield for a

moment?

The CHAIRMAN. Does the gentleman yield?

Mr. MOORE. Yes.

Mr. BRYAN. In reference to the gentleman's statement about appointments, I feel compelled to make one correction. Mr. Herman W. Craven, of Seattle, Wash., is a member of the Civil Service Commission. He was a Republican until last year, and then he became a member of the Progressive Party

Mr. MOORE. I am sorry my information as to individuals does not go so far as Seattle, but I assume the gentleman's

friend was a Progressive.

Mr. PAYNE. Does not the civil-service law provide in terms that no more than two members of the commission shall be of

the same political party?

Mr. MOORE. Yes; I think the gentleman from New York is correct, and therefore the appointment of the gentleman named by the Member from Washington was in accordance with law and in spite of politics. No doubt if there had been no law, there would have been no deviation in that case from the general rule that has prevailed under this administration, of appointing Democrats only to office.

Mr. FESS. Has it not been necessary, if a man on this side of the House wanted to vote for a measure that came up, that he had to vote for a partisan measure in order to vote for it? Has not every measure been a partisan measure, pushed in a partisan spirit, as the currency bill was, which should not have been a partisan measure, for which I voted?

Mr. MOORE. I do not think there has been a time in our history when so many obnoxious riders, involving important legislation to the country, have been incorporated in appropriation bills, and Members on this side have been compelled either to vote them up or vote them down as a whole,

Mr. FESS. Will the gentleman yield to another question?

Mr. MOORE. Yes. Mr. FESS. Is it not true that in the President's writings, with which the gentleman is familiar, the President is a strict

partisan, and is carrying out his plans now as a partisan administration?

Mr. MOORE. There is no doubt about that whatever.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield? The CHAIRMAN. Does the gentleman from Pennsylvaria vield?

I do.

Mr. ASHBROOK. How, then, does the gentleman explain the reported attitude of the President as to the rider on the present appropriation bill, which seeks to take the assistant

postmasters out of the civil service?

Mr. MOORE. In very much the same way as we interpret his message, written when he signed the bill which President Taft vetoed because of the rider exempting labor unions and agricultural unions from the operation of the Federal law. The President then said, in substance, that while the rider was not wholly in accordance with his views he would permit it to stand, believing that his party adherents would respect his well-known wishes in the matter, which left a nice, big, broad field for his party leaders to work upon when they want to bring down the ax upon some poor Republican who has a job.

Mr. ASHBROOK. The gentleman has information, then, that I do not have as to the position that the majority will take on that matter that I have mentioned. The chairman of the Committee on the Post Office and Post Roads advocates that the rider be retained in the bill, and I am convinced that a considerable number on the majority side are in favor of it. But I am not sure that the bill will contain that rider when it is

finally enacted into law.

Mr. MOORE. I have a high regard for the courage of the gentleman from Tennessee [Mr. Moon], the chairman of the Committee on the Post Office and Post Roads. He has spoken out boldly and openly here, and said that notwithstanding the declaration of the President he stood for this proposition of

taking over the offices.

Do not misunderstand me. I do not object to Democratic leaders taking over the offices. They won them. They won them by a fluke, it is true, but they won them nevertheless, and they are entitled to them. As a Republican, I am not asking any special favors on that line. But when the President of the United States leaves the question up to Congress you can de-pend upon the distinguished gentleman from Tennessee [Mr. Moon] or the distinguished gentleman from Alabama [Mr. Underwood] or on any other practical Democrat to see to it that you get all the offices just the same, notwithstanding the President's well-known principles.

Mr. FESS. Mr. Chairman, will the gentleman again yield

to me? The CHAIRMAN. Will the gentleman yield?

Mr. MOORE. I do.

Mr. FESS. In the case of this appropriation bill, for which we want to vote because we want to see the Postal Service car-ried on through the instrumentality of this bill, which carries a \$205,000,000 appropriation, is it not absolutely necessary, if we vote for the bill, to vote for a principle that we condemn, namely, section 6, which is placed in the bill? Is that fair?

Mr. MOORE. That is absolutely true.

Mr. FESS. Is that fair?

Mr. MOORE. No; it is not fair. It is not only unfair but it is cruel to the man who has convictions of his own. In other words, if you want to see the letter carriers paid their salaries, if you want to pay what they justly earn to the rural free-delivery carriers, if you want the boys in the post offices to obtain their pay checks, you have got to swallow the anti-civil-service provision in this bill. If you vote against the bill you vote against paying the ordinary expenses of the Government; you vote against paying the wages of the men who work for the Government, or to do this you are forced into the position of violating your principles upon the civil service. There never was a more vicious legislative proposition.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. MOORE. Yes.

Mr. GARRETT of Tennessee. The gentleman has referred to the appointments of the President of the United States as partisan appointments. He has said that a former President made some appointments from another party than his own. I take it that the gentleman from Pennsylvania [Mr. Moore] has followed the custom of Congressmen generally, and that during the time when his party was in power he made recommenda-tions for appointments. Did the gentleman, at any time, ever recommend a Democrat for appointment for any office?

Mr. MOORE. I have said nice, kind words about straight

Democrats

Mr. GARRETT of Tennessee. The precise question which I asked the gentleman was: During the time that his party was in power and while he, following the custom that Representatives have followed for a long, long time, was making recommendations to the appointing authorities, whether he ever recommended any Democrat for appointment?
Mr. MOORE. To a Republican President?

Mr. GARRETT of Tennessee. Yes.

Mr. MOORE. I question whether I have; but that does not interfere with my feeling that if the President of the United States wants to appoint a Democrat or a Republican because he is competent he may be getting a good man for the place.

A moment ago when these interruptions came I was speaking about Mr. Wanamaker's advertisement, indicating that manufacturers were hard put to dispose of their overplus stock on the day after Christmas. The Christmas shopping had been The people had spent their Christmas money, and there was an overplus of stock. Mr. Wanamaker was willing to buy it so that it might be sold at 50 cents on the dollar. I do not know whether it is fair to ask the question now, but who obtains the most advantage out of a situation like that, the woman who rushes to the bargain-counter sale to obtain goods at 50 per cent of the usual price, or the woman who is turned out of the mill when the manufacturer closes down because of his overplus of stock? Which is best for the country, which is best for the people-cheap goods, or cheap wages, or no wages

When this "day after Christmas" advertisement appeared it was publicly said by men who knew what they were talking about that there were from 25,000 to 30,000 mill hands idle in the district of Kensington alone because of overplus of stockgoods made up for Christmas, and so forth. The department stores had been advertising an avalanche of foreign goods that could be had cheap, and it was said the price of American goods had come down. Many men in the manufacturing business in Philadelphia therefore could not dispose of their stock, and on "the day after Christmas" the opportunity was offered to them to dispose of what they had at 50 cents on the dollar. At that time it was reported in the Public Ledger that from 25,000 to 30,000 men and women were idle in the mill district of Kensington. These were American laborers out of work.

What Mr. Wanamaker had to say on "the day after Christ-mas" attracted great attention in the city of Philadelphia. Men commented upon it. It was regarded first as a business move, the move of a great business man attracting trade to himself and to his large enterprises; commendable from the merchant's viewpoint and most up-to-date; but men marveled at it and wondered why it was that there had been such an overplus of stock in the warehouses of the manufacturers and why they could not have been sold before Christmas and were still piled up mountain high on the day after Christmas.

So the question was brought up to Mr. Wanamaker, and on

the 3d of January he inserted in the newspapers another advertisement, which I shall read.

Mr. Wanamaker knows how to catch the public eye, and he does it marvelously well. His record is one of great success in the mercantile world. Here is what he said three days after the speech that was quoted by the gentleman from Alabama:

A CITIZEN'S QUESTION TO MR. WANAMAKER.

If Mr. Wanamaker is so optimistic, why does he advertise that he will take stocks of merchandise out of the hands of manufacturers and jobbers?

will take stocks of merchandise out of the hands of manufacturers and jobbers?

Does not this denote that he realizes that there are bad times upon us? Nobody can answer this better than the writer himself. And this is the answer:

Nothing is so deadening to business as stagnant merchandise, cased up in boxes in the lofts of the mill or on storage in commission houses eating up interest, which is a terrific incubus upon the manufacturer and jobber. Such situations are common every year, and particularly this year, when everybody has been looking at the new tariff and some of them saying, "We can't tell which way the cat will jump."

There are times in business when the banks draw in their funds and curtail their discounts; at such times the manufacturer has nothing to finance with except his manufactured product.

To be helpful all around in insuring good times we will do our part in good, large measure by taking over merchandise of our quality even if we simply turn over the customer's dollar to pay back the manufacturer's dollar.

Mr. Manufacturer, come along!

JOHN WANAMAKER.

JANUARY 3, 1914.

JOHN WANAMAKER.

Now, if the gentleman from Ohio [Mr. ASHBROOK] wants to be further informed about the regional banks, and it is a fair question, I will ask him whether it is not reasonable to assume that even the banks of Philadelphia were beginning to fear they were going to lose their prestige and that they had to draw in and curtail their loans, so that the manufacturers could not get money on which to move their stocks? Mr. Wanamaker had twice spoken of the inability of the manufacturers to get

What was the occasion for Mr. Wanamaker, on January 3, three days after he made the prosperity speech which the gen-

tleman from Alabama quoted-what was the necessity for him offering to take this vast volume of business, these tremendous stocks of goods, even if he did not make a dollar? Why should he offer to turn them over to the customers at the same price he would pay the manufacturer? Times good? With warehouses stocked, foreign goods rushing into the country, and the Underwood tariff bill in full swing; times good? Were they? Mr. Wanamaker knew the conditions, the manufacturer knew the conditions, and it was known to everybody in our city when this advertisement was published that idleness in certain trades existed. Everybody was hoping for prosperity and Mr. Wanamaker was looking forward with his prophecy of better times, but the conditions actually confronted us.

Mr. TALCOTT of New York, Will the gentleman yield?

Mr. MOORE. I will.

Mr. TALCOTT of New York. Does not the gentleman recognize that it is usual at this time of year for stagnant stocks of merchandise to be on the market?

Mr. MOORE. I have just answered that in response to the gentleman from New York. Mr. Wanamaker answers it in his advertisement. I have not known it to be usual after the holidays in Republican times, and Mr. Wanamaker indicates in his

advertisement that it is unusual. As I said, it attracted great attention, and the explanations from day to day indicated as

Now, I will not deal with the question at length except to say that other men, as well as Mr. Wanamaker, were thinking about this problem. The head of the Baldwin Locomotive Works was thinking about it, and this may help to answer the gentleman from New York [Mr. TALCOTT]. The president of the Baldwin Locomotive Works, Mr. Alba B. Johnson, during the holiday season was discussing this very question in public at a meeting in Philadelphia. It is not the popular view, for the newspapers want us to be hopeful, but because of what Mr. Johnson said then-things which my Democratic friends do not want to hear, things which go to prove that the Democratic tariff policy is not succeeding very well up to date—I wrote to the head of the great Baldwin Locomotive Works for a trustworthy statement as to actual conditions affecting labor in that great establishment during the past year. Mr. Johnson's letter is as follows:

THE BALDWIN LOCOMOTIVE WORKS, Philadelphia, December 27, 1913.

Hon. J. Hampton Moore, House of Representatives, Washington, D. C.

My Dear Mr. Moore: I have your favor of the 26th instant.
One year ago we had in our shops 19,300 men; on July 1, 17,695
men; on September 1, 17,046 men; on October 1, 14,623 men; on
December 26, 10,464 men.
It is, of course, impossible for us to know during what period this
reduction of employment will continue. If the Interstate Commerce
Commission should great the advance of rates requested by the railroads, I think it would stimulate all of the industries of the country
dependent upon railroad prosperity; otherwise I can foresee only further
reductions of force after January 1.

Very truly, yours,

ALBA B. JOHNSON,

President

ALBA B. JOHNSON, President.

Think of it! At the beginning of the year 1913, 19,300 men turning out as many as 8 locomotives for use in this and other countries per day. Six months elapse. The Democrats Fear with regard to the tariff and currency, are in control. slackening of orders because of business uncertainty and inquisitorial legislation, and at the end of six months, on July 1, that 19,300 men had been reduced to 17,695.

Mr. FESS. Will the gentleman yield? Mr. MOORE. Certainly.

Mr. FESS. Did the gentleman read on the first page of the Philadelphia Ledger to-day—a Democratic paper—of the installation of soup houses in Pittsburgh, at which place the Stallation of the Poor has taken charge of Society for the Improvement of the Poor has taken charge of the situation and is furnishing soup at 3 cents a bowl?

Mr. MOORE. I did not read that particular article, but I read in the same paper that during the last few weeks soup houses have been established in the district of Kensington, and that soup is being served to the unemployed. At the same time, while I did not see the article the gentleman refers to, I saw in the Ledger this morning a dispatch from New York, signed by "Holland," analyzing the report of the Royal Bank of Canada and indicating that American capital was coming over the border so rapidly that the Canadians and the British were becoming extremely prosperous at our expense. The report started out by announcing that \$25,000,000 of Canadian munici-The report pal debentures were marketed in the United States in 1913, and this without regard to our loss in giving Canada virtual free trade in our markets through the Underwood bill. Apparently American capital that is not now profitable in the United States is finding its way over to Canada.

But recurring to Mr. Johnson's letter: On the 1st of September the number of men employed had been cut down to 17,046 men. On October 1 they had been reduced to 14,623, and on December 26, the day after this letter was written, the total number of men employed in the Baldwin Locomotive Works in Philadelphia had been reduced to 10,464. Here you have cold facts. Nine thousand men, skilled mechanics, building locomotives, the weather vane of progress throughout the world, had been laid off and had become wanderers on the streets or had sought employment in other places. Said Mr. Johnson:

It is, of course, impossible for us to know during what period this reduction of employment will continue. If the Interstate Commerce Commission should grant the advance of rates requested by the railroads, I think it would stimulate all of the industries of the country dependent upon railroad prosperity; otherwise I can foresee only further reduction of force after January 1.

That is no newspaper report. That is no political statement. That is an actual statement of actual facts taken from the books of the company.

Mr. BALTZ. Mr. Chairman, will the gentleman yield? Mr. MOORE. Yes.

Mr. BALTZ. I understand the gentleman to say that a good many men are out of employment in his district. Different conditions exist in my district. I hold in my hand a copy of the Washington Times which says that the foundries and factories at Granite City, Ill., will employ 8,000 men.

Mr. MOORE. I have observed that some of the newspaper reports are one way and some another. The newspapers want to be hopeful. I have heard them denied back and forth since the discussion began; but in answer to the gentleman I will say that the letter that I have produced is a letter from a business man stating actual facts, according to the books, and there is no denving it.

The CHAIRMAN. The time of the gentleman from Pennsyl-

vania has expired.

By unanimous consent Mr. Moore was granted leave to re-

vise and extend his remarks in the RECORD.]

Mr. MOORE. What Mr. Wanamaker had to say about the worries of manufacturers during the holidays, Mr. Johnson said in another form on December 22 in an address to the New England Society at Philadelphia. A part of Mr. Johnson's address is so directly to the point that I take advantage of the leave to extend my remarks by inserting it here. He said:

leave to extend my remarks by inserting it here. He said:

It is apparent that a new principle has come into the spirit of our Government—that men shall be made honest by statute rather than by the individual conscience. The tacit principle underlying both legislation and administration is that the alms and acts of individuals are evil and that goodness and wisdom are to be found only in the representatives chosen by the mass. These representatives act as monitors to control the wicked constituents from whom they derive their power.

It is a principle as old as civilization that that government is strong which is composed of strong men. In feudal days that nation was strongest which held the strongest feudal lords. In modern days that nation is strongest in its own resources and in the contest for the world's trade which has within it the strongest business units. We are reversing that principle by insisting that so far as it is in the power of Government to do it, the business interests upon which our greatness as a Nation rests shall be made small and weak; that whatever individual or whatever corporation is permitted to prosper, it will inevitably do evil to the community. It is not considered sufficient to control the misuse of power when it occurs, but we must go further and forbid the possession of power. That which other nations are striving to create we are bent upon destroying. Efficiency as a theory is extolled, but efficiency leads to success. Success is offensive to the spirit of the times, and is therefore condemned. The muckrakers have sowed the wind, and those who by intelligence and industry have developed the material interests of the country are reaping the whirlwind.

Thus, despite the New Year's prophecy of Mr. Wanamaker,

Thus, despite the New Year's prophecy of Mr. Wanamaker, we find two of the leading business minds of the Nation, one a merchant and the other a manufacturer, agreeing that trade conditions were unsatisfactory, notwithstanding they would each like to have made a more favorable report.

There was no such worry during the year 1912, when the Payne tariff law was in operation. It came along in 1913, after a Democratic tariff law had been put upon the statute books, and was aggravated by the prospect of a Democratic currency law. In addition a wasteful series of inquisitorial investigations had been instituted, to the great annoyance of legitimate business everywhere.

Though we closed our eyes and ears to it, we could not fail to observe that the tariff law was operating against existing industries in the larger centers of population, and that the currency law was calculated to take away from those centers much of the money upon which large enterprises had been conducted. Moreover, it was evident that investigations were directed principally against those who had been successful in business and that constant investigations were undermining confidence and the stability of industrial institutions. Under these conditions it was natural that business should halt, as Mr. Wanamaker clearly indicated it had halted. And it was notable that while it did halt in the United States it developed in

Canada, in Great Britain, and in Europe. The only satisfaction our own people got out of it was the knowledge that they were aiding foreign workmen to obtain more work and better wages, while our own cost of living, with a reduced wage in the United States, continued to increase. The economic results of Democratic legislation up to date are, therefore, not as helpful or as hopeful as gentlemen upon the other side of the House would have us believe.

Mr. MOON. Mr. Chairman, I move that the committee do

now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HAY, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the Post Office appropriation bill (H. R. 11338), and had come to no resolution thereon.

MESSAGE FROM THE SENATE.

A message from the Senate by Mr. Tulley, one of its clerks announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 1087. An act authorizing the exchange of certain lands within the Fishlake National Forest, Utah;

S. 2903. An act for the relief of Judd McKelvey; and S. 1214. An act to amend sections 2380 and 2381, Revised Statutes of the United States.

The message also announced that the Senate had passed without amendment bill of the following title:

H. R. 9321. An act to amend the act approved May 9, 1888, as amended by the act of June 11, 1896.

SENATE BILLS REFERRED.

Under clause 2 of Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

8.1087. An act authorizing the exchange of certain lands within the Fishlake National Forest, Utah; to the Committee on

the Public Lands.

S. 2903. An act for the relief of Judd McKelvey; to the Committee on the Public Lands.

S. 1214. An act to amend sections 2380 and 2381, Revised Statutes of the United States; to the Committee on the Public

ENROLLED BILL SIGNED.

Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 9321. An act to amend the act approved May 9, 1888, as

amended by the act of June 11, 1896.

WITHDRAWAL OF PAPERS.

By unanimous consent, leave was granted to Mr. Hawley to withdraw from the files of the House, without leaving copies, papers in the following cases, no adverse reports having been made thereon:

Daniel C. Derby, H. R. 24650, Sixty-second Congress, Amos Dahuff, H. R. 1004, Sixty-first Congress, and H. R. 28485, Sixty-second Congress,

Peter Deardorf, H. R. 28353, Sixty-second Congress. John McArthur, H. R. 27346, Sixty-second Congress.

W. R. Wells, H. R. 21396, Sixty-second Congress.
Charles W. Clark, H. R. 1943, Sixty-second Congress.
Papers in the cases of H. R. 1920, Sixty-second Congress, and H. R. 25699, Sixtieth Congress.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. WEBB, Mr. FITZHENRY, and Mr. VOLSTEAD, indefinitely, on account of taking testimony on the subcommittee of the Judiciary Committee concerning Judge Emory Speer, of Georgia.

The SPEAKER. The Chair desires to ask leave of absence, indefinitely, for the gentleman from South Carolina, Mr. Rags-DALE. Is there objection?

There was no objection.

ADJOURNMENT.

Then, on motion of Mr. Moon (at 6 o'clock and 18 minutes p. m.), the House adjourned until Monday, January 19, 1914, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Acting Secretary of the Treasury, transmitting a communication from the president of the Civil Service Commission submitting an amended estimate of appropriations under the title "Salaries, Civil Service Commission" (H. Doc. No. 607); to the Committee on Appropriations and ordered to

be printed.

2. A letter from the Acting Secretary of the Treasury, transmitting a copy of a communication of the Secretary of War submitting estimates of deficiencies in appropriations required by the Board of Managers of the National Home for Disabled Volunteer Soldiers (H. Doc. No. 608); to the Committee on Appropriations and ordered to be printed.

3. A letter from the assistant clerk of the Court of Claims, transmitting findings of fact and conclusions of law in the French spoliation claims relating to the vessel brig Juno, in the case of the Insurance Co. of North America v. The United States, and the case of the Insurance Co. of the State of Pennsylvania v. The United States (H. Doc. No. 609); to the Com-

mittee on Claims and ordered to be printed.
4. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on survey of the St. George Sound, Fla., to the Rio Grande section of the proposed continuous inland waterway from Boston, Mass., to the Rio Grande (H. Doc. No. 610); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials

were introduced and severally referred as follows:

By Mr. HARDY: A bill (H. R. 11807) to provide for the rapid defense of Gulf coast ports; to the Committee on Naval

By Mr. DILLON: A bill (H. R. 11808) to secure cooperation between the Interstate Commerce Commission and the State railway boards and commissions of the several States in correlating, changing, and establishing of intrastate rates, charges and fares which indirectly affect interstate commerce in the transportation of passengers and property by public carriers, and providing for procedure relative thereto; to the Committee on Interstate and Foreign Commerce

By Mr. MANN: A bill (H. R. 11809) authorizing the Secretary of War to grant permission to the South Park commissioners and to the Illinois Central Railroad Co. for the erection of bulkheads and other obstructions to navigation, and for other

purposes; to the Committee on Interstate and Foreign Commerce. By Mr. FRANCIS: A bill (H. R. 11810) to determine the standard route of rural carriers and to fix their compensation and equipment allowance; to the Committee on the Post Office and Post Roads.

By Mr. SINNOTT: A bill (H. R. 11811) to amend section 6 of the reclamation act of June 17, 1902, and for other purposes; to the Committee on Irrigation of Arid Lands.

By Mr. JOHNSON of Washington: A bill (H. R. 11812) granting to the Washington-Oregon Corporation a right for an electric railroad, and for telephone, telegraph, and electric-transmission lines across the Vancouver Military Reservation, in the State of Washington, and repealing an act entitled "An act granting to the Washington-Oregon Corporation a right for an electric railroad, and for telephone, telegraph, and electric-transmission lines across the Vancouver Military Reservation, in the State of Washington," approved August 9, 1912; to the Committee on Military Affairs.

By Mr. GILLETT: A bill (H. R. 11813) to establish a library post; to the Committee on the Post Office and Post Roads.

By Mr. GODWIN of North Carolina: A bill (H. R. 11814) authorizing a survey of Hoods Creek, in Brunswick County, N. C.; to the Committee on Rivers and Harbors.

By Mr. BALTZ: A bill (H. R. 11815) authorizing the payment of pensions monthly; to the Committee on Invalid Pensions. By Mr. JOHNSON of Washington: A bill (H. R. 11816) au-

thorizing the construction of a bridge and approaches thereto across the Columbia River at or near Vancouver, Wash.; to the Committee on Interstate and Foreign Commerce.

By Mr. PARK: A bill (H. R. 11817) to establish an experiment station in Grady County, Ga., to standardize the grades of table sirup made from sugar cane and to study the use and value of the by-products of sugar cane; to the Committee on Agriculture.

By Mr. DYER: A bill (H. R. 11818) to provide for the monthly payment of pensions, and for other purposes; to the Committee on Invalid Pensions.

By Mr. STAFFORD: A bill (H. R. 11819) to authorize the payment of salaries to injured postal employees and of an allowance to certain persons in case of death; to the Committee on the Post Office and Post Roads.

By Mr. HARRISON: A bill (H. R. 11820) to provide for the survey of the Chickasawhay River in Mississippi from the Cherry; to the Committee on Invalid Pensions.

mouth of said river to Shubuta, Miss.; to the Committee on Rivers and Harbors.

By Mr. EDMONDS: A bill (H. R. 11821) to provide for the survey of Pensauken Creek, N. J.; to the Committee on Rivers and Harbors

By Mr. MONTAGUE: A bill (H.-R. 11822) to acquire, by purchase, condemnation, or otherwise, additional land for the post office, courthouse, and customhouse in the city of Richmond, Va.; to the Committee on Public Buildings and Grounds.

By Mr. STEVENS of Minnesota: A bill (H. R. 11823) to authorize and direct the Secretary of War to transfer a public building at St. Paul, Minn., to the Secretary of the Treasury, to remodel and rearrange public buildings at St. Paul, Minn., and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. TAGGART: A bill (H. R. 11887) to establish a bureau for the study of the criminal, pauper, and defective classes;

for the study of the criminal, pauper, and defective classes, to the Committee on the Judiciary.

By Mr. LINTHICUM: Resolution (H. Res. 375) providing information on currency law; to the Committee on Printing.

By Mr. HARDY: Resolution (H. Res. 376) authorizing the Committee on the Merchant Marine and Fisheries to have printed 2,500 copies of volumes 1, 2, and 3, and 3,400 copies of volume 4 of the Proceedings of the Committee on the Merchant Marine and Fisheries in the Investigation of the Shipping Combination; to the Committee on Printing,

By Mr. HILL: Resolution (H. Res. 377) authorizing the Speaker to appoint a committee of five to investigate conditions in the coal fields of Colorado; to the Committee on Rules.

By Mr. BURNETT: Resolution (H. Res. 378) for the consideration of H. R. 6060; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:
By Mr. ADAIR: A bill (H. R. 11824) granting an increase

of pension to John W. McKinley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11825) granting an increase of pension to Hamilton G. Gullett; to the Committee on Invalid Pensions. By Mr. ANTHONY: A bill (H. R. 11826) to correct the mili-

tary record of Charles Rayfield; to the Committee on Military Affairs.

By Mr. ASHBROOK: A bill (H. R. 11827) granting an increase of pension to Alexander Harrison; to the Committee on Invalid Pensions.

By Mr. BALTZ: A bill (H. R. 11828) granting a pension to Alexander Lamont; to the Committee on Invalid Pensions.

By Mr. BEALL of Texas: A bill (H. R. 11829) for the relief of the heirs of J. C. Lankford; to the Committee on War Claims.

By Mr. BULKLEY: A bill (H. R. 11830) for the relief of

Samuel Schmitz; to the Committee on Military Affairs. By Mr. CAMPBELL: A bill (H. R. 11831) granting an increase of pension to Augustus W. Beswick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11832) granting an increase of pension to

Charles W. Peet; to the Committee on Invalid Pensions. By Mr. CANTRILL: A bill (H. R. 11833) granting an increase of pension to William H. Brewen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11834) granting an increase of pension to Ed N. Wilson; to the Committee on Invalid Pensions.

By Mr. CLARK of Missouri: A bill (H. R. 11835) granting an increase of pension to James E. Waters; to the Committee on Invalid Pensions.

By Mr. FARR: A bill (H. R. 11836) for the relief of Henry Murcer, United States Army, retired; to the Committee on Military Affairs.

Also, a bill (H. R. 11837) granting a pension to Rachel Thomas; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11838) granting an honorable discharge to William H. Thomas; to the Committee on Military Affairs. Also, a bill (H. R. 11839) granting an honorable discharge

to William Ham; to the Committee on Military Affairs. By Mr. FERRIS: A bill (H. R. 11840) for the relief of R. G.

Arrington; to the Committee on the Public Lands. By Mr. FITZHENRY: A bill (H. R. 11841) granting a pen-

sion to Francis M. Phares; to the Committee on Pensions.

Also, a bill (H. R. 11842) granting a pension to Mary I.

Seltzer; to the Committee on Pensions.

Also, a bill (H. R. 11843) granting a pension to Mary C.

Also, a bill (H. R. 11844) granting a pension to Barbara Hamilton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11845) granting a pension to John W. Ferris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11846) granting an increase of pension to William W. Elder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11847) granting an increase of pension to Sylvanus G. Popple; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11848) granting an increase of pension to Harmon McChesney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11849) to correct the military record of

William Schroeder; to the Committee on Invalid Pensions. By Mr. FRANCIS: A bill (H. R. 11850) granting an increase of pension to James F. Charlesworth; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11851) granting an increase of pension to Martin Van Hughes; to the Committee on Invalid Pensions.

By Mr. GOEKE: A bill (H. R. 11852) granting a pension to James Lee Cochrun; to the Committee on Pensions.

By Mr. GREEN of Iowa: A bill (H. R. 11853) granting a

special pension to Catherine McCombs; to the Committee on Invalid Pensions.

By Mr. HILL: A bill (H. R. 11854) granting an increase of pension to Monroe F. Kirby; to the Committee on Invalid

Also, a bill (H. R. 11855) granting an increase of pension to

Also, a bill (H. R. 11856) granting an increase of pension to Also, a bill (H. R. 11856) granting an increase of pension to Samuel S. Thompson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11857) granting an increase of pension to

Margarett Reese; to the Committee on Invalid Pensions.

By Mr. KENNEDY of Connecticut: A bill (H. R. 11858) granting an increase of pension to Henrietta N. Blodgett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11859) granting a pension to Frank Smith, alias John Lynch; to the Committee on Invalid Pensions.

By Mr. KIESS of Pennsylvania: A bill (H. R. 11860) granting a pension to Cora Hawkins; to the Committee on Invalid Pensions. By Mr. J. R. KNOWLAND: A bill (H. R. 11861) granting a pension to Edward F. McKeon; to the Committee on Pensions. By Mr. LANGLEY: A bill (H. R. 11862) granting an increase of pension to Edmond Moore; to the Committee on Invalid

Pensions.

Also, a bill (H, R. 11863) granting an increase of pension to

Thomas Eversole; to the Committee on Invalid Pensions.

By Mr. LEE of Georgia; A bill (H. R. 11864) for the relief of the trustees of Pea Vine Academy, Walker County, Ga.; to the Committee on War Claims.

Also, a bill (H. R. 11865) for the relief of the trustees of Pea Vine Church, Walker County, Ga.; to the Committee on War

By Mr. MAPES: A bill (H. R. 11866) granting a pension to Marion B. Eldred; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11867) granting a pension to Susan J. Stockwell; to the Committee on Invalid Pensions.

By Mr. MORRISON: A bill (H. R. 11868) for the relief of Thomas J. Gardner; to the Committee on Military Affairs.

By Mr. OLDFIELD: A bill (H. R. 11869) granting an increase of pension to James B. Pate; to the Committee on Invalid Pensions.

By Mr. RAINEY: A bill (H. R. 11870) for the relief of Charles W. Callaway; to the Committee on Claims.

By Mr. RAUCH: A bill (H. R. 11871) granting an increase of pension to Allen W. King; to the Committee on Invalid Pensions. By Mr. ROGERS: A bill (H. R. 11872) granting a pension to Minnie Newton; to the Committee on Invalid Pensions.

By Mr. RUSSELL: A bill (H. R. 11873) granting a pension to Susan A. Phillips; to the Committee on Invalid Pensions.

By Mr. SELLS: A bill (H. R. 11874) granting a pension to Samuel Adams; to the Committee on Pensions.

Also, a bill (H. R. 11875) granting a pension to George W. Gaby; to the Committee on Invalid Pensions.

By Mr. WHITE: A bill (H. R. 11876) granting a pension to Henry Kehl; to the Committee on Invalid Pensions.

By Mr. SELLS: A bill (H. R. 11877) granting a pension to John Owenby; to the Committee on Invalid Pensions.

(H. R. 11878) granting a pension to C. Albert Also, a bill Lyle; to the Committee on Pensions.

Also, a bill (H. R. 11879) to remove the charge of desertion standing against the record of William Jones; to the Committee on Military Affairs.

By Mr. SUTHERLAND: A bill (H. R. 11880) granting an increase of pension to Granville Lanham; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Colorado: A bill (H. R. 11881) granting pension to Josephine L. Graham; to the Committee on Invalid Pensions.

valid Pensions.

By Mr. TEN EYCK: A bill (H. R. 11882) for the relief of John V. Behan, administrator; to the Committee on Claims.

Also, a bill (H. R. 11883) for the relief of heirs of Sarah E. Clopton, deceased; to the Committee on War Claims.

By Mr. TREADWAY: A bill (H. R. 11884) granting an increase of pension to John Weir; to the Committee on Pensions.

By Mr. WHITE: A bill (H. R. 11885) granting an increase of pension to Albert Forsker: to the Committee on Invalid Pension to Albert Forsker: to the Committee on Invalid Pension to Albert Forsker: pension to Albert Foraker; to the Committee on Invalid Pen-

By Mr. WINSLOW: A bill (H. R. 11886) granting a pension to Peter Crosby; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. ANSBERRY: Memorial of the General Assembly of the State of Ohio, favoring the passage of the bill known as the volunteer retired list; to the Committee on Military Affairs.

By Mr. ASHBROOK: Petition of the Socialist Party of

Doylestown, Ohio, favoring an investigation of labor conditions

in the Michigan copper mines; to the Committee on Rules. By Mr. BARCHFELD: Memorials of Wolfe Tone Society, of Pittsburgh, Pa., and the General Sullivan Branch of the American Continental League, of Pittsburgh, Pa., against appropriating money for the celebration of 100 years of peace among English-speaking peoples; to the Committee on Foreign Affairs.

Also, papers to accompany House bill 11526, granting a pension to Mary S. Salisbury; to the Committee on Invalid Pensions.

By Mr. BARTHOLDT: Petitions of Hane Height Local, of St. Louis, Mo.; Local Hazel Hill, of St. Louis, Mo.; and W. G. Pierce, of St. Louis, Mo., favoring investigation of strike conditions in Michigan; to the Committee on Rules.

Also, petitions of Relief Society for Political Nationals in Russia; the Carl Marx Educational Club, of St. Louis, Mo.; Polish Council, of the Polish National Alliance, St. Louis, Mo.; American Association of Foreign Language Newspapers of New York City; and the Italian Journal, of New York City, protesting against Burnett immigration bill; to the Committee on

Immigration and Naturalization.

Also, petitions of A. J. McBride, of Atlanta, Ga.; Ell Torrence, of Minneapolis, Minn.; and George W. Martin, of Brookfield, Mo., favoring erection of a peace monument at Gettysburg; to the Committee on the Library

Also, petitions of Provident Association of St. Louis, Mo.; the D. R. K. Central Verein, of St. Louis, Mo.; and the Wednesday Club, of St. Louis, Mo., favoring bill limiting working day of women in District of Columbia; to the Committee on Labor.
Also, petition of the House of Delegates of St. Louis, Mo.,

favoring Bartlett-Bacon bill; to the Committee on the Judiciary, By Mr. BATHRICK: Petitions of the German-American Alliance and the Akron Saengerbund and Akron Turn-Verein, of Akron, Ohio, protesting against the passage of House joint resolution 168 and Senate joint resolutions 50 and 88, relative to the manufacturing of alcoholic liquors; to the Committee on the

Also, petition of Summit County, Ohio, Rural Letter Carriers' Association, favoring the passage of a bill for increased compensation to rural mail carriers; to the Committee on the Post Office and Post Roads.

Judiciary.

Also, petition of Akron Chamber of Commerce, of Akron, Ohio, favoring a modification of the income-tax law relative to deduction at the source: to the Committee on Ways and Means

Also, petition of citizens of the eleventh congressional district of the State of Michigan, favoring the passage of the Lindquist pure fabric and leather bill; to the Committee on Interstate and Foreign Commerce.

By Mr. BURKE of Wisconsin; Memorial of Local Union No. 631, Journeymen Barbers' International Union, of Sheboygan. Wis., favoring investigation of the trouble in copper regions of Michigan; to the Committee on Rules.

Also, petition of D. A. Stadt Verband, of Antigo, Wis., and other German societies, protesting against the passage of House joint resolution 168 and Senate joint resolutions 50 and 88; to the Committee on the Judiciary.

Also, memorial of the Social Democratic Party of Sheboygan

Falls, Wis., favoring an investigation of the labor troubles in copper region of Michigan; to the Committee on Rules.

By Mr. COOPER: Petition of citizens of Racine, Wis., testing against the passage of the Sabbath-observance bill; to the Committee on the District of Columbia.

Also, petitions of Cigar Makers' Union No. 300, Racine Wis., and Journeymen Plumbers' Union No. 285, of Janesville, Wis., favoring an investigation of the strike troubles in the copper regions of Michigan; to the Committee on Rules.

By Mr. DICKINSON: Petition of citizens of Appleton City, Mo., protesting against Sunday observance bill; to the Commit-

tee on the District of Columbia.

By Mr. DILLON: Petition of sundry citizens of Alexandria, S. Dak., protesting against the passage of Senate bill 722, for the proper observance of Sunday in the District of Columbia; to the Committee on the District of Columbia.

By Mr. DYER: Petition of Anti-Saloon League of Hawaii, favoring the Gronna bill providing for Federal prohibition in the Hawaiian Islands; to the Committee on Insular Affairs.

Also, petition of the Missouri Malleable Iron Co., of East St. Louis, Ill., protesting against the passage of the Bacon-Bartlett anti-injunction bill; to the Committee on the Judiciary.

Also, petition of National One-Cent I etter Postage Association, of Cleveland, Ohio, favoring the passage of a bill for 1-cent letter postage; to the Committee on the Post Office and Post

Also, petition of Saurer Motor Co., of St. Louis, Mo., favoring the passage of the seamen's bill; to the Committee on the

Merchant Marine and Fisheries.

Also, petitions of C. D. Gregg Tea & Coffee Co., Kehlor Flour Mills Co., and O. J. Lewis Mercantile Co., of St. Louis, Mo., protesting against the passage of the seamen's bill in its present form; to the Committee on the Merchant Marine and Fisheries.

Also, petitions of the Terre Haute Paper Co., of Terre Haute, Ind.; Skaneateles Paper Co., Skaneateles, N. Y.; Oswego Falls Pulp & Paper Co., Fulton, N. Y.; Weston Paper & Manufacturing Co., of Dayton, Ohio, all favoring the passage of a bill to refund duty collected on foreign wood pulp; to the Committee on the Judiciary.

Also, petition of Quick Meal Stove Co., of St. Louis, Mo. favoring the passage of a bill to prevent railroad wrecks from being so frequent; to the Committee on Interstate and Foreign

Also, petition of St. Louis Typographical Union, No. 8, favoring the passage of House bill 1873 and Senate bill 927, anti-

injunction bills; to the Committee on the Judiciary. Also, petition of 5,500 union lead miners, River Mines, Mo., favoring an investigation of the labor trouble in the Michigan and Colorado mines; to the Committee on Rules.

Also, petition of Navy League of the United States, favoring a four-battleship program; to the Committee on Naval Affairs.

Also, petition of William P. Cross, Providence, R. I., favoring an amendment to House bill 8673; to the Committee on the

Also, petition of Halsey Automobile Co., St. Louis, Mo., favoring House bill 10310; to the Committee on Patents.

Also, petition of Simmons Hardware Co., St. Louis, Mo., favoring adequate protection from floods along Mississippi River; to the Committee on Rivers and Harbors.

Also, petition of joint local executive board of the United rewery Workman, St. Louis, Mo., favoring amendment to the Jones-Works bill; to the Committee on the District of Columbia.

Also, petition of Hamilton Brown Shoe Co., of St. Louis, Mo., against Stanley bill relative to ownership of common carriers engaged in interstate and foreign commerce; to the Committee on Interstate and Foreign Commerce.

Also, petition of John Hoerr, St. Louis, Mo., against House bill 9832; to the Committee on Interstate and Foreign Com-

Also, petition of Central Coal & Coke Co., Kansas City, Mo., against House bill 9996; to the Committee on Interstate and

Foreign Commerce.

Also, memorials of Brewery Engineers, No. 246, St. Louis, Mo.; Local Union No. 14, United Cloth, Hat, and Cap Makers, St. Louis, Mo., and Socialist Party of Missouri, favoring investigation of strike conditions in Michigan; to the Committee

Also, petition of A. Brisbane, favoring a Navy so big as to make war impossible and relative to making the Army and Navy useful and self-supporting; to the Committee on Naval

Also, petition of Missouri Malleable Iron Co., of East St. Louis, Ill., favoring 5 per cent advance in railroad freight rates; to the Committee on Interstate and Foreign Commerce.

Also, petition of Shoe Manufacturers' Alliance, of St. Louis, Mo., protesting against an unwarranted interpretation of existing patent laws; to the Committee on Patents.

Also, petition of Cotton and Cotton Oil News, of Dallas, Tex., protesting against the passage of all bills restricting certain trading features in cotton; to the Committee on Agriculture.

Also, petition of M. Longo Fruit Co., of St. Louis, Mo., protesting against House bills 9266, 9530, and 9987; to the Committee on Interstate and Foreign Commerce.

Also, petition of Broderick & Bascom Rope Co., of St. Louis, Mo., favoring House bill 10310; to the Committee on Patents.

By Mr. GARNER: Petition of Texas Staats-Verband, pro-testing against the passage of House joint resolution 168 and Senate joint resolutions 88 and 50, relative to manufacture of alcoholic liquors; to the Committee on the Judiciary.

By Mr. HAMMOND: Memorials of Socialist Local New Ulm, Minn., and Socialist Local Granada, Minn., favoring investigation of strike conditions in Michigan; to the Committee on Rules.

Also, memorial of Denkmal Lodge, No. 21, Sons of Herman, of New Ulm, Minn., protesting against national prohibition; to the Committee on the Judiciary.

Also, petitions of residents of Amboy and Winnebago, Minn.,

protesting against Sunday observance law; to the Committee on

the District of Columbia.

By Mr. HAWLEY: Petitions of citizens of Baker, Oreg., and Eugene, Oreg., protesting against House joint resolution 168 and Senate joint resolutions 88 and 50; to the Committee on the Judiciary.

By Mr. HILL: Petition of the Marion Trades Council, of Marion, Ill., favoring an investigation of the labor trouble in the copper mines in Michigan; to the Committee on Rules.

By Mr. LEE of Pennsylvania: Petition of the Andrew Jack-Branch of the American Continental League, protesting against an appropriation to celebrate "One hundred years of peace with England"; to the Committee on Foreign Affairs.

By Mr. LINDBERGH: Petition of the citizens of Spooner,

Minn., relating to the conditions in the Michigan copper coun-

try; to the Committee on Rules.

By Mr. LOBECK: Petitions of Blair Canning Co. and Mc-Cord-Brady Co., of Omaha, Nebr., protesting against the passage of House bill 9832, relative to the year on labels; to the Committee on Interstate and Foreign Commerce.

By Mr. LONERGAN: Petition of the Italian Journal and others, of New York City, protesting against the literacy test in the Dillingham-Burnett immigration bill; to the Committee

on Immigration and Naturalization.

Also, petitions of W. D. Brown, of the Rural Free Delivery News, of Washington, D. C., favoring legislation to increase the compensation of rural letter carriers; to the Committee on the Post Office and Post Roads.

By Mr. O'SHAUNESSY: Petition of sundry citizens of the State of Rhode Island, favoring the building of two battleships

a year; to the Committee on Naval Affairs.

Also, petition of citizens of the State of Rhode Island, favoring the passage of House bill 1873 and Senate bill 927, anti-injunction bills; to the Committee on the Judiciary.

Also, memorial of Local 359, Wood, Wire, and Metal Lathers' Union; Pawtucket Socialist Party; and Trades Committee No. 16, Amalgamated Lace Operators of America, favoring an investigation of the labor trouble in the copper mines of Michigan;

to the Committee on Rules. Also, petitions of sundry citizens of Providence, R. I., favoring the passage of House bill 29, relative to an eight-hour day for women working in the District of Columbia; to the Committee on Labor.

Also, memorial of members of the Massachusetts Association of Sealers of Weights and Measures, favoring the passage of a bill to fix the standards of weights and measures; to the Com-

mittee on Coinage, Weights, and Measures.

By Mr. EAGAN: Petitions of various branches of the Socialist Party of Hudson County, N. J., favoring an investigation of the mining strikes in the copper regions of Michigan; to the Com-

By Mr. STEPHENS of California: Memorial of Branch W, Jefferson Socialist Party, Los Angeles, Cal., favoring an inves-tigation of the labor trouble in the copper mines of Michigan; to the Committee on Rules.

Also, petition of Mary Eleanor Willson, of Westgate, Cal., favoring the passage of a law giving to Army nurses of the Civil War the same increase for age as was granted the soldier veterans: to the Committee on Invalid Pensions.

Also, memorial of the Woman's Christian Temperance Union of Long Beach, Cal., favoring the passage of a bill for the erection of a peace monument at Panama; to the Committee on the Library.

By Mr. THACHER: Memorial of Andrew Jackson Branch of American Continental League, of Whitman, Mass., protesting against appropriation of money for celebration of "One hundred years of peace among English-speaking peoples"; to the Committee on Foreign Affairs.

By Mr. TREADWAY: Memorials of Socialist Club, of Holyoke, Mass.; Socialists' Local, Greenfield, Mass.; Socialists' Local, Adams, Mass.; and Local 96, Bakery and Confectionery Workers, of Holyoke, Mass., favoring investigation of strike conditions in Michigan; to the Committee on Rules.

Also, petition of George Washington Branch of American Continental League, of Pittsfield, Mass., protesting against appropriation of money for celebration of "One hundred years of peace among English-speaking peoples"; to the Committee on

Foreign Affairs,

Also, memorial of J. Lussier, of Holyoke, Mass., protesting against Burnett immigration bill; to the Committee on Immigration and Naturalization,

Also, memorial of Polish citizens of Adams, Mass., protesting against Burnett immigration bill; to the Committee on Immi-

gration and Naturalization,

By Mr. UNDERHILL: Memorial of the George Washington Branch of the American Continental League, of Brooklyn, N. Y., protesting against the passage of a bill appropriating for celebration of "One hundred years of peace with England"; to the Committee on Foreign Affairs.

Also, petition of citizens of Painted Post, N. Y., favoring enactment by Congress of a national cooperative rural bank act;

to the Committee on Banking and Currency.

SENATE.

Monday, January 19, 1914.

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the

following prayer:

Almighty God, we come before Thee to make mention of all Thy marvelous gifts of providence and grace to us. we are not unmindful of the infinite goodness of our heavenly Father. The light that shines along our pathway comes from Thine own hand. Thy blessings are multiplied to us day by day. And yet we come and out of the depth of our conscious poverty to seek God's richer and higher blessing, believing that the consciousness of our limitations and our poverty is but the prophecy and promise of the realization of our ideals, the height of the riches to which we may attain through Thy grace.

Guide us this day as Thou wilt, that we may fulfill the duties of the day as in God's sight and be enriched with Thy spiritual

grace and blessing. For Christ's sake, Amen.

The Journal of the proceedings of Saturday last was read and approved.

OMER H. PORTER ET AL. V. UNITED STATES (S. DOC. NO. 369).

The VICE PRESIDENT laid before the Senate communications from the assistant clerk of the Court of Claims, transmitting certified copies of the findings of fact and conclusions filed by the court in the cause of Omer H. Porter, George F. Porter, Annie Porter Mason, Edward B. Porter, and Albert B. Porter, heirs at law of Albert G. Porter, deceased; The Union Trust Co. of Indianapolis, executor of Benjamin Harrison, deceased, and Mary L. Fishback, sole legatee of William P. Fishback, deceased, v. United States, which, with accompanying paper, were referred to the Committee on Claims and ordered to be printed.

GEORGETOWN BARGE, DOCK, ELEVATOR & RAILWAY CO. (S. DOC. NO. 370).

The VICE PRESIDENT laid before the Senate the annual report of the Georgetown Barge, Dock, Elevator & Railway Co. for the year ended December 31, 1913, which was referred to the Committee on the District of Columbia and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had agreed to a concurrent resolution providing that the two Houses of Congress assemble in the Hall of the House of Representatives on Tuesday, the 20th of January, 1914, at 12 o'clock and 30 minutes in the afternoon, for the purpose of receiving such com-munications as the President of the United States shall be pleased to make them, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED.

The message also announced that the Speaker of the House had signed the enrolled bill (H. R. 9321) to amend the act approved May 9, 1888, as amended by the act of June 11, 1896, and it was thereupon signed by the Vice President.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented memorials of Glens Falls Branch, American Continental League, of New York; of Bunker Hill Branch, American Continental League, of Philadelphia, Pa.; of Commodore Barry Branch, No. 311, American Continental League, of Brooklyn, N. Y.; and of Patrick Henry Branch, American Continental League, of Philadelphia Pa., remonstrating against any appropriation by Congress for the celebration of the so-called "One hundred years of peace among English-speaking peoples," which were referred to the Committee on Foreign Relations.

Mr. GRONNA. I present a petition signed by a large number

of citizens of Osnabrock, N. Dak., relative to the restriction of immigration into this country. I ask that the petition, with one signature, be printed in the Record and that it be referred to

the Committee on Immigration.

There being no objection, the petition was referred to the Committee on Immigration and ordered to be printed in the RECORD, as follows:

OSNABROCK, N. DAK., December 30, 1913.

Hon. Asle J. Gronna, Washington, D. C .:

We, the undersigned citizens of Osnabrock and vicinity, do by this petition wish to express our firm belief in the necessity of a national law bearing upon the restriction of immigration into this country; that we believe in the liliteracy test as provided in the Burnett-Smith immigration commission bill now pending before the House of Representatives; and that we further believe that a man that can read and write is better fitted for earning a living and better qualified for participation in our public affairs than one that can not.

Therefore we urge upon you to use your influence at every available opportunity in favor of the aforementioned bill and that you support its final passage by your vote.

JORGEN SATHER (And others).

Mr. GRONNA presented a petition of sundry citizens of Fargo, N. Dak., praying for the enactment of legislation to further restrict immigration and remonstrating against the enactment of legislation making Columbus Day-October 14-a legal holiday, which was referred to the Committee on Immigration.

He also presented a petition of the International Association of Machinists, of Devils Lake, N. Dak., praying for the enactment of legislation to make lawful certain agreements between employers and laborers and persons engaged in agriculture and horticulture and to limit the issuing of injunctions in certain cases, and for other purposes, which was referred to the Committee on the Judiciary.

He also presented a memorial of sundry citizens of Gackle, N. Dak., remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which was referred to the Committee on

the District of Columbia.

Mr. NELSON presented petitions of sundry citizens of Hennepin County, Minn., praying for the enactment of legislation providing a literacy test for immigrants to this country, which were referred to the Committee on Immigration.

He also presented a petition of Frederick Keye Camp, Department of North Dakota, United Spanish War Veterans, of Fargo, N. Dak., praying for the enactment of legislation granting pensions to the wives and minor children of Spanish War Veterans, which was referred to the Committee on Pen-

He also presented petitions of the Socialist Party of Ottertail County, Minn., of the Socialist Party of Albert Lea, Minn., and of the Federation of Labor of Chicago, Ill., praying for an investigation of the conditions existing in the mining district of Michigan, which were referred to the Committee on Education and Labor.

Mr. BURTON presented a petition of sundry citizens of Wapakoneta, Ohio, praying for the adoption of the so-called literacy-test clause in the immigration bill, which was referred

to the Committee on Immigration.

Mr. JOHNSON presented a memorial of sundry citizens of Knox County, Me., remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which was referred to the Committee on the District of Columbia.

Mr. PENROSE presented a memorial of the Board of Trade of Philadelphia, Pa., remonstrating against the enactment of legislation to prohibit the sale of convict-made goods, which was referred to the Committee on Education and Labor.

He also presented a memorial of the Board of Trade of Philadelphia, Pa., remonstrating against the enactment of legislation to amend sections 1, 2, 3, and 8 of an act to protect trade and commerce against unlawful restraints and monopolies, which

was referred to the Committee on the Judiciary.

He also presented a memorial of the Board of Trade of Philadelphia, Pa., remonstrating against the enactment of legislation to provide a supertax on incomes to meet the cost of naval construction and other purposes, which was referred to the Committee on Finance.

Mr. PERKINS presented a memorial of sundry citizens of San Joaquin County, Cal., and a memorial of sundry citizens of Santa Cruz County, Cal., remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which were referred to the Committee on the District of Columbia.

He also presented petitions of the Federated Brotherhood of the Monterey Peninsula, of Pacific Grove, Cal., and of California Branch, American School Peace League, favoring the suspension of the naval programs of the great powers for one year, which were referred to the Committee on Naval Affairs.

Mr. SMITH of Michigan presented a memorial of sundry citizens of Alden, Mich., remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which was referred to the Committee on the District of Columbia.

COURTS IN NORTH CAROLINA.

Mr. OVERMAN. From the Committee on the Judiciary I report back favorably with amendments the bill (S. 1745) providing for the establishment of a term of the District Court for the Eastern District of North Carolina at Wilson, N. C., and I submit a report (No. 159) thereon. I ask unanimous consent for the present consideration of the bill.

Mr. SMOOT. I should like to ask the Senator if it is a

unanimous report from the committee?
Mr. OVERMAN. It is.

The VICE PRESIDENT. The Secretary will read the bill.

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration. It directs that a term of the District Court for the Eastern District of North Carolina shall be held at Wilson on the first Monday in April and October.

The first amendment of the Committee on the Judiciary was

to strike out the proviso beginning in line 5 of section 1 in the

following words:

Provided, That the city of Wilson shall provide and furnish at its own expense a suitable and convenient place for holding the district court at Wilson until a courthouse shall be constructed by the United States.

The amendment was agreed to.

The next amendment was to strike out section 2 of the bill in the following words:

That the clerk of the court for the eastern district shall maintain an office at Wilson in charge of himself or a deputy, which shall be kept open at all times for the transaction of the business of the court.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MARTINE of New Jersey:

A bill (S. 4055) granting a pension to Violet Burd Grubb; to the Committee on Pensions.

A bill (S. 4056) for the relief of Patrick Howe (with accompanying papers); to the Committee on Military Affairs.

By Mr. OVERMAN:

A bill (S. 4057) for the relief of John Pool and others (with

accompanying papers);
A bill (S. 4058) for the relief of Hamilton Perryman and

A bill (S. 4059) for the relief of B. H. Harrison; and A bill (S. 4060) for the relief of Elizabeth Muhleman, widow, and the heirs at law of Samuel A. Muhleman, deceased; to the Committee on Claims.

By Mr. NORRIS:

A bill (S. 4061) providing for the establishment of a Bureau of Farm Loans in the Department of Agriculture; to the Committee on Agriculture and Forestry.

By Mr. BURTON:

A bill (S. 4082) granting an increase of pension to Henry Pratt; to the Committee on Pensions.

By Mr. JOHNSON: A bill (S. 4063) granting an increase of pension to Van R. Eels (with accompanying papers);

A bill (S. 4064) granting an increase of pension to Asa J. Alexander (with accompanying papers);

A bill (S. 4065) granting an increase of pension to Thomas A. Harvey (with accompanying papers);

A bill (S. 4066) granting a pension to Clara A. Perry Estes (with accompanying paper)

A bill (S. 4067) granting an increase of pension to Israel A. Gardner (with accompanying paper);

A bill (S. 4068) granting an increase of pension to Charles E. Low;

A bill (S. 4069) granting a pension to Freden M. Joyce (with

accompanying papers); and
A bill (S. 4070) granting an increase of pension to Sewell B. Harriman (with accompanying papers); to the Committee on Pensions.

By Mr. BURLEIGH:

A bill (S. 4071) granting an increase of pension to Helen E. Sturtevant; and

A bill (S. 4072) granting an increase of pension to Fitz W. Patterson; to the Committee on Pensions.

By Mr. WEEKS:
A bill (S. 4073) for the relief of Hiram D. Rogers; to the

Committee on Claims. By Mr. PENROSE:

A bill (S. 4074) to purchase an oil painting entitled "The Death of Brevet Lieut, Col. Alonzo H, Cushing, at Gettysburg"; to the Committee on the Library.

A bill (S. 4075) to correct the military record of George W. Parker (with accompanying papers); to the Committee on

Military Affairs

A bill (S. 4076) providing additional compensation for rural delivery carriers for maintenance of horses, buggies, and such other equipment as is recessary in the discharge of their duties; to the Committee on Post Offices and Post Roads.

A bill (S. 4077) for the relief of Mary E. Goodley; to the Committee on Claims.

A bill (S. 4078) granting an increase of pension to Ellis P. Woodward;

A bill (S. 4079) granting a pension to Almira E. Sheldrake; A bill (S. 4080) granting an increase of pension to Peter Sheplar;

A bill (S. 4081) granting an increase of pension to Theodore Labar

A bill (S. 4082) granting an increase of pension to Susanna B. Bragg

A bill (S. 4083) granting an increase of pension to Charles E. Snyder:

A bill (S. 4084) granting an increase of pension to Margaret McPherran;

A bill (S. 4085) granting a pension to Catherine Berkebile; A bill (S. 4086) granting a pension to Anna M. Reed; A bill (S. 4087) granting an increase of pension to William

Roup; A bill (S. 4088) granting an increase of pension to Cerelle

Shattuck;
A bill (S. 4089) granting an increase of pension to Isaac P. Whitesides (with accompanying papers):

A bill (S. 4090) granting an increase of pension to William Rodgers (with accompanying papers);
A bill (S. 4091) granting an increase of pension to Robert B.

Adams (with accompanying papers); and A bill (S. 4002) granting an increase of pension to George W. Taylor (with accompanying papers); to the Committee on Pensions.

By Mr. SMITH of Michigan:

A bill (S. 4093) granting a pension to Mary Griffith; to the Committee on Pensions.

By Mr. CHAMBERLAIN:

A bill (S. 4094) authorizing the construction of a bridge and approaches thereto across the Columbia River at or near Vancouver, Wash.; to the Committee on Commerce.

By Mr. OVERMAN:

A joint resolution (S. J. Res. 100) authorizing the Joint Committee on Printing to publish a bulletin of committee hearings; to the Committee on Printing.

GOVERNMENT OF THE PHILIPPINE ISLANDS.

Mr. OVERMAN. I introduce a joint resolution requesting the President to consider the expediency of effecting a treaty with European powers providing for the neutralization of the Philippine Islands, and to provide an independent government there when established. I ask that it may be read and referred to the Committee on Foreign Relations.

The Joint resolution (S. J. Res. 90) requesting the President

The joint resolution (S. J. Res. 90) requesting the President to consider the expediency of effecting a treaty with European powers providing for the neutralization of the Philippine Islands, and to provide an independent government there when established, was read the first time by its title and the second time

at length, as follows:

Resolved, etc., That it is the purpose of the United States to cease exercising sovereignty over the Philippine Islands as soon as may be with justice to them and honor to the United States, and that it is the preference of the United States to accomplish this purpose by establishing an independent government in said Islands; that in pursuance of

such purpose and preference the President is respectfully requested to consider the expediency of opening negotiations with the Governments of Great Britain, Germany, France, Russia, Italy, Spain, and Japan with a view of effecting a joint treaty with such Governments by which it shall be provided that an independent government in the Philippine Islands, when established by the United States, shall be recognized and preserved; that pending the establishing of such independent Philippine government the Philippine Islands shall be neutral territory; that such Philippine government, when established, shall agree that it will maintain equality of trade relations toward all the signatory powers, and that, in the event of war between any of the nations of the earth, it shall be neutral; that such concessions as may be made the United States in the establishment of such independent government shall be recognized by all the signatory powers.

The VICE PRESIDENT. The joint resolution will be re-

The VICE PRESIDENT. The joint resolution will be referred to the Committee on Foreign Relations.

THE NORTH AMERICAN INDIAN.

Mr. PENROSE, I introduce a joint resolution providing for the appointment of a commission to consider and report upon the Rodman Wanamaker Expedition of Citizenship to the North the Rodman Wanamaker Expedition of Chizenship to the North American Indian, and for a report upon the information secured by Dr. Joseph K. Dixon, leader of the expedition, and empower-ing the said commission to report a bill upon the entire reor-ganization of Indian affairs. I ask that the joint resolution be referred to the Committee on Indian Affairs, and I invite the special attention of the committee to it.

The joint resolution (S. J. Res. 101) providing for the appointment of a commission to consider and report upon the Rodman Wanamaker Expedition of Citizenship to the North American Indian, and for a report upon the information secured by Dr. Joseph K. Dixon, leader of the expedition, and empowering the said commission to report a bill upon the entire reorganization of Indian affairs, was read twice by its title and referred to the Committee on Indian Affairs.

RAILROADS IN ALASKA.

Mr. CUMMINS. I send to the desk an amendment which, at the proper time, I shall propose to Senate bill 48, the Alaska railroad bill. I ask that it may be printed and that it lie on the table

The VICE PRESIDENT. That action will be taken.

OMNIBUS CLAIMS BILL.

Mr. BANKHEAD submitted an amendment intended to be proposed by him to the omnibus claims bill, which was ordered to be printed and, with the accompanying paper, referred to the Committee on Claims.

Mr. PENROSE submitted an amendment intended to be proposed by him to the omnibus claims bill, which was referred to the Committeee on Claims and ordered to be printed.

LAWS ON TRUSTS AND MONOPOLIES.

Mr. CHILTON. I ask to have printed as a public document a compilation entitled "Laws on Trusts and Monopolies, Do-mestic and Foreign, with Authorities." I think the compilation should be referred to the Committee on Printing for consideration, and I ask that that action be taken.

The VICE PRESIDENT. The matter will be referred to the Committee on Printing.

PROPOSED APPOINTING COMMISSION.

Mr. WORKS. Mr. President, I desire to give notice that next Monday immediately after the close of the morning business I shall, with the permission of the Senate, submit some remarks on the subject of patronage and in support of Senate bill 2679. providing for a commission to recommend appointments to office, and for other purposes.

JOINT MEETING OF THE TWO HOUSES-PRESIDENT'S ADDRESS.

The VICE PRESIDENT laid before the Senate the following concurrent resolution (No. 30) of the House of Representatives, which was read:

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Tuesday, the 20th day of January, 1914, at 12 o'clock and 30 minutes in the afternoon, for the purpose of receiving such communications as the President of the United States shall be pleased to make them.

Mr. BACON. I move that the Senate concur in the resolution of the House.

The motion was agreed to.

BAILROADS IN ALASKA.

The VICE PRESIDENT. The morning business is closed.

Mr. CHAMBERLAIN. I send to the desk a letter from Mr.

James Deitrick, who for many years has been engaged in railroad construction not only in the United States but abroad,
and is now contemplating a trip to South America for the purpose
of constructing railroads there. In talking with him the other day I asked him something about Alaska, as he had been there a number of times, and he promised to address me a letter on Senate proceed to the consideration of the Alaskan railroad bill.

the subject of railroad construction in Alaska. I have received the letter, and I ask that it may be read by the Secre-

There being no objection, the Secretary read as follows:

THE COSMOS CLUB, Washington, D. C., January 19, 1914.

RE ALASKA BAILROAD.

MY DEAR SENATOR: Some of my friends have asked me, as a railroad man of considerable general experience in this and foreign countries, to write you my views upon the construction and operation of a
railroad in Alaska.

I have crossed Alaska during the summer months, during the winter
months, and in the spring, and feel that my observations were sufficient to werrant my giving an opinion.

First, I will call your attention to a country having similar climatic
conditions as well as similar agricultural, mineral, timber, and other
features:

RUSSIA AND SIBERIA.

RUSSIA AND SIBERIA.

Northern Russia and Siberia resemble Alaska about as much as the State of Ohio resembles the State of Indiana, all conditions of climate, lands, and resources being on a par.

Take as an example what the Government of Russia has accomplished by railroad construction and operation within such a zone. Siberia was looked upon in early times as a glacial, moss-covered Arctic region, a sort of dumping ground for the criminal class, and of no especial use save for its mineral wealth. But the men of Siberia found that the soil would produce even a greater return to the acre the year than the soils in the rich Volga River Valley in southern Russia. It was not long before the people of Siberia were petitioning the Government for transportation. The great Siberian Railroad was ultimately constructed across the so-called ice-bound north. The Government created a good-reads department and operated stage lines in all directions to connect outlying districts with the railroad. Several million people eventually moved from western and southern Russia into Siberia. Finally the 5,000 miles of railroad across Siberia could not cope with the business offered to it by the farming class, not to mention the coal, mineral, and other business demanding transportation facilities. In order to furnish relief to the shipping the Government built a railroad north to a port on the Arctic Ocean. Great warehouses were erected and wheat and other products are shipped to this Arctic port. When the Arctic Ocean opens to shipping in the summer the ships proceed to the port and take away the products for the markets of Europe. Even with this new port and the construction of branch railroads which make the trans-Siberian railroad practically a double-track road, though separated by several miles in their parallel operation, the business increased to such a great extent that to-day the Russian Government is building another system of railroads across Siberia. Two ports upon the Arctic have railroad communication. The Trans-Siberi

Alaska, also informed me that if Russia owned Alaska again a thousand million dollars would not tempt her people to part with that country.

The above facts give you an idea of conditions now existing in a similar country in all respects to Alaska, and where railroads have made it possible for the farmer, miner, and merchant to upbuild the

similar country in all respects to Alaska, and where railroads have made it possible for the farmer, miner, and merchant to upbuild the land.

The Government department in charge of ways and means of communications guards with effort and close attention the upbuilding and upkeep of "post roads" which serve the people and furnish communication with the railroad.

Alaska, with a railroad starting from some good port—as close to the United States as possible—and built across the country to the Bering Straits, will be opened to farmers, miners, and others and will develop in the same way the railroads have developed Canada and Siberia. Wheat and other farm products, within a single year after the railroad is put in operation, will bring in more revenue to the farmers there than the cost of the road, and the valuable products will increase each and every ye.r.

The railroad will pay operating costs, upkeep, and fixed charges the same as do the Government railroads in Siberia. Being a Government road it would not be overcapitalized, and there would be no necessity of increasing rates in order to pay dividends.

It will be important to have a department in charge of "post roads," their upkeep, and development in order to give the many small and large valleys a means of communication for the farming class and other developers of the opportunities offered in Alaska. In a few years' time the agricultural interests of the valleys will demand branch lines to connect with the main road. Some day in the near future the acreage of Alaska will furnish shipping for this railroad in as great a tonnage the year as a like acreage does here at home. Give Alaska the railroad and you will soon be told that your judgment was proper and that no one can understand why it had not been done years ago.

Personally I have no interest in Alaska, but I can assure you that if the bill is passed so that the country can be opened to development I shall be one of the first to take up a farm there and cultivate the soil.

I shall be one of the first to take up a fail that the soll.

I call your attention to a former time in the Senate, when a Senator was in favor of permitting the Canadian boundary to take in the now great producing States of Oregon and Washington, the Senator intimating that the frozen bit of the Northwest was of no use or value. I fear that there are among your colleagues to-day men as unfamiliar with the vast domain of Alaska and the necessity of Government railroad construction therein as was the Senator who wanted to give away Oregon and Washington.

Give Alaska a chance for development and our people will go there by the thousands, as they are going to a similar zone in Canada to-day.

Very respectfully,

James Deitrick.

Hon. George E. Chamberlain, The Senate, Washington, D. C.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes.

Mr. JONES. Mr. President, arguments sustaining this legislation and the bill now pending providing for the Government construction of railroads in Alaska have been so fully and so ably presented by the Senator from Oregon [Mr. CHAMBERLAIN] and by the Senator from Montana [Mr. WALSH] that it seems work of supererogation on my part to attempt to add anything to the subject. They have presented the facts regarding Alaska, its resources, possibilities, climate, and needs so fully and clearly that there is nothing left to be said. nothing now were it not for the fact that my State and people are so vitally interested and because I have been striving to bring about legislation of this character for so long. I can do no more now than to emphasize some of the things they have said and state some conclusions which they have abundantly established, in the hope that some Senator who may not have been present when they spoke may gain some information about Alaska that he does not now possess. I had laid out for myself a great deal of the ground so well covered by them. much of which I shall omit, and shall endeavor not to repeat

any more than may seem absolutely necessary.

On the 11th day of August, 1911, I introduced in the Senate a joint resolution directing the President to make a survey for a railroad or railroads to connect the coal fields of Alaska with tidewater. This was the first legislative step, so far as I know, looking toward the construction of railroads in Alaska by the

Government.

Pending the consideration of this resolution, the Secretary of the Interior, Mr. Fisher, made a visit to Alaska and reached the conclusion that the Government should construct railroads in Alaska if we would have the Territory opened up and its various resources, agricultural and mineral, developed in a broad and comprehensive way, so that the home demand there might be supplied by home productions and coal furnished not only for local consumption, but also for naval and other governmental purposes.

On January 29, 1912, I introduced a bill providing for the construction of a railroad to the Matanuska coal fields and for surveys looking to the extension of such road to the interior of Alaska to navigation on the Tanana or Yukon. This bill was referred to a subcommittee of the Public Lands Committee, and a majority of that committee, Senator CHAMBERLAIN and myself, submitted a favorable report on the bill to the full committee, but on account of the press of other matters it was Provision, however, was made for a commission to investigate and report on the needs of Alaska and the best routes and systems of railroads for its development. That commission was appointed by President Taft, acted promptly, submitted its report, and the same was sent to Congress by President Taft with a strong message urging Government construction of railroads, and the report is the basis for this legislation.

I desire to say here, Mr. President, that I am glad this legislation has not in any sense partaken of a partisan character. The legislation as now pending was, in fact, initiated by a Republican President and a Republican administration; it is now pending with the recommendation of a Democratic Presi-The bill is now being considered, as important legislation in this body ought always to be considered, by the Senate and by its Members entirely free to act upon it without party bias, and to vote upon it as their opinion and judgment may warrant. Mr. President, promptly upon the opening of this Congress Senator CHAMBERLAIN and I introduced bills, fundamentally the same, looking toward Government construction in Alaska, and, as he stated, these bills were referred to a subcommittee, parts of each were taken, with suggestions from the War Department, and a substitute bill prepared and submitted to the full committee, which, after consideration, further amended it and reported it favorably to the Senate.

It is a source of much satisfaction to me that what I really contemplated in 1911 is nearing fruition in the bill which is now under consideration by the Senate.

At this time I can not refrain from testifying to the earnest and valuable work of Senator Chamberlain in connection with this important legislation. He has been actively supporting it while his party was in the minority in this body as well as now, when it is in the majority. The people of Alaska, the pioneers who have been looking so long and so anxiously for legislation of this kind, are greatly indebted to him for his earnest, persistent efforts and work in their behalf, and I desire to express

publicly the appreciation of his good work which I know they feel.

Some are shocked at a proposal that the United States should build railroads, and will vote against this bill solely because of their opposition to the general proposition. Government construction of railroads, however, is not a new proposition in the world's progress. Of the 52 leading nations of the earth to-day all but four own their railroads to, a greater or less extent. In 47 different countries in 1905 government mileage amounted to 217,175 miles, while in the same countries private mileage amounted to but 99,951.

The modern trend is all in this direction. New conditions demand new methods of treatment. It would be strange if those influences which have led and are leading to Government ownership among other people should not lead in the same direction in our own country. The people themselves are making history to-day. They are determining what is best for them and what they determine is best they are going to do. Why not? They are affected by results. Their good should be the ultima Thule of all legislation with such limitations as they have imposed

upon themselves.

Government construction of railroads may be very undesirable under some conditions. It may be desirable under others. Where and when desirable we should not hesitate to adopt such a policy. While I have been inclined against Government construction and operation of railroads, I will confess that I do not look upon it with that fear and trembling with which I viewed it some time ago. In my judgment, every step we are taking looking to the regulation and control of railroads and railroad corporations is leading inevitably to Government ownership. We can not avoid it if we would and we will soon have to face the proposition squarely. The people are coming slowly but irresistibly to this view, and on a question of this kind the mature, deliberate judgment of the people will be right. These great properties and investments can not continue indefinitely to be controlled and managed by those having no pecuniary interest in them, and if the public is going to regulate and control their operations and fix the charges for the services rendered and if methods of operations continue to demand additional regulation, the public will eventually be compelled to own them. I am not convinced that the great benefits that would come to the people from Government construction, ownership, and operation of railroads will not far and away overbalance the evils that result therefrom. Even the political domination of civil-service employees, so much feared by my friend from Mississippi, can not be much worse-I do not believe so bad-than the domination of the railroads, not only in politics but in business, which we have experienced in the past.

A few more illustrations of the fruits of private ownership similar to that of the New Haven Railroad will bring this subject very quickly to the attention of the people and will greatly accelerate the tendency toward Government ownership of railroads. I want to present a few facts with reference to the New Haven Railroad situation, which vividly portray what may result from private ownership, control, and manipulation.

In 1911 the deficit of this railroad company amounted to \$1,267,540; in 1912 to \$929,989; and in 1913 it passed its dividend entirely. Its capital increased from \$39,083 per mile to \$103,424 per mile; its bonds and debts increased from \$37,177 per mile to \$116,326 per mile; its debts in the aggregate increased from \$136,000,000 to \$492,000,000 in seven years; and its stock feil from \$225 to less than \$70 a share. The capitalization of the New Haven road was \$93,000,000 on 2,040 miles of railroad. That was increased to \$417,000,000, with an increase of only 50 miles in its railroad mileage. In 28 months 70 persons were killed and 420 were injured.

These facts alone show that private ownership and private operation of railroads are not the greatest success in the world. The people must pay upon the enormous increases of stock and bonds; and they suffer from the lack of proper administration

and care

Independent, however, of the general proposition of Government construction and ownership of railroads I am convinced that it is not only desirable, but absolutely necessary, not only from the standpoint of the development of Alaska but also from the standpoint of the national good, that this legislation should be enacted. It is an entirely different proposition from the general question of Government ownership. Our action with reference to it will not be considered and can not be taken or urged as a precedent for Government ownership of railroads in this country, where we have settlement, business, and great development. This is evident from the fact that the action which the Government has taken in the past with reference to matters of a similar character is not and has not yet been urged as a precedent for Government ownership of railroads. This is

plain to those who know the history of Government activities, Ten years ago the Government laid a cable from the United States to Alaska and constructed a telegraph system over the Territory. It has operated them continuously since their completion, and yet at no time has the Government been charged with beginning a policy of Government ownership of telegraph lines by so doing. The Panama Railroad has been owned and operated by the United States ever since the construction of the Panama Canal began, and this has not launched the Nation upon a policy of Government ownership of railroads. The policies pursued by the United States in Panama, Cuba, Porto Rico, Hawaii, the Philippine Islands, or Alaska have never in the past, nor will ever in the future, indicate the policy of the Government as to the United States. The conditions in these places are peculiar to themselves and the policies pursued must meet their peculiar conditions. Alaska has high mountains along the southern coast, and the passes that penetrate them are so narrow and few that a railroad, when built, creates a monopoly to the territory tributary to that pass. This territory tributary is thus oftentimes extensive and possessed of great wealth. It is to prevent monopoly from thwarting and hindering the development of Alaska that has prompted the people of the United States and Alaska to urge the building of the railroad by the people themselves, just as the Government was urged in the past to lay the Alaska cable and build the telegraph system now connecting every part of the Territory.

This proposition rests upon its own merits and upon the conditions peculiar to itself and the Territory which it affects. Alaska is not developing. There are fewer white people there to-day than there were 10 years ago. Its coal is undisturbed, its mineral lands are idle, and its permanent development neglected. Of course its coal and minerals will keep for future generations. Its agricultural possibilities might be left for those who are to come hereafter, but we want to see the development of that land of tremendous possibilities begin during our lifetime. Those who have gone there are entitled to consideration. They are looking to us for relief. They hope to welcome their friends to that land in whose future they have so much confidence. They want development made possible, and so do we.

This bill is one step in that direction. It is the first step, and, in my judgment, an absolutely necessary one. Transportation rests at the basis of all permanent growth. It is the first essential to the unlocking of the vast storehouse of wealth in that land of the midnight sun. Of course, we can not stop with this legislation. Transportation alone will not suffice, but, when that is assured, the others also must be taken. We believe that when we work out the fundamentals of the proper system of transportation we must and will work out the problem of the proper opening of the coal and oil fields and the proper distribution of the agricultural and other resources, and a prosperity and civilization will be produced in that land that will mark the legislation as the most constructive enacted by Congress in many years.

Objection is urged because provision is not made in this bill for the disposition and opening up of coal lands. two questions are very closely connected the solution of the transportation problem will inevitably lead to the solution of the other. The responsibility will rest upon Congress, it will rest upon us, and to postpone this legislation because of the fear that it will not be followed by proper legislation looking toward agricultural development and the opening of the coal mines is to confess our impotency. I am not ready to do that myself. I know that with proper care, proper study, and proper investigation we can and will frame and pass legislation following this which will open up the natural resources of Alaska and make them available under restrictions which will promote the general welfare. I would be glad to solve that problem in this bill, but we have not the information necessary. That subject has not been studied as it should be studied.

The committee has not yet had an opportunity to give it the consideration and investigation it ought to have. committee has considered the railroad proposition, and deemed it wise not to complicate it with the other problems that are of such great importance; but I wish to assure the Senate that the Committee on Territories expects to take up the coal situation, study and consider it carefully, and frame legislation that will take care of it. We believe we can do it better after Congress has acted on this matter than we can by considering it in connection with this measure itself. At any rate, we have not considered it, we have not investigated it as we should, and it would be very unwise to attempt to legislate upon it in this measure.

What is Alaska, and what are its possibilities? The Senator from Oregon, in charge of this bill, and the Senator from Montana have clearly, fully, and ably set forth the character of the climate, its products, resources, and wealth in detail; and I shall not repeat what they have so well said, more than

may seem absolutely necessary.

Alaska is the property of the wealthiest nation on earth.

It has an area of about 590,000 square miles, or one-fifth of the area of the United States. Its nearest point is separated from the United States by several hundred miles, and it is reached only by steamship transportation. It is surrounded by water, except on its eastward side. But little of this vast area has passed into private ownership. It is practically all the virgin property of the United States, to do with as sees fit. As the Senator from Mississippi said the other day, no constitutional question can arise with reference to our power and authority to act upon this proposition. We can do as we please and deal with it as any other owner can deal with his own. This makes the problem of Government construction of railroads an entirely different one from the Government construction and ownership of railroads in the United States through a thickly settled and well-developed section and for the benefit almost entirely of private property, and when the purpose would be service rather than development. Whatever benefit comes to the property through which the road may pass is a benefit to the property of the United States. resources are made available are resources of the United States. Whatever wealth comes from the enhancement of property becomes the wealth of the United States. Such a road is built by the owner of property for the benefit of that property. No lines of commerce are connected with Alaska, no great arteries of trade pass through it, no prosperous people surround it. But 30,000 white people inhabit this vast expanse, and but few of them have title to any portion of this great territory; and only 60,000 souls of all races and classes can be found within its borders. Under the circumstances, the United States, as the owner, is fully justified in taking such steps as may be necessary best to open up and improve this property without regard to the general question of Government ownership.

What is the character of this great land, which seems to be shunned by human kind? Is it the cold, frozen, bleak, icy, snowy country of the popular belief? Is it the land of horrors which seems to haunt my friend from Mississippi? Not at all. The Endicott Mountain Range runs east and west to the north of the Arctic Circle. North of this range lies about one-fourth of Alaska, and this is the Alaska of popular belief. South of this range lies three-fourths of Alaska, in area greater than all of the States of the Union east of the Mississippi and north of the Ohio River and Mason and Dixon's line, and—to quote the commission—just "as capable of general development as many well-settled and rich countries." To the south is the coastal range of lofty mountains, stretching in a great arc from British Columbia out into the Alaska peninsula. Between these two mountain ranges lies what may be termed interior Alaska, the greater part of which is mineral, with the two great natural valleys of the Yukon and Kuskokwim separated by a low divide, with surprising agricultural possibilities. These two great valleys are designated as "regions characterized by broad, open bottom lands and great rolling uplands."
a description which would not sound so forbidding here in the States.

Mr. DILLINGHAM. Mr. President-

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Vermont?

Mr. JONES. Certainly.

Mr. DILLINGHAM. I should like to call the Senator's at-

tention to the great Yukon Valley, with which he is now dealing, as I understand, and ask him if he has taken into consideration the fact that that great valley is frozen to a depth of from 40 to 150 feet?

Mr. JONES. Certainly. That phase of the matter is discussed very thoroughly by the railroad commission and by the agents of the Agricultural Department. All the testimony goes to show that while it is true that in a virgin condition the land is frozen probably to a depth of 30 or 40 feet, or perhaps even more, when the land is cleared or when the moss is taken away it begins to thaw, and each season it thaws to a greater depth, and that the frozen soil below is to a certain extent a benefit to the country, in that the moisture comes up when it is needed. That phase of the matter is considered by all the agents and commissions that have reported upon the agricultural possibilities of Alaska.

I think the suggestion that is in the Senator's mind, that by reason of that fact Alaska is absolutely useless as an agricultural country, is met in that way. I did not intend to go into the matter very much in detail, because the Senator from Oregon [Mr. Chamberlain] and the Senator from Montana [Mr. Walsh] went into those particular phases of it fully.

Mr. DILLINGHAM. I do not want to interrupt the Senator's

remarks.

Mr. JONES. It is no interruption at all.
Mr. DILLINGHAM. But I notice on the part of everybody
speaking of Alaska that they speak of it as a great agricultural area. I went the whole length of the Yukon River 10 years ago, and I found, as the Senator has suggested, that the ground was covered with what they call the tundra, which is nearly 2 feet in depth and is composed of decayed vegetable matter and some grass. When that is removed—which, of course, requires a large amount of laber—as the Senator says, the ground will thaw from 3 to 5 feet in depth, and then, being thrown up in ridges, you can raise the hardy vegetables, like turnips, cabbage, lettuce, and radishes, red currants, and things of that kind, but under adverse circumstances. I made up my mind that enough of that class of vegetables could be raised to supply the mining camps that might be established there, but I was convinced that it would be utterly impossible ever to make an agricultural area of that region in the sense in which we speak of agricultural areas in other sections of the country.

Mr. JONES. Probably I would agree with the Senator in that

respect.

Mr. DILLINGHAM. The winters there are fully eight months in length, the sun not rising until 10 e'clock in the morning and darkness coming on about 3 in the afternoon. In the summer, on the contrary, during the 100 or 125 or 130 days when navigation is open the sun shines 23 hours in the day, and produces the effects to which I have already alluded.

I interrupted the Senator simply to interject the remark that when we speak of Alaska as a great agricultural area I think

we are going beyond the bounds of probability.

Mr. JONES. I think it is a great agricultural area. I think there is no question about that. Of course, however, nobody will contend that Alaska has agricultural possibilities like Illinois or Indiana or Ohio or the rest of the great agricultural sections of this country. I believe, just as the Senator has stated, that there are possibilities there of agricultural development that will at least very largely supply whatever local markets may develop in that country. If that is done, it will mean a great deal.

I desire to say that on this map the territory colored in blue

is agricultural territory, as it is referred to in Alaska.

Mr. DILLINGHAM. In that connection, if it will not interrupt the Senator, I think the territory colored in blue south of the great coast range of mountains is an entirely different proposition from that colored in blue north of the coast range of mountains.

Mr. JONES. Mr. President, there is substantially none of it south of the coast range. This is the great part of it up here [indicating on the map]. The agricultural land along the coast, south of the coast range, is not so good agricultural land and has not such a good agricultural climate as that in the interior.

Mr. DILLINGHAM. Yes; but it has 12 inches of rainfall,

while the interior has not.

Mr. JONES. That is true. It has too much rainfall.

Mr. DILLINGHAM. It has too much.

Mr. JONES. The interior rainfall, while it is not very high, comes very largely at a time when it is needed. Furthermore, the lack of rainfall is largely compensated for by the moisture coming up from below.

Mr. CLARK of Wyoming. Mr. President—
The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Wyoming?

Mr. JONES. Certainly.

Mr. CLARK of Wyoming. I wish to get the views of the Senator clear in my own mind. I take it, from the colloquy that has just occurred between the speaker and the Senator from Vermont, that so far as the agricultural part of Alaska is concerned, the view of the Senator is that the necessity for transportation there is the transportation that will so serve the development of what agricultural resources they have that it will bring those resources within striking distance of the mining centers. In other words, the Senator believes that the basic industry to be served by whatever the Government may do there will be the development of the mineral interest rather than of the agricultural interest. Am I correct about that?
Mr. JONES. That will be the greatest interest developed

from a money standpoint, but I consider that there is a necessity for the development of these two industries in Alaska. I

think I have covered that matter in another part of my remarks.

Mr. CLARK of Wyoming. What I am trying to get at is that the Senator hardly believes the development will bring about a large export trade in agricultural products from Alaska.

Mr. JONES. No; I do not think it will. I do not look for very much export. There may be some. One gentleman who has been in Alaska for two years as a Government official states in an interview that in his opinion in the very near future the country up there will support a billion reindeer, and that reindeer meat is just about as good as beef; and he suggests that in the future reindeer development up there may have a great deal to do with taking care of our meat problem. I simply state that, however, for what it is worth. It has been demonstrated that the reindeer multiply very rapidly, and his suggestion may not be as wild as it seems.

Mr. CHAMBERLAIN. Mr. President, may I interrupt the

Senator?

Mr. JONES. Certainly. Mr. CHAMBERLAIN. While it may be true, as the Senator says in answer to the questions of the Senator from Wyoming, that agricultural products for export may not be raised in Alaska, the Senator must concede that it is estimated by the Agricultural Department and other departments of the Government that there are 100,000 square miles in Alaska that are susceptible of cultivation.

Mr. JONES. Yes; I was going to refer to that a little later. Mr. CHAMBERLAIN. And that it will furnish homes to hundreds and thousands and tens of thousands of people who

have recently been invited to Canada, into a country which is practically of the same class and character as Alaska.

Mr. JONES. Just in that connection I desire to say that in the near future, instead of 30,000 people, I think Alaska will have a million or five million or eight or ten million people. If it does have a development of that kind in population, of course, they will require a great amount of agricultural products, and I think the supply of agricultural products for a population of that kind will be very largely produced in Alaska. That indi-cates the extent of the agricultural development which I believe will take place.

Mr. CLARK of Wyoming. What I wanted to find out from those who have studied the matter, as the Senator from Washington and the Senator from Oregon have, was whether or not we have agricultural possibilities up there such as the agricultural possibilities of Canada and the United States.

Mr. CHAMBERLAIN. If I may be permitted to answer the Senator, if we are to believe at all the reports of the Agricultural Department, through its agents up there, we have in Alaska just as great possibilities and just as great opportunities

for settlement as are offered by Canada.

Mr. CLARK of Wyoming. I understand, and it is fortified by what the Senator from Vermont [Mr. DILLINGHAM] gives as his personal observation, that there is a vast difference between the ease with which that country can be developed and the farming possibilities of the United States and Canada. The Senator from Vermont states that there is a coating of some sort-he calls it the tundra-a foot or 18 inches or 2 feet in thickness that has to be removed before you get down to the ground to be cultivated at all, and that in the absence of that removal the summer sun will not thaw out the ground sufficiently so that it can be made available. If that be true, it seems to me that to compare the agricultural possibilities of Alaska with the possibilities of Canada or of the United States is a comparison that can not be properly made.

I wish to say that I do not minimize in the least the prospective value of Alaska. I think it is immensely valuable. I do not, however, agree with the Senator from Washington that in a very few years we will have a million inhabitants there, because I have lived for 25 or 30 years in a part of the country that I think is better than Alaska, and we have not yet a million inhabitants there.

Mr. JONES. The Senator's State has not the minerals that Alaska has.

Mr. CLARK of Wyoming. We have some of them.

Mr. JONES. Yes, some of them; that is true, but by no means all nor such abundance.

Mr. CLARK of Wyoming. I see that, according to the estimates here, there are about three or four hundred square miles of coal deposit in Alaska. I call the attention of the Senator to the fact that the known coal deposits in the single State in which I live are more than 30,000 square miles in extent.

Mr. JONES. The known area of all kinds of coal is far greater than three or four hundred square miles.

Mr. GALLINGER. Mr. President, will the Senator permit an interruption?

Mr. JONES. Certainly.

Mr. GALLINGER. Some years ago I made a little run into Alaska, but I did not get beyond the then capital of the Territory, Sitka. I came away with the feeling that the agricultural possibilities which were then talked of in Alaska were rather visionary, to say the least. Unfortunately, I did not visit the inland territory which the Senator is discussing, and personally I know nothing about it.

I am going to ask the Senator whether, during the 47 years of our ownership of Alaska, any farms, as we understand the term in the United States, have been taken up, and whether or not the production of those farms is such as to give encouragement

along the lines of the Senator's argument?

Mr. JONES. They have been.
Mr. GALLINGER. One other thing, Mr. President, and that is as to the matter of Canadian immigration, which is always mentioned in connection with the Alaskan discussion. truth is that in the last six years Canada has received only 23,000 more immigrants than we have received from Canada, and during the year 1913, 54,000 Americans who had gone to Canada returned to the United States. The tide of immigration seems now to be in our favor rather than against us. So I think we exaggerate the idea that our people are leaving the United States in great numbers and going to Canada because of superior advantages there.

Mr. JONES. I think the number of those who have gone into Canada is much greater than the Senator has suggested. I can not give a detailed statement, but my impression has

been different.

Mr. GALLINGER. I will give the statement, which I think is official. In the last six years 618,000 Americans emigrated to Canada, but in the same period 594,000 Canadians moved to the United States, leaving Canada the gainer over us of only 23,000, whilst, as I said, during 1913 over 54,000 Americanborn residents of Canada gave up their residence there and returned to this country. That Mr. BORAH. Mr. President-That, I think, is authentic.

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Idaho?

Mr. JONES. Certainly.

Mr. BORAH. I should like to ask the Senator from New Hampshire from what source he secured the data which he has just given the Senate?

Mr. GALLINGER. I regret that I did not note on the clipping that I have the newspaper from which I took it, but I think it is from one of the leading newspapers of Philadelphia. I am not certain as to that, but this newspaper makes the statement as covering the last six years, Canadian figures." That is the authori "according to official That is the authority for the figures that I have given. I have not verified it, I will say to the Senator. think the clipping is from the Philadelphia Inquirer, but I am not quite positive as to that.

Mr. BORAH. I have made some investigation myself with reference to the number of people who leave this country every year and go to Canada, and it has averaged during the last five years close to 100,000 a year.

Mr. GALLINGER. Yes; this clipping gives the number at

618,000 in the last six years, a little over 100,000 a year. Mr. BORAH. That is about right. Now, the Senator says people have left Canada and come to this country in large numbers. We are receiving a great many people from Canada, but they enter different lines of business from that which the people who leave here and go to Canada enter when they go to Canada. We are losing agriculturists, farmers, in very large excess of any other class of people, and those who come here from Canada enter into commercial lines of industry, and so forth.

But that is not what I rose to say. I see that the country has been agitated for the last day or two considerably over the fact that Canada has disclosed a desire to have immigrants. Our conduct toward the settler during the last 8 or 10 years arouses our interest when we find another nation upon the face of the earth that seems to want to have some settlers, and seems disposed to treat them right when it gets them. We have acted as if we did not want settlers; we have treated them as though they were a menace.

If the committee which has charge of this matter want to know why the agriculturist, the farmer, the settler leaves the United States and goes to Canada, they will not confine themselves in their investigation to what is published in some news paper, but they will go further and find the manner in which Canada administers her public-land laws and the manner in which she treats her settlers as compared with the manner in

which we have administered our public-land laws during the last 10 years and the manner in which we treat our settlers. There they will find the real reason why the home builder has left by the hundreds of thousands and gone from the United States into Canada. They moved across to Idaho and Montana and that western country in search of a home, and finding there, as I said, adverse conditions, they have gone on to Canada, and not by reason of articles published in newspapers. Let us treat our settlers with the consideration that Canada treats hers and we will have no trouble in holding our people.

Mr. GALLINGER. Mr. President, just one word. I quite agree with the Senator from Idaho as to the more liberal land laws of Canada, and I agree with the Senator that that is beyond a doubt one reason for many of the farmers in our agricultural States going to Canada. That is beyond doubt true; but I think that a great many of them are being disappointed in Canada. The fact that 54,000 Americans last year who had gone into Canada, and largely of that class have returned, would indicate that they did not find Canada is the El Dorado that had been pictured to them. It is true that the drift of immigration from Canada is to a very considerable extent into our industrial centers rather than to our farms.

But I rose, Mr. President, simply to put in the RECORD what is not altogether a newspaper clipping, but is from official figures furnished by the Canadian Government to show that we are exaggerating rather the movement of population from this country to Canada and not taking into proper consideration the fact that there is a countermovement which during 1913 apparently is in our favor. That is all I desired to put in the RECORD.

Mr. SMITH of Michigan. Mr. President—
The VICE PRESIDENT. Does the Senator from Washington

yield to the Senator from Michigan?

Mr. JONES. Certainly.

Mr. SMITH of Michigan. I should like to make an observation with reference to the remark of the Senator from New Hampshire. He says that Canada is not an El Dorado. Of course, nobody contends that it is, but it has unusual advantages for immigrants. It furnishes a constantly enlarging domestic market, which Canadians protect with very great vigor and constancy, and gives ready access to the American market, which is not protected with any constancy or vigor at all. In other words, an immigrant going from the United States to Canada annexes forthwith all the rights that the Canadian has in his own market and gives up none of the rights of an American citizen in our market.

Canada may not be an El Dorado, but it enjoys the most unique distinction of any country on the globe. It borders the most prosperous Nation on the earth, having the best markets to be found anywhere in all the world. They may assert their undivided allegiance to the British Crown and enjoy unrestricted commercial opportunities on our American soil. This course is a latter-day favor that has been bestowed upon the Canadian citizen, and, strictly speaking, it is not so generously bestowed upon other countries because many of them are not within walking distance of our principal American cities. I was struck by the use of the words "El Dorado" b

distinguished friend from New Hampshire. Canada has the soft and alluring El Dorados beaten to a standstill. There is not a perfumed El Dorado under any favored sun of the world that comprehends the blissful and unrestricted privileges of

Canadian citizenship.

Mr. GALLINGER. Because of our legislation, of course.

Mr. SMITH of Michigan. No, Mr. President; not so much because of our legislation, but because of Canadian legislation, which is vastly more sensible and helpful to her citizens than our legislation is to our own.

I beg pardon of the Senate for obtruding my observations, but the words "El Dorado" rather shocked my sensibilities. have said what I have not as bearing particularly upon the exploitation of Alaska, but as bearing particularly upon the present exploitation of the United States by the people of Canada.

Mr. GALLINGER. Mr. President, if the Senator from Washington will permit me, I think this very likely can be explained so as not to make it appear quite as much to our discredit, if I may use that term, as the simple reading of the little clipping would indicate. With the Senator's permission, I will ask that the Secretary read a clipping that I took a day or two ago from Washington newspaper concerning the tillable land of the I think it has a little bearing upon the necessity United States. of our appropriating money to add to our agricultural area.

The VICE PRESIDENT. The Secretary will read as re-

The Secretary read as follows:

SMALL PART OF LAND IN UNITED STATES UNDER CULTIVATION.

Only 27 per cent of the tillable land of the United States is under cultivation, according to estimates of the Department of Agriculture.

The United States, exclusive of foreign possessions, contains about 1,000,000,000 acres. Of this area about 60 per cent is estimated to be tillable. Nincteen per cent, or 361,000,000, is estimated to be non-tillable, but valuable for pasture or fruit. The remaining 21 per cent is of no use in agriculture.

Mr. JONES. I should like to ask the Senator from New Hampshire, while I do not consider it especially bearing on this bill, yet in view of the fact which he brought out that so many of our people have gone into Canada and so many of their people have come to this country, the difference showing a balance against us, if he has any information as to the number of Canadians who have come to this country and have gone back to Canada

Mr. GALLINGER. I will say I have not, but beyond question a great many go back temporarily, at least, from the industrial

centers. There is no doubt of that.

Mr. SMITH of Michigan. Up until a year ago there was a very decided movement of Canadians in this direction, but during the last year I think that many of them have gone back and revoked their preliminary declaration of intention, because

of the advantages which they get on their side of the border.

Mr. JONES. Mr. President, I desire to say to the Senator from New Hampshire that I do not attach so much importance to this legislation from the standpoint of keeping our people from going to Canada. I doubt if it will prevent a great many from going there, because they go there by reason of the induce-ments offered by Canada and the conditions there, and they go because of the hardships of the administration of our laws in this country and for other reasons which would not be met by this bill.

In regard to the agricultural developments to which the Senator refers, I did not intend to go into details, yet my recollection is that the testimony shows that two or three thousand acres of land in that territory—the Tanana and Yukon—have been actually put under cultivation, not in one farm but in different farms; that they have been very successful and very productive, and those who are taking care of them, by reason of the situation, proximity to mining camps, and so forth, have found it to be a profitable business. I do not look upon this matter as indicating that people would go to Alaska for the agricultural possibilities there independent of anything else. If Alaska develops, however, in its mineral way, as we expect it will develop, people will go there to develop agricultural products to supply the local demand. That is what will happen.

Mr. GALLINGER. The Senator is very kind in yielding. I simply want to supplement what I said with the suggestion that it occurred to me that if 10 or even 5 enterprising men had gone into Alaska Territory and taken up farms, by purchase or otherwise, and had succeeded in making them reasonably profitable in the raising of agricultural products, it largely sustains the Senator's argument, because if 5 men can do it 5,000 men can do it. That is the reason why I made the inquiry. It seemed to me that in the 40 years of our ownership of Alaska there must have been some experiments made in that direction.

Mr. JONES. That is true. Homesteaders and others have

demonstrated this very thing beyond question.
Mr. CHAMBERLAIN. Will the Senator yie Will the Senator yield to me for a

The PRESIDING OFFICER (Mr. MARTINE of New Jersey in the chair). Does the Senator from Washington yield to the Senator from Oregon?

Mr. JONES. Certainly.
Mr. CHAMBERLAIN. The Senator from Vermont [Mr. Dil.-LINGHAM] spoke of having formed a very unfavorable impression as to the agricultural possibilities of Alaska from a hasty trip which he made through the country, and the Senator from New Hampshire [Mr. Gallinger] also says that when he visited the capital of Alaska he got the same impression with reference to the agricultural possibilities as did the Senator from Vermont. I want to say in this connection that a man passing hastily through a country can not possibly form any accurate opinion as to the possibilities of the country in respect of its

Especially a country of 590,000 square miles.

Mr. CHAMBERLAIN. I want to illustrate that by a circumstance that happened not very many years ago. The Senator from Wyoming [Mr. CLARK] will remember about it. I never investigated it to ascertain the accuracy of the statement, but it is currently reported out there that in the eighties

Mr. Villard, interested in the Union Pacific and other transcontinental lines, had undertaken to consolidate them under the name of the O. & T .- the Oregon & Transcontinental lineand he took German bondholders out there who were interested in the line for the purpose of securing their further invest-ments. They came through Oregon—they came through the Senator's State, I doubt not—and, judging from a hasty trip in the sagebrush country, apparently worthless, unloaded their securities and depreciated the stock so that the road practically went into the hands of a receiver. As a matter of fact, since that time, not only the State of the Senator from Wyoming but all the western States through which railroad lines have run, have been developed rapidly, and the lines have become a paying proposition. I want to say in this connection I very much doubt if Wyoming itself would have developed with the same rapidity if Government-aided roads had not been built. My own State would not have been developed so rapidly had it not been for the assistance rendered by the Government.

Mr. JONES. In line with what the Senator just said, if you go along that road in my State in certain sections and look out of the car windows, you see nothing but a desert and sagebrush, but just over and on the hills there is as fine wheat land as

there is in the country.

Mr. CLARK of Wyoming. What the Senator from Oregon and the Senator from Washington say as to what a man might think from superficial examination about the possibilities for future development is true, but I was trying to get a correct idea as to the agricultural land in Alaska. We are told that there are hundreds of thousands of acres, if not hundreds of thousands of square miles, of rich agricultural lands in Alaska.

Mr. JONES. It is not exactly described as rich agricultural

land.

Mr. CLARK of Wyoming. It is not perhaps so stated in terms, but that impression gets out. I wanted to develop, if I could, from the knowledge the Senator has, from his study, and that of the Senator from Oregon [Mr. CHAMBERLAIN]. whether that is land such as we describe as rich agricultural land in Canada or the United States.

I am free to confess in regard to the resources of Alaska that I have not the same idea of the brilliant future that some others While I concede the tremendous possibilities of that Territory, I am not carried away by the enthusiastic description of some of its mineral resources. I think they are great; I think there is a wonderful future before the Territory; but I think we might get onto a sane basis in considering the possi-bilities rather than a fanciful basis.

Mr. JONES. I have never visited Alaska except as the Senator from New Hampshire [Mr. Gallinger] has done. I got to the capital, Sitka. Of course, along that line I saw nothing that indicated any great agricultural possibilities, as far as that is concerned; but unless we disregard the statement of every Government expert, every agricultural agent, and every commission that we have sent to Alaska, and the testimony of those who live there, we must believe that there is a territory of about 100,000 square miles that is capable of reasonable agricultural development, such as I suggested to the Senator from New Hampshire a moment ago; not like the plains of Illinois, possibly not like the plains of Wyoming, but a country which, with the mining population there, will lead to people going in and cultivating a small tract at a time, gradually increasing the quantity in order to supply the domestic or local demands. There will not be the broad wheat fields we find in Minnesota and other States, nor the great cornfields, nor anything of that kind. I do not pretend anything of that sort; but I do claim that the reports here show, and the results of work by people actually in Alaska and on the ground show, that Alaska has agricultural resources that are capable of supplying possibly all the probable local demands, even if the population increases as I expect it to increase.

Mr. CLARK of Wyoming. Mr. President—
The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Wyoming?

Mr. JONES. Certainly.

Mr. CLARK of Wyoming. I want to make my position perfectly plain to the Senator from Washington.

Mr. JONES. I think I understand the Senator's position. Mr. CLARK of Wyoming. It is my notion that we ought not to act by a skip and jump into legislation of this sort, but waiving a matter which I personally can not waive and which the Senator from Mississippi [Mr. Williams] is willing to waive, there is a practical side to this proposition which we ought to look at. Here is a proposition to spend \$100,000,000— Mr. JONES. Well, not exactly that. I will say to the Seua-

tor that the committee this morning agreed to an amendment

which will be reported by the committee providing that the President can not contract for nor spend more than \$40,000,000.

Mr. CLARK of Wyoming. I am glad to hear that; but there is no question that if we begin in this development we will carry it through. That has been the universal history of legis-

lation of that kind in this country.

I do not take so very much stock in what experts tell us about the development of a country. I would rather take the word of a practical man, like the Senator from Washington [Mr. Jones], if he had examined the possibilities there, than all the expert testimony that could be produced. We have expert testimony of the enormous value of the Bering coal fields; we have expert testimony supported by chemical analysis; and it is true that the chemical analysis shows that it is better than the Pocahontas coal for steam purposes and for naval purposes; and yet in a practical test the Bering coal absolutely fails and shows itself to be worthless as fuel for naval pur-

If the Senator from Washington will bear with me, as perhaps some excuse for my heresy in these matters, I want to call attention to an article in the last issue of the Army and Navy Register. The Committee on Naval Affairs in the House of Representatives, I think, have had this matter of Alaska coal under consideration. We must bear in mind that one of the prime motive powers behind this bill, or one of the reasons urged for its passage, is that it is a great military necessity, in that we must have coal for our Pacific Fleet; and it was stated here on the floor only the other day that we shall have an inexhaustible supply of coal in Alaska for our fleet, but here is what occurred—and I want to put this into the RECORD just now, for I think it is authentic and will not be disputed. The Army and Navy Register says, in regard to a hearing before the Naval Committee of the other House:

In the hearing of Rear Admiral R. S. Griffin, engineer in chief, it was stated that preliminary tests of Alaskan coal from the Bering River district have been discouraging to officials, who hoped they might develop a new fuel supply for the Navy. The Bering River coal tested has fallen so far under expectations in practical use as to be of no value; but from the Matanuska fields and other sections of the Bering district, from which coal is yet to be tested, the Navy is hoping for better results.

Here is the point to which I desire to call particular atten-

Chemical tests of the Bering River coal indicated that it contained a higher efficiency of thermal units than the Pocahontas coal of West Virginia—

Which is the best, as I understand, that we have-

but when put to actual tests in the Navy, notably aboard the cruiser Maryland, it developed only 43 per cent of the same efficiency and caused a great deal of trouble. It made great clinkers, which clogged the furnaces and covered the grate bars with a molten substance like tar, which shut off the draft and hampered steaming. Congress has appropriated \$75,000 for experiments with coal from the Matanuska district, and those will be carried on.

Of course it is hoped that further experiments will develop somewhere in Alaska a character of coal that can be used for naval purposes; but I simply read this to show that we can not depend for practical purposes upon scientific examinations, for all the properties of the coal are there which indicate that it is the equal of or better than the Pocahontas coal, but when we come to test it, we find that in practical application it does not measure up to the standard. So, I say, I would rather have the practical knowledge that might be gathered by a man like the Senator from Washington than information from all of these other sources.

The thing that troubles me personally, however, about the matter is whether we are not going too fast, whether we ought not to make experiments before adopting, as a whole, the policy of railroad building in Alaska at an expenditure of at least \$40,000,000.

Mr. JONES. Mr. President, we have been experimenting in Alaska for a great many years. We certainly have not been going very fast, but we have been experimenting. We have done more; and, as I remarked a moment ago, there are men in Alaska who have actually farmed and cultivated land therethey have been there for years; they have taken up homesteads, and they have actually demonstrated what can be done. They have made a success of it. It is not the same result that comes from the trial of this coal in these fields, taken under conditions that make it very questionable whether it was anything like a fair test or not; but men have actually demonstrated in that territory, where they have resided, that agricultural products can be raised and can be raised successfully.

Mr. CLARK of Wyoming. Can the Senator make a statement from personal examination?

Mr. JONES. No; I have not been in Alaska, and I regret that I have not been there, so that I could give the Senator the benefit of my personal examination.

Mr. CLARK of Wyoming. Can the Senator tell us how extensive have been those operations?

Mr. JONES. As I said a moment ago, my recollection is that there is something like two or three thousand acres in the Tanana and Yukon Valleys which have been actually cultivated, probably a portion of several different homesteads. Of course that does not sound very big, but yet that demonstrates very

largely what can be done in a good portion of that Territory.

Mr. CLARK of Wyoming. It would make a little difference whether they were what might be called experimental farms or whether they were farms in the ordinary sense of farms as we use the term in this section of the country.

Mr. JONES. These are the farms of homesteaders and not any kind of experimental stations at all.

Mr. WALSH and Mr. CLARK of Wyoming addressed the Chair.

The PRESIDING OFFICER. To whom does the Senator from Washington yield?

Mr. JONES. I yield to the Senator from Montana, because I think he is going to give an answer to these questions just asked.

Mr. WALSH. Mr. President, the point suggested by the Senator from Wyoming [Mr. CLARK] is very pertinent here. course, the results of experiments conducted by experimental stations are not by any means of so persuasive a character as the results obtained by men who actually go out and farm. It is exceedingly pertinent, as I suggested, to inquire whether these opportunities have thus far been availed of by actual settlers. Let me read what Dr. Brooks tells us about the matter. He is speaking now about experimental stations and their work, and then he continues to show the facts to be as the Senator from Washington [Mr. Jones] now tells us. He says:

What perhaps will carry still greater weight with the average person is the fact that there have been a whole lot of very successful ranches in the vicinity of Fairbanks, where there is a local market. I think this committee has seen photographs of some of the agricultural operations in the vicinity of Fairbanks, and perhaps I need not dwell on that. I do not think there is any question that the Tanana Valley has an agricultural future. I do not mean to imply that we are going to export wheat from Tanana or going to have any crop export for at least a long time to come; but I do believe that the country is capable of supporting the population and that, with the mining development, the farmer will come to furnish the food supply for the mine operators.

I want to add to that the testimony of Mr. Joslin, of Fairbanks.

Mr. DILLINGHAM. From whose testimony has the Senator from Montana been reading-from that of Judge Wickersham? Mr. WALSH. No; I have been reading from the testimony

of Dr. Alfred H. Brooks, chairman of the commission, who has himself spent years in Alaska investigating its mineral resources as the representative of the Geological Survey. I shall now read from the testimony of Mr. Joslin, who resides at Fairbanks. He says:

banks. He says:

The clearing of farm lands about Fairbanks is going on rapidly. I believe that last year the area of land under cultivation at Fairbanks nearly doubled all that had been cleared and cultivated up to that time. And there is an enthusiasm about it. The yield of those crops is a matter of amazement and surprise to the men themselves who are producing them, because there, as everywhere, it was the supposition that the land was worthless for farm purposes. But either from the fact that the soil is new and has the elements in it that produce growth in great abundance or from the fact that there is during the growing period 24 hours of daylight, one or both must be the cause for the amazing production of that land.

Senator Hyrchcock. Has the production been sufficient to make any appreciable difference in the shipping in of supplies?

Mr. Joslin. Yes; it has stopped the shipping of fresh cabbage. They raise all they use. In the matter of turnips they raise all they use. I will say, Mr. President, that the evidence is here that they

I will say, Mr. President, that the evidence is here that they raised a hundred thousand bushels of potatoes there last year.

In two years more there will probably be no more shipped in. In the matter of hay they have reduced the quantity shipped in some, but not a great deal. Lettuce and tomatoes are all produced locally. Tomatoes are grown largely in hothouses, although they have been givened outdoors. ripened outdoors.

Senator HITCHCOCK. You are speaking of the neighborhood of Fair-

Mr. Joslin. I am speaking of the neighborhood of Fairbanks. It undoubtedly a grain-producing country and will produce grain as good as any.

Mr. President, this is the testimony of Mr. Joslin, who, as I have said, lives at Fairbanks, and we may assume, as a matter of course, that he is inspired more or less by local pride in the testimony which he gives, and particularly in reference to the hopes that he expresses concerning the future, but Dr. Brooks has no interest at all to blas his mind; he is a Government official, going there upon official business to state the conditions.

Mr. GALLINGER. If the Senator from Washington [Mr. Jones] will permit me, I want to thank the Senator from Montana [Mr. Walsh] for putting that into the Record. I had not read the hearings, and hence was ignorant as to the facts which the Senator has brought out. It seems to me that

they very strongly substantiate the position the Senator from Washington has taken, and practically force us to the conclusion that there are great agricultural possibilities there, which I did not know before as a matter of fact.

Mr. JONES. I will say to the Senator—
Mr. WILLIAMS. Mr. President—
The PRESIDING OFFICER. Does the Senator from Wash-

ington yield to the Senator from Mississippi?

Mr. JONES. In just a moment. I will say to the Senator from New Hampshire that there are other statements in the record, placed there by different speakers in the form of letters from farmers in that country, showing substantially the same facts as described in the testimony read by the Senator from

Mr. WILLIAMS. Mr. President, I should like to ask the Senator from Washington what is the longest growing period in any part of Alaska owned by the United States?

Mr. JONES. Well, in the interior my understanding is that the growing period is three or three and a half months, but

Mr. WILLIAMS. The longest growing period in any part of Alaska that is owned by us is four months, is it not?

Mr. JONES. I should judge so.

Mr. WILLIAMS. And in the interior portion it runs from two to three and a half month's, does it not?

Mr. JONES. Possibly three and a half months.

Mr. WILLIAMS. So that they can not raise anything that can not be planted and mature within those respective periods?

Mr. JONES. Yes; but the Senator must understand that the sunshine and heat contained in those two and a half to three and a half months is much greater than in a similar time here, because the period of sunshine is much longer.

Mr. WILLIAMS. I understand that when the sun shines 21 hours a day, we will say, it does hasten growing very much more than when it shines only 12 or 14 hours.

Mr. JONES. There is not the checking when the sun is not

shining that results here, either.

Mr. WILLIAMS. In every part of Alaska where there is any agricultural product at all there is some checking from frost, for it becomes very cold when the sun goes down.

Mr. JONES. It is not very cold at night during those two

or three months.

Mr. WILLIAMS. When we get to the country of eternal summer sunshine we are up in the Arctic regions.

Mr. JONES. I do not know whether or not the Senator was here when I first began, but I said that in the Arctic regions of Alaska there were no agricultural possibilities.

Mr. WILLIAMS. That is the reason I mentioned that. It

is not a debatable question at all.

Mr. JONES. And I am going to give to the Senator in just a few moments, if he should not have to retire, certain facts in regard to the temperature and climate of Alaska which I

would like him to hear.

I want to say, before the Senator from Vermont has to leave, with reference to the suggestion he made a moment ago as to the soil being frozen and all that sort of thing, that I am told—I have not been there; I have not visited that country myself, but I am told by very reliable persons who I have no doubt were stating the fact—that in this part of the valley of the Susitna shown here by this blue portion [indicating on the map] there is an enormous amount of agricultural land which is not frozen at all; that is, that it thaws out to the bottom in the summer time, and there is not that 30 or 40 feet of frozen soil which the Senator referred to in his suggestion this morning. This thaws out rich alluvial soil in that country, This thaws out entirely, and there is a very

Mr. DILLINGHAM. Where does that land lie with refer-

ence to Mount McKinley?

Mount McKinley is here [indicating on the map], Mr. JONES. Mr. DILLINGHAM. It lies south, then, of Mount McKinley? Mr. JONES. It lies south of Mount McKinley, and much of it to the north of this range which goes around here [indi-

Mr. CHAMBERLAIN. The coast range?

Mr. JONES. There are several thousand square miles of agricultural territory in there, and it is through there the indications are that one of the lines may run.

Mr. DILLINGHAM. But it is true, I suppose, that in the

Tanana Valley frost is found in the ground.

Mr. JONES. I think that is true.

Mr. DILLINGHAM. Yes; I have been so informed by Maj.
Richardson in conversation.

Mr. JONES. I think my contention with reference to the

were brought out clearly by those who have preceded me, and I did not intend to bring them out, yet I am very glad that the interruptions have occurred so that the matter might be made clear to those who may not have heard the other speakers.

With reference to the experiment to which the Senator from Wyoming [Mr. Clark] referred in regard to the Bering River coal, I will say to the Senator that the result of that experiment was very disappointing to me, and yet it was not entirely unexpected, because I have here a letter from a former Member of the House of Representatives that was sent to me away back in September, in which he states that information has come to him that the coal that was obtained from the Bering fields for the purpose of this experiment was not fit; that it contained a great deal of impurities; that it was gathered up in a very careless, reckless sort of way; and that, from the information which he had, he was satisfied that such experiment would not demonstrate the character of the coal there.

That is a suggestion made many months ago. I have heard some other suggestions in reference to the manner in which that coal was gotten together, which, if true, would make the experiment or demonstration valueless. I will say that I have not been able as yet to read the testimony of Admiral Griffin. I did talk with him over the telephone the other morning and he said that the Navy had nothing to do with the gathering of this coal; that when it was delivered to them it was very impure and constituted a very poor sample with which to experiment. So that enough has come to me to raise a question in my mind as to whether there has yet been a fair demonstration as to the steaming possibilities of that coal; and I feel pretty confident that when a fair test is made, when the coal is gotten out through such means as it should be, the chemical analysis will be verified and sustained.

Mr. CLARK of Wyoming. Mr. President, the Senator hopes that that may prove to be the case no more than I do.

Mr. JONES. I know that, Mr. CLARK of Wyoming. But they are still, according to Admiral Griffin, conducting those experiments. wanted to inject into the Senator's speech was whether or not it would not be a good plan to proceed a little slowly until those experiments have an opportunity to run their full length. can not see why this experiment should not have been a fair one. It was conducted, whether by the Navy or not, by those under Government employ who were interested in making, if , possible, a satisfactory test.

Mr. JONES. The experiment was carried on by the Navy,

but the coal was gathered by the Bureau of Mines.

Mr. CLARK of Wyoming. Yes, by the Bureau of Mines; which, of course, would be interested in getting. I suppose, an average sample of the coal there. I presume we will have all of that testimony printed to-day or to-morrow, or, at least, be-fore the passage of this bill. I tried to get it on Saturday last, but it was not then printed, and I was told it would be printed in the first part of this week.

Mr. JONES. I simply made the suggestion, because it shows that there were intimations given out quite a while ago that in the gathering of this coal proper steps were not taken, and there have been some definite charges with reference to—

Mr. CLARK of Wyoming. Of course I would not intimate that that might be said to be a sort of a hedge thrown out.

Mr. JONES. No; not at all. They are statements which have been made by some of the employees who were on that expedition. I know what credence is to be given to them. of that kind, and there may be absolutely nothing to them

Mr. CLARK of Wyoming. Of course the Senator is aware of the fact that the chemical analysis of coal is not conclusive evidence of what the coal may do in practical operation.

Mr. JONES. Certainly; that may be so. Mr. CLARK of Wyoming. That is the point I wanted to get at.

Mr. JONES. Furthermore, I know that the Bering River mines are not really developed as mines. Whatever coal was gotten out was taken from very near the surface, if not on the surface; and my understanding is that the coal is better when you go farther in than that which you gather from the surface.

Mr. KENYON. Mr. President-

The PRESIDING OFFICER. Does the Senator from Wash-

ington yield to the Senator from Iowa?

In just a moment. Furthermore, I want to say-and I think I cover this point a little further on-that it is not solely the coal that we are after by building this railroad, and that, so far as I am concerned, if there were no coal there I would still be in favor of building the railroad because of the agricultural situation is understood, and I am very glad this interruption has come. While I thought that many of these details other resources that are there, and the necessity for their development. Coal is an important resource, but there are many others as important, if not more so.

Mr. KENYON. Mr. President-

The PRESIDING OFFICER. Does the Senator from Washington now yield to the Senator from Iowa?

Mr. JONES. I do.

Mr. KENYON. Apropos of the suggestion of the Senator from Wyoming [Mr. CLARK]. I am a little curious to know the relative proportion of the Bering coal fields to the coal supply of There are other coal fields there, are there not? Alaska.

Oh. yes.

Mr. KENYON. Furnishing coal that can, without question, be used by the Navy?

Mr. CLARK of Wyoming. Not without question. Mr. JONES. I would not say without question. Mr. KENYON. I had assumed that there were.

Here [indicating on the map] are the Mata-Mr. JONES. nuska coal fields, which are larger than the Bering coal fields. Here they are. These, as I understand, are the only two coal fields where it is known that there is any anthracite coal. There are tremendous areas of other coal. The black squares here indicate where coal is found in Alaska. You will see that it is almost all over the map and extends away up into the Arctic region; but the two fields here are the only fields where anthracite coal, or steaming coal for the Navy, is supposed to be found.

Mr. KENYON. Have the experiments spoken of by the Sena-

tor from Wyoming been made as to the other coal?

Mr. CLARK of Wyoming. No; but we have appropriated for making them.

Mr. KENYON. It is a matter of hope?

Mr. JONES. I will say to the Senator that an expedition is now getting coal out of the Matanuska field for experimental testing in the Navy. It has not yet come out. We sion for that in a bill passed just a year or two ago. It has not yet come out. We made provi-

Mr. KENYON. I had always supposed there was no question that the coal deposits of Alaska embraced the character of coal that could be used by the Navy, and that was a very strong argument in my mind in favor of the bill, though I did feel, as the Senator from Washington does, that if there were no coal there at all I should favor the bill for the purpose of developing the other resources.

Mr. JONES. As I say, these two fields—the Matanuska field, which we know definitely now has, I think, about 75 square miles, and the Bering field, which has about 50 square miles it is hoped and confidently believed contain anthracite coal that will be good for steaming purposes; but those are the only fields where anthracite coal is found. The other fields contain lignites.

Mr. KENYON. Some of the arguments I have rend here favoring the bill have made a very strong point of the fact that it would provide coal for our Navy in times of emergency, am sorry if that argument is shattered.

Mr. JONES. It is not absolutely shattered; but I will say it did get a pretty hard blow from the experiments which were made the other day-I shall have to admit that-although, as I say, I do not believe it was a fair test or is to be taken as in any way conclusive. The general reports are, too, that the Matanuska coal is better than the Bering coal. The Bering coal is very much crushed, and from the development that has taken place there it is very difficult to get samples for a supply of coal from which you can get a fair test. From what I have heard, from the suggestions that have been made, and from what Admiral Griffin told me, I am satisfied that the coal that was furnished was not that which would bring about a fair test of the coal at all. Of course, however, it was brought out and was tested, and the admiral has stated the result of the test, and it is not what we had a right to expect from previous testimony and experiments.

Mr. President-Mr. CHAMBERLAIN.

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Oregon?
Mr. JONES. Certainly.

Mr. CHAMBERLAIN. I think that test showed that it only took a little more of the Bering River coal than it did of the Pocahontas coal; but the complaint the Navy Department makes against it is that it formed clinkers, and it took more men to handle it in the fireroom than it did in the case of the other

Mr. CLARK of Wyoming. No; the difficulty in regard to the formation of clinkers was, not that it took more men to fire the coal but that it prevented combustion in the proper way to produce steam for the purpose desired.

Mr. JONES. I have not yet seen the testimony and do not

know exactly what it shows.

CLARK of Wyoming. I just read it in the Army and Navy Gazette. I did not have the official report, of course.

Mr. JONES. Mr. President, I was referring to the great interior country between the two mountain ranges, and especially in the valleys of the Yukon and the Kuskokwim. proceed.

This is the portion of Alaska which, it is expected, will be traversed by the railroad system likely to be constructed under this legislation. My friend the Senator from Mississippi [Mr. WILLIAMS] has been called out. I am not surprised at it, because we have been delayed here quite a while, and I know he is on very important committees that require his attention away from the Chamber. I know that he would not have gone except because he had to. I want to refer now, however, to the climatic conditions of the Territory, and I should have been glad if he had been present.

What are the climatic conditions of this Territory? In the coastal region, from Katalla to Seward, the lowest temperature recorded is 14° Fahrenheit below zero. That has been beaten right here in the city of Washington within the last 15 years. The highest is 82° Fahrenheit, and that has been exceeded many times here also. The snowfall in the mountains is no greater than in the Rockies and the Cascades. In the Cook Inlet country the highest recorded summer temperature is 87 Fahrenheit and the lowest 40° below zero—only 6° colder than that recorded at St. Albans, Vt., on the morning of January 13, 1914, and 3° less than that recorded at Harrisville, N. Y., on the morning of the 14th. I have often seen accounts in the papers giving as low temperatures as this in many sections of the country represented by some of the most conservative and wisest Senators on this floor. The lower Susitna and Matanuska Valleys have a milder climate than the Cook Inlet sec tion and less precipitation, the temperature ranging from 12° below zero in the wintertime to 84° above in the summer.

Twelve degrees below zero does not sound very forbidding or very dangerous to many of the Representatives from certain sections of this country. Along the Copper River it is about the same—mild and humid in the coastal regions, but colder in the interior. At Kennicott, at an elevation of 2,000 feet, the snowfall is about 4 feet, and the extremes of temperature recorded are from 31° below zero to 76° above. This is not a very extreme range. In the upper Yukon Basin the snowfall is from 3 to 5 feet, with a minimum temperature of 70° below zero to the maximum of 90° above recorded. These temperatures, with the clear, dry conditions existing, are not at all disagreeable, but are most healthy. I have known many persons who have gone into Alaska, both before they went in and after they came out, and almost universally they have appeared much healthier on coming out than they were when they went in. This confirms the report of the Alaska Railroad Commission, from which I shall read at this point. I wish my friend from Mississippi could hear this and would accept it as guilelessly as he accepts glacial magazine articles:

as he accepts glacial magazine articles:

The experience of those long resident in Alaska has shown the climate to be very healthful. No extremes of cold or heat occur along the Pacific seaboard. The excessive rains characteristic of many parts of this district are, to be sure, disagreeable, but experience demonstrates the fact that they have no adverse effect on health. It must be remembered, too, that the excessive precipitation is by no means universal in this maritime belt. It has been shown that at Skagway, for example, the total precipitation is less than 30 inches and at Seward about 54 inches. Probably the most trying feature of the coastal climate is the strong winds which blow in the winter from the valleys traversing the coastal barrier.

The Cook Inlet and Susitna regions have a climate similar to that of the interior, and warmer summers than those on the coast, with less precipitation. The same holds true of the Copper River Basin. Of the Yukon it may be said that the summers are cool and that bright, clear weather prevails most of the time. The aridity of the climate makes the extreme temperatures of winter easy to resist. All who have lived in this inland region are agreed that the winter climate is far more healthful than in many parts of the States where the temperature is higher but where there is an excess of humidity. Residents of the interior have no fear of the extreme cold that often prevails during the winter months. The winter journey between Fairbanks and Valdez is made by men, women, and children and offers no serious hardships except when storms are encountered.

Alaska possesses in abundance every natural resource necessary to support a large population. The foundation of all permanent prosperity is agriculture; and while Alaska may not become a competitor of the States, its agricultural resources and possibilities are sufficient to sustain a population of several million of people. This is the conclusion of every impartial Government expert, agent, and officer who has gone there, and is the opinion of almost everyone who knows anything about The Agricultural Department, after a very careful Alaska. study, estimates that over 100,000 square miles, or more than 64,000,000 acres, are capable of tillage or grazing. Much of this lies in the territory expected to be traversed by the railroads to be constructed under this bill; and the opinion of the experts and others as to the possibilities is fully confirmed by the actual experience of countries of Europe similarly situated, with substantially the same climate and the same agricultural char-

Norway, extending from latitude 58° 30' to 70° 30' north, has a population of over 2,000,000, with 402,000 acres cultivated to cereals out of a total area of 76,226,000 acres. Sweden, extending from latitude 56° 30′ to 68° north, has a population of 4,919,260, with 4,113,900 acres cultivated to cereals out of a total area of 101,563,000 acres. In all the countries and Provinces of Europe similar to Alaska in latitude, climate, and agricultural possibilities, there is a population of over 11,000,000 people, and large amounts of wheat, rye, barley, oats, potatoes, hay, and other vegetables are produced, while millions of horses, sheep, hogs, goats, reindeer, and other valuable animals are raised.

Mr. DILLINGHAM. Mr. President—
The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Vermont?
Mr. JONES. Certainly.
Mr. DILLINGHAM. I simply wish to ask the Senator whether, in any of the countries he has named, there is found the great subterranean depth of frost that is found in the Yukon Valley porth of the mountains?

Valley north of the mountains?

Mr. JONES. I can not say as to that, but I think from the climatic conditions there they would have that condition. I do

not know, however.

Mr. DILLINGHAM. I understand that is not the case, and I

do not think it is.

Mr. JONES. But all the experts of the Agricultural Department, as I suggested a moment ago, who have investigated the matter, find as a matter of fact that that is really a benefit instead of a detriment under the conditions there. That is to say, if we did not have that condition, with the small rainfall there is there, it probably would be a sort of arid country, and nothing at all could be produced.

Mr. NORRIS. Mr. President-

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Nebraska?

Mr. JONES. Certainly. Mr. NORRIS. The last remark of the Senator impels me to ask him whether or not, if there were farming and tilling of the soil that is frozen beneath, in time the frost would all come out?

Mr. JONES. Probably in some sections it would not; but to a great extent it would come out, I think, to such a depth that it would not be noticed thereafter.

Mr. NORRIS. When that occurred, would there be danger of their not being able to raise crops, on account of the slight rainfall?

Mr. JONES. I think not, because the reports show that what rain they do get comes very largely in the period when they most need it.

Mr. NORRIS. I understood both the Senator from Washington and others to say that this was really a benefit-and I have no reason to doubt it—and that they get some moisture from it; but the idea occurred to me that if, eventually, by farming a good many years they should exhaust the moisture that is coming up from below, they would then have to resort to irrigation, or something of that kind, because there would not be sufficient rainfall.

Mr. JONES. Possibly there might be something of that kind, although, as I said, I doubt if they would exhaust it. I do not know how far it would thaw out, but probably not more than 10, 20, or 30 feet, and then from that they would get the benefit, although that is merely conjecture. I do not know what the fact would be.

Mr. NORRIS. Of course, if it is necessary for the purpose of raising a crop that they should get the benefit of the frozen ground beneath, it seems to me it will be only a question of time until that source of supply will be exhausted, unless it is replenished through being connected with some underground

Mr. JONES. That would be true if it were necessary; but, as I understand it, it is not necessary. The rainfall they do get comes in the season of the year when they need it. As the Senator knows, 11 or 12 inches of rainfall coming at the proper season of the year would be really sufficient for such

crops as they would raise there.

Mr. DILLINGHAM. Mr. President—
The PRESIDING OFFICER. Does the Senator from Wash-

ington further yield to the Senator from Vermont?

Mr. JONES. Certainly.

Mr. DILLINGHAM. I simply want to remark that I do not understand by what system of reasoning it can be claimed that the frost is to be removed from the ground to a depth greater than has already been mentioned simply from its being cultiwhat they have been in the past, eight months of intensely cold weather, during which time all of the land that has been opened to cultivation in the previous season will be again frozen solidly.

Our scientific people have a scientific explana-Mr. JONES. tion as to why, after it is cultivated each year, the thawing out

is greater than otherwise.

Mr. DILLINGHAM. I read all of the scientific treatises before I went to Alaska, and I did not find materializing the

conditions which I found in the reports.

Mr. JONES. Furthermore, it seems to be actually demonstrated by those who have been in there cultivating the soil that it does thaw down farther each year. How far it will finally thaw out, of course, I do not know. I can not say, and they do not know. They have never thawed it all out yet. That, I think, is certain; but it has gone down deep enough to show that it leaves a sufficient space above for cultivation, and that, by reason of the capillary attraction bringing up the moisture from below, it is really a benefit in connection with the rainfall.

Mr. DILLINGHAM. I found, however, that in a majority of instances where they were taking gold from the ground it was done by having a steam boiler there and a pipe leading from it to a hollow pipe that was driven into the ground, and the ground was all thawed by the use of steam for the purpose of taking out the gold.

Mr. JONES. Oh, yes; in taking out gold they dig down the earth as they go and take out the dirt. It is not left to exercise capillary attraction or to thaw out by reason of the loosening of the soil above.

Mr. WORKS. Mr. President——
The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from California?

Mr. JONES. Certainly.
Mr. WORKS. I should like to ask the Senator from Washington whether, if the idea suggested by the Senator from Nebraska [Mr. Norris] should prove to be correct, there is any reason why the land should not be irrigated?

Mr. JONES. None, so far as I know. I suppose the rivers there have sufficient fall so that water could be taken out for irrigation purposes during the senson when it is needed.

Mr. WORKS. Out in California we think irrigated land is quite valuable.

Mr. JONES. Yes; and we think farming by irrigation is about the ideal farming.

Summing up the situation with reference to agriculture, and so on, I desire to read from the report of the commission. They make this report after a pretty thorough investigation, not only by going up there personally, but also by gathering together all the data they could secure from individuals and other persons

interested. I give this simply as their conclusion. Mr. NORRIS. The Senator refers to the railroad commis-

Mr. JONES. Yes; our railroad commission, that we sent up there. They say:

there. They say:

The agricultural areas of this province, including land suitable for tillage and grazing, are large. While estimates of the extent of these lands can be little more than guesses, it is conservative to say that the Susitna and Matanuska Basins include 2,000 to 3,000, the Tanana 3,000 to 4,000, and the Kuskokwim 2,000 to 3,000 square miles of agricultural lands lying less than 1,500 or 2,000 feet above sea level. More complete data may show the agricultural lands of the province to exceed the above by many thousand square miles, but in any event the above figures will show that this is an important field for the pioneer farmer when rallways have opened up the land, and thus transportation furnished to the local markets. It should be noted that there is also some agricultural land in the Kenal Peninsula, where there are many gardens and several ranches.

The above-described lands, where not timbered, are in many places covered by the luxuriant growth of grass which gives evidence of their fertility. Their adaptability to growing of potatoes, as well as forage crops, has been proven in many places. It has been shown elsewhere in this report (see pp. 51-53) that in the Tanana and in parts of the Yukon Basin, barley, oats, and rye can be matured. Also that the experiments in growing of wheat at Fairbanks and at Rampart have been a success. Conditions for agriculture are certainly as good in the lower Susitna Basin as in the Fairbanks district, for if anything, the growing season will be longer. Taking it all in all, the Susitna Valley offers an excellent field for agricultural development, and probably the best in Alaska. It is also fair to assume that the conditions in the upper Kuskokwim Basin are similar to those in the Tanana Valley. In addition to the fillable lands there are extensive tracts of grass lands, in the Susitna and other valleys tributary to this route. Large areas of reindeer pastures are found in this region above the limit of good grass. This is notably true along the inland fron

It will be seen that this commission goes even further in its suggestion than I went, and they think there is a possibility of The winters in the future undoubtedly will be just exporting agricultural products from Alaska. I desire simply

to say here that through the kindness of the Rules Committee of the Senate, room 115, over in the Senate Office Building, has been placed at the disposal of some who have come down here to display the resources of Alaska, and there you can see agricultural products, vegetables, grains, and grasses, actually raised in that Territory, together with a mining exhibit. I would be very glad if Senators would visit that room.

Mr. NORRIS. What is the number?

Mr. JONES. Room 115 of the Senate Office Building.

I have here also the report of Seth Mann, personal representative of the President on a tour through Alaska under the auspices of the Alaska bureau of the Seattle Chamber of Commerce from June 21 to July 29, 1913. This gentleman was selected by the President and the Secretary of the Interior to go with this expedition, if I might call it that, in order that he might have first-hand information to submit to the President and the Secretary of the Interior and to give aid in making up their minds with reference to what should be done in Alaska. This report has not yet been printed, I think, but I have been furnished with a copy of it, and I desire to read what Mr. Mann says with reference to the agricultural expectations of Alaska. He is not an interested party, and we must conclude that he has given his honest impressions. Mr. Mann says:

has given his honest impressions. Mr. Mann says:

The agricultural possibilities of the interior of Alaska are a revelation to one who visits the great valleys of the Yukon and the Tanana for the first time. There are agricultural lands also in the valleys of the Copper River, the Susitna, the Kuskokwim, the Innoko, and the Koyukuk Rivers. Great level stretches are visible from the boat as one steams down the Yukon and the Tanana. The land is covered with a thick growth of small timber, consisting of spruce, birch, poplar, cottonwood, and aspen. Owing to the freezing of the soil in the winter season the trees in this section have very shallow roots, reaching down only about a foot or so below the surface of the soil. The trees are small and valueless, except for fuel. They are easily uprooted, and when the clearing is completed the covering of moss and tundra, about a foot in thickness, must be removed and the soil exposed to the summer sun. The initial expense in preparing the ground is in many places considerable, reaching as high as \$125 per acre.

Right here some suggestion was made that it is very difficult

Right here some suggestion was made that it is very difficult and expensive to cultivate this land or put it in a condition for That is true, of course, but nevertheless that does not and will not deter a great many of our people who are seeking lands for homestead purposes from going into that country when they are satisfied that the local market will justify it and going to the expense of clearing these lands. Take it in our western country. The initial cost, in a great many cases, of agricultural land in putting it in a state for cultivation runs from \$50 to \$100, and even more, for every Take the ground beyond the west side of the mountains after the timber has been cut off, left with the stumps, brush, and so on, it costs a very large amount to reclaim it, but nevertheless that does not deter people from taking up the land and making their homes on it and gradually clearing it away. You can clear land at much less expense in that way than can be done by hiring people to do it or something of that sort. The matter of expense will not deter people from going into that country and reclaiming this land and getting it in shape for cultivation and cultivating it if mining development takes place as we expect. I read further:

expect. I read further:

But when once prepared for cultivation the long periods of sunshine during the summer months operate like intensive cultivation and bring about rapid germination and quick maturing of the crops. * * Excellent strawberries are grown and vegetables are raised without difficulty. The growing of various grains is as yet largely in the experimental stage. But crops of wheat, oats, barley, and rye are matured on the Government farms. The summer season is short for the maturing of wheat, but there is much less difficulty with the other grains mentioned. Some hay is cut by individual farmers. The interior of Alaska is more favorable for agricultural purposes than the regions along the coast, since there is more sunshine in the interior and more cloudy and rainy days upon the coast. However, the city of Juneau is supplied with vegetables from local farms situated from 1 to 12 miles away from the town.

Here is really his conclusion with reference to agriculture.

Here is really his conclusion with reference to agriculture. I have omitted quite a number of sentences with reference to it, because it is not necessary to read them, but this is his conclusion:

It does not appear that Alaska will ever export the products of agriculture, but it seems fair to assume, with the growth of population which will result from the building of railroads, roads, and trails, and the development of the mineral resources of the Territory, that larger areas of arable lands will be brought under cultivation and that the needs of the people of Alaska will be supplied from its own fields.

While Alaska can not compare with many other countries in agricultural resources and possibilities, there is no known country on the face of the earth, outside of the diamond section of Africa, than can compare with it in mineral resources, possi-bilities, and richness. It is a veritable wonderland. What it bilities, and richness. It is a vertable wonderland. What it already has produced we know, but what it may produce we hardly dare imagine. It is a mineral storehouse of amazing wealth. Since 1880 over \$248,330,000 worth of minerals have been taken out, of which \$228,200,000 is gold. Mineral wealth

is not confined to any particular locality; but in the far frozen north, in the sands of the seashore, in the valleys of the rivers, in the mountains of the coast is found gold-gold almost everywhere-and with the opening of the country to transportation there is every reason to believe that thousands of square miles of placers and millions of tons of quartz will be discovered and made to give up their millions of the precious metal that so greatly affects the world's prosperity and development. known and certain possibilities are almost beyond belief.

I simply want to call attention to this map. These red squares [indicating] indicate where gold has been discovered, and they show the discovery of gold practically all over the Territory south of the Endicott Mountain.

Between the Yukon and the Tanana is a territory of about 40,000 square miles that will surely be made accessible to railroad transportation under this bill. This territory already has produced over \$74,000,000 of gold. The Geological Survey has made a rough calculation of the probable placer resources of the Seward Peninsula district.

That is away out here at Nome in this part of the Territory [indicating]. They estimate the area of gold-bearing gravels there at 210 square miles, containing from \$260,000,000 to \$325,-000,000 of gold. The Seward Peninsula district is only about half the area of this Yukon-Tanana district, but is apparently no more mineralized, so that it may be asserted with reason that the Yukon-Tanana region may contain double the estimated gold of the Seward Peninsula district, or from five to six hundred million dollars in gold. Quartz mining has just begun, the quartz production in 1911 being \$120,000 and that for 1913 \$450,000. With railroads to take in supplies at almost all seasons of the year, with reduced freight rates, with the large increase in population that must necessarily follow with increased prosperity, the developments in quartz-bearing ores that will take place must be very great.

California during the last 60 years has produced \$1,500,000,000 in gold, and yet the reports of the Geological Survey and actual results would indicate that this Yukon-Tanana section alone will produce from its placers almost half that amount of gold and may equal it in production from its placers and quartz mines. In Koyukuk, on the Forty Mile, and in the Iditarod are indications of placer grounds equal in area to all those of California and rivaling the same in richness, and yet all these discoveries have been made without railroads and almost without trails. What will the harvest be when all of the country is prospected and opened up?

Since 1901 Alaska has produced over 110,000,000 pounds of copper, of the value of \$16,580,000. This has come from a few properties in nearly the same territory, about which and through which the railroad already has been constructed. Alaska's copper resources have hardly been touched, and we can confidently expect that with access to the different sections of the Territory new discoveries will be made and new copper properties developed. Silver, tin, lead, marble, gypsum, petroleum, and iron ores have been discovered in greater or less quantities, and what the future may develop no one can tell. Some iron ore already has been discovered, and if any considerable quantity should be found its influence upon the industries and development of the Pacific coast can only be measured by the developments which have taken place in Pennsylvania and other eastern States.

As in the case of gold, so do we know that there are almost inexhaustible veins and fields of coal, ranging from poor lignite to the highest grade of anthracite. There is coal enough in sight to supply not only local needs but also to supply all governmental purposes on the Pacific coast for many years, and thereby save the cost of transportation from the Atlantic to the Pacific, which amounts to from \$5 to \$8 a ton, and which in times of peace amounts to from \$500,000 to \$1,000,000, and in war from \$6,000,000 to \$10,000,000 more per annum than if supplied from Alaska.

In addition to these vast resources and products, which come from the interior as well as the coast, and which will furnish direct tonnage to any railroad we may build, there are other valuable resources which already have added much to our material wealth and which, with the impetus that will be given to the population by the construction of railroads, will be further largely increased, and which will assist in supporting an increased population. The fisheries of Alaska already have produced almost two hundred millions of wealth and can be made inexhaustible. Over \$75,000,000 worth of furs have been taken out, and this industry is capable of greater production through an indefinite period. With agricultural territory surpassing that of Norway, Sweden, and the other countries of Europe similarly situated; with more gold than all the rest of the United States; with more coal than Pennsylvania, West Virginia, and Ohio; with more copper than Michigan and the other copper-producing States of the Union; with more fish and furs than all the rest of the United States, human vision can scarcely compass the possibilities of the future of Alaska.

If Norway can support over 2,000,000 people with 402,000 acres of agricultural land in cultivation, what population will Alaska support when its 64,000,000 acres are cultivated and grazed and its mineral and other resources fully developed? With 30,000 white people there now, and with practically no railroads, the trade between this country and Alaska both ways is over \$60,000,000 a year. What it will reach with the growth that should come and the increase in population that should take place with railroad construction, and the results that must come from legislation which will surely be enacted, making available to human industry its tremendous resources, we can only guess; but that it will reach hundreds of millions we can confidently assert.

This whole matter is summed up by our commission at page 135, and I want to read their conclusion, which, I think, is clearly sustained by the showing that has been submitted:

clearly sustained by the showing that has been submitted:

The data presented shows that the United States possesses in Alaska a frontier Territory of great size and of wonderful industrial possibilities. The commission believes that its climate is favorable to permanent settlement and to agriculture; that its mineral resources are vast and as yet but little exploited; that its population is sparse, but only by reason of its inadequate transportation facilities; and that its people are of the same type of hardy ploneers that have carried the United States frontier to its present limits.

This is an imperfect and inadequate presentation of the princely domain belonging to the United States which it is important should be improved and developed and which should and can be made the homes of millions of thrifty, hardy, industrious, prosperous, intelligent, happy, and contented American citizens. Can this be done best by the Government or by private enterprise and exploitation?

If this Territory is so rich in resources and possibilities, why not leave its development to private capital and individual effort, say some. Simply because they are so vast and the conditions such that instead of these resources being disseminated among the many they would inevitably become the property of or controlled and monopolized by the few.

Why does not private capital open it up now, we are asked. Because much of the Territory is withdrawn from entry, and especially are the coal lands withdrawn from private acquisition.

"Then," some say, "all that is needed is to open the coal lands to private entry; this would open up Alaska as it should be opened." No doubt if these coal lands were opened to entry by which title could be secured by private parties, railroads would be constructed, but they would be constructed not to develop Alaska generally, but for the purpose of exploiting this particular resource and to and through particular properties. We can not open the coal lands of Alaska to entry as heretofore. Public sentiment will not permit such action if we wanted to do it. Private railroads in Alaska mean private monopoly in transportation and the exploitation of individual property to the neglect of any development except that which will enrich private property. This will not come about by reason of unreasonable rates. The Interstate Commerce Commission might insure reasonable rates, but it can not compel the building of railroads nor their extension into any certain territory nor connection with any certain property. Railroads might be built, but they would be built only as the Copper River Railroad was built. That railroad was built for a distance of nearly 200 miles, but it does not develop Alaska. It was not built for that purpose. It was built for a specific object and to a specific point.

The Alaska Syndicate owned or controlled the Kennicott copper mines, possibly the richest copper mines in the world. They wanted to get the ore out and they built the road for that purpose, and for no other. It was not built to develop Alaska or as a general transportation line, but to enrich the Alaska Syndicate, and that would be the purpose and object of any other private roads that might be built there, even if we should throw open the resources of Alaska to private enterprise. These people are not to be condemned for acting in this way. were looking after their own interests. They were doing what all of us would do if we had the means and opportunity. Whether this meets with our approval or not, it is a condition that confronts us and we might just as well recognize it. For my own part, I believe that the withdrawal of these lands made by President Roosevelt and renewed and confirmed by President Taft was wise and in the interest not only of the people of the United States, but of the proper ultimate development of Alaska

By the preservation of these properties the United States is in a position to enter upon a broad and comprehensive plan for

the utilization of these great resources. To say that we can not do it efficiently is to confess the incompetency of the greatest and wealthiest Nation in the world.

Private enterprise can not afford to put in a railroad where it should be placed to bring about the greatest development. It must depend upon freights for its compensation or else it must own much of the property to which the railroad has access. Interest charges would be too high, returns would be too long delayed, or freight charges would have to be made beyond the power to pay. Open it up to private entry and private railroad building and private interests will take it, will enrich themselves, and railroads will be built where they will bring the greatest return and give the greatest advantage and control. That is human nature as well as modern business. That was the theory upon which the Copper River Railroad was built, and that was the theory on which it was proposed by the same in-terests to build to the Bering River coal fields. It would not go there until it could tie to itself the resources of that district. It bound by contract those who expected to own these coal lands to give it—I quote now from the contract—"the exclusive right to purchase for the period of 25 years the entire run-of-mine coal mined from said property," as provided in their contract, and its policy was to prevent the building of other railroads by other parties. That is the character of the development we would have had if these withdrawals had not been made. They were wise, patriotic, and farseeing acts of statesmanship. Whatever private rights had been initiated should, of course, be protected and safely guarded.

But, as I said, the record, which is before us, in reference to the Copper River Railroad shows that they would not build to this territory until they could secure for themselves the exclusive right to the coal mines. Furthermore, they were determined that no other railroad should be built in that territory if they could prevent it.

There is testimony in this record that would be very interesting. I understand that the Senator from Montana [Mr. Walsh] called attention to it the other day. I was not able to be present, and so I may repeat in this connection some things that he read, but I think it presents a very striking fact that should be kept in mind in connection with the possibilities of private capital building railroads into this territory and what policy would be pursued by it, and what any interest independent of the Alaska Syndicate would have to contend with.

Mr. Ballaine, of Seattle, appeared before our committee. He was interested in the original building of the Alaska-Northern Railroad and apparently had negotiations with those interested in the Copper River road. He tried to get them to take over this other road and had them investigate it. For that purpose he had conferences with Mr. George W. Perkins, who was connected with the interests controlling the Alaska Syndicate, On page 36 of the hearings I read from Mr. Ballaine's testimony:

After the Canadian owners of the reorganized Alaska Central had taken over the property, I entered into negotiations with J. P. Morgan & Co. to ascertain whether they would back me in a project to build a narrow-gauge railroad, taking over the railroad from Seward, changing it into a narrow gauge, and extending it as a narrow gauge on into the Tanana Valley. I had my negotiations directly with G. W. Perkins.

He then goes on to state what offers he made to Mr. Perkins, Then he says:

Then he says:

In the summer of 1909 they sent A. N. Grey, the traffic and tonnage expert for Morgan & Co., to make that investigation. In July of that year Mr. Perkins himself went up to Alaska. I met him by appointment at Seward. He was at Seward for several days on the first trip. He then went to the westward, and on his return a week later he was in Seward several days longer. Mr. Grey's Investigation and Mr. Perkins's investigations, according to Mr. Perkins's statement to me, resulted in their finding resources along the route from Seward through the Sustina Valley to Tanana River better and more varied than they had expected. Mr. Perkins told me in Seward, and later in Seattle, that he would favor the financing of the road on the plans that I had proposed in the event that he could get the consent of the Guggenheim brothers to do so.

The record will show that the Alaska Syndicate practically controls the important transportation lines existing and proposed in Alaska, and that by reason of their control over such a tremendous amount of wealth in the country they are able absolutely to dominate the situation in Alaska, and whether a railroad would be built under private enterprise would depend very largely upon whether they would give their consent or not—

And could make satisfactory arrangements with the Canadian owners for a conversion of their securities into securities of the proposed new company. He explained to me that the Alaska Syndicate at that time was owned by Morgan & Co. and by the Guggenheim Bros., and that they had an agreement by which the firm of J. P. Morgan & Co. should not engage in any other Alaskan railroad enterprise or mining enterprise without the consent of the Guggenheim Bros. He agreed with me that he should recommend favorably their taking up this plan, not alone on account of its merits, but because the firm of J. P. Morgan & Co. and their friends held one-third of the stock in the Sovereign Bank of Canada, which at that time was going through liquidation,

The Sovereign Bank had failed in consequence of the failure of Frost & Osborne. It held nearly all of the bonds of the Alaskan Central Railroad and nearly all of the stock. It was Mr. Perkins's opinion, as he expressed it to me, that through that arrangement they might be enabled to come out whole in their investments in the Sover-

might be enabled to come out whole in their investments in the Sovercign Bank.

By appointment I met Mr. Perkins in New York about the 20th day
of November. 1909, when I expected to close negotiations. He informed
me then that the Canadian owners were having difficulty in getting
their bondholders to agree to the proposed exchange.

Later in the winter, or possibly in the spring, Mr. Perkins told me
that the Guggenheim Bros. had refused to give their consent to the
plan for Morgan & Co. to take over the financing of this project as a
narrow-gauge railroad from Seward through the Susitna Valley to the
Tanana on the ground that they regarded the Tanana Valley as their
field.

That simply exemplifies the condition in which Alaska would be if left to private development. The field would be divided up and certain interests would regard certain parts of the Territory as their field, and this tremendous organization, this tremendous aggregation of capital, would practically dominate the · whole Territory.

Mr. Perkins told me at the same time that Morgan & Co. were not prepared to encourage any railroad building in Alaska until the Government issued patents to coal claims then pending.

I asked Mr. Perkins: "Do I understand from this that if I or any other individual, or any company, should go to some other bank or banker to raise money for building a railroad from Seward through the Sustina Valley to the Tanana I should meet with the opposition of the owners of the Alaskan Syndicate?"

He replied: "We could not allow a railroad to be built through the Sustina Valley into the Tanana. There will be no more railroad building in Alaska until the coal fields are opened."

Mr. KENYON. Who said that? Mr. JONES. Mr. Perkins. That illustrates exactly what the condition would be there if left to private interests and private development. It takes such a large and powerful interest to build the necessary railroads in Alaska that it can practically control the building of railroads where it wants them; it can practically prevent their building where it does not want them. That would be the result if we left it to private enterprise and private exploitation.

Mr. KENYON. Mr. President-

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Iowa?

Mr. JONES. Certainly. Mr. KENYON. Does not the Senator think that this applies to Alaska differently from any other part of the country? Is it not the case now that railroad building is practically impossible without the consent of some gentlemen in New York?

Mr. JONES. I think that is probably true, but it is especially true of the Territory of Alaska. They have done just exactly what the Nation should do, develop its own property. That is what they built the Copper River Railroad for. They would never have built that line if they had not owned the Kennicott copper mine; and they built that road not for the traffic that would come to it from development, as I said a moment ago, but they built it to take out their own ore from their own mines. The Government of the United States should pursue the same Alaska belongs to it. It owns practically all of it now and it should take whatever steps are necessary to bring about a wise and broad development of its own property.

Mr. KENYON. I do not want to interrupt the Senator. I know our conversation would not interfere with the floor very

Mr. JONES. Not a bit. Mr. KENYON. There is the point right there which has troubled me about this bill. I am for the bill and shall vote for it, but the roads that are now to be constructed by the President under the authority of the bill are going to increase to a large extent the value of the railroads already there owned by the Morgan and the Guggenheim interests. That is true, is it not? It must of necessity do so.

Mr. JONES. I doubt if that would result in a very great in-

crease; possibly in some.

Mr. KENYON. I know it. It must of necessity do that. Mr. JONES. I will say to the Senator that it is a fact and

this will answer one part of his question-

Mr. KENYON. I should like to be cleared up on that point

Mr. JONES. The committee had a meeting this morning and we have agreed to submit to the Senate an amendment which will provide in effect that if the President should find that the line of Government railroad that is desirable should include a portion of existing lines the President must acquire the existing lines before proceeding with the construction of the Government line; and if he does not deem it wise to acquire them, then the construction of the Government line must begin at tidewater and proceed to whatever point he desires to reach.

Mr. KENYON. That is a very wise amendment, and solves a difficulty that has been in my mind.

Mr. JONES. I thought it would. Mr. KENYON. Because if we should increase the value of this property by the expenditure of Government money and then turned around and condemned it, we would be paying an additional amount to them by virtue of the very money that the Government has spent.

Mr. POINDEXTER. Mr. President—
The PRESIDING OFFICER. Does the Senator from Washington yield to his colleague?
Mr. JONES. Certainly.

Mr. POINDEXTER. I should like to ask the Senator from Iowa, because I know he has given a great deal of attention to the subject, what he would think about a plan by which, in case a route was selected which included private lines now constructed, the Government should complete the system and not buy the private line at all, but through its control of public-service corporations of that kind compel a reasonable through rate between the Government part of the line and the privately owned part of the line so that the public would get the benefit of the completed route without having to buy the privately constructed road?

Mr. KENYON. That has been the suggestion that has satisfied my mind in voting for the bill, because the Government through the Interstate Commerce Commission could do that, it having been held, as I understand, that the railroads in Alaska come under the domain of the Interstate Commerce Commission; but it seems to me that the other plan is far better and saves any controversy that there might be over the

rate question.

Mr. JONES. The committee had in the bill a provision covering the suggestion of my colleague; but in considering the matter this morning we concluded that this would really be better from a governmental standpoint. For instance, just to make clear the point-I think the Senator from Iowa understands it, however—the Copper River Railroad runs here from Cordova [indicating]; and we want to get a line into the Tanana or the Yukon. If the President, after investigating the whole matter, concludes that it would be wiser for the Government to have a line from Cordova or from some point here [indicating], going up this way [indicating], following the line of the Copper River road up the Tanana or Yukon, then, before he enters upon the construction of any other portion of this road, he must acquire this part of the line [indicating], so that the line from tidewater will be absolutely and wholly a Government line. While I feel satisfied that the Government, through the Interstate Commerce Commission, could possibly regulate and insure reasonable rates on this road, I believe that would be better to have the Government own the entire line and control it as it sees fit, without having to enter into an arrangement or an agreement that might bring up controversies, and all that sort of thing, between it and a private line. At any rate, we thought it was wiser to do that, and that kind of an amendment will be presented to the bill for the consideration of the Senate. It is but fair to say that this suggestion came to the attention of the committee through a suggestion in an amendment proposed by the senior Senator from Iowa [Mr. CUMMINS].

Mr. President, if we were to turn Alaska over in its entirety to the Alaska Syndicate you would see railroads built so quickly that it would make your head swim. It would be done broadly and systematically, too; every resource and every section would be taken into account. We are not going to turn Alaska over to the Alaska Syndicate, nor to any private interest, and we should do with it as they would do with it if they owned it, and that is one of the purposes of this bill, and this bill is one

step in that direction.

The greatest recompense from the building of this road must come from the settlement of the country, the building of homes, the opening of the mines, and the making of the latent wealth of the Territory a part of the potential wealth of the country. of the Territory a part of the potential wealth of the country. That becomes the Nation's return rather than the freight rates; just as the copper from the mines became the real return to the Alaska Syndicate from the Copper River Railroad rather than freight rates, because practically no freight has been developed along the line. Private capital would have to pay a very high rate of interest to secure the money necessary to build railroads of any extent in Alaska, while the Government can secure this money at a very low rate of interest. Private capital, even if it could secure money, would build its road to particular properties which it owned or which it could control regardless of the interests of others or of other sections. The Government, owning practically all of the territory and resources of Alaska, can determine upon the line which will not

only promote the development of certain territory and certain properties, but work into a general plan and system of trans-

portation for the entire Territory.

In my judgment the Nation would profit by the building of a road from the coast to the Tanana or the Yukon if it allowed the same to be used free of any freight charges whatever. Nor We spend every would this be, in fact, any unusual procedure. year as many millions of dollars as it would take to build such a road for the making of transportation lines for the use of which no charge whatever is made, and we shall no doubt pass a bill at this session of Congress providing a large appropriation for the purpose of improving and in some instances possibly making almost new lines of water transportation.

"But," it is said, "why should you not provide steamship lines also for fear some monopoly will meet you at the seashore?" The right to go to the seashore on equal terms is worth something. You would not have that under private ownership; you will have it under Government ownership.

Mr. CHAMBERLAIN. Mr. President—
The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Oregon?

Mr. JONES. Certainly.

Mr. CHAMBERLAIN. Right in that connection I desire to say, respecting the independent water lines, that the citizens of Portland now have incorporated and are preparing to equip a line of steamers up to Alaska, in view of the possibility of this bill passing. They may put them on anyway in competition with the line already established if this bill fails of passage.

Mr. JONES. But the chances are that, if this bill fails of passage and they put them on, they will be in the hands of receivers in the very near future; but with equal opportunity to connect with railroads from Alaska they could maintain

themselves.

The water companies must meet you on equal terms, too, and that is some advantage. The steamships, monopoly owned or otherwise, must come to a common port. They can not discriminate in that respect. Their rates can be regulated with reasonable satisfaction. Furthermore, water routes are free. There would be ample and equal docking facilities, and, in my judgment, under such conditions there would be such sharp competition that reasonable rates would be insured. If this should not develop, then I would not hesitate to favor an extension of the Government railroad by the ownership and operation of steamship lines. I doubt either the wisdom or the necessity of taking such action, however, at this time. If the resources of Alaska can be brought to the seashore on equal terms and with equal opportunity, water transportation will be secured under such

conditions as to insure fair and reasonable rates.

In that connection I desire to say that Senate bill 133, which I introduced, provided for the development of the mines by the Government to supply Government needs and authorized the President to procure every facility that might be necessary to carry coal wherever the Government needed it and desired it; under that bill it was contemplated that the President, if necessary to deliver coal for governmental purposes, might secure whatever vessels were necessary. That provision was reported to the full committee by the subcommittee, of which the Senator from Oregon [Mr. Chamberlain] and I were members; but the full committee felt that we ought not to complicate the proposition of securing railroads in Alaska with that provision and also the provision with reference to mining coal. Therefore it was left out, not because the members of the committee were opposed to the proposition, but because we felt that this important step of the Government building of railroads in Alaska should not be complicated with other propositions, and that it would be best to go at this work a step at a time.

But it is asked, "In what way would you open the coal mines? You make no provision for that in the bill." While that is an While that is an important matter and one that must be dealt with, it is not necessary to deal with it in this bill nor to discuss it in connection with this measure. We must solve that problem. It is one that needs much study and investigation, and more study and investigation, so far as I am concerned, than I have been able to give it thus far. There are many different propositions None of them have been fully considered, but when we have made provision for transportation, then we can consider this question from every standpoint. I have no doubt but that a wise and proper solution will soon be reached. already said, it seems to me that too much emphasis has been placed on the coal resources of Alaska and the need for their development, and we have overlooked the other purposes and even greater purposes of this bill. We do not propose to build these roads simply to get coal. If that were the sole purpose we could build a line to the Bering River fields, equip it, construct docks and terminals and make a harbor for not to exceed

\$4,000,000, and have access to all the coal we need for many years to come, not only for Government purposes, but to supply the needs and demands of the Pacific coast. If there were no coal fields to be developed, I would still be in favor of this bill, because of the possibilities of development in agriculture, the opening up of other minerals, and in the aid it would give in

getting people and supplies into the interior.

In the bill which I introduced I provided for the reservation of a certain coal area and its development by the Government. I am inclined to believe that it would be a most valuable demonstration in many ways for the Government to open up and develop a mine in the anthracite fields in Alaska. It would give some valuable and reliable information as to the cost of mining, how it should be done to prevent waste and explosions, and just what wages could be paid to those who toil, and yet permit the coal to be sold at a reasonable price to the consumer, with absolutely equal privileges and opportunities in transportation to all. With good transportation facilities I also believe that a fair leasing system can be devised that will prevent monopoly, insure development, and furnish coal to the consumers at fair rates as well as compel mining under the best possible conditions and prevent waste. I have an open mind on this question, however, and do not shrink from the Government operation of these mines, and see much to be gained by it. It should be given more study and consideration than it has had or than can be given on the floor of the Senate. Let those who are in favor of this step not complicate it with other considerations which we can and will settle properly in the near future.

it is urged, "you give too much power to the President; Congress should have more control over the details." do not think so. Congress can not go into the details. it would result in confusion, controversy, and indefinite delay. We can safely depend upon the President of the United States no matter who he may be and no matter what party he may belong to to act wisely and patriotically. This is not a party matter and should not be treated as such, but the sole endeavor should be to carry out the objects and purposes of Congress and to develop Alaska in the way that would best promote the pros-perity of that Territory and the welfare of the people of the United States. This is a business matter and must be carried on in a business way. If we give the President full power to carry on the work, within certain broad limits, he will see that it is done, and if those who are placed in charge of it are directly responsible to him for the manner in which they do their work it will be well, expeditiously, and economically done.

The Panama Canal has been an unqualified success, and, in my judgment, this enterprise will be equally successful if we do not unwisely hamper the agency that has to carry it out. We must not forget that legislation is rigid. If it does not suit it can not be undone except by legislative action. If the President makes a mistake he can correct it. Unless we are fully satisfied upon a proposition we should not put it in this

bill but leave its solution to the President.

In my judgment the building of the Panama Canal has been the success that it has been because we have given to the President almost absolute authority with reference to it. He has been unhampered in the details. We furnished the money and he has done the work.

Mr. GALLINGER. Mr. President-

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from New Hampshire?

Mr. JONES. Certainly.

Mr. GALLINGER. In connection with the estimate of the cost of the proposed railroad system in Alaska, it may not be amiss to suggest that while the building of the Panama Canal has been a remarkable success, the first estimate of cost was \$135,000,000, and I believe it has cost something like \$400,000,000.

Mr. JONES. That is true. In fact, we find that most of the work on rivers and harbors, on irrigation, and all similar projects has cost more than had been originally estimated for, A man hardly but that is not unusual in private enterprises. ever makes an estimate and builds a house but that it costs much more than his original estimate. The increased cost of much of the Government work is largely due to the fact, also, that we do not make the money available as it should be. is especially true of irrigation works and river and harbor The result is that these projects are not carried on economically at all.

Mr. NORRIS. Mr. President—
The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Nebraska?
Mr. JONES. Certainly.
Mr. NORRIS. I should like to inquire of the Senator with

regard to the provision in the bill which gives the President

the power to lease the railroad after he has constructed it, whether, in his judgment, it would not be better, after the Government has built the railroad, for the Government to

operate it as well?

Mr. JONES. I will say to the Senator that I think so. bill which I introduced provided for the operation, by the Government, of the railroad until otherwise provided by Congress. The bill that was reported by the subcommittee to the full committee provided the same thing; it had no provision for leasing When the full committee, however, got together, they decided that some provision of that kind should be put in. will say to the Senator that this morning the committee, in considering the matter further, decided to recommend that, instead of 10 years, a lease might be made for 20 years, on the theory that, if we were to have leasing at all, 10 years would amount to nothing, that no lease could be made for that period of time at all: and so, if we are going to have a leasing provision, they thought it wise to put in one that would probably be effective. Personally, as I have said, I would much prefer that we should leave out any provision for leasing. I think the Government ought to operate the railroad until Congress, at least, provides otherwise, and we will have abundant time hereafter to make any provision that may be necessary. Personally, I am inclined to think that the Government could operate the railroad better than it could be run under a lease, and, so far as I am concerned, I am inclined to favor Government operation.

Mr. NORRIS. Mr. President, I agree with what the Senator has said. It seems to me that, instead of putting a provision in this bill permitting the President to lease the proposed railroad, we ought to omit that part of it and let the road be operated by the Government. If operation by the Government proves to be a failure, we can easily provide by legislation that the road may be leased; but, on the other hand, if the President leases it for 20 years, there will be no opportunity to have a practical demonstration whether or not the Government can

properly operate the railroad.

Mr. JONES. The Senator's opinion is exactly in accord with my own, but not with that of a majority of the committee; and that proposition, of course, will be for the Senate to pass upon when it comes up.

Mr. BRISTOW. Mr. President—
The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Kansas?

Mr. JONES. Certainly.

BRISTOW. I was unable to attend the committee meeting this morning because of other duties, and I want to inquire if it has been suggested that instead of the Government operating the road by any direct governmental agency it simply authorizes the road to be operated by the Panama Railroad Co. Mr. JONES. That was not suggested this morning at all.

Mr. BRISTOW. The Panama Railroad Co. is a corporation, the stock of which is owned by the Government of the United States; it is now operating a railroad, and has been doing so since we acquired that railroad some 10 years ago. It is also operating a steamship line. It seems to me that we could authorize the Panama Railroad Co. to operate this additional railroad merely by an extension of its power and authority. I do not know whether it is necessary for Congress to act along that line; but I think the President would have ample authority to authorize the Panama Railroad to construct and operate this additional line.

Mr. JONES. I was going to suggest to the Senator that I am inclined to think that, under the broad powers given the President in this bill, he might do that; that is, he might use that agency to carry out the purposes of the proposed legislation.

Mr. McCUMBER. Mr. President—
The PRESIDING OFFICER. Does the Senator from Wash-

ington yield to the Senator from North Dakota?

Mr. JONES. Certainly.

Mr. McCUMBER. I should like to ask either of the Senators if the Panama Railroad Co. were authorized to operate the proposed Alaska railroad, who would pay any deficiency that might result? In the inability of the freight and other rates to pay the interest and operating expenses, who would pay them?

Mr. BRISTOW. Well—

Mr. McCUMBER. I do not believe anyone will claim that the Government will ever operate that railroad at a profit; and, the Government owning the mines and using its own mines, there will never be enough there to make any railroad pay. Mr. KENYON. Might not the profits from the operation of

the Panama Railroad pay for it?

Mr. McCUMBER. There will be very little profit in the operation of the Panama Railroad after the construction of the Panama Canal is completed and all the traffic is carried

through the canal and not over the railroad. In all probability the railroad will then be torn up.

Mr. NORRIS. Now, Mr. President—
Mr. BRISTOW. The Senator is not, if he will permit me-The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Nebraska?

Mr. JONES. I had yielded to the Senator from Kansas.

Mr. BRISTOW. The Senator from North Dakota is not cor-ct as to that. There is no intention to tear up the Panama rect as to that. Railroad. It will be run as an electric line. Ample provision has been made by utilizing the waste waters from the Chagres River as they go over the Gatun Dam to provide electricity for the operation of the canal and the operation of the railroad.

Mr. McCUMBER. Then the railroad will be operated be-cause the expense of the power will be borne by the Government in operating the canai, which leaves the matter in just the same condition, namely, that the company itself can not make the

railway pay its expenses.

Mr. BRISTOW. I think the Senator is simply imagining that, because I have not any doubt at all that the railroad company will be very profitable, and that, if the Government did not desire to keep the control of it and to operate it itself, there would be abundant opportunity to dispose of that right. I am perfectly willing, so far as I am concerned, to take my chances with the Panama Railroad Co., the stock of which is owned by the Government of the United States, successfully operating a railroad in Alaska without loss to the Government.

Mr. McCUMBER. It is very easy, Mr. President, for the Senator to take the chance, inasmuch as the Government will have to pay the expenses, and not the Senator. I was considering whether a business man would take his chance where he had to pay the expenses out of his own pocket. I confess I can not see anything in Panama-and I have been there-that would justify any great outlay or expenditure in operating a railroad. Of course if it can be operated by electric power that is furnished by the Government, that will take away a considerable portion of the operating expenses. Under those circumstances, the little passenger traffic from one city to the other—and that would be practically all its business—might be sufficient to pay for operating an electric line.

Mr. BRISTOW. If the Senator will permit me, I will say that I never have heard a single one of the members of the Isthmian Canal Commission express any doubt as to the advisability of maintaining the railroad, or express any doubt that

it would pay after the canal was completed.

Mr. NORRIS. Mr. President—
The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Nebraska?

Mr. JONES. Certainly. Mr. NORRIS. I should like to say, in that connection, that I read last night the last report of the directors of the Panama Railroad Co. I think I have it on my desk and if I have not I have it at my office. They have taken action on this very subject, and it is their opinion that the Panama Railroad Co. will pay after the canal is in full operation.

Mr. GALLINGER. How well is it paying new?

Mr. NORRIS. It is paying now. If I had the report here I could give the Senator the figures. They make money now, but even though that were not true it is something that can be charged up to the Government operation of the Panama Railroad Co., because everybody knows that if it does not pay, it will be because the Government has put in competition with it a great canal which the Government has constructed.

Mr. McCUMBER. But, Mr. President, that is the reason I think it will not pay unless the Government furnishes the power. Of course you can make almost any kind of a railroad pay if you do not have to pay the operating expenses. If somebody else will furnish the motive power to drive the transportation vehicles from one end of the line to the other without any cost, I imagine that it will pay. While I admit that the passenger traffic from Colon to Panama, over that 30 miles, would pay for an electric railway, I do not think, and I do not think anyone else will claim, that the local traffic would pay to operate that railroad if it were itself compelled to pay all of its operating expenses and pay the usual price for the power that would be generated by the Government works at the Gatun Dam.

Mr. NORRIS. The usual price for electricity probably will not prevail there. As I understand, the price for the electricity that the Government may furnish the railroad company will be very low, but I do not know that any definite figures have been given out.

Mr. McCUMBER. Of course, the Government could make the price as low as it desired, so long as the Government is backed by the taxing power and can make the people pay taxes to pro-

Mr. NORRIS. But the \$400,000,000 was not spent for the purpose of developing electric power. The power is but an incident to that great dam. It would be there and would run to waste if it were not used, and those using the power as an incident to the other great development of course ought not to be taxed with the interest on the entire investment. No one would want

Mr. McCUMBER. We are getting away a little from the subject concerning which I asked my question, which was who would pay the operating expenses of this railway up in Alaska? The Senator and I will probably live to see the day, if the railway is put in operation, when we will have to vote a certain amount in excess of the earnings of any kind of a railroad which may be constructed in Alaska.

Mr. NORRIS. I take it that no man can tell now just what the future will bring; but, if that should be true, then the particular clause in the bill giving the President authority to lease the road will never become operative because no one would

Mr. McCUMBER. No one would ever lease it, in my opinion, and pay the interest on the investment.

Mr. GALLINGER. Mr. President-

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from New Hampshire?

Mr. JONES. Certainly.

Mr. GALLINGER. Mr. President, I differentiate between the Government building a railroad in Alaska and the Government going into the ownership and operation of railroads in the United States proper. I think there is room for different action as to those two propositions. I do not know how well the Panama Railroad is prospering, whether it is paying a profit to the Government or whether it is sustaining a loss. I have not looked into that. I have in mind one governmental effort to build a Government railroad. It was not by the United States Government, but by the great State of Massachusetts. State built a railroad through the Hoosac Tunnel and tried to operate it, but lost money year by year. It was a very short line, but it cost a good deal of money to construct it; and the result was that the State of Massachusetts leased that line and afterwards sold it to the Fitchburg Railroad Co., and it is now in private ownership. Under State control it was a lamentable failure; and I have some fear that, whether we build railroads in Alaska or go into the ownership of railroads elsewhere, we will find that they will not be operated as successfully as they were under private ownership.

Mr. NORRIS. How did that road pay after the State lost it?

Mr. GALLINGER. I do not know. It became a part of a great system. When the question of Government ownership is up for discussion, as it doubtless will be a little later on, I have some views that I shall want to present to the Senate in my usual brief way. Some of us have ridden on railroads owned by the Government in other countries, and we have a vivid recollection of what kind of service those railroads render their passengers. I do not want to see our railroads become as poor in equipment and as inefficient in management as some

that I have ridden on abroad.

Again, there are experiments going on, and not only experiments but actual governmental operation of telegraph and telephone lines in England. On that point I have some statistics which I think are rather startling as to what is happening However, that will come later; we doubtless will have that subject up after a little; but I rose simply to say that I think we may squarely differentiate between building a railroad and even running a railroad in Alaska, where the Government owns almost the entire territory, and in going into the ownership and operation of railroads in the States of the Union.

Mr. JONES. Mr. President, I agree with the Senator thoroughly in that, and, furthermore, I admit that the question as to the desirability of the Government operating a railroad is a debatable one. Whatever agency is selected by the Presi-dent to operate this road, if he does select an agency to operate it, of course any deficiency that occurs will have to be made good by the Government of the United States so long as it keeps control of the operation of the road. Whether or not the Panama Canal Railroad Co. would be a good agency I am not prepared to say. The matter had never occurred to me and has not heretofore been suggested. As I said, I think we should not provide in this bill for leasing. We should simply provide that the railroad may be operated under the control of the President until Congress otherwise provides. The committee, however, thought that we ought to put in the bill this limited

vantageous proposition were submitted; and there is argument for that. I do not fear to trust him with this power. I am sure he will use it wisely.

Mr. DILLINGHAM. Mr. President-

Mr. JONES. I yield to the Senator from Vermont.

Mr. DILLINGHAM. I simply want to ask a question. have not had an opportunity to look through the hearings had before the committee, but I understand that some evidence given as to the probable revenue that might be derived from the amount of coal transported. I was wondering whether anybody had ever made any estimate as to the income that may be derived from any other tonnage than that of the coal mines

Mr. JONES. I do not think there is any estimate of that kind in the hearings; I do not remember it now, and I have looked through the hearings pretty carefully. About the only definite information we have concerning the probable tonnage is with reference to coal; and that depends very largely upon the Government's requirements and what might be brought out for the Government itself. It is based on the needs of the Government, which is now transporting coal around from the Atlantic to the Pacific.

Some say Congress should place a limit upon the expenditure to be incurred. Others say that if it is wise to give the President the great power which we do give him in this bill, we should be willing to allow him to be the judge of the expenditure. I can hardly agree with this latter contention. believe we should limit the amount to be expended and the mileage to be constructed, and within those limits give the President full and unrestricted authority. Congress should control the limit of expenditure. If the limit does not permit of the construction of as many miles of railroad as we desire. I do not believe there would be any difficulty about providing additional money to carry on the needed work. As I said to the Senator from Wyoming [Mr. CLARK], the committee will report an amendment to the bill definitely limiting the right of the President to contract for or expend more than we provide for in the bill, so as to make that limitation certain.

We want a railroad from tidewater to connect with water transportation on the Yukon or the Tanana and, in my judgment, we also should have connection with transportation on the Kuskokwim. If \$40,000,000 and a thousand miles of railroad will not make such connection, then Congress will provide anything additional to do it. I would have no special objection to authorizing the President to contract for the construction of not to exceed a thousand miles of railway, if we should determine that it is advisable to construct that much; but I believe it wiser to limit not only the mileage but the expenditure, confidently believing that Congress would take care of the situation

Some would have us designate the route for the railroad or limit the discretion of the President in this respect. this would be a mistake. We do not and we can not know the engineering difficulties or advantages of any of the particular lines or routes; and it seems to me that for this reason it would be very unwise for Congress to attempt to settle such matters of detail The President can safely be trusted to secure the services of most capable and experienced engineers. as private interests do, and accept the matured and careful consideration and judgment of engineers as to the routes to be

Mistakes, of course, may be made. They are made on private orks. They will have to be corrected. The President, howworks. ever, is not nearly so apt to make a mistake in acting upon the advice of his engineers as we would be now, with the little information we have, in attempting to fix definitely the line of road which we authorize to be built. I would rather trust him in this matter than myself, with the information I now have, although I confess that on this particular point I have a pretty strong view as to what should be done, and I do not hesitate to say that the road we should build should be along the general line of the Alaskan Northern route to the Tanana or the Yukon, with a main branch to the Matanuska coal fields, a main branch to the Kuskokwim, and a line to the Bering River fields, leaving the Copper River Road, at least for the present, as it is.

Mr. President, I have the utmost confidence in the President, his integrity, his honesty, his patriotism, and his purpose and intention to do that which he believes will be for the best interests of the people of Alaska and the people of this country. While it is true that we are intrusting him with a great deal of power and authority under this measure, I am perfectly willing to intrust to him full authority to act in carrying on this great work within the limit of mileage and expenditure fixed by us. I do not believe we can carry it on successfully by limiting plan of permitting the President to lease the road if an ad- his power. I do believe he will carry it on successfully if we give him the power to act practically as private interests would act in connection with a development of this kind.

The Senator from Mississippi ridicules the idea that these railroads can be constructed for anything like the amount suggested in this bill. He apparently bases this assumption on a magazine article, from which he seems to have the impression that these railroads will be built entirely through steep canyons, over lofty mountains, across icy glaciers, around fjords, and amid mighty volcanic and geologic disturbances, too stupendous for words, which he seems to think are now going on. The trouble with the Senator from Mississippi is that he has not followed his usual fair and logical course of reasoning, but has allowed his opposition to Government construction to sway his judgment, and he seizes upon the conditions described to sustain that opinion, regardless of the fact that those conditions do not exist in connection with the present problem.

These roads will not be constructed under the conditions sug-

gested by him. They would penetrate the coastal range on a water grade through the Copper River and Susitna Valleys, and would, therefore, have to surmount only the one major

summit of the Alaska Range between their termini.

This summit has an elevation of less than 3,000 feet-not a very high pass, not a very lofty mountain. Many railroads in this country pass over mountains through passes where the elevation is far greater than this. My recollection is that the Marshall Pass, for instance, has an elevation of about 11,000 feet. The amount fixed in this bill is based upon carefully considered estimates made by learned, experienced engineers of great reputation and skill.

The Senator says that what Alaska needs is dirt roads to connect with the railroads already constructed, and that by the expenditure of about \$7,000,000 greater good will come to Alaska than by the expenditure of the money proposed in the construction of railroads. If the Senator knew the character of the railroads built and their location, he would not make a suggestion of this kind. Furthermore, he overlooks the vast extent of Alaska and the insignificance of these railroads.

I want to call attention to the location of the railroads referred to by the Senator from Mississippi [Mr. WILLIAMS], which he thinks, with a few wagon roads, would furnish proper

development for Alaska.

The White Pass & Yukon Railroad is away down in southeast-ern Alaska. Only about 20 miles of it are in our own territory, and it passes over this way [indicating on the map] into the mountains. It is largely in British territory. There is no wagon road that could be built and used that would be of any special benefit, even if connection were made with this road.

The Yakutat Southern Railway is a little railroad right in here [indicating on the map] on a peninsula and is only 9 miles long. It simply connects a fish cannery on the coast with another point on the coast opposite the fishing grounds and furnishes no connections whatever that would be of any benefit to any

country that might be served by a wagon road.

The Copper River & Northwestern Railway begins here [indicating on the map] and runs up in this direction for 195 miles. It extends from Cordova to the copper mines of the Alaska Syndicate and does not pass near any agricultural territory or other territory that would lead to any special development by the construction of wagon roads other than possibly the discovery of copper properties, which could not be handled successfully by wagon transportation in competition with railroad transportation.

The Alaskan Northern Railway, which comes in here from Seward through the Kenai Peninsula, is now 71 miles in length. Wagon roads, to be of any benefit in connection with it or to reach coal property or agricultural property, would have to be 75 or 100 or more miles long, and would be of but little service, because the railroad is not doing very much business, and unless it is extended considerably it will have to shut down. In fact, I understand that it is now shut down.

The Tanana Valley Railway is a narrow-gauge railway up near the Tanana Valley, running out of Fairbanks. It is 46 miles long, extending from Fairbanks to the mining territory.

The Seward Peninsula Railway, 80 miles long, from Nome to Shelton, is in a territory with no agricultural lands, but simply placer and quartz mines.

The Pay-Streak branch, 61 miles, is simply a branch of this

road in the same territory.

The Council City & Solomon River Railway, 321 miles long. is also in the Seward Peninsula, near Nome, and no special benefit would come from the construction of wagon roads there. The same is true of the Wild Goose Railway, 5 miles in length,

which is located in the same territory.

So the connection of wagon roads with the existing lines of railroad, to which the Senator from Mississippi referred, would railroad to that part of the country.

do very little toward the development of this 590,000 square miles of territory; \$7,000,000 spent as suggested would be largely wasted. Any substantial development in Alaska can come only from the construction of some main trunk-line rail-

Our western country was not opened up and its resources made available until the railroads were built. A vast domain was donated to the companies to induce them to construct trunk lines-a domain which, when the road was constructed. was equal in value to its entire cost. No suggestion was made that the Government should first have wagon roads, but wagon roads came with the building of the railroads; and that will be the result in Alaska. You build trunk-line railroads, and branch lines will be built, and the people and communities also will construct wagon roads to meet their demands and necessities; and they should have assistance in doing this from the National Government.

They need, it is true, dirt roads in Alaska; but they need railroads first, and the supplying of that need will go a way toward the construction of necessary wagon roads. you get trunk lines of railroads going from somewhere to somewhere you will be justified in talking of wagon roads, spurs, and branches, but not before.

He says, also, that in a country where beans cost \$1 a pound as they did in the Chesana district, what we need is wagon

The Chesana district is one of the most inaccessible districts on the face of the earth, away over here [indicating on the map], away from any railroad, almost surrounded by lofty mountains, and as a matter of fact in a territory very much of the character that the Senator from Mississippi has the impression that all of Alaska is. The wonder is that these things do not cost more there, rather than less.

Mr. President, the physical condition of Alaska is such that it has a great bearing on the proposition involved. As a matter of fact, it seems to me it should almost determine us in our

course with reference to this measure.

I want to call the attention of the Senate to the map and to the indications there. The red spots represent the places where gold has been already discovered. You will note that they extend almost all over the Territory of Alaska south of the Endicott Mountain Range. They show very graphically the extent of the gold discoveries, and indicate very clearly the possibilities for the discovery of gold in Alaska. The black spots indities for the discovery of gold in Alaska. The black spots indicate where coal has been discovered. You will note that this area goes clear up to the north, away beyond the Arctic Circle. The whole Territory is dotted with black spots, indicating actual discoveries of coal.

As I said a while ago, there are only two of these fields where anthracite coal is produced, the Bering field and the Matanuska field; but the supply of lignite and bituminous coal is almost inexhaustible, and almost beyond belief. Some veins have been found exposed in different parts of this territory 20 feet thick, and my recollection is that there are some claimed to

be 40 feet thick.

Along the southern coast of Alaska the harbors are open theentire year. They are free from ice and impediments of that The mountain range running around the coast in the form of an arc shuts out railroad building to the interior except where there are breaks through the mountains made by rivers, and they are very few in number. The place where the Copper River breaks through is one. Here, where the Susitna and other rivers come through on the way to Seward, is another. Over here, at Iliamna Bay, is another going over to the Kuskokwim.

The interest or the power that controls these two or three entrances to the interior of Alaska controls practically all of the development of that Terrtory and of that country. If the entrances and the passes to the interior country are controlled by private railroads, the development of the interior of the country will take place just as they see fit to permit it to take place. While it is true that if railroads are built somewhere to the interior through these passes we can control the rates that are charged for the transportation of products and material over those lines, we can not compel the railroads nor the interests or companies building them to build to any particular section

of this country.

For instance, the Copper River Railroad was built to the Kennicott mines over here because it owned those mines. We can control the rates that will be charged from that point to the coast, but we can not compel the company to build a line from this point, Chitina, up to the Tanana or the Yukon. We can not do it; and until the company sees fit to do it of its own accord. if we leave this matter to private enterprise, we shall have no

The same is true with reference to the line through here [indicating on the map] from Seward. A company has been trying for years to build a line from Seward to the Matanuska coal fields, and they have been professing that they would go on to the Tanana, but they have not been able to get the money necessary to carry on the construction. The indications now are very clear that they can not get it. I have read some testimony that indicates why they can not get it; that the great interest that controls this road-not a local interest, but one which has its ramifications all over the United States in every line of industry, including banking, smelting, mining, railroads, navigation, and all that sort of thing-will not permit the building of a railroad through there until it wants it done. It will not permit any company to get the capital necessary to put a road through there until it wants it done.

So it is most desirable that these passes should be used, not for the exploitation of particular property but to provide the widest, the broadest, and the most comprehensive development for this great inland territory.

On the Kuskokwim River and on the Yukon River and their tributaries there are about 5,000 miles of water transportation; but in order to avail of that water transportation vessels must come away around through the ocean and through the Aleutian Islands, and up into the Bering Sea, I think, about 2,000 miles, to Nome, and then they must connect there with boats going up the river that can go up and come down only about three months in the year. For instance, to get to Fair-banks, this point in the interior [indicating on the map], they must ship their goods by vessel away around to Nome and then transfer to boats going up the river. If a vessel leaves and gets to the mouth of the river a little bit late, transportation being about to close, your goods may get up to some point on the river and then be frozen in there, and you must until the next season before they can go on up to Fairbanks. On the other hand, if your products start out from Fairbanks and get frozen in along the river somewhere below, they may have to wait until the next season to get up.

So you can see the difficulties under which access to the interior is secured. The building of a railroad from some point on this coast to the Tanana or the Yukon will furnish a transportation route the whole year around into the interior country, because these roads will not be interfered with by snow nearly so much as are some of the roads in this country.

With reference to rates, my friend from Mississippi, referring to this almost inaccessible point away over here at Chesana, one of the most inaccessible points on the face of the earth [indicating on the map), spoke about the high rates for getting products in. That does not apply to the coast harbors. points have water transportation from Seattle, Tacoma, and San Francisco the whole year around, the voyage being about 1,000 miles in length. The rates are not very high. We all know that water transportation is cheap under ordinary conditions. The high rates in here [indicating on the map] come from the long haul over here and up the river and from the fact that the transportation lines on the Yukon River are practically controlled by the same transportation lines that go around here [indicating on the map], and they can fix almost any rates they see fit to charge. Of course, after you get to a point on the river where you have to take articles into the interior by trail or otherwise, the transportation charge is high. If you have a railroad from some of these harbors to the interior, you will have without question, much lower rates than now. The low have, without question, much lower rates than now. water rates to the coast will be increased only by the reasonable rates for railroad transportation.

Mr. NORRIS. Mr. President-

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Nebraska?

Mr. JONES. Certainly.

Mr. NORRIS. Is not that also true of the transportation companies that run from the southern outlet there down to Seattle and other Pacific coast points?

Mr. JONES. To a greater or less extent that is true with reference to them. I do not mean to say that the lines here are entirely free from monopoly; but, of course, if we can get railroad lines down here to the coast that are free from monopoly, to that extent we shall have exempted the traffic to the interior from the exorbitant charges of monopoly.

Mr. NORRIS. Yes; but they are still subject to monopoly

between those coast points and the western points?

Mr. JONES. Yes; unless, with equal opportunity to get to we should develop independent transportation or nes. That matter was brought up while the Senator had to be out this morning, and was referred to.

Mr. NORRIS. I shall not go into it now, then.

Mr. JONES. The committee deemed it rather unwise to adopt at this time the amendment suggested by the Senator, believing that if we should give all interests an equal opportunity to get to the coast and meet transportation lines there on equal terms, and have equal opportunities in the ports, that would encourage independent lines to build ships and operate The Senator from Oregon [Mr. CHAMBERLAIN] called attention to the fact that now, in Portland, a company has been organized with the intention, if this bill is put through, of putting on an independent transportation line of vessels. we thought the adoption of the amendment at this time was unwise, although that does not indicate how the members of the committee feel with reference to the Government putting on ships. We thought it best not to complicate at this time the situation with reference to this bill by incorporating in it that provision.

If the Government controls the entrances to the interior, and has a transportation line into the interior, it will build the lines with a view to bringing about the greatest possible development, and not for the purpose of exploiting any particular property there. Every man who has developed an industry or a mine or an interest within the territory served by these railroads will know absolutely that he will be treated upon an equality with every other man. He will know that he can carry on his business upon that basis and in that way.

It seems to me it is absolutely essential that the railroad facilities for the interior shall be dominated and controlled by the Government of the United States. If they are not they will be dominated and controlled by private interests for profit, for the development of their own particular properties and their own particular interests, and for the development of any section of the country that they especially want to have developed.

Mr. REED. Mr. President-

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Missouri?

Mr. JONES. Certainly.
Mr. REED. I do not want to be understood as at all opposing this bill because I ask this question; but if the argument is sound that if the United States owns this road everybody will be treated fairly, and that it is necessary for the development of this country that the Government shall own the road, to the end that all interests may be treated fairly, can the Senator tell me why the same argument would not apply to the United States as well as to a Territory of the United States?

Mr. JONES. That argument will apply, to a greater or less

extent, to the United States.

Since the Senator is in favor of having this railroad up in Alaska, where very few people live, built by the Government, may I ask him if he would be willing to favor the acquisition by the Government of the railroads in the United

States, where a great many people live?

Mr. JONES. If the Senator had been here when I began my remarks—and I know he would have been here if he could have been-he would understand my position on that point.

Mr. REED. I have been unavoidably absent from the Cham-

Mr. JONES. I know it. I know there are committee meetings that keep Members away from here almost all the time. stated my position clearly with reference to that matter in the first part of my address.

Mr. REED. That was at a time when I was absent.

Mr. JONES. I am not nearly so much shocked now at the proposition of Government ownership of railroads in this country as I was a few years ago.

Mr. President, nature has pointed the way for railroads in Alaska, but has restricted the available routes to two or We must not permit these routes to be controlled by private interests, but must preserve them for all time for the equal use of all the people and interests of Alaska. That can be done only by Government lines constructed directly by the Government and wholly controlled by it.

Mr. President, we have not hesitated in the past to aid in the construction of railroads into new and undeveloped sections. Enormous grants of land have been made for this purpose. In some cases the Nation could have afforded to build the road and turn it over to the country free, if it had held to its own land. These acts have been usually criticized. I have no doubt but that the Congress and the President acted honestly and patriotically in passing and approving them. It is more easy to look back and see mistakes than it is to look forward and avoid them. We are negligent, however, and unwise, and justly subject to censure, if we do not profit by the experience of the past. Knowing what I do now, if we were confronted with the propositions of 50 years ago, I would vote unhesitatingly to build roads to the West and keep our public lands.

I hope the step we take now will not be hereafter regarded as a huge blunder. It is our duty to initiate a wise, broad, and comprehensive system of improvement for Alaska. Let us preserve forever free from private monopoly the two or three avenues by which transportation lines can enter the interior from the magnificent open harbors of the southern coast and keep those harbors and their terminal and dockage facilities open to all, under fair and equal conditions. While recognizing that much of the industrial development in Alaska must be done by large aggregations of capital, let us see to it that the trunkline railroads are built so as to promote general development and not private exploitation, and that every interest, great or small, shall have exactly the same opportunities when it reaches this railroad line. Let us see to it that water transportation lines are not destroyed or wholly dominated by railroad interests, as they have been in other sections, and as they are to a certain degree in Alaska to-day. Railroad and water lines should complement each other where not active competitors, and made to serve the interests of the Territory and the people.

All this can be secured only by Government lines. This is a duty and function of government that we must not in this case delegate to private interests. The people have a right to expect us to regard their interests as a whole, and we must not

betray their trust.

Mr. President, Alaska is a continental domain of over 375,000,000 acres, owned almost wholly and absolutely by the United States, with unquestioned authority and abundant wealth and credit to do whatever is necessary to develop its vast agricultural resources, and make available to the industry and energy of our citizens the incalculable mineral wealth of every character and description. Railroad transportation is the first necessary step to people that land with a brave, hardy, and industrious race who in time of peace will add to the Nation's wealth, and in time of war be a mighty bulwark of defense. With the construction of main lines on a broad and comprehensive plan, securing to every individual equal opportunities and to each section service without discrimination, and connecting the interior water systems with the open ports in the south so that commerce, trade, and travel may flow be-tween that Territory and the people of the United States from the year's beginning to the end, will come an expansion of the fishing and fur industry, the peopling of the agricultural sections with hardy pioneers raising cereals, grasses, horses, cattle, sheep, reindeer, and other valuable animals not only for local needs but for export, the discovery of new mines of gold, copper, silver, iron, and other minerals, together with coal of the highest grade, not only for consumption in the local industries but also for the operation of our Navy and the maintenance of our national defense, and an increase in the already large trade between that country and this that will mean prosperity to the people there and stability and wealth to the people here

The result will confound those who anticipate a confirmation of their views of the evils of governmental activities, and will bring intense satisfaction to us who believe it to be wise statesmanship and patriotic wisdom to use the Nation's wealth to make available its natural resources under equal conditions to Our action on this matter will mark an epoch in constructive legislation, will mean real and substantial benefit to the individual citizen in the present and the future, will promote contentment and satisfaction among the people, and will add

to the stability and glory of the Republic.

I desire to ask unanimous consent to have printed at the conclusion of my remarks a copy of Senate bill 133, which I introduced, a copy of the bill reported by the subcommittee to the full committee of the Senate, and a copy of the bill as reported by the full committee to the Senate.

The VICE PRESIDENT. Is there objection? The Chair hears none, and permission is given.

The matter referred to is as follows:

A bill (S. 133) to provide for the construction of railroads in Alaska, and for other purposes.

and for other purposes.

Re it enacted, etc., That the President of the United States is hereby authorized, through the Alaska railway commission, hereinafter provided for, or otherwise, to cause to be surveyed and located such main lines for railroads from points on tidewater to the interior as will, in his judgment, best promote the settlement of Alaska and develop its resources, together with such branch lines as he may deem necessary; and when such line or lines are located he is hereby authorized to cause to be constructed, completed, and operated thereon (until otherwise provided by Congress) a standard-gauge railroad or railroads, with the necessary equipment, docks, wharves, and terminal facilities. That the President is authorized for the purposes aforesaid to employ such persons as he may deem necessary and to fix their duties, powers, and compensations.

persons as ne may deem necessary and compensations.

SEC. 2. That to enable the President to construct the railroad and works appurtenant and necessary thereto, as provided in this act, there is hereby created the Alaska railway commission, to be composed of not more than five members, who shall be nominated and appointed by the President, with the advice and consent of the Senate, and who

shall serve during the pleasure of the President, and one of them shall be manned by the President as chairman of said commission. Of the seneme of the president as chairman of said commission. Of the science of engineering, and may be officers of the United States Army and Navy from the active or retired lists. Said commission, of the science of engineering, and may be officers of the United States Army and Navy from the active or retired lists. Said commission and the science of the commission of the same shall have been otherwise fixed by Congress. In addition to the members of said commission the President is hereby authorized, through the said commission, to employ in the ascertainment of the operation of the same, any of the engineers of the United States Army at his discretion, and law with the commission of the same and the said of the said commission, subject to the approval of the President. The official salary from the amount of salary or compensation provided for or which shall be fixed under the terms of this act. Said commission shall in all matters be subject to the direction and control of the President, and required either by law or by the order of the President, full and complete reports of all their acts and doings and of all money received and charles of the said of the sai

(Subcommittee print.)

A bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes.

Be it enacted, etc., That the President of the United States is hereby authorized, through the Alaska railway commission, hereinafter provided for, or otherwise, to cause to be surveyed and located such main

these for railroads from points on tidewater to the interior as will, in his judgment, best promote the settlement of Alaska, develop its rote the Army, Navy, and other Government services; of troops, arms, and munitions of war; of the mails, and for other Government and public mess, together with set the mails, and for other Government and public mess, together with set the constructed completed, and the control of the co

terms as may be fixed by the commission and approved by the Presi-

terms as may be fixed by the commission and approved by the President.

Sec. 6. That the Secretary of the Treasury is hereby authorized to borrow, on the credit of the United States, from time to time, as the proceeds may be required to defray expenditures authorized by this act (such proceeds when received to be used only for the purpose of meeting such expenditure), the sum of \$40,000,000, or so much thereof as may be necessary, and to prepare and issue therefor coupon or registered bonds of the United States, in such form as he may prescribe, and in denominations of \$20 or some multiple of that sum, redeemable in gold coin at the pleasure of the United States after 10 years from the date of their issue, and payable 30 years from such date, and bearing interest, payable quarterly in gold coin, at the rate of 3 per cent per annum; and the bonds herein authorized shall be exempt from all taxes or duties of the United States, as well as from taxation in any form by or under State, municipal, or local authority: Provided, That said bonds may be disposed of by the Secretary of the Treasury at not less than par, under such regulations as he may prescribe, giving to all the citizens of the United States an equal opportunity to subscribe therefor, but no commissions shall be allowed or paid thereon, and there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$1,000,000, to be used for carrying out the provisions of this act, including the expense of preparing, advertising, and issuing the bends herein authorized, to continue available until expended: Provided, That so much of the said sum of \$1,000,000 as shall have been expended shall be reimbursed to the Treasury out of the first proceeds of the sale of said bonds.

Sec. 7. That there is hereby created a redemption fund in the United States Treasury, to be known as the "Alaska railways redemption fund," into which shall be paid 75 per cent of all moneys derived from the sale or disposal of any of the public lands in Ala

(Calendar No. 53.)

A bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes.

A bill. (8. 48) to authorize the President of the United States to locate construct, and operate railroads in the Territory of Alaska, and for other purposes.

Be it enacted, etc., That the President of the United States is hereby authorized and directed to cause to be located such main lines for railroads from points on tidewater to the Interior as will, in his judgment, best promote the settlement of Alaska, develop its resources, and provide adequate and suitable transportation for coal for the Army, Navy, and other Government services; of troops, arms, and munitions of war; of the mails and for other Government and public uses, together with such branch lines, feeders, sidings, switches, and spurs as he may deather the settlement of the suitable state of the suitable state of the settlement of settlement of the settlement of the settlement of settlement of the settlement of the settlement of settlement of the settlement of settlement of settlement of settlement of the settlement of settlement of settlement of settlement of settlement of settlement of set

merce laws relating to the transportation of employees and their families shall be in force as to lines constructed under this act.

SEC. 4. That any line of railroad designated and constructed under the provisions of this act may connect with the line of any railroad existing or which may hereafter be constructed in Alaska, or with any steamship line for joint transportation of freight and passengers, and in such case the lines thus connected shall be operated as a through route with through rates upon a fair and reasonable apportionment of revenue and expenses.

steamship line for joint transportation of freight and passengers, and in such case the lines thus connected shall be operated as a through route with through rates upon a fair and reasonable apportionment of revenue and expenses.

SEC 5. That the Secretary of the Treasury is hereby authorized to borrow, on the credit of the United States, from time to time, as the proceeds may be required to defray expenditures authorized by this act—such proceeds when received to be used only for the purpose of meeting such expenditure—the sum of \$40,000,000, or so much thereof as may be necessary, and to prepare and issue therefor coupon or registered bonds of the United States, in such form as he may prescribe, and in denominations of \$20 or some multiple of that sum, redeemable in gold coin at the pleasure of the United States after 10 years from the date of their issue, and payable 30 years from such date, and bearing interest, payable quarterly in gold coin, at the rate of 3 per cent per annum; and the bonds herein authorized shall be exempt from all taxes or duties of the United States, as well as from taxation in any form by or under State, municipal, or local authority: Provided, That said bonds may be disposed of by the Secretary of the Treasury at not less than par, under such regulations as he may prescribe, giving to all the citizens of the United States an equal opportunity to subscribe therefor, but no commissions shall be allowed or paid thereon, and there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, be sum of \$1,000,000, to be used for carrying out the provisions of this act, including the expense of preparing, advertising, and issuing the bonds herein authorized, to continue available until expended: Provided, That so much of the said sum of \$1,000,000 as shall have been expended shall be reimbursed to the Treasury out of the first proceeds of the sale of said bonds.

SEC 6. That there is hereby created a redemption fund in the United States Treasury, to be known os the

Mr. POINDEXTER. Mr. President, the Senator from North Dakota [Mr. McCumber] informs me that he is prepared to speak at this time. In view of that fact, I will yield to him and will submit what remarks I have to make upon the bill

after the routine morning business to-morrow.

Mr. McCUMBER. If the Senator from Washington desires to go on I should prefer that he would do so. I will take the floor now only with the understanding that it is his desire that I should proceed.

Mr. POINDEXTER. I yield that the Senator may proceed

Mr. McCUMBER. Mr. President, I wish very briefly to express on this most important measure some of the reasons why I am not prepared as yet to raise the socialistic flag as a party banner under which I am to operate in the future, and to present to the Senate certain reasons against even the advisability on the part of the Government, by means of an appropriation or other capital, for pressing a railroad system in Alaska at the present time.

This bill presents two features, one of which is obnoxious to my conviction of governmental functions and duties, and the other of which presents no justification for its enactment.

The bill is the first great step into the realm of paternalism. It is the beginning of the paternalistic or socialistic idea of complete Government ownership of all public utilities. It is a step from which there is no receding. Each step into the pater-nalistic field will necessitate a further step for the protection of the first. I can not understand how anyone can fail to draw the same conclusion which I draw with reference to the full import and meaning of this great step. Neither can I understand how anyone who votes for it, who supports it, can by any possibility of reasoning raise his voice against paternalism. It inevitably leads to this end. Government ownership of Alaska railways must necessarily ultimately mean Government ownership and operation of the coal deposits, which alone, if anything, can justify or excuse it, will justify the expense of the construction and operation of this contemplated railroad. And when the Government owns and operates the roads, owns and operates the mines solely for its own use and profit, introduces paternalism to that extent, what is left for the public which is to put up for the whole expense? If I believed in Government ownership of railways, steamship lines, and all public utilities, I certainly should support this measure as the beginning of that new governmental policy and function. But believing that the prime function of government and its one duty is to govern people who do produce, leaving all production in the hands of the people, I can not but view with extreme disfavor this first socialistic step.

No one can point to a single fact that will justify Government ownership. There is no question but that in every instance it costs the Government from 50 to 100 per cent more to perform any given work than it costs private individuals to accomplish the same result. We have abundant proof of this in the fact that there is not a single irrigation project in the United States that has not cost from 50 to 200 per cent more than even the Government estimate. And as the people are the Government, these facilities cost the people from 50 to 200 per cent more than they would cost the same people to accomplish the same thing through private effort and cooperation. It necessarily follows that the charges for the use must be proportionately higher to meet the investment when construcproportionately higher to higher the investment when construc-tion or operation is carried on by the Government. And the people themselves must pay this higher price for its use. If they do not pay it directly, they must pay it in added taxes. Nor do we stop there. It costs the Government of the United States fully 100 per cent more to operate any line of business

than it costs any private concern to operate a similar line of business. And as the operating expenses must be paid out of the earnings, the cost to the people must again be practically doubled. Therefore, instead of Government ownership and operation being a benefit to the people, it is a curse to them and not only adds so much more to their burdens but also deprives them of their lawful opportunities. The fact that the burden is distributed over all the people does not make it less a burden.

It is estimated that these contemplated railways will cost from \$40,000 to \$45,000 a mile. Making an allowance for the usual difference between Government estimate and Government fulfillment, an allowance that can now be figured with considerable accuracy by reason of many opportunities to make the computation, we will find that these railroads will cost us from \$75,000 to \$100,000 a mile—a wholly unnecessary burden upon the people, and a burden from which they will never receive any proper return upon the investment.

Government ownership of railways, followed by Government ownership, as it must be, of other public utilities means that the army of employees, organized as they always will be, will become the complete masters of the Government and the Government but the subservient tool to the interests of this great That army will be powerful enough to dictate every policy of Government. No man in any district in the United States would be strong enough to make his race as a Member of Congress if his ideas of the value of the wages of these Government employees did not correspond with their idea of the worth of their services. Whenever the Government puts itself in the position of owner of public utilities, it becomes the prev of an organized class of people, which will result in legislation against the mass of the unorganized people of the country.

We can not deceive ourselves as to this final result. only question is whether we want such a condition. If we do want it, then we ought to raise the socialistic flag and candidly admit that we are serving that army. The greatest injustice in the labor field of to-day lies in the disproportion of labor wages. The wages of one class, through organization, are so far above those of the ordinary laborer, so far above the farm laborer, that the latter always suffer an enormous disadvan-The report of the Agricultural Department of 1912 shows that the average farm earnings for farmer, wife, and adult laborer is scarcely more than 20 cents net per day, as against the more than \$6 per day of the ordinary mechanic, and this without reference to the smaller number of hours in the latter trade. The farmer and wife and children who receive less than 25 cents per day net for their labor must purchase products enhanced twenty times his wages.

It is well known that the wages for clerical service in the departments in Washington are a trifle more than double the wages of the same kind of service in the same lines of business outside of the Government.

Mr. REED. Mr. President

Mr. McCUMBER. Now, apply this to the 2,000,000 people already engaged by private enterprise in public-utility trades and business and you can get some idea of the injustice that must necessarily result to the balance of the people

The VICE PRESIDENT. Does the Senator from North Dakota yield to the Senator from Missouri?

Mr. McCUMBER. I yield, Mr. President.

Mr. REED. The Senator has made a very interesting statement to the effect that the wages paid to Government employees in Washington are a trifle less than twice the amount paid for similar work elsewhere. I wish the Senator would tell us where that condition is to be found.

Mr. McCUMBER. In every department in the city of Washington where the average of the clerks are now getting over The average price paid now throughout the \$1,200 per year. country is less than \$600 per year for the same kind of serviceless than \$50 a month,

Mr. REED. I do not want to interrupt the Senator too much; he is speaking largely from memoranda; but I will have to challenge that statement, if he will permit me to do it,

Mr. McCUMBER. I will allow the Senator to challenge it, but that will not change my conviction of the fact that it is but that will not change my conviction of the fact that it is true, because I have made an estimate of the prices paid for similar labor throughout the country, and I find that it is a trifle less than one-half of the amounts paid by the Government.

Mr. REED. Mr. President, of course the Senator wants to be accurate. I know that.

Mr. McCUMBER. Certainly.

Mr. REED. I beg to suggest to him that it will be necessary to revise his figures very thoroughly. I will take the matter

to revise his figures very thoroughly. I will take the matter of the pay of the Capitol police. It is probably not equal to the pay given in any of the large cities of our country.

Mr. McCUMBER. Yes; but that is not the case in the de-

partments at all.

Mr. REED. I started—

Mr. McCUMBER. I spoke of the salaries paid in the departments, and I must ask the Senator to keep within the limits of my assertion if he desires to challenge my statement.

Mr. REED. The first statement of the Senator was, I thought, that broad. I will take the matter of the pay of stenographers in the city of Washington. A first-class stenographer here gets from \$900 to \$1,200 a year.

Mr. McCUMBER. Where? Mr. REED. In the city of Washington. Mr. McCUMBER. In the departments, the Senator means?

Yes. Mr. REED.

Mr. McCUMBER. From \$1,200 to \$1,400 a year.

Mr. REED. The Senator is in error. There are plenty of

them who get only \$900 a year.

Mr. McCUMBER. And plenty of them get over \$1,400 a year. Mr. REED. There are a few who may be experts who get that much. The same class of work in the city where I live when I get home occasionally, when permitted to go-receives fully that much pay. On the average, a good stenographer makes fully \$1,200 a year, and many of them more.

Mr. McCUMBER. I can get just as good in my part of the

country for \$50 a month.

Mr. REED. Many incompetent ones, of course, get less, the

pay grading down.

Mr. McCUMBER. I am afraid we are getting a little bit

from the main subject.

Mr. REED. The pay received by clerks to Senators is, in my

opinion, on an average, less than men of the talent required would receive in any first-class business house.

Mr. McCUMBER. Once again, Mr. President, the Senator has abandoned the field in which I said the prices paid are double what they are in private lines of business. Senators secure for clerk and clerks to committees the very best persons they can find in their States, and they are not under the departments at all.

Mr. REED. The pay received in the Government Printing Office is about on a level with the pay received in the six or seven first-class cities of the United States. That is my recollection from some investigations that were had here at the time the Government Printing Office was under discussion. The pay received by clerks in the Pension Office, in my opinion, is less than would be paid for similar services and similar experience in any first-class business house,

Mr. McCUMBER. Mr. President, I am afraid I can not yield to the Senator to make an address upon his view of a question in which I differ so materially, and in each instance it is but

an assertion.

All the Senator has given is an assertion. Mr. REED.

Mr. McCUMBER. But the Senator from North Dakota has

Mr. REED. Oh, certainly, Mr. McCUMBER. The Senator from North Dakota will yield the floor to the Senator from Missouri either to correct a statement or to call attention to any statement that he thinks is erroneous, but if the Senator asks to divert me from the discussion of Alaskan railways and to take up an hour upon this one little side issue, I am afraid I can not yield the time.

Mr. REED. I should like to ask, for my information, as I go about looking it up, with what part of the country has the Senator compared the salaries paid here in Washington?

Mr. McCUMBER. Mr. President, I do not need to go out of the city to compare the salaries. If the Senator will go down here to one of these department stores and ascertain what they are paying for their girl clerks, he will find it is from four to five dollars per week, and if he will compare that with the hundred dollars a month paid by the Government he will get some idea of the difference between the qualifications and pay of the clerks in one of the department stores and the amount paid by the Government. But I will admit that that presents probably the two extremes and not the average.

If I go down here in the city and learn the sums they are paying for the same kind of clerks in the offices of patent attorneys and other attorneys' offices for stenographers and clerks who do the same kind of work that is done by the Government, I will find that they are paying about one-half. If I go into the Middle States and make the same comparison, I will find that the same labor is employed for about one-half and the hours of service are very much longer. But I do not want to take too much time in debating a disputed question on that

particular point.

Mr. REED. I hope the Senator will permit me to make this observation: Of course, if he made up his figures by taking the wages of girls in department stores and comparing the sums paid them, which notoriously, all over the country, are starvation wages

Mr. McCUMBER. I stated that those were the extreme

Mr. REED. And are a disgrace to our civilization; and if he overlooked also the fact that the ladies are not required in the department stores to pass examinations and to show certain educational qualifications, and that is the kind of comparison which runs through his figures, I think it is easy to understand it.

Mr. GALLINGER. Mr. President—
The VICE PRESIDENT. Does the Senator from North Dakota yield to the Senator from New Hampshire?

Mr. McCUMBER. I yield to the Senator.
Mr. GALLINGER. If the Senator will permit me, I want simply to suggest to the Senator from North Dakota that in stating that the average wage paid in the department stores of Washington is from four to five dollars a week, it is considerably below the real average wage paid, as has been shown in hearings that we had when I was chairman of the Committee on the District of Columbia. They are inadequately paid, beyond a doubt, but the wage is not as low as the Senator from North Dakota has stated.

Mr. McCUMBER. I have known of their attempting to get work where the wages offered them have been even as low as \$4

a week

Mr. President, as an indication of what I have been saying I call attention to the arbitration made but a short time ago by the Interstate Commerce Commission of wages of railway employees. The wages were advanced. The railways defaulted in their dividends. They have now made a demand for an increase of freights. That demand will be allowed. The public the ordinary laborer whose wage, hour for hour, is not one-half of that of railway employees-must pay this added freight. The farmer must pay it out of his meager net earnings. No Interstate Commerce Commission sits in judgment upon what he shall receive for his products, for his labor; but, on the contrary, lest he might make enough to approach within 100 per cent of that received by the railway employees, our gates are thrown open to the importation of all the agricultural products of the world. This is but one example of what we may expect from Government ownership of railroads. The unorganized populace will be compelled to pay enormous tribute to the organized sections.

Let us double, as we probably would in a very few years, the labor expense of operating all the public utilities in the What would be the cost, then, to the balance United States. of the people? We would drive every business into a condition in which it would have either to ask for a receivership or to come also under the governmental arm, and the public would finally become but the servants employed by the Government

itself.

No one will deny that we can not expect the same personal interest, the same curtailment of expenses, the same unfailing watchfulness when the Government has to pay the bills as when we must pay them ourselves. Government ownership of railways, telegraph lines, and other public utilities means bad service, extravagance, and a menace to the rights of all the

If it is said that I am too pessimistic about the power of a great organization in the shape of employees under Government

ownership of railways controlling Congress and governing its action at the expense of the people in general, I need only call attention to the fact that where the influence is not pressed directly upon Congress in the shape of a demand for a raise in wages, yet it is so great that this very Congress has passed an act subversive of constitutional right and privilege, declaring the exemption of one class of American people from the same laws and responsibilities that are imposed upon other classes, and an attempt to revive the same obnoxious doctrine during the present session.

If Congress becomes so subservient to class influence with its present infinitesimal power and organization as compared with that class power whenever the Government becomes the direct employer, what must we expect under Government ownership of railways, telegraphs, telephones, water supply, and every other

public utility?

These reasons alone are sufficient to justify me in voting against the measure.

NO NECESSITY FOR GOVERNMENT RAILWAYS IN ALASKA.

Leaving the question as to whether the Government should enter into private business in competition with its citizens, the question arises whether or not there is any justification for the construction of these contemplated lines of railway. There has never been a time in the history of this country since railroads began to be built when there has not been sufficient private capital and enterprise to build every railroad wherever the prospect of development would justify the construction of a line. The same rule holds good as to Alaska. Capital will seek investment wherever it can find an opportunity for a proper return. The Government can not, however, tie up the resources of that great country and expect to make any railroad pay. Alaska is essentially a mining country at the present time. The agricultural industry is infinitesimal. There is no justification for any development of agriculture there further than that which is necessary to support its own population. If the railroads which are already constructed can not, because of the withdrawal of lands from acquisition by the people, be made to pay running expenses, if all projected lines have been abandoned because of this action, if half the roads have already become bankrupt, how is it possible for the Government to operate a railroad line which will cost twice as much as a privately constructed railroad, which will cost about twice as much to operate as a privately constructed railroad? How is it possible for the Government to make such a railroad pay?

But you say the Government can open up these lands. Mr. President, I reply that if the Government can open up the lands the Government will not need to build the railways. Private capital will build them and operate them just as rapidly as the development of the country will justify their construction and

operation.

The figures which we received in the opening address on this subject, figures culled from the report of the Alaska Railroad Commission, are deceptive. The purpose of their quotation is that we may draw an inference that these products are from sections of Alaska that have no proper transportation facilities. The total of mineral products—including coal, gypsum, marble, and tin, sea food, and furs—from 1868 to 1911 were \$429,500,000 in round numbers. Of this the fisheries alone were \$214,000,000, or one-half of the entire product. I do not anticipate that it needs railroads to get to the fish. The entire gold and silver product was \$123,000,000 in round numbers, of which the Yukon Valley produced \$74,000,000 worth. And the Yukon is navigable its whole length. The copper was all produced on the coast, and the sea fur-bearing animals were along the coast. So that all but a few million dollars worth of all of these products came from those portions of Alaska now having water or railway transportation facilities.

But you say that you want to get at some of the gold in the interior of the country. Why should the Government go into the exploitation of the resources of a country for the purpose of developing its gold fields? We can not eat gold. It can not be used for clothing. The great proportion of it can only be used for coinage. We simply add so many dollars to the bulk of the coin of the country or of the world, which to the same extent diminishes the purchasing value of the same coin. You might as well say that it would be profitable for the Government to go into a territory and cut down the trees and make yardsticks, that we may have a greater number of sticks for measuring our goods, as to suppose that the people get a direct benefit by the gold mining, or at least that portion of it which is to be used for coinage only. The man who mines it, of course, gets the benefit. If we increased the product of gold—if we doubled it to-morrow—there would be no question in the minds then of any Senator but what we would also almost double the price of every commodity. So the world

itself would not be benefited. The man who has dug out the gold and can immediately have it made into gold dollars re-ceives the benefit. I simply make the suggestion that there is nothing in the Government opening up gold mines alone in that

section of the country.

Mr. President, I have been very much impressed by an article written by W. D. Boyce, who is the owner of two or three Chicago papers. The principal one, I think, is the Chicago Blade. He is an extensive traveler, and has been all over Alaska; he has written up the conditions and the history of that country. His book, lately published, on South America, I think, is one of the most instructive that has ever been issued. The little pamphlet he has printed, after traveling 8,000 miles over Alaska and for the very purpose of presenting the question of the advisability of the construction of railroads through that country, is certainly worth reading. I want simply to quote a few paragraphs. I want first to give a couple of para-graphs under the heading of "A statesman's indifference." The author says:

The Government at Washington at that time-

Referring to the date of the purchase of Alaska-

Referring to the date of the purchase of Alaska—

The Government at Washington at that time knew about as little regarding the Pacific coast, and especially the northwest Pacific, or Puget Sound country, as it does about parts of Alaska and the needs of the people of the whole of Alaska to-day. Indeed, the great and wise Daniel Webster stated frankly in the United States Senate that he didn't know anything about the country west of the Rocky Mountains and, further, he "didn't give a d——n."

That is about the position, through lack of information, taken by the last national administration with reference to Alaska. If each Member of Congress could take six months or a year off and travel from 15,000 to 20,000 miles in Alaska, he would intelligently understand that country's needs. But about the time he had fitted himself to legislate for the 32,060 white people (equal to about one-sixth of the population of the constituency of a Member of Congress) he might fail of reelection and the new Representative or Senator would have to do it all over again or guess at it.

He then speaks of the "bottling up." of the coal fields

He then speaks of the "bottling up" of the coal fields.

He then speaks of the "bottling up" of the coal fields.

Coal is found in several explored sections of Alaska, ranging in quality from lignite to anthracite. As only one-fourth of Alaska is geologically known, and only a very small part of this area by detailed surveys, any estimate of the enormous quantity of coal available is purely speculative. The United States Geological Survey, in a recent publication, states that it is probably safe to say that the minimum estimate of Alaska's coal resources should be placed at 150,000,000,000 tons and that the actual tonnage may be many times that amount. This estimate, stated to be a minimum one, would provide for an output of 10,000 tons daily—the present output of all the coal mines in British Columbia—for over 40,000 years. This being true, I can see no good reason for reserving, conserving, or "bottling" it up. The coal to-day being used by the United States Government for the supply of our naval and revenue vessels in Alaskan waters and as fact for the northern Army posts is brought from Australia in Norwegian vessels at a cost of about \$15 per ton, while the billions of tous of Alaskan coal remain undeveloped and tied up by our Government's policy.

I come, now, directly to his report on "Alaska's railroadspresent and future policies." He says:

present and future policies." He says:

Seriously speaking, the 32,000 white people in Alaska are scattered over a territory one-fifth the size of the United States. The winters, except for a small strip of country along the southeast coast—affected by the warm Japan current—extend over eight months of the year. Nevertheless, Alaska is a wonderful country in many ways, and I have never met with a braver, stronger lot of men—two-thirds of the population are mea—any place in the world. They come from everywhere, but especially from the Pacific coast and gold-producing States; some from Australia, Canada, and the coid countries of Europe.

Keep in mind all the time, however, that it is over 1,500 miles from Ketchikan, the southeast corner of Alaska, to Cape Prince of Wales, on Bering Strait, northwest of Nome. And again, it is over 1,500 miles from Unalaska and Dutch Harbor in the southwest corner of Alaska, to the Arctic Ocean north of Fort Yukon.

While Alaska is not equal to a country 1,500 miles square, it is just as difficult to serve from a transportation standpoint, and nearly all of its service must be by rail as compared with water, except a few fishing towns and ports on the south and southwest coasts, as the rivers as well as the Bering Sea and Arctic Ocean are frozen for eight months and sometimes more each year.

I traveled over \$,000 miles in Alaska and found the population of 32,000 whites pretty evenly divided between the inland and coast, and was impressed with the impossibility of our Government acting fairly toward the whole of Alaska, undertaking the question of transportation, to say nothing about the enormous expense and loss if attempted. As near as I can calculate—

And this is what I desire to call to the attention of the Senate

And this is what I desire to call to the attention of the Senate

it would cost \$200,000,000 to serve 20,000 of the 32,000 Alaskans with railroads at an annual loss of \$30,000,00 a year or equal to \$1,500 a year pension for each man, woman, and child brought within the transportation belt. from one who has made a most careful investigation-

Under another heading, "Impossible to serve them all," he explains this.

explains this.

Of course, for \$50,000,000 5,000 people could be served, but the rates and percentage would remain the same, and the remainder of the people, entitled to equally as good treatment, would be disappointed, and they would have a just cause to complain.

Now, as to traffic or tonnage to be developed by the Government in spending millions of dollars for railroads. It seems doubtful if any great amount of freight could be secured aside from coal, and the cost of mining the coal, with labor in Alaska from \$4 to \$6 a day, the quality of the coal, and the long water haul after the railroad has

brought it to the Alaskan coast—Alaska's coal is in the interior—must all be considered. Always remember that steam coal at Seattle, the nearest market, 1,200 miles distant by water, is selling at about \$3 a ton; that the only thing Alaskan timber is really good for is to be used as firewood, and that the whole northwest Pacific coast has an abundance of such fuel; and, furthermore, that the Panama Canal, from a commercial standpoint, is expected to supply California with cheap coal in order that vessels may have a cargo both ways and reduce the carrying charges on American bottoms using the canal and loaded with Pacific coast fruits, grains, and lumber for eastern and European ports.

If the Alaskan coal fields were fully opened up and were as extensive and as cheap to mine as claimed, and the rail-and-water haul as cheap as on the Atlantic coast, then less coal would go through the Panama Canal and there would be empty bottoms going west and double charges

Canal and there would be empty bottoms going west and double charges for cargoes coming east.

However, I am getting away from Alaska, though not from what affects Alaska. Cut off as it is from the United States, with Canada in between, but with a splendid navigable ocean and an inside course back of islands, which enables vessels to sail from Seattle to Skagway on waters equal to a big deep river that widens out to lakes here and there, the coast-town transportation by water from the southeastern port of Ketchikan to Seward, 800 miles to the northwest, is ideal and open the year around. On this coast line of 800 miles we find more or less prosperous towns, with 50 per cent of the total population of Alaska.

In other words, that 50 per cent now have their water transportation and their ports that are always open.

Nearly ever coast town that has a port open the year around is claiming to be the only point from which to reach the interior of Alaska. It is perfectly natural that each of these points should wish to benefit from the building of a railroad, although the deadest towns I was in, like Skagway, Cordova, and Seward, had railroads. Only while the money was being spent building these roads did the towns show great activity.

There are eight railroads in Alaska. Six have failed, and only four are being operated at all, and but part of the year. I will tell you about the only two that have never gone into the hands of a receiver, although they have never paid the stockholders anything.

It is well, Mr. President, for us to stop here one moment and contemplate what this means. With the assured knowledge that it will always cost the Government a great deal more to build and operate a railway than it will cost any private corporation, we yet find that when operated with all of the economy of private enterprise six of them have already gone into bank-

A MONOPOLY THAT MAKES NO MONEY.

The White Pass & Yukon Route, from Skagway, Alaska, to White Horse, in the Yukon territory, Canada, is 110 miles in length. Twenty miles of the line is in the United States. In 1897, when the Dawson placer deposits were discovered, thousands of men sailed from all over the world to Skagway, winter and summer alike, and hundreds lost their lives on the White Pass through snowslides and exposure. Then this railroad was quickly and well built by English capital and the trail destroyed by blasting for its construction. There followed a rate of 20 cents a mile per passenger, with any old rate for freight. The same rates are still in effect, and, as the company owns the boats on the Yukon River for some 1,200 miles, passengers and shippers are up against the same monopoly of internal traffic, both in the Yukon territory and Alaska. Yet even at the prices named the company is unable to pay a dividend.

Even at the passenger rate of 20 cents per mile

Even at the passenger rate of 20 cents per mile.

The trains and boats are good, the best to be found anywhere in Alaska, and passengers are treated like human beings, but there is not enough business.

The trains and boats are good, the best to be found anywhere in Alaska, and passengers are treated like human beings, but there is not enough business.

And there will not be enough business to make this contemplated railroad pay. Taking the next railroad:

The Copper River & Northwestern, the only other road in Alaska not in the hands of a receiver, is owned and operated by the Guggenheims and Morgans, and runs from Cordova to Kennicott, 196 miles, to reach a number of rich copper properties, especially the Bonanza group of mines, owned by the same interests. The Copper River & Northwestern road is well kept up, and is the only standard 4-foot 8½-inch gauge road in Alaska. All the others are narrow gauge.

Next, we have the many times "busted." failed, and confiscated Alaska Northern. It starts at Seward, and is built north 72 miles to Nowhere. This is known as the Frost road, not because it was such a "frost." or is located in Alaska, but on account of the promoter's name being Frost. It was built by Canadian capital, and broke the bank in Canada that backed it. Frost himself has but recently been tried criminally by the United States courts. However, he was acquitted, and although his reputation as a promoter is quite bad, it is generally believed he was so handicapped by United States Government regulations, and the conservation of coal lands he hoped to open in Alaska, that he never had a chance to win, even if on the square.

Owing to the inability of this road to pay the United States Government ax of \$100 a mile each year it has been closed down and about 1,000 people in Seward and along the lines completely put out of business. The road could not earn the tax. The receivers for the railroad company offer to let the people living in Seward and along the line operate it free of rent for tracks and equipment, but the United States Government said, "No taxes, no run," and there you are. No wonder they sing all over Alaska the song, "Bottled-up Alaska"!

The Nome & Seward Peninsula Railroad, the most northe

built long before there was really anything for them to haul, unless, like the Guggenheims and Morgans, they created their own tonnage by an investment many times the cost of building the railroads.

My theory is—

Here is the conclusion of a careful man, after investigation, with no interest to subserve one way or the other

that if Alaska really contains the ore and coal to warrant building rallroads, and our Government will take the "lid off" so that capital can invest with reasonable hope of returns, the railroads will follow as a natural result. Otherwise it is my conviction that they should never be constructed just to accommodate and enrich a few people or boom a town at the expense of the people of the entire United States.

I think, Mr. President, that that is a concise, true, and accurate account of railroad conditions.

Mr. DILLINGHAM. Will the Senator tell me from whom he is reading?

Mr. McCUMBER. W. D. Boyce, who is the proprietor and editor of the Chicago Blade and a number of other Chicago papers, and who, as I have stated, has just made a trip of over 8,000 miles in Alaska for the very purpose of arriving at some

conclusion upon this question. Another one of the reasons given, Mr. President, for the construction of this railroad is that it will develop the great agricultural interests of Alaska. Just for whom they are to o developed I have not yet ascertained. If the agricultural products are to be hauled upon the railway, they must be exported somewhere, and I can hardly conceive of exporting cats, wheat, and barley, even if it be possible to raise them in Alaska at all successfully, with labor which costs from \$4 to \$6 a day and with their long winters, when in the interior of the United States and in the open markets of the world our oats are selling at 23 and 24 cents a bushel, our barley at about 32 cents a bushel, our wheat at sixty-odd cents a bushel, and our flax at a price only about half of what it was worth a few years ago. Mr. President, there can be no possible excuse for building railways for any agricultural interest in Alaska. The only agricultural interests that can be subserved there are the little patches of potatoes and vegetables that can be utilized in the mining camps. I want to give an estimate of the agricultural interests in Alaska from the same author. "Farming in Alaska." he says: Under the head of

ests in Alaska from the same author. Under the head of "Farming in Alaska," he says:

"Gold is where it is found," is an old and true saying. Finding it does not, however, depend on climate, soil, elevation, or favorable natural conditions. This is not true of farming. Agricultural products require congenial surroundings, although through the development of seed and intelligent handling of soil and crop we are now growing grains, fruits, and vegetables in many parts of the world heretofore unthought of, Man can not eat gold, timber, or coal. He must have foodstuff, plenty of it and cheap.

Before I went to Alaska I knew about the gold and fishing and furs and shooting, but was ignorant as to the agricultural possibilities and products. After covering thousands of miles and seeing nearly every developed spot where anything that grows to eat is at its best. I am satisfied that it is a poor country for a farmer, and always will be. Should you succeed in getting a small patch cleared up at a place where there was a "boom on" you could get fancy prices for one or two years until the boom was over. Except for the long summers and nightless days in Alaska it would be impossible to grow anything. No warmth comes from the soil or beneath the surface. As far down as a shaft has ever been sunk, over 2.000 feet, you find ice. This ice was not made by freezing from the top down. For millions of years the country has been built up from the bottom, ice on ice that never thawed out in the summer. The moss that grows nearly everywhere is a complete protection from the sun, and when you sink a pick through it you think you have struck rock. Clear off this moss, other vegetation, or scrub timber and you have the frozen earth. The sun will draw out the ice and frost about one foot the first year. Break this up and the next year it thaws out deeper, until after a number of years the frost, on account of the long days, will disappear by June 1 down 2 or 3 feet.

Where alfalfa has been tried it turns yellow as soon as the roots strik

Think of it-\$125 per acre for land up in Alaska, a country a fifth as large as the United States, with people sparsely settled all over that country, when you can buy better land in a thickly settled country, where you have a near market, for from \$40 to \$75 an acre.

Mr. DILLINGHAM. May I interrupt the Scuator? Mr. McCUMBER. Certainly.

Mr. DILLINGHAM. I wonder if Mr. Boyce, in his discussion of Norway and Sweden, calls attention to the influence of the Gulf Stream, after passing the coast of Great Britain, upon

agriculture in those countries?

Mr. McCUMBER. He does not; he has not done so in this pamphlet, at least. Then, again, he touches upon the land laws—and I assume that those laws will be the same after we have built this railroad as they are now, unless we change them in self-defense-

LAND LAWS ALL AGAINST FARMERS.

Again, the Government land laws are all against you, and it is practically impossible to secure title to a homestead. Little or no land has been surveyed. You must make at your own expense a private survey, costing from \$300 to \$700 for each claim, and take the chances then of the Government issuing you a deed. I heard nothing but complaints from all the poor people who had been led to believe Uncle Sam was willing to give them farms in Alaska.

It is possible that the industrious, plodding foreigner from the far north countries of Europe and Asia can work out something in the next century in this land. I here quote the United States homestead law on nowing up—

next century in the

And I want Senators to think of this-

Each homesteader may take up 320 acres. Here is how he can

prove it up:
"That at least one-eighth of the area embraced in the entry was continuously cultivated to agricultural crops—

That is, one-eighth of 320 acres, or 40 acres-

other than native grasses, beginning with the second year of entry; and that at least one-fourth of the area embraced in the whole entry was so continuously cultivated with the third year of entry."

Under this law not a whole claim of 320 acres has yet been lawfully proved up in Alaska—

Not a single claim.

Not a single claim.

One-fourth of 320 acres is 80 acres; at a cost of \$125 an acre to put in the first crop, the farmer would have invested \$10,000 in clearing the land—the price of a good lowa farm,

As I have heretofore stated, it is impossible for Washington. D. C., to legislate for Alaska. Congress can not enact wise legislation for a country so far away.

Agriculture in Alaska, at its best, should follow as an adjunct to other occupations. Methods suitable in one part of the country may be unsuitable in others. Bottom lands producing a rank growth of grass may be too cold and sour for root crops until thoroughly broken up and cultivated, so as to let in the air and assist decomposition of the dead vegetation, which takes place but slowly in ground saturated with water. with water.

And so forth.

I will not further follow the line of agriculture, because it is dealt with, Mr. President, to a great extent in the hearings before the Senate committee, and the only conclusion that any reasonable man can draw from those hearings is that it must ultimately be a failure so far as raising anything more than sufficient to support a few mining towns is concerned.

Mr. LANE. Mr. President, I should like to ask the Senator if he has been over to room 115 and seen the exhibit of Alaskan

vegetables and grain?

Mr. McCUMBER. I have not; but I remember seeing, 40 years ago, exhibits of the wonderful production of arid lands and deserts, and the land from which the exhibits came has not been taken or cultivated yet. I have not a great deal of confidence in a mere exhibit that can be produced in a certain little spot. Those exhibits will be explained, or at least their equiva-lent, before I get through. I have no doubt that in a small section of Alaska you may, under some conditions, raise an enormous crop at an enormous expense.

Mr. POINDEXTER. Mr. President—
The VICE PRESIDENT. Does the Senator from North Da-

kota yield to the Senator from Washington?

Mr. McCUMBER. I yield.

Mr. POINDEXTER. The Senator is no doubt familiar with the history of North Dakota, and I should like to ask him if it is not true that in the early days, when that country was first explored and first settled, it was regarded as of very little

value as an agricultural State?

Mr. McCUMBER. Well, Mr. President, if the Senator could have gone down to New Orleans when they held their great exposition, I think in the latter seventies or in the early eighties, he would have found that the products of North Dakota on exhibition were the most promising and wonderful in the world. Possibly many a poor man went to that country, thinking he could raise them very easily, and had to learn through hardships, and in most cases through abandoning the property and a new and more careful class coming along, those exhibits were rather deceptive in regard to the usual products and conditions of the country. I am always afraid of the overadvertising of the agricultural products of any

country.

Mr. POINDEXTER. I agree with the Senator in that re spect; but that does not overcome the fact that North Dakota has become one of the most bountiful agricultural portions of the earth, and it is common knowledge that the same doubt and distrust of the agricultural possibilities of the land have

been prevalent in every new country and in every portion of this country that has been settled.

Mr. LANE. I should like to ask the Senator if, in the early days, upon the old maps, North Dakota was not marked down as part of the "Great American Desert"?

Mr. McCUMBER. Oh, yes.

Mr. LANE. I think I used to see it marked in that way on

the map

Mr. McCUMBER. I do not know whether it reached that far east or not; but we had a Great American Desert. I remember that, even as late as right after the war, Gen. Hazen, who had traveled up in that country, made a report to the effect that it was worth nothing, and nothing could be produced upon it. The fact, however, that somebody made a misstatement as to something that we can easily investigate; the fact that it was said that nothing could be produced upon the very land where, if a spade was put down into it 3 feet, the black loam soil would be found, in a country where you can raise almost any kind of a crop; the fact that somebody did not have enough judgment at that time to foresee a great possibility, does not indicate at all that we can raise crops on barren stones, or in the mountains, where there is no soil, or around the North Pole, where there is neither land nor soil nor anything else.

There are some things that are within the reach of possibility.

and many things that are entirely without it.

Mr. POINDEXTER. I do not want to interrupt the Senator further than to say that his description is not at all applicable to Alaska. Of course, there are frozen regions in Alaska, and there is rock; but there is also a vast extent of land where you do not have to put the spade down into the ground to see the black soil, because it is black on the surface, and it is black for many feet down below.

Mr. McCUMBER. That is true at home.

Mr. POINDEXTER. There are vast areas of soil in Alaska

just as fertile as anything in North Dakota.

Mr. McCUMBER. I do not want to be misunderstood as saying that, there are not agricultural possibilities in Alaska. There are undoubtedly great agricultural possibilities there, even in the Yukon Valley. I insist, however, that there will be no occasion for the development of those products, certainly not for the use of this country, for centuries to come, and that there is nothing to indicate any necessity or opportunity for any great development for the present years, even in sufficient quantity to fill the demands of the mines,

Now, I want to take up for a little while the matter of the mineral resources of Alaska, and I am now going to quote quite

considerably from the hearings.

First, I wish to speak of the coal we are going to get up there. It has been asserted that we shall need that coal for our Navy, and yet it has been demonstrated that it is absolutely unfit for use in the Navy. It may be, and I will not say at this time that that is not the case, that the construction of boilers and furnaces in our ships will be so changed that they may be able to use to advantage a character of coal that they are not able to use at the present time, but that is all speculative.

The acknowledged authority on the mineral resources of Alaska, I think all will admit, is Dr. Alfred H. Brooks, of the United States Geological Survey. I wish to call attention to his evidence, on page 514 of the hearings, before the Senate committee. He says with respect to coal in the Fairbanks district:

In regard to fuel in this district, we have—about 50 miles south of Fairbanks and within 20 or 30 miles of the proposed route from Cordova, or along the proposed route from Seward—the Nenana coal field. The Nenana coal field is a field where there is an enormous amount of lignite

We do not use lignite coal in our vessels.

We do not use lignite coal in our vessels.

Mr. Wickersham. Have you seen this picture over here [indicating]?

Mr. Brooks. I did not take that photograph. I am a little skeptical about the picture of a coal bed.

Mr. Wickersham. How thick is that bed?

Mr. Brooks. I have measured coal about 20 feet in thickness in this field. That is about the workable limit of commercial mining. so I prefer to think there is no coal quite so thick as indicated by the picture, because I do not think it would be worth much. But whatever may be said about the thickness of any individual bed, there is an enormous amount of coal in the field. Our party made an estimate on the basis of the actual coal in sight—and our surveys were not detailed—of some 9.000,000,000, tons, which is more lignite coal than we estimated in all Alaska at the time we made the reports of the conservation commission. There is an abundant supply of coal there. So far as we know, it is all lignite—a fair grade of lignite—and can be used to advantage in local industries. It should be used, because they no d fale at Fairbanks very badly, and will need it much worse before only years have passed, because the timber supply has been rapidly used up by the local needs of the community.

It will be observed that the coal here discussed would furnish

It will be observed that the coal here discussed would furnish the local market, and the coal from the mines on the coast would therefore not come into the market and would not furnish any tonnage from the interior for the contemplated railways.

On page 520 of the Senate hearings on Senate bill 48 Dr. Brooks describes the only two coal fields producing high-grade bituminous coal in Alaska, the Matanuska and the Bering River,

To take up the question of coal first, we have here in the Matanuska Valley a coal field which aggregates 80 and possibly 100 square miles. The coal is of the same general character as that of the Bering River field. So far as we know, there is little to choose between the two. The analysis would indicate that the Bering River coal might be better for steaming purposes and the Matanuska coal a little better for coking; but I do not believe that the evidence on this is sufficient, because there has not been enough mining to permit of a fair test of the coal. So that from our present consideration we have got to regard the two coal fields as very much on a par as to quality. The Bering River field seems to be somewhat smaller than the Matanuska field is a bituminous—it varies from a low-grade to a high-grade bituminous—oil varies from a low-grade to a high-grade bituminous coal. Also there is some anthracite in the eastern end of the field. Of that we do not know very much, but, in any event, I think the Alaska anthracite is less valuable than the steaming and coking coal.

Mr. Wickersham. How does the anthracite coal of Alaska compare with that in Pennsylvania?

This has been gone over several times, and it has been indicated that it is of such wonderful quality.

Mr. Brooks. It is not quite as good as the best of the anthracite of Pennsylvania, as far as we know it. There have been only a few analyses made of it.

Mr. Wickersham. How does the bituminous coal compare?

Mr. Brooks. Some of the bituminous coal is as good as our best bituminous coal of the East; that is, the famous Pocahontas, New River, and Georges Creek coal of the Eastern States.

Mr. Wickersham. Those are the naval coals?

Mr. Brooks. Those are the naval coals?

Mr. Wickersham. Do you think the coal of Alaska is equal to that standard?

Mr. Brooks. So far as the aborded.

standard?

Mr. Brooks. So far as the chemical composition goes; yes, sir. In the physical composition it leaves much to be desired, so far as we know; that is, the percentage of lump coal would be very much smaller. In regard to Navy use, I will say that if there was a large coal-mining industry producing a large quantity of coal, the lump coal could be used by the Navy and the finer coal consumed by other industries. If you mined only enough for the Navy, you would have to take it as it came, and it might then be found to contain too large a percentage of slack for Navy use.

Mr. Broesidont they did two it and to be hellow of the Mays.

Mr. President, they did try it under the boilers of the Maryland, I think, and after they had given it a very thorough test the report was that its value was not to exceed about 75 per cent of the value of the coal in the Pennsylvania fields, and they recommended against its use. I think there has already been read to the Senate—at least, it is in the Congressional RECORD of about a month ago-the report on that test, in which it was stated, however, that they would make a further chemical test at Annapolis and see what could be done. I have here a copy of the letter of December 27 relating to that test. It is as follows:

Hon. James S. Davenport, M. C.,

House of Representatives,

My Dear Mr. Davenport: The preliminary report of the test of Bering River washed and screened coal at the Engineering Experiment Station. Annapolis, Md., notes that under similar conditions Bering River coal produced only about 75 per cent of the power gotten with the Pocahontas.

The department therefore pages with recreet that the Power River.

the Pocahontas,
The department therefore notes with regret that the Bering River coal samples have thus far proven unsuitable for naval use.
Franklin D. Roosevelt,
Assistant Secretary of the Navy.

Mr. POINDENTER. Mr. President-

The VICE PRESIDENT. Does the Senator from North Dakota yield to the Senator from Washington?

Mr. McCUMBER. I do.

Mr. POINDEXTER. I only want to state that I have in hand here, and probably will present at some later time—I do not desire to interpolate it into the Senator's remarks—a very careful detailed statement from a man with whom I am personally acquainted who was present when the coal was mined with which the test was made of which the Senator speaks. He was present when it was mined and helped to get it out. His statement goes on to show that no care whatever was taken in taking out the coal, that they cut out rock and shale and coal and left it lying out in the weather all winter before it was taken down to the harbor where the ship was, and that it was not at all a fair representation of the coal of the Bering River fields.

Mr. McCUMBER. Of course I can have no information upon that subject. From my knowledge of the activities and the influence upon the subdepartments of the Government, however, I have found that when the administration wanted anything it could generally find a report corresponding with its judgment of the necessity of the thing, and I should suppose that the attempt naturally would be to get as good coal as they possibly could get out of these mines when the desire was to prove that it was efficient for that purpose. It may be, however, as the Senator says, that they were careless in mining it and did not get the best coal that could be obtained.

Mr. POINDEXTER. I have no knowledge in regard to it, of course. I only stated the substance of the report I have. I should be loath to think, however, that the Senator's insinua-tion is well founded—that the Government authorities would willfully try to make a favorable or an unfavorable report upon an investigation of this kind.

Mr. McCUMBER. I dld not say they would willfully do so. The desire is generally the father of the result, and I have generally found that where it was possible to establish the fact they did so. The fact that it was impossible to establish what they desired to prove in this instance indicated to me that the chances were very strong that they could not find anything upon which to base a judgment that was favorable.

Mr. POINDEXTER. According to that argument, if they desired to get an unfavorable report they would have the same facility for getting it that they would have for getting a favor-

able one.

Mr. McCUMBER. Oh, yes. Mr. POINDEXTER. I do not suppose the Senator knows, and I am sure I do not know, whether they desired one thing or the other. They were just as likely to have desired an

unfavorable report as to have desired a favorable one.

Mr. McCUMBER. No; I think not. I think the desire is always to conform to the wishes of the administration.

Mr. POINDEXTER. I do not think this administration has

expressed any wishes in regard to the Bering River test.

Mr. McCUMBER. It has expressed, I think, some wishes in regard to an Alaskan railway, and the justification of an Alaskan railway is to secure coal for naval use.

Mr. CHAMBERLAIN. Mr. President, may I interrupt the Senator for a moment?

Mr. McCUMBER. Certainly.
Mr. CHAMBERLAIN. Speaking of the coal situation and the test to which the Senator is now referring, permit me to say that in 1903 Lieut, Arthur Crenshaw, of the Navy, was requested by the equipment officer of the navy yard at Puget Sound to test some of the coal from the Bering River field. Mr. McDonald, who had a mining claim up in the Bering River field, brought out 30 tons at his own expense and delivered it on board the Nebraska, and a test was made of the coal mined by a miner who had a claim and was interested in developing

Mr. McCUMBER. In this case the coal was produced by the owner himself?

Mr. CHAMBERLAIN. By the then owner of the mine. Mr. McCUMBER. I have had some like experiences with gold

produced by the owner of a gold mine.

Mr. CHAMBERLAIN. The Senator assumes that every man is dishonest. I believe in giving a man credit—

Mr. McCUMBER. Oh, no; I am simply assuming that this man would naturally select the very best coal with which to make the experiment.

Mr. CHAMBERLAIN. Will the Senator permit me to state the result of that experiment, just for a moment?

Mr. McCUMBER. Yes.

Mr. CHAMBERLAIN. The lieutenant reported that this particular coal was smokeless and of fair steaming quality; that it did not clinker, and, as he said in the letter to his superior officer, that it would stand very little working. He said the coal must be fired very lightly and worked with a light hoe, as it would not stand slicing.

Now note what he said in reference to quantity. He said that 15.2 tons of Katalla coal was used to a boiler as compared with 18.7 tons of contract coal to a boiler during the same period of time. In other words, it took less of the Bering River coal than it did of the eastern coal which he mentioned.

On the strength of that report of a lieutenant of the Navy, I am advised-though I do not know this of my own knowledgethat Admiral Cowles ordered from Mr. McDonald 2,000 tons for further experimenting; and the only reason it was not furnished was that in the meantime Mr. McDonald's claim was held for cancellation.

Mr. MoCUMBER. What year was that?

Mr. CHAMBERLAIN. 1908. That was coal that was mined by a miner.

Mr. McCUMBER. Yes.

Mr. CHAMBERLAIN. In the test recently made of Bering River coal the coal was not procured by a mining man.

Mr. McCUMBER. Personally, I have very little confidence in a mere chemical test. The chemical test, of course, will indi-

cate the amount of carbon, the amount of heat that may be obtained from the coal; but there are a great many other conditions, such as the rapidity with which it will be consumed, and many other things, that have a direct bearing upon its value as a heat-producing agency. In my opinion no way has yet been devised to determine its real value except the practical method, which is to put it in the furnace under the boilers of a great ship and test it there. That has been done, and it has proven a failure.

It may be, as I have indicated before, that we shall change the construction of the furnaces, boilers, and so forth, so that this coal may be used to advantage. Still, with both of these reports, that on the chemical test and that on the practical test, against the use of the coal, both of them agreeing that it can not be properly used by the Navy, does not the Senator think we had better at least make a few more tests, under proper conditions, before we spend \$40,000,000 to build a railroad to bring that coal to the coast for the purpose of using it in the vessels of our Navy?

Mr. CHAMBERLAIN. May I interrupt the Senator a

moment?

Mr. McCUMBER. Certainly; I am always pleased to yield. Mr. CHAMBERLAIN. I wish to say that if a general average were taken between the report made in 1908 and the report made recently, the coal would be equal to the Pennsylvania coal, anyway. I want the Senator to understand, however, that we are not urging the construction of this road simply as a Its purpose is to develop other resources in coal carrier. Alaska and incidentally the coal as well.

Mr. McCUMBER. Mr. President, a general average sometimes becomes a necessity; but when we can get the absolute result by a practical test, taking the general average between the best and the poorest tests that have been made will hardly

be a safe and reliable course.

The Senator has suggested that we are to use this railroad system for other purposes. I suppose the next thing will be mining purposes outside of coal. I have already discussed the possibilities of agriculture in Alaska, and I will now give some attention to the subject of mining. I shall rely entirely upon the evidence that was taken before the committee.

The principal production of placer gold in Alaska has been from the Yukon Basin and the Seward Peninsula. The figures to the end of 1911 are as follows: Yukon Basin, \$74,118,534; Seward Peninsula, \$60,349,700. That peninsula and the Yukon, of course, have transportation, one from the coast itself and the

other from the Yukon River. It is, however, transportation that is open during only four or five months of the year.

We come now to quartz mining. Quartz mining, as I understand, is carried on in the coastal region and assumes very large proportions. In that region is situated the celebrated Treadwell mine, which is one of the very largest gold mines in America. In this region also is the southeastern Alaska field, which has been quite a large producer and is growing rapidly, more than any other part of Alaska; but the railways contemplated would not in any way contribute to the development of this region, because the transportion is wholly by ocean.

The only other quartz so far discovered is found in the Yukon Basin, and up to the present time there has not been sufficient development there to determine whether or not they will ever become producing mines. Dr. Brooks, on page 514 of the hear-

ings before the Senate committee, says:

In the vicinity of Fairbanks, within the last four or five years, there have been developed a number of auriferous lodes, and while it is too early to make a statement as to lode mining, I think it is promising. One man has been working four or five years, and there are a number of other properties where considerable work has been done. There has been some little gold output, but probably the lode-gold production does not exceed \$200,000 or \$300,000 in value.

Senator Walsh. How many of these quartz mines are in actual operation which you have visited?

Mr. Brooks. The most of the mining developments, Senator, have taken place since I had a chance to study that district in any detail. I was in there last fall with the commission, and I think we visited about 4 or 5 mines, but Dr. P. S. Smith, of the survey, of my staff, spent some time in there, and I think he visited some 15 or 20, but I think of those 15 or 20 there were only 5 or 6 that had the stamp mills. I think about 2,000 quartz claims have been staked. Of course you know what that means in a new district.

Senator Walsh. That would not signify anything to me.

Mr. Brooks. I realize that. But one mine has been operated for zeveral years—for three or four years.

Senator Walsh. Have you visited that one?

Mr. Brooks. Yes, sir; I have been there two or three times. I was there last year. The vein is small, but it is rich. I have no knowledge of what profits may have been made out of it, but if it could have been worked at a reasonable cost it would have been very profitable.

We would judge from this that it was quite an extensive

We would judge from this that it was quite an extensive

Senator Walsh. How many men do they employ there?

Mr. Brooks. I judge, at the time of my visit, there may have been 10 or 15 men.

Senator Walsh. How large is the mill?

Mr. Brooks. I think they have three stamps. I can not be sure of that. I should have to refer to my notebook.

Mr. Wickershiam. Five stamps, is it not? They are only small outflitted in think that they stamps is the most of any of the mill. They are only small outflitted in think that they stamps is the most of any of the mill. They are only small outflitted in the district. I think that they stamps is the most of any of the mill. They can be senator Walsh. You say the vein is small?

Mr. Brooks. Yes, sir; all veins in that district so far developed have been small. They run up to perhaps 2 feet and, in some cases, 25 feet. Of course, they swell out locally. I think in this particular property the vein widens out to 5 feet in places.

Mr. Brooks. Yes, sir; that is, the mines have been developed. There have been other ores found, but there has been nothing done with them. Senator Walsh. You would a good deal rather see low-grade ore and the stamps. I should it were going to invest money in a mining plant. If I were going to mine ore at Fairbanks I should want a very high, grade ore.

Senator Walsh. You would want it big, would you not?

Mr. Brooks. I should like it big, but it would have to be of high value. I would say, in that connection, there have been some larger will be a property of which I do not remember several years ago I visited a property of which I do not remember the name, but there was a pretty well-defined vein 10 or 15 feet wide. I do not know the values, but the owner told me it was not high enough to work under the conditions with which he was confronted

Mr. Brooks. Grade in the way have been any developed so far; Senator Walsh. Those which have been developed?

Mr. Brooks. I do not think there had been any developed so far; senator walsh. Those which have been developed?

Mr. Brooks. So a ton before you could hope to do anything with them at limit of the could have been sm

On page 530, he testifies as follows:

Senator Hitchcock. Do you figure that the development of transportation facilities will make available great bodies of low-grade ores which are now impossible of development?

Mr. Brooks. There is evidence of the presence of large bodies of low-grade gold placer gravels, which could be developed if mining costs were decreased. As to the possibility of developing low-grade ores, I do not think any have yet been found which are sufficiently developed to give an assured tonnage.

Yet we are going to spend \$40,000,000 to develop those veins of low-grade ore!

Mr. President, I do not wish to take up the time of the Senate to discuss the copper question. About all that has been found is in the vicinity of the coast, as shown by the evidence on page 530 and discussed on pages 509, 511, and 512 of the hearings.

I wish now, before closing, to take up again a little of the

evidence on the agricultural question, because we are asked to spend \$40,000,000 on a railway—it will be \$160,000,000 before we get through—to develop the agricultural interest in Alaska in connection with the mining interest. I want to turn to the testimony of Prof. Charles V. Piper, of the Department of Agriculture at Washington. Prof. Piper in his testimony in the hearings before the Senate committee testified as I shall read. I will call attention to pages 548, 550, 552, and 556. I first read from page 548:

So far as railways into the interior are concerned, any great amount of agricultural freight in the future would have in the main to come from and on account of possible grain production—that is, the production of other things like dairy products, or even meats, would not yield any very great amount of freight.

Then, if we can not take it in meats or in vegetables, let us see what we may expect in agricultural products as freight upon this railroad. He proceeds:

upon this railroad. He proceeds:

The most interesting experiment stations, so far as this problem is concerned in Alaska, are those at Rampart, which has been conducted since about 1900; Fairbanks, where the experiment station has been in existence since 1907, I believe; and Copper Center, on the Copper River, where an experiment station was conducted from 1902 to 1906. At the first two of these interior stations—Rampart and Fairbanks—spring-sown oats and spring-sown barley have yielded good crops practically every year they have been tested. Fail-sown rye and fail-sown wheat mature, but there is usually considerable winter kilking, especially in the wheat, due to too thin snow protection from the severe cold. At both of these stations a large amount of time has been spent in the endeavor to breed up hardler varieties of all these grains better suited to the conditions in Alaska. There can be little doubt that varieties of these cereals will be developed better adapted to the region than any w. now possess. However, among the numerous varieties tested, a good many varieties of oats and barley have succeeded, as I have stated. The ryes have done very well, and some fail-sown wheats have given very good results. Spring-sown wheats, I think, in no case have matured. At Copper Center the results have not been as favorable. During the six years that the station was conducted spring-sown grains—that is, oats and barley—matured perfectly only one season.

Certainly you can not expect that these grains will ever be raised in that country in the near future for any exporting business.

I read now from page 550:

I read now from page 550:

Senator Jones. What is your estimate, Judge, of the cost of clearing land at Fairbanks?

Mr. Wickersham. It does not cost much. Do you know, Mr. Joslin, what they figure on down there?

Mr. Joslin. The report of the farmer for the experiment station for 1911 showed \$200 an acre.

Mr. Wickersham. That was up there in that heavy timber?

Mr. Joslin. Yes; up in that beavy timber.

Prof. Piper. That was also about the cost at Kenai on lands covered with light timber.

Mr. Ballaine. That is heavy timber—very heavy timber—at Kenai. Prof. Piper. I would not call it very heavy.

Mr. MacKenzie. I have had a little experience in clearing land up in the interior of Alaska, and if you can get a burn on the ground and kill those trees, the roats will lie on top of the frost, and in two or three years you can go along there and almost kick them out. It is very casy. Of course, if you do it in one season, it is a very expensive yestem.

and kill those trees, the roots will lie on top of the frost, and in two or three years you can go along there and almost kick them out. It is very easy. Of course, if you do it in one season, it is a very expensive system.

Prof. Piper. At any rate, whether you put it at \$100 an acre or \$50 an acre, you can still get good farm lands in the United States at \$50 an acre. However, I would not give too much weight to that, because the pioneer is attracted to public land that he can homestead, even if it costs \$200 an acre to clear. The \$200 an acre for clearing it is based, I suppose, on wages to the ordinary laboring man of \$5 and \$6 a day, and if a farmer clears the land himself he saves that \$5 or \$6 a day. So that it is really the high cost of labor that makes the apparent high cost of clearing that land.

Mr. Chubbuck, on the basis of his reconnoissance in Alaska, has given expression to conservative views regarding the future possibilities of grain raising in the interior of Alaska very much, I think, like the ideas I have presented.

Senator Wallsh. Who is Mr. Chubbuck?

Prof. Piper. Mr. Chubbuck is a member of the Bureau of Plant Industry, and spent the years 1909 and 1910 making an agricultural reconnoissance of Alaska. His report has not yet been published, but will be shortly. Mr. Chubbuck really should have appeared before this committee, because he personally has gone over these lands in the interior of Alaska, and my knowledge is second hand.

Senator Jones. Where is Mr. Chubbuck?

Prof. Piper. He is out West at the present time.

Again, ou page 552 he says:

Again, on page 552 he says:

In general, my impression of the whole interior country is that here will be successful homesteads wherever there is a local market for the produce-

Not a market for produce to be exported-

I am somewhat skeptical about there being in the near future any surplus produce, either of potatoes or potato products or of cereals, which will be exported.

Therefore, so far as developing Alaska for agricultural purposes is concerned, the evidence is quite clear that there will be no business for railways to get a haul out of agricultural products, and about the only haul they will have will be hauling them into the interior, because of the excessive expense of raising them there.

Mr. President, I do not think that I am justified in taking up any more of the time of the Senate in the discussion of this subject. I think I am clearly right upon the general proposition that the worst policy on earth for this Government to enter into is the policy of getting into competition with its own people, and making its own people not only pay the expenses in a tax for its failure in properly doing business, but also to deprive the people of the opportunity which otherwise would be theirs. That alone is sufficient to keep me out of the socialistic field, and to keep this country out of it, so far as one vote will go in

and to keep this country out of it, so far as one vote will go in keeping it out of that field.

But in addition to that, I am morally certain that it is merely burning up \$40,000,000, at least under the first appropriation, and it will be the means of wasting many times \$40,-000,000 before we get through with the experiment. The only good I can possibly see in the whole project will be the possibility, yes, the probability, that its complete failure will call

to the attention of the American people the danger of Government ownership and operation of railways, and it will put off

that socialistic time for at least a few years longer.

Mr. BRANDEGEE. I wish to ask the Senator from Georgia
[Mr. Bacon] if he desires an executive session this afternoon?

Mr. BACON. I will say to the Senator from Connecticut that there has been a very general expression among Senators to that end, and I will now move that the Senate proceed to the consideration of executive business.

Mr. KERN. Will the Senator from Georgia withhold the motion that I may submit a report from the Committee on Privileges and Elections?

Mr. BACON. Certainly.

SENATOR FROM MARYLAND,

Mr. KERN. Mr. President, I desire to make a privileged report. The Committee on Privileges and Elections, to which was referred the credentials of BLAIR LEE as a Senator from the State of Maryland, have considered the same, and I am directed by that committee to submit a report (No. 160) thereon. I ask that the report be printed in the RECORD.

The VICE PRESIDENT. That action will be taken.

The report is as follows:

[Senate Report No. 160, Sixty-third Congress, second session.] CREDENTIALS OF BLAIR LEE AS SENATOR FROM MARYLAND,

[Senate Report No. 160, Sixty-third Congress, second session.]

CREDENTIALS OF BLAIR LEE AS SENATOR FROM MARYLAND,

Mr. KERN, from the Committee on Privileges and Elections, submitted the following report, to accompany Senate resolution 247:

The committee on Privileges and Elections, to whom was referred the credentials of BLAIR LEE as a Senator from the State of Maryland, have considered the same, and submit the following report:

In this case the governor of the State of Maryland has certified, under the seal of his State, as follows:

"That at an election held on Tuesday, November 4, 1913, pursuant to the law of the State of Maryland and a writ of election issued by the governor of that State in compliance with the provisions of the seventeenth amendment to the Constitution of the United States by the electors in said State having the qualifications requisite for electors of the most numerous branch of the State legislature, BLAIR LEE, of Montgomery County, was by said electors duly chosen a Senator from said State in the Senate of the United States to fill the vacancy in the unexpired term of Isidor Rayner.

"That at said election so beld as aforesaid on Tuesday the 4th day of November, 1913, the candidates for the said office of United States Senator were BLAIR LEE, Democrat; Thomas Parran, Republican; George L. Weilington, Progressive; Finley C. Hendrickson, Prohibitionist; and Robert J. Fields, Socialist, each of said candidates having been duly nominated in accordance with the primary-election law of said State.

"That the name of each of said candidates was placed upon the ballots at the said election, held as aforesaid on Tuesday, November 4, 1913, as required by the laws of said State, and the returns from said election having been duly canvassers in accordance with law, the result of said election has been declared and certified by said board as follows:

"That—

Votes, BLAIR LEE received.

BLAIR LEE received 112, 485
Thomas Parran received 73, 300
George L. Wellington received 7, 033
Finley C. Hendrickson received 2, 405
Robert J. Fields received 2, 982
all of which appears from the certified copy of the report made by the board of State canvassers, and hereto annexed, which I certify to be full, true, and correct, as follows:

"DECLARATION OF THE RESULT OF THE ELECTION OF 1913 FOR THE OFFICE OF UNITED STATES SENATOR.

"[Made by the State board of canvassers.]

"We, the undersigned, constituting a majority of the board of State canvassers of the State of Maryland, in pursuance of the power and authority vested in us, under and by virtue of the provisions of section 85 of the election law, do hereby certify that at an election held in said State on Tuesday. November 4, 1913, for a United States Senator to fill the unexpired term of the late Senator transfer at the senator to fill the unexpired term of the late Senator Isidor Rayner, it appears from the certified copies of the returns of said election that—

Votes. BLAIR LEE received
Thomas Parran received
George L, Wellington received
Finley C, Hendrickson received
Robert J, Fields received

"We therefore determine and declare that Blair Lee, having received the greatest number of votes cast for the several candidates for said office, has been and is duly elected United States Senator to fill the unexpired term of the late Senator Isidor Rayner.

"In witness whereof we have hereunto set our hands this 20th day of November, 1913.

"ROBERT P. GRAHAM,
"Scoretary of State,
"EMERSON C. HARRINGTON,
"Comptroller of the Treasury,
"MURRAY VANDIVER,
"State Treasurer.

"C. C. MAGRUDER, "Clerk of the Court of Appeals."

Included in the same certificate of the governor is a copy of the writ of election issued by him on the 2d day of August, 1913, which is as follows:

"WRIT OF ELECTION.

"To the people of the State of Maryland, and to the members of the several boards of supervisors of elections of Baltimore City and the several counties of the State, and to the sheriffs of Baltimore City

and the several counties of the State, and to the board of police commissioners for the city of Baltimore, greeting:

"Whereas a vacancy now exists in the term of a United States Senator from Muryland, caused by the death of the late Senator Isidor Rayner; and

"Whereas I have heretofore, by virtue of the authority vested in me by the Constitution of the United States, temporarily appointed Senator William P. Jackson to occupy a seat in the United States Senate 'until the next meeting of the legislature' of this State:

"Therefore, I, Phillips Lee Goldsborough, governor of the State of Maryland, acting by and under the authority and direction contained in the seventeenth amendment to the Constitution of the United States, hereby issue, publish, and declare this my writ of election for a special election to be held throughout the State of Maryland on Tuesday, the 4th day of November. 1913; and I do hereby direct that a special election shall be held on that day in order that there may be chosen at said election a Senator of the United States from the State of Maryland to fill said vacancy and to represent the State of Maryland in the Senator Isidor Rayner was originally elected.

"And I further order, declare, and direct that the Senator to be chosen by virtue of this writ shall be nominated and elected in conformity with all the provisions of the general election laws and Statewide primary election laws of this State made and provided for the nomination and election to an office filled by the vote of all the registered voters of the State of Maryland.

"To this end and as authority and direction therefor have you then and there this writ.

"Witness my hand as the governor of the State of Maryland.

"Great seal.]

"P. L. Goldsborough.

"Robert P. Graham,

"Robert P. Graham,

" By the governor:

"ROBERT P. GRAHAM, "Secretary of State."

Your committee holds that the certificate of the governor of Maryland sets forth all the facts necessary to show the election of Blair Lee in substantial conformity to the provisions of the seventeenth amendment to the Constitution of the United States and in accordance with the laws of the State of Maryland and to entitle him to a seat in the Senate of the United States.

The facts in the case, about which there is no dispute, are as fol-

substantial contormity to the provisions of the seventeenth amendment to the Constitution of the United States and in accordance with the Senate of the United States.

The facts in the case, about which there is no dispute, are as following the seventeenth of the seventeenth of the seventeenth of the seventeenth of Maryland in January, 1910, for a term of six years, ending March 4, 1917.

On November 25, 1912, Senator Rayner died, and four days later the governor of Maryland, in pursuance of the constitutional provision that "If vacancies happen by resignation or otherwise days make temporary appointment until the next meeting of the legislature, etc.," appointed William Pursual Jackson, who, upon presenting his credentals, was sworn in as Senator.

The first session of the Legislature of Maryland since that time began on January 7, 1914.

On May 31, 1913, the seventeenth amendment to the Constitution of the United States went into effect by the proclamation of the Secretary of State.

The seventeenth of the seventeenth amendment to the Constitution of the United States went into effect by the proclamation of the Secretary of State.

The sevential seventeenth of any State in the Senate the executive authority of such State shall issue writs of election to fill such vacancies, provided that the legislature of any State may empower the executive thereof to make temporary appointments until the people fill the vacancies by election as the legislature any direct."

In obedience to this constitutional requirement and active many direct."

In obedience to this constitutional requirement and active the provision of the State in the Senate the executive threat of the state in the Senator should be held on Tuesday, November 4, 1913, and that the Senator should be nonlinated and elected in conformity with a the certain should be nonlinated and elected in conformity with a the certain should be nonlinated and elected in conformity with a the senator should be nonlinated and the seventeenth and continual to the seventeenth

As already stated, all political parties participated in the election, and it is a matter of gratification that all have acquiesced not only in the action of the governor in calling the election but in the result.

The Republican governor of Maryland who ordered the election has not hesitated to certify to the election of a Democratic Senator, and your committee is unable to discern any reason why this election of a United States Senator by the people of a sovereign State—an election conceded to be fair in all respects—should be questioned here.

It is contended by Senator Jackson that if the election of Mr. Less should be found to be valid in all respects, yet he would not be entitled to a seat in this body until the 7th of April, 1914, that being the day fixed by the statute of Maryland for the adjournment of the legislature of that State, which is now in session. His contention is that although section 3, Article I, of the Constitution, under which his appointment was made, provided that "if vacancies happen by resignation or otherwise during the recess of the legislature of any State the executive thereof may make temporary appointments until the next meeting of the legislature; and in case of a failure by the legislature to elect, until the end of the session of that legislature; and that under the last clause of the seventeenth amendment, which provides that "this amendment shall not be so construed as to affect the election or term of any Senator chosen before it becomes valid as part of the Constitution," his right to a seat in this body can not be challenged until the expiration of the extreme limit of time which he might have held his seat if the seventeenth amendment had not been adopted.

The committee gave much consideration to these contentions, but have been unable to yield their assent thereto.

Under the provisions of the Constitution which were in force at the time of Senator Jackson's appointment, his tenure of office was most uncertain of duration.

First. The governor, immediately after mak

Under the provisions of the Constitution which were in force at the time of Senator Jackson's appointment, his tenure of office was most uncertain of duration.

First. The governor, immediately after making the appointment, might have called the legislature in special session, which might have proceeded to the election of a Senator, in which event Senator Jacksson's term would have ended immediately upon the presentation and approval of the credentials of the person so elected.

Second. If the Legislature of Maryland, in regular session, having the power so to to, should elect a successor to Senator Rayner at the time fixed by the Federal statute in force prior to the adoption of the seventeenth amendment, the person so elected would be entitled to his seat here as soon as the Senate could pass upon his credentials, or Third. According to the construction contended for, in the event that the legislature in regular session should fail to elect a Senator, the Senator might have held office until the end of that session.

Senator Jackson's term might have been a very short term, as in the event of an election at a special session of the legislature; it might have been prolonged until an election by the legislature in regular session, or it might be still further prolonged to the end of the session of a legislature that had failed to elect. But in any event he could only hold until the vacancy was filled by an election, or until the body having the duty to elect had failed in its duty and adjourned without performing it. In no event could he hold the office after a valid election had occurred. Now, when the seventeenth amendment was adopted and became operative, the legislature could no longer elect a Senator, so that Senator Jackson's term could not be limited by a legislative election, and such being the case, the position that he should now hold office until a legislature which has no power to elect shall fail to elect and adjourn without electing is not regarded as tenable.

Your committee is of the opinion tha

Mr. KERN. Mr. President, I am directed by the Committee on Privileges and Elections to submit the following resolution, which I ask may be read.

The resolution (S. Res. 247) was read, as follows:

Resolved, That BLAIR LEE was duly and legally elected a Senator of the United States from the State of Maryland at a regular election held in that State on the 4th day of November, 1913, and that the said BLAIR LEE, having presented proper credentials from the State of Maryland, is now entitled to take the oath of office as a Senator of the United States from the State of Maryland.

The VICE PRESIDENT. The report and accompanying reso-

lution will be placed on the calendar.

Mr. CLAPP. Mr. President, I did not happen to be in the committee when this election case was voted upon, but I desire to state that I am in favor of seating Mr. Lee. I will not file any written views at this time, but will probably discuss the matter when it comes up for consideration.

EXECUTIVE SESSION.

Mr. BACON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 1 hour and 20 minutes spent in executive session the doors were reopened, and (at 6 o'clock and 30 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, January 20, 1914, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 19, 1914. COMPTROLLER OF THE CURRENCY.

John Skelton Williams, to be Comptroller of the Currency.

POSTMASTERS. OKLAHOMA.

M. W. Ligon, Ada.

PENNSYLVANIA.

Edward Ace, Nicholson. Milton H. Gundy, Wernersville. John B. Parks, Leechburg.

A. S. Collins, Bay City.

VERMONT.

Herbert S. King, Manchester Depot. Carl A. Mattison, Manchester Center.

REJECTED.

Executive nomination rejected in the Senate January 17, 1914.

POSTMASTER. LOUISIANA.

S. S. Gullatt, Ruston.

HOUSE OF REPRESENTATIVES.

Monday, January 19, 1914.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the fol-

lowing prayer:

We thank Thee, O Lord our God, for the peace and quiet, with its uplifting influences, of the Sabbath; for the light of this day, filling the earth with its glory; for the hopes and glorious aspirations which fill our hearts; for the joy of living. Quicken, we beseech Thee, by all the influences at Thy command, every noble impulse within us and thus lift us day by day toward the perfected manhood, in Christ Jesus our Lord. Amen.

The Journal of the proceedings of Saturday, January 17,

1914, was read and approved.

JOINT MEETING OF THE TWO HOUSES OF CONGRESS.

Mr. UNDERWOOD. Mr. Speaker, I have received a communication from the President, stating that he desires to deliver a message to the Congress on Tuesday next, and with that in view I offer the resolution which I send to the Clerk's desk.

The SPEAKER. The gentleman from Alabama sends up a

privileged resolution which the Clerk will report.

The Clerk read as follows:

House concurrent resolution 30.

Concurrent resolution providing for a joint session of the two Houses of Congress to receive communications from the President of the United States.

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Tuesday, the 20th day of January, 1914, at 12 o'clock and 30 minutes in the afternoon, for the purpose of receiving such communications as the President of the United States shall be pleased to make them.

The SPEAKER. The question is on agreeing to the resolution. The question was taken, and the resolution was agreed to.

On motion of Mr. UNDERWOOD, a motion to reconsider the vote by which the concurrent resolution was passed was laid on the

The SPEAKER. This is Unanimous Consent Calendar day, and the Clerk will report the first bill.

AMENDMENT TO LAWS RELATING TO THE PUBLIC HEALTH SERVICE.

The Clerk read as follows:

A bill (H. R. 6827) to amend an act entitled "An act to change the name of the Public Health and Marine-Hospital Service to the Public Health Service, to increase the pay of officers of said service, and for other purposes," approved August 14, 1912.

The SPEAKER. This bill is on the Union Calendar, and the Clerk will read the bill.

The Clerk read as follows:

The Clerk read as follows:

Be it enacted, etc., That the act approved August 14, 1912, chapter 288, entitled "An act to change the name of the Public Health and Marine-Hospital Service to the Public Health Service, to increase the pay of officers of said service, and for other purposes," be amended by the addition of the following section thereto:

"SEC. 3. That the officers of the Public Health Service may enter upon the property of all common carriers, when engaged in interstate commerce, for the purpose of ascertaining whether the vessels, vehicles, trains, carriages, or conveyances of any and every kind, and depots, premises, and property of every description belonging to such carriers are, while such carriers are engaged in interstate commerce, kept by them in a sanitary condition. And the Secretary of the Treasury is authorized to make all such reasonable rules and regulations as may be necessary to secure the keeping of such vessels, vehicles, trains, carriages, or conveyances, and depots, premises, and property of every kind, in a sanitary condition by such carriers while engaged in inter-

state commerce, and to direct, through the Solicitor of the Treasury, the institution of all such legal proceedings in the district courts of the United States as may be necessary to compel the observance of such rules and regulations by said carriers."

The committee amendment was read, as follows:

Page 2, line 9, strike out the word "is" and insert "and the chairman of the Interstate Commerce Commission are."

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. MADDEN. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Georgia what is the purpose of changing the title of the present law from "the Public Health and Marine-Hospital Service" to "the Public Health Service"?

Mr. ADAMSON. That has already been done; that was done

last year.

Mr. MADDEN. Then there is not any purpose to amend the title?

Mr. ADAMSON. This bill does not make any change in that; this bill simply adds the authority in the Secretary of the Treasury to keep things clean and healthy. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole House on the state of the

The SPEAKER. Is there objection to the present considera-ation of this bill? [After a pause.] The Chair hears none The gentleman from Georgia asks unanimous consent to consider this bill in the House as in Committee of the Whole House on the state of the Union. Is there objection? [After a pause.] The Chair hears none. The question is on the committee amendment, which the Clerk will report.

The Clerk read as follows:

Amend page 2, line 9, by striking out the word "is" and inserting "and the chairman of the Interstate Commerce Commission are."

Mr. MANN. Will the gentleman yield for a question? Mr. ADAMSON. Certainly.

Mr. MANN. As I understand, at the present time the Public Health Service does, in fact, make certain recommendations or regulations without authority of law which this would give.

Mr. ADAMSON. And they have no power to give effect to

the recommendations.

Mr. MANN. I understand, and I appreciate the point of view of having this in connection with the chairman of the Interstate Commerce Commission.

Mr. ADAMSON. Does not the gentleman from Illinois think-

Mr. MANN. Will it not be apt to lessen the effective value

by putting that in, though?
Mr. ADAMSON. Mr. Speaker, answering that, we thought that due regard for the probable necessities of transportation would make it advisable that the Secretary of the Treasury confer with the chairman of the Interstate Commerce Commission as to any regulation that might be regarded as at all drastic.

The SPEAKER. The question is on agreeing to the committee amendment.

The question was taken, and the committee amendment was agreed to.

Mr. MANN. Mr. Speaker, I move to strike out the last word, for the purpose of asking another question. I see that the bill provides that the Secretary of the Treasury may direct, through the Solicitor of the Treasury, the institution of all such legal proceedings in the district courts of the United States. I do not recall how far the Secretary of the Treasury may be authorized, through the Solicitor of the Treasury, to commence proceedings relating to tax matters. Is it not unusual to provide that proceedings in the Federal courts shall be instituted through the Solicitor of the Treasury instead of through or under the direction of the Attorney General? It would seem to me it would be desirable to have the Secretary of the Treasury request the Attorney General to cause to be instituted the necessary proceedings, for the reason that the Attorney General has the power to direct the district attorney, through whom proceedings ought to be commenced. The Solicitor of the Treasury does not have that authority, and any proceedings commenced by the Solicitor of the Treasury would, I take it, have to be commenced by himself, whereas the Attorney General may direct the district attorney in any of the districts of the United States to commence proceedings.

Mr. ADAMSON. Mr. Speaker, speaking personally, inclined to think that the plan suggested by the gentleman from Illinois would be the regular plan, but whether the only proper one or not I do not say. I confess that the only reason this provision is put in this way is that the Secretary of the Treasury thought it would be more directly under the control of the

department.

Mr. MANN. It would still be under the control of the department; but suppose it were necessary to institute proceedings against a railroad in California, it would necessarily be done by the district attorney there. The Solicitor of the Treasury can not direct the district attorney of California, but the Attorney General may direct him to proceed. If the gentleman has no objection, I will offer an amendment.

Mr. ADAMSON. What does the gentleman suggest there?

Mr. MANN. Mr. Speaker, I move to amend, on page 2, lines 15 and 16, by striking out the words "direct, through the Solicitor of the Treasury, the institution of all" and insert in lieu thereof the words "request the Attorney General to cause to be instituted," so that it will read:

And to request the Attorney General to cause to be instituted such legal proceedings in the district courts of the United States as may be necessary,

And so forth

Mr. ADAMSON. I have no objection to that. The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amend, on page 2, lines 15 and 16, by striking out, in line 15, after the word "to," the following:
"Direct, through the Solicitor of the Treasury, the Institution of all" and insert in lieu thereof the words "request the Attorney General to cause to be instituted."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to. The SPEAKER. The question is on the engrossment and third reading of the amended bill.

The bill as amended was ordered to be engrossed and read a

third time, was read a third time, and passed.

On motion of Mr. Adamson, a motion to reconsider the vote by which the bill was passed was laid on the table.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Tulley, one of its clerks. announced that the Senate had passed with amendments bill of the following title, in which the concurrence of the House of Representatives was requested:

H. R. 3638. An act providing for the issuance of patent to

Joe Joubert.

The message also announced that the Senate had passed without amendment the following concurrent resolution:

House concurrent resolution 30.

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Tuesday, the 20th day of January, 1914, at 12 o'clock and 30 minutes in the afternoon, for the purpose of receiving such communications as the President of the United States shall be pleased to make them.

PUBLIC LANDS, MONTROSE, COLO.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 5993) authorizing the city of Montrose, Colo., to purchase certain public lands for public park purposes.

The Clerk read the bill, as follows:

The Clerk read the bill, as follows:

A bill (H. R. 5993) authorizing the city of Montrose, Colo., to purchase certain public lands for public park purposes.

Be it enacted, etc., That the city of Montrose, Montrose County, Colo., is hereby authorized to purchase, and the Secretary of the Interior is hereby directed to convey to said city for public park purposes, for the use and benefit of said city, the following-described lands, or so much thereof as the said city may desire, to wit: The south half of the southwest quarter, the southwest quarter of the southeast quarter of section 9; the southeast quarter of the southeast quarter of section 8; the east half of the northeast quarter and the northeast quarter of section 16; all in township 47 north, range 7 west of the New Mexico principal meridian, containing 640 acres, more or less: Provided, That this act shall be subject to all the conditions and the same provisions as are contained in section 2 of an act entitled "An act granting public lands to certain cities and towns in the State of Colorado for public park purposes," approved June 7, 1910 (36 U. S. Stat., p. 459).

Sec. 2. That the portion of said act of June 7, 1910, which authorizes the said city of Montrose to purchase the northwest quarter and the south half of the northeast quarter of section 14, township 49 north, range 9 west of the New Mexico principal meridian, containing 240 acres, more or less, be, and the same is hereby, repealed.

Also the following committee amendments were read:

acres, more or less, be, and the same is hereby, repealed.

Also the following committee amendments were read:

In line 4, page 1, after the word "authorized." insert the following:

"for a period of five years and after the passage of this act."

On page 1, strike out all of lines 10, 11, and 12 down to and including the word "seventeen."

In line 14, page 1, and line 1, page 2, strike out the words "northwest quarter" and insert in lieu thereof the words "west half."

In line 3, page 2, strike out the words "six hundred and forty" and insert in lieu thereof the words "six hundred and forty" and insert in lieu thereof the colon after the word "less" to a period, and strike out all the remainder of section 1, beginning with the word "Provided."

On page 2, after line 10, insert the following:

"Sec. 2. That the said conveyance shall be made of the said lands to the said city by the Secretary of the Interior upon the payment by

the said city for the said land, or such portions thereof as they may select, at the rate of \$1.25 per acre, and patent issued to said city for the said land selected to have and to hold for public park purposes, subject to the existing laws and regulations concerning public parks, and that the grant hereby made shall not include any lands which at the date of the issuance of patent shall be covered by a valid, existing, bona fide right or claim initiated under the laws of the United States: Provided, That there shall be reserved to the United States all oil, coal, and other mineral deposits that may be found in the land so granted, and all necessary use of the land for extracting the same: And provided further, That said city shall not have the right to sell or convey the land herein granted, or any part thereof, or to devote the same to any other purpose than as hereinbefore described; and that if the said land shall not be used as a public park, the same, or such parts thereof not so used, shall revert to the United States."

That the figure "2" in line 11, page 2, be changed to "3,"

The SPEAKER. Is there objection to the present consideration of the bill.

There was no objection.

The SPEAKER. The bill is on the Union Calendar.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in the Committee of the Whole.

The SPEAKER. The gentleman from Colorado [Mr. TAYLOR] asks unanimous consent that the bill be considered in the House as in the Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER. The question is on the first amendment, which the Clerk will report.

The Clerk read as follows:

Line 4, page 1, after the word "authorized," insert the following: "For a period of five years and after the passage of this act."

The SPEAKER. The question is on agreeing to the amendment.

Mr. MANN. Mr. Speaker, I move to strike out the word "and" in the amendment. It plainly does not belong there.

The SPEAKER. The gentleman from Illinois [Mr. Mann] moves to strike out the word "and" in the amendment. The question is on agreeing to the Mann amendment to the amendment.

The amendment to the amendment was agreed to.

The SPEAKER. The question is on agreeing to the amendment as amended.

Mr. MONDELL. Mr. Speaker, I offer a substitute amendment.

The SPEAKER. The gentleman from Wyomnig [Mr. Mon-DELL] offers a substitute.

Mr. MONDELL. It is: "For a period of one year after the passage of this act."

Mr. TAYLOR of Colorado. Mr. Speaker, I would like to make this suggestion to the gentleman from Wyoming: There are some filings on a portion of this claim; that is, on a portion of this land. There is, for instance, an old homestead filing that has been abandoned because the land is worthless, and the there will have to institute contest proceedings respecting that town will have to institute contest proceedings respecting that one and other filings, and it may take two or three years before they can clear off these old abandoned entries on the land so as to get a title that would be good. The committee, upon the showing of the city, deemed it reasonable that they ought to be given sufficient time to clear off the records and get title to it.

Mr. MONDELL. Does my friend from Colorado think it is good policy, ordinarily, to tie up a thousand acres of public land for five years, during which period it can not be disposed of in any way, and at the end of which time the city may conclude

that it does not want it?

Mr. TAYLOR of Colorado. Oh, no; I do not think that. I would just put in the limit here to the effect that as soon as they can expeditiously get off these old rights that are obsolete and get a clear title they should be given title. That is all they ask.

Mr. MONDELL. They ought to be able to do that within a

year or two years at the outside.

Mr. TAYLOR of Colorado. The gentleman knows that you can not get a case like that through the General Land Office within a year.

Mr. MONDELL. Under this administration?

Mr. TAYLOR of Colorado. I think so.

Mr. MONDELL. Oh, they are improving down there. I think

Mr. TAYLOR of Colorado. Let us make it two years. Mr. MONDELL. Well, I have no objection to that.

Mr. TAYLOR of Colorado. Let me suggest to the gentleman that the original act had no limitation at all.

Mr. MONDELL, Mr. Speaker, I desire to withdraw my substitute and propose in lieu of it to strike out the word "five" and insert the word "two."

The SPEAKER. The Clerk will report the substitute offered

by the gentleman from Wyoming.

The Clerk read as follows:

Amend the amendment by striking out the word "five" and inserting e word "two."

The SPEAKER. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The SPEAKER. The question is on agreeing to the amended amendment.

The amendment as amended was agreed to.

The SPEAKER. The Clerk will report the next amendment. The Clerk read as follows:

Amend, page 2, by striking out all of lines 1 and 2 and line 3 up to and including the semicolon.

The SPEAKER. The question is on agreeing to the amend-

The amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Amend, lines 5 and 6, by striking out the words "northwest quarter" and inserting the words "west half."

Mr. MANN. Mr. Speaker, I suggest to the gentleman that he insert the word "the" before the words "west half."

Mr. TAYLOR of Colorado. before the words "west half." Yes; insert the word "the"

The SPEAKER. Without objection, the word "the" will be inserted.

There was no objection.

The SPEAKER. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The SPEAKER. The question is on agreeing to the amendment as amended.

The amendment as amended was agreed to.

The SPEAKER. The Clerk will report the next amendment. The Clerk read as follows:

Amend, lines 8 and 9, by striking out the words "six hundred and forty" and inserting the words "five hundred and twenty."

The SPEAKER. The question is on agreeing to the amend-

The amendment was agreed to.
The SPEAKER. The Clerk will report the next one.

The Clerk read as follows:

Amend by striking out all of the proviso beginning in line 9.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

The Clerk read as follows:

Amend by inserting the following:

"Sec. 2. That the said conveyance shall be made of the said lands to the said city by the Secretary of the Interior upon the payment by said city for the said land or such portions thereof as they may select at the rate of \$1.25 per acre, and patent issued to said city for the said land selected, to have and to hold for public park purposes, subject to the existing laws and regulations concerning public parks, and that the grant hereby made shall not include any lands which at the date of the issuance of patent shall be covered by a valid, existing, bona fide right or claim initiated under the laws of the United States: Provided, That there shall be reserved to the United States all oil, coal, and other mineral deposits that may be found in the land so granted, and all necessary use of the land for extracting the same: And provided further, That said city shall not have the right to sell or convey the land herein granted, or any part thereof, or to devote the same to any other purpose than as hereinbefore described; and that if the said land shall not be used as a public park, the same, or such parts thereof not so used, shall revert to the United States."

The SPEAKER. The question is on agreeing to the amend-

The SPEAKER. The question is on agreeing to the amend-

Mr. MONDELL. Mr. Chairman, I desire to ask the gentleman from Colorado what is meant by the language in lines 22 and 23. page 2, in the amendment, as follows:

Subject to the existing laws and regulations governing public parks. What is that intended to accomplish? What laws are re-

Mr. TAYLOR of Colorado. Mr. Speaker, the gentleman from Wyoming is familiar with the fact that we have now a general public-park law, allowing any city or town to locate 160 acres of public land within 3 miles of the municipality for public-park Many towns throughout the West are trying to obtain a public park. There are a number of cities and towns in Colorado that have no public land within the 3-mile limit. On June 7, 1910, I secured the passage of a bill by Congress which provided that 14 cities and towns in Colorado might locate specified tracts of public lands for parks beyond the 3-mile limit. The city of Montrose was one of those cities and it was granted

for any purpose whatever. Now, the city asks by this bill that that law be repealed and that it be allowed to take this piece of ground, which is several miles from the other, in lieu of the land that Congress gave them for a park in 1910

When we passed that general bill before for the 14 Colorado cities and towns, this section 2 was inserted as a proviso applicable to all of those towns. It was at that time considered very carefully by the Public Lands Committee and adopted by Congress as appropriate language for a public-park bill. In this bill as I introduced it the grant is made subject to those same conditions, by reference; but the committee thought we ought to incorporate the specific language that had been used heretofore rather than refer to it in that way. This language is simply the language that Congress adopted in the other public-park bills, and makes this grant subject to the rules and regulations concerning public parks generally throughout the United States.

Mr. MONDELL. Mr. Chairman, I am familiar with the legislation to which the gentleman refers. There are also various bills relating to national parks, and the difficulty with this language is that it does not sufficiently identify the particular legislation that the committee evidently had in mind, under which they desire to bring this grant. It strikes me that it will be very confusing indeed. Language which might properly have been carried in a bill relating to the grant of park lands or the sale of park lands and containing references to other legislation, may be entirely inadequate in legislation that contains no such reference. I suggest to the gentleman that in my opinion no one reading this language would understand or could possibly definitely know what legislation is referred to. This language either ought to go out of this bill, which is complete in itself, or the gentleman should identify in particular the legislation to which he refers.

Mr. TAYLOR of Colorado. Let me suggest that this language was adopted in the park bill by the Public Lands Committee when the gentleman from Wyoming [Mr. Mondell] was chairman of that committee, and he helped to frame that measure.

Mr. MONDELL. I just remarked to the gentleman a moment ago that language contained in a general public-park bill, containing reference to other legislation, identifies the reference; but there is nothing in this bill to identify the reference to other legislation, and there is a variety of park legislation on the statute books, some of which ought not to apply to this grant.

Mr. TAYLOR of Colorado. I have no objection to this language being cut out, or to other language being substituted which will make it more specific.

Mr. MONDELL. I do not insist on it, but I do not under-

stand how anyone can interpret it.

Mr. TAYLOR of Colorado. The committee thought if we made it subject to the general regulations as to public parks that was I am not insisting on the language at all.

Mr. LENROOT. The criticism which the gentleman from Wyoming makes, if it be a criticism, is directed to the publicpark bill itself, because that is just as indefinite as this, this being the identical language of section 2 of that bill. Mr. MONDELL. I thought the gentleman heard me say a

moment ago that language contained in a public-park bill, with reference to other legislation, identifies the reference, but there is nothing here to identify by this reference any specific legislation, and there is a variety of legislation on the subject of parks. Legislation on the subject of parks is not confined to the bill which the gentleman has in mind.

Mr. LENROOT. No; neither was it in the general law which the gentleman speaks of. That refers to other legislation,

without identifying it.

Mr. MONDELL. I do not recall that. That may have been true; but if that was true, then it was a mistake at that time, and it is equally a mistake at this time.

Mr. TAYLOR of Colorado. I have no objection to this bill being subject to all the usual regulations concerning public I do not think that provision does any harm.
MONDELL. Well, Mr. Speaker, I shall not offer an

Mr. MONDELL. amendment, although I think it is a mistake to have such indefinite language presented in legislation in the House.

Mr. TAYLOR of Colorado. The committee thought the language was general and broad enough to cover everything.

Mr. MONDELL. Mr. Speaker, I think there are serious objections to some provisions in this amendment, but I imagine they are not objections that perhaps would appeal to many Members of the House, and therefore I do not propose to offer an amendment, but I want to make this suggestion: Page 3 of the bill contains a proviso which reserves to the United States 640 acres about 15 miles from the town. By an error on the part of some one, however, the descriptions were wrong, and the city was given land that was utterly unfit for a park or also limits the title so that the city never can convey the tract, and has a reversionary provision in case that the lands are not used for park purposes. In other words, the title is a mighty

The SPEAKER. Has the gentleman from Wyoming an amendment to offer?

Mr. MONDELL. Mr. Speaker, I move to strike out the last

Mr. TAYLOR of Colorado. Let me suggest-

Mr. MONDELL. Just a moment. This is a grant to the people collectively; it is not an individual grant. It is a grant to a municipality. Now, my opinion is that a grant to a municipality of mineral land, known to be such, for other than mining purposes ought not to be made, or lands in which there is any reasonable probability that they contain mineral. Does the gentleman think-and, of course, he is familiar with these lands-that they contain oil or coal?

Mr. TAYLOR of Colorado. No; I do not think that there is one chance in a million of their containing oil or coal or any other kind of mineral. But, at the same time, the city only wants it for park purposes, and that is all we are giving them. The inhabitants are satisfied with it, and the Committee on Public Lands was willing to give them the land, subject to these reservations, for park purposes. If they want to beautify this tract, and build roads out there, and plant trees, if they can get them to grow, the committee thought it was along the commendable lines of health-promoting, by an outing place.

Mr. MONDELL. The gentleman, without realizing it, has made an argument that proves that the limitations should be stricken from the bill. Here is a piece of almost worthless mountain land which the people desire for a park, if they can get trees to grow on it, and they can, probably, some of the trees indigenous to the soil, in spite of the rocks and barrenness and want of moisture, and the city is to pay \$1.25 an acre for the land, and yet it is to be sold under a title that is so vague and indefinite that it is bound to be very unsatisfactory. While there is no mineral on the land, all sorts of prospectors can chase over it for the purpose of prospecting, or pretending to prospect, for mineral. Under this title, if some Federal official should conclude that the city was not doing just what it ought to do in improving the tract for park purposes, a suit could be brought to recover title, and I do not know but that by action of the Interior Department, without suit, the title could be brought in question if not extinguished. I do not believe it is wise, I do not think it is reasonable, I do not think that it is necessary in the interest of the people, and I think, eventually, it will be regretted on the part of the beneficiaries, if you can call people who receive a title like that beneficiaries, to issue a title like this.

In the first place, let us have a report as to whether the land probably contains mineral—the geologists of the Government are able to pass on that—and if it does not, give them a title in fee. In dealing with the people in their collective capacity, as when we deal with municipalities, I do not think we ought to deal with them in this miserly and niggardly way.

Mr. TAYLOR of Colorado. I agree with the gentleman from Wyoming quite largely in what he says, but this is a condition and not a theory that confronts us. The city wants the park, and it is willing to accept this kind of a title if it can not get any better, and it can not from our committee

Mr. MONDELL. I suppose they are willing to accept it, because they can not do any better.

Mr. BRYAN. Mr. Speaker, will the gentleman yield? Mr. TAYLOR of Colorado. I will.

Mr. BRYAN. Referring to the word "they," in line 20 of the amendment, page 2, to whom does that refer? I think the word "they" should be changed to "it." Otherwise it makes the Secretary and the city cooperate. Mr. Speaker, I move to amend by striking out the word "they" and substituting the

The SPEAKER. The Clerk will report the amendment.

The Clerk rend as follows:

On page 2, line 20, strike out the word "they" and insert the word "it."

The amendment to the amendment was agreed to.

SPEAKER. The question is on the amendment as

Mr. MANN. Mr. Speaker, I am not willing that the play of words between the gentleman from Colorado and the gentleman from Wyoming shall go unchallenged as the sense of the House. Both of these distinguished gentlemen, representing the views of their localities, probably believe that the public lands should be turned over as far as possible to the people who have it in the States without any regard whatever for the rights of the rest of the people of the United States.

Mr. TAYLOR of Colorado. That is hardly a fair statement.

Mr. MANN. It is an absolutely true statement, according to my experience in the House. It is very certain that a bill like this would not easily pass through the House except for the idea that the land is not taken for speculative purposes, that the people ask for the land for park purposes realy and not speculative purposes; and if gentlemen from the West should decline to permit the reservation to the Government of the United States of the mineral in the land, of the coal, oil, and gas, these bills would not pass at all.

Mr. TAYLOR of Colorado. I realize that.

Mr. MANN. The gentleman from Colorado realizes that; the gentleman from Wyoming [Mr. MONDELL] realizes that; but he has become so saturated with the idea that the Government ought to reserve nothing to itself that he always makes the speech he has just made, and I usually follow it with this. [Laughter.] The people of the United States have a right to reserve-and I am very sure they will insist, through Congress, that the Government shall reserve—the minerals upon these lands which are given for park purposes or for other public purposes of that kind, notwithstanding the opinion of my very

distinguished friend from Wyoming. [Applause.]
Mr. MONDELL. Mr. Speaker, I move to strike out the last two words. The gentleman from Illinois [Mr. Mann] who has just taken his seat and I do not disagree anything like as much as one would judge from the statement he has just made. The gentleman does not intend to misstate my position or that of the gentleman from Colorado [Mr. TAYLOR]; but I think, without intending to do so, he does misstate our posi-My position is that, in the first place, mineral lands should not pass to municipalities for park purposes unless there is some very extraordinary condition which would warrant it, and in that case there should unquestionably be a reservation, unless it is transferred to the people collectively as a municipality for mining purposes. I would agree in such a case with my friend from Illinois; but these tracts are not mineral. If they contain any mineral, it is some mineral substance the presence of which can not be known at this time, and the probability is that they contain no mineral. The trouble with these grants, with such a multitude of reservations, is that it gives an entirely unsatisfactory title that in the future is almost certain to lead to complication and diffi-

Mr. BRYAN. Mr. Chairman, will the gentleman yield for a

question?

Mr. MONDELL. Just one moment. Very frequently we have had bills before the House attempting to perfect titles of so indefinite and unsatisfactory a character as to be valueless for the purposes for which they were desired. I now yield to the gentleman from Washington.

Mr. BRYAN. I wanted to ask the gentleman to whom these titles are unsatisfactory-to the Congress and the people whom we represent or to the parties who are getting the deeds?

Mr. MONDELL. Mr. Speaker, if the gentleman from Washington can differentiate as a representative of the people of his part of the State of Washington from the people of the country generally and assume that in some way we must always present a hostile front and attitude toward any particular body of American citizens-and, if that is his view, it is a view that I can not understand, and therefore it is difficult for me to answer his question. It is good public policy to have titles, no matter who may possess them, of such a character that they will be satisfactory to the party who holds the title. The public does not gain anything by a reservation of a nonexisting

As to the reversionary clause, it does seem to me that we are stretching things when, after charging the municipality composed of the public collectively \$1.25 an acre, we also insert a reversionary clause which may make a good deal of trouble in the future. I do not disagree with my friend from Illinois [Mr. Mann] in the general public policy half as much as he would have you think, or perhaps as he thinks, but I do think that it is a mistake in dealing with municipalities, particularly with regard to lands like this, to adopt a policy which is un-American and which will be unsatisfactory, and when I say that I have no reference particularly to the beneficiaries, to the grantees, but to the people generally.

Mr. NORTON. Mr. Speaker—

The SPEAKER. For what purpose does the gentleman rise?

Mr. NORTON. I move to strike out the last three words. The SPEAKER. The gentleman moves to strike out the last three words.

Mr. NORTON. Mr. Speaker, I represent a State in which we have had a great deal to do during the last few years with the laws and regulations reserving coal rights to the Government and a great deal to do with the men who have been sent

out from Washington by the Geological Survey to examine public lands and classify them. Now, it seems to me that the provisions for the classification of public lands and the methods of those engaged in the work borders on the height of the ridiculous, and I believe if the policy and desire of this Government is to conserve to the Government the coal, oil, and other minerals in the public lands, then we should have a general statute reserving all coal, oil, and minerals in all public lands. I am convinced that such a general statute should have been enacted by Congress years ago. I have never been able to determine for myself why in the name of common sense such a law has not been long ago placed upon our statute books. Now, in this particular case there are many reasons why all of these mineral rights should be reserved to the United States.

If this Congress was to pass a law giving this land for park purposes to the city of Montrose without any reservation to the Government, why there would at once be a very great demand for a similar grant from almost every town to-day adjacent to public lands. I hope that in this Congress a general statute will be passed reserving all coal, oil, and other minerals in all public lands to the United States. It is ridiculous to see the manner in which some of the cassifications of public lands are now made throughout the West. Many young and inexperienced and newly graduated mining engineers who are sent out there tell one they can determine to a positive accuracy by examining the surface whether there is coal 500 feet under the surface or whether there is a large quantity of oil 1,000 feet below the surface. They even appear in the United States land offices throughout the West and testify to such ridiculous I say again, it is the height of the ridiculous that such conditions should exist. If this Congress wants really to conserve the coal, oil, and other minerals in our remaining public lands, the enactment of a general statute for the purpose is the best manner in which to do it.

The SPEAKER. These pro forma amendments are withdrawn, and the question is on agreeing to the amendment as

amended.

The question was taken, and the amendment as amended was agreed to.

Mr. MANN. Are there any other committee amendments? The SPEAKER. Yes; one more, and the Clerk will report it. The Clerk read as follows:

Amend, page 3, in line 13, by striking out the figure "2" and inserting the figure "3."

The question was taken, and the amendment was agreed to. Mr. MANN. Mr. Speaker, I move, in line 13, page 3, to strike out the word "said" and insert the word "the."
Mr. TAYLOR of Colorado. All right; that is in the same line?

Mr. MANN. Yes.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amend, page 3, in line 13, by striking out the word "said" and inserting the word "the."

The question was taken, and the amendment was agreed to. Mr. MANN. Mr. Speaker, I move to strike out the last word, would like to ask the gentleman in reference to a technical

description. In lines 4, 5, and 6, page 2, it reads as follows:

The northwest quarter and the west half of the northeast quarter, the north half of the southwest quarter and west half of the southeast quarter of section 16.

Should not that be "the northwest quarter" and a comma, and "the west half of the northeast quarter," and so forth,
Mr. TAYLOR of Colorado. Yes; I think there ought to be a

comma there.

Mr. MANN. Instead of the word "and"?

Mr. TAYLOR of Colorado. I think that is correct; There should be a comma after the word "quarter," in line 4. Because it means the northwest quarter of section 16, not the northwest quarter of the northeast quarter. I move, in line 4, page 2, to strike out the word "and" and insert in lieu thereof a comma.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amend, line 4, page 2, by striking out the word "and" and inserting a comma after the word "quarter."

The question was taken, and the amendment was agreed to. The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. TAYLOR of Colorado, a motion to reconsider the vote by which the bill was passed was laid on the table.

FAYMENT OF CERTAIN CLAIMS FOR CONSTRUCTION OF CORBETT TUNNEL.

The next business on the Calendar for Unanimous Consent was Senate joint resolution 74, appropriating money for the

terial, and cash furnished in the construction of the Corbett Tunnel.

The Clerk read as follows:

The Clerk read as follows:

Resolved, etc., That there be, and is hereby, appropriated, out of any moneys in the reclamation fund in the Treasury, supplemental and additional to the appropriation made in public resolution No. 56, Sixty-second Congress, the sum of \$15,750, or so much thereof as may be necessary, for the payment of and to be paid to those persons who have presented claims remaining unpaid on account of labor, supplies, materials, or cash furnished to the contractor or the subcontractor and used in the construction of the Corbett Tunnel, including the spillway, connected therewith, as a part of the Shoshone irrigation project, in the State of Wyoming, under any contract or contracts let for that purpose by the Government of the United States; and the Secretary of the Interior is hereby authorized and directed to forthwith, and as soon as may be, investigate, hear evidence about, determine, and declare the several amounts due and remaining unpaid, if any, and account thereof, and to whom so due, and to certify the amounts due to the Secretary of the Treasury, who is hereby authorized to pay the several amounts so ascertained to the persons entitled to the same: Provided, That no such claim not now filed shall be considered: And provided further, That the Secretary of the interior shall deduct from the amounts to be certified for payment hereunder and under the said resolution No. 56, Sixty-second Congress, to each claimant a proportionate sum to cover the expense of and fair compensation for the person or persons through whose time and services this matter has been laid before Congress, except such claimants as have agreed with such person or persons for compensation; and such deductions shall be certified for payment to such person or persons in like manner as other claims.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. MANN. Mr. Speaker, reserving the right to object, I will say to the gentleman several gentlemen in the House have asked me, whom I do not see to be now present, to object to the passage of this bill in case they were not here. I am inclined to do it on my own account, however.

Upon what basis, may I ask the gentleman, is it proposed by an act of Congress to take out of a fund which has heretofore been appropriated for the payment of claims a sum of money

now as attorney's fees or agent's fees?

Mr. STEPHENS of Mississippi. If the gentleman will permit, we do not propose to do that with this bill. Mr. MANN. That is what the bill proposes to do. I do not

know what the gentleman proposes.

Mr. STEPHENS of Mississippi. I do not understand it that way. Now, Mr. Speaker, in answer to the gentleman I will say this: That the bill does provide that the Secretary shall withhold or deduct a certain part as attorney's fees. clause was put in for this reason: The gentleman will remember, I presume, that in the last Congress a bill similar to this passed providing for an appropriation of \$42,000 with which to pay these claims. After that bill passed, certain other parties, who had made no effort whatever to secure their money theretofore, also filed claims. The original amount of the claims was \$42,000—the amount first appropriated. Then, after it was seen these claims were to be paid, the other claimants filed their claims to the amount of \$15,000. Now, the committee thought this, that in view of the fact that this first appropriation of \$42,000, which is still in the Treasury and still unpaid, because of the fact that the department refuses to make any payment until the whole matter can be settled, that in view of the fact that these first parties had been active in their efforts to secure their money, had gone to certain expense, the parties who had gone to no expense whatever, but had come in at a later date, should also be required to share in the expense of the proceedings.

Therefore, taking that view of it, the Senate passed the resolution with that language in it, and the House committee followed the action of the Senate, thinking it just and proper that

it should be done.

Mr. MANN. Mr. Speaker, I remember this case very distinctly. We passed it at one time and the President vetoed it. voted to pass it, I think, over the presidential veto, but I think we did not succeed in doing that.

Mr. STEPHENS of Mississippi. It lacked only two or three

Mr., MANN. Subsequently it was passed in another form and became a law. I remember the case very distinctly. who came here from my home locality making the claim, gave me the information and stated to me in positive language that she did not expect any compensation for the service she was rendering; that there were a large number of claims in which she was not interested, but she hoped to get enough out of this to save her home, upon which a mortgage had been placed because of the failure of the parties who had done work to pay their supply bills, and so forth and so on. There was no pretense that, after Congress or before Congress should pass a bill, anybody would come in afterwards and want any part of that money as attorney's or agent's fees. It was proposed to pay this money out of the reclaimed fund. There was grave doubt payment of certain claims on account of labor, supplies, ma- about the advisability of paying it at all, but Congress finally

ordered it paid. True it was thought it might possibly pay the full amount, although there was no guaranty of that. Now comes the proposition, which seems to me absolutely monstrous, that after Congress has appropriated the money for these claims, upon the special pleading of the parties interested, we should now propose to turn around and take it away from the people to whom it belongs and pay it to somebody else as If the Government wants to pay Mrs. McDonald, that is all right. Let them pay it. There is no reason why the Government should pay Mrs. McDonald out of the money we appropriated to the other people. I do not think we ought to I think we have been buncoed in this whole business. We had tears shed before us, our sympathies were played upon, until we made provision for the payment of these claims under conditions which have not existed as to the payment of claims anywhere else. And finding that so easy, they now propose to add to the amount and put it in their pockets.

The SPEAKER. Is there objection to the consideration of

the bill?

Mr. MANN. I object.

The SPEAKER. The gentleman from Illinois objects, and the bill will be stricken from the calendar. The Clerk will report the next bill.

DISPOSAL OF PORTION OF FORT BIDWELL INDIAN SCHOOL RESERVATION.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 11006) authorizing the disposal of a portion of the Fort Bidwell Indian School, Cal.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to cause to be surveyed, appraised, and conveyed by patent to R. R. Baker, P. H. Trendt, Mary E. Manning, Mrs. Fred. Schadler, S. S. Garrett, A. C. Lowell, and Harry Watson, of Fort Bidwell, the tracts of land in Modoc County, in the State of California, now a part of the Fort Bidwell Indian School (formerly the Fort Bidwell Military Reservation), being a part of section 17, township 46 north, range 16 east, Mount Diablo base and meridian, which are severally inclosed and actually occupied by the above-named parties, respectively, said tracts not to exceed in all 2 acres: Provided, That the cost and expense of surveying and appraising said lands shall be added proportionately to the appraised price thereof: Provided further, That the persons named shall pay the appraised price, including the cost of surveying and appraisement, to the proper district land office within 90 days from receipt of notice of such price, or their rights to make such purchase shall be forfeited: Provided further, That the value of the improvements placed on the land by the occupants shall not be included in the appraised price of the land.

The SPEAKER. Is there objection?

The SPEAKER. Is there objection? Mr. STEPHENS of Texas rose.

Mr. MANN. Reserving the right to object, Mr. Speaker, I would like to ask a question. Of course the gentleman from California [Mr. Raker] knows that this bill does not belong on the Union Calendar. It is a Private Calendar bill. Mr. STEPHENS of Texas. Mr. Speaker, I make no objection

to that, but I desire to ask the gentleman whether or not the Indian school children have been protected by this bill? This bill proposes to cut off, as I understand, something like 200 acres of land out of the amount of land that the school is now using for school purposes. What I desired to ask was this, Whether or not the superintendent of this Indian school-Fuller, I believe, is his name-and the Commissioner of Indian Affairs have passed upon this bill and recommended its passage?

Mr. RAKER. Mr. Speaker, in response to the question of the gentleman from Texas [Mr. STEPHENS], I will say that this bill was originally recommended by the superintendent of the Fort Bidwell Indian School, and it is also favorably recommended by the Commissioner of Indian Affairs, and also favorably recommended by the Secretary of the Interior. 2 acres of this land is inclosed now by these five separate parties, and has been inclosed for 40 years, on which there is a row of trees about 2 feet in diameter along the border. Two of the parties have barns along the line which would be cut and another has a garage.

The department tried to dispose of it under the act of 1884, but it can not; and this bill provides that the parties shall pay the price of appraisement and provides that the Government shall be at no expense, so that the Government might build a new fence along the line where the road has been running, to my personal knowledge, for over 30 years. It is only to clear up the titles as they now actually exist-that is, the improvements and fences. The money to be derived will go into the Indian fund.

Mr. STEPHENS of Texas. Has the bill the approval of the

Secretary of the Interior?

Mr. RAKER. It has the approval of all the departments.

The SPEAKER. Is there objection?

Mr. MILLER. Reserving the right to object, Mr. Speaker—
The SPEAKER. The gentleman from Minnesota [Mr. Mil-LER] reserves the right to object-

Mr. MILLER. I would like to inquire of the gentleman from California if the land that is proposed to be conveyed by this bill to these respective parties is not now a part of an

Indian school and belongs to the Indian school service?

Mr. RAKER. It is a part of the old Fort Bidwell Military

Reservation.

Mr. MILLER. I understand that.

Mr. RAKER. I will go right on. Now, the land, which embraces some seven to ten thousand acres, is turned over for the use of the Indian school at this time. The department is trying to build a new fence, and after starting to build the new fence they found, after it was surveyed many times, that the line cuts along the lands of these people, taking off a lot of trees and cutting through the barns of two of these parties and through the garage of another. They want to move the fence along the line of the road as it now exists and as it has existed for many years, and these parties are willing to have the land appraised and pay the appraised price and pay the cost of appraisement to which the Government may be subjected in going through with this work.

Mr. MILLER. I understand that. Their attitude is very The question now is, Does the Indian school need this

Mr. RAKER. I want to say that it is half a mile between this land and the Indian school. There is a great deal of alfalfa raised there, and down at the lower end are 320 acres of the finest land there is in the country, formerly grown over with sagebrush and willows, that I have been trying for years to have cleaned. Now they have it practically cleaned up, and have about a thousand acres of tillable land for raising vegetables and grain and alfalfa; and then there is a range back in the mountains, also about 400 acres of as fine timber land as there is in the State of California, still belonging to this reservation.

Mr. MILLER. I find nothing in the report of the committee as to whether or not the school needs this land for agricultural

purposes

Mr. RAKER. The gentleman will find by reading the report of the superintendent, Mr. Fuller, that he recommends it. The Commissioner of Indian Affairs also recommends it, and it is recommended also by the assistant commissioner, and also by the Secretary of the Interior, Franklin K. Lane. Mr. GRAHAM of Illinois. Is the gentleman from Minnesota

through?

Mr. MILLER. I was not quite through.

Mr. GRAHAM of Illinois. I wanted to make a suggestion to my friend from Minnesota. Is not the fact that it has been in use for 30 years or more pretty strong inferential proof that it is not needed for Indian purposes?

Mr. MILLER. I think that is possible, but I think I have

the right to ask that question.

Mr. GRAHAM of Illinois. I do not deny the gentleman's

Mr. RAKER. In answer to the question, I think if the gentleman will read pages 2 and 3 of the report

Mr. MILLER. I have read the report.

Mr. RAKER. If the gentleman will read the statement signed by Superintendent Fuller, that is a sufficient answer to the gentleman's question.

Mr. MILLER. No; it is not sufficient. The Indian Office does not state in any place, nor does any official of the Government state, that this land is not needed for Indian purposes.

Mr. RAKER. I know; but a statement of the facts leads to that inevitable conclusion. Here are 1.000 acres of arable land. Here are about 2 acres along the border—that is, 1.18 acres in one piece and eighty-two one-hundredths of an acre in the other-that have been used by these settlers for over 40 years-30 years to my knowledge. Now, that certainly shows that the land is not necessary for Indian purposes.

Mr. MILLER. As a matter of fact, this is actually Indian land that it is proposed by the bill to transfer to these parties.

Mr. RAKER. No; it is not Indian land. It belongs to the Fort Bliss Reserve, which is now being used by the Government for Indian school purposes. It does not belong to the Indians. It belongs to the Government, and the Government can at any time abandon that school if it so desires and then dispose of the land as it sees fit.

Mr. MILLER. Oh, yes; the Government could convey the title to all the Indian lands in the United States to the King of Great Britain, if it chose to do so.

Mr. RAKER. This is not Indian land. Mr. MILLER. It is land, however, that by special act of Congress is reserved for Indian school purposes.

Mr. RAKER. Yes. Mr. MILLER. Therefore it is a part of the Indian school service of the country.

Mr. RAKER. No; it is not. Mr. MILLER. I do not know what the gentleman would call

it, then.

Mr. RAKER. If it was in the Indian Service, if it was sold the money would go into the Indian fund. What was done was simply to take over a part of the Fort Bidwell Reservation and say, "We will use the grounds and buildings and water works for the purposes of an Indian school," and it has been so used for 10 years.

The SPEAKER. Is there objection?

Mr. MILLER. Reserving the right to object, I should like to ask how this bill comes to be reported by the Committee on Public Lands when, under the rules of the House, it should have gone to the Indian Committee, where it belongs.

Mr. RAKER. It was referred to the Committee on the Public

Lands by the Speaker.

The SPEAKER. It is too late to raise that question now.

Mr. MILLER. I am not going to raise it.

Mr. RAKER. The land in question is still public land.

Mr. MILLER. I should like to say this: I notice that there are three bills on this calendar to-day reported from the Public Lands Committee, not one of which belongs to the Public Lands Committee, but every one of which should have gone to the Indian Committee. They deal with Indian lands. I am not going to object to this, because I think the bill is meritorious; but I think that practice ought to be called to the attention of

the House, and it ought to be discouraged.

Mr. RAKER. I should like to make a statement about that. A bill turning over 10 acres of this tract for cemetery purposes was introduced last year and sent to the Public Lands Committee. All the departments went over it, and the bill finally passed; and it was conceded by all that this title remained in the Government and that the land was Government land, just like any other reservation, except that by resolution it was temporarily set aside for an Indian school. Therefore the jurisdiction belongs to the Public Lands Committee. That jurisdiction was not questioned in the House, but the question was raised in the committee, and it was determined in the committee that that legislation properly came before the Public Lands Committee.

The SPEAKER. Is there objection?

Mr. MANN. Reserving the right to object, I should like to make this suggestion: Whether this bill belongs to the Public Lands Committee or the Indian Committee is, of course, question that can not now be raised. However, it deals with land which is being occupied for Indian school purposes. addition to that, the bill was reported to the House on December 22 last, and was placed on the Unanimous Consent Calendar, although the report was not available until last Saturday

In addition to that, the bill, when reported to the House, was placed, by whoever had charge of it-I do not know at whose suggestion-on the Union Calendar, although it is a private bill which belongs on the Private Calander, and if it were on the Private Calendar could not be placed on the Unanimous Consent Calendar. A bill has to be very meritorious to be first referred to the wrong committee, then reported by the gentleman on the committee who introduced the bill, it being his own committee, and reported for weeks before the report is printed-the report not being printed until the day before the bill is called up in the House-and then placed upon the wrong calendar and brought up under a rule under which it could not be brought up if placed on the right calendar. Yet I do think the bill is all right, and I shall not object. [Laughter.]

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. This bill is on the Union Calendar.

Mr. RAKER. Mr. Speaker, I ask unanimous consent that this bill may be considered in the House as in Committee of the

The SPEAKER. The gentleman from California asks unanimous consent that the bill be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. RAKER, a motion to reconsider the vote whereby the bill was passed was laid on the table.

PROCEDURE OF UNITED STATES COURTS.

The next business on the Unanimous Consent Calendar was the bill (H. R. 10946) to regulate the judicial procedure of the courts of the United States.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 269 of the act approved March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to

the judiciary," be, and the same is hereby, amended so as to read as

follows:

"SEC, 269 That no judgment, decree, or order shall be set aside or reversed, or new trial granted by any court of the United States in any case, civil or criminal, on account of any error which does not injuriously affect the substantial rights of the party complaining. The trial judge may, in his discretion, in any case submit to the jury the issues of fact arising upon the pleadings, reserving any question of law arising in the case for subsequent argument and decision, and he and any court to which the case shall thereafter be taken on writ of error shall have the power to direct judgment to be entered either upon the verdict or upon the point reserved, if conclusive, as its judgment upon such point may require."

Mr. RAKER. Mr. Speaker, reserving the right to object, I would like to ask whether or not the gentleman from New Jersey [Mr. McCoy] would have any objection to the following amendment to the bill. I will read it. After line 8, on page 2, as a new paragraph, insert:

The trial judge shall not charge juries with respect to matters of fact, but may state the testimony and declare the law.

Now, that is the constitutional provision in many of the States. It is the law in many of the States of the Union to-day that the judges shall not charge the jury respecting a matter of fact, but can fully and clearly state the testimony as presented before the jury, and upon that testimony can declare the law of the case. It is a proper provision, and it is a pro-vision that ought to be in the statutes in regard to the trial of cases in the Federal courts. The constitution of California makes this provision in section 18, article 4:

Judges shall not charge juries with respect to matters of fact, but state the testimony and declare the law.

In many of the States there is the same constitutional provision.

Mr. FITZGERALD. Mr. Speaker, I do not think that such a revolutionary change in the Federal practice should be made by unanimous consent to-day, however meritorious the bill itself

may be.

Mr. FINLEY. Mr. Speaker, I object to the bill.

Mr. McCOY. Mr. Speaker, I am going to ask my friend from South Carolina [Mr. FINLEY] to withdraw that objection.

out when there is more time and opportunity.

Mr. FITZGERALD. The bill as reported is all right.

Mr. McCOY. The bill passed the House at the last session. It has been considered at various annual sessions of the American Bar Association and has the approval of that association. It was considered in the Judiciary Committee in the Sixty-second Congress, which committee reported unanimously in favor of the bill. The Solicitor General, Mr. Davis, then a Member of the House from West Virginia, wrote the report which is adopted now as the report on the bill.

I have never heard a single objection raised by anybody to what is practically a clearing up of the practice in the United States court. I want to call the gentleman's attention to two of the decisions which are referred to in the report of the committee. One of them holds that where error is committed, the person who has secured the judgment is practically bound to show beyond a reasonable doubt that the defeated party could not have been injured. Some time after that the Supreme Court decided that the appellant was the person who had the burden of proof that the alleged error was harmful to him.

Now, in the absence of law, if I may say so, due to these two decisions, this bill steps in and makes certain what is now

uncertain.

Mr. FINLEY. Mr. Speaker, I will say to the gentleman that I am familiar with the facts and everything that has been stated here, and I do not think that an important amendment to the judiciary act should come up under unanimous consent, and I made the objection after mature deliberation.

EMIGRATION CANON RAILROAD CO.

The next business on the Calendar for Unanimous Consent was the bill (S. 541) granting to the Emigration Canon Railroad Co., a corporation of the State of Utah, permission, in so far as the United States is concerned, to occupy, for a right of way for its railroad track, a certain piece of land now included in the Mount Olivet Cemetery, Salt Lake County, Utah. The Clerk read the bill, as follows:

The Clerk read the bill, as follows:

Be it enacted, etc., That the Emigration Canon Railroad Co., a corporation of the State of Utah, is hereby granted permission, in so far as the United States is concerned, to occupy, for a right of way for its railroad track, that piece of land now included in the Mount Olivet Cemetery, Salt Lake County, Utah, particularly bounded and described as follows: Commencing at a point 169 feet east and 100 feet north of the southwest corner of the Mount Olivet Cemetery (formerly the southwest corner of the Fort Douglas Military Reservation), in Salt Lake County, Utah; thence northwesterly, rounding a 20 degree curve a distance of 351.99 feet, at a point on the west line of the said Mount Olivet Cemetery; a distance of 387.9 feet north from the southwest corner of said Mount Olivet Cemetery; thence south to a point 100 feet north of the southwest corner of said Mount Olivet Cemetery;

thence east a distance of 169 feet to place of beginning; containing in all seven hundred and sixty-two thousandths acre.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection,

Mr. BROWN of New York. Mr. Speaker, I ask unanimous consent to consider the bill in the House as in Committee of the

The SPEAKER. The gentleman from New York asks unanimous consent to consider the bill in the House as in Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER. The Clerk will read the amendment,

The Clerk read as follows:

The Clerk read as follows:

Strike out all after the colon in line S, page 1, and all on page 2 of said bill and insert the following:

"Commencing at a point 195.62 feet east and 100 feet north of the southwest corner of Mount Olivet Cemetery (formerly the southwest corner of the Fort Douglas Military Reservation), in Salt Lake County, Utah; thence rounding a 20-degree and 35-minute curve to the right a distance of 351.99 feet to a point on the west line of the said Mount Olivet Cemetery, said point being a distance of 366.94 feet north from the southwest corner of said Mount Olivet Cemetery, the center of said curve with a radius of 279.94 feet, being located at a point 279.94 feet east and 366.94 feet north from the southwest corner of said Mount Olivet Cemetery; thence south 266.94 feet to a point 100 feet north of the southwest corner of said Mount Olivet Cemetery; thence east a distance of 195.62 feet to place of beginning; containing in all 319,000 acres."

Mr. STAFFORD. Mr. Speaker I would like to ask the gen-

Mr. STAFFORD. Mr. Speaker, I would like to ask the gentleman from New York whether or not there is not a typographical error in the last line? Would it not be better to have it changed so as to read "three hundred and nineteen thousand the of an acro?"? sandths of an acre'

The SPEAKER. The Clerk informs the Chair that the bill

at the desk is correct.

Mr. MANN. Let us see about that print. Is it a star print? Mr. STAFFORD. May we have the amendment again read at the desk?

The Clerk again read the amendment.

Mr. STAFFORD. Would it not be better to have that "three

hundred and nineteen thousandths of an acre"?

Mr. BROWN of New York. That might clarify the bill, and, if the gentleman wishes, I would be very glad to accept such an amendment

Mr. STAFFORD. Then I offer that as an amendment. The SPEAKER. Without objection, the amendment will be agreed to.

There was no objection.

The SPEAKER. The question is on agreeing to the amendment as amended.

The amended amendment was agreed to,

The SPEAKER. The question now is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the

third time, and passed.

On motion of Mr. Brown of New York, the motion to reconsider the vote by which the bill was passed was laid on the table.

PATENTS TO TRANSFEREES OF CERTAIN TOWN LOTS.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 4938) providing for the issuance of patents to transferees of town lots purchased from the United States at public sale in certain cases.

The Clerk read the bill.

The SPEAKER. Is there objection?
Mr. MILLER. Mr. Speaker, reserving the right to object, would like to ask a question or two of the gentleman in charge of the bill.

The SPEAKER. There does not seem to be anybody particularly in charge of it.

Mr. GRAHAM of Illinois. Mr. Speaker, Mr. Ferris is not present, and I am not sure that I can answer the gentleman's

Mr. Speaker, I notice this bill specifies the date, October 11, 1911, and that transfers made prior thereto are in one sense legalized by the bill. My inquiry is, What is there about that date that particularly affects these town lots?

Mr. GRAHAM of Illinois. I am not able to give a specific

answer to that question.

Mr. LENROOT. Mr. Speaker, if the gentleman will permit, I will say I was not present at the time the bill was considered, but I believe the reason why that date of October 11, 1911, was fixed is that the Secretary of the Interior issued an order to the General Land Office to complete all of these titles by furnishing proper instruments, and that is why that date is mentioned.

Mr. MILLER. Can either gentleman inform me whether or not the lots here referred to are lots that were sold from Indian lands adjacent to the city of Lawton?

Mr. LENROOT. I do not know.

Mr. MANN. Mr. Speaker, the gentleman from Oklahoma [Mr. Ferris], the author of the bill, is not present, and it is very evident that the bill can not be passed to-day in his absence. I suggest that someone on that side ask unanimous consent that it be passed over without prejudice.

Mr. GRAHAM of Illinois. Mr. Speaker, I ask unanimous

consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection, and it was so ordered.

SALE OF LAND TO LAWTON, OKLA.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 10258) authorizing the Secretary of the Interior to sell to the city of Lawton, Okla., a tract of land to be used for watershed and water-supply purposes.

The Clerk read the bill, as follows:

The Cierk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to sell to the city of Lawton, Okla., and issue appropriate conveyance therefor at any time within six months from and after the passage and approval of this act, for the sum of \$1.25 per acre, the following-described tracts of land: The west half section 1 and all of section 2, township 3 north, range 13 west, the same to be used by the city of Lawton as a part of the watershed and water supply: Provided, That in the event the lands above described cease to be needed or used for the purposes above mentioned, the same shall revert to the Government of the United States.

With the following committee amendments:

Page 1, line 8, after the word "half," insert the word "of"; on page 1, line 10, after the word "Lawton," insert "solely"; page 2, line 1, after the word "supply," insert "for said city and other public uses."

The SPEAKER. Is there objection?

Mr. MILLER. Mr. Speaker, reserving the right to object, I would like to ask the gentleman in charge of this bill if this relates exclusively to lands belonging to an Indian reservation? Mr. GRAHAM of Illinois. Yes.

Mr. MILLER. And it is proposed to convey to the city of Lawton, Okia., for \$1.25 per acre, the area of land specified. How many acres, approximately, are there in this tract?

Mr. GRAHAM of Illinois. I am not able to answer that

question, either, but the gentleman from Oklahoma [Mr. Fer-RIS] stafed that it was very rough and broken land, of no practical use for any purpose.

Mr. LENROOT. About 1,000 acres.

Mr. MONDELL. Nine hundred and sixty acres, I will say,

it would be according to the description.

Mr. GRAHAM of Illinois. It is in the neighborhood of 1,000

Mr. MILLER. I have no purpose to object to the bill on my own account. Of course, this is a bill that should have gone to the Indian Committee, which committee has exclusive jurisdiction, under the rules of the House, of the disposition of all Indian lands. I am inclined to think that this is a very meritorious bill and regret that there is not some one here who can answer some of the Indian questions relating to it.

Mr. GRAHAM of Illinois. I might state there is an Indian school which gets its water supply from this reservoir.

Mr. MILLER. I understand; but where the statement is made by the department that the advantage accruing to the Indian school from the increased purity of the water consumed by it—a condition to follow the passage of this bill—is greater than the advantage to the Indians which would come from the sale of the lands involved and the money going into their treasury, is a refinement of reasoning that can not now have the indorsement of my judgment in my present benighted condition, as far as the facts disclosed are concerned.

Mr. GRAHAM of Illinois. One of the greatest advantages which the Indian school and others would receive from it would be in the prevention of the contamination of water by preserving this watershed from invasion or from any contaminating influence.

Mr. MILLER. Does not the gentleman think it would be advisable to have some expression from the Indian Service or the Indian Office as to the propriety of transferring these Indian lands? I say, at the outset, I am in sympathy with the purposes of the bill, and I would like to see an improvement in the water supply at any place; and anybody who has visited that section of Oklahoma knows that the improvement of the water supply is of serious moment. I have a little further curiosity in my mind in connection with the paragraph in the report which says the Reclamation Service contemplates an enlargement of its activities in that vicinity if the dam shall be raised in connection with this waterworks system. Now, just what part does that play in this project? What is its relationship in service to the Indian school there and the development of the Indian lands?

Mr. GRAHAM of Illinois. I regret I am not able to answer that question either. I would suggest to the gentleman that, if he desires it, I will ask that this go over until Mr. FERRIS returns.

Mr. MILLER. I will say to the gentleman I will not personally object to the bill, although these are features which I think ought to have been considered by the Indian Committee, and it is most unfortunate the bill did not receive some consideration from Indian sources.

The SPEAKER pro tempore (Mr. FITZGERALD). Is there objection?

Mr. MANN. Mr. Speaker, reserving the right to object, for

what is it proposed to use this land? Mr. GRAHAM of Illinois. For no other purpose than as a

watershed. Mr. MANN. What are you providing in the bill "for other

purposes" Mr. GRAHAM of Illinois. Well, "for other purposes" re-

fers to water rather than use of the land, I take it.

MANN. Here the committee proposes to insert an amendment, "and other public uses." After having defined it shall be used for watershed purposes, when you put in "and other public uses," I think we are entitled to know what the other public uses are to be.

Mr. GRAHAM of Illinois. For other public uses, I take it, refers to the use to which the water will be put after it is collected in the reservoir. There is an Indian school in that vicinity adjacent to but not within the municipality. be supplied with water. The water supply is to be for said city and other public uses. The other public uses may be such as for the benefit of the school in the vicinity.

Mr. MANN. That is very bad grammar or rhetoric, I will say to the gentleman, "the same to be used by the city of Lawton solely as a part of the watershed and water supply for said city and other public uses." I will submit that any grammarian on earth will say that the meaning of that was that it was to be used as a watershed, water supply, and other public

Mr. GRAHAM of Illinois. I take it the word "solely" was inserted there to obviate the difficulty the gentleman suggests, that it is to be used solely as a part of the watershed.

Mr. MANN. For the purposes named in the bill. I ask for information. I do not know that I have any objection to the city of Lawton using whatever it pleases.

Mr. RAKER. Will the gentleman from Illinois yield? Mr. GRAHAM of Illinois. Yes.

Mr. RAKER. In answer to the gentleman from Illinois [Mr. Mann], the purpose of that is, first, that they may furnish water to the military reservation and school, and the matter was fully explained before the committee that for other public purposes was so there should be no question they could use the water for these particular purposes and permit an irrigation project that is being formed or is formed to raise the dam at least 50 or 100 feet higher than it is and conserve the water that is there, and that they might use it in the city of Lawton, the military reservation, and the school. That it would permit them to raise the dam and use that water for these reclamation purposes.

I will say to my distinguished friend from Mr. MANN. California [Mr. RAKER] that if this water out there is no clearer than his explanation to me it will not be fit to drink. While I have no doubt his explanation is clear, I do not get it.

Mr. RAKER. I see. Mr. BRYAN. Do I understand that the gentleman figures that the putting in of this clause, "for other uses," meant a reservation for reclamation purposes? All these rights are transferred to the city of Lawton, and the Government of the United States has no rights reserved in behalf of the Reclama-

Mr. RAKER. They have a reservoir built, and a dam, and they use it for the city of Lawton and the school. They want this 960 acres to make their watershed larger, in order to keep the water pure and prevent it from being polluted. Now, the question involved as to other purposes is that the city of Lawton might not have the power under the act of Congress, if it did not say "for other purposes," to permit the reclamation people to join in with them and build up the dam another

hundred feet, and thereby use a part of this surface water.

Mr. GRAHAM of Illinois. Let me say to my colleague [Mr. MANN] that I am very sure it was the intention of the committee that the word "solely," in line 10, on page 1, would apply to the area only, and that this area proposed to be given

for watershed purposes should be used by the city of Lawton only for watershed purposes, and if the language does not convey that idea with sufficient clearness I know of no reason why it should not be changed to suit my colleague or anyone

Mr. MANN. What is the use of inserting the amendment at all, then? What good does it do at all in that case?

Mr. GRAHAM of Illinois. Does the gentleman mean the words "and other public uses"?

Mr. MANN. I mean the words "for said city and other public uses." If the gentleman is correct, why not simply say

to be used as part of the watershed and water supply' Mr. GRAHAM of Illinois. The question came in as to the use of the water for the Indian school and the military reservation. Mr. MANN. That would leave the city of Lawton to deter-

mine that

Mr. GRAHAM of Illinois. The committee probably did not

want it that way. Mr. MANN. The committee has left no provision in here for

water for the Indian school. They leave it to the city, I say.

Mr. RAKER. In addition to what was stated, the committee went over this matter thoroughly-

Mr. MANN. Then they ought to be able to tell us what it .

Mr. RAKER. I will tell you this time. [Laughter.] The grant being to the city of Lawton solely for municipal purposes, some one might raise the question that, this being a grant of Congress as it relates to these 960 acres, they could not dispose of any of the water that might come from this reservation for any other purpose except the city of Lawton, and to avoid that they put in those words "for said city and other public uses," in order that they might furnish it to these two places, namely, the Fort Sill Military Reservation and the Indian school, and then might permit the dam to be raised and the use of the surplus water for irrigation; and there would be no complica-tion then arising by virtue of this act upon this land, as it was intended to give it to the city of Lawton for its public uses and the purposes of the military reservation and Indian school.

Mr. MANN. Then, as I understand the gentleman from Call-fornia, this amendment, "for said city and other public uses," was intended because the rest of the bill provided that the land

should be used by the city of Lawton solely as a watershed?

Mr. RAKER. Yes, sir.

Mr. MANN. The word "solely" was not in the bill. The gentleman proposes to insert an amendment in the bill and then put in an amendment to it. The gentleman bases his whole argument upon the fact that the bill provided "solely," but "solely" is a committee amendment and not in the original bill.

The SPEAKER pro tempore. Is there objection?

Mr. MILLER. Mr. Speaker, reserving the right to object—Mr. MANN. I think we ought to have the gentleman from Oklahoma [Mr. Ferris] here to-day.

Mr. RAKER. I am trying to get him here just as hard as I can. That is what I am working on now. [Laughter.]

Mr. MANN. Pass it over until he comes.

Mr. RAKER. Mr. Speaker, I ask that the bill be passed over without prejudice for a few minutes, until the gentleman from Oklahoma [Mr. Ferris] arrives.

The SPEAKER pro tempore. That is not in order.

Mr. MANN. The gentleman from California means to pass it over on the calendar.

Mr. RAKER. I move that it be passed over without prejudice and retain its place on the calendar.

The SPEAKER pro tempore. It has been repeatedly decided that that is not in order, and the Chair will not entertain that motion.

Mr. RAKER. We did it on a prior bill this morning. Mr. MANN. Consideration has not yet been granted, the Speaker should understand.

The SPEAKER pro tempore. The gentleman from California [Mr. Raker] asks that this bill be passed over temporarily. Is there objection?

Mr. MANN. Temporarily—that is, for the day.

The SPEAKER pro tempore. Passed over for the day?

Mr. RAKER. Yes.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

ACTION FOR DEATHS BY NEGLIGENT ACTS OCCURRING ON THE HIGH

The next business on the Calendar for Unanimous Consent was the bill (H. R. 6143) relating to the maintenance of action

The SPEAKER. The Clerk will report the bill. The Clerk read the bill, as follows

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That whenever the death of a person shall be caused by wrongful act, neglect, or default occurring on the high seas, the Great Lakes, or any navigable waters of the United States the personal representative of the decedent may maintain a suit for damages in the district courts of the United States in admiralty for the exclusive benefit of the decedent's wife, husband, parent, child, or dependent relatives against the vessel, person, or corporation which would have been liable to a suit for damages by or in behalf of the decedent by reason of such act if death had not ensued.

SEC. 2. That the recovery in such suit shall be a fair and just compensation to the persons for whose benefit the suit it brought and shall be apportioned among them by the court in proportion to the pecuniary damage they may severally have suffered by reason of the death of the person by whose representative the suit is brought.

SEC. 3. That suit shall be begun within one year from the death of the decedent, unless during that period there has not been reasonable opportunity for securing jurisdiction of the vessel, person, or corporation sought to be charged: Provided, however, That after the expiration of a period of one year from the decedent's death the right of action hereby given shall be deemed to have lapsed within 90 days after a reasonable opportunity to secure jurisdiction has offered.

SEC. 4. That if a person die as the result of wrongful act, neglect, or default occurring on the high seas, the Great Lakes, or any navigable waters of the United States during the pendency in a court of admiralty of the United States during the pendency in a court of admiralty of the United States during the pendency in a court of admiralty of the United States during the pendency in a court of admiralty of the United States of a suit to recover damages for personal injuries in respect of such act, neglect, or default, the personal represent

With the following committee amendments:

With the following committee amendments:

On page 2, line 4, after the word "compensation," insert "for the pecuniary loss sustained."

On page 2, line 7, strike out the word "pecuniary."

On page 2, line 10, strike out the words "one year" and insert in lieu thereof "two years."

On page 2, line 15, strike out the words "one year" and insert in lieu thereof "two years."

On page 2, line 16, after the word "shall," insert "not."

On page 2, line 17, strike out the word "within" and insert in lieu thereof the word "until."

On page 3, line 5, strike out the word "taken" and insert in lieu thereof the word "take."

Mr. MCCOV. Mr. Speeker I should like to propose an amend

Mr. McCOY. Mr. Speaker, I should like to propose an amend-

ment. Mr. MANN. Mr. Speaker, reserving the right to object—
The SPEAKER. The gentleman from Illinois reserves the

right to object.

Mr. McCOY. I should like to have this amendment considered as adopted, subject to the right to object.

Mr. MANN. You could not adopt an amendment subject to the right to object.

Mr. McCOY. It is purely verbal. What I propose is this, that on page 2, line 7, the word "damage" be stricken out.

The SPEAKER. The Chair will state that consent has not been obtained yet. Is there objection?

I reserve the right to object. Mr. MANN.

The SPEAKER. The gentleman from Illinois reserves the right to object.

Mr. MANN. It seems to be a very important bill very much affecting the section of country that I come from; at least, around the Great Lakes. Apparently it does away with or supersedes the jurisdiction over damages that occur within the States upon the Great Lakes and transfers the jurisdiction to the admiralty courts of the United States.

I would like to know what is the reason for it, if it is urged by anybody other than the admiralty lawyers. I can very readily understand that the admiralty lawyers would like to increase their jurisdiction, and, if I were one of them, I would; but the gentleman knows that the same reason affecting the admiralty courts' jurisdiction of accidents upon the high seas, where no States have jurisdiction, would not apply to one of the Great Lakes where all of the bed of the lake is within some State.

Mr. McCOY. If the gentleman will permit, I believe that the bill is not intended to do what the gentleman thinks, and, in fact, it specifically provides that no jurisdiction shall be taken away from the State courts.

Mr. MANN. I understand it just gives it to somebody else? Mr. McCOY. Yes, if you please; but in these words. It

says, on page 3, line 17:

And in all suits in admiralty recovery for damages for death so caused shall be had only under the provisions of this act.

Mr. MANN. Of course, that is the only jurisdiction that ongress has. It has only the admiralty jurisdiction. Under Congress has. the Constitution we have jurisdiction over admiralty cases

Mr. McCOY. What it says, as I interpret it, is this: That if you go into admiralty, in case this bill passes, you can recover only under this bill; but it does not say that where the State courts have jurisdiction of the cause of action you shall go into admiralty, but you may, if you choose, go into the State court and recover there.

Mr. MANN. I understand it offers another admiralty jurisdiction—another chance to bring a suit—where they now have but one chance. What is the reason for that? If an accident but one chance. occurs on the high seas, you can not bring a suit anywhere else than in the admiralty court; but if an accident occurs on the Great Lakes, where anybody is liable, you can bring suit in the State in which the lake lies.

Mr. McCOY. I will say to the gentleman that, as I understand, the purpose of including the Great Lakes is in order to

bring about uniformity of jurisdiction in these cases.

Mr. MANN. The purpose of this bill is to bring in the Great Lakes and the rivers. There is no necessity for it, as I understand, as far as the high seas are concerned.

Mr. McCOY. The gentleman is wrong about that. an absolute necessity for it, because you will see that this bill will, if it becomes a law, create a cause of action for death on the high seas, where none now exists.

Mr. MANN. I thought a cause of action did exist for death

on the high seas.

Mr. McCOY. No. The primary purpose of the bill is to create a cause of action for death on the high seas due to negligence, where no cause of action now exists. Now, Mr. Speaker, just a word on that-

Mr. BRYAN. Those who suffered injury by death of their relatives on the Titanic are suing in some court of the United

States at this time, are they not, in admiralty?

Mr. McCOY. I understand they are making a desperate attempt to get some recovery, but so far without success. And I will say to the gentleman from Washington that in the very case of the accident to the *Titanic*, if this bill had become a law before that accident, there would be a right to recover damages due to the death of those who went down in that great disaster, and it is to correct the hiatus that there is in the admiralty law in that respect, and to make the law in admiralty the same as it is in all the States of the Union where they have adopted substantially Lord Campbell's act, that this bill is introduced. That is the primary purpose of it.

Mr. BRYAN. Another question: For instance, out on Puget Sound, if some one is hurt on a vessel going from one point to another on the Sound, the right to sue exists for three years,

I think, under our State law.

Mr. McCOY. This would not take it away. Mr. BRYAN. This provides a two-year limit.

Mr. McCOY.

Only in admiralty.

Would it not be permissible under this statute Mr. BRYAN. for either the defendant company that owned the boat or the plaintiff to ask that the case be transferred to the admiralty court?

Mr. McCOY. I understand there is no such thing as a transfer from a State court into the admiralty court. That only applies to transfers to the district court of the United States in a different sort of case. You can not transfer a case from a in a different sort of case. State court into an admiralty court unless perhaps in a proceeding to limit liability.

Mr. COX. Will the gentleman yield for a question?

Mr. McCOY. Yes.
Mr. COX. If I understood the gentleman correctly, in response to the inquiry of the gentleman from Washington [Mr. BRYAN] a moment ago as to the survivors of the Titanic disaster, the gentleman stated that if a bill of this kind had been in force in this country at that time the survivors could have recovered for their loss. Would not that have depended upon the ability of the survivors to get service upon the company?

Mr. McCOY. In that instance it would come up under a proceeding to limit the liability. They can get jurisdiction, as I understand it, and the District Court for the Southern District

of New York now has acquired jurisdiction of some phase of that situation. I can not speak with entire accuracy, but I understand that it is in a proceeding to limit liability. But even in a proceeding to limit liability-and that is where the question has come up twice before in the United States courtit has been held that unless peculiar circumstances exist the survivors of those who have met death because of negligence at sea have no right to intervene and be heard. I do not know just what the survivors of the *Titanic* disaster will be able to do. but if a bill like this had become a law before that disaster the survivors of the decedents specified in this bill would be able to join the survivors of the accident and recover damages for

the loss due to the death of such decedents.

Mr. COX. I understand. Now, let me put this inquiry to
the gentleman for information. No doubt the gentleman has
looked it up. If I understand the law of admiralty correctly, where death or injury occurs on the high seas under the existing law, without any reference to this proposed law, if a judgment is recovered and an execution issued, that judgment can only be collected out of the property; in other words, in a proceeding in rem. Am I correct in that?

Mr. McCOY. No; if they get jurisdiction in personam, they have the same judgment, for whatever it may be worth, that they can get in any case of injury not resulting in death.

Mr. COX. Not only against the vessel, but against any other

property of the corporation.

Mr. McCOY. The distinctive feature of admiralty is its jurisdiction in rem; and you can often get jurisdiction of the res, and realize, through attaching that, where you are absolutely unable to get jurisdiction in personam.

Now, you take it in a case of an accident at sea, where damages short of death have been inflicted, and you can recover in personam and in rem under the law as it exists to-day; but if death ensues, you can not recover, and this bill is to remedy that evil.

Mr. LENROOT. Is the gentleman entirely correct in saying that an action in personam is unlimited? Is it not limited, whether it be in rem or in personam, to the actual value of the property?

Mr. McCOY. Not if you get personal jurisdiction. Your

Judgment is good to whatever amount you may recover.

Mr. LENROOT. Up to the value of the property.

Mr. McCOY. No. As I understand, the difference h As I understand, the difference between actions in rem and in personam is this: The property of a nonresident, for instance, is attached in a State court. You get your judgment; you may get a judgment for \$10,000, and what you have attached may be worth only \$5,000. You sell the property and get \$5,000, but you can not recover the other \$5,000 in that court, nor can you go to any other court on the judg-ment recovered. Whereas, if instead of proceeding by attach-ment you had got personal jurisdiction in your suit and then got judgment, you would have a valid judgment for the full amount in that court on which you could sue in another State. It would be the same thing here if you got personal jurisdiction in admiralty. You get your judgment, and the judgment would go for the full amount and would be enforceable wherever rules are provided for enforcing any kind of a judgment. But if you proceed in rem merely by attachment, all you get is the value of the property

Mr. LENROOT. I have not so understood the law. But if that be true, what is the purpose of section 6, which provides that shipowners may avail themselves of the laws of limited

liability?

Mr. McCOY. Now, the gentleman is getting into another branch of the law. If they proceed under the limited liability they can limit the liability to the value of the ship and the freight, as I remember it, whether the action be in rem or in personam. There they proceed under the statutes of the United States for limited liability, and by surrendering the hull and freight they may limit the liability to whatever they are found to be worth.

Mr. COX. That is new to me as far as the law is concerned. Suppose this bill was the law and the person is injured on the high seas and he brings suit both in rem and in personam. Could the shipowner release himself from further liability by surrendering the ship and the freight?

Mr. McCOY. If you get him in admiralty he can do it. Mr. COX. Even with this law on the statute books?

Mr. McCOY. Yes.

Mr. COX. Does the gentleman think that is just and fair? Mr. McCOY. That is the admiralty law.

Mr. McCOY. That is the admiralty law.
Mr. COX. Does not the gentleman think that it ought to be amended?

Mr. McCOY. I do not think it could be amended easily. would not want to do it in this particular act. If such a thing

is to be suggested, I should like to have it submitted to the committee with full argument and full consideration. I have no practice in admiralty that is worth speaking about, but I should not want to say how far such a provision as that would go. I think that this is a meritorious bill.

Mr. COX. I think it is, unless section 6 destroys its usefulness. I doubt very much the justice of letting shipowners limit their liability by simply turning over the hull and freight.
Mr. PETERSON. That has been the law for 10,000 years.

Mr. COX. I do not know but that it has, but I do not think

it ought to be the law.

Mr. McCOY. I would not say that it would not be a good change; but here is the answer: If you can get personal jurisdiction of the shipowner by going into a State court you do not run up against any limited liability.

Mr. CAREW. But he could file a petition to limit his liability

in the admiralty court.

Mr. McCOY. I do not think he could if you get personal jurisdiction in a matter which would be within the jurisdiction of the State court. I do not think you could so limit the liability, but I would defer to the judgment of the gentleman from New York. This is to do for the law of the high seas what has been done in all the States, with differences in detail; that is, to provide a cause of action for loss due to death caused by negligence.

Mr. BRYAN. The gentleman stated that such jurisdiction as the State courts now hold over matters arising in Puget Sound waters, for instance, would still be retained by the State

courts?

Puget Sound is considered a part of the high seas under the law. It is an arm of the sea, and the bill says:

And where the death has been caused by wrongful act, neglect, or default occurring on the high seas suit for damages shall not be maintained in the courts of any State or Territory or in the courts of the United States other than in admiralty.

Harrington Putnam in his letter, which is made a part of the report, says:

Section 7 makes the act the law of the courts of admiralty of the United States, and, so far as the high seas are concerned, makes the remedy exclusive. This is for the purpose of uniformity, as the States can not properly legislate for the high seas.

I can not see where the jurisdiction of the State court would be retained.

Mr. McCOY. Puget Sound is not a part of the high seas. It is subject to admiralty jurisdiction, but the term "high seas" refers to that part of the ocean outside of the 3-mile limit.

Mr. BRYAN. Unless the gentleman is quite sure about that, think he is mistaken. The arms of the sea are deemed a part of the high seas. The 3-mile limit is a different proposition altogether.

Mr. McCOY. No; the high seas, as I understand it, are that part of the ocean outside of the 3-mile limit.

Mr. COX. The States have no jurisdiction.

Mr. McCOY. As I understand it, only the Federal Govern-

Mr. BRYAN. The gentleman will remember that when I first met him he was out investigating the Federal court at Seattle. The people of my State are very jealous of the jurisdiction of the State courts where we elect our judges, and they are very loath to divide in any respect the jurisdiction of the State courts in the waters of Puget Sound with the Federal court, and if I were called upon to immediately vote on this, I would vote "no," and for that reason I am going to object

Mr. McCOY. I will ask the gentleman to let the bill be con-

sidered and to bring his objection up in the Senate.

Mr. BRYAN. But I am not a member of that body. Mr. McCOY. I will say to the gentleman this, that he has such influence that he can get anything done over there that he desires. If the objection of the gentleman is a sound one, I say to him that I will go with him and I know that the gentleman from Massachusetts [Mr. Peters] will go with him to the Senate to have the correction made; but I am assured by Judge Putnam, than whom there is no higher authority in admiralty law in this country, that such will not be the fact, and the gentleman from Virginia [Mr. Montague], who has had a great deal of experience in these matters, assures me that the jurisdiction over Puget Sound would not be affected in any way by this bill and that Puget Sound is not a part of the high seas, although of course it is a part of the navigable waters of the United States for admiralty purposes.

Mr. BRYAN. Mr. Speaker, I will ask unanimous consent that the bill go over without prejudice. It is a matter of too much importance, and having been called to my attention, and the RECORD showing that it has been called to my attention, I would not want to let it be voted on without further investigation. The time to take up a matter of this kind is now. It is not next year or some time in the future in the Senate, and unless it goes over without prejudice I am going to object to its consideration. I do not want to throw it off the calendar, as I would do if I objected.

Mr. McCOY. The gentleman's objection is so perfectly sound and valid, if the basis of fact exists for it, that I think he will be perfectly safe to let the bill pass, and he knows me well enough to take my word for my assurance

Mr. BRYAN. If it were a favor to the gentleman, I would do it, but I am speaking for my constituents. If you let it go over without prejudice, it will come up again next Monday.

Mr. McCOY. This is a matter that has been hanging fire for a good many years. It has been opposed from sources which I do not care to name, people interested to oppose this kind of legislation-not on the same ground that the gentleman objects to it, but for other reasons-and it is the wonder of those practicing in admiralty that we have gone so long without Lord Campbell's act having been extended to the high seas.

Mr. BRYAN. I desire further time, and unless the gentleman

will permit it to go over I am going to object.

Mr. MONTAGUE. Mr. Speaker, will the gentleman kindly

state his precise objection?

Mr. BRYAN. Mr. Speaker, I ask unanimous consent that the matter retain its place on the calendar and go over without

The SPEAKER. The gentleman from Washington asks unanimous consent that the bill go over without prejudice. Is there objection?

There was no objection, and it was so ordered.

APPRAISERS' STORES BUILDING AT MILWAUKEE, WIS.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 7487) to authorize an additional appropria-tion for the erection of the United States appraisers' stores building at Milwaukee, Wis,

The Clerk read as follows:

The Clerk read as follows:

Be it enacted, etc., That in addition to the sum of \$75,000 heretofore authorized by the act of Congress approved June 25, 1910, being chapter 383 of the laws of the Sixty-first Congress, second session, for the construction on a site in Milwaukee, Wis., already purchased by the Government for such purpose, of a suitable and commodious appraisers' stores building, including fireproof vaults, heating and ventilating apparatus, elevators, and approaches, for the use and purpose of the United States Government appraising goods and merchandise imported from foreign countries and into Milwaukee, Wis., the additional sum of \$50,000 is hereby authorized, at a total cost, including said vaults, heating and ventilating apparatus, elevators, and approaches, complete, not to exceed \$125,000, for which plans, specifications, and full estimates shall previously be made and approved according to law.

The committee amendments were read, as follows:

Page 2, line 4, strike out "\$50,000" and insert in lieu thereof "\$40,000." Page 2, line 7, strike out the figures "\$125,000" and insert in lieu thereof "\$115,000."

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FOSTER. Mr. Speaker, reserving the right to object, I observe there was an authorization for the building in Milwaukee for \$75,000 on a site already acquired by the Government. Now, as I understand, they undertook to let bids for the amount, but found they could not build for the \$75,000, and in the report from the Treasury Department the statement is made that the bids received exceeded the amount by nearly \$25,000. Now, if they only need \$25,000 for building this building, I would like to inquire why this bill provides for \$40,000; originally, \$50,000?

Mr. CLARK of Florida. Mr. Speaker, if the gentleman will notice the letter of the Assistant Secretary of the Treasury, Mr. Allen, the last paragraph, I think he will find the reason for that increase. The Assistant Secretary says:

The difference between the high and low bid for this work was \$25,000, and as the competition was keen and it is very probable the bids would be higher if the work were again placed on the market, it is estimated that an increase in the limit of cost of \$40,000 is necessary to construct the building as designed.

The committee acted upon that representation of the Assistant Secretary of the Treasury. Of course, the gentleman understands that this is \$40,000, or so much thereof as may be necessary, and only so much as may be necessary will be used. No more will be used than is absolutely necessary to construct this building.

Mr. FOSTER. Did the gentleman ever hear of an authoriza-tion of a certain amount and building being completed with a less amount?

Mr. CLARK of Florida. Oh, I think so.

Mr. ROBERTS of Massachusetts. The Library Building. Mr. FOSTER. I think it is a rare thing to find such is the

Mr. CLARK of Florida. It is rare, but it happens to be the case occasionally.

Mr. STAFFORD. Mr. Speaker, I think I can clarify the doubt in the mind of the gentleman from Illinois. This natter has been one which has received my personal attention for more than six years. First an appropriation for a site was obtained, and then a proposal for a building to cost \$125,000. The committee, through the action of one of the members of the subcommittee, cut that down to \$75,000. Under that authorization of the act of 1910 proposals were called for and the bids ranged from \$89,000 to \$115,000. According to the Assistant Secretary, who has charge of this matter, there will be \$10,000 needed for equipment, leaving only \$65,000 for the building proper. plans have been completed. It is not an ornate building. not proposed to increase the size as originally proposed, and the Assistant Secretary says that a one-story building could not be built for much less than a two-story building, as proposed, and it would not be as serviceable. With a limit of \$25,000 bids might have to be called for again, and we might be in the same predicament as at present. The difficulty, as the Assistant Secretary suggests, is that there might not be an adequate amount of money available to award the contract, and under the law, as the gentleman knows, we can not go ahead with this building, which is so much needed in Milwaukee at the present time, because there would be still lack of appropriation. It is not intended, by reason of the increase of this appropriation, to change the plans one iota, but to have available a reasonable amount, which will permit the Secretary of the Treasury to go ahead with the awarding of these contracts. Now the bids have been canceled, and the Secretary of the Treasury will have to call for new proposals.

If the new bids would again not come within the new limit of appropriation, why he would have to reject them again. This matter has gone through the hands of two Assistant Secretaries of the Treasury-the former Assistant Secretary of the Treasury, Mr. Sherman Allen, and the present incumbent-and these officials both recommend that \$40,000 should be allowed. I said to the Public Buildings Committee that I only wanted such an amount of money as would insure the building of this warehouse under the existing plans. It is merely a concrete basement building with a brick superstructure and with no ornate furnishings. When I found the bids were in excess of the appropriation, I went and called upon Mr. Assistant Secretary Allen and asked whether there was not some way whereby he might curtail the specifications so as to bring the bid within the \$75,000 appropriation, and he said that there was no possible way consistent with the Government service. On the strength of that I introduced this bill for \$50,000, and the Treasury recommendation is that \$40,000 would be the lowest possible amount. I know the gentleman is always guardful of the Public Treasury, and in this case it is not intended to increase the size, to increase the ornamentation, or to add anything to the original specifications, and we only want to build the

structure which was provided for in the act of 1910.

Mr. FOSTER. Let me ask the gentleman this question: I observe in the letter of Assistant Secretary Allen that he says the walls of this building have been designed so that they may support three additional stories. Now, in the authorization of a building for this purpose, why is it that the Treasury Department should go to work and put in a foundation which, of course, costs a lot of money, to support three additional stories

when it is contemplated to put in but one here? Mr. STAFFORD. It was contemplated originally to put in A one-story building will not be feasible for the purpose, and I know the gentleman will consider it is wise economy, with the increase of imports in Milwaukee, that we should not only increase the floor space but should provide a foundation so that the building will not be out of use, perhaps, in the course of 10 years. I yield to the gentleman, the chairman of the committee, to reply to that question and to show that it is good business economy to make such provisions in the plans and specifications.

Mr. CLARK of Florida. I want to say that one of the causes of extravagance in public buildings heretofore has been the fact that we have not builded for the future; that we have not made preparation for the growth of business and the growth of population, and it is the policy of this committee, so far as I have been able to ascertain from the membership, that in buildings in the future we propose so far as we can to erect them so that in the course of two or three years we will not have to tear down a perfectly good building, go to some other site, buy lots at extravagant prices, and construct new buildings at enormous figures. In this case, as in others, it is the design and the purpose of the committee to build a foundation so that, in case the business does increase, and the future demands larger and better quarters, we can build on top of what we already have without having to go to some other place.

Mr. FOSTER. I think the gentleman is right in his statement, so far as attempting to provide for the increased business in the future. I submit it is pretty hard to do that in cases where nobody knows what the future growth is going to be, and I think that sometimes the Government has built more than is necessary. They have overbuilt in some places and underbuilt in others. I think that the \$25,000 is as much as we ought to have here, and I would not agree to let it go through for

Mr. STAFFORD. I am very desirous to have this matter provided for, and, of course, do not wish to be unreasonable. It is barely possible we may be able to get bids within that amount. I hope that the gentleman may see his way clear not to object to the consideration of this bill.

Mr. FOSTER. I do not believe always in their opinions about these things. They did let the bids, and they were less than \$25,000, and now you are asking \$40,000. How do we

know that they can not let it for \$25,000?

Mr. STAFFORD. The great majority of bids submitted were above the \$25,000 limit, and to provide for the maximum would have required \$50,000. The highest bid is \$115,000, and, \$65,000 being available, would make it \$115,000. When I went before the committee I said I wanted them to use their best judgment as to what would be needed, and I would be satisfied. Here is the recommendation of the Secretary of the Treasury. The plans have been prepared. There has been no change in them. I will say to the gentleman that I wished to have the plans curtailed in such a way as to bring it within the original \$75,000 appropriation, but found it was not practicable.

Mr. FOSTER. I will say to the gentleman that, with build-

ings scattered from one end of the country to the other, it is very easy for anyone who has a building authorized to ask for

more than is really needed.

Mr. STAFFORD. I will say to the gentleman—

Mr. FOSTER. There are meritorious cases, and I do not say that this is not one of them, but I do not believe we ought Mr. STAFFORD. I quite agree with the gentleman—
Mr. FOSTER. And I do not believe we should give more money than the facts seem to indicate in necessary.

Mr. STAFFORD. The gentleman would not wish to have this appropriation placed at a figure where the bids would be in excess of the appropriation available. I do not insist on having any change made in the character of the construction or in the plans and specifications. I am only doing my duty in that particular, and wish to provide that this warehouse should be erected in accordance with the plans prepared some time ago.
Mr. FOSTER. Well, I think if the gentleman will make a

motion to do it, that would be all right. Of course, I do not know what the House might do, but I think \$25,000 vould be all right, because the lowest bid was less than \$25,000.

Mr. STAFFORD. No; it was only a couple of hundred dol-

lars under \$25,000.

Mr. FOSTER. Well, I say it is less than \$25,000.

Mr. STAFFORD. Will not the gentleman consent to

Mr. MOORE. Mr. Speaker, reserving the right to object— The SPEAKER. The gentleman from Pennsylvania [Mr.

MOORE] reserves the right to object-

I want to call the attention of the gentleman from Florida [Mr. CLARK] to that paragraph of the report which says that there is "an urgent need for an appraiser's storehouse building at Milwaukee, as shown by the fact that the basement of the Federal building is now used for that purpose and the odor arising from such imports as liquors and tobacco make it very disagreeable to the occupants of the building." I do not find anything in the official correspondence bearing out this statement, and I desire to ask if this information comes wholly from the committee?

Mr. CLARK of Florida. It is from information furnished to

the committee by the gentleman from Milwaukee.

Mr. MOORE. Information to the effect that in Milwaukee "the odors arising from such imports as liquors and tobacco are so disagreeable" that they ought to have a new appraiser's storehouse?

Mr. CLARK of Florida. Well, that is one of the reasons, If the gentleman is seeking to get the facts upon which the urgency of this measure rests, I will say this: That in the year 1910-

Mr. MOORE. I was wondering if the committee had direct information.

Mr. CLARK of Florida. In 1910 this building was provided for, because a need for it existed. Bids were asked, but there was not sufficient money to provide for the building. That was four years ago, and the urgency of the demand for it has grown greater all the time, and there is urgent need for the construc-

tion of this building right now. My information as to the odor arising from those articles coming up through the basement into the court rooms, and so forth, is to the effect that it makes very disagreeable to the occupants of the upper quarters.

Mr. MOORE. That does not appear either in the letter of the Assistant Secretary, Mr. Hamlin, nor in the letter of the former

Assistant Secretary, Mr. Allen.
Mr. CLARK of Florida. It appears in the hearings had by the committee, from the statement of the Representative from that district and other evidence submitted to it.

Mr. MOORE. The committee, then, does stand for the statement that the odors arising from the liquor and tobacco stored in the basement are disagreeable? [Laughter.]

Mr. CLARK of Florida. Yes. Does not the gentleman agree

with that?

Mr. MOORE. I will, if the gentleman himself vouches for it. Mr. CLARK of Florida. Does not the gentleman agree to it on his own account?

Mr. MOORE. I would probably not run away from it as

quickly as the committee.

Mr. CLARK of Florida. I judge the gentleman from Pennsylvania would not run away from a small quantity, nor would the committee [laughter], but we do not want to be deluged

Mr. MOORE. I wondered if the committee spoke of its own knowledge.

Mr. CLARK of Florida. I will answer no. Mr. MOORE. Very well. That is not the important ques-This bill provides that an additional appropriation shall be made for the convenience of the United States Government in appraising goods and merchandise imported from foreign countries. Now, is there any information before the committee that imports or exports that may have occasion to use the appraiser's storehouse in Milwaukee are increasing at all?

Mr. CLARK of Florida. We accepted the statement of the

gentleman from Milwaukee as to that.

Mr. MOORE. Is it not a fact that since the new tariff bill has been in effect both the imports and the exports have been decreasing throughout the country, and there is less occasion for the use of an appraiser's storehouse now than there was formerly?

Mr. CLARK of Florida. I do not think that is the fact. I do not think that is the testimony of the author of this bill.

Mr. MOORE. But the statements of the Treasury Department in the last few days indicate that there is a great falling off both in imports and exports, and hence it is probable that there will be a reduction of revenue on that account, and hence also there might not be as great a necessity for enlarging the

Mr. CLARK of Florida. Let the gentleman discuss that question with the gentleman from Milwaukee.

Mr. MOORE. I assume the gentleman from Florida does not

want me to object to the gentleman's bill? Mr. CLARK of Florida. I think not.

Mr. MOORE. I am not going to object to the gentleman's bill. I want to see the appraiser's storehouse filled up under the new administration, if possible.

Mr. BARKLEY. Does the gentleman mean to say that im-

ports have decreased under the new tariff law?

Mr. MOORE. Yes; that is true. According to the reports of the Secretary of the Treasury, imports have decreased.

The SPEAKER. Is there objection?

Mr. FOSTER. Mr. Speaker, reserving the right to object, I ask that this bill go over until next unanimous-consent day. I do not want to object to a bill that is right and proper, but I do not feel that I can give consent to the consideration of this bill to-day.

Mr. STAFFORD. I am confident that if the gentleman will examine the hearings and all the testimony that has been taken in this case he will come to the conclusion that \$40,000 is a reasonable amount; and under the circumstances I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. The gentleman asks that the bill be passed over without prejudice. Is there objection?

There was no objection.

JOE JOURERT.

The SPEAKER laid before the House the bill (H. R. 3638) providing for the issuance of patent to Joe Joubert, with Senate amendments.

The Senate amendments were read.

Mr. MONDELL. Mr. Speaker, I move that the Senate amendments be concurred in. They are not such amendments as under the rule would take the bill to the Committee of the

Whole. They have reference only to the descriptions of the land, and not the price.

The motion was agreed to.

COOPERATIVE AGRICULTURAL EXTENSION WORK.

Mr. LEVER. Mr. Speaker, I move to suspend the rules and pass the bili H. R. 7951, with the committee amendments as indicated in the printed bill, and with the additional amendments which I send to the Clerk's desk.

The SPEAKER. The gentleman from South Carolina moves to suspend the rules and pass House bill 7951 with the committee amendments, and also with the amendments which he sends to the Clerk's desk.

Mr. FITZGERALD. Let the Clerk read the bill. The Clerk read as follows:

A bill (H. R. 7951) to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the United States Department of

work between the agricultural colleges in the several States receiving the benefits of an act of Congress approved July 2, 1802, and of acts supplementary thereto, and the United States Department of Agriculture.

Re it enacted, etc., That in order to ald in diffusing among the people of the United States useful and practical information on subjects relations of the States and the United States useful and practical information on subjects relation of the same, there may be haugurated in connection with the college or colleges in each State now receiving, or which may hereafter receive, the benefits of the act of Congress approved July 2, 1802, entitled and the mechanic arts "(12 Stat. Lu., p. 503), and of the act of Congress approved August 30, 1890 (26 Stat. Lu., p. 417), agricultural extension work which shall be carried on in cooperation with the United States or more such colleges have been or hereafter may be established the appropriations hereinafter made to such State shall be administered by such college or colleges as the legislature of such State may direct. The state of the such state shall be administered by such college or colleges as the legislature of such State may direct. The state of the such state shall be administered by such college or colleges as the legislature of such State may direct. The state of the such state shall be administered by such college or colleges as the legislature of such State may direct. The state of the such state shall be administered by such colleges in the several communities, and imparting to such persons information on said subjects through field demonstrations, publications, may be mutually agreed upon by the Secretary of Agriculture, or his representative, and the State agricultural college or colleges receiving the benefits of this act.

Sec. 3: That for the surpose of paying the expense of said cooperation from the such shall be submitted to appropriated, to such of said cooperation from the such shall be submitted of the such shall be payed to the such shall

Sec. 6. That on or before the 1st day of July in each year after the passage of this act the Secretary of Agriculture shall ascertain and certify to the Secretary of the Treasury as to each State whether it is entitled to receive its share of the annual appropriation for cooperative agricultural extension work under this act, and the amount which it is entitled to receive. If the Secretary of Agriculture shall withhold a certificate from any State of its appropriation, the facts and reasons therefor shall be reported to the President, and the amount involved shall be kept separate in the Treasury until the expiration of the Congress next succeeding a session of the legislature of any State from which a certificate has been withheld, in order that the State may, if it should so desire, appeal to Congress from the determination of the Secretary of Agriculture. If the next Congress shall not direct such sum to be paid, it shall be covered into the Treasury.

Sec. 7. That the Secretary of Agriculture shall make an annual report to Congress of the receipts, expenditures, and results of the cooperative agricultural extension work in all of the States receiving the benefits of this act, and also whether the appropriation of any State has been withheld; and if so, the reasons therefor.

Sec. 8. That Congress may at any, time alter, amend, or repeal any or all of the provisions of this act.

The Clerk read the proposed additional amendment.

The Clerk read the proposed additional amendment.

Mr. MANN. Evidently there is an omission in the amendment as read by the Clerk.

Mr. LEVER. If the Clerk will send the amendment to me I

will read it. Although it is in typewriting, it has been interlined. The additional amendment which I propose reads as follows

Amend, by striking out the period on page 22, line 15, after the word "direct," and insert the following:
"Provided further, That nothing in this act shall be construed to discontinue either the farm management work or the farmers' cooperative demonstration work as now conducted by the Bureau of Plant Industry of the Department of Agriculture."

Mr. HAUGEN. Mr. Speaker, reserving the right to object, I should like to suggest-

The SPEAKER. No objection is in order. No objection obtains in this proceeding.

Mr. FITZGERALD. Are there any more amendments?

Mr. LEVER. Mr. Speaker, let the Clerk report the other amendment.

The Clerk read as follows:

Page 3, line 21, after the word "the," strike out the word "additional"; and on line 22, same page, strike out the colon and insert in lieu thereof the following:

"In addition to the sum of \$480,000 hereinbefore provided."

Mr. FITZGERALD. Mr. Speaker, I demand a second. The SPEAKER. Is the gentleman from New York opposed to the bill?

Mr. FITZGERALD. I am.

The SPEAKER. The gentleman from New York [Mr. Fitz-GERALD], who is opposed to the bill, demands a second.

Mr. LEVER. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. The gentleman from South Carolina asks unanimous consent that a second be considered as ordered. Is there objection?

There was no objection.

The SPEAKER. The gentleman from South Carolina has 20 minutes and the gentleman from New York [Mr. FITZGERALD] has 20 minutes.

Mr. LEVER. Mr. Speaker, I yield to the gentleman from New Jersey [Mr. Townsend]. Mr. TOWNSEND. Mr. Speaker, I am heartily in favor of the Lever bill to provide for cooperative agricultural extension work between the agricultural colleges in the several States and the United States Department of Agriculture. I am in favor of this bill not so much because of the money aid it will provide for the diffusion of advanced agricultural education to the States which cooperate with the Government, as provided for in this bill, as because of the fact that under its provisions the States so cooperating with the Federal Government will have the very great advantage of instruction and practical demonstration in agriculture through actual field demonstration, which benefit the State could not derive in any other way. vast educational resources of the Federal Department of Agriculture will, under the operation of this bill, I firmly believe, stimulate a better character of farm work, which will result in better and increased crops, and not only will it do that-a result which is peculiarly desired in New Jersey-but it will result in the increase, and, I believe, a large increase, in the acreage of cultivated farms.

These two points are all of peculiar value to New Jersey, because my State has during the past 20 or 25 years developed so amazingly in its industrial side that not only has the relative importance of agriculture diminished but there has been an actual decrease in the agricultural production of the State. The reason for this is, of course, familiar to every student of the subject; the attraction of employment in industrial concerns, offering good wages, and the entertainments of cities has drawn from our agricultural population until, as I have stated, there has been an actual decrease in the number of farms and in

the acreage of cultivated farm land.

New Jersey's Legislature has recognized this fact and has been most generous in its appropriations in aid of the agricultural department of the ancient and honorable college at New Brunswick-Rutgers. I shall, in a later part of my remarks, give the figures of these appropriations for a term of years to show that the legislatures during those years have been liberal in the appropriations of money for the purpose which this bill

is designed to bring about in a much greater measure.

It is important for the people of New Jersey to consider, in respect to this most important subject, that while the population of our State increased from 1900 to 1910 more than 34 per cent, there was during that same decade a decrease of 3.4 per cent in the number of farms and a decrease of 267.109 acres, or 9.4 per cent, in our farm lands. A recent bulletin of the Census Bureau supplies even more striking reasons why the people of New Jersey should, through their Representatives here, support this Lever bill; and it furnishes a reason also why it should be assumed that whatever this bill requires of New Jersey in the way of assisting appropriations, that State will gladly make. The bulletin to which I refer shows that we are not as well off as to our farming results to-day as we were 30 years ago. In 1880 there were in New Jersey 34,307 farms, while to-day there are but 33,487. In 1880 there were in New Jersey 2,929,776 acres of farm lands, while in 1910 the acreage was 355,918 less. In other words, the percentage of our total land area in farms decreased from 1880 to 1910 more than 7 per cent, while our population in that time much more than doubled.

As I have intimated, the principal reason probably for this deplorable decrease in our agriculture is to be found in the amazing increase in our manufactures. In the city of Newark alone, part of which lies in my congressional district, there is invested in manufacturing more than \$160,000,000. These manufacturers employ 60,000 operators, who turn out annually finished product of a value considerable in excess of \$200,-Probably some of my colleagues on the floor here representing other manufacturing cities of New Jersey could give figures which would show in the same striking degree the enormous capital and labor employed in their cities. greatly increased city population has made a proportionately greater demand upon farm products during a time when, as I have said, the output of the farms has decreased instead of increased. The situation which is found in New Jersey quires some active and powerful incentive to bring up the farm product of the State more nearly to what it would be were farming operations carried on under those modern, scientific methods the Federal Agricultural Department is so

well equipped to teach.

The farming population of New Jersey is of a character peculiarly fitted to receive and be benefited by this proposed instruction. Four out of five farmers are native whites, 18.6 foreign-born whites, and only 1.4 of all the farmers in the State nonwhites. This practically all-white farmer population operate about 33,487 farms, two-thirds of which are between 20 and 174 acres in size and about one-fourth between 3 and 19 acres. I mention this fact to show that the great number of small farms lends itself to the plan of practical demonstration which would be carried out under the provisions of this bill. It will easily be seen that when the highly competent agents of the Agricultural Department travel through New Jersey to give their field demonstration these demonstrations can be witnessed and studied by a great number of farmers gathered at one point without the necessity of traveling a great distance for that purpose. A very beneficial purpose of the bill which can also be carried out in New Jersey under peculiarly favorable circumstances for the reasons just mentioned is the instruction in home economics. The instructors can gather large classes, because of the small average size of the farms, easily and without much trouble or expense to the women and children to be instructed.

Mr. Speaker, I have submitted the Lever bill to the distinguished gentleman who to-morrow is to be inaugurated as governor of New Jersey, James F. Fielder, I had already, in conversation with that gentleman, discovered his great interest in this question, and I feel warranted in saying that the provisions of the bill, when it shall become a law, will receive the earnest and sympathetic support of Gov. Fielder, and that he will have an intelligent legislature working in harmony with

as it affects New Jersey, and I am glad to say that Dr. Demarest heartily approves of this measure as one that is workable and

will bring about the desired results.

Mr. Speaker, New Jersey has 2,573,857 acres of land in farms. nearly 10 per cent less than it had 10 years ago, but of that acreage just mentioned but a fraction over 70 per cent is to-day what can be listed as farm land improved, a decrease of 5 per cent of farm land improved since the census of 1890. should like to see that percentage of farm land improved greatly increased, and I believe the provision of this bill will help to bring about that desired end. New Jersey has given liberally in this respect. From figures supplied by Dr. Demarest find that during the past five years the Legislature of New Jersey has appropriated a total sum of \$370,038.49 for the State experimental station, or an average annual appropriation of more than \$75,000. She will, I am sure, cooperate heartily, intelligently, and liberally with the Federal Government under the provisions of this act to extend and better the business of farming and to make easier and more attractive the home life of the farmer, his wife, and their children.

My State now spends annually millions of dollars for farm products, meats, vegetables, fruits, butter, and eggs brought to her markets from points beyond her borders. Her own farms could and should supply these products, thus increasing by those millions the prosperity of the farmer and his capacity to pur-chase the products of the State's industries, the articles of the

State's commerce. [Applause.]
Mr. LANGLEY. Mr. Speaker, I wish the gentleman from South Carolina would ask unanimous consent that all Members

may have the right to print on this bill.

Mr. LEVER. Mr. Speaker, I have had a number of requests for time, but have not the time to yield. I therefore ask unanimous consent that all gentlemen who desire to speak on this subject may have the right to print for five legislative days.

The SPEAKER pro tempore (Mr. Russell). The gentleman from South Carolina asks unanimous consent that all those who

speak on the bill may be permitted to extend remarks in the RECORD for five legislative days on the bill. Is there objection?

Mr. MANN. I object. Mr. LEVER. Mr. Speaker, I yield to the gentleman from Georgia [Mr. HUGUES].

WHY I SUPPORT THIS BILL.

Mr. HUGHES of Georgia. In supporting this bill I do so as a practical farmer, having been engaged in this occupation for

40 years.

Four years of this time I was president of the Georgia State Agricultural Society, the duties of which office carried me into almost every county of my native State-Georgia. During these visits I carefully considered and studied farm conditions both in the field and in the home. My conclusions were that education-education that could be applied-was the important ques-I found unrest on the part of the young man, who was dissatisfied with his surroundings, believing that the tiller of the soil was not getting just compensation for his labor. found that the adult farmer had accepted the aphorism that the farmer was "a hewer of wood and a drawer of water"; that the mother was burdened with the monotony of household duties, committed to her confines without restful diversion. She accepted the monotonous duties and seclusion with resigned fate. The daughter, without social contact, showing discontent. This I found to be the condition of ostracized farm life,

CONDITIONS IMPROVED.

I am happy to say, however, that within the last few years conditions are being changed and farm life with them. Good roads have eliminated distance, putting neighbor in closer touch with neighbor and the country home in touch with the town Telephones are connecting most homes. Churches are more accessible and social relations are made possible. Good school buildings have been erected, with capable school-teachers, under direct control of competent county school commissioners, who are visited and directed by the State school commissioner. The Rural Free Delivery carriers daily disseminate various kinds of literature—magazines, daily papers, and bulletins. Such improved agricultural conditions have caused the farm home to become enlightened and more cheerful, giving more happiness and contentment. The improved conditions have brightened the hope and aspiration of the father and son. But the young man, ambitious and determined to better his financial condition, is still dissatisfied with the financial results of his farm life. him, to the end that New Jersey may at the earliest possible time enter into this beneficent cooperative work with the Federal Government. I have also submitted this bill to the distinguished president of Rutger's College, Dr. W. H. S. Demarest, who would have much to do with the administration of the bill

become content the farm must become remunerative, with increased intellectual interest. In my opinion the passage of this bill will be a potent factor in consummating this end. I am in favor of education, and compulsory education if necessary, for it generates light. I favor academic, scientific, and industrial education.

GEORGIA'S EDUCATIONAL INSTITUTIONS.

Georgia is preeminent in her educational institutions, namely, the Georgia Normal and Industrial College for Girls, the Technological School, Mercer University, her State Agricultural College, for the establishment of which I rendered my best efforts and of which I have been a trustee since its organization. Her agricultural schools are situated or located in every congressional district. Her system of common schools is in operation throughout the State, and the great University of Georgia, in the classic city of Athens, has sent forth men of mark in every calling of life, some of whom within this very Hall of "our fathers' house" have electrified the Nation with their logic, eloquence, and statesmanship.

This advanced stand in education speaks well for Georgia,

This advanced stand in education speaks well for Georgia, but, alas, with all these institutions the farmer in Georgia—like the farmers North, East, and West—has been unable to get and use that practical information which would raise the standard of his occupation to the position it deserves. This information, which has been obtained by scientific research, is locked up in the vaults of our agricultural colleges, dormant and rusty. This bill is the key which will unlock these vaults and take this valuable information now had and to be obtained to the farmer on the land and by demonstration put it into the various agricultural channels where it will render great service and get results.

DEMONSTRATION NEGLECTED.

It may be asked why the various agricultural colleges of this Union have not inaugurated this great plan of demonstration and put it into effective operation. In the first place, I think they have neglected an important duty, relying too much on the graduates who were expected to return to the farm and employ their scientific information; and, in the second place, they have not been sufficiently equipped financially to undertake and conclude so gigantic an undertaking. The agricultural bulletins have disseminated much knowledge and information, but these have reached successfully only a very small percentage of the farmers of this country, and especially have they failed to comprehensively reach the great majority of the farmers who were most in need of practical information. This bill will reach and grasp this great majority—about 90 per cent—and will revolutionize the agricultural interest of this entire country.

DR. KNAPP'S GREAT WORK.

In my opinion Dr. Knapp, late of the United States Department of Agriculture, who extended this demonstration in the South, has accomplished more directly for the farmer than all other agencies combined. He has carried pent-up, inert, scientific information through his demonstrations to the man in the field. Wheresoever he has reached this man he has awakened his energies, his thoughts, his purposes, and that man is proceeding to-day with new life and brighter hopes. His land has been made to yield 100 per cent more and his profit has been correspondingly increased.

This bill proposes to put the Knapp demonstration plan into active operation in every county throughout the broad limits of

this Union on a larger and broader scale.

Just here permit me to say that the name of the late Dr. Knapp is stamped indelibly upon the hearts of the farmers of this country, especially those of the South, and a monument should be erected to his memory, the handiwork of every State.

HOW DEMONSTRATION HELPS.

Demonstration on the land proves the importance and value of scientific research. For the third district, which I represented in the Sixty-first and Sixty-second Congresses before Georgia was redistricted, I obtained from the United States Department of Agriculture, through Dr. Knapp, demonstrators, men who had qualified by reducing theory to practice, for 6 of the 15 counties of the district. They established in each of the 6 counties from 10 to 20 one-acre farms—and in one instance a farm of 100 acres—so distributed, as far as possible, to include the different classifications of soil. Each proprietor of these farms contracted with the United States Department of Agriculture to conduct these farms as directed by agents of the department as to preparation, fertilization, and cultivation. These farms were inspected weekly and a report made to the department after each inspection.

At first it was difficult to get the farmers to cooperate with the Government, but those who did readily saw by comparison and results that science was not a myth. Demonstration alone

could have convinced, and those who complied with the requirements of the Government to-day have adopted the Knapp system not only on one acre, but the entire farm. Under this bill that which was accomplished in these counties will be accomplished not only in the 15 counties which I represented there, but in every county in every State of this Union.

THE CASE OF A LARGE LANDOWNER.

Demonstration is effective and conclusive not only to the man behind the plow and with the hoe, but to the large farmer with his agents and supervisors. I know a large landowner conducting several farms, who has two sons that have remained on the farm and are his partners. They have attempted to be progressive along agricultural lines. They are members of the State agricultural society, attend the farmers' institutes, subscribe to the best agricultural publications, and apply to the State agricultural college for scientific information. They declare they have obtained better results and more practical information by and through the Knapp demonstration work than from any other source, and now they are conducting their farms exclusively on scientific plans which have been demonstrated.

NECESSITY FOR DEMONSTRATION UNIVERSAL,

Now, if demonstration is necessary for a class of farmers who are supposed to operate under progressive and advanced ideas, how much more necessary is it to the large majority of farmers—at least 90 per cent—who have neither the time nor inclination for study, who could not if they would, and would not if they could, solve the abstruse problems as set forth by bulletins, lectures, and agricultural trains.

Demonstration is necessary to every class of farmers. Experimentation is costly to our experiment stations in their efforts to hand results to the farmer in digested form, to save him the heavy cost of personal experiment, which is almost prohibitory to the individual farmer, all of whose time must be devoted to execution in order to successfully manage, control, and work his land. The agricultural college is the motor and demonstration the dynamo. To realize full force and power they are inseparable. This bill unites them and the spark is flashed.

BOYS' CORN CLUBS.

The boys' corn clubs of Georgia achieved remarkable results and planted a spirit of laudable ambition in the hearts of the young boys on the farm that is encouraging. Five hundred of these boys raised over 100 bushels of corn on 1 acre each in 1912, and 750 raised more than 80 bushels per acre. I have not the results of last year. This result was surprising not only to the fathers of these young men, but to the entire State, remembering that the average yield of corn per acre for the last 10 years was about 12½ bushels per acre in Georgia.

COOPERATION BETWEEN STATE AND UNION.

The Lever bill will cause such cooperation between State and Union, through the agricultural colleges, accelerating and intensifying agricultural education by the only method that can possibly reach the adult farmer. He will hear, but he must see to be convinced. Demonstration convinces, and arouses latent action and inspires hope, and progress is the result.

THE BOLL WEEVIL.

The cotton crop of the United States is a national crop, which directly or indirectly enters into every business in this great country. Its condition, from the planting of the seed until the time it is baled, is heralded throughout this country and cabled to every foreign land, for it not only keeps intact the gold reserve of this Union, but it clothes 60 per cent of the people of the entire globe. It reaches every home, whether the mansion or the cot. This great national crop is to-day being attacked by the increasing and indestructible boll weevil, first on the frontier of Texas, and gradually but surely marching toward all the Atlantic cotton States and due in Georgia this year; and if permanent demonstration is not inaugurated and pushed with all possible force and power before and after the weevil reaches the Atlantic cotton States millions of dollars will be lost to the producer, and millions of dollars of the loss will accrue to the consumer. If this bill is passed, this great destroyer will be met with the combined power of State and Nation, and the loss from the ravages of the weevil will be reduced to a minimum.

THE PEACH INDUSTRY

The peach industry is an important summer crop to many States of the Union. It is a crop conducive to health and wealth. It is being attacked by various destructive insects and fungi growths. This has cost the producers of this country millions of dollars. Many States have in operation departments of entomology, which, in connection with the United States Department of Agriculture, have carried their experiments to the peach orchard, consummating remarkable results.

PERMANENT DEMONSTRATION.

The passage of this bill will inaugurate a system of continued demonstration which no State alone can or will do, but by this united effort of the various States this summer crop will be preserved as an asset to the national wealth.

I could mention other important crops which suffer from disease and insects, the continued production of which at a profit to the producer depends upon scientific demonstration.

LANDS DETERIORATING IN FERTILITY.

Due to absence of scientific cultivation and rotation, the fertility of the soil has greatly deteriorated, and we are now forced to use commercial fertilizers to supply chemical ingredients which are necessary to plant life and soil preservation. This condition is recognized by all farmers. They realize their land has become less productive and that the soil must be impregnated with artificial fertility, but those farmers whose circumstances have been such that they have had no opportunity for scientific study do not know the fertilizer required to supply the deficiency in the different and varied soils.

This expert knowledge, which the farmers will be able to obtain under this bill through the demonstrations, will be to them just what the prescription of a physician is to the patient and the advice of a lawyer to the layman who is confronted with a legal question. Mr. Speaker, the need of a physician by a patient who is suffering from a malignant disease, the need of a litigant who is hard pressed in the courts for a lawyer, is no more imperative than is the need of the farmer for scientific demonstration. Under this bill it is anticipated, and it will be demanded, that a scientific man of practical experience, as a county commissioner of agriculture or a doctor of agriculture, be placed in every county to answer the calls of the farmer.

CONSERVATION OF THE SOIL.

The soil of this country, in the last analysis, is the storehouse of all wealth. Every living soul is dependent upon it. The very best thought of this Nation should be directed to its conservation.

We hear much of the conservation of our timber, our mineral lands, and our rivers and harbors. The soil is the mother of all, and by whom or when has a voice been raised and decisive active stand taken to conserve and perpetuate the soil?

active stand taken to conserve and perpetuate the soil?

In the hearings before the Agricultural Committee Dr. Soule, president of the Georgia State Agricultural College, said:

We have a great problem in this country, the conservation of our soil. That industry and science have practically developed hand in hand, but agricultural science has altogether outrun the practice of farming. In other words, our colleges to-day and the Department of Agriculture of the United States are in possession of thousands of fundamental facts that would increase crop production in this country were they placed within the reach of the farmer in a way which he could understand and apply.

This bill enlarges and perfects the Knapp plan, and will place within the reach of the farmer that which he can understand and apply

Demonstration deferred for whatever cause has been a mistake which should be corrected, and this bill will not only correct but inaugurate and put into execution, in no uncertain way, this great system of reaching every farmer.

THE NEGRO LABORER.

On the large plantations in the South negroes are the principal laborers. The older negroes, the heads of families, are generally renters and tenants; the younger, as a rule, wageworkers. Negro labor annually is growing less effective on the farm. The tenants, and especially the renters, are not only absolutely indifferent as to the care of the land and preservation of the soil, but destructive, remaining on one plantation until they have denuded the soil, then moving on some other plantation to rent and cultivate lands that have been kept in fair condition under the strict surveillance of the proprietor under the wage system.

The younger generation is congregating in cities as day laborers and on public work, where they have the opportunity which they seek of immediate investment in that which they do not need, and frequently to their detriment, injury, and ruin. It is the desire of the South to change and improve these conditions. It is to the interest of the landowner to improve and advance the negro laborer. Something must be done to prove to him that it is to his interest, as well as to that of the proprietor, to preserve the soil, thereby reaping better returns. They attend as a holiday "conclave" the presentations by the agricultural colleges from agricultural trains and farmers' institutes, called extension work, and receive not one atom of information which they will or can apply. There are in my State and in the South quite a number of negro landowners. We wish to make them better farmers and object lessons to the tenants and renters.

The passage of this bill, in my opinion, should mean much to the negro as a tenant or renter. It will go to him on the land and prove to him by demonstration that he can make and get better returns for his labor by the progressive methods inaugurated by Dr. Knapp and concluded by this bill. When you convince them of this, with the eternal vigilance of the proprietor as a daily teacher, they will be better renters, tenants, and owners and will be attracted back to the farm.

INDIVIDUAL OWNERSHIP OBTAINS.

Our land is farmed by individuals, not corporations. It is farmed by many millions of small farmers, and these can only be reached by national aid. The passage of the Morrill Act created a system of agricultural colleges which was impossible for the States to accomplish acting separately. The Hatch Act passed in 1887; and when this act became operative, experimentation attracted national interest; and when this bill—the Lever bill—is enacted into law, together with a vocational education bill, there will be carried into operation the very intent and purpose of this great system which these earlier enactments intended for the perpetuation of the soil, making better farmers and more prosperous country life.

DEMAND OUTGROWING SUPPLY.

It is estimated that in the last 10 years there has been a 23 per cent increase in acreage, 35 per cent in production, and 60 per cent in consumption. If this ratio continues, this country will, in 10 or 15 years, be importers of food instead of exporters. Our cities are growing rapidly, the inhabitants of which are consumers of farm products.

Every industry—manufacturing enterprises, railroads, banking and mercantile institutions—relies upon the farm for their daily food supply. These facts and conditions should attract the attention of every Member of this Congress to the national necessity of preserving and improving the soil, thereby giving increased production to the farmer. The discussion of this question—the preservation of the soil—has attracted wide interest throughout the Nation. The scientist in his laboratory, the agricultural colleges, the banker, the merchant, the railroad president have spoken in its behalf. The Farmers' Union and the Grange, representing millions of farmers, urge the passage of this measure. Whereas much has been done in behalf of agriculture, less than 1 per cent of all the appropriations has been devoted to this interest, of such vital importance; and should this bill pass it will be a tax of only about 3½ cents per capita. It will not do for this great country to defer this matter. It has been delayed too long.

From information just compiled by the Bureau of Statistics, it is shown that in the case of corn, the most important of the great cereal crops, the total yield in 1911 was little more than 2,500,000,000 bushels, or slightly below the average for the past 10 years, and to produce this corn required a larger area than was ever planted for this crop. The average yield per acre throughout this country was 23.9 bushels—less than any year since 1901. The average yield of wheat in 1911 was 12.5 bushels per acre, or less than in any year since 1900, except in 1904, when this low level was reached. While the increases per acre of American crops have been slight for the last 25 years, the European countries, which have been tilled for centuries, have shown a much greater gain in productivity within the same period. Germany, in 1884, was producing an average of 40.6 bushels per acre of wheat, rye, barley, oats, and potatoes. The United States the same year had an average of 20.6 bushels. Twenty-five years later, in 1909, the average yield of these same crops in Germany had advanced to 71.8 bushels per acre, while in the United States the average was 24.8 bushels. Experts who have studied the question agree that that remarkable improvement in European agriculture is due to the adoption of new methods of farming, such as this bill proposes.

This great Union has resources so varied, and in her confines the soil and climate are so adapted to the production of all crops, that we have grown indifferent, thoughtless, and inert, seemingly believing that the soil is indestructible and that its fertility is eternal, but facts show that such is not the case. The soil is deteriorating rapidly for the want of intelligent care, and it would be criminal on the part of those with whom the very destiny of the people rests to continue to delay and finally realize that they have been aroused too late.

The soil—the land—is an inheritance, handed down to man for humanity. It belongs to future generations, and, as it passes through our hands, we are as responsible as the man with the talents. Let us do our duty—pass this bill—and receive the plaudit, "Well done, thou good and faithful servants."

Mr. RUBEY. Mr. Speaker, this measure, providing for cooperative agricultural extension work, now before this House for consideration, meets with my hearty approval. in form and having identically the same aim passed this body during the last Congress, but failed to pass the Senate. Sentiment favorable to this legislation is so strong that there is not the least doubt in the mind of anyone that this measure will meet with favor at the other end of the Capitol and receive the approval of our Executive. That it will soon be the law of the land is conceded by all. It is a great advance step taken by Congress in the interest of agriculture, and the benefits to be derived from it can not be calculated.

Let us examine briefly, for my time is limited, the Federal statutes which have been enacted to assist the States in the promotion of agriculture. Strange as it may seem, it was at a time when our country was in the midst of a great Civil War, when men's thoughts, one would think, would have been centered upon that fierce struggle, that the first great law in aid of agriculture was passed by the Federal Congress. In July, 1862, was passed what is known as the Morrill Act. That act bears the signature of Abraham Lincoln. Under its provisions, with the cooperation of the States, has grown up a system of agri-

cultural colleges unexcelled in all the world.

It fell to the lot of a great Missourian, William H. Hatch, then chairman of the Committee on Agriculture, to father the next important Federal act for the advancement of agri-In 1887 Congress passed what is known as the Hatch Act, which provided for the establishment of experiment stations in connection with the agricultural colleges. The object of these stations, as their names indicate, is through research work and by investigation to ascertain scientific truths which may be used in the teaching of agriculture and which may result in new and improved methods to be applied directly upon the farms.

Under the Hatch Act experiment stations have been established in every State and in some of our island possessions. Inestimable benefits have come to the country from the establishment of these experiment stations. They are the great workshops, the laboratories, or demonstration farms where scientific investigations have been carried on and in which for more than a quarter of a century an immense amount of useful information has been accumulating.

In 1890 Congress passed a second Morrill Act, which had for its object the further endowment of agricultural colleges. It appropriated \$15,000 to each State and provided that that sum should be increased \$1,000 per year until there should be a permanent annual appropriation of \$25,000.

In 1906 the Adams Act was passed, which provided for increased appropriations for the experimental stations. At the present time, under this act, each experiment station in the United States gets an annual appropriation of \$30,000.

In 1907 the Morrill Act was further amended by an act which increased the appropriation to each State \$5,000 and which provided that the amount should be increased \$5,000 each year for five years. To sum up, Mr. Speaker, the National Government is now appropriating annually to each State, under the Morrill Act and acts supplementary thereto, the sum of \$50,000 for the use and benefit of agricultural colleges, and under the Hatch Act and amendments thereto the sum of \$30,000 for the maintenance and support of the various State experiment sta-

Agricultural colleges teach theories and methods; their field is limited; they reach only a comparatively small number of Experiment stations, by extensive research and investigation, have accumulated a wonderful amount of valuable information, which is furnished to the colleges, but which is not available, under present conditions, to the great body of the people. For more than 50 years the Federal Department of Agriculture and the State agricultural colleges have been accumulating information; for more than 25 years experiment stations have been gathering together valuable data. How shall this fund of information, the result of years of study and scientific research, be gotten to the man on the farm, that he may put it into practical use and profit thereby? Farm bulletins have been tried—hundreds of thousands have been printed and scattered broadcast—and while they have done much good and are a valuable means of diffusing knowledge, they have not accom-plished the desired result. The lecturer at farmers' institutes plished the desired result. The lecturer at farmers' institutes and agricultural meetings has been listened to with rapt attention and keen interest, but spoken words are soon forgotten. The agricultural press of the country, while it has done and is doing a great work for the advancement of the industry, while through its columns it is constantly carrying to the farmer new and valuable information, still it can not compel the farmer to put into practice the theories it so well presents.

Mr. Speaker, we must find some practical way of connecting the Federal Agricultural Department and the State colleges and experiment stations with the man on the farm. Why should we accumulate all this vast information if it is to go to waste and not become available to the farmers of the country? In my opinion, the pending measure will accomplish the desired re-Under the provisions of this bill the accumulated knowledge of years of experiment and research will be carried to the farmer, and by actual field demonstration he will "be shown,' as we say in Missouri, and the value and benefits proven to his entire satisfaction.

Farm-demonstration work is not a new and untried experiment. It has been thoroughly tested and the results are known. For many years farm-demonstration work has been carried on in the South and more recently in widely scattered counties in the Northern and Western States. The work in the South was carried on under the direction of the late Dr. Seaman A. Knapp, the founder of farm-demonstration work in this country. A number of years ago the boll weevil attacked the cotton fields and threatened the extermination of that great industry. The Government came to the relief of the people; it began to cooperate with them in their fight against this pest. Dr. Knapp took charge of this work, and under his direction men were sent into the territory infested. It was soon found that the only successful way to fight the boll weevil was by improved methods of cultivation and by diversifying the crops; that instead of raising cotton, and cotton alone, the farmer must learn to raise a variety of crops which the boll weevil would not attack. The agents of the Government, acting in hearty cooperation with the State and local authorities, went upon the farms and by actual demonstration showed what could be accomplished by certain improved methods of cultivation, by rotation, by fertilization, and by diversifying the crops. Thus began the work of farm demonstration, and so successfull has it proved that methods of agriculture have been revolutionized, and to-day the name of Dr. Knapp is a household word throughout the Southland.

Farm demonstration work, however, is not confined to the South alone. A few years ago the Department of Agriculture inaugurated what is designated as "improved methods of farm management, farm practices, and farm demonstration work." This work is carried on in about 150 counties in the Eastern, Western, and Northern States. It is cooperative work, and the funds for carrying it on come from the National Government, the State, and the county. A county desiring to avail itself of the advantages of this work is required to contribute one-half of the funds, the State one-fourth, and the Government one-fourth. In my own State, Missouri, in 1912, this work was taken up by 3 counties, in 1913 by 13 counties, and applications have been received from 25 additional counties—a much larger number than can be accommodated under the appropriation for this work-for 1914. In each of these counties there is a farm adviser, who gives his entire time to the work. He is selected by the Department of Agriculture with great care and only after advising with the officials of the agricultural college of the State. It is a significant fact that of the first seven farm advisers appointed in Missouri counties, all of them were farm boys, brought up on the farm, each of whom having had practical experience upon the farm after graduating from the agricultural college. I am not informed as to those more recently selected. The State leader in my State, Dr. D. H. Doane, is a graduate of the agricultural college, and he spent four years going over the State studying agricultural conditions, consulting with the most enlightened and progressive farmers, before he was appointed to his present position. The men who are appointed to do demonstration work must be practical farmers if their work is to be a success.

The work of farm management and demonstration thus inaugurated by the Department of Agriculture has been eminently successful, but the limited funds available will confine the work to comparatively few counties. Under the provisions of the pending bill a farm adviser or demonstrator will eventually be put into every county. This pending measure provides for a permanent appropriation of \$480,000 each year, or \$10,000 to each State. It further provides for an increased appropriation of \$300,000 each year for a period of 10 years, or until the permanent increased appropriation shall reach the sum of \$3,000,-This increased appropriation shall be distributed among the States in the proportion which the rural population of each State bears to the total rural population of all the States. By this method of distribution it is intended that the larger sums shall go to the States having the larger rural population. Thus it will be seen that the amount received by each State will begin with \$10,000 and will be gradually increased each year for 10 years, when the maximum amount will be reached. Under this distribution, when the system has been put into complete operation-that is, at the end of the 10-year period and annually thereafter-Missouri will receive from the increased appropriation, it is estimated, the sum of \$115,000, provided, of course, that the Legislature of Missouri cooperates in the work and

appropriates a like amount.

Mr. Speaker, I shall not take the time now either to detail the advantages to come from farm-demonstration work or to enumerate the many ways in which the farm adviser can be helpful to the farmers in his county. I desire, however, to briefly touch upon one phase of the work of the farm adviser which I do not think has been mentioned in the discussion of this subject. The farm adviser, as the appointee or agent of the Department of Agriculture, becomes the distributor of valuable information to the farmers and at the same time the collector of important data for that department. I will illustrate

what I mean by two concrete examples:

The marketing of farm products is the most important feature of farm economy, and yet the most neglected. A year ago, when the matter was before the committee for consideration, the present chairman [Mr. Lever] and I drafted the provision which was finally adopted and made a part of the appropriation bill, under which the Office of Markets has been established in the Department of Agriculture. This important line of work has just been started. This year we shall make a substantial increase in the appropriation, but the greatest difficulty which confronts the Office of Markets, we are told, is the lack of responsible agents, from whom to gather statistics and through whom to give out information. If we had a system of farm-demonstration work in full force and effect, the farm adviser would become a valuable medium, and would render efficient service to the Office of Markets in gathering statistics, and at the same time could give aid to the farmers in the marketing of their products by carrying to them the informa-tion sent out to him from the Office of Markets.

Last year we appropriated \$100,000 to demonstrate that the spread of hog cholera could be prevented. A serum has been discovered which the Department of Agriculture claims is an absolute preventive. How to get this information to the people and induce them to take advantage of it is the important problem. A farm adviser in every county would solve this problem, and millions of dollars would be saved annually to the farmers

of the country.

As I said in the opening of my remarks, Mr. Speaker, this measure is sure to become a law. Like other great bills, it will bear the name of its author, the distinguished chairman of the Committee on Agriculture, Hon. A. S. Lever, of South Carolina. Committee on Agriculture, Hon. A. S. LEVER, of South Carolina. It will be known far and wide as the Lever bill. Future generations, as they study the acts of Congress as they relate to agriculture, will discover standing out in bold relief above all others three great statutes, the Morrell Act, establishing State agricultural colleges; the Hatch Act, establishing cooperative ment stations; and the Lever Act, establishing cooperative agriculture-extension work, which is but another name for farm-demonstration work.

Mr. LEVER. Mr. Speaker, I will ask the gentleman from New York to use some of his time.

Mr. FITZGERALD. I supposed, Mr. Speaker, that the gentleman from South Carolina would explain his bill before anybody yielded time in opposition to it.

Mr. LEVER. I had intended to close the debate on this side, and I would like very much to hear the objections of the

gentleman from New York.

Mr. FITZGERALD. Mr. Speaker, it is a remarkable thing that the gentleman should propose a bill, saying that he will explain it at the close of the debate, and then ask gentlemen opposed to the bill to present objections before he even explains

Mr. LEVER. The bill was very thoroughly debated in the last Congress, practically for a week. It is well understood in the country by everybody, unless it is the gentleman from New York, and my friends to whom I am yielding are elaborately ex-plaining the provisions of the bill. But if the gentleman from New York insists, I will explain the bill myself.

Mr. FITZGERALD. I hope the gentleman will do so.

Mr. LEVER. I think it would clarify the atmosphere if I knew what the objections of the gentleman from New York are to the bill.

Mr. FITZGERALD. I would like to know the reasons for proposing the bill, and particularly in regard to one of the amendments.

Mr. MANN. Mr. Speaker, a parliamentary inquiry. The SPEAKER pro tempore. The gentleman will state it.

Mr. MANN. Whose time is this discussion coming out of? The SPEAKER pro tempore. The Chair would like to know that bimself. [Laughter.]

Mr. LEVER. Mr. Speaker, this is a bill to appropriate at the end of 10 years \$3,480,000, three millions of which appropriation is conditioned upon the States appropriating a like amount, for the purpose of enabling the Agricultural Department and the agricultural colleges of the various States to do what is commonly known as field demonstration work in aid of agriculture and home economics.

Mr. BLACKMON. Will the gentleman yield?

Mr. LEVER. I will.
Mr. BLACKMON. Will an amendment be offered that will save the farm demonstration work and the farm extension work now being done?

Mr. LEVER. The amendments I have presented absolutely take care of that situation, and were suggested by the gentle-man from Alabama when the bill was considered last year by the House

Mr. Speaker, we have accumulated in the agricultural colleges and in the Department of Agriculture sufficient agricultural information which, if made available to the farmers of this country and used by them, would work a complete and absolute revolution in the social, economic, and financial condition of our rural population. The great problem we are up against now is to find the machinery by which we can link up the man on the farm with these various sources of information. have expended in the neighborhood of a hundred million dollars in the last half century gathering together valuable agricultural truths. We have been spending 50 years trying to find an efficient agency for spreading this information throughout the country and putting it into the hands of the people for whom it was collected. We have tried the Farmers' Bulletin. We have tried the press. We have tried the lecture and the institute work. All of these agencies have done good. They have been efficient in a measure, but there is not an agricultural student in the country who does not realize that the greatest efficiency is not being had from these agencies. This bill proposes to set up a system of general demonstration teaching throughout the country, and the agent in the field of the department and the college is to be the mouthpiece through which this information will reach the people—the man and woman and the boy and girl on the farm. You can not make the farmer change the methods which have been sufficient to earn a liveli-hood for himself and his family for many years unless you show him, under his own vine and fig tree as it were, that you have a system better than the system which he himself has been following.

The plan proposed in this bill undertakes to do that by personal contact, not by writing to a man and saying that this is a better plan than he has or by standing up and talking to him and telling him it is a better plan, but by going onto his farm, under his own soil and climatic conditions, and demonstrating there that you have a method which surpasses his in results.

[Applause.]
The SPEAKER. The gentleman has consumed four minutes. Mr. LEVER. Mr. Speaker, I will now ask the gentleman from New York to consume some of his time.

Mr. FITZGERALD. Mr. Speaker, I yield five minutes to the gentleman from Illinois [Mr. MADDEN

Mr. MADDEN. Mr. Speaker, this bill in many of its features is meritorious and in some of its features otherwise. principal objection that I have to the bill is the fact that it proposes to distribute the fund appropriated according to the percentage the agriculture population of any State bears to the whole population of the United States. As a matter of fact, the fund furnished by the Government of the United States should be furnished to a State in the proportion that its population bears to the population of all the States. For example, a great agricultural State like Illinois, with a large urban population, would pay very much more than its proportion of the expense of this educational system under the terms of the pending bill. The bill provides for the appointment of a large number of men to be known as demonstrators, and I am wondering whether they are to be placed in the classified service or whether their appointment is to be made under the spoils system, whether is se places are to be used for politics, or whether they are to be attached to an educational institution, in fact, and are to be educators. The best way to raise farm products is to till the soil. You can not raise a crop of corn unless you cultivate the soil. You can read all of the pamphlets that may be published from now to the end of time, but unless you cultivate the soil you will have no crops, and the farmer does not work on an eight-hour basis. He goes to work at 4 o'clock in the morning and usually quits at about 8 o'clock at night, if he is a successful farmer, and when he comes in at 8 o'clock at night after having worked from 4 o'clock in the morning, as a rule he is tired enough to want to go to sleep.

The gentleman behind me asks if that is under the old ethod. Yes; and it will be under the new method. You can not work a farm without tilling the soil. You can not produce crops without working the land. The States themselves ought to do the work of demonstration. It is a State function, and, as a matter of fact, States like that which I in part represent do this work. They have men employed educating the farmers as to how they can raise the best crops. That work is important, of course; but we should not forget that the distribution should be on an equitable basis, and it can not be unless the whole population of a State is to be the basis of participation in the fund, not merely the rural population. Under this bill Illinois would get \$131,000 per annum, but its people will pay \$400,000 into the fund from which that \$131,000 is taken. I say, they could better afford to do their own work of demonstration.

Mr. CALLAWAY. Will the gentleman yield?

Mr. MADDEN. Oh, surely.
Mr. CALLAWAY. Is it not about as reasonable to distribute this in proportion to population as to distribute the money that is appropriated for cleaning out harbors in proportion to popu-

Mr. MADDEN. It would be easy to distribute this accord-

ing to population; very easy.

Mr. CALLAWAY. What would the population in the city of

Chicago care about the money to demonstrate farms?

Mr. MADDEN. The population of the city of Chicago is interested in successful farming. It is interested in reducing the cost of living. There the product of the farm is bought, and if they are not interested who is?

Mr. CALLAWAY. The gentleman would not want farm demonstrators in New York City or in Chicago; you want the farm demonstrators scattered in proportion to the farming

Mr. MADDEN. I thought the gentleman wanted to ask a question.

Mr. CALLAWAY. I am asking a question.

Mr. MADDEN. The people of the city of Chicago and the people of the city of New York and every other city in the Union are called upon to pay their proportion of these taxes, and the States with the largest urban population pay the greatest proportion of the taxes, and they are being unfairly treated in the distribution of the funds. And, besides that, I am not always sure that it is safe, sane, or wise to make permanent appropriations, fix a permanent charge on the Government, about which future Congresses know nothing or very little. This bill ought to be taken up under the rules of the House that would admit of amendment. Under suspension of the rules no opportunity is afforded a Member of the House to offer an amendment.

Mr. LEVER. Will the gentleman yield?

Mr. MADDEN. Yes,
The SPEAKER. The time of the gentleman from Illinois has

Mr. LEVER. Mr. Speaker, I yield two minutes to the gentle-

man from Illinois [Mr. Mann].

Mr. MANN. Mr. Speaker, in a very short time spring will have come again and the farmers throughout the country will be engaged in sowing seed in the black, cold ground, from which will come a bountiful harvest. That is what we are engaged in doing now. The passage of this bill is sowing the seed, and a bountiful harvest will come when the value of this gets down to the farmer. We have a great country, greater in no re-spect than it is in its agricultural possibilities and its agricultural workers; and having this great country, we can afford out of the Public Treasury to expend large sums of money for the purpose of aiding men to get closer to the ground and the products of the soil. We can afford it. I for one supported the bill once before. I support it now believing that we ought to do these things for the farmer now. Eventually we will do more or less in the way of education for other citizens of the country, industrially and otherwise, and I swallow the bill, bait, hook, line, sinker, pole, and the gentleman behind [Applause.]

Mr. FITZGERALD. Mr. Speaker, I yield five minutes to the gentleman from Pennsylvania [Mr. Moore].

Mr. MOORE. Mr. Speaker, no one who has been in this House for any length of time could have failed to note the admiration in which the gentleman from Illinois, who has just spoken, holds the distinguished chairman of the Committee on Agriculture, the father of this bill, and I think very worthily so, because the tributes paid to him as a friend of the farmer are properly bestowed. He is the farmer's friend, is the gentleman from South Carolina [Mr. Lever]. [Applause.] are some features of this bill to which a man from the larger,

the more thickly populated sections of the country, ought to draw attention. We support the farmer in the large cities. The product of the soil which we want him to cultivate, and which we encourage him to cultivate, is taken by the man who pays him for his toil and effort. That man must receive a wage. When that man does not receive a wage, he can not profitably buy the output of the farmer. Now, what has been done by the Congress, by this or by any other administration, to educate the man who depends upon the wage upon which the farmer, in the last analysis, must depend? We are asked to appropriate \$3,000,000, and some of the States are induced to make a like appropriation, for the purpose of educating one class of our citizens. It is not a direct system of practical education; it is as much to educate instructors of practical men upon the farm as it is to educate the practical man himself.

If I had my way and such an amendment would carry, I would provide in this bill that one boy, at least, should be taken out of every congressional district, whether it be in the city or whether it be in the country, and sent to one of these colleges, thus to become the beneficiary of the bounty of the Government for a practical education as a farmer. the boy in the city to get a farm education. He will not get it through the medium of this bill, because it distinctly bars from its benefits all those who are resident in communities of 2,500 or more. The gentleman from Illinois [Mr. MADDEN] very properly raised the question of the classification of appropriations. We are to appropriate to those particular sections of the country that are rural. Those that are urban, where there is a population of more than 2,500, are to be excluded from the advantages of this bill, and there is, of course, in consequence, to be an unequal appropriation of the general funds for the benefit of some of the people of the country to be paid for by all of the people of the country. In other words, there is unquestionably, commendable though it may be, a special privilege to some of the people of the land. Take the State of Rhode Island and the utmost it can receive under this bill is \$1,200, a paltry sum, and yet if you refer to page 12 of the report and compare the population of Rhode Island with that of some of the so-called rural States you will observe that vast appropriations go there, made up from the taxes of all the people, whether they come from Rhode Island, a revenue producing State, or whether they come from Arizona. In that respect the bill is unfair. We want to train the boys in the city, in order that they may go upon the farms and in order that they may attain to other useful occupations. What are we doing to train the boys who are to go on the ships? What are we doing to train the boys who are to go in the mines? Is there any Federal provision joining with any State provision to pay for the education of the miner boy? Is there any appropriation to pay for his education as a seafaring man? Is there any appropriation to pay for his education as a fisherman? Is there any appropriation to encourage him to learn any one of the industrial trades? Wherein have we made provision for these? I am glad some provision is to be made again for the farmer in this instance—not for the farmer's boy, as I would like, but for the farmer—through trained educators, to be paid for at the expense of the Federal Government, and I do not expect to vote against the bill, but I want some provision ultimately for the boy in the city.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. LEVER. Mr. Speaker, I yield two minutes to the gentle-

man from Iowa [Mr. HAUGEN].

Mr. HAUGEN. Mr. Speaker, in the 2 minutes allotted to me out of the 20 minutes' time given to this side to discuss the bill it would be futile to undertake to discuss the bill in detail. Besides, that does not seem necessary at this time. As stated by the chairman of the committee, a similar bill passed this House in a previous Congress without a dissenting vote. bill has been given careful consideration by the Committee on Agriculture. It comes from that committee backed up with a unanimous report. It has the approval of the Department of Agriculture, of the President of the United States, and of the representatives of agricultural colleges and experimental stations throughout the country. This I believe is sufficient to show that the bill has not only been given due consideration but also that its merit is generally recognized. So in the few minutes I have I will not undertake to discuss the bill in detail except to say that the proposed legislation furnishes an outlet for knowledge that has been bottled up over in the Department of Agriculture. We have there a corps of scientists which I believe the most able in the world. It is proper that the farmers of this country should have the benefit of the scientific investigations and research work of these very excellent men. .

Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. The gentleman from Iowa [Mr. HAUGEN] asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. HAUGEN. Mr. Speaker, I yield back the balance of my

The SPEAKER. The gentleman occupied all of his time. Mr. HAUGEN. In availing myself of leave to extend my remarks, I wish to add that the proposed bill provides:

Mr. HAUGEN. In availing myself of leave to extend my remarks, I wish to add that the proposed bill provides:

**Be it enacted, etc., That in order to aid in diffusing among the people of the United States useful and practical information on subjects relating to agriculture and home economics, and to encourage the application of the same, there may be inaugurated in connection with the college or colleges in each State now receiving, or which may hereafter receive, the benefits of the act of Congress approved July 2, 1862, entitled, etc. * * agricultural extension work which shall be carried on in cooperation with the United States Department of Agriculture. * * * SEC. 2. That cooperative agricultural extension work shall consist of the giving of instruction and practical demonstrations in agriculture and home economics to persons not attending or resident in said colleges in the several communities, and imparting to such persons information on sald subjects through field demonstrations, publications, and otherwise; and this work shall be carried on in such manner as may be mutually agreed upon by the Secretary of Agriculture and the State agricultural colleges or colleges receiving the benefits of this act.

SEC. 3. That for the purpose of paying the expenses of said cooperative agricultural extension work and the necessary printing and distributing of information in connection with the same, there is permanently appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$480,000 for each year, \$10,000 of which shall be paid annually, in the manner herinafter provided, to each State which shall by action of its legislature assent to the provisions of this act. * * * Provided, That there is also appropriated an additional sum of \$300,000 for the fiscal year following that in which the foregoing appropriation first becomes available, and for each year thereafter for nine year's a sum exceeding by \$300,000 for the propriated for each preceding year, and for each year the sum of \$3,00

It will be seen that the object of the bill is to establish agriculture-extension departments in connection with the agricultural colleges in the several States to aid in diffusing among the people of the United States useful and practical information on subjects relating to agriculture and home economics, and to encourage the application of the same by appropriating, to begin with, \$10,000 annually for and to be paid to each State, and increasing the appropriation \$300,000 each year up to the amount of \$3,480,000, and that amount to be permanently appropriated each year thereafter and paid in the proportion which the rural population of each State bears to the total rural population of all the States. Congress has up to this time appropriated, as set out in the report for State colleges and experiment stations, about \$70,000,000. The appropriation bill for the Department of Agriculture, including permanent annual appropriation for the coming year, will probably exceed \$24,000,000. The several States annually appropriate upward of .\$400,000,000 for public schools. The major portion of that amount is to prepare men and women for the profession, while only 8 out of every 100 of our people belong to the professions and the balance—92—to the industrial, commercial, agricultural, and idle classes. In view of that fact it seems wise and proper for Congress to appropriate the amount proposed in this bill to fit young men and women to work efficiently and to dignify the laudable occupation of farming, to give them a practical training, and, I might add, in developing a skill and efficiency not only on the farm but in the different trades and occupations.

In my opinion, the people in the industrial and commercial pursuits are entitled to consideration in this connection, and if I had my way about it I would amend the bill so as to make additional appropriation for secondary schools, high schools, normal schools, and State colleges; thus also giving those schools the benefit of a Federal appropriation for vocational education and training for those in the trades and industrial and commercial pursuits. But such an amendment is not in order under the suspension of the rules, and inasmuch as the bill does not provide for it, or can be so amended, that is no reason why this bill should be turned down. In my opinion, if this is all that can be had we had better take

what we can get and trust to the future for additional appropristion.

Statistics show that our farms yield less per acre than those in European countries. Many contend that our small yield is due to a lack of practical and scientific farming. Be that as it may, one thing is certain, that it is necessary for the farmer to have knowledge of the plant which he plants and the soil which he tills and how to bring about such conditions of the soil as will make it more fertile and productive. If so, and if the Department of Agriculture possesses the required knowledge, and can be of greater service to the farmer in increasing yield and in making farming more profitable-if not more profitable to make it more productive-and thus reduce the cost of production and thereby reduce the cost of living, by carrying this information and knowledge directly to him, it seems to me it ought to be done. It will benefit not only the farmer but the consumer as well.

All are agreed that with prosperity on the farm we have prosperity in the city, in the shops, and the mills, and with close times on the farms we have close times in the cities, crumbling banks and factories. All our interests are in com-mon. We go up and down together. Why not take this important step? Why not also provide for education in home economics? Why not provide, as is provided in this bill, for education in home education in home economics—not simply in cooking, but in every science conducive to making home better and more attractive? If it is wise to appropriate millions of dollars annually for the study of the soil, the life of the plant, the diseases of animals, is it not of even more importance to the mothers and the housewives to know what food to give to the child and members of the family; to know the nutritive value of different foods; to know that a certain kind of food builds up the tissues of the body that others destroy; others supply heat for the body; others energy and strength; to know just how it should be fed in producing the right physical condition, good health, and longevity? Knowledge of these things is certainly of vital importance to the good health, happiness, prosperity, and the longevity of our people. And it seems to me that the teaching of domestic science and the practical application of the same in

the home are of great importance.

I repeat what I have said before. We have accumulated facts and bottled up in the Department of Agriculture millions of dollars' worth of valuable knowledge. Our scientists over there, generally conceded to be the greatest in the world, are full of it. They have been endeavoring to disseminate knowledge on agricultural home economics through the mails by advertising and sending out bulletins, and much has been accomplished, but as a general thing the people do not apply things simply by reading or hearing about them. Now, let us send practical men, with expert knowledge, into the field to demonstrate what can be done when labor is practically, scientifically, and intelligently applied, as has been done in the cotton-boll weevil district and in the acre corn contest carried on all over this country. I believe that the department is and has been doing good work. All are proud of its achievements; yet while I fully appreciate that it has done splendid work, and I concur in practically all that has been said and is claimed for it, I do not share in the contention that the department or scientists are entitled to all the credit for what has been accomplished or that we must look to them alone for our future prosperity and happiness. Due credit must also be given those who have largely made the country what it is—those who have built our villages, homes, roads, farms, and charitable institutions; those who have constructed our vast system of public schools, many of them in poverty, in sickness, privation, and sorrow, others in health, wealth, joy, and prosperity, sympathizing with each other's woes, sharing each other's joys, step by step advancing along lines of accumulated wealth, culture, and refinement, until to-day we boast of the fact that we rank among the most successful and intelligent people upon the Their onward march to true greatness has placed them in the foremost ranks of modern civilization and refinement. These towns, these villages, these temples of religion and industrial institutions, the morality and industry of our people, all accomplished in this government of the people, by the people, and for the people, are not the achievements of an ignorant or indolent people. To the contrary, they bear upon them the most enlightened views and policies, executed with the greatest To the contrary, they bear upon them the prudence, firmness, and wisdom; they are the trophies of freedom and the grandest monument of national glory.

Several reasons for passing this bill at this time has been suggested. One is on account of the recent tariff legislation. That it unjustly discriminates against the farmer in placing practically everything which he produces and has to sell on the free list and leaving a high tariff on the things which he has

to buy, thus compelling him to sell his product in competition with products from cheap labor and cheap and productive lands of the world and to buy most of the things which he has to buy at home, or if he buys abroad, he must pay a high duty. As for instance when he offers his corn, wheat, cattle, beef, or wool, he must compete with the world, and when he goes outside of his own country to buy clothing for his family, woolen or cotton, he is compelled to pay a high duty. The contention is that under such conditions the farmer can not hope to succeed; that under such conditions the farmer can not hope to succeed; that under this unjust discriminating tariff legislation, its enactment made possible only through the Democratic vicious caucus system, he can not continue to pay higher wages and produce less per acre than other nations; therefore not only the yield must be increased, but the cost of production must be decreased, so that the Iowa farmer paying \$125 to \$300 per acre for land and from \$30 to \$50 per month for labor can not continue. land and from \$30 to \$50 per month for labor can not grow corn, raise and feed cattle, and sell in competition with cattle or beef raised by cheap labor on cheap land under more favorable conditions in other countries. He can not grow sugar beets and sell in competition with other countries with cheap labor growing sugar cane.

Now, I have no desire to sound a chord of alarm or discuss the tariff question, but I take it that a statement of facts is proper at any time, and that the statement relating to the subject may properly be inserted in the RECORD; and for the information of those who may care to know as to what effect the recent tariff legislation has had on the sugar-beet industry in northern Iowa, I insert in extension to my remarks a copy of a petition signed by thousands of people affected by the Underwood bill:

To the Ways and Means Committee, House of Representatives, Washington, D. C.:

We, the undersigned petitioners, are residents of the State of Iowa, and are interested in the growing of sugar beets. We have observed the development of this industry in this section and we believe in its encouragement. We have noted decided increase in the crops succeeding sugar beets, and we believe that the introduction into the rotation in this State of this crop is of material benefit to the farmer. We find the growers are also generally satisfied with the results of beet growing measured by the immediate profits.

We would therefore respectfully petition that no legislation that will injuriously affect this industry, or that will prevent its further development in this State, will receive the support of our National Congress.

Also extract from my remarks of May 2, 1913:

Also extract from my remarks of May 2, 1913:

Considering the intelligence, eloquence, and integrity of the excellent gentlemen in power; considering all that you have said and promised to the good people, both in legislation and jobs, the power of the big stick, and your hunger for pie; considering the pressure brought to bear, the contributions made to the Democratic national committee, the support given your party in campaigns by your devoted and inseparable friends, representatives of the Sugar Trust; and knowing that you are pledged to free trade, commonly called "tariff for revenue only"; that you are now in full control of the executive and legislative branches of this Government, it is, of course, fair to assume that you will exercise your power and honestly redeem your party platform pledges. Yet, considering it all, with the evidence and facts before you, I was in hopes that you might at least save this one great and promising industry, one that not only concerns the farmers and consumers, but all the people of the United States.

It occurred to me that the fact that Uncle Sam has been paying annually about a hundred million dollars for sugar produced in other countries, an amount about equal in value to the total output of all our gold and sliver mines, and the fact that sugar can, by a proper protection, cultivation, and encouragement, be produced at home with benefit to the farmer, thereby giving profitable employment to capital and hundreds of thousands of people, and will ultimately, if not immediately, furnish our 92,000,000 consumers sugar cheaper than now, and certainly cheaper than if that great industry is wiped off from the map, thereby giving the Sugar Trust a monopoly on sugar, and thus placing the consumers at the mercy of the Sugar Trust, whose representatives urgent request has been so generously heeded in this respect. As to proof as to that, I refer you to the testimony given before your own select and excellent committee, the Hardwick special committee on the investigation of the Am

CHAPTER I.

Shows that the refiners of foreign raw sugar are a unit in desiring the duty on foreign raw sugar reduced or removed.

CHAPTER II.

Shows that the refiners are striving to have the duty reduced on for-eign raw sugar in order that they may destroy the increasing competi-tion of the home sugar industry, which already forces them to lower prices while the home product is on the market.

CHAPTER III.

Shows that the alleged "committee of wholesale grocers" is Spreckels, the New York sugar refiner, who uses the grocers as a cloak to conceal his identity. CHAPTER IV.

Shows that when in September, 1911, the sugar refiners marked the price of imported sugar up to 7½ cents per pound domestic sugar was not on the market.

Shows that when domestic sugar came onto the market, in October, it was that and that alone which brought the refiners' price down to 6.11 cents in November and 5.63 cents in December.

CHAPTER VI.

Shows that the most effective manner in which to lower the price of sugar permanently is to increase the home production.

"Mr. WILLETT. Yes; an enormous influence. If it were not for the domestic sugar industry, sugars in this country would be to-day very considerably higher. I can not say how much higher, because I can not tell what influence they have had upon the European market, but the refiners would be compelled to purchase a quantity of sugar in foreign ports equal to the production of beet sugar coming into the market from this country. I would not be surprised if it would not be a cent a pound more but for the beet and cane sugar produced in this country." (Part 38, pp. 3153-3154 of hearings.)

"The CHAIRMAN. My idea in having this matter repeated, if it is repetition, was to understand Mr. Willett—who is probably the greatest living American authority on sugar prices"—

"Dr. WILEY. Yes; * * I have been encouraging it. I believe it to be one of the best things for the agriculture of this country that could possibly exist, because if one raises beets he must use scientific methods. Every beet-sugar field is practically an experimental station which teaches every farmer in the neighborhood. I am in favor of protecting the sugar crop in Louisiana and all along the coast. I am not making a plea for taking the tariff off of sugar at all."

"Dr. Willey. I look at this matter as I do everything else in which the farmers are interested; I want the farmers to have a fair chance in the markets, governed by supply and demand as to rise and fall, and not have everything they grow and everything they buy manipulated as to price by somebody that has nobody's interests at heart but their own. I can not sell a steer to-day, or a bushel of wheat, or a bushel of corn at a price governed by supply and demand, nor can you. The price of a steer, or of a bushel of wheat, or of a bushel of corn is set by gamblers in Chicago and elsewhere." (Part 42, p. 3447, of hearings.)

It would seem that under ordinary circumstances the testimony of these experts selected by your own committee would receive consideration and be heeded in preparing this all-important bill. Evidently the farmers and consumers, in whom you profess to have so much interest, were lost sight of and the persuasive and all-powerful eloquence of the Sugar Trust in its ceaseless efforts and unrelenting plea for free sugar won the day. Here you are—page 3 of the brief:

CLAUS A. SPRECKELS, PRESIDENT FEDERAL SUGAR REFINING CO.

"Mr. Hinds. In other words, perhaps, you would take it [the tariff] all off, would you not, and have free trade?

"Mr. Spreckels. I would have free trade." (Part 27, p. 2277, of hearings.)

"Mr. Hinds. You would have free trade in sugar?

"Mr. Spreckels. Absolutely." (Part 27, p. 2278, of hearings.)

CHARLES R. HEIKE, SECRETARY AMERICAN SUGAR REFINING CO. FROM 1887

TO 1910.

"Mr. Fordney. Now, if the duty were removed absolutely on sugar, could we produce either cane or beets in this country?

"Mr. Heike. I doubt it very much.

"Mr. Fordney. Then that would destroy the industry absolutely in this country?

"Mr. Heike. Yes.

"Mr. Fordney. And you would approve of that?

"Mr. Heike. Yes." (Part 4, p. 292, of hearings.)

WILLIAM G. GILMORE, PARTNER ARBUCKLE EROS., SUGAR REFINERS.

"Mr. Maddson. In other words you think the thing to do is to take

"Mr. MADISON. In other words, you think the thing to do is to take off the duty, and that it would be to your advantage to take it off as a refiner of cane sugar?

"Mr. GILMORE. Yes, sir.

"Mr. MADISON. And you would advocate the taking off of the duty?

"Mr. GILMORE. I would personally. I am only speaking now personally." (Part 14, p. 1169, of hearings.)

JAMES H. POST, PRESIDENT NATIONAL SUGAR REFINING CO.

"Mr. Post. If Congress did not need the revenue from sugar. That is a different proposition. But they have to have it from something, and sugar seems to be the thing that has paid a part of it for a great many years. As far as I personally am concerned, I would like to see free sugar. As we look at the country at large, however, I think it would be a very unfair proposition." (Part 6, p. 527, of hearings.)

CLAUS A. SPRECKELS, PRESIDENT FEDERAL SUGAR REFINING CO.

"Mr. Hinds. Mr. Spreckles, you have been carrying on a campaign to reduce the tariff as beneficial to the cane-sugar refiners?

"Mr. Spreckels. I have.

"Mr. Hinds. Of course that will be damaging to the beet-sugar refiners?

finers? "Mr. SPRECKELS. To some extent it will." (Part 27, p. 2275, of hear-

"Mr. Hinds. In other words, perhaps you would take it [the tariff] all off, would you not, and have free trade?

"Mr. Spreckels. I would have free trade." (Part 27, p. 2277, of

hearings.)
"Mr. Hinds. You would have free trade in sugar?
"Mr. Spreckels. Absolutely." (Part 27, p. 2278, of hearings.)

According to printed testimony the Sugar Trust has gone to the trouble and expense of thousands of dollars in distributing literature under the assumed name of "Committee of wholesale grocers." I refer you to pages 9 and 10 of the brief.

"Mr. FORDNEY. Mr. Lowry, I notice by a paper here that you are secretary, and the paper says secretary and treasurer, of the grocerymen's committee.
"Mr. Lowry. That is correct."

"Mr. FORDNEY. Who was instrumental, Mr. Lowry, in organizing that committee?

"Mr. LOWRY, I was "

"Mr. FORDNEY You alone, then, organized the committee, did you? "Mr. Lowax. 1 did."

"Mr. Foedder. How much money has been spent in distributing literature by that committee?

"Mr. Lowry. Somewhere in the neighborhood of \$12,000.

"Mr. Fordder. Who paid that money?

"Mr. Lowry. " " the only one that subscribed was the Federal Sugar Refining Co.

"Mr. Fordder. So that the Federal Sugar Refining Co. have paid in this \$12,000 for the distribution of the literature?

"Mr. Lowry. Yes.

"Mr. Fordder. And no other concern has paid in any sums of money?

"Mr. Lowry. No other concerns; no." (Part 19, pp. 1607-1608, of hearings.)

"Mr. Honder. And no other concern has paid in any sums of money? Mr. Lower. No other concerns; no." (Part 19, pp. 1607–1608, of hearings.)

"Mr. Hinds. Now, Mr. Spreckels, it was testified in Washington that the movement for lowering the tariff on sugar, the movement which is going on now and in which you were interested, that your company had expended \$12.000 for literature, etc.

"Mr. Spreckels, Possibir. I do not know what the amount is. I dare say we have." (Part 27, p. 2276, of hearings.)

Nearly every day communications are received from Mr. Lowry. Here is one. Builetin No. 34:

(Committee of wholesale grocers formed to assist in obtaining cheaper sugar for consumers through reduction of duties on raw and refined sugars, 138 Front Street, New York, N. Y.

As above stated, many are honest in their contention for free sugar, in my opinion, to put sugar on the free list, as the Underwood bill proposes to do May 1, 1016, will not only do harm, but will do exactly what the experts and representatives of the Sugar Trust, who testified before the committee, said that it will do—that is, it will destroy the sugar-beet industry in this co.ntry, and as a result, of course, additional millions will go to foreign countries to pay for sugar imported. Prices of American farms will go down, thousands of wage earners and producers of sugar beets will have to seek other employment, and I am arraid the price of sugar to the consumer will go up; but that is neither here nor there. The question of protection to American industries and inbor has passed that stage, and argument along that line is simply a waste of time, as you have declared that it is not to be considered. Your party pledges are out; you promised free trade under the guise of "tariff for revenue only." You excuse your action on the ground that the people have spoken. The cure has been prescribed; the remaining the first products, on the free list. You promised free trade to the farmer; you have given it in spots. You put his products on the free list, especial

Also a statement by Earl C. Moore, general manager of the Iowa Sugar Co. :

[From the Mason City (Iowa) Daily Times, Jan. 16, 1914.]

SUGAR-BEET MILL STOPPED BY FREE TRADE—DEMOCRATIC MEASURE CLOSES WORK OF BEET GROWING IN NORTHERN IOWA—FIRST EFFORTS OF THE WILSON ADMINISTRATION—EARL C. MOORE, GENERAL MANAGER OF THE WAVERLY FACTORY, ANNOUNCES THAT MILL WHICH HAS FURNISHED LABOR WITH EMPLOYMENT AND MARKET FOR THE AGRICULTURAL PRODUCTS WILL SHUT DOWN—CAN NOT OPERATE.

The Waverly sugar beet factory, that has proved such a great industrial proposition for the farmers of northern lowa, paying out thousands of dollars for the product and arranging for further extension, will close down because the Democratic free-trade bill has put the business on the bum.

The Clear Lake and Osage mills, which had been arranged for, will be abandoned.

Charles F. Crane, of Clear Lake, who has been at the head of the proposed Clear Lake mill, is in receipt of the following letter from Earl C. Moore, general manager of the Iowa Sugar Co., which tells its own story:

To the beet grovers of the Iowa Sugar Co.:

It is with regret that I inform you that the directors of the Iowa

To the best growers of the Iowa Sugar Co.:

It is with regret that I inform you that the directors of the Iowa Co. have decided to suspend operations of the factory at Waverly.

This action is due to the unfavorable conditions of the sugar market and the prospect of further decline in sugar prices.

We have been obliged to sell sugar from 65 to 70 cents a hundred pounds less than the price a year ago, and there are prospects of further reduction.

You understand that in the sugar-beet business we are compelled to anticipate the markets one year in advance. We have to buy our best beet seed from foreign countries, we have to contract with the growers, and make arrangements for labor nearly one year ahead of the time we have the sugar to sell, and with present prospects it is simply a straight business proposition with us that we are obliged to close down.

This is a sovere blow to the beet growers who have furnished us with beets, to the men we have furnished with employment, to the citizens of Waverly, and indirectly to the whole State of Iowa.

Many of you have grown beets for us from the very beginning, and you have known the many obstacles and the false ideas we have had to overcome. Much was said to discourage this industry, but its real worth has gradually become known. It took time for the growers to find out the benefits of beet growing; and all this time we waited patiently, because we knew that in the end the farmer would want to grow beets. For the campaign of 1913 we had to turn down thousands of acres of beets that were offered to be grown for us because we could not handle them.

Iowa was so well thought of as a beet-sugar State that in 1911 and

not handle them.

Iowa was so well thought of as a beet-sugar State that in 1911 and 1912 a party of men with sufficient capital had decided to build a factory at Osage. Plans for the building and articles of incorporation were drawn, when the tariff agitation was started and the deal fell

tory at Osage. Plans for the building and articles of incorporation were drawn, when the tariff agitation was started and the deal fell through.

The business men of Clear Lake also started a factory movement, and they had sufficient acreage written for 1914 to justify a factory, but the attitude taken on the tariff has killed the prospects, as no one would invest a dollar in a beet-sugar factory under present conditions. Raw sugar can be laid down in New York to-day at from \$1.85 to \$2 per hundred pounds, without any duty. The refiners can manufacture and put into the barrel and sell it at a profit at 80 cents per hundred pounds, which would make the net price on sugar about \$2.80 per hundred. You will see from this condition what we will have to meet when the free-sugar bill goes into force, and we would show very poor business judgment to try to operate the plant at Waverly under these conditions.

We have employed from 35 men the whole year to 250 men during the running of the factory. The farmers who grew beets for us employed about 700 men in the beet fields during the growing season.

The amount of money we have paid out for salaries and labor during our operations in Iowa would pay 125 men \$75 a month each for six years of steady work.

The money paid to the families who work for the farmers growing the beets would pay 132 families \$500 a year each for six years.

We have paid the railroad companies for freight on coal, coke, lime rock, and beets and sugar, \$312,465.

Our coke and coal bills have amounted to \$4,000.

We have paid for barrels, bags, and chemicals \$57,000.

Our miscellaneous supplies and expenses have amounted to \$50,000. I am giving you these figures so as to give you some idea of the amount of business which has been done.

There is no need for me to tell you how badly the agricultural condition of this great State of Iowa needs the sugar-beet industry, as you are all familiar with this condition.

The men who have been connected with this sugar company and who have put in several years

Yours, truly,

IOWA SUGAR CO., EARL C. MOORE, General Manager.

Also a clipping from the Howard County Times of January 20. 1914 :

TARIFF DISCRIMINATIONS.

The Pacific Daily Review thinks it sees accumulating evidence that the new tariff grossly discriminates against the American agriculturist, and particularly the western dairy farmer. It calls attention to the fact that if an American dairyman wants to ship butter to British Columbia, as we used to do a few years ago, they will find their product confronted by a 4-cent Canadian import duty, while on cheese it is 3 cents per pound. Germany would tax your butter at 3½ cents and Anstria 4½ to 5½ cents. Those enterprising Siberians who are trying to sell us their butter are a part of Russia, which country has an import duty of 12 cents on butter. Spain imposes 7 cents, Brazin import duty of 12 cents and Japan 7½ cents.

The criticism made by the Review seems to bear out the contention of Senator Cummins that the new tariff law clearly discriminates against the western farmer, and for that reason he voted against the measure.

Another from the Decorah Republican:

RIVAL TO IOWA COW-FINE BUTTER IS SHIPPED INTO THE STATE FROM AUSTRALIA AND NEW ZEALAND.

AUSTRALIA AND NEW ZEALAND.

Iowa butter must all be of the best quality. Competition from New Zealand and Australia has appeared. Butter churned 12,000 miles away is on the market in Iowa.

W. B. Barney, dairy commissioner, has in his office samples of this foreign butter, purchased in the open market in Iowa. It was sold for 25 cents a pound. It proves to be butter that will score about 85. Government experts in Chicago scored it a little higher. It is not adulterated, but is not of the quality of best lowa creamery butter.

It is learned that within the past few months a million pounds of this butter from the other side of the world has been received on the Pacific coast and from there distributed to the markets of America. A large quantity went to Chicago. Some of this was shipped back to Cedar Rapids and there sold to bakeries and restaurants at 25 cents a pound. It was from this source that a sample was received and sent to the State dairy commissioner.

Mr. Moore's statement and that clipping tell the story. comment is necessary. The very thing pointed out and pre-dicted when the tariff bill was up for consideration as to the sugar-beet industry has happened in northern Iowa. I take it that conditions elsewhere are the same, and that this great industry, so essential to the farmer and consumer, doomed to destruction by the framers of the present tariff law, has been destroyed; if not, it is sure to fall in 1916, when sugar goes on the free list and when the Sugar Trust will have full control and will be in position to make prices in accordance with its greed. Evidently this is not the only obstacle which is likely to be encountered. Take, for instance, the cattle industry. According to a statement made by Dr. Melvin, Chief of the Bureau of Animal Industry, who was sent to South America to study conditions there, reports show more than 30,000,000 cattle in Argentina, the annual increase being about 25 per cent, or seven and one-half millions; the increase being about 2,000,000 in excess of the number of cattle slaughtered in our 996 packing houses; 16,000 carcasses imported in a single day.

We read in the press of millions of eggs coming from China and Canada. I take it that the large importations are likely to greatly affect the farmer. But be that as it may, as before stated, I have no desire to now discuss the tariff; far be it from that. The tariff bill is passed and gone. Its friends, the Democrats, are responsible. Time will tell. The test of the pudding is in the eating of it.

Now, having pointed out a few of the unfortunate things that have happened to the farmer, to show the necessity of the proposed legislation under existing conditions, I dismiss the subject and close by saying, whether the bill is brought in and rushed through for the purpose of Democrats to square themselves with the farmer, whom they have wronged and discriminated against, or to meet a pressing need, whether the numerous reports of disastrous results from the present tariff law has anything to do with it or not, one thing is certain, and that is that the yield on our farms is not as large as in many other countries, and that something should be done to increase the yield; and if by appropriating the amount stated in the bill and authorizing the department to send men into the field to give instruction and demonstrations in agriculture and home economies will enable the farmer to rehabilitate his soil, make it more productive, increase the yield, reduce cost of production, as is believed it will do, at least in a degree, then by all means the bill should pass

Mr. LEVER. Mr. Speaker, I yield to the gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Mr. Speaker, no Member of this House is more greatly interested in the enactment of legislation that will advance and promote the interests of the American farmer than myself. No one realizes more than I do that the general prosperity of the country depends almost entirely on the success of those who till the soil. Believing this, I have taken advantage of every opportunity during the eight years I have been a Member of this body to use both my voice and vote in support of legislation that, in my judgment, would advance their interests and make life on the farm more pleasant and the profession more profitable.

Mr. Speaker, about two years ago in discussing a bill similar to the one now before the House I stated that I was here representing a large agricultural district whose farmers are intelligent, industrious, progressive, and successful. We know out in Indiana that their success means the success of the merchant, the manufacturer, the banker, the lawyer, the doctor, the laborer, and the mechanic. While I am not a farmer myself, all the business I have depends upon the farmer, and if his business is not profitable my business is likewise unprofitable. The fact is, agriculture is the foundation of all prosperity. It has built up and maintained our great manufacturing industries. It has made possible our beautiful and opulent cities, bound together with bands of steel. It has furnished the wealth that has opened up and beautified, no matter how obscure, every hole and corner of this vast universe. You may burn down and destroy our splendid cities, and the wealth of the farm will rebuild them more beautiful than before; but destroy our farms, and our cities will decay and our people will starve.

Appreciating these facts as I do I have advocated measures that, in my judgment, would tend to make better the condition of the men who live upon the farm and by whose toil the entire population is fed, and upon whose welfare and prosperity the country depends. I have been pleased to watch the growth of the Agricultural Department here in Washington. No department of this Government has done so much of genuine benefit to the country as a whole as has this department. While I have voted for and favored the strictest economy in the administration of governmental affairs, I have never yet and never will vote to lower the appropriation for agricultural purposes. Each year since I became a Member I have helped to increase the appropriation for the use of the Department of Agriculture in order that its efficiency may be improved and its power for good increased.

Mr. Speaker, I stand to-day where I stood two years ago, so far as legislation affecting the interests of the American farmer is concerned. On the 12th day of December, 1913, I introduced H. R. 10393, known as the Adair agricultural-extension diproviding for the establishment of agricultural extension departments in connection with agricultural colleges in the several States. The bill now under consideration contains all the provisions of my bill. The work to be done is exactly the same,

but the method of doing it differs in a slight degree. No one will question the necessity for some legislation that will offer encouragement to rural communities. For many years there has been a constant drift of rural population to the towns and cities. In 1880, 70 per cent of the population was rural, while in 1910 only 53 per cent of our people lived upon our farms. With our population increasing at the rate of 2,000,000 a year and 1,500,000 of these being foreign immigrants, who will not go upon the farm, but remain in our cities and must be fed, the question of stopping this movement away from the farm becomes an important one. Many farms have already been deserted throughout the country, and the only way to change this condition is to make farm life as attractive and as profitable as city life, and this can be done only through a systematic effort to redirect rural methods and ideals.

Mr. Speaker, it is stated in the very able and illuminating report prepared by the chairman of the committee, Mr. Lever, that the bill under consideration provides for the inauguration of cooperative agricultural extension work through "field demonstrations, publications, and otherwise," to be carried on in accordance with plans mutually agreed upon by the Secretary of Agriculture and the land-grant colleges receiving the benefits of the first Morrill Act.

In practical effect it undertakes to provide such machinery as will bring to the attention of the farmer, the farmer's wife and children, in the most striking manner, such demonstrated truths and practices of successful agriculture which, lived up to, make rural living desirable and profitable as an occupation. It provides the connecting link between the sources of information in matters relating to agricultural life and the people sought to be reached with such information, and furnishes an added agency to our system of agricultural teaching. It carries out to the farm the approved methods and practices of the agricultural colleges, experiment stations, the Department of Agriculture, and the best farmers, and demonstrates their value under the immediate environment of the farm itself, thus providing the means by which the organized agricultural institutions of the country may be made to serve all the people, as should be the case, rather than a limited and privileged few. Under the plan provided in this bill the information which has been accumulating for more than half a century and reservoiring in our colleges and other institutions organized in the interest of agriculture is to be made available to the mass of the people in such fashion as will bring the best results in the matter of improved rural conditions and rural living.

There is no more important work for the agriculture institutions of the country than that of strengthening field service, demonstration, and instruction, to the end that the promotion and development side of agriculture shall balance its investigational and research activities. To provide adequate facilities for the utilization by the farmer of the efficient work of the scientists in the Department of Agriculture and in the various colleges and experiment stations of the several States is one of the very important problems with which agricultural thought must deal. Earnest scientists every day are discovering useful truths, methods, and processes which, if known by the farmer and applied by him, would mean financial independence and social progress; but the farmer does not know what the scientist is doing and has no way of learning of his discoveries. Sufficient information has been gathered and is awaiting distribution to revolutionize rural conditions in this country in the next 10 years, but it is dead information until it becomes

vitalized by the service to which the farmer puts it.

The passage of the first Morrill Act, for the endowment and maintenance of at least one agricultural college in each State, committed the Federal Government emphatically and irrevocably to a policy of appropriating money to aid in acquiring and diffusing among the people of the United States useful information on subjects connected with agriculture.

mation on subjects connected with agriculture.

The first serious national effort to teach agriculture in a practical way was followed by legislation providing for the establishment of agricultural experiment stations in the several States, the creation of the Federal Department of Agriculture, and other enactments for collecting agricultural truths, to be made available to the farmer through such colleges and other agencies as were found suitable for the purpose.

Approximately \$70,000,000 have been expended by the Federal Government in the maintenance of the State experiment stations and agricultural colleges in the last 50 years, and the annual appropriation for the Department of Agriculture reaches a sum of more than \$20,000,000. These expenditures have resulted in the accumulation of a vast amount of agricultural information, which, made available to the farmer and applied by him, would work a marvelous reformation in the economic and social con-

dition of every rural community of the country. The past policy of the Government has confined itself largely to the gathering of information for the farmer. No one questions the wisdom of such a course, but it must be conceded that, if it has been wise to gather information for the use of the farmer, it would now be unwise to deny him that use. Every student and economist agrees that the efficient work of the colleges, stations, and Agricultural Department must be taken out to the farmer, and the most important and pressing problem at this time is that of finding the most effective machinery for doing this. The proposition of linking up the man on the farm with the demonstrated practices of successful agriculture must be met.

Various agencies have been tried as a connecting link, with various degrees of success. The printed page is insufficient. The bulletin and agriculture press have not been found effective in reaching and impressing the farmer in the remote districts, who most needs the information. The late Dr. Seaman A. Knapp, founder of the demonstration work in this country, said:

There is much knowledge applicable and helpful to husbandry that is annually worked out and made available for the scientists in the United States Department of Agriculture and in the State experiment stations and by individual farmers upon their farms which is sufficient to readjust agriculture and place it upon a basis of greater profit, to reconstruct the rural home, and to give to country life an attraction, a dignity, and a potential influence it has never received. This body of knowledge can not be conveyed and delivered by a written message to the people in such a way that they will accept and adopt it. This can only be done by personal appeal and ocular demonstration.

His judgment was correct, and to meet the deficiency of the bulletin and agriculture press in impressing the farmer there arose the system of undertaking to do this by means of the lecture-institute work, as the bulletin and lecture has its place in the extension field, but the best thought of the country has concluded that the characteristic attitude of the farmer is such as to make the development of some other system of reaching him with the best practice of agriculture a pressing necessity.

The farmer is naturally conservative, and to an extent skeptical of new methods. His habits of thought and methods of procedure are well settled upon him, and he is slow to change either unless convinced beyond any doubt of the wisdom of

doing so.

The fundamental idea of the system of demonstration, or itinerant teaching, presupposes the personal contact of the teacher with the person being taught, the participation of the pupil in the actual demonstration of the lesson being taught, and the success of the method proposed. In this country it is to an extent a new method of teaching, but in the Old World the same system has been so preeminently successful as to become a fixed and recognized method of carrying the truths of agriculture and home economics to the door of the farmer. It is a system which frees the pupil from the slavishness of the textbooks, which makes the field, the garden, the orchard, and even the parlor and kitchen the classrooms. It teaches to "learn to do by doing." As President Wilson said:

It constitutes the kind of work which it seems to me is the only kind which generates real education; that is to say, the demonstrative process and the personal touch of the man who does the demonstrating.

This method of teaching is in operation in practically every civilized country in Europe—the British Empire, Austria, Denmark, France, Holland, Germany, Russia, and Belgium—and it is significant, as pointed out by authorities in agriculture, that the farmers in Europe are producing two and one-half to three times as much per acre as the American farmer, and this in the face of the fact that European land has been under cultivation for many centuries and were perhaps originally not so fertile as ours.

The theory of this bill is to put in practice this system of itinerant teaching, the State always to measure the relative importance of the different lines of activity to be pursued and to determine upon the most important to the entire country by providing for at least one trained demonstrator or itinerant teacher for each agricultural county, who in the very nature of things must give leadership and direction along all lines of rural activity—social, economic, and financial. This teacher or agent will become the instrumentality through which the colleges, stations, and Department of Agriculture will speak to those for whom they were organized to serve with respect to all lines of work engaged in by them.

The committee, from the facts before it, concludes without hesitation that production can be many times increased through the machinery provided in this bill, but the committee does not believe that Congress can afford to appropriate money for the sole purpose of teaching the farmer the best methods of increasing production. To teach the farmers the best methods of increasing production is exceedingly important, but not more vitally so than is the importance of teaching him the best and most economical methods of distribution. It is not enough to

teach him how to grow bigger crops. He must be taught how to get the true value for these bigger crops, else Congress will be put in the attitude of regarding the work of the farmer as a kind of philanthropy. The itinerant teacher or demonstrator will be expected to give as much thought to the economic side of agriculture—the marketing, standardizing, and grading of farm products—as he gives to the matter of larger acreage yields. He is to assume leadership in every movement, whatever it may be, the aim of which is better farming, better living, more happiness, more education, and better citizenship.

The fundamental purposes of this bill have received the most emphatic indorsement of agricultural thinkers of the country, the rural press, influential business organizations, and agricultural and labor organizations. President O. W. Thompson, of the University of Ohio, and chairman of the executive committee of the Association of Agricultural Colleges and Experiment Stations, in his statement before the committee most heartily approves the purposes and principles of the bill, as did Director E. H. Jenkins, of the Connecticut Experiment Station, and president of the Association of Experiment Stations. The bill was most heartily commended by Mr. Arthur E. Holder, legislative committeeman of the American Federation of Labor.

In my own State of Indiana it has the indorsement of the

In my own State of Indiana it has the indorsement of the Indiana Live Stock Breeders' Association, the Indiana Corn Growers' Association, the State Grange Association, as well as a

large number of individual farmers.

Section 1 authorizes the inauguration of agricultural extension work in each State in connection with its land-grant college or colleges, in cooperation with the United States Department of Agriculture, and gives to the legislature of each State the authority to designate which of the college or colleges receiving the benefits of the act approved July 2, 1862, and known as the first Morrill Act, shall administer the funds appropriated by this bill.

Section 2 defines the character of the work to be undertaken as consisting in the giving of instruction and practical demonstrations in agriculture and home economics to persons not resident in the several colleges through field demonstration, publications, and otherwise. This work is to be carried on upon plans mutually agreed upon by the Secretary of Agriculture and the several land-grant colleges.

Section 3 is the appropriating section of the bill and provides the sum of \$480,000 for each year, \$10,000 to be paid annually to each State which by the action of its legislature assents to the provisions of this act. This is a straight, unconditional appropriation to the several States. The additional sum of \$300,000 is appropriated for the fiscal year following that in which the foregoing appropriation first becomes available, and for each year thereafter for nine years the sum exceeding by \$300,000 the sum appropriated for each preceding year, and for each year thereafter there is permanently provided the additional sum of \$3,000,000 for each year, making a total appropriation for the tenth year of the life of the act and thereafter annually of \$3,480,000.

The additional appropriations-this sum of \$3,000,000 annually-are to be allotted to the several States in the proportion which their rural population bears to the total population of the United States as determined by the next preceding Federal census. The Census Bureau defines as "urban population" that residing in cities and other incorporated places of 2,500 inhabitants or more, including the New England towns of that population. Provision is also made that no payment out of the additional appropriations shall be made in any year to any State until an equal sum has been appropriated for that year by the legislature of such State or provided by State, county, or local authority for the maintenance of the work provided in the bill, the idea being that some authority other than Federal authority must provide a sum equal to the additional appropriations made by the Federal Government. To illustrate: The allotment of a given State might be \$50,000 which the State would receive if it should duplicate this amount; but it might happen that the State would desire to appropriate for such a purpose only \$25,000, and under the provisions of the bill would therefore be entitled to only \$25,000 of the Federal funds in addition to the \$10,000 which is appropriated unconditionally. In requiring the States to duplicate the amount of the Federal appropriation the bill is undertaking to encourage them to greater activity along lines of demonstration work.

Mr. Speaker, I sincerely hope this bill will pass without a dissenting vote. I know it means much not only to the American farmer but to the entire country. Our agriculturists are entitled to this legislation. Let us give it to them, to the end that they may make their farms more productive and farm life

more attractive.

Mr. FITZGERALD. Mr. Speaker, the reason assigned from time to time for the entry by the Federal Government upon certain fields of work has been that the Federal Government possesses facilities for making investigations and obtaining information that are not possessed by any of the States, and which can not profitably be exercised by any of the States. Becognizing that fact, the Congress from time to time has appropriated money and authorized the extension of the activities of the Federal Government in many lines in which it otherwise would not be permitted to engage in order to promote agri-culture and the dissemination of information regarding it among the people. Congress by several acts has provided for the aiding of agricultural colleges, and at least \$2,000,000 annually is expended out of the Federal Treasury to aid agricultural colleges in the various States.

This bill proposes, however, to go further than has yet been proposed by the Federal Government. It is now claimed that the Federal Government has accumulated a vast amount of information of very great value to the agricultural communities of the country, which, if properly given to those engaged in agriculture, would result beneficially. To persuade the States to make the appropriations necessary to place this information at the disposal of those of their citizens who are engaged in agriculture it seems to be the opinion that it is necessary that there should be paid out of the Federal Treasury to the several States certain sums in the form of inducements, so that the States will discharge the duties which properly belong to them.

I am one of those, Mr. Speaker, who believe that questions relating to education along any particular line are questions of such vital importance to the States that that domain should not be encroached upon by the Federal Government. This bill proposes to appropriate \$480,000 at first; \$10,000 to be given to each of the States of the Union to engage in this extension work. Annually thereafter the appropriation is to be increased by the sum of \$300,000 until, at the expiration of 10 years, there is to be paid from the Federal Treasury \$3,480,000 annually to the States. These appropriations are to be apportioned among the States upon the condition that each State shall appropriate an equal sum to that to which it would be entitled under this bill, in addition to the \$10,000 which is carried the first year.

The Federal Government apparently has done its part. has collected the information, and it has been furnishing it to those engaged in agriculture by the various methods mentioned by the gentleman from South Carolina [Mr. Lever]—by bulletins, by lectures, by special circulars, by moving-picture demonstrations, in every conceivable way—until now it is proposed that employees of the Federal Government shall be sent out into the agricultural districts of the country and placed upon the farms of everyone engaged in agriculture, so as to demonstrate the most improved and best methods of agriculture.

Unquestionably it will be a benefit to those engaged in agriculture to have a man of scientific attainments come to his farm and, by practical demonstrations, show the best means to till and prepare the soil, to plant the crop, to cultivate it, and to harvest it. But is it not going quite far, Mr. Speaker, that there should be proposed a plan here by which an agent of the Federal Government shall be sent to every farm in the United States, not only to do for the farmer the things I have enumerated, but also to go into the farmer's household and there to demonstrate, for his wife or for the other female members of his family in charge of his household, the most practical and best methods of promoting domestic economy? If it be justifiable to do that for the farmer, why not send trained experts into the homes of the mechanics in the great industrial centers of the country? Why not send the trained nurses, as is now done by municipalities, into the homes of those engaged in lines of activity other than agriculture, in order to improve and to make better the conditions of that portion of the population not so fortunate, perhaps, as to be engaged in agriculture?

Mr. LEVER. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman from New York yield?

Mr. FITZGERALD. Yes.

Mr. LEVER. The gentleman understands, of course, that the House has just recently passed a resolution creating a com-mission to inquire after the very line of work he has just suggested, and in a measure has shown its interest in that direction?

Mr. FITZGERALD. Yes; I understand; and it is in my judgment wholly obnoxious to our theory of government, and would not, Mr. Speaker, have had the slightest chance of passing this House, instead of passing it practically without oppo-sition, were it not for the fact that Members of Congress are human and have just the same ambition to continue here as those who are not here have to get here.

But men who calmly study and familiarize themselves with our form of government

Mr. LEVER. Men who are inhuman-

Mr. FITZGERALD. Men who study the theory of our Government know that the whole scheme is contrary to the theory of the Government under which we live. I have no sympathy with such measures. I have not voted for them and

I do not propose to vote for them. Mr. Speaker, I might call the attention of gentlemen from the New England States to a feature of this bill discussed by the gentieman from Illinois [Mr. MADDEN]. The Census Bureau includes in the urban population the New England towns. The result is that the State of Massachusetts, which needs this scientific help more, perhaps, than any other State in the Union, as its once fruitful farms are now being abandoned because they are not sufficiently remunerative or productive to justify their cultivation, the State of Massachusetts with a population of 3,366,416, under the peculiar method adopted by the Census Bureau and followed by the Committee on Agriculture, will be credited with a rural population of only 241,000, and that State will be entitled to forty-nine one-hundredths of 1 per cent of the appropriations made in this way.

The State of New York, which maintains a magnificent agricultural college and is spending large sums in order to develop and to encourage the agriculture within its borders-a State containing one-tenth of the population of the United Stateswill, under this system of calculation, be entitled to 3.91 per cent of the appropriation. Some other States—

The SPEAKER. The time of the gentleman has expired. Mr. FITZGERALD. Mr. Speaker, I regret that a bill of this importance is brought up under such conditions for consideration as make it impossible to state fully the objections to it.

In order to show the great unanimity of feeling Mr. LEVER. on the floor of this House in favor of this bill, I yield to my

friend from Massachusetts [Mr. Treadway].

Mr. Treadway. Mr. Speaker, the district I represent is certainly one that can be described as rural, and if any section will be affected by the definition of "rural population," criticized by the gentleman from New York [Mr. FITZGERALD], mine will be. But I wish to record the fact that Massachusetts and western Massachusetts, which I represent, are heartily in favor of this legislation, whereby other sister States will be more greatly benefited than will our own State.

The gentleman from New York [Mr. FITZGERALD] has called attention to the discrimination made against the State of Massachusetts in this bill through our method of local government and division of communities into towns. I have made careful in-quiry of the distinguished chairman of the Committee on Agriculture [Mr. LEVER] about this feature, and also of those competent to judge of its effect. This discrimination does not arise through any intentional slight to Massachusetts or New England, but is an unfortunate circumstance over which the chairman of the committee has no control. The clause from which this discrimination arises appears on page 4 of the bill, and is as follows:

Such additional sums shall be used only for the purposes hereinbefore stated, and shall be allotted annually to each State by the Secretary of Agriculture and paid in the manner hereinbefore provided, in the proportion which the rural population of each State bears to the total rural population of all the States as determined by the next preceding Federal census.

Now, our local system of government is the cause of great variation in size of our towns, and the Census Bureau, for the purpose of convenience, defines rural population as places having less than 2,500 inhabitants and places with more than that as urban. There are within the limits of my own district eight towns with more than 2,500 in population, but having in its citizenship a very large percentage of persons connected with agricultural pursuits, who, were it not for this definition of rural population, could receive the benefits of the extension work intended by this act.

Some of our citizens have tried to suggest amended phraseology which would meet this situation, but it has been found, much to the regret of the chairman of the committee, Mr. LEVER, that such changes as would meet our needs would create unfair conditions in other sections of the country. We therefore are glad to forego the accruing benefit to our State and section, in order that rural populations of our sister States may receive additional benefits.

It is true, as stated by the gentleman from New York [Mr. FITZGERALD], that Massachusetts needs this scientific help and that many of our farms have in recent years been abandoned, but I desire to call his attention to the fact that the State itself realizes this need and appropriates \$50,000 annually for ex-

tension work, which is expended through our excellent agricultural college at Amherst, and in addition to this the State Board of Agriculture last year expended \$6,000 for similar work. We are not disposed to adopt a "dog-in-the-manger" policy and object to others securing their just due and needs even if we, ourselves, are less fortunate.

This discrimination is so much better explained than I can express it in an article published in the Springfield (Mass.) Republican of December 11 that I will quote the same in full:

express it in an article published in the Springfield (Mass.) Republican of December 11 that I will quote the same in full:

In some well-informed agricultural circles in this State there is criticism of the Lever agricultural extension bill which is pending in Congress. It is criticized because it takes such a large sum from this State and makes such a small return, and it secures this result upon what seems to be an unfair discrimination against certain farm interests. It is the purpose of the bill to appropriate a sum from the Treasury of the United States every year. It is to increase in amount year by year, but at the end of 10 years the total for one year is to be \$3,000,000, and that is to be the annual appropriation thereafter. Under the apportionment proposed in the bill the money is to be divided among the States on the basis of farming population, and only those places of less than 2,500 inhabitants each are to be reckoned in the basis. This would shut out from the calculation a large number of towns in the State which have a large amount of agricultural property and population. There seems to be no sufficient reason for making this discrimination against agricultural persons and property. Under the proposed distribution Massachusetts would get \$24,653, the way the friends of the bill have figured it out, while it has been computed, although there is no exact figuring possible, that Massachusetts will give about \$200,000 out of the \$3,000,000. The estimate of \$200,000 is reached by saying that \$100,000 would be contributed on the basis of total population. Then there must be considered the fact that Massachusetts is one of the wealthlest States and contributes much more to the National Government than is represented by its proportion of population. Indirect taxes fall heavier upon Massachusetts than upon the newer States. The new income tax, too, will get more out of this State than out of the new western States according to the population.

If this estimate of \$200,000 is correct, and it is held to

With this information before them a meeting of the committee on agriculture of the Western New England Chamber of Commerce was held in Springfield on December 29. I also quote the account of that meeting and its action from the same publica-

The committee on agriculture of the Western New England Chamber of Commerce met in the rooms of the Springfield Board of Trade yesterday to discuss the Lever bill and also the agricultural interests of western New England. Those present were: J. B. Taylor, of Burlington, Vt., secretary of the Greater Vermont Association; Dr. E. H. Jenkins, director of the experiment station at New Haven, Conn.; Prof. W. D. Hurd, director of the extension service of the Massachusetts Agricultural College, of Amherst; Emmet Hay Naylor, secretary of the Springfield Board of Trade, and also secretary of the Western New England Chamber of Commerce; and J. A. Scheuerle, secretary of the Hampden County Improvement League.

The committee after carefully discussing the report of a subcommittee that had investigated the Lever bill, with its bearings on New England agriculture, recommended that the constituent members of the Western New England Chamber of Commerce urge the Scantors and Representatives of the several States in New England to do ail in their power to secure the passage of the bill.

The Lever bill, if passed, will provide Federal aid for agricultural extension work to be carried on by the agricultural colleges of the several States in the Union, with the approval of the Secretary of Agriculture and the Secretary of the Treasury. This bill provides an annual appropriation of \$480,000, or \$10,000 for each State each year for the first year and every year thereafter. It also provides that \$300,000 be added annually for each fiscal year following until the total appropriation shall reach the sum of \$3,000,000. This additional appropriation will be apportioned to the different States according to the relation each State bears to the entire United States in point of the number of rural population.

each State bears to the entire United States in point of the number of rural population.

This bill is of especial interest to those living in Hampden County, as the agricultural work done by the Hampden County Improvement League through its advisers and the support of the Massachusetts Agricultural College extension service, has already given such large results that it is felt that the Government could spend no money that would be more effective than that provided by the Lever bill.

The \$300,000 yearly appropriations are paid to the several States in the proportion the rural population of the State bears to the rural population of all the States, and Dr. Jenkins, of Yale, in connection with this has prepared some very interesting figures. The total rural population of the United States is 49,348,883, and the total rural population of New England is 1,097,336. Under this apportionment plan the share of each of the New England States in the \$300,000 appropriation would be as given below. New England's share, if the fund were divided on the basis of the number of farms, is also given.

	Basis of rural pop- ulation.	Basis of number of farms.
Maine New Hampshire. Vermont Massachusetts Rhode Island Connecticut.	\$2,194 1,067 1,137 1,465 109 699	\$2, 828 1, 273 1, 542 1, 728 246 1, 251
Total	6,671	8,868

"Urban population," as used in the census, is given a very different meaning in the case of the New England States from what is given it in the case of other States, and Prof. Jenkins believes this works to the disadvantage of this section in the allotment of the extension fund. The Census Bureau, he says, for purposes of discussion, has defined urban population generally as that residing in cities and other incorporated places of 2,500 inhabitants or more. In the New England States, in addition to cities having this population, all towns having a population of 2,500 or more have also been classed as urban, without regard to the population of the villages (whether incorporated or not) which they may contain. The result is that the "urban areas" in New England include some population which in other sections of the United States would be segregated as "rural." This departure from the general rule, rendered necessary by local conditions in New England, probably makes no great change in the proportions of urban and rural population in those sections where population is dense and generally devoted to manufacturing. Obviously, says Prof. Jenkins, in all our New England States there are many towns of over 2,500 inhabitants where the population is classed as "urban" in the census which are yet essentially rural and are farming communities. Many of these farmers are living in isolated places, and certainly are as much in need of the services of the extension department as if the total population were under 2,500. There are at least 24 such distinctively agricultural towns in Connecticut, with populations ranging from 2,537 to 6,047, with two exceptions less than 4,000 inhabitants.

My friend, the gentleman from Pennsylvania [Mr. Moore],

My friend, the gentleman from Pennsylvania [Mr. MOORE], said that the city population supports the country. I beg to differ with him on this point and reverse that statement by saying that we of the country support the city. No portion of our citizenship is more deserving of such material benefits as it receives as a result of its labor, nor is any portion of it less liable to be overpaid for its labors than is the tiller of the soil and the members of his family. They are the real producers, not only of the product of the soil but of a high standard of mental and physical development. I hope some day to have the opportunity of taking him into the farming community of my district that I may convince him that it is from such sturdy manhood and womanhood that the true support of the entire country comes.

We hope that after the Lever bill becomes a law and is put into practical operation some method of amendment will be found whereby Massachusetts and other States will be placed on a parity with her sister States, and in accomplishing this I am confident we will have the support and cooperation of the proposer and friends of this bill.

We anticipate ultimate amendments, but until that is possible we wish it speedy passage and give it our hearty support. That I do not speak for myself alone, but represent the feeling of the people who will be directly affected, I would say I have been asked to support this bill by the president of one of the agricultural societies in my district; by the president of the Hampden County Improvement League, which has made a careful study of the bill and is devoted to rural developments and improvements; and by the director of the extension service of the Massachusetts Agricultural College, of Amherst—cer-tainly as representative men as could be selected to voice the sentiment of the agricultural section of Massachusetts.

Mr. LEVER. I yield to the gentleman from Alabama [Mr. Underwood]. [Applause.]

Mr. UNDERWOOD. Mr. Speaker, I listened with much interest to the argument that has just been made by my friend from New York [Mr. FITZGERALD]. That argument might well apply to the establishment of an agricultural department. That Agricultural Department has been established for many years. It has done a great and a useful work. The only difficulty with that work is that up to this time it has been largely scientific work that has not gone to the farm.

The real purpose of this bill is to supplement or add to the work that the Agricultural Department has already done and carry it, by farm demonstration, into the rural districts. It is impossible for a large number of farmers to profit by the splendid work that the Agricultural Department has done simply by reading bulletins or having the information conveyed to them in printed pamphlets. In order that the people of the United States may receive the full benefit of this work you must carry it to the farm by a man who knows the work himself and can demonstrate it.

This bill may not be perfect. Few bills that pass Congress are. If I had my way I would probably amend it in some respects, but I have long ago found out that in this Congress we can not any of us pass a bill with which we agree entirely. All the great bills that go through here must go through as a matter of compromise.

This bill drives directly at the purpose to be attained. purpose is to carry this scientific work of the Agricultural Department to the farm, and no better appropriation, in my judgment, can be made at this time. [Applause.]

Mr. LEVER. Mr. Speaker, I yield to the gentleman from

Mr. LEVER. Mr. Speaker, Michigan [Mr. McLaughlin].

Mr. McLAUGHLIN. Mr. Speaker, this bill provides for practical work. It provides for the taking out to the people in such form that they can understand and make practical use of it, the results of the work of the Department of Agriculture and the agricultural colleges in the country, many of which were established and are in part maintained by aid from the Federal Government. The question involved in this bill, the desirability of making an appropriation of this kind, has for some time attracted the attention of the Committee on Agricul-It was urged upon our consideration at a time when all its members were not favorable to the idea, and at a time when some of the active, prominent officials of the Department of Agriculture themselves were not altogether favorable to it. We are able to say now, though, that the Committee on Agriculture has reported the bill unanimously.

The SPEAKER. The time of the gentleman has expired. Mr. McLAUGHLIN. I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. The gentleman from Michigan asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. LEVER. I yield to the gentleman from North Dakota [Mr. Young].

Mr. YOUNG of North Dakota. Mr. Speaker. I like the spirit manifested by the gentleman from Massachusetts [Mr. Tread-way] in his speech. "No man liveth unto himself." This is also true of cities and States. These gentlemen from the large cities who have opposed the passage of this bill will live to see the benefits which will through it come to the farming districts float back to the cities.

This is an epoch-making measure. It provides for teaching agriculture on all the farms of the Nation. It enlarges the work of the colleges; in fact, it makes every farm a classroom. It unlocks and makes available to those who till the soil a wealth of information procured by the Government at an expense of millions upon millions. It means genuine vocational education for the farmers. Best of all, it brings technical and practical agricultural knowledge to the adults, the men and women who either consider themselves too old or are prevented by circumstances from attending agricultural colleges. These men and women of my State, and I presume elsewhere, are eager to learn the new methods of farming and anxious to cooperate with the field demonstrators or teachers

Is the system provided for in this bill workable? Fortunately we are not left to the realms of speculation. A rich fund of experience has been accumulated from different places where it has been tried out. Of these the most complete demonstration of the system proposed in this bill is found in North Dakota, where the Better Farming Association has been operating during the years 1912 and 1913. This association was organized by a group of far-seeing and public-spirited men who realized the need of introducing better methods of farming. They have given freely of their time and money to finance the association's work. They exercised great care in the selection of a man to direct its activities and finally chose Prof. Thomas P. Cooper, of the University of Minnesota College of Agriculture. Under his leadership the association has made a truly wonderful showing.

Anticipating the action of Congress, President Worst, of our agricultural college, always abreast of the times, arranged to have the college take over the work of the Better Farming Association on January 1. I favored that change and am now in favor of the enactment of this bill, because it will give permanence to the great extension work begun in our State, and it will give uniformity to such work throughout the Nation.

One of the greatest measures enacted during the nineteenth the of the greatest measures enacted during the innecessing the century had to do with land, the great reclamation act. When the history of another period of 100 years shall have been written the Lever gricultural education bill will be reckoned as among the greatest pieces of constructive legislation of this century.

I have just received the annual report for 1913 from Prof. Thomas P. Cooper. It covers the second year's work of the North Dakota Better Farming Association.

The association spent \$62,500 during the year, contributed partly by the cooperating countries and partly by subscription. In an ordinary educational proposition that sum would only pay for part of the cost of the construction of buildings. Under this scheme no buildings are needed. The instruction is given under the shining dome of heaven. Dollars spent under this system will go further and accomplish more than any other money spent by the Government. Here in brief are the results of \$62,500 spent in 17 counties of North Dakota last year:

Field instructors employed, all college graduates and thoroughly 25 5, 105 44, 612

Corn Barley Wheat 6. 4 Rye Oats Flax Potatoes 6. 2 26

Sheep. do
Hogs. do
Alfalfa seed distributed pounds
Seed cern selected and cured bushels
Acre-yield corn contest: High yield mature corn, per acre. do.
Farmers' clubs organized. number
Members of farm families do
Meetings held do.
Attendance do.
Seed tests for germination do.
Silos constructed directly due to influence of agents do.
Constructed in districts where employed. do.

This is a wareful of which our Stefe is proud. Other pounds__ bushels__ $\frac{106}{180}$ number 17,000

This is a record of which our State is proud. Other States can do the same under the provisions of this bill introduced by the distinguished chairman of the Committee on Agriculture, Mr. Lever. I congratulate him and predict that his name will find a place among those who make the history of the twentieth

century.

Mr. LEVER. I yield, Mr. Speaker, one-quarter of a minute to the gentleman from Indiana [Mr. Cullor].

Mr. Cullop. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record.

The Speaker The gentleman from Indiana asks unani-

The SPEAKER. The gentleman from Indiana asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. MANN. Mr. Speaker, I have not objected to the extension of remarks, but if there are any more yieldings of a quarter of a minute I shall object, because it makes a farce of the proceedings of the House.

Mr. LEVER. There are two or three more Members, Mr.

Speaker, who desire to make remarks.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record.

The SPEAKER. The gentleman from Illinois asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. LANGLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. BLACKMON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

Mr. SABATH. Mr. Speaker, I make the same request

The SPEAKER. The gentleman from Alabama [Mr. Black-MON] and the gentleman from Illinois [Mr. Sabath] ask unanimous consent to extend their remarks in the RECORD. Is there objection?

There was no objection.

Mr. BARKLEY. Mr. Speaker, I ask unanimous consent to

extend my remarks in the RECORD.

Mr. WILSON of Florida. Mr. Speaker, I make the same request.

The SPEAKER. The gentleman from Kentucky [Mr. Bark-LEY] and the gentleman from Florida [Mr. Wilson] ask unanimous consent to extend their remarks in the RECORD. Is there objection?

There was no objection.

Mr. Roderts of Massachusetts, Mr. Hill, Mr. Seldomridge, Mr. Stephens of Mississippi, and Mr. Peterson asked unanimous consent to extend remarks in the RECORD.

The gentleman from Massachusetts [Mr. The SPEAKER. Roberts], the gentleman from Illinois [Mr. Hill], the gentleman from Colorado [Mr. Seldomridge], the gentleman from Mississippi [Mr. Stephens], and the gentleman from Indiana [Mr. Peterson] ask unanimous consent to extend their remarks in the RECORD. Is there objection?

Mr. MANN. I object.

The SPEAKER. The question is on suspending the rules and passing the bill H. R. 7951, with the matter read into it

The question was taken; and on a division (demanded by Mr.

MANN) there were 177 ayes and 9 noes.

So, two-thirds having voted in favor thereof, the rules were suspended, and the bill was passed.

CORBETT TUNNEL.

Mr. STEPHENS of Mississippi. Mr. Speaker, I move to suspend the rules and pass Senate joint resolution 74.

The SPEAKER. The gentleman from Mississippi moves to

suspend the rules and pass Senate joint resolution 74, which the Clerk will report.

The Clerk read as follows:

Joint resolution (S. J. Res. 74) appropriating money for the payment of certain claims on account of labor, supplies, materials, and cash furnished in the construction of the Corbett Tunnel.

certain claims on account of labor, supplies, materials, and cash furnished in the construction of the Corbett Tunnel.

Resolved, etc., That there be, and is hereby, appropriated, out of any moneys in the reclamation fund in the Treasury supplemental and additional to the appropriation made in public resolution No. 56, Sixty-second Congress, the sum of \$15,750, or so much thereof as may be necessary, for the payment of and to be paid to those persons who have presented claims remaining unpaid on account of labor, supplies, materials, or cash furnished to the contractor or the subcontractor and used in the construction of the Corbett Tunnel, including the spillway connected therewith, as a part of the Shoshone irrigation project, in the State of Wyoming, under any contract or contracts let for that purpose by the Government of the United States; and the Secretary of the Interior is hereby authorized and directed to forthwith, and as soon as may be, investigate, hear evidence about, determine, and declare the several amounts due and remaining unpaid, if any, on account thereof, and to whom so due, and to certify the amounts due to the Secretary of the Treasury, who is hereby authorized to pay the several amounts so ascertained to the persons entitled to the same: Provided, That no such claim not now filed shall be considered: And provided further, That the Secretary of the Interior shall deduct from the amounts to be certified for payment hereunder and under the said resolution No. 56, Sixty-second Congress, to each claimant a proportionate sum to cover the expense of and fair compensation for the person or persons through whose time and services this matter has been laid before Congress, except such claimants as have agreed with such person or persons for compensation; and such deductions shall be certified for payment to such person or persons in like manner as other claims.

The SPEAKER. Is a second demanded?

Mr. MANN. I demand a second.

Mr. STEPHENS of Mississippi. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. The gentleman from Mississippi asks unani-

mous consent that a second be considered as ordered. Is there objection?

There was no objection.

The gentleman from Mississippi [Mr. The SPEAKER. STEPHENS] has 20 minutes and the gentleman from Illinois [Mr. MANN] has 20 minutes.

Mr. STEPHENS of Mississippi. Mr. Speaker, this resolution comes before the House with a unanimous report from the Committee on Claims. It is not a new matter to many Members of this body. A bill relating to this same subject was before the last Congress. It passed both the House and the Senate and went to the President and was vetoed. The Senate passed the bill over the President's veto, and it only lacked, as I recall, the resident's veto, and it only lacked, as I recan, as or 4 votes of passing the House over the veto. At a later day, the measure came again before Congress, and the bill was passed, providing for a payment of \$42,000. This bill provides for the payment of an additional \$15,000.

Some years ago the Government entered into a contract with

one Charles Speer to construct the Corbett Tunnel at a part of the Shoshone irrigation project, State of Wyoming. Speer sublet the contract to the Western Construction Co. The contract price for that work was \$594,000. The Government required the contractor to enter into a bond in the sum of \$75,000. After performing about 16 per cent of the work the contractor decided that he did not care to pursue his contract further and abandoned the work. The Government took over the contract to finish the work at an additional expense of \$200,000 over and above the contract price. In the meantime, before the contractor abandoned his work, various parties had furnished labor, material, and supplies to him, and they were not paid for these things, and that causes this matter to be before this body at this time.

Mr. Speaker, the reason why the parties are before Congress again asking for relief is simply this; Certain parties had filed their claims amounting to about \$42,000. Other parties with claims against the contractor failed to file their claims. Government had no notice that these claims were outstanding, so far as we know. At least, no provision was made for them. When this \$42,000 was available, which was to pay claims that had been or might be presented, these other parties came in and filed their claims in the amount of \$15,000 additional. Secretary of the Interior put the matter up to the Attorney and he stated that under the provisions of the act appropriating the \$42,000 the money could not be prorated; that nothing could be paid out until further provision was made. So a bill was introduced, the resolution that is now under consideration, providing for the appropriation of an additional \$15,000 to pay these parties who had not filed their claims prior to the passage of the former act.

Mr. Speaker, it occurs to my mind that this is a meritorious measure, because, as I said in the beginning, the contract price was almost \$600,000. The bond was in the sum of \$75,000, a bond taken according to the law in such case. That law says that the bond shall be given with good and sufficient securities. with additional obligations that such contractor or contractors shall promptly make payments to all persons supplying him or them labor and material in the prosecution of the work provided for in such contract.

The position of the Committee on Claims is simply this: This bond was insufficient; it was not adequate; it was not large enough to properly safeguard the rights of these men who had supplied labor and material. About the time this contract was made the law was changed. Let me say now that these parties were not informed as to the change, and they presumed that they were acting under the original law. Under the law at that time the supply men and the materialmen had a right to go to the Government and ask permission, and it should be granted to them, to bring suit on the bonds. But shortly before this contract was entered into the law was changed, simply giving them the right to intervene when the Government brought suit to collect its own debts. It was provided further that the claims of materialmen should be subject to the priority of the claim and judgment of the United States. We thought this—that the bond was insufficient, that it ought to be large enough to provide for any contingencies. If a sufficient bond had been taken, then these parties would not have lost their money; and let me remark further, that some of the material and supplies furnished by those parties were actually on the grounds and unused at the time the Government took over this contract and these metaviole and conditions and the contract and these metaviole and conditions are the contract. this contract, and these materials and supplies were used by the Government in carrying forward the work.

For a more complete statement of the case I will insert the

report of the committee that was drafted by me.

For a more complete statement of the case I will insert the report of the committee that was drafted by me.

The Committee on Claims, to whom was referred the joint resolution (S. J. Res. No. 74) appropriating money for the payment of certain claims on account of labor, material, and cash furnished in the construction of the Corbett Tunnel, having considered the same, report thereon with a recommendation that it do pass.

The resolution under consideration provides for an appropriation, to be paid out of the reclamation fund, of \$15,750, or so much thereof as may be necessary, for the payment of claims on account of labor, supplies, material, or cash furnished to the contractor or subcontractor and used in the construction of the Corbett Tunnel, including the spiilway connected therewith, as a part of the Shoshone Irrigation project in the State of Wyoming, under any contract or contracts let for that purpose by the Government of the United States. It authorizes the Secretary of the Interior to investigate and determine the amounts due and unpaid.

During the Sixty-second Congress public resolution No. 56, which was in the following language, was passed:

"Resolved, etc., That there be, and is hereby, appropriated, out of any moneys in the reclamation fund in the Treasury, the sum of \$42,000, or so much thereof as may be necessary, for the payment of labor, supplies, materials, or cash furnished to the contractor or subcontractor and used in the construction of the Corbett Tunnel, as a part of the Shoshone irrigation project, in the State of Wyoming, under any contract or contracts let for that purpose by the Government of the United States; and the Secretary of the Interior is hereby authorized and directed to forthwith, and as soon as may be, investigate, hear evidence about, determine, and declare the several amounts due and remaining unpaid, if any, on account thereof, and to whom so due, and to certify the amounts due to the Secretary of the Treasury, who is hereby authorized to pay the several amounts so

The Government entered into a contract with Charles Spear to construct the Corbett Tunnel as a part of the Shoshone irrigation project in the State of Wyoming. The contract price for the work was \$594,000. Spear sublet the work to the Western Construction Co. The contract was made in October, 1905. After doing about 16 percent of the work the contractor, because of his inability to complete it, was forced to abandon the work.

In August, 1906, the Secretary of the Interior authorized the formal suspension of the contract and instructed the supervising engineer to take up the work and complete it. This was done at a cost of about 30 me of the claimants under this bill furnished material and supplies to the subcontractor for use in his work. Others took over the time checks issued to the laborers employed by the company, and they have not been able to collect the amounts due them.

It is well to remark that some of the material and supplies were on hand at the time the Government took over the work, and that such material and supplies were used by it in completing the tunnel. These supplies and material were furnished and the time checks accepted under the belief that the parties were amply protected by the fact that this was work for the Government, and that under the law they had the right to proceed against the bond of the contractor, if it was necessary to do so in order to collect their and that under the law they had the right to proceed against the bond of the contractor, if it was necessary to do so in order to collect their debts.

The act of August 13, 1894, provided—

The act of Au

I do not believe that these claimants should be made to suffer because of the act of the Government in failing to require good and sufficient bond of the contractor. The law contemplates a bond large enough to protect both the Government and those who furnish material, supplies, and labor. These people had no way to protect themselves; but, under the law in reference to requiring this bond, they had reason to believe that the Government officials would comply with the law and amply protect all their rights.

Mr. MANN. Mr. Speaker, this matter has been before Congress on several occasions. It comes now from the Committee on Claims. I think the Committee on Claims has been im-posed upon. The bill heretofore was not before that committee, if I remember correctly. The Committee on Irrigation reported the bill in the last Congress, although I am not certain. There never was any legal liability on the part of the Government, and there never was any moral liability on the part of the Government, but we were told that under the peculiar circumstances of the case, the Government having received the benefit of the work which was done, we ought to pay for these supplies, because the people who furnished them were poor and could not afford the loss; and we were especially appealed to in behalf of a very pleasant and sincere woman, Mrs. Mc-Donald, who came here lobbying for the bill, stating that her house or store had furnished a large share of these supplies on orders which could not be cashed because of the failure of the contractor, and that it meant the loss of all of the property which she and her husband owned. The bill passed, having been vetoed once. The gentleman from Oklahoma [Mr. Ferris] vigorously opposed it at one time and stopped it because it proposed to make the payment out of the reclamation fund. Finally it was passed, as I say, for the sum of \$42,000, I think, it being stated that that would be in full. No portion of that money has yet been paid to the claimants, as I understand, and that was a settlement, so far as Congress was concerned. They now come in with a proposition to pay \$15,000 more, and do what? Not merely to pay out of the \$15,000 attorneys' fees, but to take out of the \$42,000 which has already

been appropriated attorneys' fees to pay the people who have lobbied the claims through Congress.

It is the first time in my experience in this House of a great many years when it is proposed deliberately by an act of Congress to take money away from the claimant and force the claimant to pay an attorney whom he had not employed. There is no pretense here that these people have employed Mrs. McDonald or some one else, but the proposition here is that people having money due to them shall have it taken away from them by the Government and paid to somebody else. A more monstrous proposition was never presented to a legislative body, in my opinion. I do not think that Congress or the House ought to agree to such a thing, and therefore I hope the bill will not be passed. I reserve the balance of my time.

The SPEAKER. The gentleman from Illinois reserves the

balance of his time.

Mr. MANN.

Mr. MANN. How much time did I consume?
The SPEAKER. Three minutes.
Mr. STEPHENS of Mississippi. I would like for the gentle-

man from Illinois to yield some more time.

Mr. MANN. I yield five minutes to the gentleman from Mississippi [Mr. Sisson].

Mr. Sisson].

Mr. Sisson. Mr. Speaker, as was stated by the gentleman from Illinois [Mr. Mann], this matter has been before the House several times. I opposed it before, and the matter was the feated one time, and then I presume through sympathy or for defeated one time, and then, I presume through sympathy or for some reason satisfactory to Members, it finally passed the House and was vetoed. Now, the principle of this bill, I think, is all wrong. A bond was taken by the Government for \$75,000 which it is contended, was entirely too small. The Government attorneys in investigating the matter compromised the bond, as I I have endeavored to get the record, but I have not recall it. been able to do so. But the bond was compromised for about \$45,000. Now, the Government got that sum. When the bill passed before, I agreed with a Senator who was interested in the matter that I was willing to withdraw my objection, provided the claimants got from the Government what the Government got out of the bond. The Government is in no wise responsible, as no sovereign State has been responsible, for the failure on the part of a contractor to comply with the contract and then pay out of the Treasury the labor and material men for their liens. But in addition to all of that, as was stated by the gentleman from Illinois, it was thoroughly understood at the time that bill passed and when we permitted it to pass before it was thoroughly understood that that \$42,000 carried what would be all that would be asked for and would be in final settlement of all claims against the Government.

No statement was ever made in better faith and it was accepted in good faith, because the amount paid out would be just about the amount which the Government had obtained on the bond, and I was willing that the labor liens and material men on the contract should be paid out of that fund, because the bond really is for that purpose. I do not know whether the Government received consideration for the money it paid or not; I do not know whether the work done on this particular contract is worth the money which the Government expended or not; but I do know, however, that the Federal Government took the project in hand and completed it without the intervention of a contractor. How much it cost I can not at this time state, but when the project failed the Government then, through its engineers, took the project and completed it out of the Federal Treasury. Now, that being true, it seems to me that the Government is doing ample justice when it gives to those people all it got out of the bond, and when it does that the Government does not set a bad precedent and become liable for material

and labor liens,

Mr. COX. How much did the Government recover on this

Mr. SISSON. My recollection is about forty-odd thousand dollars. It was compromised. In other words, the investigation at that time showed that the Government compromised this bond because of the fact they could not make the money out of the bond, and they took all they thought they could possibly get with a lawsuit. Now, that money went into the Treasury, and I am willing now that these people shall take it, and that is what the Government thought before, and we let it go through with the distinct understanding that this should end the matter, and we understood at the time that this would do it; that it would relieve the situation. But who knows now when this \$15,000 additional is paid that this is going to be the last of it or not? And, as stated by the gentleman from Illinois, the President of the United States vetoed this bill because these claims are not legitimate demands upon the Treasury. If this bill should pass, the President would be fully justified in vetoing it. It is wicked as a precedent for the reason that the bill provides for attorneys' fees, with which Congress has and ought to have nothing to do. This should be a matter between the attorney and client. Every bill in the future would, of course, contain a like provision, and the committees of Congress would soon become a court of claims. If this was a legal claim against the Government the court would so decide, but the attorneys in this case know that the Government is not liable, and that is why they come here first.

But it is a mere gratuity. The Federal Government is not

liable either in law or in good morals for this claim.

The SPEAKER. The time of the gentleman from Mississippi has expired. The gentleman from Illinois [Mr. MANN] is recognized.

Mr. MANN. Mr. Speaker, I would like to have the gentleman from Mississippi [Mr. STEPHENS] use some of his time

Mr. STEPHENS of Mississippi, Mr. Speaker, I yield five

minutes to the gentleman from Wyoming [Mr. MONDELL].

The SPEAKER. The gentleman from Wyoming is recognized

for five minutes.

Mr. MONDELL. Mr. Speaker, I hope this bill will pass. do not altogether approve the provision contained in the bill under which parties who have spent their time and made earnest efforts in bringing this matter to the consideration of the Congress are to be paid, but as the matter is to be left in the hands of the Secretary of the Interior, and as he is familiar with the situation, I feel that the amounts which he would allow under the bill would be fair and reasonable, and I think all the bene-ficiaries under the bill, a number of whom I know personally and with a number of whom I have had correspondence, would be perfectly satisfied to have a small percentage of what is coming to them paid to Mrs. McDonald. I hope that percentage in the majority of those cases will be small.

Now, so far as the merits of the matter are concerned, they are certainly clear. Congress attempted to settle this claim. Unfortunately, we did not have full information in regard to it, and when the Secretary came to consider the claims that were made under the former legislation he found there were valid ones amounting to some \$15,000 over and above the amounts which had been appropriated by Congress. Those claims are largely owing to laborers, small subcontractors, and to others who did work on the Corbett Tunnel and spillway and other

appurtenances to the main tunnel.

We passed a bill some time ago under which we paid to a South Dakota bank a large sum of money in connection with reclamation work, and we heard no considerable criticism of that. This is a bill proposing to pay the men who actually did work, who familiable their considerable criticism of the consid work, who furnished their time, their teams, their tools, and who furnished hay and grain, who boarded the men who did the work. And if Congress was justified in paying the claim of a banking institution in South Dakota, it is certainly justified in paying these claims of men who did the work, of farmers who furnished material, and of the people who fed the men. I trust that the bill will pass

I yield back the balance of my time.

The SPEAKER. The gentleman from Wyoming has three minutes remaining.

Mr. MANN. Mr. Speaker, I yield five minutes to the gentle-

man from Wisconsin [Mr. Lenroot].

Mr. Lenroot. Mr. Speaker, I am opposed to this bill, principally because of the proviso relating to the payment of attorneys' or agents' claims. I am opposed to it not so much because it might not be meritorious in this particular case, although I well remember when the bill was before us before it was expressly stated that Mrs. McDonald had an individual claim of her own and that she was entirely satisfied that the others should have their relief, without compensation for the benefit that she herself would receive, but it creates a new precedent in the history of Congress, and to my mind a most dangerous one. What is the situation? John Doe presents a claim to the Congress of the United States for himself and others. He states to the Congress that those are all the claims of that nature. Congress passes them and creates a precedent for the passage of other claims. 'Time goes on and other claims are introduced with these claims that John Doe presented as a precedent, and this provision would authorize and make a precedent for every claim that Congress might pass in the future to take a portion of that claim and give to John Doe, although he had never earned a dollar of it, although he had never been retained by the beneficiaries of the claim, and although he had received full compensation, presumably, in the claims that he first presented to Congress.

I venture to say, Mr. Speaker, that you can find no precedent anywhere for this kind of a case, and I am satisfied if the com-

precedent which this would create, this proviso would not be found in the bill.

I yield back the balance of my time.

The SPEAKER pro tempore (Mr. Ferris). The gentlems from Wisconsin [Mr. Lenroot] has consumed three minutes. The gentleman

Mr. STEPHENS of Mississippi. Mr. Speaker, will not the gentleman from Illinois use the balance of his time? There will be only one more speech on this side.

Mr. MANN. Mr. Speaker, I yield two minutes to the gentle-

man from Minnesota [Mr. SMITH].

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. SMITH] is recognized for two minutes.

Mr. SMITH of Minnesota. Mr. Speaker, the amount involved in this claim is not large, but the principle is far-reaching. Irrespective of the merits of this claim, I do not think Congress ought to go on record as authorizing the reduction from a claim of the charges made by an attorney or an agent. If you establish such a precedent, there is no doubt that hereafter we shall have men traveling up and down this counmaking it their business to look up outlawed and stale claims against the Government.

It is admitted here that this claim has no legal standing. is simply a matter of grace. We are asked to grant this claim. without its being a lawful claim against the United States. Why can not hundreds of such claims be brought up hereafter, especially when you are placing a premium on bringing to Con-

gress just this sort of claims?

You passed a bill in the Sixty-second Congress allowing \$42,000, and now you are holding up the \$42,000 until you get another law passed authorizing the Secretary of the Interior to deduct from the \$42,000 the expense of bringing the original claim to Congress and presenting the facts.

I yield back the balance of my time.

The SPEAKER pro tempore. The gentleman has used his

wo minutes. He has no time to yield back.

Mr. MANN. Mr. Speaker, I yield three minutes to the gentleman from Indiana [Mr. Cox].

The SPEAKER pro tempore. The gentleman from Indiana

[Mr. Cox] is recognized for three minutes.

Mr. COX. Mr. Speaker, I am opposed to this bill. After reading it and after the report, I do not believe it has any merit in it. I do not believe that it is bottomed upon any financial or moral consideration whatever. I think it ought to be defeated, not so much because of the amount involved in it, as has been stated by others on the floor of this House, as on account of the

principle involved in it.

It has already been adjudicated and allowed, so far as Congress is concerned, at a former Congress. It has been vetoed by the President of the United States. Congress in a measure solemnly pledged heretofore that \$42,000 or \$45,000 would settle and adjust the entire matter, but inasmuch as the President vetoed it, an opening was presented for more claims to be brought in here, and now it comes before us as a different proposition. Other claims apparently have been found, amounting to \$15,000, and it is argued and set forth in the report that because Congress allowed \$42,000 or \$45,000, that is a reason why the amount set forth in this bill, or \$15,000 additional. should be allowed.

Mr. MONDELL. Mr. Speaker, will the gentleman yield? The SPEAKER pro tempore. Does the gentleman yield? Mr. COX. I must decline to yield. I have only the I have only three minutes.

No one has contended for a moment that the Government was to blame in the first instance; at least I never heard any argument presented on that ground when the bill went through before, and I have not heard any presented on that ground at this time. If the Government was not to blame in any particular so far as this transaction is concerned, upon what ground, upon what basis, upon what theory do we propose to appropriate this money? Simply because the Treasury of the United States has got it. That is all.

Have we got a right-moral, financial, or political-to reach our arms into the Treasury of the United States and pay a claim-I care not whether it be for \$1 or \$15,000 or \$15,000,000unless it is based upon an honest, candid, conscientious, meritorious consideration?

This bill ought to be defeated because it has no basis on which to stand, morally or financially. It has no considera-tion upon which it stands. It ought to be defeated, because it comes here

Mr. RAKER. Mr. Speaker, will the gentleman yield?

Mr. COX. I can not, because I have only three minutes. It ought to be defeated because it carries a proposition, right on the face of it, to reach out and pay attorneys' fees to men mittee had understood the extent to which this might go, the who have dug up some of these claims in the past. That is

wrong, because the matter has already been adjudicated. appeal to the membership of this House to defeat this measure beacuse it is not right. It is unjust; it is unrighteous.

The SPEAKER pro tempore. The time of the gentleman from Indiana has expired.

Mr. MANN. Mr. Speaker, how much time have I remaining? The SPEAKER pro tempore. The gentleman has four min-

utes remaining.

Mr. MANN. Mr. Speaker, this is rather a peculiar proposi-Congress has made an appropriation of forty-odd thousand dollars to pay certain claims. This bill provides that the Secretary of the Treasury shall deduct from the amount certified under resolution No. 56, Sixty-second Congress, to each claimant a proportionate sum to cover the expense of and fair compensation for the person or persons through whose time and service this matter has been laid before Congress, except such claimants as have agreed with such person or persons for compensation. Who are the persons whose time and services have laid this matter before Congress? That is a matter of proof hereafter. No one knows now. In the last Congress we thought we knew the quantity of claims, but we were mis-No one knows how many people may have been giving their time and services. But here is a proposition that if the persons who have been giving their time and services have made an agreement that shall stand; but if they have not made any agreement with these claimants, then the claimants shall have the money taken out of their pockets and turned over to these Now, we have at times in the past put into bills limitations upon attorneys' fees, limitations upon the amount of money that could be paid out of the money appropriated for attorneys or agents' fees in getting bills passed through Congress, but I do not recall any instance heretofore where it has been proposed, out of an appropriation heretofore made or then being made, to require people to pay for the services of agents when they have not employed the agents. Suppose these people out there were fully confident that Congress, in its wisdom, would make an appropriation to pay their bills. Why should we require them to pay out of their pockets the useless expense of sending one or a dozen people to lobby with Tom, Dick, and Harry in the House or Senate? On what theory can gentlemen defend the proposition that, having made the appropriation, we require people who do not wish to pay to pay for services which they did not desire. I do not believe Congress can afford to take that position. I feel confident—I will not say absolutely confident, because I never feel absolutely confident that this House will or will not do anything—I feel quite confident that the sober judgment of this House will not commit itself to the proposition that on claims reported from the Committee on Claims or the Committee on War Claims, of which we have thousands every year, we shall provide in the bill that the claimants shall pay for services rendered by persons who have given their time and services to lay the matter before Congress

Is it going to be the policy of Congress that when we pass a claims bill and some gentleman here offers an amendment on the floor, and because it is like some other case that an attorney has represented here, we shall require both to contribute to the attorney's fees? Are we going to take the position that every time we pass a claim we shall require the claimants to pay for services which they have not asked for, which they do not want, in regard to paying for which they have made no agreement?

How can anyone defend such a proposition? But I leave it to the distinguished gentleman who is to follow me. If there is any vicious proposition that can be ably defended, he can ably defend it. [Laughter.]

The SPEAKER. The gentleman from Mississippi has 10 minutes

Mr. STEPHENS of Mississippi I yield 10 minutes to the gentleman from California [Mr. RAKER].

The SPEAKER. The gentleman from California [Mr. RAKER] is recognized for 10 minutes.

Mr. RAKER. Mr. Speaker, the question of the right to appropriate the \$15,000 has been practically conceded by the gentleman opposing this resolution; and it seems to me that I would be wasting too much time to go over that question. But will just give the House a little history upon that question.

This matter came up during the Sixty-second Congress and passed the House on the Unanimous Consent Calendar. It went over to the Senate and passed there. It went down to the White House and was vetoed by the President and came back, and, as stated, passed the Senate overwhelmingly, but failed by a few votes to receive the necessary two-thirds in the House. The Committee on Irrigation as well as the Committee of the Senate on Irrigation held full and complete hearings upon this bill as it was originally presented to the House, and those hear- | people.

ings have been reported and considered by the House, and much of the information derived during those hearings has been placed in the RECORD.

A resolution was reintroduced in the Senate and passed, and came over to the House and passed here by unanimous consent, because it changed the fund out of which this money was to be paid; and it was conceded then that it was legitimate and ought to be paid, and that it had a real, equitable foundation, and that this Congress should have appropriated \$42,000 for its payment. That bill then went to the Secretary of the Interior, and it provided that all parties should present their claims. They presented their claims under that resolution; but instead of amounting to \$42,000, they amounted to about \$15,000 more than the resolution provided for, and the Secretary of the Interior has been unable to adjust that claim without deducting proportionately the amount over and above what was appropriated for. So the Secretary has recommended that this amount be appropriated.

This matter went to the Senate again last year, and in the last days of the session it was left out rather than hold up the appropriation bill. It now comes back again for action.

Mr. FITZGERALD. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. FITZGERALD. It went out of the appropriation bill because the managers on the part of the House served notice on the Senate that under no consideration would they agree to the

Mr. RAKER. I want to call attention to the fact that the appropriation contained in this bill was not in that.

Mr. FITZGERALD. I know; but I am referring to the pay-

ment of the \$15,000 additional.

Mr. RAKER. I am taking the statements of Senators who participated in the conference.

Mr. FITZGERALD. But I was there, and so was the gentleman from Georgia, who sits by me, and we know what took place.

Mr. RAKER. I take it that the Senators knew what was done in the conference, too. The matter of \$15,000 was not involved as it is in the present resolution as it passed the Senate.

Now, I want to call the attention of the House to the question of the amount to be allowed for the parties who did the work. If there was no one who participated in presenting this matter, then there is no one to be paid. If some one has given their time and was sent here by a committee of these claimants to present their bill to the Secretary of the Interior and to the committee, that person ought to be paid. But when they find that the bill is approved, because they did not sign a written contract, and desire to get out of it, it is not a fair thing nor is it right to deny that person compensation. That is the condition of this case. Part of the claimants entered into a contract that if this matter was presented to the Secretary and that it this matter was presented to the secretary and the House and the Senate, they would pay their proportion. A gathering of the creditors was had, and a representative sent here to attend to their claims, and they were always willing to pay a reasonable attorney fee until the bill was approved and signed, and they find that there was an opportunity to defeat the party who had given her time and attention to this bill that they might receive their just compensation.

Mr. BARTLETT. May I ask the gentleman a question? Mr. RAKER. I am sorry, but I have only two minutes.

I want to call attention to a further matter. Here was this lady running a store, who paid the workmen their time checks, who paid the laboring men, who furnished the lumber and other money so that they could use it, and the material men the same. She spent all of her money for this purpose, mortgaging her home, and it is now under mortgage to-day. She is unable to relieve it unless this amount is allowed and paid for.

I want to call the attention of the House to the fact that this House unhesitatingly passed, and the Senate unhesitatingly passed and appropriated for a rich bank, a claim just exactly like this, and that bank received its money. Here is a small merchant and laboring people who have given their time and labor on these matters, and it is said that they ought not to

have their money.

I want to call attention to one further matter. Sixteeen per cent of the work done by Speer and his subcontractor was performed for \$57,000 less than for the same percentage of the work that the Government completed the contract when they took it over from the contractor. That is the record; that is the statement that has been presented in the record here; so that if the Government paid the entire \$57,000, they would not be paying the amount of the work that was done for these people.

When you voted the bankers the amount of their claim the law was just as it is to-day, but that contract was entered into believing that the act of 1884 was in force, that gave the one who furnished the material and labor a prior right to recover on the bond. This case shows, and the bond shows, and the letters from the Reclamation Service show, and the entire hearing shows that the Reclamation Service believed, until they took over the project to do it, that they were working and that this bond was given under the act of 1884, which meant that those who performed the labor and furnished the material had the prior right to sue and recover on the bond. But the act of 1905 came in and gave the Government the prior right to collect on the bond. The Government has sued to recover on the bond for \$75,000, and there is nobody here but what can say that the bondsmen on that bond are not able to respond to the entire \$75,000. Is it right when the people believed they had the right under the law to recover, when the Reclamation Service believed that they had the prior right to recover, on the bond, to now deny them this right? This original bill did not provide or specify any time in which the parties should present their claims. As I have called attention of the House to the fact, as soon as the bill passed they presented their claims, amounting to \$57,000. This resolution provides that they shall present their claims in one year after its enactment or their claims shall be barred. That is fair.

Mr. GARRETT of Texas. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. GARRETT of Texas. Is there anything in the RECORD to show how much of this claim will be absorbed by attorneys'

Mr. RAKER. That is entirely up to the Secretary of the Interior. Let me call the attention of the gentleman to the fact that these people gathered in a body upon these works when these people failed. They said: "We will collect a certain amount of money and send a representative to Washington and see if it can not be collected there by presenting the claim to the Secretary of the Interior by a proper presentation, and if not then through Congress.'

They all united, except a few that they left out. They were perfectly satisfied to have the work done, but as soon as the claim was allowed they said: "Why, here, we did not give a written contract; you have done the work and the bill provided for the money, and we ought to beat you out of it."

Mr. DICKINSON. Will the gentleman state on what grounds the President vetoed this bill when it was passed before?

Mr. RAKER. The present President never vetoed the bill.

Mr. DICKINSON. Well, a similar bill.

Yes; it is a different condition altogether. The SPEAKER. The time of the gentleman from California has expired. All time has expired. The question is on suspending the rules and passing Senate joint resolution 74.

The question was taken, and two-thirds having failed to vote in favor thereof, the motion to suspend the rules was rejected.

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bill: H. R. 9321. An act to amend the act approved May 9, 1888, as

amended by the act of June 11, 1896.

PROCEDURE IN UNITED STATES COURTS.

Mr. McCOY. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 10946) to regulate the judicial procedure of the courts of the United States, which I send to the desk and ask to have read.

Mr. FINLEY. Mr. Speaker, I would like to ask the gentleman from New Jersey what calendar this bill is on?
Mr. McCOY. This is on the House Calendar.
Mr. FINLEY. I believe there is a rule against a bill being on more than one calendar.

The SPEAKER. The Chair is not aware that it is on more than one calendar. This is a motion to suspend the rules and pass the bill. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That section 269 of the act approved March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary," be, and the same is hereby, amended so as to read

as follows:

"Sec. 269. That no judgment, decree, or order shall be set aside or reversed, or new trial granted by any court of the United States in any case, civil or criminal, on account of any error which does not injuriously affect the substantial rights of the party complaining. The trial judge may, in his discretion, in any case submit to the jury the issues of fact arising upon the pleadings, reserving any question of law arising in the case for subsequent argument and decision, and he and any court to which the case shall thereafter be taken on writ of error shall have the power to direct judgment to be entered either upon the verdict or upon the point reserved, if conclusive, as its judgment upon such point may require."

The SPEAKER. Is a second demanded?

Mr. FINLEY. Mr. Speaker, I demand a second. Mr. McCOY. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection?

Mr. FINLEY. Mr. Speaker, I think that the attendance in the House is too limited to consider a matter of this kind, and will ask the gentleman to let the matter go over.

The SPEAKER. Does the gentleman object to the request

that a second be considered as ordered?

Mr. FINLEY. No; I do not.

The SPEAKER. The gentleman from New Jersey is entitled to 20 minutes and the gentleman from South Carolina to 20 minutes.

Mr. McCOY. Mr. Speaker, this is one of several bills which from time to time have been considered at the different annual sessions of the American Bar Association, and for several years past the passage of such a bill as this has been recommended by that association. It is a bill which in short phrase is termed the "technical-error bill." The bill was considered by the House in the Sixty-second Congress, and on the unanimous report of the Committee on the Judiciary, the report being pre-pared by Solicitor General Davis, then a Member of the House from West Virginia. The bill was passed, but it did not get through the Senate. The bill was again introduced at this session by myself, at the request of a committee of the American Bar Association, and is identical with the bill as it passed the House in the Sixty-second Congress. The bill contains two provisions in effect, and one of them is that no judgment, decree, or order shall be set aside or reversed and a new trial granted on account of error which does not injuriously affect the substantial rights of the party complaining. This sort of legislation has been adopted in several of the States in the Union, as affecting the State courts, and it is clearly in the interest of expedition in the trial of cases; it is clearly in the furtherance of justice.

Mr. MOON. Mr. Speaker, will the gentleman yield?
Mr. McCOY. Certainly.
Mr. MOON. What does the gentleman mean by a technical error?

Mr. McCOY. I will say to the gentleman from Tennessee that that is the phrase which has been applied to the bill. It has been called the "technical-error bill." I take it that that means what might be known as an immaterial error, an error, in other words, which did not and probably could not have affected the right of the party complaining.

Mr. MANN. Is it not described in the bill? Mr. MOON. The way the bill is drafted.

The way the bill is drafted, does it not mean that the Federal court may proceed to judgment in these matters and take such action as it sees fit, without regarding those technical rules of law which are made for the purpose of protecting not only the property but the liberty of citizens? Mr. McCOY. No.

Mr. MOON. If you do not follow the technical rules of law in administering criminal law particularly you have placed the province of the jury practically in the hands of the judge, and you have made a condition that citizens can not live under, having made the judge the dictator instead of a legal officer.

Mr. McCOY. I quite agree with the gentleman, but I was perhaps unfortunate in my use of the designation by which the bill has gone. Of course practice in court is all technique, and if you violate any rule of practice you have committed what might be called a technical error; but there are a great many technical errors which do not affect the substantial rights of the party concerned.

Mr. MOON. That is the point. What do you call substantial right or justice? Is there any way to reach substantial justice or right without pursuance of the technical rules of law in their application to the trial of cases?

Mr. McCOY. I consider it the right to have the case fairly tried.

Mr. MOON. No; the gentleman's bill means this, that the judge may do just what he pleases, regardless of law and procedure.

Mr. McCOY. I disagree with the gentleman. It does not affect the trial of the case before the nisi prius judge, but it has to do with the reversal for error which the appellate court, on examination of the whole record, can say could not have affected the rights of the party.

Mr. MOON. Exactly. The nisi prius court may overrule the technical rules of the law, and the Supreme Court would be without power to correct that error.

Mr. BORLAND. Will the gentleman yield for a question?

Mr. McCOY. I will.

Mr. BORLAND. I want to call the gentleman's attention to the language which says a trial judge may, in his discretion, in any case, submit to the jury issues of fact arising upon the pleadings, reserving any question of law arising in the case for subsequent argument and decision.

Mr. McCOY. I have not come to that part of the bill.

Mr. BORLAND. Does that mean the trial judge is clothed with discretion to submit issues of fact to the jury?

Mr. McCOY. Surely; I take it that he would have it. It is a discretion to-day, which is in the laws of a great many States, where he is given that power now.

Mr. BORLAND. He is not compelled to submit issues of fact

to the jury?

Mr. SISSON. In a criminal case?

Mr. McCOY. They either go to a jury in the usual course of a law case or the judge can submit specific issues to the jury in

civil cases

Mr. BORLAND. It does not say that. It says he may, in his discretion, submit to the jury the issues of fact arising upon the pleadings. If the gentleman means that, then he can strike out those words; but if he means to say the trial judge can, in his discretion, reserve any question of law on the pleadings for subsequent argument, that would be a different proposition.

Mr. McCOY. That is just what the bill does.

Mr. BORLAND. That is not what the bill does. It says he may, in his discretion, submit issues of fact.

Mr. McCOY. Surely; in other words—
Mr. BORLAND. In other words, I think the gentleman can reach this question by striking out the language about "in his discretion submit the issues of fact" and put in—

Mr. McCOY. I will say to the gentleman I do not think "in his discretion" would add anything or take anything away. In other words, it follows the practice, as I understand it, the common-law practice, of submitting the whole case to the jury and adding also the submitting of specific issues of fact to the jury and taking the verdict of the jury on those specific issues.

Mr. BORLAND. That common-law practice of submitting specific issues of fact to the jury occurred in cases where the

right to a jury trial was not mandatory. It occurred in courts of equity, where the judge would have the decision of both issues of fact and the law and in which he had the right to submit certain special issues of fact to the jury. This language is not so confined.

Mr. McCOY. In common-law practice the judge frequently reserves the ruling on the law to take the verdict of the jury

on the issues which have been-

Mr. BORLAND. But this law is not confined to that case. That is the point to which I am calling the attention of the gentleman.

Mr. McCOY. Why, in common law and in equity that is a power which was frequently exercised by the court in sub-

mitting issues of fact to the jury.

Mr. BORLAND. And it was the common practice of referring questions of law arising upon the verdict, and not a discretion whether or not he would submit issues of fact to the jury, and

this gives the right to do both. Mr. McCOY. I do not think this takes away from any party litigant the right to have a verdict on the issues in the case, but it permits the judge, in his discretion, to submit separate

issues of fact to the jury.

Mr. BORLAND. I do not think it is so worded.

Mr. BARTLETT. Mr. Speaker, may I interrupt the gentleman?

Mr. McCOY. I yield. Mr. BARTLETT. This bill says "any case, civil or criminal," so that the bill is intended to apply both to civil and criminal

Mr. McCOY. The first branch of the bill; yes.

Mr. BARTLETT. There is no distinction made thereafter, and it applies to common-law suits as well as equity cases, and all cases of the courts, both civil and criminal, common law and equity, are to be governed by this bill.

Mr. McCOY. Yes; the first part of it.
Mr. BARTLETT. Now, will the gentleman tell me why, in criminal cases, the trial judge should be given discretion to submit to the jury special issues of fact arising upon the pleadings, reserving any question of law arising in the case for subsequent argument and decision?

Now, does the gentleman propose that a judge may in a criminal case or in a common-law case—say for damages—segregate the various parts in the case and submit any question of fact in a criminal case to a jury, and then, when the jury returns its special findings upon those facts, enter a judgment he thinks the facts justify, and take away from the jury the right to return a general verdict of guilty or not guilty? This

bill certainly would authorize him to do it. You do not limit in this provision the trial judge in his discretion to a civil case. but you say in all cases, civil or criminal, certain things may be done.

That is the first part.

Mr. BARTLETT. I know that. And still you do place a period in there, which makes a new sentence, and go on and say the trial judge may in his discretion, so that the trial judge may in any case, civil or criminal, submit to the jury

Mr. McCOY. I do not think the bill was intended to do that, but I should be quite willing to consent to an amendment to insert in line 1, on page 2, after the word "any," the word

Mr. BARTLETT. It can not be amended under the proceeding we have here.

Mr. McCOY. I would ask unanimous consent to have that

Mr. BORLAND. Under the way in which this bill is brought up it is not subject to amendment.

Mr. BARTLETT. That is what I was stating to the gentle-It is under the suspension of the rules.

Mr. McCOY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. McCOY. A criticism, which I think is perhaps a valid criticism, has been made, and which I think can be cured by an amendment. What I would like to know is, whether it is possible to suggest an amendment and ask unanimous consent that it be considered.

The SPEAKER. The House can do anything by unanimous

consent.

Mr. MANN. I suggest to the gentleman that he ask unanimous consent to change his motion.

Mr. McCOY. That the bill be amended by inserting after the word "any," on page 2, line 1, the word "civil," and that as amended the rules be suspended and the bill passed.

Mr. SISSON. Mr. Speaker, I would suggest that this bill is a matter of a great deal of importance, and I would ask the gentleman if he does not feel that it ought to go back to the committee and let the committee work it out. This is no place to work out a matter of this kind.

Mr. MANN. This was worked out, I will say to the gentleman, by a very distinguished man, and a better lawyer than any

mah, by a very distinguished man, and a better any state of the most in the House, perhaps.

Mr. SISSON. We may not agree. He may work out what he wants, and not what I want.

Mr. BARTLETT. The gentleman from New Jersey [Mr. McCov] says it was not intended.

Mr. McCov I will say that I am perfectly willing to have Mr. McCOY. I will say that I am perfectly willing to have it changed. I merely state that the gentleman aimed a criticism at the bill, and by the insertion of one simple word that objection could be removed. I think the bill as it was drawn was not intended in that particular part of it to refer to criminal cases, but if the insertion of that word would cure it I think it would be all right.

Mr. MOON. Mr. Speaker, I want to object to any change, because I think this bill is pernicious in any view that you may take of it. It is an outrage on the citizen of the country. It is arbitrary and practically deprives the citizen of a trial by jury. This House ought to have reported to it and have passed

a bill which means exactly the opposite of this.

Mr. McCOY. I would like, Mr. Speaker, to reserve the balance of my time, and would suggest to the gentleman from Tennessee [Mr. Moon] that he secure time.

The SPEAKER. Does the gentleman from New Jersey [Mr. McCoy] submit a unanimous consent?

Mr. McCOY. Yes; I ask manimous consent.

The SPEAKER. The gentleman from New Jersey [Mr.

McCoy] asks unanimous consent to amend-

Mr. McCOY. That the bill be amended by inserting, on page line 1, after the word "any," the word "civil," and that after it is so amended the rules be suspended and the bill passed.

The SPEAKER. Does the gentleman from Tennessee [Mr. Moon] object?

Mr. MOON. I object. Mr. McCOY. Mr. Speaker, I reserve the balance of my time. The SPEAKER. The gentleman from New Jersey has used

15 minutes of his time.

Mr. FINLEY. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. Sisson] five minutes.

away from litigants in some cases even the right of trial by

jury altogether on issues of fact.

As I understand the last provision, it provides in all cases of appeal to the Supreme Court, in the event that the court reverses a case and it goes back to a lower court-and I am putting the most favorable construction on the last sentence of the -it is left in the discretion of the Federal judge to determine whether he will or will not submit a question of fact to a Under the laws and practice in England the right of a trial by jury is sacred, and in this country it should be also. There are sinister influences in America which would love to get under the shadow and protection of a judiciary that is appointed for life, and I want to take them out from under that protection. I am unwilling that these men who are appointed for life, who are making these arbitrary rules, should be vested with that arbitrary discretion.

I agree with many distinguished attorneys, and particularly one whose name I will not mention, living in the city of Washington, who contends that the Federal judiciary by reaching out with their decisions have absorbed almost supreme power and been one of the great causes of the trouble that now prevents the country from getting the right sort of remedial legis-

In a matter of so much importance as this, tampering with the right of juries to try causes and vesting in the judge that sole power, it seems that if Congress in its wisdom should agree to it, it certainly should have more discussion than is proposed to be accorded here. The consideration of a matter so far-reaching as this should extend to more than 20 minutes to a side. This is no place in which to bring a bill of this kind and character-a bill that affects every man within the broad domain of this great Republic, and even the isles of the sea that we own and control. A matter of this great importance should be taken up by the Committee on the Judiciary and fully considered and placed on the calendar. It should be considered thoroughly, item by item, and every Member of this body should have the right to discuss it.

It is not sufficient to say, as I believe it is said, that the American Bar Association indorses this measure. We have no right, as Members responsible to our constituents, to substitute the judgment of the American Bar Association for our own judgment. The question is, Does this meet with your individual approval, rather than the approval of the American Bar Asso-Does this meet with your individual conscience, or the conscience of the American Bar Association? Does this meet your own individual judgment, or the judgment of the American Bar Association? I do not know that the American Bar Association is always good authority for the masses of the people. I fear that great lawyers-at least too many of them-are too much influenced by matters that would be hurtful to the people, representing, as they do, the great moneyed interests of the country.

Mr. McCOY. Mr. Speaker, will the gentleman yield? The SPEAKER. Does the gentleman yield?

Mr. SISSON. Yes. Mr. McCOY. I called attention to the fact that several States now have a law exactly of this kind, and this bill only extends to the Federal courts, if it should become a law, what is already done in those States.

Mr. SISSON. Yes; but in those States the judges do not hold office for life. In those States the judges are elected by the people, whereas in the case of Federal judges they are appointed and hold office for life. It makes a great difference, as everybody knows who practices law in the respective juris-

Mr. Speaker, will the gentleman yield further?

The SPEAKER. Does the gentleman yield?

Mr. SISSON. I regret I can not yield. I have only five minutes

Mr. McCOY. But will not the gentleman— Mr. SISSON. I told the gentleman I could not yield. The SPEAKER. The gentleman from Mississippi declines to

Mr. SISSON. I want to quote to you, gentlemen, an extract from Thomas Jefferson, written before we had a Supreme Court; written, in fact, before the court was organized. He said that the Constitution vested a power in the Supreme Court that ought not to be vested in any human being holding office for life. Another expression that he used was that they would become sappers and miners of the Constitution of the United States; and no prophet ever prophesied more truly than he did there.

I do not believe this House ought to pass a bill of this kind until we have had ample opportunity to study it, and then opportunity to offer amendments and consider it carefully.

It is a measure of too far-reaching importance to be jerked up here and passed under suspension of the rules. That provision in the rules for the passage of bills under suspension was intended not for the passage of great general legislation, but simply for the passage of these unimportant private measures and small matters that would not require much time-matters that would go through merely as a matter of course. How many Members are here now? I venture to say there are less than 100 Members present—no; there are not more than 75 Members present on the floor. The idea of taking up and passing under suspension of the rules a bill of this importance is not to be tolerated in a serious legislative body. [Applause.]
The SPEAKER. The time of the gentleman from Mississippi

has expired.

Mr. FINLEY. Mr. Speaker, I vield to the gentleman from Georgia [Mr. BARTLETT] four minutes.

The SPEAKER. The gentleman from Georgia [Mr. BARTLETT]

is recognized for four minutes.

Mr. BARTLETT. Mr. Speaker, the fact that the American Bar Association has approved this bill does not discredit it to me. I happen for many years to have been a member of that association. I was present when it was organized 30 years ago, and I have continuously been a member since. I know that they do study and endeavor to advocate the passage of laws that they believe to be for the benefit of the people. I myself believe it to be a true principle of administering justice in an appellate court that in civil cases where substantial justice has been done by the verdict and judgment and where immate-rial error may have been committed the case should not be reversed and sent back simply to be tried over upon the same facts because some error had occurred which did not really affect the minds of the jury in finding the verdict.

But a different proposition is involved in a case where a man is tried on a criminal charge. In criminal cases under our administration of justice, both in State and Federal courts, the jury are authorized to find a general verdict of guilty or not guilty, and an error of law or in the admission of evidence very

often leads to injurious effects.

When you try a man for his liberty or his life in a Federal court, there is but one tribunal which, under our Constitution, has the right to pass upon the question of his guilt or innocence, and that tribunal is the 12 men who sit in the jury box, selected under our form of judicial administration to pass upon the question. Therefore I called the attention of the gentleman who is in charge of this bill to the broad and sweeping proposition contained in the bill on page 2, that "in any case" the judge may submit to the jury issues of fact and let the jury return a verdict upon the special issue, and have the judge pronounce judgment upon the finding of the jury; not a general verdict of guilty or not guilty, but a special finding of fact; and not that the jury shall determine from that special finding whether the man is guilty or not guilty, but that the judge shall pronounce judgment of guilty or not guilty. However much I may be in favor of reforms in our judicial system that will hasten trials and end litigation, I am not prepared to vote for a bill which proposes to strike down the fundamental palladium of the liberties of our people, known as the jury system. I do not believe that the mind of man has ever conceived of a better or a superior tribunal to try a man criminally indicted in a court. The jury trial has stood the test of time and has been handed down to us from our forefathers and preserved in our constitutions, both State and Federal, as a blood-bought heritage to our people. And while this may be a technical criticism, yet men tried in court for their lives or liberty are always tried on technicalities, and if the right of trial by jury and the right to have a general verdict returned of guilty or not guilty is a technical right, it is one that has come down to us from Magna Charta and has been preserved to us by our forefathers, and I trust it will be preserved by us for our descendants hereafter. [Applause.]

Mr. FINLEY. I yield five minutes to the gentleman from

Tennessee [Mr. Moon].

Mr. Moon. Mr. Speaker, in my inquiries of the gentleman from New Jersey [Mr. McCov] I have said nearly all that I desire to say on this subject; but I will call the attention of the House briefly to the fact that this section, as sought to be passed here, practically destroys the right of trial by jury and commits into the hands of the Federal judge the exclusive and arbitrary power of disposing of the rights of litigants. Now, listen:

That no judgment, decree, or order shall be set aside or reversed, or new trial granted by any court of the United States in any case, civil or criminal, on account of any error which does not injuriously affect the substantial rights of the party complaining.

Who has the right to determine that question? The trial judge in the first place, and the appellate court in the next place. Now, what are these rights? They are rights under the law, arising from a given state of facts. Under the Constitution that state of facts must be submitted, if the amount involved exceeds \$20, to the verdict of a jury. The effect of this is to leave to the court the determination of the question as to whether the rights of a man are affected or not, and that is an invasion of the rights of the party under the Constitution, which ought not to be tolerated in this or any other country.

Next the bill provides:

The trial judge may, in his discretion, in any case submit to the jury the issues of fact arising upon the pleadings, reserving any question of law arising in the case for subsequent argument and decision, and he and any court to which the case shall thereafter be taken on writ of error shall have the power to direct judgment to be entered either upon the verdict or upon the point reserved, if conclusive, as its judgment upon such point may require.

That provision the more completely and effectually not only invades the province of the jury but destroys the jury part of the court system of the country. The idea is, to my mind, intolerable; that on a given state of facts on which the citizen is entitled to the verdict of a jury the power should, in the face of the precedents of a century, be conferred upon the trial judge to say whether those issues shall be submitted to the jury or whether he, in his discretion, shail determine them. And, again, if it goes to the appellate court under this section, either upon the trial of law or fact, the order should be and is a reversal always where there has been any substantial error. Here the court is not permitted to remand the case except, in its discretion, for further action in the court below, but they are authorized to enter such judgment as, in their opinion, may be proper on the facts. What is the object of all this; what is the legislation for? You know what the tendency of the Federal courts has been. You know their tendency has been toward the corporate interests of the country, toward the sustaining of the trusts and all those corporate interests that make against the welfare and interest of the people.

Mr. McCOY. If the gentleman will allow me, I want to call attention to the case of Springer v. Westcott (166 N. Y., 117), where there were four appeals in a recovery of \$900 for the contents of a trunk, and there the corporation was the appellant in the case. What we are trying to do here is to prevent and take away the power of the corporations to wear out a

Mr. MOON. I do not think this does it. That case may have been disposed of properly. That has nothing to do with the question here presented. If you take away from the citizen the right of trial by jury and allow the court to determine what substantial justice is, you have taken away the constitutional right of a citizen of the United States.

I want to remark, in conclusion, that it does not t ke a very wise man to see the purpose of this bill. It is brought here in disguise to cover the questions of contempt of labor organizations and to aid corporations in this country, and the National Bar Association of the United States does itself no credit if it favors this legislation.

Mr. FINLEY. Mr. Speaker, I yield two minutes to the gentleman from Illinois [Mr. Fowler].

Mr. FOWLER. Mr. Speaker, this bill proposes to amend section 209, and when we read section 269 we will see just how much this bill will change it or how much will be added to it. Section 269 of the code reads as follows:

All of the said courts shall have power to grant new trials in cases where there has been a trial by jury for reasons for which new trials have usually been granted in the courts of law.

That is all there is to section 269. I think it is harmless as compared with this bill. It simply gives the power to grant new trials, the same as is ordinarily given in courts of law where there is a substantial reason for a new trial.

I think new trials ought to be granted occasionally where justice has not been done. This bill not only undertakes to prevent new trials, but it undertakes to take away from the people of this country one of the greatest bulwarks of our jurisprudence, the right of trial by jury. If the Federal court had the right within its discretion to say whether cases should be tried by a jury or by the court, in my opinion they would all be tried by the court at the expense of the people. I have no assault to make on our Federal courts, but the conduct of some of our Federal judges has often been arbitrary and oppressive. Their tenure in office is for life. This bill seeks to increase the power of these courts and should be defeated by all means.

The SPEAKER pro tempore (Mr. SAUNDERS). The time of

the gentleman has expired.

Mr. FINLEY. Will the gentleman from New Jersey have

more than one speech?
Mr. McCOY. I will yield three minutes to the gentleman from Iown [Mr. GREEN].

Mr. GREEN of Iowa. Mr. Speaker, I think this bill is somewhat misconstrued, and I somewhat fear the language is subject to misconstruction. I would have liked to ascertain before I spoke whether it was intended on the part of the gentleman from New Jersey that the provisions of the latter part of the bill should apply to criminal cases as well as to civil.

There is one thing certain, that the time is coming, and fast coming, in spite anything gen'ilemen may say on the floor, when we will dispense with the archaic rules that we borrowed from the English procedure of 400 years ago and which England has dispensed with and put aside for more than half a century.

This bill was intended not to affect the substantial rights of any party. So far as any person who is put on trial for a criminal charge, he has the one natural right, and that is to be acquitted if the evidence fails to show his guilt beyond a reasonable doubt. He has no right to any particular form of trial, he has no right to any particular form of indictment except as has been provided by our statutes, which differ in different States. What might be justice according to the views of the gentleman from Tennessee, if I understand him correctly, in his State because the statutes so provide, would not be justice in my State because the statutes did not so provide. It is the intention of amendments of this character to do away with such provisions which do not pertain to the natural rights of a party and which obstruct justice being done in the case.

I do not think that this bill, as has been said by some gentle-men, prevents a trial by jury absolutely in any criminal case. If it did, it would not be constitutional, and the passage of it would have no weight. It was not so intended, I am satisfied, and I do not believe it can be properly so construed. I would, however, be better satisfied with it myself if the other part of

it applied simply to civil cases.

The SPEAKER pro tempore. The time of the gentleman

from Iowa has expired.

Mr. FINLEY. Mr. Speaker, how much time have I remaining?

The SPEAKER pro tempore. Three and one-half minutes. Mr. FINLEY. Mr. Speaker, I yield one minute and a half

to the gentleman from Tennessee [Mr. McKellar].

Mr. McKELLAR. Mr. Speaker, in a minute and a half I can only protest against the passage of this bill. Our Constitution provides that the right of trial by jury for any amount over \$20 shall remain inviolate. This bill, if passed, would take away absolutely the right of trial by jury. Federal judges in this country have already taken away to a large extent the right of trial by jury, and if you pass this law the result is going to be that they will take away the whole extent of the right of trial by jury. This ought not to be done, in my judgment, and instead of that, if the bill should not be voted down, I am going to offer the following amendment-

Mr. MURDOCK. But the gentleman can not do that.
Mr. McKELLAR. Then I think we ought to kill this bill.
Mr. MURDOCK. The committee could offer such an amend-

Mr. KELLEY of Michigan. Mr. Speaker, will the gentleman vield?

Mr. McKELLAR. Certainly.
Mr. KELLEY of Michigan. Mr. Speaker, I notice that this is an amendment to section 269 of the present law—

Mr. McKELLAR. Mr. Speaker, I want to interrupt the gentleman to say that I have not examined the bill critically at ali. I have just come into the Chamber, and do not know what agreement has been made about this bill; but so much do I feel, as a lawyer, as a man who believes in the Constitution, and in what is right between man and man—as a man who believes in the courts-so much do I believe that this is a vicious measure that I desire earnestly to insist that the bill be voted down. I, for one, am not ready to vote to abolish any part of the Constitution, and shall uphold in every honorable way the right, the sacred right, of trial by jury, which that instrument guarantees to the American people, but which right our Federal courts are apparently always seeking to take away.

The SPEAKER pro tempore. The time of the gentleman from

Tennessee bas expired.

Mr. FINLEY. Mr. Speaker, I am not here to make war on the judiciary of the United States or of the States at all, but when a bill like this comes here that is unconstitutional on the face of it

Mr. KELLEY of Michigan. Mr. Speaker, will the gentleman yield?

Mr. FINLEY. No. A bill that is unconstitutional on its face, that is admittedly so; a bill, which if passed, would in criminal cases and in other cases than on the criminal side of the court destroy the right of trial by jury in any case where the trial judge so willed, I can not and will not support it. I believe that

the people of this country should have a voice in the Government and particularly in the jury box. There the voice of the American citizen should be most potent. Take away his power to voice his honest judgment on a state of facts presented in a court, and to take the law as given to the jury by the trial judge, and you destroy one of the strongest incentives to high citizenship in this country. I do not believe that this bill should pass. I am opposed to it, because I think it wrong in principle and I think it pernicious. I think if it passes this Congress it will be a reflection on the Congress. Whether or not any such bill was ever so intended-

The SPEAKER pro tempore. The time of the gentleman has

expired.

Mr. McCOY. Mr. Speaker, I am sorry that so many men can

see so many bugaboos in this bill.

Mr. KELLEY of Michigan. Mr. Speaker, will the gentleman

yield?

Mr. McCOY. In just half a second. It does not take away the right of trial by jury from anyone, under any circumstances; but if it became the law it simply would have the result of doing away with the delay of justice which has become a stench in the nostrils of the people of the country, and I am surprised that lawyers in this body could object to any reform of this kind, which so many people have been asking for.

I now yield to the gentleman from Michigan.

Mr. KELLEY of Michigan. Section 269 of the existing law provides affirmatively for a new trial.

Mr. McCOY. Yes. Mr. KELLEY of Michigan. Is there any statement in this

section which would give a new trial at all?

Mr. McCOY. I think it could not be considered in any other way than as giving new trials, except under certain circum-

Mr. KELLEY of Michigan. That is, under other circumstances there would not be any new trial provided?

Mr. McCOY. I hope the bill will pass under suspension of the rules, and that the reform which has so long been demanded will be granted at this time.

The SPEAKER. The question is on suspending the rules

and passing the bill.

The question was taken; and the Speaker announced the noes seemed to have it.

Mr. McCOY. Division, Mr. Speaker.
Mr. MANN. Mr. Speaker, I make the point of order there is no quorum present.

The SPEAKER. The gentleman from New Jersey demands a division, and the gentleman from Illinois makes the point of order there is no quorum present.

Mr. McCOY. Mr. Speaker, I withdraw my demand. Mr. MANN. Well, I do not withdraw the point of order. I object to the vote on the ground that there is no quorum

The SPEAKER. The Chair will count-there is no use counting.

ADJOURNMENT.

Mr. UNDERWOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 27 minutes p. m.) the House adjourned to meet to-morrow, Tuesday, January 20, 1914, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS.

Under clause 2 of Rule XXIV, executive communications

were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Locklies Creek, Va. (H. Doc. No. 612); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

2. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of New London Harbor, Conn., with a view to securing increased depth of channel and for report upon the question of cooperation on the part of the State of Connecticut in the improvement of said harbor and its approaches (H. Doc. No. 613); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

3. A letter from the Acting Secretary of the Treasury, transmitting list of judgments rendered by the Court of Claims which have been presented to this department and require an appropriation for their payment (H. Doc. No. 616); to the Committee on Appropriations and ordered to be printed.

4. A letter from the Acting Secretary of the Treasury, transmitting communication from the Attorney General submitting a list of judgments rendered by the Court of Claims in favor of claimants in Indian depredation cases (H. Doc. No. 615); to the Committee on Appropriations and ordered to be printed.

5. A letter from the Acting Secretary of the Treasury, transmitting list of judgments rendered against the United by the circuit and district courts of the United States, as submitted by the Attorney General, and which require an appropriation for their payment, and additional sums for the payment of interest at 4 per cent from date of judgments (H. Doc. No. 614); to the Committee on Appropriations and ordered to be printed.

6. A letter from the assistant clerk of the Court of Claims, transmitting findings of fact and conclusions of law in the French spoliation claims, relating to the brig Julia, in the cases of Montgomery Fletcher, administrator of John Walter Fletcher and others (H. Doc. No. 617); to the Committee on Claims

and ordered to be printed.

7. A letter from the assistant clerk of the Court of Claims, transmitting findings of fact and conclusions of law in the French spoliation claims, relating to the brig Patsy, in the cases of the president and directors of the Insurance Co. of North America v. The United States, and in other cases (H. Doc. No. 618); to the Committee on Claims and ordered to be printed.

8. A letter from the assistant clerk of the Court of Claims, transmitting findings of fact and conclusions of law in the French spoliation claims, relating to the brig Six Brothers, in the cases of Elizabeth Needham, administratrix of the estate of John Needham, and in the case of John H. Nichols, administrator de bonis non cum testamento annexo of Isaac Needham v. The United States (H. Doc. No. 619); to the Committee on Claims and ordered to be printed.

9. A letter from the assistant clerk of the Court of Claims.

transmitting findings of fact and conclusions of law in the French spoliation claims, relating to the ship Rising Sun, in the cases of Gordon Gairdner, administrator of James Gairdner, v. The United States, and in other cases (H. Doc. No. 621); to

the Committee on Claims and ordered to be printed.

10. A letter from the assistant clerk of the Court of Claims, transmitting findings of fact and conclusions of law in the French spoliation claims, relating to the schooner Sea Flower, in the cases of Nathan Matthews, jr., administrator of Daniel Sargeant, v. The United States, and in other cases (H. Doc. No. 622); to the Committee on Claims and ordered to be printed.

11. A letter from the assistant clerk of the Court of Claims, transmitting findings of fact and conclusions of law in the French spoliation claims, relating to the brig Betsy, in the cases of Solomon N. Barlow, executor of last will and testament of Solomon N. Barlow, deceased, v. The United States, and other cases (H. Doc. No. 620); to the Committee on Claims and ordered to be printed.

12. A letter from the assistant clerk of the Court of Claims, transmitting findings of fact and conclusions of law in the French spoliation claims, relating to the schooner Port Royal, in the cases of David Stewart, administrator of John H. Behn, v. The United States, and other cases (H. Doc. No. 623); to the

Committee on Claims and ordered to be printed.

13. A letter from the Acting Secretary of the Treasury, transmitting copy of legislation and requesting that it be incorporated in the urgent deficiency bill (H. Doc. No. 611); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. SHACKLEFORD, from the Committee on Roads, to which was referred the bill (H. R. 11686) to provide that the United States shall, in certain cases, aid the States and the civil subdivisions thereof in the construction and maintenance of rural post roads, submitted a supplemental report (H. Rept. 168, pt. 2), which was referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII.

Mr. STEPHENS of Mississippi, from the Committee on Claims, to which was referred the bill (H. R. 9848) for the relief of the New England Steamship Co., reported the same with amendment, accompanied by a report (No. 173), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Claims was discharged from the consideration of the bill (H. R. 2728) for the relief of George P. Heard, and the same was referred to the Committee on Military Affairs.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows

By Mr. MURDOCK: A bill (H. R. 11888) to extend the benefits of the act of June 27, 1890, as amended by the act of May 9, 1900, granting pensions to soldiers and sailors who served in the military or naval forces of the United States, their widows, minor children, and dependent parents, and the act of February 6, 1907, and the act of May 11, 1912, as amended by the act of March 4, 1913, to the officers and enlisted men who served in the Nineteenth Regiment of Kansas Volunteer Cavalry; to the Committee on Invalid Pensions.

By Mr. FESS: A bill (H. R. 11889) authorizing the Secretary of War to donate condemned cannon and balls; to the Committee on Military Affairs.

Also, a bill (H. R. 11890) authorizing the Secretary of War to donate condemned cannon and balls; to the Committee on Military Affairs.

Also, a bill (H. R. 11891) authorizing the Secretary of War to donate condemned cannon and cannon balls; to the Committee on Military Affairs.

By Mr. HENSLEY: A bill (H. R. 11892) to prohibit the importation and entry of goods, wares, and merchandise made in whole or in part by convict labor, or made in whole or in part from materials which have been made in whole or in part in any manner manipulated by convict labor; to the Committee on Labor.

By Mr. CRAMTON: A bill (H. R. 11893) to amend section 3646 of the Revised Statutes of the United States, as amended by the act of February 16, 1885, as amended by act of March 23, 1906, as amended by act of June 19, 1906; to the Committee on Invalid Pensions.

By Mr. WILLIS: A bill (H. R. 11894) to regulate the type and installation of scales used by railroads in interstate com-merce, and for other purposes; to the Committee on Interstate and Foreign Commerce

By Mr. REED: A bill (H. R. 11895) to provide for the examination of the Merrimac River; to the Committee on Rivers and Harbors.

By Mr. STEPHENS of Texas: A bill (H. R. 11896) to amend section 5 of the act approved June 25, 1910, and for other purposes; to the Committee on Indian Affairs.

By Mr. BATHRICK: A bill (H. R. 11897) to encourage agriculture and ownership of farm homes; to reduce the rate of interest and extend the term of farm mortgages; and to provide a fund for the construction and maintenance of good roads; to the Committee on Banking and Currency.

By Mr. GORMAN: A bill (H. R. 11898) to provide a pension

for dependent mothers; to the Committee on Pensions. By Mr. CARTER: A bill (H. R. 11899) to create an Indian Code Commission to codify the laws relating to Indians taxed and not taxed, and to define more exactly the privileges and disabilities of the several classes of Indians in the United States; to the Committee on Indian Affairs.

By Mr. SMITH of Maryland: A bill (H. R. 11900) to construct a sewage-disposal plant for the District of Columbia; to the Committee on the District of Columbia,

By Mr. HOWARD: A bill (H. R. 11901) to establish postal savings banks, to enable the Government to borrow money directly from the people, and to market its bonds directly to the people in small and varying denominations through the medium of the post office, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. LEVER: A bill (H. R. 11902) to determine relative spinning values of standardized grades of cotton; to the Committee on Agriculture.

By Mr. BARNHART: A bill (H. R. 11903) to provide for the erection of a public building at Plymouth, Ind.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11904) to provide for the erection of a public building at Warsaw, Ind.; to the Committee on Public

Buildings and Grounds.

By Mr. DILLON: A bill (H. R. 11905) to improve, regulate, and control the streams of the United States, provide for the use thereof, and to appropriate money therefor; to the Committee on Rivers and Harbors.

By Mr. SMITH of Texas: A bill (H. R. 11906) for extension of time under the reclamation act, and for other purposes; to the Committee on Irrigation of Arid Lands.

By Mr. KELLY of Pennsylvania: A bill (H. R. 11907) for the improvement of the Youghiogheny River in western Pennsylvania; to the Committee on Rivers and Harbors.

By Mr. THACHER: A bill (H. R. 11908) to provide for enlarging the site for the United States building at Plymouth,

Mass.; to the Committee on Public Buildings and Grounds. By Mr. DAVENPORT: A bill (H. R. 11909) to refer the claims of the Eastern and Western Bands of the Cherokee Indians to the Court of Claims for investigation and final judg-

ment; to the Committee on Indian Affairs.

By Mr. SLAYDEN: Resolution (H. Res. 379) authorizing the Speaker to appoint three counselors; to the Committee on the Library

By Mr. HILL: Resolution (H. Res. 380) authorizing the appointment of a committee to make an investigation of conditions in the copper mines in the counties of Houghton, Keweenaw, and Ontonagon, in the State of Michigan; to the Committee on Rules.

By Mr. BARTHOLDT: A resolution (H. Res. 381) in relation to the Third Hague Conference; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions

were introduced and severally referred as follows:
By Mr. ADAIR: A bill (H. R. 11910) granting a pension to Lovina B. Chase; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11911) granting an increase of pension to John T. Fullhart; to the Committee on Invalid Pensions.

By Mr. CAMPBELL: A bill (H. R. 11912) for the relief of Thomas F. Kelley; to the Committee on Naval Affairs.

Also, a bill (H. R. 11913) granting an increase of pension to

John S. Lane; to the Committee on Invalid Pensions.

By Mr. CARTER: A bill (H. R. 11914) for the relief of Mrs. E. B. Ainsworth; to the Committee on Indian Affairs. By Mr. CASEY: A bill (H. R. 11915) granting a pension to

Lucy F. Smith; to the Committee on Invalid Pensions. Also, a bill (H. R. 11916) granting a pension to William

Ringlaben; to the Committee on Invalid Pensions.

By Mr. CLINE: A bill (H. R. 11917) granting an increase of pension to Anna M. Shafer; to the Committee on Invalid Pensions.

By Mr. COLLIER: A bill (H. R. 11918) for the relief of the estate of W. L. Johnston; to the Committee on War Claims.

Also, a bill (H. R. 11919) for the relief of the heirs or estate of David S. Sexton, deceased; to the Committee on War Claims. By Mr. CONNOLLY of Iowa: A bill (H. R. 11920) to correct the military record of William A. Blades; to the Committee on Military Affairs.

By Mr. COX: A bill (H. R. 11921) granting an increase of pension to Benjamin Collins; to the Committe on Invalid Pensions.

Also, a bill (H. R. 11922) granting a pension to Major Buley; to the Committee on Invalid Pensions.

By Mr. CRAMTON: A bill (H. R. 11923) granting a pension to Anna Davidson; to the Committee on Invalid Pensions, Also, a bill (H. R. 11924) granting an increase of pension to

Clement Waldron; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11925) granting an increase of pension to William J. Ottaway; to the Committee on Invalid Pensions.

By Mr. DONOVAN: A bill (H. R. 11926) to remove the

charge of desertion from the military record of Henry B. Smith; to the Committee on Military Affairs.

By Mr. DOOLITTLE: A bill (H. R. 11927) for the relief of Matthew McDonald; to the Committee on Naval Affairs. By Mr. DRISCOLL: A bill (H. R. 11928) granting a pension

to Bertha M. Jones; to the Committee on Pensions.

By Mr. EDWARDS: A bill (H. R. 11929) for the relief of the legal representatives of Dr. J. R. Middleton and Mrs. Eliza-

beth Middleton, deceased; to the Committee on War Claims.

By Mr. FESS: A bill (H. R. 11930) granting a pension to
John W. Thatcher; to the Committee on Pensions.

Also, a bill (H. R. 11931) granting a pension to Lila H.

Young; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11932) granting a pension to Mary E. Clemens; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11933) granting a pension to George A. Huston; to the Committee on Pensions.

Also, a bill (H. R. 11934) granting an increase of pension to Alonzo Judd; to the Committee on Invalid Pencions.

Also, a bill (H. R. 11935) granting an increase of pension to John W. Barrett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11936) granting an increase of pension to William Howard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11937) granting an increase of pension to George W. Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11938) restoring the name of Michael Beyersdoerfer to the pension roll; to the Committee on Invalid

By Mr. GALLAGHER: A bill (H. R. 11939) granting a pension to Sophia M. Human: to the Committee on Invalid Pensions.

By Mr. GARNER: A bill (H. R. 11940) granting a pension to Adelia B. Woodlief; to the Committee on Pensions.

By Mr. GARRETT of Tennessee: A bill (H. R. 11941) granting an increase of pension to Michael Shoffner; to the Committee on Invalid Pensions.

By Mr. GOULDEN: A bill (H. R. 11942) granting an increase of pension to John C. Messerschmidt; to the Committee on Invalid Pensions.

By Mr. GUERNSEY: A bill (H. R. 11943) granting an increase of pension to Luther F. Palmer; to the Committee on Invalid Pensions.

By Mr. HAWLEY: A bill (H. R. 11944) granting an increase of pension to Lewis S. Fuller; to the Committee on Invalid Pensions.

By Mr. HENSLEY: A bill (H. R. 11945) for the relief of Levi W. Revelle; to the Committee on War Claims.

By Mr. KREIDER: A bill (H. R. 11946) granting a pension to Cyrus T. Bowman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11947) granting a pension to William Mc-Kim; to the Committee on Invalid Pensions.

By Mr. LANGLEY: A bill (H. R. 11948) granting an increase of pension to Isaac Montgomery; to the Committee on Invalid Pensions.

By Mr. LEE of Georgia: A bill (H. R. 11949) granting an increase of pension to Charles Blacker; to the Committee on

By Mr. LLOYD: A bill (H. R. 11950) granting an honorable

discharge to H. J. Stanly; to the Committee on Military Affairs. By Mr. McLAUGHLIN: A bill (H. R. 11951) granting a pension to Mrs. Eliza A. Keech; to the Committee on Invalid Pen-

By Mr. MERRITT: A bill (H. R. 11952) granting a pension to William F. Walker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11953) granting a pension to Pauline Short; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11954) granting a pension to Anna E. Thayer Carpenter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11955) granting a pension to Henry Pickle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11956) granting an increase of pension to

John Tyler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11957) granting an increase of pension to Seymore Denio; to the Committee on Invalid Pensions.

By Mr. PALMER: A bill (H. R. 11958) granting an increase of pension to Samuel Reinhart; to the Committee on Invalid Pensions.

By Mr. REED: A bill (H. R. 11959) granting an increase of pension to John Franklin Hobbs; to the Committee on Invalid

By Mr. ROUSE: A bill (H. R. 11960) granting an increase of pension to Anna M. Maratta; to the Committee on Invalid Pen-

By Mr. RUSSELL: A bill (H. R. 11961) granting an increase of pension to Charles Schultz; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11962) for the relief of Andrew J. Sells;

to the Committee on Military Affairs.

By Mr. SHERLEY: A bill (H. R. 11963) granting an increase of pension to Pernina S. Owen; to the Committee on Invalid

By Mr. STEPHENS of Texas: A bill (H. R. 11964) granting an increase of pension to James J. Boyd; to the Committee on Pensions.

By Mr. TRIBBLE: A bill (H. R. 11965) for the relief of John Billups; to the Committee on War Claims.

By Mr. WILLIS: A bill (H. R. 11966) granting a pension to John W. Thatcher; to the Committee on Pensions.

By Mr. YOUNG of Texas: A bill (H. R. 11967) for the relief of the estate of Edward E. Douglas, deceased; to the Committee on War Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Petition of the County Cork Men's Patriotic and Beneficial Association, of Philadelphia, and Nathan Hale Branch of the American Continental League, of Philadelphia, protesting against an appropriation for celebrating "100 years of peace with England" Committee on Foreign Affairs.

Also, resolution of the George B. Eastin Camp of the Confederate Association of Kentucky, approving erection of a peace monument at Gettysburg, Pa.; to the Committee on the Library.

Also (by request), petition of the German-American Benevo-lent Association, of St. Charles, Mo., protesting against House joint resolution 168; to the Committee on the Judicial.

Also (by request), petition of citizens of Horte, Mont., favoring additional appropriations for chlarging the work of irrigation in Montana; to the Committee on Rivers and Harbors.

Mr. ANSBERRY: Petition of the Farmers' Institute of Hickville, Ohio, favoring the passage of the Kenyon hog-cholera bill; to the Committee on Agriculture.

Also, petition of Local Union No. 622, United Brotherhood of Carpenters and Joiners of America, of Waco, Tex., favoring the passage of the anti-injunction bills; to the Committee on the Judiciary.

By Mr. AIKEN: Petitions of citizens of the third congressional district of South Carolina, favoring the passage of the Lindquist pure fabric and leather bill; to the Committee on Interstate and Foreign Commerce.

By Mr. ASHBROOK: Memorial of the Chicago Federation of Labor, favoring an investigation of the labor conditions in the Michigan copper mines; to the Committee on Rules.

Also, petitions of Julius Juch and 12 other citizens, of Newark, Ohio, protesting against Federal prohibition legislation; to the Committee on the Judiciary.

By Mr. BAILEY (by request): Petition of sundry citizens of Blair County, Pa., protesting against the passage of the Sunday-observance bill; to the Committee on the District of Co-

Also (by request), petitions of sundry citizens of the nineteenth congressional district of Pennsylvania, favoring the passage of House bill 6060, restricting immigration; to the Committee on Immigration and Naturalization.

By Mr. BURKE of Wisconsin: Memorial of Central Labor Union, of Sheboygan, and Cigar Makers' Local Union, No. 323, of Sheboygan, Wis., favoring an investigation of the labor troubles in the copper mines of Michigan; to the Committee on

By Mr. CARTER: Memorial of Local No. 398, United Mine Workers of America, of Red Oak, Okla., fayoring an investigation of the troubles in the copper regions of Michigan; to the Committee on Rules.

By Mr. CLAYPOOL: Petitions of citizens of Ross, Athens, and Hamilton Counties, Ohio, protesting against adoption of House joint resolution 168; to the Committee on the Judiciary

By Mr. DALE: Petition of the Chicago Federation of Labor. favoring an investigation of the labor trouble in Michigan; to the Committee on Rules.

By Mr. DYER: Petitions of Lodge 432, Brotherhood of Railway Carmen of America, of St. Louis, Mo., and Chicago Federation of Labor, favoring investigation of strike conditions in Michigan; to the Committee on Rules.

Also, petition of W. P. Evans, superintendent of education, State of Missouri, favoring Senate joint resolution 5, in reference to national vocational education; to the Committee on Education.

Also, petition of C. L. Williamson, of Lexington, Ky., protesting against Senate bill 3631; to the Committee on Reform in the Civil Service.

Also, petition of E. C. Wing, of St. Louis, Mo., protesting against House joint resolution 168; to the Committee on the Judiciary.

Also, petition of Equitable Surety Co., of St. Louis, Mo., protesting against Post Office appropriation bill; to the Committee on the Post Office and Post Roads.

Also, petition of Murray Corrington, New York, favoring legislation curbing the power of courts and judges as to disbarment of lawyers; to the Committee on the Judiciary.

Also, memorial of Brotherhood of Railroad Trainmen, opposing workmen's compensation; to the Committee on the Judiciary. Also, petition of Bell Oil Co., of St. Louis, Mo., favoring national antidiscrimination law; to the Committee on the Judiciary.

By Mr. EAGAN: Petitions of Local Union No. 256, Firemen and Engineers; United Brewery Workmen of Union Hill, Hudson County; and Local Union No. 192, of North Hudson, N. J., favoring an investigation of the strike in the copper mines of Michigan; to the Committee on Rules.

By Mr. ESCH: Petition of citizens of De Soto, Vernon County, Wis., protesting against the passage of the Sabbath observance bill (H. R. 9674); to the Committee on the District

of Columbia.

Also, petitions of the Chicago Federation of Labor and Tailors' Union, No. 66, of La Crosse, Wis., favoring an investigation of the labor troubles in the mines of Michigan; to the Committee on Rules,

Mr. FESS: Petition of West Jefferson Farmers' Institute, of Madison County, Ohio, favoring an amendment to the Constitution prohibiting the sale and manufacturing of liquors; to the

Committee on the Judiciary.

By Mr. GARDNER: Petition of Frank S. Burgess and 43 other citizens of Haverhill, Mass., protesting against the passage of House bill 9674, the Sabbath observance bill; to the Committee on the District of Columbia.

By Mr. GARNER: Petitions of St. Joseph Society, of Divine, Tex., protesting against the passage of the literacy clause in the immigration bill; to the Committee on Immigration and Naturalization.

By Mr. GILMORE: Memorial of Hyde Park (Mass.) Socialist Club, favoring an investigation of labor troubles in the mines

of Michigan; to the Committee on Rules.

Also, petition of Boot and Shoe Workers' Union, of North Abington, Mass., favoring an investigation of the troubles in the mining regions of Michigan; to the Committee on Rules.

Also, petition of the Andrew Jackson Branch of the American Continental League, of Whitman, Mass., protesting against the appropriation for celebrating "One hundred years of peace with England"; to the Committee on Foreign Affairs.

By Mr. GOULDEN: Papers to accompany bill (H. R. 11942) granting an increase of pension to John C. Messerschmidt; to the Committee on Invalid Pensions.

By Mr. GRAHAM of Pennsylvania: Petition of the Anthony Wayne Branch of the American Continental League, of Philadelphia, protesting against an appropriation for celebrating "One hundred years of peace with England"; to the Committee on Foreign Affairs.

By Mr. GREENE of Vermont: Petitions of Arthur L. Chaney, A. Drysdale & Son, and other citizens of the first congressional district of Vermont, favoring the passage of House bill 5308, relative to mail-order houses; to the Committee on Ways and

Means.

By Mr. HAMMOND: Petition of German-American Society of Jackson County, Minn., protesting against the passage of Senate joint resolutions 50 and 80 and House joint resolution 168; to the Committee on the Judiciary.

By Mr. HAWLEY: Petition of Socialist Local, Preswell, Oreg., favoring investigation of strike conditions in Michigan; to the

Committee on Rules.

Also, petition of E. S. Palmer, Central Point, Oreg., protesting against House bill 9266, relative to cold-storage regulations; to the Committee on Interstate and Foreign Commerce.

Also, petition of citizens of Grants Pass, Oreg., protesting against Sabbath-observance bill; to the Committee on the Dis-

trict of Columbia.

By Mr. HULINGS: Petition of citizens of West Middlesex, Pa., favoring a constitutional amendment prohibiting manufacture, etc., of intoxicants; to the Committee on the Judiciary.

Also, petition of citizens of Pennsylvania, favoring Lindquist pure fabric and leather bill; to the Committee on Interstate and

Foreign Commerce.

Also, petitions of Sharon Lodge, No. 306, Association of Machinists, of Sharon; Socialist Party of Tidioute, of Venango County, and of Grove City, all in the State of Pennsylvania, favoring in vestigation of strike conditions in Michigan; to the Committee on Rules.

Also, petition of citizens of Pennsylvania, protesting against House bill 8814, making Columbus Day a legal holiday; to the

Committee on the Judiciary.

By Mr. KENNEDY of Rhode Island: Petition of Gorham Manufacturing Co., of Providence, R. I., protesting against the

passage of House bill 1873; to the Committee on the Judiciary.

Also, memorial of R. G. Hazard, of Peace Dale, R. I., relative
to improvement of Point Judith Harbor of Refuge, R. I.; to the
Committee on Rivers and Harbors.

By Mr. LANGHAM: Petition of Anita Branch, Socialist Party, of Pennsylvania, favoring an investigation of labor troubles in Michigan; to the Committee on Rules.

Also, petition of sundry citizens of the United States, favoring the passage of House bill 6060, for restriction of immigration; to the Committee on Immigration and Naturalization.

Also, petition of W. R. Brice & Co., of Philadelphia, Pa., protesting against the passage of the McKellar cold-storage bill

(H. R. 9937); to the Committee on Agriculture.

By Mr. LEE of Pennsylvania: Petition of Chicago Federation of Labor, of Chicago, Ill., favoring an investigation of the labor troubles in the mines of Michigan; to the Committee on Rules.

By Mr. LINDQUIST: Memorial of the Socialist Party of Clare County, Mich., favoring an investigation of the troubles

in the copper region of Michigan; to the Committee on Rules.

By Mr. LONERGAN: Petitions of Chicago Federation of
Labor, of Chicago, Ill., Local Bridgeport Socialist Party, Hartford Central Labor Union, of Hartford, Conn., favoring an investigation of the labor troubles in the mines of Michigan; to the Committee on Rules.

Also, petition of the National Society for Promotion of Industrial Education, of New York, favoring national aid for vocational education; to the Committee on Education.

Also, petitions of Sealers of Weights and Measures, favoring the passage of a bill for uniformity of weights and measures; to the Committee on Interstate and Foreign Commerce.

By Mr. MacDONALD: Petitions of the Michigan State conference of the Bricklayers' and Masons' International Union of Kalamazoo, and other labor and Socialist organizations of the State of Michigan, favoring an investigation of the trouble in the mines of Michigan; to the Committee on Rules.

By Mr. McGILLICUDDY: Petitions of citizens of Sagadahoc

County, Me., favoring the completion of Fort Baldwin, at the mouth of the Kennebec River, Me.; to the Committee on Military

Affairs.

By Mr. MURDOCK: Petition of citizens of Wichita, Kans., protesting against the passage of the Heffin Sunday law; to the Committee on the District of Columbia. Also, petitions of Hope and Wichita (Kans.) Socialist Party,

relative to strike in Michigan copper regions; to the Committee

on Rules.

By Mr. PATTEN of New York: Memorials of Brewers' Union No. 1, New York City, and Chicago (Ill.) Federation of Labor, favoring investigation of strike conditions in Michigan; to the Committee on Rules.

By Mr. REILLY of Connecticut: Petition of Local Bridgeport Socialist Party, favoring an investigation of labor troubles in the mines of Michigan; to the Committee on Rules.

Also, petition of the Day of Rest Conference, protesting against amending the act relative to opening the post offices on Sunday; to the Committee on the Post Office and Post Roads. Also, petition of Chicago Federation of Labor, of Chicago, Ill.,

favoring an investigation of the mining troubles in Michigan;

to the Committee on Rules.

By Mr. SABATH: Petition of Local Union No. 1, Interna-tional Association of Bridge and Structural Iron Workers, of Chicago, Ill., favoring an investigation of the labor troubles in the United States; to the Committee on Rules.

Also, petition of city of St. Joseph, Mich., protesting against the removal of the oil-supply station from said city; to the Committee on Interstate and Foreign Commerce.

Also, memorial of State Administrators of Vocational Education, favoring the passage of Senate joint resolution 5; to the Committee on Education.

Also, petition of 4,000 organized bakery workers of Chicago, Ill.; Chicago Federation of Labor; and Socialist societies of Chicago, Ill., favoring an investigation of labor troubles in cop-

per mines in Michigan; to the Committee on Rules.

By Mr. SELDOMRIDGE: Petition of Commercial Club, of Rio Blanco, Colo., protesting against withdrawal of carnotite lands in Colorado; to the Committee on the Public Lands.

Also, petition of Woman's Club of Leadville, Colo., favoring

House bill 29; to the Committee on Labor.

Also, petition of Chamber of Commerce of Montrose, Colo., protesting against withdrawal of radium-bearing lands in Colo-

rado; to the Committee on the Public Lands.

By Mr. SPARKMAN: Memorial of Zephyrhills Local, favoring an investigation of the labor troubles in the Michigan cop-

per regions; to the Committee on Rules.

By Mr. STEENERSON: Petition of Germania Club of Crookston, Minn., protesting against the passage of House joint resolution 168, Senate joint resolutions 50 and 88, relative to manufacturing of alcoholic liquors; to the Committee on the Ju-

By Mr. STRINGER: Memorial of Kendall County Bar Association, of Illinois, protesting against the passage of the bill providing for the reapportionment of judicial districts in Illinois;

to the Committee on the Judiciary.

Also, memorial of Cook County (Ill.) Board of Commissioners and United Lithuanian Societies, of Chicago, protesting against the passage of the Burnett immigration bill; to the Committee

on Immigration and Naturalization.

Also, memorial of Local No. 593, United Mine Workers, of Lincoln, Ill.; Local No. 33, Brotherhood of Painters, Decorators, and Paper Hangers, of Joliet, Ill.; Local No. 796, Carpenters and Joiners of America, of Rock Island, Ill., favoring investiga-tion of trouble in copper-mine regions of Michigan; to the Committee on Rules

By Mr. SUTHERLAND: Memorial of Board of Trade of Morgantown, W. Va., protesting against discriminatory legislation against the American Sheet & Tin Plate Co.; to the Com-

mittee on the Judiciary.

Also, papers to accompany bill for increase of pension to Granville Lanham; to the Committee on Invalid Pensions.

By Mr. THACHER: Memorial of the George B. Eustis Camp, No. 563, Confederate Association of Kentucky, favoring the movement to erect a peace monument at Gettysburg; to the Committee on the Library.

By Mr. TOWNER: Petition of citizens of the eighth district of Iowa, protesting against the passage of the Sabbath-observance-day bill (H. R. 9674); to the Committee on the District

of Columbia.

By Mr. WALLIN: Memorial of common council of Schenectady, N. Y., favoring investigation of strike conditions in Michigan; to the Committee on Rules.

Also, memorial of citizens of Schenectady, N. Y., favoring House bill 6060, relating to immigration of aliens; to the Committee on Immigration and Naturalization.

By Mr. WALTERS: Petition of citizens of Pennsylvania, favoring the Bennett immigration bill; to the Committee on

Immigration and Naturalization.

By Mr. WICKERSHAM: Petitions of citizens of Haines, Cordova, Douglas, Treadwell, Petersburg, Wrangell, and Seward, Alaska, favoring the prohibition of the sale of liquors in Alaska; to the Committee on the Territories.

By Mr. WILLIS: Petition of Westville Grange, No. 1625, of Magrew, Ohio, favoring an action by the Federal Government for the eradication of hog cholera; to the Committee on Agri-

By Mr. WILSON of New York: Petition of the George Washington Branch of the American Continental League, of Brooklyn, N. Y., protesting against the appropriation of a fund for celebrating "One hundred years of peace with England"; to the Committee on Foreign Affairs,

Also, petition of the Daughters of Liberty of New York City, N. Y., favoring the passage of House bill 6060, restricting immigration; to the Committee on Immigration and Naturalization.

SENATE.

Tuesday, January 20, 1914.

Prayer by the Chaplain, Rev. Forrest J. Prettyman, D. D. ALBERT B. FALL, a Senator from the State of New Mexico, appeared in his seat to-day.

The Journal of yesterday's proceedings was read and approved.

FRENCH SPOLIATION CLAIMS.

The VICE PRESIDENT laid before the Senate communications from the assistant clerk of the Court of Claims, transmitting the findings of fact and conclusions of law and opinions filed under the act of January 20, 1885, in the French spoliation claims set out in the annexed findings by the court relating to the following causes:

The schooner Seaflower, Luke Baker, master (H. Doc. No.

622), and

The brig Patsey, John Livingston, master (H. Doc. No. 618). The foregoing findings were, with the accompanying papers, referred to the Committee on Claims and ordered to be printed.

He also laid before the Senate communications from the assistant clerk of the Court of Claims, transmitting findings of fact and conclusions of law filed under the act of January 20, 1885, in the French spoliation claims set out in the annexed findings by the court relating to the following causes:

The ship Rising Sun, Thomas Baker, master (H. Doc. No.

The schooner Port Royal, William Smith, master (H. Doc. No. 623);

The brig Betsey, James Weaver, master (H. Doc. No. 620) The brig Six Brothers, John Needham, master (H. Doc. No. 619); and

The brig Julia, Samuel Caleff, master (H. Doc. No. 617)

The foregoing findings were, with the accompanying papers, referred to the Committee on Claims and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3638) providing

for the issuance of a patent to Joe Joubert,

The message also announced that the House had passed the bill (S. 541) granting to the Emigration Canon Railroad Co., a corporation of the State of Utah, permission, in so far as the United States is concerned, to occupy, for a right of way for its railroad track, a certain piece of land now included in the Mount Olivet Cemetery, Salt Lake County, Utah, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the

Senate .

H. R. 5993. An act authorizing the city of Montrose, Colo., to purchase certain public lands for public-park purposes

H. R. 7951. An act to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the United States Department of Agriculture;

H. R. 6827. An act to amend an act entitled "An act to change the name of the Public Health and Marine-Hospital Service to the Public Health Service, to increase the pay of officers of said service, and for other purposes," approved August 14,

H. R. 11006. An act authorizing the disposal of a portion of

the Fort Bidwell Indian School, Cal.

WORKMEN'S COMPENSATION AND EMPLOYERS' LIABILITY.

Mr. OVERMAN. Mr. President, I send to the desk a letter from the vice president and representative of the Order of Railway Conductors, the vice president and representative of the Brotherhood of Locomotive Firemen and Enginemen, and the vice president and representative of the Brotherhood of Railroad Trainmen, with resolutions adopted at the national conventions of these orders. I ask that the letter may be read and that the accompanying resolutions may be printed in the RECORD.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Secretary will read as requested.

The Secretary read as follows:

[Order of Railway Conductors; Brotherhood of Locomotive Firemen and Enginemen; Brotherhood of Railroad Trainmen.]

WASHINGTON, D. C., January 19, 1914.

WASHINGTON, D. C., January 19, 1914.

Dear Senator: That you may know the wishes and attitude of the 300,000 members of the above organizations on workmen's compensation, herewith is a copy of a resolution adopted by national conventions which were attended by 2,276 delegates from all parts of the United States.

States.

The total casualties to trainmen last year were 45,538. Fully 38,000 of such accidents occurred to firemen, conductors, brakemen, and switchmen. Therefore the above organizations have a better right to speak for the membership, because they would be the principal beneficiaries if such a law was enacted. We ask you to use your influence and oppose all pending bills, because such a law would be prejudicial to the welfare of the classes stated above.

The employers' liability law affords a better way for adequate compensation. Since the decision of the United States Supreme Court many cases are being settled out of court, and in many instances employees are able to settle for a small sum of money and a position, which means more than money. Workmen's compensation would preclude such settlements.

Trusting you shall oppose the pending bills, we are,
Yours, very truly,

W. M. Clark.

Vice President and Representative O. R. C.
J. McNamara,
Vice President and Representative B. L. F. & E.
Nat Fitzpatrick,
Vice President and Representative B. of R. T.

The VICE PRESIDENT. The letter will be referred to the Committee on the Judiciary and the accompanying resolutions will be likewise referred and printed in the RECORD, without objection.

The accompanying resolutions are as follows:

Order of Railway Conductors, resolution adopted by the national convention held in Detroit, Mich., May 12 to May 29, 1913.

Be it resolved, That the Order of Railway Conductors does not favor a workmen's compensation law as an exclusive remedy for damages sustained through injury or death of employees of railroads, but it believes that inasmuch as compensation and liability laws are for the benefit of the employee it will lend its support to any bill that will strengthen the present liability laws, Federal and State, and to any compensation bill satisfactory to those who favor the principle of workmen's compensation: Provided, houvever, That said compensation bill shall give the employee his option and election to either claim indemnity under the compensation law or maintain an action under the lia-

bility laws, such option and election to be exercised by the employee after his injury, or, in case of death, by his dependents after death; and that we will oppose any effort to repeal, suspend, or amend the present liability laws, Federal and State, unfavorable to the employee.

Brotherhood of Locomotive Firemen and Enginemen, resolution adopted by the twenty-sixth national convention, held in Washington, D. C., June 2 to July 3, 1913.

Resolved, That this, the twenty-sixth convention of the Brotherhood of Locomotive Firemen and Enginemen, is opposed to the enactment of an exclusive Federal workmen's compensation law or of any workmen's Federal compensation law that will in the slightest interfere with, impair, or obstruct the operation of the Federal employers' liability law or of any State employers' liability law.

Resolved further, That we believe that it is to the best interests of railroad employees that no workmen's compensation legislation be attempted by the United States Congress, but that that body direct its efforts along that line to strengthening and improving the present Federal employers' liability law in the Interests of railroad employees.

Resolved further, That it is our belief that it is to the best interests of railroad employees injured in the performance of their duties as such, or the heirs of those who meet death in the performance of such duties, that it should be optional with such persons to accept the compensation provided by their respective State workmen's compensation law or to sue under the Federal employers' liability law.

Resolved further, That we heartly commend the course pursued by our worthy president. W. S. Carter, relative to the first Sutherland exclusive workmen's Federal compensation bill introduced in the United States Congress, and that we realize that but for his action in the premises and for the wide publicity given the said Sutherland bill in the columns of our magazine this measure would have become enacted into law to the very detriment of the interests of injured railroad employees and the heirs of those killed in railroad service.

Brotherhood of Railroad Trainmen, resolution adopted by the national convention held in San Francisco, Cal., May 19 to June 4, 1913.

convention held in San Francisco, Cal., May 19 to June 4, 1913.

Session of Tuesday, May 27:

Motion that the convention go on record as opposed to any form of Federal workmen's compensation law affecting the Brotherhood of Railroad Trainmen. Carried.

Motion that the president be instructed to notify the President of the United States, President of the Senate, and the Speaker of the House of Representatives of the action taken by the convention regarding workmen's compensation. Carried.

Session of Monday, June 2:

In view of the fact that this convention has gone on record by a most decisive vote in opposition to any Federal workmen's compensation act, and in view of the fact that bills almost identical with the so-called Brantley bill have been introduced in the National Senate and House of Representatives, we strongly recommend that the efforts of this brotherhood and its officers be directed to the defeat of these or any similar bills. We further recommend that in States wherein liability laws have not been enacted every effort be used to procure the adoption of laws which are in conformity with the Federal liability law and to supplement it.

The resolutions represent approximately the unanimous opinion of 2,276 delegates.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented memorials of Nathan Hale Branch, American Continental League, of Philadelphia; of Yorktown Branch, American Continental League, of Philadelphia; of the County Cork Men's Patriotic and Beneficial Association, of Philadelphia, all in the State of Pennsylvania, and of Winfield H. Scott Branch, American Continental League, of Brooklyn, N. Y., remonstrating against any appropriation by Congress for the celebration of the so-called "One hundred years of peace among English-speaking peoples," which were referred to the Committee on Foreign Relations,

Mr. GRONNA presented a memorial of sundry citizens of Wheelock, N. Dak., remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which was referred to the Com-

mittee on the District of Columbia.

Mr. BRISTOW presented a memorial of sundry citizens of Stafford, Kans., remonstrating against the enactment of legislation authorizing the removal of assistant postmasters from the classified service, which was referred to the Committee on Post Offices and Post Roads.

He also presented memorials of sundry citizens of Herndon, Shaffer, and Emporia, all in the State of Kansas, remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which were referred to the Committee on the District of Columbia.

Mr. GALLINGER presented a petition of Evening Star Council, Daughters of Liberty, of Quincy, N. H., praying for the enactment of legislation to further restrict immigration, which

was referred to the Committee on Immigration.

Mr. HITCHCOCK presented a memorial of sundry citizens of Burt County, Nebr., and a memorial of sundry citizens of Sherman County, Nebr., remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which were referred to the Committee on the District of Columbia.

He also presented a memorial of Local Branch No. 74, National Association of Civil Service Employees, of Omaha, Nebr., remonstrating against enactment of legislation authorizing the removal of assistant postmasters from the classified service, which was referred to the Committee on Post Offices and Post

Mr. WORKS presented a petition of the Chamber of Commerce of Sacramento, Cal., remonstrating against certain features of the income-tax law, which was referred to the Committee on Finance.

He also presented a petition of the Chamber of Commerce of Sacramento, Cal., praying for the adoption of the proposed plan of the Park Commission for the improvement of the city of Washington, which was referred to the Committee on the District of Columbia.

He also presented a petition of the Chamber of Commerce of Sacramento, Cal., praying for the passage of the so-called Harrison antinarcotic bill, which was referred to the Committee on Finance

He also presented a petition of the Chamber of Commerce of Sacramento, Cal., praying for the enactment of legislation providing for a reorganization of the Consular and Diplomatic Service, which was referred to the Committee on Foreign Relations.

Mr. McCUMBER presented resolutions adopted by the Commercial Club of Enderlin, N. Dak., favoring the enactment of legislation providing free mail delivery to all towns or villages having 1,000 population or over, which were referred to the Committee on Post Offices and Post Roads.

Mr. SHEPPARD presented a memorial of sundry citizens of Chapel Hill, Tex., remonstrating against the adoption of the socalled literacy test in the immigration bill, which was referred

to the Committee on Immigration.

Mr. SMITH of Maryland presented a memorial of sundry citizens of Millington, Md., and a memorial of sundry citizens of Takoma Park., D. C., remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which were referred to the Committee on the District of Columbia.

He also presented a petition of sundry citizens of Delmar, Md., praying for the enactment of legislation to further restrict immigration, which was referred to the Committee on Immigra-

Mr. PERKINS presented a memorial of sundry citizens of Humboldt County, Cal., remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which was referred to the Committee on the District of Columbia.

He also presented a petition of the Chamber of Commerce of Sacramento, Cal., praying for the enactment of legislation providing for a reorganization of the Consular and Diplomatic Service, which was referred to the Committee on Foreign Relations.

He also presented a petition of the Chamber of Commerce of Sacramento, Cal., praying for the adoption of the proposed plan of the Park Commission for the improvement of the city of Washington, which was referred to the Committee on the District of Columbia.

He also presented a petition of the congregation of the First Congregational Church of Campbell, Cal., and a petition of the congregation of the First Baptist Church of Berkeley, Cal., praying for the suspension of the proposed naval programs of the great powers, which were referred to the Committee on Naval Affairs

He also presented a memorial of the Chamber of Commerce of Sacramento, Cal., remonstrating against certain requirements of the income-tax law, which was referred to the Committee on Finance

He also presented a memorial of the German-American Sweigervband, of San Jose, Cal., remonstrating against the enactment of legislation prohibiting the sale, manufacture, and importation of distilled liquor containing alcohol except for certain specified purposes, which was referred to the Committee on the Judiciary.

He also presented a petition of the Chamber of Commerce of Sacramento, Cal., praying for the passage of the so-called Harrison antinarcotic bill, which was referred to the Committee on

Mr. POINDEXTER presented a petition of the Vineland Industrial Club, of Clarkston, Wash., praying that an appropriation be made for the further improvement of the Columbia River bar, which was referred to the Committee on Commerce.

Mr. SHIVELY presented a petition of sundry citizens of Fort Wayne, Ind., praying for the enactment of legislation to further restrict immigration and remonstrating against making Columbus Day, October 14, a legal holiday, which was referred to the Committee on Immigration.

REVIEW OF DECISIONS OF HIGHEST STATE COURTS.

Mr. ROOT. From the Committee on the Judiciary I report back favorably the bill (S. 94) to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, and I submit a report (No. 161) thereon. The bill proposes to amend the Judicial Code by conferring jurisdiction upon the Supreme Court to review final decisions rendered by the highest court of a State when the decision has been in favor of a claim of right under the Constitu-tion, treaties, or laws of the United States.

There have been six bills introduced in the Senate upon this subject, all designing to accomplish the same object. port is in effect a committee substitute for the six. It is technically a report of the first one on the list. The other five I now report back to the Senate with a recommendation that they be indefinitely postponed. Those are Senate bill 1320, introduced by Mr. Jones (for Mr. Clarp) April 21, 1913; Senate bill 1783, introduced by Mr. Nelson (by request) May 5, 1913; Senate bill 3492, introduced by Mr. Gallinger November 29, 1913; Senate bill 3609, introduced by Mr. Smith of Georgia December 10, 1913; and Senate bill 3994, introduced by Mr. Root January 14, 1914.

I ask that Senate bill 94 may go to the calendar under Rule VIII, and I give notice that at the first opportunity, to-morrow if possible, I shall ask unanimous consent for its consideration, as the bill is substantially the same as a bill which passed the Senate at the last session; and I move the indefinite postpone-

ment of the five other bills which I have enumerated.

The VICE PRESIDENT. Senate bill 94 will be placed on the calendar, and the remaining bills will be indefinitely postponed, if there be no objection.

The remaining bills were postponed indefinitely, as follows: S. 1320. A bill to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911

8.1783. A bill to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911;

S. 3994. A bill to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911;

S. 3609. A bill to amend section 237 of the Judicial Code so as to provide for a review by the Supreme Court of the United States of all final decisions rendered by the highest court of a State in sults of the character and kind named in said section, and for other purposes; and

S. 3492. A bill to amend section 237 of "An act to codify, revise, and amend the laws relating to the judiciary," approved

March 3, 1911.

THE UNITED STATES STEEL CORPORATION.

Mr. NEWLANDS. From the Committee on Interstate Commerce I report back Senate resolution 241 directing the Interstate Commerce Commission to conduct an examination to ascertain whether facts or evidence exist justifying the Government in instituting proceedings for recovery of fines, and so forth, from the United States Steel Corporation, its subsidiaries, or any common carrier, because of unlawful rebates within the last six years, with amendments, and I submit a report (No. 162) thereon. The committee report the resolution with the recommendation that it be referred to the Attorney General and to the Interstate Commerce Commission for investigation and for such action as shall be deemed advisable by them, or either of them, in the public interest. The testimony taken before the committee in connection with the resolution is also submitted.

The VICE PRESIDENT. The resolution will be placed on

the calendar.

THE COMMITTEE ON INTERSTATE COMMERCE.

Mr. NEWLANDS. I am instructed by the Committee on Interstate Commerce to report a resolution, which I ask to have

The resolution (S. Res. 248) was read, as follows:

The resolution (S. Res. 248) was read, as follows:

Resolved, That the Committee on Interstate Commerce, or any subcommittee thereof, be, and the same is hereby, authorized during the Sixty-third Congress to send for books and papers, to administer oaths, and to employ, if necessary, a stenographer at a price not to exceed \$1 per printed page to report such hearings as may be had in connection with any subject which may be pending before the said committee or under investigation or examination thereby; that the committee or any subcommittee thereof may sit during the sessions or recesses of the Senate; the expenses thereof to be paid out of the contingent fund of the Senate; and that such committee or subcommittee thereof may sit during the sessions of the Senate or during the vacation of the Senate at any place in the United States.

Mr. NEWLANDS. I should like to have unanimous consent

for the present consideration of the resolution.

The VICE PRESIDENT. The resolution will be referred under the law to the Committee to Audit and Control the Contingent Expenses of the Senate, there being a law providing that no appropriation shall be made out of the contingent fund of the Senate without a reference to that committee.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES: A bill (S. 4095) making timberlands available for homestead settlement, and for other purposes; to the Committee on Publie Lands.

By Mr. SUTHERLAND:

A bill (S. 4096) to amend the act authorizing the National Academy of Sciences to receive and hold trust funds for the promotion of science, and for other purposes; to the Committee on the Judiciary

By Mr. WORKS:

A bill (S. 4097) for the purchase of a collection of California quartz gems for the National Museum; to the Committee on the Library. By Mr. THOMAS:

A bill (S. 4098) granting an increase of pension to Henry

A bill (S. 4099) granting an increase of pension to Frank A.

A bill (S. 4100) granting an increase of pension to Mary A. Price;

A bill (S. 4101) granting an increase of pension to Mary C. Jackson;

A bill (S. 4102) granting a pension to Mary C. Christensen; A bill (S. 4103) granting an increase of pension to John H.

A bill (S. 4104) granting a pension to William G. Neeley; A bill (S. 4105) granting an increase of pension to Francis Mahon (with accompanying papers);

bill (S. 4106) granting a pension to Lucy S. Hamilton (with accompanying papers);

A bill (S. 4107) granting a pension to Hiram B. Kelly (with accompanying papers);

A bill (S. 4108) granting an increase of pension to Jeanie G.

Lyles (with accompanying papers); and

A bill (S. 4100) granting an increase of pension to George W. Cook (with accompanying paper); to the Committee on Pensions.

By Mr. NEWLANDS:

A bill (S. 4110) authorizing the cutting of timber for mining purposes by corporations organized in one State and conducting mining operations in another; to the Committee on Public

By Mr. HITCHCOCK:

A bill (S. 4111) authorizing the Secretary of War to donate to the United Spanish War Veterans, Camp Lee Forby No. 1, of Omaha, Nebr., two brass or bronze cannon or fieldpieces, with their carriages; to the Committee on Military Affairs.

By Mr. KERN:

A bill (S. 4112) granting an increase of pension to James T. Kent (with accompanying papers);

bill (S. 4113) granting a pension to Clarence A. Murphy (with accompanying papers);

A bill (S. 4114) granting an increase of pension to David R. Forsha (with accompanying papers); and

A bill (S. 4115) granting a pension to Ralph A. Meyer (with accompanying papers); to the Committee on Pensions.

By Mr. DILLINGHAM:

A bill (8. 4116) granting a pension to Maria A. Holmes (with accompanying papers); to the Committee on Pensions. By Mr. BURLEIGH:

A bill (S. 4117) granting an increase of pension to Hanson B. Simmons; to the Committee on Pensions.

By Mr. McCUMBER:
A bill (S. 4118) granting an increase of pension to William B. Scace; and

A bill (S. 4119) granting an increase of pension to Nelson W. Armstrong (with accompanying papers); to the Committee on Pensions.

By Mr. PENROSE:

A bill (S. 4120) granting an honorable discharge to Emmet M. Lowery; to the Committee on Military Affairs.

A bill (S. 4121) granting pensions to all honorably discharged

survivors of Indian wars and their widows and minor children;

A bill (S. 4122) granting an increase of pension to Cyrus M. Wilson (with accompanying papers); to the Committee on Pensions.

By Mr. POINDEXTER:

A bill (S. 4123) granting a pension to Fannie E. Douglass;

A bill (S. 4124) granting an increase of pension to Charles J. F. Reimer; to the Committee on Pensions.

By Mr. SMITH of Michigan:

A bill (S. 4125) to place the name of Michael James McCormack upon the active list of the Navy; to the Committee on Naval Affairs.

By Mr. JONES:

A joint resolution (S. J. Res. 102) authorizing the delivery to the proper authorities of Columbia County, State of Washington, two condemned bronze or brass cannon or fieldpieces and suitable outfit of cannon balls; to the Committee on Military Affairs.

ADDRESS BY LORD CHANCELLOR HALDANE (S. DOC. NO. 371).

Mr. ROOT. Mr. President, some time ago, in the first session of this Congress, the Senate had printed as a document, being Senate Document No. 233, an address by Lord High Chancellor Haldane before the American Bar Association at Montreal, Canada, September 1. There has been a very large demand for it, It appears that in the copy which was handed in at that time to be printed there was omitted the introduction by the Chief Justice of the United States, who presented the Lord Chancellor to the bar association and the audience, and some brief proceedings consequent upon the delivery of the address. There is a general desire to have these proceedings printed with the address, and I ask unanimous consent that a second edition be printed with these proceedings included. It will add only two or three pages, I think, to the document.

Mr. SMOOT. Mr. President, I will say to the Senator from New York that if the document is merely ordered to be reprinted it can not carry the additional matter, and therefore it

will have to be printed as a separate document.

The VICE PRESIDENT. Is of the Senator from New York? Is there objection to the request

Mr. CHILTON. I did not hear the introductory remarks of

the Senator. What is the document?

Mr. ROOT. I desire to have pri I desire to have printed the address of Lord Chancellor Haldane before the American Bar Association, together with the introduction by Chief Justice White.

Mr. CHILTON. I was going to say that it has already been printed.

Mr. ROOT. It has been printed, but without the introduction.

Mr. CHILTON. Very well.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the order will be made.

ADDRESS BY HON. GEORGE W. NORRIS (S. DOC. NO. 372).

Mr. CLAPP. In connection with the subject of printing, I desire to ask that there be printed in the RECORD an address delivered by Hon. George W. Norris, the junior Senator from Nebraska, before the First National Conference on Popular Government, held at Memorial Continental Hall, Washington, D. C., December 6, 1913.

The VICE PRESIDENT. Does the Senator desire it printed as a public document?

Mr. CLAPP. Yes, sir. Mr. SMOOT. Mr. President, do I understand the Senator to ask that it be printed as a public document?

Mr. CLAPP. I am not particular as to that. Let it be printed in the Record. That will be sufficient.

Mr. SMOOT. I have no objection to its being printed as a public document.

Mr. CLAPP. Very well; let it be printed, then, as a public

The VICE PRESIDENT. Is there objection to the request of the Senator from Minnesota? The Chair hears none, and the address will be printed as a public document.

PRESIDENTIAL PRIMARIES.

Mr. SHERMAN. I wish to give notice that on Tuesday next the 27th instant, I shall submit some remarks on Senate bill 3922, relating to Presidential primaries, and to the current politics involved in the subject matter of the bill.

THE EMIGRATION CANON RAILROAD CO.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 541) granting to the Emigration Canon Railroad Co., a corporation of the State of Utah, permission, in so far as the United States is concerned, to occupy, for a right of way for its railroad track, a certain piece of land now included in the Mount Olivet Cemtetry, Salt Lake County, Utah, which was, on page 1, line 8, to strike out all after the colon down to and including the word "acre," on page 2, line 9, and insert: "Commencing at a point 195 62 feet east and 100 feet north of the southwest corner of Mount Olivet Cemetery (formerly the southwest corner of the Fort Douglas Military Reservation), in Salt Lake County, Utah; thence counding a 20° 35' curve to the right a distance of 351.99 feet to a point on the west line of the said Mount Olivet Cemetery, said point being a distance of 306.94 feet north from the southwest corner of said Mount Olivet Cemetery, the center of said curve with a radius of 279.94 feet, being located at a point 279.94 feet east and 366.94 feet north from the southwest corner of said Mount Olivet Cemetery; thence south 266.94 feet to a point 100 feet north of the southwest corner of said Mount Olivet Cemetery; thence east a distance of 195.62 feet to place of beginning; containing in all three hundred and nineteen thousandths of an acre."

Mr. SMOOT. I move that the Senate concur in the amend-

ment of the House of Representatives, The motion was agreed to.

HOUSE BILLS REFERRED.

H. R. 5993. An act authorizing the city of Montrose, Colo., to purchase certain public lands for public-park purposes was read twice by its title and referred to the Committee on Public

H. R. 6827. An act to amend an act entitled "An act to change the name of the Public Health and Marine-Hospital Service to the Public Health Service, to increase the pay of officers of said service, and for other purposes," approved August 14, 1912, was read twice by its title and referred to the Committee on Public Health and National Quarantine.

H. R. 7951. An act to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the United States Department of Agriculture, was read twice by its title and referred to the Committee on Education and Labor.

Mr. SMOOT. I think that bill should be referred to the Committee on Agriculture and Forestry.

The VICE PRESIDENT. That action will be taken, and the bill will be referred to the Committee on Agriculture and

H. R. 11006. An act authorizing the disposal of a portion of the Fort Bidwell Indian School, Cal., was read twice by its title and referred to the Committee on Indian Affairs.

THE PRESIDENT'S ADDRESS (H. DOC. NO. 625)

The VICE PRESIDENT (at 12 o'clock and 2" minutes p. m.). In pursuance of the resolution adopted yesterday by the Senate, the Sergeant at Arms will proceed to carry out the order of the Senate.

Thereupon the Senate, headed by the Sergeant at Arms and preceded by the Vice President and the Secretary of the Senate, proceeded to the Hall of the House of Representatives.

The Senate returned to its Chamber at 1 o'clock p. m.

The address of the President of the United States, delivered this day to both Houses of Congress, is as follows:

The PRESIDENT. Gentlemen of the Congress, in my report "on the state of the Union," which I had the privilege of reading to you on the 2d of December last, I ventured to reserve for discussion at a later date the subject of additional legislation regarding the very difficult and intricate matter of trusts and monopolles. The time now seems opportune to turn to that great question; not only because the currency legislation, which absorbed your attention and the attention of the country in December, is now disposed of, but also because opinion seems to be clearing about us with singular rapidity in this other great In the matter of the currency it cleared suddenly and very happily after the much-debated act was passed: in respect of the monopolies which have multiplied about us and

in regard to the various means by which they have been organized and maintained it seems to be coming to a clear and all but universal agreement in anticipation of our action, as if by way of preparation, making the way easier to see and easier to set out upon with confidence and without confusion of counsel. Legislation has its atmosphere like everything else, and the atmosphere of accommodation and mutual understanding which we now breathe with so much refreshment is matter of sincere

congratulation. It ought to make our task very much less difficult and embarrassing than it would have been had we been obliged to continue to act amidst the atmosphere of sus-picion and antagonism which has so long made it impossible to approach such questions with dispassionate fairness. Constructive legislation, when successful, is always the embodiment of convincing experience, and of the mature public opinion which finally springs out of that experience. Legislation is a business of interpretation, not of origination; and it is now plain what the opinion is to which we must give effect in this matter. It is not recent or hasty opinion. It springs out of the experience of a whole generation. It has clarified itself by long contest, and those who for a long time battled with it and sought to

change it are now frankly and honorably yielding to it and seeking to conform their actions to it.

The great business men who organized and financed monopoly and those who administered it in actual everyday transactions have year after year, until now, either denied its existence or justified it as necessary for the effective maintenance and development of the vast business processes of the country in the modern circumstances of trade and manufacture and finance; but all the while opinion has made head against them. The average business man is convinced that the ways of liberty are also the ways of peace and the ways of success as well; and at last the masters of business on the great scale have begun to yield their preference and purpose, perhaps their judgment also, in honorable surrender.

What we are purposing to do, therefore, is, happily, not to hamper or interfere with business as enlightened business men prefer to do it, or in any sense to put it under the ban. The antagonism between business and government is over. We are now about to give expression to the best business judgment of America, to what we know to be the business conscience and honor of the land. The Government and business men are ready to meet each other halfway in a common effort to square business methods with both public opinion and the law. The best informed men of the business world condemn the methods and processes and consequences of monopoly as we condemn them; and the instinctive judgment of the vast majority of business men everywhere goes with them. We shall now be their spokesmen. That is the strength of our position and the sure prophecy of what will ensue when our reasonable work is done.

When serious contest ends, when men unite in opinion and purpose, those who are to change their ways of business joining with those who ask for the change, it is possible to effect it in the way in which prudent and thoughtful and patriotic men would wish to see it brought about, with as few, as slight, as easy and simple business readjustments as possible in the circumtances, nothing essential disturbed, nothing torn up by the roots, no parts rent asunder which can be left in wholesome combination. Fortunately, no measures of sweeping or novel change are necessary. It will be understood that our object is not to unsettle business or anywhere seriously to break its established courses athwart. On the contrary, we desire the laws we are now about to pass to be the bulwarks and safeguards of industry against the forces who have disturbed it. What we have to do can be done in a new spirit, in thoughtful moderation, without revolution of any untoward kind.

We are all agreed that "private monopoly is indefensible and intolerable," and our program is founded upon that conviction. It will be a comprehensive but not a radical or unacceptable program and these are its items, the changes which opinion deliberately sanctions and for which business waits:

It waits with acquiescence, in the first place, for laws which will effectually prohibit and prevent such interlockings of the personnel of the directorates of great corporations—banks and railroads, industrial, commercial, and public service bodies—as in effect result in making those who borrow and those who lend practically one and the same, those who sell and those who buy but the same persons trading with one another under different names and in different combinations, and those who affect to compete in fact partners and masters of some whole field of business. Sufficient time should be allowed, of course, in which to effect these changes of organization without inconvenience or confusion.

Such a prohibition will work much more than a mere negative good by correcting the serious evils which have arisen because, for example, the men who have been the directing spirits of the great investment banks have usurped the place which belongs to independent industrial management working in its own behoof. It will bring new men, new energies, a new spirit of initiative, new blood into the management of our great business enterprises. It will open the field of industrial development and origination to scores of men who have been obliged to serve when their abilities entitled them to direct. It will immensely hearten the young men coming on and will greatly enrich the business activities of the whole country.

business activities of the whole country.

In the second place, business men as well as those who direct public affairs now recognize, and recognize with painful clearness, the great harm and injustice which has been done to many, if not all, of the great railroad systems of the country by the way in which they have been financed and their own distinctive interests subordinated to the interests of the men who financed them and of other business enterprises which those men wished to promote. The country is ready, therefore, to accept, and accept with relief as well as approval, a law which will confer upon the Interstate Commerce Commission the power to superintend and regulate the financial operations by which the railroads are henceforth to be supplied with the money they need

for their proper development to meet the rapidly growing requirements of the country for increased and improved facilities of transportation. We can not postpone action in this matter without leaving the railroads exposed to many serious handleaps and hazards; and the prosperity of the railroads and the prosperity of the country are inseparably connected. Upon this question those who are chiefly responsible for the actual management and operation of the railroads have spoken very plainly and very earnestly, with a purpose we ought to be quick to accept. It will be one step, and a very important one, toward the necessary separation of the business of production from the business of transportation.

The business of the country awaits also, has long awaited and has suffered because it could not obtain, further and more explicit legislative definition of the policy and meaning of the existing antitrust law. Nothing hampers business like uncertainty. Nothing daunts or discourages it like the necessity to take chances, to run the risk of falling under the condemnation of the law before it can make sure just what the law is. Surely we are sufficiently familiar with the actual processes and methods of monopoly and of the many hurtful restraints of trade to make definition possible, at any rate up to the limits of what experience has disclosed. These practices, being now abundantly disclosed, can be explicitly and item by item forbidden by statute in such terms as will practically eliminate uncertainty, the law itself and the penalty being made equally plain.

And the business men of the country desire something more than that the menace of legal process in these matters be made explicit and intelligible. They desire the advice, the definite guidance and information which can be supplied by an administrative body, an interstate trade commission.

The opinion of the country would instantly approve of such a commission. It would not wish to see it empowered to make terms with monopoly or in any sort to assume control of business, as if the Government made itself responsible. It demands such a commission only as an indispensable instrument of information and publicity, as a clearing house for the facts by which both the public mind and the managers of great business undertakings should be guided, and as an instrumentality for doing justice to business where the processes of the courts or the natural forces of correction outside the courts are inadequate to adjust the remedy to the wrong in a way that will meet all the equities and circumstances of the case!

Producing industries, for example, which have passed the point up to which combination may be consistent with the public interest and the freedom of trade, can not always be dissected into their component units as readily as railroad companies or similar organizations can be. Their dissolution by ordinary legal process may oftentimes involve financial consequences likely to overwhelm the security market and bring upon it breakdown and confusion. There ought to be an administrative commission capable of directing and shaping such corrective processes, not only in aid of the courts but also by independent suggestion, if necessary.

Inasmuch as our object and the spirit of our action in these

matters is to meet business half wav in its processes of selfcorrection and disturb its legitimate course as little as possible, we ought to see to it, and the judgment of practical and sagacious men of affairs everywhere would applaud us if we did see to it, that penalties and punishments should fall not upon business itself, to its confusion and interruption, but upon the individuals who use the instrumentalities of business to do things which public policy and sound business practice condemn. Every act of business is done at the command or upon the initiative of some ascertainable person or group of persons. These should be held individually responsible and the punishment should fall upon them, not upon the business organization of which they make illegal use. It should be one of the main objects of our legislation to divest such persons of their corporate cloak and deal with them as with those who do not represent their corporations, but merely by deliberate intention break Business men the country through would. I am sure. applaud us if we were to take effectual steps to see that the officers and directors of great business bodies were prevented from bringing them and the business of the country into disrepute and danger.

Other questions remain which will need very thoughtful and practical treatment. Enterprises in these modern days of great individual fortunes are oftentimes interlocked, not by being under the control of the same directors but by the fact that the greater part of their corporate stock is owned by a single person or group of persons who are in some way intimately related in interest. We are agreed, I take it, that holding companies should be prohibited, but what of the controlling private owner-

ship of individuals or actually cooperative groups of individu-Shall the private owners of capital stock be suffered to be themselves in effect holding companies? We do not wish, I suppose, to forbid the purchase of stocks by any person who pleases to buy them in such quantities as he can afford, or in any way arbitrarily to limit the sale of stocks to bona fide pur-Shall we require the owners of stock, when their voting power in several companies which ought to be independent of one another would constitute actual control, to make election in which of them they will exercise their right to vote? This question I venture for your consideration.

There is another matter in which imperative considerations of justice and fair play suggest thoughtful remedial action. Not only do many of the combinations effected or sought to be effected in the industrial world work an injustice upon the public in general; they also directly and seriously injure the individuals who are put out of business in one unfair way or another by the many dislodging and exterminating forces combination. I hope that we shall agree in giving private individuals who claim to have been injured by these processes the right to found their suits for redress upon the facts and judgments proved and entered in suits by the Government where the Government has upon its own initiative sued the combinations complained of and won its suit, and that the statute of limitations shall be suffered to run against such litigants only from the date of the conclusion of the Government's action. is not fair that the private litigant should be obliged to set up and establish again the facts which the Government has proved. He can not afford, he has not the power, to make use of such processes of inquiry as the Government has command of. Thus shall individual justice be done while the processes of business are rectified and squared with the general conscience.

I have laid the case before you, no doubt, as it lies in your own mind, as it lies in the thought of the country. What must every candid man say of the suggestions I have laid before you, of the plain obligations of which I have reminded you? That these are new things for which the country is not prepared? No; but that they are old things, now familiar, and must of course be undertaken if we are to square our laws with the thought and desire of the country. Until these things are done, conscientious business men the country over will be unsatisfied. They are in these things our mentors and colleagues. We are now about to write the additional articles of our constitution of peace, the peace that is honor and freedom and

prosperity.

BAILROADS IN ALASKA.

Mr. POINDEXTER. I ask unanimous consent that Senate

bill 48 be laid before the Senate.

The VICE PRESIDENT. The Senator from Washington asks unanimous consent that the Senate proceed to the consideration of Senate bill 48. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other

[Mr. POINDEXTER addressed the Senate. See Appendix.]

Mr. KENYON. Mr. President, I want to embrace this opportunity to submit just a few observations in respect to the pend-

I intend to vote for this bill, and I will do so with much satisfaction. It is a great piece of constructive legislation; a step forward in the economic policies of this country; a declaration of courage on the part of Congress. It is an attempt to do justice to a great possession, fourth in value of our possessions. It strikes a blow at monopoly. It will act as a safeguard to our Navy in times of war, and, in my humble judgment, the benefit to be derived from the passage of this bill and the development of railroads in Alaska, both to Alaska and to Nation, is beyond the dream of imagination.

I believe that in 10 years after the construction of this road the development of Alaska will have been so great that she will present herself as a candidate for representation by another star in our flag.

Alaska is a great storehouse. Within its hills and mountains the Creator has placed quantities of coal and gold and oil for the use of mankind; its agricultural and grazing lands will support a large population. It is time these resources were used for the benefit of mankind and not merely to augment the profits of those who by reason of their large wealth are enabled to plunder and fatten upon the wealth of Alaska. Alaska is a region of bigness. It needs big men for its development, imbued with the spirit of the ploneer, a spirit of courage, of inquisitiveness, of enterprise, of development, of home building.

The purchase by Seward for \$7,200,000 of the present Territory of Alaska was laughed at as "Seward's folly." were inclined to sneer at it; only recently have we come to comprehend that what was termed "Seward's folly" was really "Seward's wisdom." Alaska is larger than the original thirteen States, it is one-fifth as large as the entire continental United States. It has returned a great dividend upon the investment; it has produced nearly \$500,000,000 in gold, copper, fish, fur, and coal; and the oil, gas, and coal of Alaska will be enough for this country for a thousand years after our own coal and oil is It has 64,000,000 acres of grazing and agricultural In 1912 it carried on \$70,000,000 worth of commerce with the United States. It is a more valuable possession to us than the Philippines, and we have spent nothing like the money or had nothing like the trouble with it. Better treatment should be accorded than it has received; it is entitled to protection from financial pirates of the house of Guggenheim or the house of Morgan. It has been a prey for big business. It is well that Congress act now before any further monopolistic grip exerts itself thereon. The great storehouse that the Almighty has placed there and filled with coal and gold and copper and oil remains closed and locked to the people of this country. Even should there be little benefit to the immediate present in unlocking this storehouse, yet the people of to-morrow would profit

greatly thereby.

In a number of speeches here the value to our Navy of the development of the coal of Alaska has been clearly shown, although some dispute was injected into the discussion on yesterday as to the value of this coal. The coal for a fleet in the Pacific Ocean has been brought around from West Virginia to these points at a cost of some \$9 per ton. It is estimated that the building of railroads in Alaska will decrease the cost of this coal to the Navy one-half. That in itself ought to be sufficient argument for the experiment and the expenditure of \$40,000,000 This legislation, of course, as has been sugon these railroads. gested by the Senator from Washington [Mr. Poindexter]. must be followed by other legislation for the development of the coal lands. The coal fields of Alaska should not be left for speculation; they should be used for the American people and for the people of Alaska as far as may be necessary in main-

taining the American Navy.

It was stated in the House by the Delegate from Alaska [Mr. Wickersham] in his very extended and able speech that this bill was in the interest of the people, and that as he viewed it the question now before us as to control in Alaska was whether it should be Government or Guggenheim. It seems to me that the testimony before the Senate committee substantiates the statement of Mr. Wickersham. On such an issue we should not long delay.

I do not propose to go analytically into this bill or specifically into the great resources of Alaska. The report of the personal representative of the President on his tour through Alaska in 1913, the numerous publications on the subject, the able report of the Secretary of the Interior, the report of the Committee on the Territories, and the hearings conducted are sufficient for anyone of an inquiring mind to learn of these great resources. Certain it is that the resources of Alaska are stupendous and of the kind to benefit the people of the Nation.

I should like, however, to insert as a part of my remarks, without reading, certain portions of the report of the Secretary of the Interior on Alaskan railroads and Alaskan coal, and I ask per-

mission so to do.

The VICE PRESIDENT. Is there objection? The Chair hears none, and permission is granted.

the recovered to is as follows:

AS TO ALASKA.

The matter referred to is as follows:

As to Alaska.

The largest body of unused and neglected land in the United States is Alaska. It is now nearly half a century since we purchased this Territory, and it contains to-day less than 40,000 white inhabitants—less than 1,000 for each year it has been in our possession. The purchase was made as a means of protection against the possible aggression of a foreign nation and without the hope that it would be even self-supporting. In the intervening 46 years we have given it little more than the most casual concern, yet its mines, fisheries, and furs alone have added to our wealth the grand sum of \$500,000.000.

For almost a generation it was the rich harvest field of a single company. Individual fortunes have been made in that country larger than the price paid to Russia for the whole Territory. How rich its lands are in gold and copper, coal and oll, iron and zinc, no one knows. The prospector has gone far enough, however, to tell us that no other section of our land to-day makes so rich a mineral promise; and in agriculture the Government itself has demonstrated that it will produce in abundance all that can be raised in the Scandinavian countries, the hardy cereals and vegetables, the meats and the berries off which 9,000,000 people live in Norway, Sweden, and Finland. It has been estimated that there are 50,000,000 acres of this land that will make homes for a people as sturdy as those of New England. Whether this is so or not, it would appear that Alaska can be made self-sustaining agriculturally.

This vast and unsurpassed asset lies almost undeveloped. A Territory one-fifth the size of the United States contains less than a thou-

sand miles of anything that can be called a wagon road. It has a few inconsiderable stretches of railroad which terminate, with one exception, either in the wilderness or at a private industry. Only the richest of its mines can be worked, and one of its resources of greatest immediate value to the people—its coal lands—lies unworked.

The one constructive thing done by this Government on behalf of Alaska in nearly half a century was the importation of reindeer for the benefit of the Eskimo on the border of the Arctic Ocean. For the white man we have done nothing—so little, in fact, that to mention what we have done is matter for chagrin and humiliation. I have thought that perhaps the scandals that have developed in Alaska have been in some part the result of a feeling that it was a No-Man's Land, where the primal instincts and powers were the only law.

This unfortunate condition can not be explained on the ground of the inhospitality of the Alaskan climate. A careful study of isothermal lines shows that some of southeastern Alaska has a climate more temperate and more equable than that of this city, while much of the greater portion to the north has a kindlier climate than Stockholm or St. Petersburg. Moreover, our people are not stayed in their quest for homes or wealth by the rigors of a long winter. The spirit and purpose which brought them from Europe to Virginia and to Massachusetts take them to-day to Montana and Saskatchewan. The United States lately opened to entry a tract of land in Montana for which there were 46,000 applicants for registration, and only 7,000 of these could be given an opportunity to homestead. There is more railroad building 500 miles north of the Canadian border than there is for the same distance south of it.

Why has not this land been developed. The frank answer is that we did not realize until within a few years that it was worth developing. As soon as we discovered its value as a national asset we became alarmed and drew back, affrighted at the thought that we might lose it,

ALASKAN RAILROADS.

that we shall proceed at once and in a large way to deal with the problem of Alaskan development.

ALASKAN RALLEGADS.

I have already expressed to the Congress my belief that it was wise for the Government itself to undertake the construction and operation of a system of trunk-line rallroads in Alaska. And I am led to this view irrespective of the possibility of private enterprise undertaking such work, although my belief is that no railroads would be privately constructed in Alaska for many years to come excepting as adjuncts to some private enterprise. Be that as it may, it would seem wise for the Government to undertake this task upon grounds of State. The rates and the service of such railroads should be fixed with reference to Alaskan development—not with regard to immediate returns. The charges fixed should be lower for years to come than would justify private investment. I would build and operate these highways in the same spirit that the counties or the State build wagon roads—not for revenue, but for the general good. After all, a railroad is little more than an operated wagon road. In many countries they still call railroad cars "wagons." Our laws as to railroads are evolved from our old laws as to carriage by wagon. Our courts speak of railroads as property charged with a public interest and so jostify the regulation of their rates. But no court would justify the imposition of rates made for the purpose for which Alaskan rates should be made—the creation of a commonwealth. If this is our task, it should be done whole heartedly and with a consciousness that the dollar spent to-day on an Alaskan railroad will yield no more immediate return on the luvestment than the dollar spent to not be Panama Canal.

These, then, are the persuading reasons for the belief that the Government should undertake to drive from the coast inland one or more lines of railroad: (1) The Government already regards it as its duty to build wagon roads. Such roads when well built are almost as costly as the construction of a railr

ALASKAN COAL

It is not necessary to set forth here the extent or character of the coal fields of Alaska. Neither could I add to your knowledge or that of Congress as to the need for this coal, both by the Navy and by the industries and the people of the Pactific coast generally. There are almost unlimited quantities of a high grade of lightle in the interior which may not stand extended storage or transportation. This could be converted into electricity at the mouth of the mines and widely distributed for lighting, heat, and power. Toward the southern coast of the peniusula there are two well-known fields of a high-grade bituminous coal and some anthracite. These are the fields which have given rise to the troubles with which all are familiar.

These coal fields should be opened not to speculators but to operators. Those should have these lands who will use them. None should be opened as a basis for a gamble in future values. If these premises

express a sound public policy, there appears to me but one conclusion that can be reached as to the manner in which they may safely be turned over to the public—under a leasing and royalty system similar to that under which the State of Minnesota leases its ore lands and the States of Montana and Colorado their coal lands. The tracts opened should be disposed of to those who within a certain time would develop mines and make their product commercially available. This means that where a railroad is necessary to the operating of a mine the applicant should take a lease so conditioned for a limited period. Sufficient land should be leased as a body to justify long-continued and economical operation. As the average of all operations in the United States is 2,600 acres, lacluding many small holdings, this might be taken as a maximum unit.

operation. As the average of all operations in the United States is 2,600 acres, including many small holdings, this might be taken as a maximum unit.

There has been much dispute between those who favor making a lease for an indeterminate period, dependent alone upon continued operation, and those who believe it wisest to fix a term for the lease, 20, 30, or more years. This dispute seems to me of much more academic than practical interest. There should be no disposition to change the lessee. If a fixed term of lease is decided upon, the original lease should have an assured preferential right to a renewal until the mine is worked cut. So that in the end the fixed term is a reservation of the right on the part of the Government to make new terms at the end of a number of years, a reservation which could be fixed in an indeterminate lease.

A fixed minimum annual royalty would conduce to operation and prevent the holding of lands out of use. These are matters, however, of regulation upon which much thought should be expended, and the experience of other lands will be found helpful. If the principle of the homestead law is adopted, and one lease only permitted to any one person or group of persons, and all leases made nontransferable, excepting with the consent of the designated authority, it would seem that monopoly could be prevented. I would, however, add one other precaution: That in each field a large body of the coal land be reserved so that the public and the Navy might be rendered independent of private supplies, if that should become necessary.

The attraction of a leasing system is that it enables an operator to put all of his capital into the promotion of his enterprise, no investment being needed for the purchase of the land. This makes it possible for the man of comparatively small means to become a coal-mine operator. The lessee is pleased to pay the Government a royalty in leu of tying up a large amount of capital in the land itself.

There is this further consideration, which those interested in

Mr. KENYON. I regret that the bill does not limit more specifically the amount that might be expended by the President, but I do think it is a fair construction of the bill to say that the amount is limited to \$40,000,000. Section 5 of the bill

would seem by fair inference so to provide.

Mr. CHAMBERLAIN. Mr. President—

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Oregon?

Mr. KENYON. Certainly.

Mr. CHAMBERLAIN. I desire, with the permission of the Senator, to say that in the House of Representatives there was a limitation placed upon the amount to be expended, and those of us who had to do with the preparation of the Senate bill thought that it was limited in our bill. This amendment has been attached to the House bill, and I shall submit it to the committee with a view of placing the same limitation in the Senate bill:

Provided, however. That the total amount authorized by this act to be appropriated shall not exceed the sum of \$40,000,000, including any sum in or by this act appropriated.

I am glad

CHAMBERLAIN. Thirty-five million dollars is the amount proposed to be appropriated in the House bill. In the Senate bill it is proposed to appropriate \$40,000,000; and I think I shall suggest to the committee the propriety of making that limitation in the Senate bill.

Mr. KENYON. I hope the Senator will do so.
Mr. SMITH of Michigan. If the Senator will allow me—
The VICE PRESIDENT. Does the Senator from Iowa yield

to the Senator from Michigan?

Mr. KENYON. Certainly.

Mr. SMITH of Michigan. I should like to ask the Senator from Oregon whether he understands that there is any specific mileage authorized?

Mr. CHAMBERLAIN. The committee is going to suggest an amendment limiting the mileage, as well as the amount to be

Mr. SMITH of Michigan. Would it be agreeable to the Senator to say what limit is to be recommended?

Mr. CHAMBERLAIN. The committee was going to recom-

mend that it shall not exceed 1,000 miles.

Mr. SMITH of Michigan. Well, upon what would you base the thousand miles? Surely it is not 1,000 miles from Resurrection Bay up to Fairbanks?

Mr. CHAMBERLAIN. No.

Mr. KENYON. I understood the limit was to be about 733

Mr. CHAMBERLAIN. Seven hundred and thirty-three miles was the suggestion of the Alaska Railroad Commission, but we thought a thousand miles might be fixed as the limit; so that, in case the President saw fit, that many miles might be constructed, although, of course, there may be no necessity of going to that extent.

Mr. SMITH of Michigan. If the Senator from Oregon purposes to limit the extent of the mileage, it seems to me that it would commend itself to Senators who do not desire to gridiron a vast undeveloped area like that with small or disconnected I have been given to understand-and it is a subject, as the Senator from Oregon well knows, to which I have given some thought-that an expenditure of \$40,000 a mile would be a fair authorization through such parts of Alaska as railroad construction may be undertaken within reason, and, if that is true, why not limit it in that way and let Senators, whose judgment may be a little more conservative than that represented by the committee, take part in a development so important as this is likely to be?

Mr. KENYON. Of course, some miles, the Senator must bear in mind, may cost more and some less. His judgment is that an average of \$40,000 a mile will be sufficient?

Mr. SMITH of Michigan. I understand that there may be a vast difference in the cost of construction in different localities. Mr. KENYON. I wanted to get the Senator's proposition. understand he suggests \$40,000 a mile as an average.

Mr. SMITH of Michigan. Yes; an average of \$40,000 a mile

is most liberal.

Mr. KENYON. The Senator can offer an amendment to that effect.

Mr. SMITH of Michigan. A limitation as to mileage, it seems to me, would appeal to the better judgment of Senators as wise. I do hope that when the matter comes to a vote, which, as I understand, will be on Thursday, under the unanimous-consent agreement, that the Senator from Oregon and his associates may give us the benefit of a real, fair, conservative

judgment as to what ought to be undertaken, in the first instance, at least, by the Government in Alaska.

Mr. KENYON. Mr. President, I should certainly, for one, be glad to see that done, but, even if that can not be done, so far as I am concerned I am perfectly willing to trust the good judgment, wisdom, and patriotism of the President on this proposition. I do not think he would spend more money than That has not been our experience in Panama. was necessary. Nor do I think he would expend this money in any way so as to increase the value of the present Guggenheim or Morgan railroads before condemnation or purchase by the Government, which has been, to my mind, rather a serious objection to some phases of this bill-that we would increase the value of these roads and then possibly turn around and condemn them.

Mr. SMITH of Michigan. Mr. President, if it will not annoy

the Senator

Mr. KENYON. I yield to the Senator. Mr. SMITH of Michigan. I would not be understood as saying that I lacked confidence in the Executive judgment or in his prudence or economy in handling a matter of such vast im-I have during my service seen the largest discretion conferred upon the Executive, and never in a single instance has it been abused. I was one of those who voted \$50,000,000 into the hands of President McKinley at a time when the money could have been wasted if it had not been patriotically and prudently managed, and I would make no reflection upon the President in this limitation. I am simply questioning the wisdom of our embarking upon a new principle like this in Federal Government without some restrictions being placed about it.

Mr. KENYON. Of course, it is giving a tremendous power, and it might be better to have it limited in some way. It would be a very vicious proposition, it seems to me, to expend this money in making connected lines, which by their very construction would enhance the value of the other lines, and then turn around and condemn those lines. I am satisfied, however, that that will not be done.

As the Senator has suggested, many instances have arisen in which the President has been intrusted with large sums of money and large power. We intrusted the great work of build-ing the Panama Canal to the President of the United States. No voice of criticism has ever been raised. The money has been wisely expended, and I am content to believe that the same wisdom that has characterized that transaction will characterize this. The President undoubtedly has the same purpose in

mind as Congress-viz, to open this great storehouse, develop Alaska, and take it from the grip of private monopoly

Another thing: Attempts have been made to show that this project is different from governmental ownership of railroads. Mr. President, if the Government had constructed its own railroads in this country instead of giving away a vast public domain therefor, it would have been better for the entire country. That has not been done and can not now be remedied. It is water over the dam. The proposition of building this railroad in Alaska, however, is a pure proposition of the Government engaging in the railroad business. There may be some fine distinctions drawn between railroads built into pioneer countries and railroads built into thickly populated countries, but the principle is the same. There is no use in beating around the bush or apologizing or trying to draw distinctions. It is purely and simply a proposition of the Government going into the railroad business, and I can not see how any man who believes that the governmental ownership and operation of railroads is bad in theory and worse in practice can support this measure.

Some Senators on this floor have said they would not support it because it embodied the same principle as governmental ownership of railroads. I honor them for their frankness and their courage. I do not hesitate to support this bill because of this question, and I am glad that the passage of this bill-as I am sure, or feel reasonably certain, it will be passed—is rather in the nature of a declaration that the people of this country are not afraid of the proposition of the Government owning and operating railroads if they believe it necessary to the welfare of the country so to do.

I am not making an argument for governmental ownership. Men can vote for this bill who might not be in favor of the Government at this time taking over all the railroads in this country. I am glad, however, that Congress is not afraid to discuss the proposition, because the country is discussing it

and thinking about it.

I desire to place in the RECORD some figures relative to governmental ownership of railroads, which figures, I think, will be of interest to the people of the country. In fact, that is about all I had intended to do until the distinguished Senator from North Dakota [Mr. McCumber], on yesterday, said something implying that those who supported this bill were socialistic in their tendencies. Hence I have been diverted a little from the only thing I intended to do, which was to place these figures in the Record. I do so in the form of a letter sent to me by Hon. Clifford Thorne, chairman of the Iowa Railroad Commission. Mr. Thorne has been a great student of railroad problems for many years, and I make bold to say that no man in the Nation has a better conception of the railroad problem in general and in particular than has Mr. Thorne. A tireless student and a man of broad judgment, he brings to every subject a profundity of knowledge as well as a striking manner of expression.

Preliminary to that, however, I desire to say that it seems to me no one who can correctly read the signs of the times and is intellectually honest can deny that since the passage of the Elkins Act many things have happened that create in the minds of the people some doubt as to the success of governmental regulation apart from governmental ownership.

The question of governmental ownership of railroads will become in a few years a live question in our politics. not contend that at this particular time we are ready for governmental ownership, but the minds of the people are receptive as to arguments therefor—although they are receiving but the arguments on one side—more receptive than they were some years ago when a distinguished citizen of this Nation, upon his return from abroad, advocated governmental ownership. Many years ago a brilliant Senator from Colorado, Senator Patterson, introduced a bill, and advocated it on this floor, for the governmental ownership of railroads. It was rather shocking to the enthroned sentiment of the Senate at that time, but many of the predictions he made in regard to governmental regulation have come true.

I am familiar with the arguments against governmental ownership and the arguments for it, but I do not propose at this time to enter into any extended discussion of the subject. A prerequisite to any plan for governmental ownership is that the employees under such ownership must be absolutely removed from partisan politics, as our mail clerks and rural carriers now are. If this could not be done, if the great power of the railroad employees could be injected into our political life en masse to perpetuate any administration, I for one would never favor governmental ownership. That is one of the questions to be solved, and it must be solved if any successful plan is ever to be inaugurated.

Mr. GALLINGER. Mr. President-

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from New Hampshire?

Mr. KENYON. Certainly.

Mr. GALLINGER. I am very much interested in the Senator's discussion of this important question. I will ask the Senator if he can tell us approximately the number of employees who would be under the control of the Government if the railroads of this country should pass into Government ownership?

Mr. KENYON. I do not want to say "under the control of the Government." I do not think a Government employee is I do not think a Government employee is under the control of the Government. I should prefer to say "in the service of the Government." I can not answer the

Mr. GALLINGER. Very likely I ought to have put my ques-

tion in that form.

Mr. KENYON. I can not answer the question. I do not

Mr. GALLINGER. If I remember correctly, there would be approximately 2,000,000 employees

Mr. KENYON. It may be possible.

Mr. GALLINGER. Would the Senator disfranchise those

Mr. KENYON. I would not. Mr. GALLINGER. The Senator says they ought not to be permitted to participate in politics; that they ought not to

take part in politics.

Mr. KENYON. I would place them under the civil service. If the civil service is to be stricken down, then matters of this kind and governmental ownership of telegraphs and telephones never can come, in my judgment. If, however, we had a civil service for them similar to that under which the operatives in the Post Office Department are employed, who, I think, generally take no offensive attitude in politics, that might solve the problem.

I think the Senator could not have misunderstood me when said that I never would favor governmental ownership of railroads unless some plan could be devised to keep this mass of employees from going into politics as a body to perpetuate

any administration.

Mr. GALLINGER. Yes; I think I correctly understood the Senator.

Mr. KENYON. But I would not disfranchise them; certainly not. You can not disfranchise the people of this country.

Mr. GALLINGER. The only thought I had in mind was that I know of no reason why those men should not be given the free right of the American citizen to vote their convictions under all circumstances, whether in the employ of the Government or not. I doubt very much whether, with that mass of men, a million or two million men, in the employ of a governmental instrumentality, we could devise any plan whereby they might not be manipulated so as to become a very important factor in our political system.

Mr. KENYON. Does the Senator feel that the mail clerks and rural carriers are anything of a menace to our system of government?

Mr. GALLINGER. No, I do not think so; but those men are not very much restricted in their political acts.

Mr. KENYON. I do not think you can control the judgment and the intellect and the action of the men upon the railroads of this country. They will vote according to their own con-

Mr. GALLINGER. I agree with the Senator, and I think that whatever restrictions can be placed upon them are very limited indeed; but that fact does not remove the possibility of their being controlled to a greater or less extent by Government influence.

Mr. THOMAS. I should like to ask the Senator whether he did not mean-and this is what I understood him to say-that he would never advocate any plan of governmental ownership unless some plan were devised whereby the large mass of employees would not operate in solidum for their own benefit, taking advantage of their numbers and organization to perpetuate either some system or some administration?

Mr. KENYON. Exactly.
Mr. THOMAS. That is the way I understood the Senator.

Mr. SMITH of Michigan. Oh, no.

Yes; and I want to put in the RECORD an Mr. KENYON. editorial from the Washington Times on this subject. should like to have it read except for the time it would take. It is rather short. I think I shall ask to have it read. cite this editorial with a feeling of sorrow that our civil service is in any way being stricken down at this time, because it is going to retard a great many important movements in this country. | be realities.

Mr. SMITH of Michigan. Mr. President, before we are unalterably committed to the editorial, I should like to ask the Senator a question.

Mr. KENYON. I am not asking that anybody shall be

unalterably committed to it.

Mr. SMITH of Michigan. I should like to suggest to my friend from Iowa that, if I understood him correctly, he said that under no circumstances would he be in favor of the Government ownership of railroads unless the employees of the system could be removed from participation in our politics.

Mr. KENYON. No; I said no such thing. The Senator can

not put me in that position.

Mr. SMITH of Michigan. I do not want to put the Senator in an unfair light.

Mr. KENYON. I do not propose that the Senator shall do so. Mr. SMITH of Michigan. Did the Senator say that unless they could be removed from politics

Mr. KENYON. I will repeat just what I said, so that there will be no question about it. I said that a prerequisite to any plan for governmental ownership, and inhering in the plan, is that the employees under such ownership must be absolutely removed from politics in the exercise of power en masse.

I used the term "en masse."

Mr. SMITH of Michigan. The Senator is an able lawyer

and a ripe student-

Mr. KENYON. I do not want to have to concede either of those statements.

Mr. SMITH of Michigan. It is generally conceded, I think. do not think I am overstating the matter. At least, I will take the responsibility for the statement.

I should like to ask the Senator if he knows in what form a law could be passed that would insure the prerequisite which he exacts.

Mr. KENYON. Civil service; that is all,

Mr. SMITH of Michigan. But that is not permanent. We have seen it struck down here within a few days.

Mr. KENYON. That is why I expressed my sorrow that any assault is being made on the civil service in this country.

Mr. SMITH of Michigan. Exactly. It is not permanent; and if Congress were by statute to set apart this class of employees so as to protect them in the best and most intelligent manner possible, the law would be good only until the same Congress or a future Congress might repeal it. So I think there is a great deal of hope that the Senator may not get quite to the position where he intimates he would be willing to subscribe to the doctrine of the governmental ownership of railroads; at least, I hope so.

Mr. KENYON. I think the Senator will agree with me that the public sentiment of this country is for civil service in the great departments of the Government and that that system shall stand; that merit shall be the qualification; and any party that strikes down the civil service will not be sustained by the American people.

Mr. SMITH of Michigan. I like that expression of the Senator's, although I am entirely out of accord with its funda-

mental philosophy.

Mr. KENYON. I am sorry the Senator is wrong about it.
Mr. SMITH of Michigan. I like the expression because it ought to be so; but instead of our civil service being a civil service it has degenerated into a most uncivil service, and the man they try to get out the quickest is the man whose tenure is supposed to be the safest.

Mr. KENYON. But these great matters of Government, the Senator knows, are moving on. They may be delayed for a little while; things may not work out just right; but the merit system in this country is not going to be destroyed, because the American people never will permit it to be destroyed.

Mr. SMITH of Michigan. I hope not.

Mr. KENYON. No political party will dare destroy it.

Mr. SMITH of Michigan. I hope it will not be ruthlessly

destroyed. I want merit to prevail.

Mr. KENYON. What I meant to say was that I shall never favor this system until we are certain that the civil service will prevail.

Mr. SMITH of Michigan. Then, I think, the Senator is a good way from the Utopian dream that some people flatter themselves is now about to be realized.

Mr. KENYON. Seven years ago I read some of the speeches of the Senator from Wisconsia [Mr. La Follette] in relation to the physical valuation of railroads, and that project was de-clared to be a Utopian dream; but I was glad to see the bill passed without a dissenting vote since I have been in the Senate. So, a good many of these Utopian dreams are coming to

Mr. SMITH of Michigan. The Senator must have read some other Senator's speech. He does not mean that the Senator from Michigan expressed any disapproval of the physical valuation of railroads?

Mr. KENYON. No. I think the Senator finally voted for

the bill.

Mr. SMITH of Michigan. I do not disapprove of the merit system in our Government; but the longer I live, and the more intimately I am associated with the public affairs of our country, the more I think that the merit system, so called, goes glimmering the moment it becomes expedient that the tenure shall be terminated.

Mr. KENYON. I do not agree with the Senator.

Mr. GALLINGER. Before the interesting editorial is read I wish to ask the Senator one question relating to the merit system.

Mr. KENYON. I was going to get through in 20 minutes,

Mr. President

Mr. GALLINGER. This is simply a practical question, and I think it ought to be answered. There is not a watchman and I am not sure that there is a charwoman in the Government service now who can be dismissed, under the civil-service law, without a hearing, without charges being put in writing and submitted to the employee, and a hearing granted. Would the Senator apply that system to the brakemen, the trackmen, and the other employees of a railroad?

Mr. KENYON. Why, of course I would. Are titled to a hearing just as much as anybody else?

Are not they en-

Mr. GALLINGER. How would the Senator put those men under the civil service so that a railroad corporation could not

dismiss a trackman for cause?

Mr. KENYON. They would not have to keep them working.

The Senator must take that into account. They withdraw men from active service now. They withdraw an engineer and he gets his hearing. The brotherhoods have settled that proposition. He has his hearing.

Mr. SMITH of Michigan. They usually withdraw the engi-

neer when he has lost his hearing. [Laughter.]
Mr. GALLINGER. I had not supposed that the minor employees of any great corporation in this country could right-fully demand a hearing if those in charge of the corporation

thought they were unworthy, incompetent, or dishonest.

Mr. KENYON. The Senator will find that where the brotherhoods feel that an injustice is done there is a hearing. is some strike taking place now up in New York-I am not familiar with it-over some such question as that, where a man was discharged, and no hearing was accorded him. The men were determined that he should have a hearing. Why should he not

have one? Why should not justice be done?

Mr. SMITH of Michigan. Exactly; the Senator is right. He should have a hearing; and yet the United States district attorney for the western district of Michigan-and a cleaner, finer, abler man never held office under this Government-was dismissed the other day, two years and a half before his term expired, and he could not get a hearing, and he has not gotten

Mr. KENYON. Things happen in Michigan for which we can

not account

Mr. SMOOT. The same thing has happened in other States as

Mr. NORRIS. Mr. President, will the Senator yield to me?

Mr. KENYON. Certainly. Mr. NORRIS. I should like to suggest to the Senator that a prosecuting attorney is now a political appointee. The foreman of the Government Printing Office is a political appointee. I take it that if we had a comprehensive system such as the Senator from Iowa is speaking of, the very head of the department that would have control of that Government instrumentality should, to begin with, be free from political influence or control, as free as the Interstate Commerce Commission is now.

Mr. KENYON. That is always a good example, of course. Mr. SMITH of Michigan. He would have to be a wooden

man if he were absolutely free.

Mr. NORRIS. No; he would not have to be a wooden man, and the Interstate Commerce Commission is a living illustration

Mr. KENYON. I believe the people of the country have more confidence to-day in the Interstate Commerce Commission than in any other branch of the Government, and it is absolutely

divorced from politics.

Mr. SMITH of Michigan. I venture the assertion that from the time the Interstate Commerce Commission was created down to the present time seventeen-twentieths of its membership were political appointees, and some of the best men that have ever sat on the commission were political appointees.

happened to sit near the President of the United States one day when a man was being urged as having superior fitness for a place on the commission because he had some political influence in his State. As the Senator from Iowa knows, at the close of the last administration we undertook to confirm Mr. Clark, of his own State, as a member on the Interstate Commerce Commission, and we were held up by our friends on the other side of the aisle who refused to permit it to be done in order that the incoming Democratic Executive might have the privilege of naming a man for the place.

Mr. KENYON. He appointed the same man, however. Where was the politics in that? Mr. Clark was a Republican.

Mr. SMITH of Michigan. It was to give Senators on the other side of the Chamber control of the Government from a partisan point of view weeks in advance of their assuming it under the Constitution.

Mr. KENYON. The people gave them control of the Govern-

ment.

Mr. SMITH of Michigan. But they did not give them control of it on the 1st of November or the 1st of December. They gave them control of the Government on the 4th day of March; and yet they were so keen for power that they wanted to exercise it two months before the Constitution gave them the right to do so.

Nothwithstanding that, I think the Senator Mr. KENYON. from Michigan will agree with me that the Interstate Commerce Commission has been a body of very high character and great efficiency, and that it has the confidence of the

Nation.

Mr. SMITH of Michigan. I do; and I would not say anything against the competency of the commission. One of the most distinguished lawyers and jurists in our country, a man from my own State, helped establish the efficiency of the Interstate Commerce Commission. I know what he said to me in the early formative stages of the commission. It has been officered by most competent men. After all, however, they came to a partisan Senate for their confirmation; they got their commissions from a partisan Executive; and usually, in private, they reflect the views of the appointing power. You can not keep that from being so, although in the discharge of their public duty I have no doubt they are animated by very high motives

Mr. NORRIS. If the Senator from Iowa will permit me to do so, I should like to ask the Senator from Michigan if he thinks the employees who have been recently appointed, and who are being appointed now, to carry out the law that has been referred to for the physical valuation of railroads, have been appointed on a partisan basis?

Mr. SMITH of Michigan. I have not seen any appointments since the present administration assumed the direction of

affairs

Mr. NORRIS. The administration is not appointing those Mr. SMITH of Michigan. I say, I have not seen any appointments—there may have been some—that had no partisan

bias. Mr. NORRIS. I have not heard of any that have had partisan

bias, and there are none of them that have been appointed recently to carry out that law.

Mr. SMITH of Michigan. The Senate is intensely partisan.

Mr. NORRIS. Yes.

Mr. SMITH of Michigan. The House is intensely partisan. The Executive, with all of his masterful talents and splendid

character, is partisan, and he can not help being partisan.

Mr. NORRIS. That does not answer the question.

Mr. SMITH of Michigan. Then I say that these selections are more or less the reflection of that mental attitude toward public questions, and where they are not they are the exception. I am glad the Senator from Colorado [Mr. Thomas] nods his head in approval of my concluding sentence.

Mr. NORRIS. I do not believe the members of the Interstate Commerce Commission know the politics of one-half of the men they have appointed to value the railroads of the country.

They have never given any consideration to that matter.

The VICE PRESIDENT. In the interest of the Reporter the Chair would suggest that one Senator speak at a time.
Mr. SMITH of Michigan. Mr. President, the men who are

to collect the income tax are being appointed on a partisan basis.

Mr. NORRIS. That is going on to another proposition. was asking the Senator about this nonpartisan body, the Interstate Commerce Commission.

Mr. KENYON. Mr. President, of course it is true that the man who has the floor seldom has much chance to talk here, I but I am very anxious to get through.

Mr. SMITH of Michigan. I want the Senator to have his full

share of the time. He is very modest about it.

Mr. MARTINE of New Jersey. How about the editorial? Mr. KENYON. I should like to have the editorial read now, if I may

VICE PRESIDENT. In the absence of objection, the Secretary will read as requested.

The Secretary read as follows:

[Editorial from the Washington Times.] PUBLIC OWNERSHIP AND CIVIL SERVICE,

One of the first things to be disposed of by Congress after the holiday recess will be the Alaska railroad bill, providing for Government ownership of railroads in Alaska. While the bill will be strongly opposed, the expectation is that it will be passed. The discussion will have an important bearing on Government ownership in general, both ownership of the railroads and ownership of the telephones and telegraphs. Already Postmaster General Burleson has come out strongly for public ownership of telephones and telegraphs.

Covernment ownership advocates are increasingly numerous. It

Government ownership advocates are increasingly numerous. It is, however, beyond dispute that if the public is to own public utilities, the public's employees must be governed by a rigid civil service. If the

Government owns and operates railroads in Alaska, what about the men employed to run them?

Are these men going to be promoted and demoted because of their politics, as the practice is now in the Government Printing Office?

politics, as the practice is now in the Government Printing Office?

If the Government takes over the telephones and telegraphs, will the men who operate the lines be chosen with careful regard for their political complexions? Will the system now in use in the Government Printing Office obtain when the Postmaster General has in his hands the operation of the telephones and telegraphs?

Politicians who are conniving at the breaking down of the civil service are doing more to block, delay, and defeat such things as Government ownership of railroads in Alaska and Government ownership of telephones and telegraphs than all the adverse corporation influences combined. It would be well for those who really want to promote the cause of public ownership to wake up to the supreme importance of seeing that the civil-service laws are lived up to in letter and in spirit.

Mr. KENYON. Mr. President, the people are not afraid any longer to discuss the proposition, at least, of the Government taking over some of the great properties of the country which are absolutely essential to the life of the people and the welfare of the Nation, nor are they doubtful of the Government's ability to carry on great projects. We have not been afraid as a Nation to undertake the building of the Panama Canal when private parties failed. We have not been afraid to assume the obligations of conducting a parcel post, and it has been a success. We are not, I assume, afraid to construct a railroad success. We are not, I assume, afraid to construct a railroad in Alaska. The Secretary of the Navy, as I understand from newspaper reports, has recommended to Congress that the Government should own or lease some of the oil lands in order that the Government may be relieved of oil monopoly. There is really no more reason why the Government should be relieved of oil monopoly than why the people should.

Sincere, honest, and able men are advocating that the Government should take over the telephones and the telegraphs. Other sincere and honest men view with alarm the present-day tendency of those in public life to advocate the taking over of these properties by the Government. If we can do all the various things we have done, it may well be argued that the Government could carry on the work of the railroads. Such ownership would eliminate express companies, special freightcar systems, Pullman palace car companies, and other parasites upon transportation. Transportation rates would be stable, no higher than at present, and in time lower. Much economic

waste would be avoided.

In the present hearings before the Interstate Commerce Commission for advance in freight rates, railroad presidents have rather indicated in their testimony that the final solution of rather indicated in their testimony that the final solution of this matter was to be governmental ownership President Mellen, in retiring as president of the New York, New Haven & Hartford Railroad Co., according to newspaper accounts, intimated rather woefully that the question was now upon us. Disclosures, such as have taken place in the St. Louis and San Francisco investigation, showing that officers of the company were buying in small lines at low rates and selling them to the parent line at tremendously high prices issuing bonds.

to the parent line at tremendously high prices, issuing bonds to cover the sale and making large personal profits out of the transaction, have aroused the people of the country to insist that before freight rates shall be advanced it shall be certain that they are not being advanced to cover the speculations or manipulations of officials. The people have been amazed at the revelations concerning the New York, New Haven & Hartford Railroad and the Frisco Railroad.

I hold in my hand the report of Commissioner Prouty in the road, and these are some of the things, Mr. President, that make the people of this country unafraid of the proposition at least of discussing whether the Government shall own and control railroads. He says:

June 30, 1903, the total capitalization of the New Haven Co. was approximately \$93,000,000, of which \$79,000,000 was stock and \$14,

000,000 bonds. The mileage then operated was 2,040. On June 30, 1912, the capitalization, excluding stock premiums, was \$417,000,000, an increase of \$324,000,000, while the operated mileage was 2,090, an increase of 50 miles.

So the people of this country have had placed upon their backs and their children and their children 324,-000,000 that does not represent anything.

It expended-

Commissioner Prouty says-

during the nine years something over \$96,000,000 upon its railroad for betterments and equipment, making a total of \$136,000,000 devoted to its railroad property proper.

This would leave the sum of \$204,000,000 which in nine years had been expended in operations outside its railroad sphere. This fact of itself is a most significant one which, standing alone, might well require explanation

Yet the distinguished Senator from North Dakota [Mr. Mc-CUMBER] seems to think that we who believe in this Alaskan bill are of socialistic tendencies. There are a good many people in this country of socialistic tendencies and socialistic tendencies will continue to grow if high finance can go on in the manner that it has in the New York, New Haven & Hartford.

In 1904 the New Haven began its campaign for the acquisition of the trolley lines of southern New England-

I am not going to spend any time in reading that, but just his conclusion:

Representatives of the New Haven Co .-

This is in reference to the Rhode Island trolley line-

earnestly insisted that this company had not watered the stock of the Rhode Island Co., and this, strictly speaking, is true. The Improvement Co. turned in the water, and the New Haven Co. converted that water into wine. In whatever aspect the transaction is viewed the New Haven gave \$13,500,000 for nothing.

Since then additional money has been invested by the New Haven Co. in the development of these Rhode Island trolleys, so that to-day the investment totals about \$24,000,000. Prof. Swain, in his report to the validation committee, estimated the value of this investment at \$6,000,000. Other estimates are somewhat higher. We are not here concerned with the amount lost, but rather with the character of the transaction.

And then

And then:

The inevitable query is-

Says Commissioner Prouty-

What was the motive behind this transaction, and who made the profit? That question, in the very nature of such transactions, never can be satisfactorily answered.

I think if it could be, the answer would be found in the banking houses of the same people who have tried to plunder Alaska and prevent the building of other railroads there.

Again, he says of another enterprise, the Westchester Rail-

Here, therefore, is an enterprise which has cost the New Haven Co. \$12,000,000 in excess of the value of its property upon its own showing. Again the question arises, what has become of this \$12,000,000? In case of the Rhode Island Co. it was possible to locate the corporation, if not the individual, which had ostensibly obtained the money, but in this case it is impossible from anything upon the books of the New Haven Co. to do this even approximately. So far as those records go this money has vanished into thin air.

The Government operation of railroads could not be much worse than that.

Again, Mr. Mellen came before this investigation.

His statement was that the amount had been used-

Referring to a certain amount-

in campaign expenditures during the summer and fall of 1904, that this had been done—

Mr. POINDEXTER. How much was that?

by the direction of his directors, and that they had subsequently ratified his act.

These campaign contributes

by the direction of his directors, and that they had subsequently ratified his act.

These campaign contributions call for no comment from us. The act of the New Haven was not peculiar to that company at that time. What may be open to criticism is the lax way in which this matter was handled between an officer of this company and its directors.

The special account referred to shows a payment to Mr. Mellen of \$50,000 in cash, which he passed over to the Republican campaign committee. It shows a second payment to Mr. Buckland, now the vice president of the company, of \$6,500, which was turned over to the Republican State committee of Rhode Island. There are payments of various other specific sums which undoubtedly went to particular individuals for a particular purpose. All this left a balance after the campaign was over, in December, 1904, of \$24,000, which was paid to Mr. Mellen upon his statement that disbursements for campaign purposes other than those specifically named in the account had equaled or exceeded that amount.

What a comfort it must be Mr. President to the widows and

What a comfort it must be, Mr. President, to the widows and orphans who are stockholders in the New York, New Haven & Hartford Co., that has been managed so splendidly by private individuals that it is now on the verge of bankruptcy, to feel that, while their dividend has been passed and they must get along in some other way, \$50,000 of the money of this company went to the Republican campaign fund. Could governmental ownership be much worse than that?

So all through this report, which I will not take the time to read; but I desire to place in the RECORD the conclusions of Commissioner Prouty:

In conclusion this commission desires to call attention to one lesson from this investigation of national application.

No student of the railroad problem can doubt that a most prolific source of financial disaster and complication to railroads in the past has been the desire and ability of railroad managers to engage in enterprises outside the legitimate operation of their railroads, especially by the acquisition of other railroads and their securities. The evil which results—first to the investing public and finally to the general public—can not be corrected after the transaction has taken place; it can be easily and effectively prohibited. In our opinion, the following propositions lie at the foundation of all adequate regulation of interstate railroads: railroads:

1. Every interstate railroad should be prohibited from expending money or incurring liability or acquiring property not in the operation of its railroad or in the legitimate improvement, extension, or develop-

ment of that railroad.

2. No interstate railroad should be permitted to lease or purchase any other railroad, nor to acquire the stocks or securities of any other railroad, nor to guarantee the same, directly or indirectly, without the approval of the Federal Government.

3. No stocks or bonds should be issued by an interstate railroad except for the purposes sanctioned in the two preceding paragraphs, and none should be issued without the approval of the Federal Government.

Mr. THOMAS. I hold in my hand a clipping from Collier's Weekly, of December 27 last, which is so appropriate in this connection that I will read it into the RECORD if the Senator from Iowa will permit me.

Mr. KENYON. I will be very glad if it does not take until

Mr. THOMAS. It is as follows:

Mr. THOMAS. It is as follows:

Regarding the investigation of the Frisco receivership, it was stated that Chairman Clark and E. E. Brown, of the Interstate Commerce Commission, will lay before Congress the following:

"That the Frisco was compelled to carry and pay interest on a fictitious indebtedness of \$40,000,000, created by enormous commissions paid to bankers and brokers for the sale of its securities, and profits to promoters of feeder lines in the Southwest.

"That the chairman of its board of directors, B. F. Yoakum, made \$7,000,000 profits for himself and associates trading with himself in the capacity of promoter and builder of Texas roads, which he caused to be sold to the Frisco at prices in excess of their value.

"That approximately \$32,000,000 in the Frisco's total funded indebtedness of \$244,000,000 was paid to bankers and brokers in commissions.

debtedness of \$244,000,000 was paid to bankers and brokers in commissions.

"That the average rate of commission was 12.05 per cent, while the profits of Mr. Yoakum and his associates in the promotion of the feeder lines sold to the Frisco ranged from 10 per cent to more than 100 per cent."

At almost the same time the Railway Age Gazette—issue of November 7, 1913—was printing an article on "Locomotive fuel economy on the Frisco," showing how the care, cooperation, and loyalty of the rank and file of employees had lowered the 1912 fuel bill by \$260,000 as compared with that for 1910. The plan was originated by W. C. Nixon, vice president in charge of operation, whose name does not appear in the list of "insiders," and was a good solid piece of work from beginning to end. The saving which hundreds of men thus wrought out will pay three-fifths of 1 per cent on the fictitious debt, or 35 per cent on what the "insiders" took. If the men worked thus for 28 years they would save for the road, without interest, the sum which the directors and officials have already taken by conspiracy from the road. This is what alls "big business." This is what breeds "class hatred." This Is the sabotage of greed among those in authority, treason in place of leadership.

Mr. KENYON. And rates can be raised on the railroad to

Mr. KENYON. And rates can be raised on the railroad to

cover those burdens?

Mr. THOMAS. Precisely, the patrons of the road are now called upon to submit to an increase of 5 per cent in the charges

in order that this burden may be carried.

Mr. KENYON. It illustrates again the splendid private management we have heard so much about which has placed the St. Louis & San Francisco Railroad in hands of receivers. I ask permission to place in the Record an editorial from the New York World as a part of my remarks, "How the New Haven was looted," and also a portion of an editorial, or the figures rather, as to the directors in that road.

The VICE PRESIDENT. Is there objection? The Chair hears none and permission is given.

The matter referred to is as follows:

HOW THE NEW HAVEN WAS LOOTED.

How the New Haven was looted.

Of all the 336 subsidiary corporations among which the New Haven Railroad so dispersed its assets and its credit as to bring it from a post of primacy to the verge of ruin, none better illustrates the manner of the looting than the Westchester road, some portions of whose history the World told yesterday for the first time.

The old Westchester company, formed in 1872, went bankrupt in 1875 and did nothing for 29 years. Early in 1904, galvanized into life by an application of the rival Portchester road, the Westchester company received its franchise from the New York board of aldermen; vetoed by Mayor McClellan, the franchise was again passed. About that time \$100,000 in a downtown bank changed possessors, and immediately after a \$6,000,000 contract for work on the New Haven was secured by the Murphy-Gaffney Co.

At about this time the stock of the Westchester road had been bought by the late J. P. Morgan, William Rockefeller, and George McCulloch Miller for the New Haven. They paid more than \$5,000,000, though less than \$500,000 had been expended; though the road had slept 29 years; though President Mellen himself protested in vain that the stock was worth "10 cents a pound" and the New Haven already too heavily loaded.

With such a beginning it is not wonderful that a road which cost less than \$22,000,000 should have gone into the New Haven system at \$33,000,000—the difference, as Interstate Commerce Commissioner Prouty says, "vanishing into thin air." As to how the money vanished, the details sleep in "Account No. 2" in the office of J. P. Morgan & Co., which covers the original purchase; and in the subsequent dealings of the New Haven with the Milibrook (construction) company, in which Morgan and Rockefeller succeeded Marsden J. Perry and Oakleigh Thorne as leading spirits.

The New Haven road needs money. Why does it not in civil suit seek restitution of this vanished \$12,000,000? Why does it not seek to ascertain whether in this shocking conversion of funds there was any criminal transaction not yet shielded by the statute of limitations?

Excellent, necessary, inevitable is the "unscrambling" of the New Haven eggs. But justice should not stop short of restitution and punishment.

Name and number of corporations.

George F. Baker (Morgan clique) 6	34
J. P. Morgan (Morgan clique) 6	38
H. McKay Twombly (Vanderbilt group) 7	72
Chauncey M. Depew (Vanderbilt group)6	17
Chauncey M. Depew (Vanderbilt group) 6 Lewis Cass Ledyard (Morgan group) 3	15
C. F. Brooker (Standard Oil group) 3	30
	51
Samuel Rae (Pennsylvania group) 4	13
Theodore N. Vail (Telegraph and Telephone group) 3	27
W Murray Crane (Telegraph and Telephone group)	29
W. Murray Crane (Telegraph and Telephone group) 2 F. W. Cheney (Morgan group) 1 C. M. Pratt (Standard Oil group)	10
C. M. Pratt (Standard Oil group)	10
William Skinner (Standard Oil group) 3	
H. K. McHarg (Morgan group)	16
	11
	-
Potel 57	7.0

The interests represented in this total of 578 corporations of which New Haven directors are also directors range from the most powerful banking institutions of the country to concerns making brass, steel cars, locomotives, cart wheels, couplers, brake apparatus, draft gear, bolsters, springs, oil, waste, and every device and article necessary to the mechanical equipment of a railroad.

springs, oil, waste, and every device and article necessary to the mechanical equipment of a railroad.

IN GRIP OF THE BANKERS.

Further than this, the banking interests represented on the New Haven directorate have floated, underwritten, and performed every form of flduciary service essential to the distribution of bonds, stocks, negotiations for leases, traffic, and other contracts entering into the enormous business of a corporation of the magnitude of the New Haven.

Since the retirement of Mellen, his indictment for violation of the restraint of trade provisions of the Sherman anti-Trust law in the Grand Trunk matter, and the activity of the Attorney General in seeking to "unscramble" the hopelessly involved mess resulting from the mismanagement of the New Haven road there have been a number of retirements. J. P. Morgan, jr., who is destined to become a most prominent figure in the Federal inquiry into New Haven affairs, has retired from the board of directors after serving as the successor of his father for a few months.

Theodore N. Vall, representing the Telegraph and Telephone Co., has also withdrawn from the directorate along with Charles S. Mellen, Alexander Cochrane, Sidney W. Winslow, and D. V. R. Warner. Murray Crane has taken the place of Vall, and is regarded as the representative of the telephone and telegraph interests on the board.

Members of the full board, of which William Rockefeller is the dominant spirit at present, are as follows: William Rockefeller, Charles F. Brooker, William Skinner, D. Newton Barney, Robert W. Taft, James S. Elton, James S. Hemenway, A. Heaton Robertson, Frederick E. Brewster, Henry K. McHarg, John L. Billard, George F. Baker, Thomas De Witt Cuyler, Edward Milligan, Samuel Rea, Laurence Minot, Morton F. Plant, John T. Pratt, A. F. Hadley, Howard Elliott, W. Murray Crane, James L. Richards, J. H. Hustis, and F. T. Maxwell.

Mr. KENYON. In an official investigation still in progress in Massenbuscits a avasor of sevent december of the March.

Mr. KENYON. In an official investigation still in progress in Massachusetts, a report of general expenditures of the New Haven Road from December 1, 1912, to June 30, 1913, listed under the head of other expenses the names of persons who

shared in the distribution of \$337,469.71.

The hearing developed that newspaper reporters at the Massachusetts statehouse for daily newspapers had received money from the New Haven. One editor admitted receiving A professor in the Harvard Law School admitted that he had been employed as advisory counsel by the New Haven, but had kept the fact under cover, although frequently addressing public gatherings on questions concerning the New Haven

I assume this was an investigation ordered by Gov. Foss, of the public-service commission. Something like \$100,000 was expended in molding the opinion of the legislature.

We hear a good deal about governmental ownership bringing railroads into politics. It would rather seem from this investigation that the railroads were in politics.

Commissioner Prouty, commenting on the future for the Westchester Road, said:

Westchester Road, said:

The hope was expressed that in the near future it would earn its operating expenses and something more, and that finally it would become a profitable investment. All this may be true; such trolley lines grow up to almost any amount of overcapitalization, and it is possible that in years to come the Westchester Railroad will yield a return on the investment of the New Haven. The same thing may be true of the Rhode Island Co., but all this in no respect alters the quality of the transaction.

In any aspect of the matter the patrons of these lines are required to pay upon an investment which never has been made and are thereby subjected to a perpetual, unjust exaction.

Mr. President, it is amazing that the managers of this great property, intrusted by the stockholders with its management,

should dissipate the property and secure personal profit for themselves, as the Senator from Colorado [Mr. Thomas] has just pointed out. A bank robber is entitled to more respect than these men. It requires some courage to rob a bank. The people are not willing in instances such as the Senator from Colorado has cited of the St. Louis & San Francisco, and instances that I have cited of the New Haven Railroad; that rates, though they want to be fair, should be increased in order to cover such losses or to pay dividends on what Thomas W. Lawson has so aptly described as "counterfeit capital," one of the greatest causes of the high cost of living in this country.

The difficulties of the rate question, the conflict in the regula-tion by the Federal Government and by the States, the manipulations of stocks and bonds, the wrecking of great railroad properties, are some of the inciting causes that have led the people to sit up and take notice and give serious thought to the situation and be willing to discuss the question of governmental ownership of great public utilities. If private ownership of great public utilities is to continue to mean plunder of the people, then private ownership of these great public utilities will some day go. There must be complete governmental regula-tion and honest management of railroads or governmental

ownership will surely come.

The distinguished Senator from New Jersey [Mr. MARTINE] has advocated, in a report which has not yet been made to the Senate, but of which I have seen an account in the newspapers, that as a solution of the awful mining conditions in West Virginia, where he was on the committee investigating, and where his great heart was touched, that the only solution of those matters is for the Government to take over control. I do not know that he advocated operating, but at least to take over and lease the great coal mines of this country. Coal is something people have got to have, and in that report, although I do not know all the minutia of it, on the fundamental proposition that the great coal of this country which the Creator has put into the ground for the use of all the people no monopoly ought to be permitted to take charge of it and charge the people of the country excessive rates, I indorse his position.

At the present market prices of stocks it would cost in the neighborhood of \$13,000,000,000 to take over the railroads. Of course, such stupendous figures are staggering, and when considering it we are apt to lose sight of the fact that behind the debt would be the property itself, with its constantly increasing unearned increment. If the water was squeezed out of these stocks, they would not be anywhere near such value.

If the railroads had been purchased by the Government some 20 years ago, it is entirely probable that the difference in what the Government would have to pay on the indebtedness and what the railroads pay on their stocks and bonds in interest and dividends would have nearly paid for the railroads. has been so claimed by experienced statisticians and railroad. The Government can borrow money at a less rate of interest, finding little trouble to borrow at 3 per cent. Railroads, on their bonds, must pay 4 and 4½ per cent.

Mr. Thorne in his figures estimates that governmental owner-

ship would save \$450,000,000 a year.

He does not discuss the question of operation, and that is the

only weak point in this letter.

Mr. President, if the efficiency of our transportation was not diminished, the people may well inquire why said amount should not be saved, because it makes no difference whether the interest is paid by the railroads on bonded indebtedness from dividends on stock, or whether it is paid on bonds issued by the Government, it comes ultimately from one source, the Four hundred and fifty million dollars people of the country. is more than is received from customs duties in a year—probably as much as it will cost to build the Panama Canal.

I do not mean to indicate by these remarks that I would be in favor at this time of taking over the railroads. I have an open mind on the question, but would favor and am anxious that a commission be appointed by the President of men whose sole interest would be the public welfare, for that in the end is the sole interest that concerns us-men of high character and breadth of learning and limited to three members, who should go to foreign countries where they have grappled with this question and make an unbiased report to Congress as to the success of governmental ownership of railroads or of the failure thereof; men who will give real thought to the question and not merely be engaged, as is too often the case, in a

Mr. SMITH of Michigan. I should like to ask a question of the Senator from Iowa right there. Mr. Thorne, as I understand the Senator, says that \$450,000,000 could be saved by the

Government taking over and operating the railroads?

Mr. KENYON. That that amount could be saved each year. Mr. SMITH of Michigan. Does Mr. Thorne say what rail-roads, which are practically parallel and duplicates, are to be discontinued, and what railroads are to be operated?

Mr. KENYON. None would be discontinued.

Mr. SMITH of Michigan. Take 5, 6, 7, or 8 railroads running out of Des Moines, all competing. There is scarcely one of them that is not an active competitor. Would Mr. Thorne maintain that competition if the ownership were the same?

Mr. KENYON. They are competitors, possibly, as to the quality of service. I do not know that I could be accurate as to the Des Moines railroads, but take Council Bluffs, where different railroads crossing the State converge, and the fares are the same. They are competitors only as to the quality of Their trains nearly all leave Council Bluffs at the same time. There is no need of that, is there? Why should not trains on the different railroads leave there two, four, or six hours apart?

Mr. SMITH of Michigan. What I am trying to get at is, whether Mr. Thorne in his figures proposed to operate the same amount of mileage that is now being operated, much of which is a duplication, with many parallel lines constructed perhaps ill-advisedly? Does he propose to operate all those railroads, or is he to make the saving from an economy of mileage service?

Mr. KENYON. No; he is to take exactly the roads now operated by private ownership and put them under Government ownership. By so doing he figures that we would save \$450,0000,000 a year.

Mr. SMITH of Michigan. Take the roads running out of Des

Mr. KENYON. Is the Senator asking me for Mr. Thorne's figures:

Mr. SMITH of Michigan. Yes. That is the Senator's own State. You have the Chicago & Great Western there; you have got the Chicago, Milwaukee & St. Paul there; you have got the Des Moines Short Line there; you have got the Rock Island there; you have got the Burlington there; and I do not know but

that you have the North Western there also.

Mr. KENYON. Yes; we have the North Western.

Mr. SMITH of Michigan. And the North Western. Now, surely any scheme of governmental ownership, if it were originally planned, would not call for any such duplication of mileage

Mr. KENYON. Then, why does the present plan of operation call for this duplication?

Mr. SMITH of Michigan. But there has not been a railroad, if the Senator from Iowa will permit me to say it in his timehe has been very courteous-there has not been a railroad built in the State of Iowa in a generation that has not been enthusiastically encouraged by the people who live along the line, and that was true of the last one to be built.

Mr. KENYON. And most of them have been financially en-

couraged.

Mr. SMITH of Michigan. The last one to be built involves saving of over 50 miles between Des Moines and St. Paul, and yet it has not earned a dollar; it has not paid a penny in dividends.

Mr. KENYON. I am not advised as to that.

Mr. SMITH of Michigan. I think I am right about it: I do not know anything specifically about it, but I think I am correct. Mr. KENYON. The Senator does not speak from knowledge

as a stockholder, of course?

Mr. SMITH of Michigan. Oh, no; I do not own any stock, and could not if I wanted to. To be consistent, under Government ownership you would have to revise the railroad map of your country and discontinue parallel and unnecessary lines in order to accommodate the traffic economically and have the best interests of the Government at heart. I do not see just how you

can accomplish it. I hope you can.

Mr. KENYON. I am not trying to accomplish it.

Mr. SMITH of Michigan. I did not speak of the Senator in the first person.

Mr. KENYON. I am trying to have it discussed; that is all. Mr. SMITH of Michigan. I think if Mr. Thorne is going to save \$450,000,000 a year, he will have to do it by discontinuing existing lines.

Mr. KENYON. The Senator has not heard the figures read. Mr. SMITH of Michigan. I heard the figures which the Sena-

Mr. KENYON. I think Mr. Brandeis, some years ago, suggested what we could save in the operation and management of the railroads. If the Government were going into the railroad business as it goes into the public-building business, that would be a sham and a farce, and we would never get anywhere

with it. If we were to build a railroad in some community in order to help send a Representative back to Congress, or a Senator back to the Senate, we would never accomplish any beneficial result.

Mr. SMITH of Michigan. The same may be said of the river and harbor expenditures. We have some skill in the apportion-ment of river and harbor appropriations.

Mr. KENYON. I wish we had more time, because there is a complete answer to the suggestion of the Senator. The railroads are now competing in the service that they render, but they are not competing as to rates. They are trying to get traffic by reason of furnishing better accommodations, and some of them even have fountains in their drawing-room cars, as the North Western has between Chicago and St. Paul, to draw business from the Milwaukee road, while the Milwaukee is serving a better meal, in order to draw business from the North Western. You have your choice between a fountain and a good meal.

Mr. SMITH of Michigan. They have fountains in their depots and plenty of water in their chests, I understand. There is no

doubt about that. I wish it were not there.

Mr. KENYON. Water in their chests?

Mr. SMITH of Michigan. Yes. I wish it were not there. I think there is altogether too much water in the railroads.

Mr. KENYON. There is plenty of water in the capital stock. Mr. SMITH of Michigan. That is what I mean.

Mr. KENYON. I do not want to take so much time. I am just about through, if the Senator has no further question to

Mr. SMITH of Michigan. I have interrupted the Senator as much as I ought to do.

Mr. KENYON. I have been very glad to yield to the Senator. The commission which I have suggested would merely make an unbiased report to Congress as to the success of governmental ownership of railroads or the failure thereof. The Senator from Oregon [Mr. CHAMBERLAIN], who has given great thought to this subject, handed me a few moments ago a letter which I think ought to be in the RECORD, and I hope he will place it in the RECORD, showing the results of governmental ownership and operation in foreign countries. We ought not to be afraid of discussing the proposition; and that is all I am trying to do.

Mr. SMITH of Michigan. I am not afraid to discuss it.

have ridden on government-owned railroads.

Mr. KENYON. The most advanced nations of the world. with the exception of Great Britain, have handled the proposition successfully, and this Nation ought not to be afraid to go thoroughly into an investigation and discussion of the proposition; and if after investigation—I do not know what it might show—such a course may seem best for the welfare of the greatest number of our people to then adopt the plan of governmental ownership, surrounding it, as I have suggested, with such civil-service regulations or other regulations as to make impossible the participation of employees in partisan politics. The general welfare of all our people is the object to be attained. and no hints that Government ownership is socialistic will stop discussion of the question. The people have not become discussion of the question. frightened by the cry of socialism whenever any advance movement is proposed. Public discussion is the lifeblood of representative government. The American people are not afraid of discussion; they do not deem it necessary to talk in whispers or go behind closed doors when talking of Government ownership of great public utilities. The Alaskan railroad, owned and operated by the Government, will be a good experiment as to the merits of Government ownership and operation of all

I have made these suggestions preliminary to the introduction of a letter and not as meaning to indicate that I favor the taking over of the railroads by the Government, but because I believe that discussion of this subject is healthy and apropos and that this letter in the Record—thus giving wide circulation-may tend to stimulate inquiry along the line suggested.

I was anxious to have this letter read. I think it will take but a moment or two; but I ask permission to make it a part of That is all that I care to say on the subject.

The VICE PRESIDENT. Does the Senator ask to have the letter read ?

Mr. KENYON. I ask to have the letter read.
Mr. BRISTOW. How long is it?
Mr. KENYON. If no Senator wants to hear it at this time, I will not ask to have it read.

Mr. POINDEXTER. I should like to hear it, Mr. President.

Mr. SMITH of Michigan. By whom is it signed?

Mr. KENYON. It is signed by Clifford Thorne, railroad com-missioner of the State of Iowa, the gentleman to whom I have referred in my remarks. Unless there is a desire to have it

read, I will simply ask that it be printed in the RECORD in con-

nection with my remarks.

Mr. MARTINE of New Jersey. I, for one, should like to hear read

Mr. SMITH of Michigan. I also should like to hear it read. Mr. KENYON. Then, let it be read.

The VICE PRESIDENT. Is there objection to the reading? The Chair hears none, and the Secretary will read as requested. The Secretary read as follows:

NOVEMBER 29, 1913.

Senator WM. S. KENYON, Washington, D. C.

Washington, D. C.

Dear Senator: Col. S. W. Brookhart informs me that you desire a summary of my recent investigation relative to the market value of American railroads, and the actual loss to the public because of their private ownership as compared to Government ownership.

The following is the substance of my recent discussion of this subject before the National Association of Railway Commissioners at Washington, D. C., and later with President Ripley, of the Santa Fe Railroad

Railroad.

Railroad.

On the eve of making a physical valuation of all the railroads in the United States I thought it would be of some interest to know their present market value. My attention was called to this by reason of my work as chairman last year of the committee on "railroad taxes and methods for ascertaining fair value," and this year of the "valuation committee" of the National Association of Railway Commissioners, I have had this "market value" estimated (by methods described later) and find it to be approximately \$13,969,173,383.

In this connection there is a fact of tremendous significance: The Government could issue bonds and purchase these outstanding securities at prevailing market prices and save several hundred millions of dollars every year.

at prevaiing market prices and save several hundred millions of dollars every year.

For the year ending June 30, 1911 (the last year for which complete returns are available), we find the railroads paid out in interest and dividends and had a surplus which they put into improvements and surplus account the following:

In dividends on stock In interest on bonds Appropriations for additions and betterments Appropriations for new lines or extensions Appropriations for other reserves Surplus for year to general balance	\$291, 497, 164 380, 411, 667 58, 740, 315 3, 518, 628 7, 897, 134 91, 669, 663
--	--

833, 734, 571

SUMMARY.

Interest, dividends, and surplus earnings \$833, 734, 571
Interest at 3 per cent on present market value of railway securities 419, 075, 201

Annual saving, through purchase by the Government, of outstanding railway securities, at prevailing market

414, 659, 370

standing securities at prevailing market prices. The railroads have been bettering and improving their properties for many years out of earn for every doular paid in dividends. We not only pay them a return or their investment, but we nuitd their properties for them. The surprise earnings of American railroads put into betterments. The surprise earnings of American railroads put into betterments. The surprise earnings of American railroads put into betterments. The surprise earnings of American railroads put into betterments. All such surprise earnings help to swedt the values, which are quoted in higher rates or as a means to prevent reductions ordered by the State and Federal Governments. In case of Government purchase of ascand will not be used as a justification for higher freight rates. That billion-doiler savings is a rather large sum of money. The total wealth of the entire Nation, as estimated by the United States Department of the control of t

rallroads. I have not personally investigated the situation, but I am reliably informed that most of the rallroad mileage is owned by the Governments in Germany, Austria-Hungary, Italy, Switzerland, Norway, Belgium, Holland, Denmark, Russia, New South Wales, New Zealand, Queensland, South Australia, Victoria, West Australia, Bulgaria, Servia, Roumania, Peru, Chile, Japan, India, Ceylon, Dutch East Indies, Natal, Indo-China, Baden, Bavaria, Cape Colony, Tasmania, and Orange Free State. The large majority of the countries on the continents of Europe, Asia, Africa, and Australia own most of their railroads.

Aside from England and the United States, every first-class power on earth is committed to Government ownership. I have not reached a final conclusion that it is wise to take over these properties at the present time, but there must be some facts in the experience of these other nations that are worthy a careful investigation by disinterested parties.

Respectfully, yours,

Respectfully, yours,

CLIFFORD THORNE

Respectfully, yours,

Respectfully, yours,

CLIFFORD THORNE,

NOTE.—The present market value of the railroads in the United States described above was estimated in the following manner: Thirty-five representative railroads were selected. This list included those selected by Wesley C. Mitcheel, of New York City, in his computations of price fluctuations on securities for the 20-year period from 1890 to 1910. The only changes we made in the list were to eliminate the Canadian Practic, Canada Southern, and lowa Central, substituting the Northern Pacific, Great Northern, and Baltimore & Ohio. As the list is finally completed, these carriers landled 53.6 per cent of the transportation business in the country last year, and I am confident that they represent the better class of railroads as a whole, so that the market value finally obtained is not low. We used market quotations as given in the New York Commercial and Financial Chronicle for all stocks and bonds quoted, taking the average of the daily mean for the week ending October 17, 1913. Where no sale was recorded, but a "bid" and "ask" price was given, we used the "ask" price in order to avoid the criticism of obtaining a low valuation. In this manner we found the total market value of the stocks of these 35 companies to be \$4,087,158,107, while their par value was \$4,289,693,C63; in other words, the market value was 95.057 per cent of the par value. The total market value of the bonds quoted was \$3,485,471,596, their par value \$3,855,217,979, and the percentage \$9,1123 A complete list of the railroads would have been preferable, and quotations over a longer period of time would have been desirable. It will be impossible to find exactly the market value because some securities are not quoted and prices vary. To-day prices are low, but this is effect by reason of the fact that we have chosen, on the whole, the better class of railroads. For the reasons we have previously stated we conclude these percentages are not low for the current year. It would appear that

eral, perhaps too liberal. The securities used are much above the average in value.

The par value of the securities of American railroads outstanding in the hands of the public—according to the statistician of the Interstate Commerce Commission in the latest published report, for June 30, 1912, assuming that securities for 1912 held by other railroads were the same as in 1911—was \$15,286,101,947, divided as follows: \$5,843,446,355 in stock and \$9,442,655,592 in bonds.

Applying the percentages described above, it is roughly estimated that the market value of American railroads, as of the present time is \$13,969,173,383. The par value of outstanding railway securities in the hands of the public is, as stated above, a little over fifteen billions. But par value is given practically no consideration before courts or commissions or on the markets. Some securities sell at 2 or 3 per cent of their par value, while others sell at 600 and 700 per cent of their par value. The Interstate Commerce Commission has said that the par value of stocks and bonds is no evidence whatsoever of value. The Supreme Court has never used par value of securities as the basis for "fair value" in rate cases or any other kind of cases. In the eyes of the investing public the present value of American railroads is determined on the markets, where securities are bought and sold.

EXECUTIVE SESSION.

EXECUTIVE SESSION.

Mr. BACON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock and 55 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, January 21, 1914, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 20, 1914. UNITED STATES ATTORNEY.

Francis A. Garrecht, of Washington, to be United States attorney, eastern district of Washington, vice Oscar Cain, resigned.

UNITED STATES MARSHAL.

James S. Magee, of New Bloomfield, Pa., to be United States marshal, middle district of Pennsylvania, vice James M. Yeager, resigned.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 20, 1914. POSTMASTERS.

William Finley, Hoopestown. H. P. Simpson, Rock Island. R. C. Probasco, Sparta. Charles D. Rock, Farmer City. D. B. Ulrey, Martinsville.

IOWA. George A. Crane, Dexter. John J. Dunlevy, Lansing. Laura H. Figert, Marathon.

Weston D. Ralston, Paullina. Harvey A. Sweigard, Garner. James S. Webster, Carlisle.

NORTH DAKOTA.

John Schmitz, Tower City. Curtis Shepard, Courtenay.

PENNSYLVANIA.

Henry J. Bock, Conway. John A. Rick, Girard.

SOUTH DAKOTA.

M. M. Bennett, Yankton.

WISCONSIN.

T. D. Pluck, Horicon.

HOUSE OF REPRESENTATIVES.

Tuesday, January 20, 1914.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the fol-

lowing prayer:

Be graciously near to us, O Thou great Father Soul, as we thus enter upon a new congressional day. Give to these Thy servants great thoughts and help them to control and direct those thoughts that their acts may be worthy of statesmen; that the people of this great Nation whom they represent may be faithfully and efficiently served to the honor and glory of Thy holy name. Amen.

The Journal of the proceedings of yesterday was read and

approved.

CONSTRUCTION OF RAILROADS BY NEW LANDS.

Mr. HOUSTON. Mr. Speaker, I desire to ask unanimous consent to extend my remarks in the Record by printing a letter from the Secretary of the Interior setting forth history and data in regard to railroads constructed by different countries in the opening up of new lands. It is a mere historical statement of fact and nothing more.

Mr. MANN. The purpose of it is that it may be used in connection with the Alaskan railroad bill?

Mr. HOUSTON. Yes, sir; that is the purpose of it.

The SPEAKER. The gentleman from Tennessee [Mr. Houston) asks unanimous consent to extend his remarks in the RECORD in the manner stated. Is there objection? [After a pause.]

My Dear Mr. Houston: If we are to open Alaska, we must do so either by subsidizing railroads with land and money grants or by governmental construction. No other method has been devised in this or any other country. I submit for your consideration the recent history of railroad construction in lands newly opened. The United States has subsidized private construction. Canada has given unprecedented amounts in land and cash and built some lines of its own. England has opened India with Government railroads, and Africa likewise. Nearly all lines of railroad in the Australian colonies have been built by the Government. So, too, in the South American Republics and Mexico, either the Government has built the line outright or given a large bonus for its construction. large bonus for its construction.

UNITED STATES.

The records of the General Land Office show that land grants made by Congress in aid of private railway construction in this country averaged about 7,500 acres of land for each mile of railroad built. Railroad land grants made by Congress have aggregated 158,139,000 acres, or 247,003 square miles. These land grants equal in area a territory as large as the combined area of the New England States, Nork, New Jersey, Pennsylvania, Maryland, Virginia, and West Virginia.

How much other public aid has been given to private railroad building in the form of land grants by States and subdivisions of States and in the form of cash bounties or subsidies or guaranteed interest and principal on bond issues can not even be approximated with any degree of certainty.

Reliable authorities have stated that the actual cost of construction of the Union Pacific Railroad was approximately \$50,000,000. The cost to the railroad company of this construction was \$93,500,000. nearly \$43,000,000 being taken in profit by the contractors and the Credit Mobilier. Land grants to the Union Pacific alone were made to the extent of 11,309,844 acres in addition to the Government's guaranty of bond issues and interest. Previous to the settlement of the Government with the Pacific roads it was estimated by the inspecting engineer of the United States Pacific Railway Commission that the entire property of the Union Pacific system could have been reproduced for \$37,250 a mile, whereas at the time the average per mile of subsidized mortgage debt and interest on the road to the credit of the Government was \$47,465 a mile.

Land Office records show that land grants by Congress in aid of the construction of private wagon roads were made at the rate of 1,900 acres of land for each mile of canal.

CANADA.

From 1876 to 1912 there had been built in Canada something less

and land grants to the extent of 56,052,055 acres from the public

domain.

In other words, it has cost the Government in Canada \$20,000 in cash and 5,600 acres in land for every mile of road built under private ownership in that country. Some part of these cash subsidies are in the form of loans which the rallroads are under agreement to repay.

According to the report of the department of rallways and canals of the Dominion Government, the various forms in which these cash subsidies have been paid are as follows:

By the Dominion: Cash subsidies Loans Cost of lines handed over to Canadian Pacific Ry- Paid to Quebec government. Implement clause, Grand Trunk Pacific agreement	37, 785, 319, 97 5, 160, 053, 83
Total	154, 075, 235. 09
By the Provinces: Cash subsidies Loans Subscriptions to shares	32, 895, 485, 16 2, 750, 030, 00 300, 000, 00
Total	35, 945, 515, 16
By municipalities: Cash subsidies Loans Subscriptions to shares	2, 404, 498, 62
Total	18, 051, 323, 60
Land grants are reported as follows: By the Dominion By Province of Quebec By Province of British Columbia By Province of New Brunswick By Province of Nova Scotia By Province of Ontario	8, 119, 221 1, 647, 772 160, 000
	50 050 055

In addition to these bonuses of cash and lands for private railroad construction, the Canadian Government and its Provinces have guaranteed bond issues of railroad companies at the rate of from \$13,000 to \$20,000 a mile. The total amount of railroad bonds guaranteed by the Government, as reported in 1912, was \$245,070,045, divided among the Dominion and several provincial governments as follows:

Dominion	\$91, 983, 553
Manitoba	20, 899, 660
Alberta	45, 489, 000
Saskatchewan	32, 500, 000
Ontario	7, 860, 000
Nova Scotia	5, 022, 000
British Columbia	38, 946, 832
New Brunswick	1, 893, 000
Quebec	476,000

245, 070, 045

Mr. HOUSTON. Yes, sir, that is the purpose of it.

The SPEAKER. The gentleman from Tennessee [Mr. Houstons] and the second his remarks in the Record in the manner stated. Is there objection? [After a pause.] The Chair hears none.

The following is the letter referred to:

Securatar or the Interest of the Securatar or the Securatar or the Securatar or the Securatar or the Securatar of the Securatar or the Secura

The plan proposed for reimbursing the Government for the construction of the Alaskan railway will permit the United States, if it desires, to get back all its original investment, which may be regarded as a loan, after the railway becomes profitable, and the Nation will have the road as an asset, both during and after this period of repayment.

AUSTRALIA.

AUSTRALIA.

In the early days of the settlement of Australia, private capital attempted to build the railroads needed for the development of that country, but failed so conspicuously to keep pace with the need that in 1855 the Government took over the lines already built, and since then but one important railroad in Australia has been built under private ownership.

While the scarcity of private capital at first compelled adoption of the policy of Government ownership and operation in Australia, this policy was later extended in order to provide roads in new and sparsely settled sections for the encouragement of settlement. Of the total railway mileage in Australia, 16,427 miles is owned and operated by the Government, and about 2,000 miles is under private ownership and operation. Most of the private lines are branches and "feeders," and many of them owned by corporations for conveying their own product to the State's trunk lines.

Only 145 miles of the Government roads in the country are owned and operated by the Central Government, the remainder being under the management of the several Provinces. A new trunk line to be 1.083 miles in length is now under construction by the Commonwealth. The estimated cost of its construction and equipment is about \$40,000 a mile. The average capital cost of all the State railroads in Australia is \$47,500 a mile.

Australian railroads have been built and operated for more than 50 years with no serious charges of graft or corruption. The general policy has been to operate them at cost, and despite increased cost of operation several reductions in rates have been made within recent years.

Australia has a mile of railroad to every 250 population as com-

policy has been to operate them at cost, and despite increased cost of operation several reductions in rates have been made within recent years.

Australia has a mile of railroad to every 250 population as compared with a mile to each 500 population in the United States.

In the State of Victoria all but 60 of the 3,627 miles of railway reported in 1912 were constructed by the Government. There are no privately owned railways in this State. The total expenditure charged to capital account against the State railroads was \$228,000,000, or at the rate of \$63,300 a mile.

The first railroads in New South Wales were built as private enterprises, but the companies got into financial difficulties before the lines were completed and the State bought and finished building them. All the trusk lines since have been constructed by the State. There were 3,831 miles of Government lines in operation in 1912, the capital charges against which averaged \$70,000 a mile.

Of the 1,460 miles of railroad in South Australia, only 15 miles was built by private enterprise. One line 478 miles in length is owned by the Commonwealth, which pays the interest on its capital cost and leases it to the State government for operation. The capital cost and leases it to the State government for operation. The capital cost of the South Australian lines has been approximately \$44,000 a mile.

In western Australia 310 of the 2,598 miles under public operation in 1912 were constructed by private enterprise and later acquired by the Government. The average cost of construction and equipment of the State lines, charged to capital account, is \$26,500 a mile.

Queensland's 4,266 miles of Government roads, of which only 143 miles was built by private enterprise, is charged with a capital account averaging \$35,250 a mile.

The capital charges against the 500 miles of State lines in Tasmania are \$42,500 a mile.

No part of the cost of construction of Australian roads has been paid out of revenue. Owing to the sparsely settled condition of the country the ro

NEW ZEALAND.

Government ownership and operation of railroads has been the policy of New Zealand almost from the beginning of settlement in the colony, first adopted to provide transportation facilities faster than private enterprise would furnish them, and later as a part of the cooperative democratic program of the Government. After the first few years of operation the attempt to make the New Zealand railroads pay profits was abandoned, and the roads are run with the idea of giving the best and cheapest service possible.

The capital cost of the 2,808 miles of Government owned and operated road in the country in 1912 was charged with a capital cost of \$54,500 a mile. The total cost of the roads forms part of the public debt of the Dominion, and the surplus earnings are turned over into the general revenues of the country, exactly as is done with the United States Post Office. The net receipts of New Zealand railroads for 1912 were about \$6,000,000 in excess of operating expenses.

New Zealand's area is about one-sixth that of Alaska. In 1870, when its railways were nationalized, the population was 250,000. As the beginning of a policy of national expansion and development, the Government in that year authorized an appropriation of lands and money of between \$60,000,000 and \$70,000,000, to be spent in the following 10 years for railway extensions and improvements. On the basis of population, this appropriation at that time was equivalent to an appropriation of upward of \$20,000,000,000 in the United States to-day.

The effect of building a system of railroads through a then unsettled and undeveloped country gave New Zealand a growth that produced remarkably prosperous and speedy settlement and industrial and agricultural progress. As fast as the profits of railroads operated have risen above 3 per cent on the capital investment the increase has been absorbed by reductions in passenger fares and freight rates. To encourage industries, low rates on products have been made regardless of distance. Railway construc

Practically all the railroads in Africa are in British territory and have been built either by the Government or under heavy subsidies from the Government. Because of the same conditions which make privately built railroads in Alaska a dubious experiment, the roads built by private enterprise in Africa have, for the most part, been forced into

Government control. Even a large portion of the famous Cape-to-Cairo line, built in sections, under different ownerships, and carried to partial completion only by liberal assistance from the British and German Governments, has passed under governmental operation as a matter of expediency.

Private enterprise failed in its effort to build the transportation lines that would open the door to the civilization of the "Dark Continent," and only since the Boer War and the organization of the union of South Africa has the British colonial policy of Government railroads paved the way to permanent development and settlement of any part of that continent along lines of thorough and systematic growth and conservation.

servation.

Of the 22,892 miles of railway in the whole of Africa in 1910, 13,670 miles were under Government ownership and operation, and approximately one-half of the entire mileage was in the South African Union. The total mileage in that year, as reported by the Prussian ministry of public works, was divided among the various sections of the country and between private and public ownership, as follows:

	Total mileage.	State owned.
Egypt. Algiers and Tunis. Belgian Kongo Colony. South African Union:	3, 674 3, 134 515	2,791
Cape Colony Natal Central South Africa Rhodesia German colonies:	3,771 1,092 2,589 2,191	3,318 1,092 2,589 2,191
German East Africa German Southwest Africa Togo. Cameroon	446 992 185 66	446 992 185 60
English colonies French colonies. Italian colonies Portuguese colonies.	1,806 1,359 71 1,001	

In 1911 the British Parliament returns showed 7.548 miles of public owned and operated railways in South Africa and 545 miles under private ownership and operation.

The report of the general manager of railways of the Union of South Africa for 1912 shows 7.848 miles of Government railways in operation, acquired and built by the Government at a cost of \$394,983,499, or an average of \$49,149 a mile, with 630 miles of additional Government lines under construction. Of the total amount of expenditure by the Government to that time, \$2,199,791 had been paid in Government subsidies to privately constructed railroads, while the remainder was expended for roads built by the Government. This construction cost included complete equipment.

After paying all operating expenses and \$12,710,624 in interest on capital charges the South African railroads in 1912 showed a net profit to the Government of \$9,069,216.

In addition to the Government-owned lines, the South African Government leases 50 miles of roads from the Natal-Zululand Co., and operates 56 miles of privately owned lines within the Union, besides 597 miles of the section of the famous Cape-to-Catro Railroad built by Cecil Rhodes and now owned by the Rhodesian (Government) railways.

In the other British Colonies in Africa the few roads attempted by private capital were generally left incomplete and finished by the Government, and Government ownership and operation, with further extensions constantly being made under public management, are the rule. British reports for 1911 showed practically the entire railroad mileage in British colonies having no responsible local government and protectorates to be under Government ownership and operation. The mileage of these lines, with their cost, the latter borne by either the British or colonial Governments, or divided, were shown as follows:

	Mileage.	Cost (approximate).
East Africa Gold Coast Northern Nigeria Sierra Leone Southern Nigeria. Uganda	584 186 356 255 307 61	\$26, 875, 000 11, 204, 000 6, 000, 000 5, 000, 000 20, 000, 000 500, 000

INDIA.

According to the report of the Indian Railway Board for 1911, there were 32,839 miles of roads in operation in that country, of which 6,874 miles were owned and operated by the Indian Government, 18,245 miles were owned and operated by the Indian States, 1,682 miles were owned and operated by native Indian States, 1,648 miles were owned by native States and operated by companies (including 256 miles worked by the State railway administration), and 170 miles were owned by district boards or the administration of the French settlements in India. This would leave only 4,240 miles of privately owned railroads in India, of which a majority are subsidized, either by the Indian Government or by the native States.

While most of the early railways in India now owned by the Government were either wholly or partially built by private enterprise, the British administration found it necessary to acquire and control them in order to have them operated in the interest of the Government. A number of these privately built roads were constructed with money advanced by the Government and not repaid, and were taken over by forfeiture. The secretary of state of India is practically in the position of banker to the companies which operate Government roads, and who pay their money over to him and draw upon him as they need it. This results in frequent overdrafts, for which the Government foots the bill.

Nearly \$2,000,000,000 is represented in the purchase price, construction accounts, cash subsidies, and liabilities assumed by the Indian Government for railroads. The total cost and liabilities average something like \$80,000 a mile for the roads under Government ownership.

After deducting operating expenses, interest, and annuities and profits to operating companies, the results of operation of the Government railroads for 1911 showed a net gain to the Government of upwards of \$20,000,000.

The capital outlay charged against the 3,363 miles of railroads in India owned by the native States for which reports are made averages

about \$17,000 a mile.

A system of Government railroads planned to extend trunk lines into every section of the country and connect all its important centers is the heart of the program for the nationalization of China.

Practically no privately constructed railroads have ever been built in China. This has been partly due to the timidity of private capital and partly to the native prejudice against foreign intrusion and change of creterion.

and partiy to the native prejudice against foreign intrusion and change of customs.

Almost a round billion dollars has been borrowed by the Chinese Government within the last 20 years for railroad construction. These loans generally bear interest at 5 per cent.

Aside from the 3,110 miles of Chinese Government railways reported in 1912, there were 2,670 miles of private railroads in China, owned by Russian, Japanese, or German companies, or by the Governments of those countries.

While the men at the head of the Chinese Government have for years realized the need of a national system of railways, they have been opposed by native prejudice to an extent that has greatly hampered their constructive work. The completion of arrangements for a \$25,000,000 loan from foreign countries for the construction of 1,200 miles of additional railroads in 1911 was so unpopular as to be largely responsible for the revolution which followed shortly afterwards. With the organization of the Republic and adoption of a national policy, however, this loan is to be carried out and railroad construction to be expanded even faster than before planned.

Statistics of Chinese railroads available are so incomplete that it is impossible to give any complete information as to the cost of their construction or their capital charges.

The first Chinese national railroad, built in 1894, took over a section of completed line 130 miles in length that had been built by a native company and also 35 miles owned by Japan. These short lines were expanded into the Imperial Railways of North China, with 602 miles of lines in operation and capital charges of about \$50,000 a mile. The Peking-Kalgan Railway, 124 miles in length, was built out of the surplus earnings of the Imperial Railways of North China. The 755 miles of the Peking-Hankow line were built at a capital cost of something over \$58,000 a mile.

The first railway built in Japan, opened in 1872, was a Government-owned line, 18 miles in length. Private ownership of roads was not encouraged until 1883; and in 1905 there were 4,729 miles of railways in the country, of which 1,461 miles were owned by the Government and 3,268 miles by 38 private companies.

In 1906 Japan undertook the nationalization of its railways as a part of the program for paying the Chinese war debt and bringing the country into the rank of progressive industrial nations. At the end of 1911 the Government had acquired all the important railway lines in Japan, amounting to 5,023 miles. Of these, 2,822 miles had been purchased from private companies at a cost of \$83,000 a mile, which is estimated to have been approximately twice the cost of their construction. The remaining roads under Government ownership have been constructed by the Government. The total estimated cost of construction and acquisition of the Government roads is \$300,000,000, or a little over \$60,000 a mile, and the total national railway bond issues amount to about a quarter of a billion dollars. These bonds bear 5 per cent interest and are to run for 55 years.

The surplus earnings of the Japanese national railways for 1911 were \$6,500,000, after the payment of all expenses, including interest charges of \$16,000,000.

MINOR ASIATIC RAILWAYS.

MINOR ASIATIC RAILWAYS.

charges of \$16,000,000.

MINOR ASIATIC RAILWAYS.

Outside of Japan, China, Siberis, and India, where Government activities of Russia, China, Great Britain, Germany, and Japan have forced railroad building as a part of the program of development, few railroads have been built in India.

Slam, in 1912, had 634 miles of Government-constructed roads in operation and 554 miles under construction. The completed Siamese railroads were built and equipped at a cost of about \$40,000 a mile. There were 66 miles of private railroads in the country.

In the Federated Malay States, which include the Malay Peninsula and the islands of Singapore, all the railroad construction has been by the Government. At the beginning of 1912 there were 559 miles of lines in operation and something like 100 miles more under construction. Malayan railroads have been wholly constructed out of State revenues, without loans. The cost of construction has been about \$50,000 a mile. Net earnings of the Malayan railroads for 1911 were upwards of \$1,500,000.

The 577 miles of railroads in Ceylon were built and are owned and operated by the Government. They have cost approximately \$60,000 a mile.

The 61 miles of railroad on the island of Cyprus was built from a loan of \$625,000 made by the Government.

There are 120 miles of railways in Johore, financed and constructed by the Federated Malay States at a cost of approximately \$6,000,000, the State of Johore paying 3 per cent interest on the capital outlay and operating the roads, which have been worked at a loss.

The 7 miles of railway on the island of Malta was built by a private company, operated for several years at a loss, and abandoned, the local government acquiring it in 1890. Its operation under Government ownership has showed a small net return.

ERITISH COLONIES AND PROTECTORATES.

BRITISH COLONIES AND PROTECTORATES.

In the less-important British Colonies and protectorates the policy of Government construction and operation of railways as a part of the

governmental policy of development and expansion has been as general as in India, Africa, and Australasia.

British Honduras: Twenty-five miles Government railroad; no private lines; cost of construction, \$26,000 a mile.

Hongkong: British section of the Kowloon-Canton Railway, 22 miles; cost of construction, \$12,000,000; repaid from earnings, \$250,000.

Jamaica: The first railway line—25 miles—was built by a private company and later taken over by the Government. After building extensions the Government sold it in 1890 to a private company for \$500,000 cash and \$3,500,000 in second-mortgage bonds, agreeing also to pay the cost of laying track and to make land grants of 1 square mile for each mile of additional line built. Under this arrangement 74,000 acres of land was acquired by the company, but in 1898, after extending the road to a length of 120 miles, the company defaulted in payment of interest on the first-mortgage bonds, and the Government took repossession, becoming responsible for liabilities amounting to \$8,250,000. In 1912 the Government lines in Jamaica were 184 miles, with capital charges of about \$65,000 a mile. The only other railroad in Jamaica is 8 miles of private line owned by the United Fruit Co.

Mauritius: One hundred and twenty miles of railways constructed, owned, and operated by the Government; no other lines; cost of construction, \$9,450,000.

Trinidad: Eighty-one mises of railroads; constructed and operated by the Government; no other lines, \$4,500,000.

THE SIBERIAN RAILROAD.

One of the greatest railroad undertakings of the age was the building of the Trans-Siberian Railway by Russia. This comprised the construction of a line from European Russia through the plains of Siberia to the Pacific Ocean. Its building was carried out, both as a brilliant move in military strategy and statesmanship, to strengthen Russia's power in Asia, and as a means for encouraging settlement in the great Asiatic territory and developing its resources.

The Siberian railroad, which was constructed entirely by the Government, is 4,272 miles iong, and its construction cost \$180,019,000, or at the rate of a little less than \$28,000 a mile. In connection with the building and operation of this road, the Russian Government has spent an additional \$11,227,000 in encouraging settlement of the country, developing trade, etc. The Russian Government has built in Asia a total of about 7,000 miles of railroads.

Argentine republic.

ARGENTINE REPUBLIC.

In the Argentine Republic the Government, up to last year, had bought and built 2,495 miles of railroads, at a cost of \$121,000,000, or about \$48,000 a mile. Most of these Government lines are narrow-gauge roads that have been constructed into new territory to encourage its settlement under conditions which did not offer sufficient inducement for private enterprise to venture. Argentina has not followed the example of the United States and Canada in making land grants to railroads.

In addition to the Government lines there were in operation in Argentina something over 15,000 miles of railroad under private ownership and operation. In connection with various schemes of railroad extension the State had under construction in addition more than 1,300 miles of uncompleted lines. Construction of new railroads in the country is now carried on under the direction of the Government railway administration. No details of cost of construction of Government lines are available.

Government ownership and private operation of railroads under lease has been the policy of Brazil since 1906. The reports for 1911, the last available, show the ownership and control of Brazilian railroads to be as follows:

2,000 tion—
Privately owned lines built under concessions and with Government guarantee of interest—
Privately owned lines built under concessions without guarantee of interest Lines owned by various States of the Union ____

The most important of the Brazilian Government railroads is the Central Railway of Brazil, over 1,200 miles long, which was built by the Government at a cost of about \$80,000,000. It is operated at a

A contract has been made between the Bolivian Government and the Bolivia Railway Co. whereby the Government is to provide \$12,-500,000 and the company \$15,000,000 for the building of railroads in the Republic, the Government guaranteeing interest on the entire capital expenditure at the rate of 5 per cent.

CHILD.

The Longitudinal Railway, which is to extend the full length of Chile, as its greatest trunk railroad, is under construction in two sections of 446 and 366 miles each. The road is being built by contract, the total cost to be \$35,000,000, or an average of something under \$45,000 a mile. There is also under construction by the Government 768 miles of other lines. The Longitudinal Railway, to be completed this year, is to be operated by a contracting company for 25 years, the Government guaranteeing interest at 5 per cent on the bonds and sinking fund charges of 2 per cent a year.

Of the Chilean railroads in operation, there are 1,928 miles owned and operated by the Government and 1,977 miles under private ownership and operation. Two sections of uncompleted lines, begun by companies that went bankrupt, have been bought, and the remainder of the State roads have been built by the Government. The capital value of the Chilean State railways was officially estimated, in 1910, at \$94,000,000, or something more than \$45,000 a mile, including stations and equipment.

and equipment.

COLOMBIA.

The Colombian Government owns no railroads, but has either bought stock or made liberal concessions for the construction of the 600 miles of railroad in the country. Accurate statements of the financing of these roads are not obtainable.

ECUADOR.

There are about 700 miles of railroad in operation and under construction in Ecuador, all of which have been built under concessions or subsidies, or both, from the Government. The Machala Railroad, 18 miles long, was built by the municipality of Machala at a cost of about \$250,000, and the Government has assigned a surcharge of one-half of 1

per cent on the export duties at the port of Bolivar to the payment of the debt. Under the terms of the concession for the Guayaquil & Quito Railway, 290 miles long, the Government guaranteed the payment of \$12,250,000 of the \$17,500,000 which represented the cost of construction. This railroad is to revert to the ownership of the Government at the end of 60 years. For the building of the Bahia de Caraquez to Quito railway (344 miles), the Government guarantees interest for 30 years at 6 per cent on the cost of construction up to \$5,000,000, and has allocated otherwise unassigned customs duties of the port of Manabi for this purpose. For the building of the 37 miles of the Central Railway of Ecuador, for which a concession was granted in 1903, the Government advanced a loan of \$600,000, bearing interest at 6 per cent, and guarantees the interest and sinking-fund charges by assigning as security one-third of the export duty on all vegetable ivory exported at ports in the Province of Manabi.

PARAGUAY.

Paraguay has one railroad, 138 miles in length, owned partly by a private company and partly by the Argentinian Government.

PERU

Peru's 1,656 miles of railway are mainly owned by the Government and are leased and operated by the Peruvian Corporation (Ltd.), formed in 1800 for the settlement of the Peruvian debt. This corporation received Government concessions for assuming responsibility for the debt, among them being the use of the railroads. Later the agreement was modified so that the corporation returned to the Government nearly a million dollars that had been expended on railroad improvements and agreed to build extensions of nearly 200 miles of lines. The net earnings of the railroads operated by the corporation are nearly \$2,000,000 at year.

URUGUAY.

Uruguay guarantees interest of 3½ per cent for 35 years on a thousand miles of privately owned railroad built under a 90-year concession. The roads are to revert to the Government in 90 years, and the capital expenditure upon which the interest is guaranteed is about \$40,000 a mile.

Mile.

A plan for a system of secondary railroads to open up new territory is being worked out by the Government, by which a part of the cost of construction is to be met by a special loan paid out of Government revenues and a part is to be assessed against land within a zone 4½ miles wide on each side of the railroads.

MEXICO.

All the railroads in Mexico have been built under concessions from the Central Government or the States and they will all ultimately revert to the State. The Central Government has a large interest in the National Railways of Mexico, with 6.250 miles of broad-gauge and about 1,500 miles of narrow-gauge roads. The Government also has a direct interest in the Tehuantepec Railway—207 miles.

The political complications in the history of Mexico and other countries to the south of us make it impossible to give any accurate statistics as to the cost or other details of the construction of railroads.

There are in all about 10,000 miles of broadgauge and 6,000 miles of narrow-gauge roads in Mexico. Under the general railway laws of 1889, all the roads are to revert to the Government at the end of 99 years, subject to payments for rolling stock and equipment, to be made upon valuation.

As nearly as can be ascertained, the total Government subventions to railroads in Mexico, up to 1910, amounted to \$163,361,000, or something over \$10,000 a mile for all the roads in the country.

COSTA RICA

There are 443 miles of railroads in Costa Rica, of which 83 miles were built by the Government at a cost of \$5,660,000.

NICARAGUA.

The Government owns and operates 171 miles of roads which cost about \$3,500,000.

The Panama Railroad, in the Canal Zone, is owned by the United States and operated by the Government in connection with the Panama Steamship Line, also Government. The nominal capitalization of the railroad is \$70,000,000, but the road was included in the purchase, for \$40,000,000, of all the interests and property of the French Panama Canal Co. From 1905 to 1912, inclusive, the net earnings of the Panama Railroad, over operating expenses, and exclusive of steamship earnings, aggregated \$12,217,459.

Respectfully.

Hon. William C. Houston,

Chairman Committee on Territories, House of Representatives.

APPENDIX.

Ownership and operation of the railroads of the world.
[From British Parliament Reports.]

Countries.	Under public owner- ship and opera- tion.	Under private owner- ship and public opera- tion.	Under public owner- ship and private opera- tion.	Under private owner- ship and opera- tion.	Date of report.
Abyssinia	Miles.	Miles.	Miles.	Miles.	1912
Argentine Republic	2,495			16,734	1912
Austria Hungary Belgium	8,074 5,063 2,530	3,593 5,771 151		2,409 2,058 218 616	1911 1911 1911 1912
Belivia. Brazil Bulgaria. Central American Republics:	2,000 1,195		4,405	13,020	1911
Costa Rica	84			360 437	1912 1912

¹ Nearly 4,000 additional miles of roads have been built under concessions or subsidies of the various States of the Brasilian Union, concerning which the details are not available.

Ownership and operation of the railroads of the world .- Continued.

Countries.	Under public owner- ship and opera- tion.	Under private owner- ship and public opera- tion.	Under public owner- ship and private opera- tion.	Under private owner- ship and opera- tion.	Dat of re port
ontol Lucaton Depublica Con	Miles.	Miles	Miles.	Miles.	
entral American Republics—Con.	57 Sauces.	Mues.	Mues.	50	19
Honduras				20	19
Panama (Canal Zone) 1	47				
Salvador				118	19
hile	1,982			1,977	19
hina	3,110			2,670	19
olombia	110			480	19
uba				2,229	19
enmark	1,157	61	33	1,040	19
cuador	T 012			652	19
gypt	1,913	990		2 19, 445	19
ranceerman Empire	34, 427	229	********	2,393	19
TOOCO	01, 141			988	19
reat Britain and British colonies:		*********			-
Great Britain	U			23, 350	19
Canada	2,018		102	26, 278	19
Newfoundland			723	47	19
Australia	16,079			1,934	19
New Zealand	2,808 7,548			29	19
South Africa	7,548			545	19
idia	8,706		19,893	7 4, 240	19
ther colonies	3,525			1 2,596	19
ayti	0.095			53 5 56	19
aly				6 294	19
uxemburg				7 278	19
exico.			7,865		19
ontenegro			1,000	27	19
etherlands		Dink to Gal	1,102		19
orway	396	1,225		8 296	19
orwayaraguay				232	19
eru			1,053	9 603	. 19
ortugal	696			1,115	
oumania				*********	19
ussia	28,400			11,800	19
inland	2,033 634			187	19
ervia				66	19
iampain				10 9, 194	19
weden	2,745			11 5, 839	19
witzerland	1,698			1, 195	19
urkey	909			2,946	19
nited States				249, 902	19
ruguay				1,514	19
enezuela			68	470	15
mark		- 150 M	20.00	100 055	
Total	174,057	11,030	35, 244	422,080	1 44

¹ Owned by the United States.
² Roads given under private ownership and operation do not include something over 5,000 miles of '¹local'' lines, feeders, etc.
² According to reports of the Indian Railway Board for 1911, 6,874 miles of railroads are owned and operated by the Indian Government; 18,245 miles were owned by the Indian Government and operated by companies; 1,662 miles were owned and operated by particle of the states and operated by private companies; and 170 miles were owned by district boards or the administration of the French settlements in India. Of the roads under private ownership, some are subsidized by the Indian Government or State governments.
⁴In 17 British protectorates and colonies not possessing responsible government there were, in the year 1911, 12 state railways with 3,525 miles of lines. The only colonies and protectorates in this group possessing railway systems in which there were no Government lines were Barbados, British Guiana, Nyasaland, the Bechuanaland Protectorate, and the settlements of Labuan and Rhodesia. Of the total of 2,596 miles of railways under private ownership and operation in all these colonies and possessions, 2,35i miles belonged to the Rhodesian system in Rhodesia, the Bechuanaland Protectorate and Portuguese East Africa, this system being mainly owned by a branch of the South Africa Co. which was heavily subsidized by the Government in the building of these lines.

⁵ Figures given do not include 2,420 miles of suburban, narrow-gauge, and ''light'' lines under private ownership and operation.

ĕ Exclusive of 232 miles of private ''light'' roads.

¹ Part of this mileage is operated by the Imperial railways under private ownership.

⁵ Figures include narrow-gauge and interurban electric lines.

ship.

Figures include narrow-gauge and interurban electric lines.

Includes 2,000 miles of secondary roads.

Includes 2,000 miles of narrow-gauge roads.

IMMIGRATION.

Mr. GOLDFOGLE. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by printing a very short article on the subject of immigration.

The SPEAKER. The gentleman from New York [Mr. Golden.

FOGLE] asks unanimous consent to extend his remarks in the RECORD by printing a very short article on the subject of immigration. Is there objection?

Mr. MANN. An article by whom? Mr. GOLDFOGLE. It is an article from a New York newspaper.

Mr. BARNHART. Mr. Speaker, I object.

LEAVE OF ABSENCE.

Mr. Hamilton of New York, by unanimous consent, was granted leave of absence for one week on account of illness in his family.

WITHDRAWAL OF PAPERS.

Mr. HAWLEY, by unanimous consent, was granted leave to withdraw from the files of the House, without leaving copies, papers in the case of Lienary Flatter, H. R. 31361, Sixty-first Congress, no adverse report having been made thereon.

Also, papers in the case of Lewis S. Fulter, H. R. 23308, Sixtysecond Congress, no adverse report having been made thereon. Also, papers in the case of Delia R. Goss, H. R. 21987, Sixty-

second Congress, no adverse report having been made thereon. Also, papers in the case of Rebecca M. Gannto, H. R. 20148, Sixty-second Congress, no adverse report having been made thereon.

Also, papers in the case of Frazier Ward, H. R. 25087, Sixtysecond Congress, no adverse report having been made thereon.

CHANGE OF REFERENCE.

On request of Mr. Lever, by unanimous consent, the Committee on Agriculture was discharged from further consideration of the bill (H. R. 10235) making appropriation for printing and publishing maps and reports relating to the kelp beds on the Pacific coast, and the same was referred to the Committee on Appropriations.

RECESS.

Mr. FITZGERALD. Mr. Speaker, I ask unanimous consent that the House stand in recess until 12 o'clock and 20 min-

The SPEAKER. The gentleman from New York [Mr. Firz-GERALD] asks unanimous consent that the House stand in recess until 12 o'clock and 20 minutes p. m. Is there objection? [After a pause.] The Chair hears none.

Accordingly (at 12 o'clock and 14 minutes p. m.) the House

stood in recess until 12 o'clock and 20 minutes p. m.

AFTER THE RECESS.

The recess having expired, the House was called to order by the Speaker.

The SPEAKER. The Chair will state that it will be necessary for Members to vacate the first three rows of seats for the occupancy of the Senate.

At 12 o'clock and 26 minutes the Doorkeeper announced the Vice President of the United States and the Members of the United States Senate.

The Members of the House rose.

The Senate, preceded by the Vice President and by their Secretary and Sergeant at Arms, entered the Chamber.

The Vice President took the chair at the right of the Speaker, and the Members of the Senate took the seats reserved for

The SPEAKER. All gentlemen will resume their seats. The Chair appoints on the part of the House, as the committee to conduct the President in, Mr. UNDERWOOD, Mr. FITZGERALD, and Mr. Mann. The Vice President will announce those on the part of the Senate.

The VICE PRESIDENT. The Vice President appoints Sena-

tors Kern, Bacon, and Gallinger.

At 12 o'clock and 30 minutes the President of the United States, escorted by the committee of Senators and Representa-tives, entered the Hall of the House and stood at the Clerk's desk, amid applause on the floor and in the galleries.

ADDRESS OF THE PRESIDENT (H. DOC. NO. 625).

The PRESIDENT. Mr. Speaker, Mr. President, gentlemen of the Congress, in my report "on the state of the Union," which I had the privilege of reading to you on the 2d of December last, I ventured to reserve for discussion at a later date the subject of additional legislation regarding the very difficult and intricate matter of trusts and monopolies. The time now seems opportune to turn to that great question, not only because the currency legislation, which absorbed your attention and the attention of the country in December, is now disposed of, but also because opinion seems to be clearing about us with singular rapidity in this other great field of action. In the matter of the currency it cleared suddenly and very happily after the muchdebated act was passed; in respect of the monopolies which have multiplied about us and in regard to the various means by which they have been organized and maintained, it seems to be coming to a clear and all but universal agreement in anticipation of our action, as if by way of preparation, making the way easier to see and easier to set out upon with confidence and without confusion of counsel.

Legislation has its atmosphere like everything else, and the atmosphere of accommodation and mutual understanding which we now breathe with so much refreshment is matter of sincere congratulation. It ought to make our task very much less difficult and embarrassing than it would have been had we been obliged to continue to act amidst the atmosphere of

suspicion and antagonism which has so long made it impossible to approach such questions with dispassionate fairness. structive legislation, when successful, is always the embodiment of convincing experience and of the mature public opinion which finally springs out of that experience. Legislation is a business of interpretation, not of origination; and it is now plain what the opinion is to which we must give effect in this matter. It is not recent or hasty opinion. It springs out of the experience of a whole generation. It has clarified itself by long contest, and those who for a long time battled with it and sought to change it are now frankly and honorably yielding to it and seeking to conform their actions to it.

The great business men who organized and financed monopoly and those who administered it in actual everyday transactions have, year after year until now, either denied its existence or justified it as necessary for the effective maintenance and development of the vast business processes of the country in the modern circumstances of trade and manufacture and finance; but all the while opinion has made head against them. The average business man is convinced that the ways of liberty are also the ways of peace and the ways of success as well; and at last the masters of business on the great scale have begun to yield their preference and purpose, perhaps their judgment

also, in honorable surrender.

What we are purposing to do, therefore, is, happily, not to hamper or interfere with business as enlightened business men prefer to do it, or in any sense to put it under the ban. The antagonism between business and Government is over. We are now about to give expression to the best business judgment of America, to what we know to be the business conscience and honor of the land. The Government and business men are ready to meet each other halfway in a common effort to square business methods with both public opinion and the law. The best-informed men of the business world condemn the methods and processes and consequences of monopoly as we condemn them, and the instinctive judgment of the vast majority of business men everywhere goes with them. We shall now be their spokesmen. That is the strength of our position and the sure prophecy of what will ensue when our reasonable work is done.

When serious contest ends, when men unite in opinion and purpose, those who are to change their ways of business joining with those who ask for the change, it is possible to effect it in the way in which prudent and thoughtful and patriotic men would wish to see it brought about, with as few, as slight, as easy and simple business readjustments as possible in the circumstances, nothing essential disturbed, nothing torn up by the roots, no parts rent asunder which can be left in wholesome combination. Fortunately, no measures of sweeping or novel change are necessary. It will be understood that our object is not to unsettle business or anywhere seriously to break its established courses athwart. On the contrary, we desire the laws we are now about to pass to be the bulwarks and safeguards of industry against the forces who have disturbed it. What we have to do can be done in a new spirit, in thoughtful moderation, without revolution of any untoward kind.

We are all agreed that "private monopoly is indefensible and intolerable," and our program is founded upon that conviction. It will be a comprehensive but not a radical or unacceptable program and these are its items, the changes which opinion deliberately sanctions and for which business waits:

It waits with acquiescence, in the first place, for laws which will effectually prohibit and prevent such interlockings of the personnel of the directorates of great corporations—banks and railroads, industrial, commercial, and public service bodies—as in effect result in making those who borrow and those who lend practically one and the same, those who sell and those who buy but the same persons trading with one another under different names and in different combinations, and those who affect to compete in fact partners and masters of some whole field of business. Sufficient time should be allowed, of course, in which to effect these changes of organization without inconvenience or confusion.

Such a prohibition will work much more than a mere negative good by correcting the serious evils which have arisen because, for example, the men who have been the directing spirits of the great investment banks have usurped the place which belongs to independent industrial management working in its own behoof. It will bring new men, new energies, a new spirit of initiative, new blood, into the management of our great business enterprises. It will open the field of industrial development and origination to scores of men who have been obliged to serve when their abilities entitled them to direct. It will immensely hearten the young men coming on and will greatly enrich the business activities of the whole country.

In the second place, business men as well as those who direct public affairs now recognize, and recognize with painful clearness, the great harm and injustice which has been done to many, if not all, of the great railroad systems of the country by the way in which they have been financed and their own distinctive interests subordinated to the interests of the men who financed them and of other business enterprises which those men wished to promote. The country is ready, therefore, to accept, and accept with relief as well as approval, a law which will confer upon the Interstate Commerce Commission the power to superintend and regulate the financial operations by which the railroads are henceforth to be supplied with the money they need [applause] for their proper development to meet the rapidly growing requirements of the country for in-creased and improved facilities of transportation. We can not postpone action in this matter without leaving the railroads exposed to many serious handicaps and hazards; and the prosperity of the railroads and the prosperity of the country are inseparably connected. Upon this question those who are chiefly responsible for the actual management and operation of the railroads have spoken very plainly and very earnestly, with a purpose we ought to be quick to accept. It will be one step, and a very important one, toward the necessary separation of the business of production from the business of transportation. [Applause.]

The business of the country awaits also, has long awaited and has suffered because it could not obtain, further and more explicit legislative definition of the policy and meaning of the existing antitrust law. Nothing hampers business like uncertainty. Nothing daunts or discourages it like the necessity to take chances, to run the risk of falling under the condemnation of the law before it can make sure just what the law is. Surely we are sufficiently familiar with the actual processes and methods of monopoly and of the many hurtful restraints of trade to make definition possible, at any rate up to the limits of what experience has disclosed. These practices, being now abundantly disclosed, can be explicitly and item by item forbidden by statute in such terms as will practically eliminate uncertainty, the law itself and the penalty being made equally

And the business men of the country desire something more than that the menace of legal process in these matters be made explicit and intelligible. They desire the advice, the definite guidance, and information which can be supplied by an adminis-

trative body, an interstate trade commission.

The opinion of the country would instantly approve of such a commission. It would not wish to see it empowered to make terms with monopoly or in any sort to assume control of business, as if the Government made itself responsible. [Applause.] It demands such a commission only as an indispensable intrument of information and publicity, as a clearing house for the facts by which both the public mind and the managers of great business undertakings should be guided, and as an in-strumentality for doing justice to business where the processes of the courts or the natural forces of correction outside the courts are inadequate to adjust the remedy to the wrong in a way that will meet all the equities and circumstances of the

Producing industries, for example, which have passed the point up to which combination may be consistent with the public interest and the freedom of trade, can not always be dis-sected into their component units as readily as railroad companies or similar organizations can be. Their dissolution by ordinary legal process may oftentimes involve financial conse quences likely to overwhelm the security market and bring upon it breakdown and confusion. There ought to be an administrative commission capable of directing and shaping such corrective processes, not only in aid of the courts but also by

independent suggestion, if necessary.

Inasmuch as our object and the spirit of our action in these matters is to meet business half way in its processes of selfcorrection and disturb its legitimate course as little as possible, we ought to see to it, and the judgment of practical and sagacious men of affairs everywhere would applaud us if we did see to it, that penalties and punishments should fall, not upon business itself, to its confusion and interruption, but upon the individuals who use the instrumentalities of business to do things which public policy and sound business practice con-[Applause.] Every act of business is done at the command or upon the initiative of some ascertainable person or group of persons. These should be held individually responsible and the punishment should fall upon them, not upon the business organization of which they make illegal use. It should be one of the main objects of our legislation to divest such persons of their corporate cloak and deal with them as with those

who do not represent their corporations, but merely by deliberate intention break the law. Business men the country through would, I am sure, applaud us if we were to take effectual steps to see that the officers and directors of great business bodies were prevented from bringing them and the business

of the country into disrepute and danger.

Other questions remain which will need very thoughtful and practical treatment. Enterprises, in these modern days of great individual fortunes, are oftentimes interlocked, not by being under the control of the same directors, but by the fact that the greater part of their corporate stock is owned by a single person or group of persons who are in some way intimately related in interest. We are agreed, I take it, that holding companies should be prohibited, but what of the controlling private owner-ship of individuals or actually cooperative groups of individuals? Shall the private owners of capital stock be suffered to be themselves in effect holding companies? We do not wish, I suppose, to forbid the purchase of stocks by any person who pleases to buy them in such quantities as he can afford, or in any way arbitrarily to limit the sale of stocks to bona fide purchasers. Shall we require the owners of stock, when their voting power in several companies which ought to be independent of one another would constitute actual control, to make election in which of them they will exercise their right to vote? plause.] This question I venture for your consideration.

There is another matter in which imperative considerations

of justice and fair play suggest thoughtful remedial action. Not only do many of the combinations effected or sought to be effected in the industrial world work an injustice upon the public in general; they also directly and seriously injure the individuals who are put out of business in one unfair way or another by the many dislodging and exterminating forces of combination. I hope that we shall agree in giving private individuals who claim to have been injured by these processes the right to found their suits for redress upon the facts and judgments proved and entered in suits by the Government where the Government has upon its own initiative sued the combinations complained of and won its suit, and that the statute of limitations shall be suffered to run against such litigants only from the date of the conclusion of the Government's action. plause.] It is not fair that the private litigant should be obliged to set up and establish again the facts which the Government has proved. He can not afford, he has not the power, to make use of processes of inquiry the Government has command of. Thus shall individual justice be done while the processes of business are rectified and squared with the general conscience.

I have laid the case before you, no doubt, as it lies in your own mind, as it lies in the thought of the country. What must every candid man say of the suggestions I have laid before you, of the plain obligations of which I have reminded you? That these are new things for which the country is not prepared? No; but that they are old things, now familiar, and must of course be undertaken if we are to square our laws with the thought and desire of the country. Until these things are done. conscientious business men the country over will be unsatisfied. They are in these things our mentors and colleagues. now about to write the additional articles of our constitution of peace, the peace that is honor and freedom and prosperity. [Applause on the floor and in the galleries.]

At 12 o'clock and 52 minutes p. m. the President retired from the Hall of the House.

Thereupon the Vice President and the Members of the Senate returned to their Chamber.

REFERENCE OF ADDRESS OF THE PRESIDENT.

Mr. UNDERWOOD. Mr. Speaker, I move that so much of the message of the President that has just been delivered to the two Houses of Congress as relates to the establishment of an interstate trade commission be referred to the Committee ou Interstate and Foreign Commerce, and that the balance of the message be referred to the Committee on the Judiciary

The SPEAKER. The gentleman from Alabama [Mr. Underwood] moves that so much of the President's address as refers to the interstate trade commission be referred to the Commit-tee on Interstate and Foreign Commerce, and that the rest of it be referred to the Committee on the Judiciary.

Mr. MANN. The gentleman should ask unanimous consent

Mr. MANN. The gentleman should ask unanimous consent instead of making the motion to refer.

Mr. UNDERWOOD. Mr. Speaker, I think the suggestion made by the gentleman from Illinois is correct.

The SPEAKER. The Chair did not hear him.

Mr. MANN. Instead of a motion being made, the gentleman should ask unanimous consent.

Mr. FITZGERALD. I think the gentleman is mistaken.

Mr. MANN. I know I am not mistaken.

Mr. FITZGERALD. I know that the matter came up under Speaker Henderson, and he held that with the exception of the annual message of the President, under the rules and practice of the House the Speaker referred other messages, subject to the action of the House, if it did not agree to the motion; and the gentleman should amend his motion to refer the message.

Mr. UNDERWOOD. I will amend my motion in accordance with the suggestion of the gentleman from Georgia [Mr. Adamson], that so much of the President's message as relates to stocks and bonds also be referred to the Committee on Interstate and Foreign Commerce. Does the gentleman from Illinois desire to amend that order?

Mr. MANN. I desire to have the motion stricken out in some way so that there would be no conflict between the Committee on the Judiciary and the Committee on Interstate and Foreign

Mr. UNDERWOOD. I think that questions in reference to trust legislation have already been referred, by the reference of the President's annual message, to the Committee on the Ju-

There are two matters in this message that are outside of legislation to carry out the purposes of the Sherman antitrust law. One is the reference in this message to the establishment of an interstate trade commission. The other is in reference to the control of stocks and bonds.

Now, I recognize that those two propositions can come under our jurisdiction only in view of the fact of their interstate rela-tion, and therefore should go to the Committee on Interstate

and Foreign Commerce.

Mr. MANN. I quite agree with the gentleman on his proposition, if it is so worded in his motion that there can be no controversy about it.

Mr. UNDERWOOD. I will state the motion over again Mr. PAYNE. Will the gentleman allow me right there? I will state the motion over again.

Mr. UNDERWOOD. Certainly.
Mr. PAYNE. The usual resolution distributing the President's message has followed the language of the rule, giving the committees the same jurisdiction that the rules give. I suggest to the gentleman that if he will follow the language of the rule in this case he will accomplish what he desires to accomplish.

Mr. UNDERWOOD. I will say to the gentleman from New York that if I followed the language of the rule I would still leave the question in doubt. Therefore I am not following the language of the rule.

Mr. MURDOCK. Will the go Mr. UNDERWOOD. I will. Will the gentleman yield to me?

Mr. MURDOCK. The gentleman will remember that I introduced three bills dealing with the trust proposition, and they went by reference to the Committee on Interstate and Foreign Commerce. I understand there is a motion that this trust legislation is to be variously divided between the two

Mr. UNDERWOOD. No. The main question; that is, all those portions relating to the Sherman antitrust law, will go to the Committee on the Judiciary. My motion is merely that the portion of the message which relates to this interstate trade commission, and to the control of stocks and bonds, shall go to the Interstate Commerce Committee, and that the remainder of the message shall go to the Committee on the Judiciary.

Mr. MURDOCK. Now, my question is this: In so far as the interstate trade commission does not deal with the trusts, the Interstate Commerce Committee, in dealing with the subject,

will deal with the trust proposition.

Mr. BORLAND. Why not let it all go to the Committee on

The SPEAKER. The truth about this business is that somehow or somehow else trust legislation in the House has always been referred to the Judiciary Committee. The Chair does not know how it started, but the bills that the gentleman from Kansas [Mr. Murdock] is talking about created a trade commission, and for that reason the Chair referred them to the Committee on Interstate and Foreign Commerce. Now, the bills of the gentleman from Kansas and a good many others of these bills are in what is called the twilight zone, and they are so mixed up that King Solomon himself, if he were back again, could not separate them with any satisfaction to himself or anybody else. So the Chair referred these three bills of the gentleman from Kansas to the Interstate and Foreign Com-merce Committee, not because that committee had jurisdiction concerning trusts, but because of the creation of this interstate trade commission.

Mr. MURDOCK. Now, will the gentleman from Alabama yield, to see if I can get this clear in my own mind?

Mr. UNDERWOOD. I will.

Mr. MURDOCK. When we are heard on those bills, to what committee are we to go to have a hearing?

Mr. MANN. To the committee which is considering them.

Laughter.1

Mr. MURDOCK. That is true enough, but that does not answer the question. I should like to have an answer from the

gentleman from Alabama,

Mr. UNDERWOOD. I will say to the gentleman that I have not read his bills, and it is not my business to refer bills. That prerogative belongs to the Speaker. But if the subject matter of the gentleman's bills relates to an interstate trade commission, or to the control of stocks and bonds, my judgment is that those bills would go to the Interstate Commerce Committee.

Mr. MURDOCK. The matter of the reference of the bills Mr. UNDERWOOD. I understand that one of the gentleman's bills provides for an interstate trade commission.

Mr. MURDOCK. Yes. Now, the matter of referring these bills to the Interstate Commerce Committee will not preclude us from being heard before the Judiciary Committee on the general question of trust legislation.

Mr. UNDERWOOD. Certainly not.
Mr. MURDOCK. We expect to have hearings before both

Mr. UNDERWOOD. I understand so.

Mr. ADAMSON. As I understand the motion of the gentleman from Alabama, it is to dissect and properly to distribute and refer the message of the President, and not any particular bill. There are a great number of bills introduced by various Members, some of which have gone to the Judiciary Committee and some of which have gone to the Committee on Interstate Foreign Commerce, because those bills, many of them, are multifarious and contain matters which are cognizable by both I apprehend that in considering the message of the President each committee will consider the part referred to it, and that they will have access to all bills, no matter to what committee referred, and may gather wisdom and information from any source, and from any bill, and from any gentleman. no matter to which committee the bills are referred.

Mr. MURDOCK. That sounds mighty sensible to me.

Mr. ADAMSON. Each committee may construct a bill to suit the exigencies of the case. For instance, I have no doubt the Judiciary Committee will be able, from the bills and sources of information that they have, to construct legislation touching the antitrust law, interlocking directorates, and kindred subjects, and that the Committee on Interstate and Foreign Commerce will be able, from the various sources at hand relating to the control of finances of transportation companies, trade commissions, and other subjects, phases, and instrumentalities of commerce, to construct and report appropriate bills. Members of the Judiciary Committee may draw bills affecting commerce and have them referred to the Committee on Commerce, and vice versa. The authorship of a bill and committee jurisdiction are entirely different propositions.

Mr. MURDOCK. Does the gentleman expect to have hear-

ings before his committee?

Mr. ADAMSON. We have not considered the question; it may be that when we read all of the bills and messages we will know enough in regard to the subject without having hearings. If we do have hearings, we will give the gentleman

from Kansas and all others interested due notice.

The SPEAKER. So far as the parliamentary point raised is concerned, the annual message of the President is referred by motion, and others are referred by the Speaker, and if the House does not like the Speaker's reference any Member can make a motion to have a change. In this particular case the Chair called the attention of the gentleman from Alabama to the matter and asked him to make the motion, because when the time came the Chair might have his attention otherwise directed. There is no question but that this motion is in order, and therefore the Chair puts it. The motion is to refer that part of the President's address touching interstate trade commissions and stocks and bonds to the Interstate and Foreign Commerce Committee, and the remainder of it to the Committee on the Judiciary.

The question was taken, and the motion was agreed to.

POST OFFICE APPROPRIATION BILL.

Mr. MOON. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the Post Office appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. Hay in the chair.

The CHAIRMAN. The House is now in Committee of the Whole House on the state of the Union for the consideration of the Post Office appropriation bill, of which the Clerk will read the title.

The Clerk read as follows:

A bill (H. R. 11338) making appropriations for the service of the ost Office Department for the fiscal year ending June 30, 1915, and Post Office Departs for other purposes.

Mr. MOON. Mr. Chairman, I yield to the gentleman from

Kentucky [Mr. BARKLEY].

Mr. BARKLEY. Mr. Chairman, it will be impossible for me in the short space of time allotted to me to discuss the present Post Office appropriation bill in all of its details. place. I desire to congratulate the chairman of the committee and the members of the Post Office Committee for bringing into the House such an admirable piece of legislation as I conceive this appropriation bill to be. I desire also to congratulate those who have the management and control of postal affairs in this country for the excellent showing which they have made in the bill that has been reported. I desire, Mr. Chairman, to direct my remarks for a few moments with special reference to section 6 of the Post Office bill, which takes the assistant postmasters in the first and second class post offices out of the civil service.

We have heard a great deal, Mr. Chairman, on the floor of this House during the pendency of this measure under general debate about the criminal conduct of the dominant party with reference to the onslaught, so called, on the civil service. those who have criticized us so severely for taking the internal deputy revenue collectors out of the civil service and the deputy marshals of the United States from under the cloak of the civil service will refer to the debates that occurred in Congress when the civil-service law was enacted in the first place, they will discover that the great mass of speeches that were made on that subject were not directed toward securing the merit system for the appointment of officers of the different departments of the Government, but the main excuse and the main reason given by those who advocated the passage of the law of 1883 was not a merit service, not in order to get better men in office, but it was in order to enable the Members of the House and Senate to shield themselves from the demands and requests of constituents who were seeking appointments in the Government service.

If you will examine the debates that occurred in Congress at that time you will discover that they were not basing the idea on the fact that merit could be obtained by reason of the civil service, but it was an effort on the part of Members of the House and the Senate to shield themselves behind the civilservice law as a buffer by reason of which they could protect themselves against the demands of their constituents from back

Mr. Chairman, I do not care to go into a discussion of that subject in detail, because I can not do it in 10 minutes. I do not believe it was ever the intention of the originators of this law that the civil service should be extended by Executive order to cover almost every employee in the Government service. I do not believe it was the intention of the framers of the civilservice law in the beginning, for instance, that in the Agricultural Department every employee in the entire department, be it at Washington or elsewhere, except seven, should be covered into the civil service by Executive order of the President. [Applause on the Democratic side.] To-day in the Agricultural Department there are only seven men, from the top to the bottom, who are not under the cloak of the civil service, and one of them is the Secretary of Agriculture. The others are Assistant Secretaries and a few heads of bureaus. I do not believe it was ever intended by the framers of the law that deputy revenue collectors or deputy United States marshals, who are directly responsible to their employers, should be covered into the civil service by Executive order; and as has been already said upon the floor of this House, while we are criticized for undertaking to do on the floor of the House that which Republican Presidents have heretofore done by Executive order, the fact remains and stares our Republican opponents in the face, that whereas they have preached civil-service reform they have never put it into actual practice and operation by either Executive orders or by the methods of their appointments. [Applause on the Democratic side.] When Mr. McKinley went into the office of President he suspended the civil-service law as to railway mail carriers until they had all been filled up with Republicans, and then he used the Executive order again and covered them into the civil service. The gentleman from York [Mr. PAYNE] the other day admitted on the floor of this House that whereas Democrats had been in these places under Mr. Cleveland for four years and thereby had become in some measure meritorious and experienced, Mr. McKinley sus- lings that we could have given to those who do not reside in near

pended the operation of the civil-service law until he could put his Republican friends in office and then covered them back into the civil service.

Mr. Chairman, I believe in an honest civil-service law. lieve that the offices of the various departments who have no discretion in inaugurating policies ought to be under the civil service, but I do not believe that the civil service ought to be carried to any such extreme as to say that it ought to cover heads of departments and those who ought to be in harmony and sympathy with the administration that is in power. I say, my friends, and I say with all sincerity, that I do not intend to criticize the Republicans for the manner in which they have operated the civil-service law. The mere fact that they have done it shows on the very face of it that it has been a farce. The mere fact that it may be done under a different political party shows that it has been a farce, and I am against all farces in Government, whether perpetrated by Democrats or Republicans. How far is this so-called merit system to be carried? If the head of a bureau in the Department of Agriculture or in the Treasury ought to be under the civil service, why ought not a Cabinet minister to be under the civil service? If a Cabinet minister ought to be under the civil service, and if long experience presupposes merit in any particular office, why ought not Members of the House of Representatives be put under the civil service? If we were required to stand a civil-service examination on the Constitution of the United States, how many of us would be returned here if we had to make a grade of 70? How many Members of this House, many of whom have been here for 10 or 15 years, if they were required to stand a civil-service examination on the rules of the House and make a grade of 70 could ever get back here by election or appointment?

Mr. MURDOCK. The longer we stay here the less we know

about them.

Mr. BARKLEY. That is true of the gentleman from Kansas, I am sure, from my experience with him. [Laughter.] How many Members of Congress would be willing to have the Civil Service Commission tell them who their secretary should be, and yet he is a Government officer—he is paid out of the Public Yet you are not willing that the postmaster, who is responsible for the conduct of his office, who is directly responsible to the Postmaster General, should name his first assistant postmaster in that particular office; and if anyone were to introduce a bill here requiring a Member of Congress to accept a secretary certified to him by the Civil Service Commission, the bill would not get 10 votes.

Mr. O'SHAUNESSY. Mr. Chairman, will the gentleman

Mr. BARKLEY.

Mr. O'SHAUNESSY. I would like to ask the gentleman if he thinks an efficient postmaster, having rather an efficient assistant postmaster, should be discharged and a man recom-

mended merely by a political organization should take his place?
Mr. BARKLEY. Mr. Chairman, I think that the postmaster himself ought to be the judge of the efficiency of not only his assistant but he ought to be a man who is in sympathy the policies and the purposes of the postmaster, and taking them out of the civil service will not prevent them from retaining an efficient man in office if they want to do it. [Applause on Democratic side.] I believe that the postmaster ought to be given the right to discharge an inefficient assistant or one who is not in sympathy with him, if he desires to do so. and other reasons I think assistant postmasters should be taken from under the civil service. [Applause.]

The CHAIRMAN. The time of the gentleman from Ken-

tucky has expired.

Mr. Chairman, I will ask the gentleman Mr. BARKLEY. from Tennessee to yield me two minutes more.

Mr. MOON. I regret to say that I have not the time. Mr. MOON. Mr. Chairman, I yield to the gentleman from Georgia [Mr. EDWARDS].

Mr. EDWARDS. Mr. Chairman, the Postal Service was never . intended to be a paying institution. It was not established as a money-making branch of the Government; it was established as a convenience for the people. The American people enjoy as good, if not a better, Postal Service than any people in the world. It should be the best in the world. I shall not consume the time of the House in a discussion of the general topic of Postal Service. I wish to address myself to a few branches of the service and to a few phases of the subject.

RURAL FREE DELIVERY SERVICE.

Congress has given to the people of the country the Rural Free Delivery Mail Service, which is one of the greatest blessreach of post offices. We have rapidly extended and increased this service until to-day the country is a network of rural free delivery routes. I have taken a keen interest in this branch of the Postal Service, because I was confident I could do nothing that would be of more substantial service and value to the farmers of the district I represent than to help them get good While the first district of Georgia can boast of mail' service. a great number of rural mail routes, and while thousands of people are accommodated in that district by the service we have given them, yet there are thousands of people waiting for this service, which I am anxious they should have. As rapidly as the Post Office Department will establish these routes, I am urging them for the people in our section. I hope to see the time when every farm home, no matter how humble, in the first district of Georgia will be supplied with a daily, except Sunday, mail service. What I wish for the people I represent should be extended to the farmers of all sections of this country. People on the farms, away from the post offices, have not the proper appreciation of Rural Free Delivery Service until they have used it for a while. Once they know what it means to them they would not be without it.

PARCEL POST.

Coupled with the extension of the Rural Free Delivery Service we have also given to the people the Parcel Post System. The farmers of the country were clamoring for the parcel post. In certain quarters certain merchants thought they were opposed to it. It has developed, however, that since it has gone into operation and has proven to be such a wonderful success and of such great convenience to everybody the merchants, farmers, and all other classes are praising it. In this connection might be mentioned the Postal Savings Bank System which we have given to the people and which, in my opinion, is going to be a great success.

CHEAPER POSTAGE.

There is a great demand for the reduction of the postage rate. If I had an idea that to reduce the postage rate would impair the efficiency of the Postal Service, I would not favor the reduction. I am convinced, however, that to adopt a plan that will give the people a 1-cent postage rate will not impair the efficiency of the service, and it will result in a great saving to the people of the country. It is another benefit they should reap.

What the American people want is efficient service. Particularly is this true of the Postal Service. In making recommendations regarding vacancies in postmasterships in the district I have the honor to represent, I have at all times kept the question of efficiency in mind, in order that the people might have the very best possible service. The good of the public is paramount to individual ambition. The people of the country will not be satisfied with anything short of the very best mail service. In order to insure the best mail service and to get the best and most efficient postmasters, it occurs to me that it would be an excellent idea if the Postmaster General and his Assistant Postmasters General were required to effect a readjustment of the salaries of the postmasters of the country, from the smallest to the largest offices. "The laborer is worthy of his hire." In many cases the salaries of the postmasters in some of the smaller country post offices are so ridiculously small that the postmasters can not afford to devote their time to the discharge of the duties of the office.

The result is that in many cases the public is put to an inconvenience and denied efficient service. With the establishment of the parcel post and its enlargement, additional and greater burdens have been placed upon the postmasters of the country and upon the rural free-delivery carriers. In order to get the most efficient service it is going to be, in my opinion, necessary to increase the salaries of the rural free-delivery carriers, as well as the salaries of the postmasters. In order that an increase might result to the rural free-delivery carriers of the country, along with many others, I have introduced a bill in Congress on the subject, which is as follows:

To fix the compensation of letter carriers of the Rural Free Delivery Service at a salary of \$1,500 per annum.

I sincerely hope that Congress will see fit to give the rural free-delivery carriers a substantial increase. The carriers, as a general rule, are good and efficient men of high type. The salaries now being received by them are not sufficient to meet the demands that confront them. They are unable to keep up themselves, their families, their horses, and their vehicles. The city mail carriers, proportionately speaking, receive much better salaries than the rural free-delivery carriers, and people in the cities get better service.

cities get better service.

There is not a gentleman within the sound of my voice who will not admit this fact, and yet Congress delays in giving to

the rural free-delivery carriers the increase they are justly entitled to, and are denying to the people on the farms the efficient service they should have.

GOOD ROADS.

Many of us have worked for a number of years trying to create a sentiment in favor of Federal aid to road building and road maintenance. For several years I have been an ardent advocate of this proposition. While I favor contributions by the National Government, at the same time I think the roads should be under State control. The sentiment in the House in favor of good roads has grown so rapidly that to-day we have a Committee on Roads in the House. That important committee has worked out a plan that in my opinion should become a law at this Congress, and the people of the country will get Government aid for building and maintaining their roadways. This plan is somewhat upon a rental basis for roads over which the mails are carried, which, of course, increases the importance of the rural-route roads. It is my purpose to discuss this road bill more at length when it comes before the House for consideration.

DAILY MAILS.

Good roads will mean new rural routes. Rural routes mean good mail service to the people in the country. It brings the people of our country into closer touch with each other. The vast amount of reading matter, daily papers, weekly papers, magazines, and the like, go out to the people who do not reside in towns and cities, and thereby they are enabled to keep abreast with the times and to keep up with current events and happenings. The value of this Rural Free Delivery Service to the country can not be estimated in dollars and cents. There should be no hesitation on the part of any Member of the House to put this service upon a sure footing. The country needs and must have that efficiency in the Postal Service which will give our people every convenience. Our Postal Service should be second to none in the world. We should be first among the nations of the earth in the service that means so much to the happiness, peace, and prosperity of our citizens.

RURAL CARRIERS.

Before concluding my remarks I want to read a statement which I received from a good friend of mine in the Rural Free Delivery Service, which is as follows:

Statement showing actual cost of necessary equipment and maintenance of same to properly serve my rural route during the year 1913.

Two horses One vehicle Harness	\$300, 00 25, 00 10, 00
Total investment	335. 00
Interest on same Depreciation Feed of all kinds Shoeing, veterinary services, etc Repairs, vehicle and harness Incidental expenses	\$26, 80 75, 00 280, 00 18, 00 50, 00 10, 00
Total expenses for year	459. 80
Total salary	1, 100, 00 459, 80
Net salary per year	640. 20 53. 35

It will be observed that the net monthly salary to this carrier is only \$53.35 after deducting the expenses that he has been put to for his equipment and its maintenance. I will not call the name of this carrier. I know him well. He is a gentleman of the highest type. His services are worth twice this amount to the people on his route. In his letter to me he states that unless an adequate increase is made many of the rural carriers will necessarily have to resign their positions. The service is a farce unless it is maintained in the way it should be maintained, and I sincerely hope that this bill will not become a law without carrying a substantial increase, for equipment allowance or otherwise, for the carriers. [Applause.]

Mr. Chairman, I ask unanimous consent to extend my remarks in the Record, and I yield back the balance of my time to the chairman of the committee.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent to extend his remarks in the Record. Is there objection? [After a pause.] The Chair hears none.

Mr. MOON. Mr. Chairman, I yield to the gentleman from Georgia [Mr. HOWARD].

[Mr. HOWARD addressed the committee. See Appendix.]

Mr. MOON. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. Balley].

Mr. BAILEY. Mr. Chairman, I want in the brief time allotted me to speak a word on behalf of the forgotten man in our Postal Service. We have provided free delivery for the

people of the cities, we are rapidly extending free delivery to the people living out in the rural districts-and I am thoroughly in sympathy with that-but there are about 14,000,000 people in the United States who have less postal service than those living in the cities and in the country. I feel, Mr. Chairman, that the people of the towns and smaller communities should be given an equal service with that which is accorded the people of the cities and the people of the rural districts. I would not take anything away from those who are now being served, but I would like to have this service extended. I am glad to see that the bill as it now stands extends, or rather enlarges, the appropriation for the experimental free-delivery service in the villages. lieve it might have gone very much further and served the people much better by extending this service generally to the towns and villages of the country averaging in population about 2,000.

There are 6,609 of such towns in the United States, and it seems to me that in common fairness all these people should be considered. And I have taken it upon myself to speak for these people in a bill which I have introduced and which at the proper time I shall offer as an amendment to the pending measure-to that part of it dealing with experimental free delivery

Mr. Chairman, that the forgotten man will not much longer consent to remain forgotten is evidenced by the responses I have received from all quarters of the Union to my bill for a square deal in the Postal Service. My mails have been heavy with letters, newspapers, and petitions, the letters almost without exception expressing keen interest in my proposal; the papers containing editorial and news articles appealing to their readers to get in behind me in my effort to extend the Free Delivery Service to the smaller communities; the petitions praying Congress to act favorably upon my bill—H. R. 8947.

Back in my own district, in personal contact with the people of the many smaller communities not now in the enjoyment of Free Delivery Service, I found a unanimity of sentiment that was most encouraging. Many of these communities lie along a main highway and some of the patrons of the post offices are far from the center. To go two or three times a day for their mail or to deposit their mail involves a sacrifice of time which in the aggregate is staggering. By a very rough computation it is found that this loss of time runs far into the thousands of dollars in every one of the nearly 7,000 towns and villages now excluded from the Free Delivery Service. According to figures which have been supplied to me by the Post Office Department, the cost of free delivery would not exceed \$1,200, on the average, in each of these. The loss of time to the people of the village would hardly be less under the most favorable circumstances than five or six times that amount. It has been suggested to me by one who has had much experience in the Postal Service in a small community that it would be entirely feasible to require the postmaster in some of the smaller of the small communities to act as a carrier, the point being made that this arrangement would cut down the expense and in no appreciable way interfere with his other official duties.

Almost every Member of this House has a considerable number of towns and villages which are the victims of a discrimination which ought no longer to be tolerated. I appeal to these Representatives in behalf of their own constituents. It can be no satisfaction to the patron of the post office in the smaller communities to see mail being carried past his door by a rural carrier when he must drop his work and trudge a quarter, a half, or possibly a full mile to the village post office and pay a high rent for the privilege of box service. Incidentally, the com-plaint against the box-rent exactions is widespread. A large number of letters which have reached me dwell upon this factor in the general discrimination against the people of the smaller communities. Not only are they compelled to tramp to and fro in depositing and obtaining their mail, but they must pay what they believe an extortionate price for box rent. In previous remarks of mine on the same subject on the floor of this House I said that the discrimination against the people of the towns and villages in the Postal Service, including the box-rent burden, was not different in effect from that which would be produced by a higher postage rate for the smaller communities than that accorded the dweller in the city or on the farm. How this Congress can blink the fact of this discrimination it is not easy

Experimental free delivery has been welcomed with great acclaim by the small number of towns which have enjoyed it; and the testimony from these towns is enthusiastic. They say it has been a complete success, notwithstanding its newness and the limitations which have been placed upon it. It has resulted in a larger use of the mails, in some cases ranging up to 10 per cent and even higher, yet it must be borne is mind that the experiment is less than a year old and that nothing like a fair try-out of the Free Delivery System has been attempted. It is

my belief that if the smaller communities were accorded the full benefits of free delivery there would be an increase of business as a response which would in the near future take care of the increased expense.

But I want to say, Mr. Chairman, that we should not look at the Postal Service from the money-making point of view. The post office was not established for the purpose of turning money into the Treasury. It was designed to convey intelligence to the people. It was realized that in a government of the people, by the people, for the people, the dissemination of informa-tion was of vital importance. The people would have to know tion was of vital importance. The people would have to know what their Government was doing, what events were taking place, what policies were under consideration, what were the developments at home and abroad. By the increase of the functions of the post office it has at last been brought to a point where it is yielding in returns practically all that the service cost. It is the one institution that comes closest to the people, that serves them from day to day, that is the mainstay of that large intelligence which has brought this Republic to its present high position among the nations of the world.

would have this service equal to all. I would have it so that it would be timesaving for all, as it is timesaving for the man in the city and for the man far out on the prairie or in the remote valleys among the hills. I speak for the "forgotten man" of town and village, and I feel that in speaking for him I am speaking for one who is quite as deserving as the banker

and broker or as the farmer and woodsman.

I can not refrain, Mr. Chairman, while on the subject of a square deal in the Postal Service, from adverting to some criticisms which have been made on this floor of the present rate on second-class matter. It has been asserted here that this class of mail has been carried at a tremendous loss; yet I would call attention to the fact that the railroads are now carrying enormous quantities of periodical matter at the second-class rate, and only a few years ago the express companies were carrying the same class of matter at the same rate. Those who have attacked the rate for second-class matter have particularly objected to allowing the magazines to come in under that rate. Yet I would not have it overlooked that to the socalled "muckraking" magazines this country undoubtedly owes in large part that great awakening of the public conscience which resulted in the election of a Democratic Congress in 1910, in the complete overthrow of Cannonism, in the repudiation of that corrupting combination between bad politics and big business, and the triumph of Woodrow Wilson in 1912. But for the "muckrakers" and for their message carried through the cheap periodical literature, which played so great a part in the history of the last few years, we should still find Cannonism in the saddle, still find big business in control all along the lines, still find the system all-compelling. I therefore can not agree with those who would increase the rate on second-class matter or who would make a new classification which would place a heavier burden upon the periodical literature of the country. We can not have a too wide dissemination of intelli-gence. And I believe with all my heart that the magazines of We can not have a too wide dissemination of intellithe United States have done the people a tremendous service in exposing the inner secrets of our politics and business and in carrying a message of hope and deliverance to the masses.

Mr. Chairman, I yield back the balance of my time, and I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.
Mr. MOON. Will the gentleman from Michigan [Mr. Samuel W. SMITH] use some of his time?

Mr. SAMUEL W. SMITH. I do not see the gentleman from Illinois [Mr. Copley] on the floor, and I yield 10 minutes to the

gentleman from Kansas [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, the Post Office appropriation bill for the first time this year passes in the sum appropriated the \$300,000,000 figure. The total of the bill is \$305,000,000. The postal business of the United States is the biggest business in the world. There was a day when it was the biggest political machine in the world, but the tendency in the Postal Service for a long time has been away from politics and toward business. That has been in response largely to public sentiment. So it is perfectly natural that the one paragraph in this bill which should excite the most discussiona matter of fact, it has monopolized this general debate-is the paragraph which shows the dominant party here in the House taking a backward step; taking a step away from business in the postal department, and back into politics. I refer to section 6, the subject of debate here for the last four or five days. The section places in the hands of the Postmaster General the right to appoint, regardless of the merit system, under civil

service, assistant postmasters, of whom there are probably twenty-four hundred or twenty-five hundred in the system,

Now, I do not take much stock in the battle that has raged here between the two old parties about civil service. It is a resumption of the ancient and diverting game of the pot and The Republicans say that the Democrats are not friendly to the merit system and the Democrats say that the Republicans are not friendly to the merit system. Both of them are right. I have watched this thing for a number of I have heard the charge on the Democratic side for years that in some way partisan postmasters did so manipulate civil service that they filled up their post offices with Republicans. I have been at some little pains to find out how that could be done, and I think I know how partisan Republican postmasters could work the scheme. I want to say that this is not true of all Republican postmasters; it is not true of a great number of them; but where the postmaster was an extreme partisan it was possible for him to manipulate the personnel of his office by the provision in the civil service which permits him to choose a man from the first three men on the eligible lists certified to him. Now, that has been said here before, but the thing I think I discovered was this, namely, that this is arithmetically progressive; that when you eliminate the first man of the first three you enter the new field below that is, you take in the fourth man-and it was possible, and it was done by partisan Republican postmasters, by eliminating the first two men on the list, to reach down among the first five men in the list.

Mr. STAFFORD. Will the gentleman yield?

Mr. MURDOCK. Certainly.

Mr. STAFFORD. I think the gentleman is entirely mistaken.

Mr. MURDOCK. I am not.
Mr. STAFFORD. The civil service will not sustain you.
Mr. MURDOCK. As a matter of fact, the practice of some

partisan Republican postmasters does sustain me in the proposition. They have done that very thing.

Mr. STAFFORD. If the gentleman will permit me, I will

explain that the method is for them to select one of the first three designated.

Mr. MURDOCK. When they rejected the first man they

moved to the fourth.

Mr. STAFFORD. They do not do that. They go on until

the first three are exhausted.

Mr. MURDOCK. At any rate, I think that is the plan followed, and you will find in post offices presided over by certain extreme partisans an almost complete complement of Repub-

Now, the difference between the Republicans on the one side and you Democrats on this civil-service proposition is that the Republicans are subtle in their processes and you are coarse. They are insidious and you are crude. They are sly and you are bold and bald about it. I submit that as soon as you get this thing running well, as soon as you get your postmasters all in, and your assistant postmasters all in-and the relation between the postmasters and their assistants is quite a confidential one-you will begin to work this arithmetical progression of three at a time unless you are compelled to select the first man alone, which is the correct method.

Mr. RUSSELL. Did I understand the gentleman to say that the Republicans sometimes eliminate the first of the three men in order to reach down to the fourth and fifth men?

Three are certified to the postmaster as Mr. MURDOCK. eligible under the law, and he must take one of the first three. Then, as he exhausts at the top, he has the right to go below the first three as other names are certified to him.

Mr. RUSSELL. Do you know whether the Democrats have

Mr. MURDOCK. Oh, no; I do not. I think they are getting rendy to do it. I do not think there is any question about that. [Laughter.] My point is that neither of the old political parties is friendly to the merit system.

Mr. POU. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman yield?
Mr. MURDOCK. I regret I can not now. I have only 10

minutes, and I want to get through.

Here is my proposition: You Democrats brought in section 6, which is taking a backward step. You can not get it through under the rules of the House, and you must bring in a special rule making it in order, so that you are resorting to the old device of a special rule to make it in order to insert this sec-You may pass it through the House and you may pass it through the Senate, but you will not write it into a law.

I make the prediction that if this bill ever reaches the White

House with that provision in it President Wilson will veto it, what you are proposing to do here.

and he ought to veto it. You are taking a backward step. You are mixing up in this postal business more politics, and what we need in the postal business is less politics. I have a great deal of confidence in Postmaster General Burleson. served here with him for many years. He has one fine quality, among others, and that is courage. He is not afraid. He does not believe in this proposition, and I believe that under his advice, if this thing ever does reach the President of the United States, you will lose out.

But what will happen if the veto comes back from the President and the Democrats in the House and the Democrats in the Senate, along with a lot of sympathetic Republicans, pass that provision over the President's veto? What will the President I can tell you what he could do, and I hope to heaven that if it ever comes to that point he will do it. He ought to It is the thing that every man within the sound of my voice knows is the proper thing to do, and that is to select the postmasters out of the working forces of the post offices. Take the men in the carrier system and the postal clerks. Take these men, the best skilled servants we have in the Railway Mail Service; take the men who understand the postal business and make them the postmasters. Take the place out of politics. There is no reason under heaven why a man should become postmaster because he is supposed to be the political boss in his community.

Mr. STAFFORD. I will ask the gentleman if he pursued that policy when he was making recommendations for the ap-

pointment of postmasters in his district?

Mr. MURDOCK. I have advocated for years the taking of these places out of politics.

The CHAIRMAN. The time of the gentleman from Kansas

has expired

Mr. MURDOCK. I would like to have a few minutes more.

Mr. SAMUEL W. SMITH. I will yield to the gentleman three minutes more.

The CHAIRMAN. The gentleman from Kansas [Mr. Mug-

Mr. MURDOCK. Let me complete this proposition. I want to tell the gentleman why this proposition will work to the benefit of the service. In the first place, if you will do that, we will put in the mind of every subordinate in the post offices the carriers and the clerks—the lure of promotion. You will offer him a chance to get ahead. You will give him the hope that he may be postmaster some day. This opportunity is not now in the system. It is not there. In fact, it never was not now in the system. It is not there. In fact, it never was there. It would be the best thing for the system to get that lure of promotion in.

Then this proposition would do another thing. It would put into the Postal Service of the country everywhere men in the high places who have knowledge of the intricate details of the service-postmasters who would know what the Railway Mail Service is, what the carrier system is-who would know its needs. It would put into the service men who would know what is actually going on under them in their offices.

And, another thing, I think that Congressmen who have had service here any length of time at all would understand the need for it-it would take out of national legislative life the matter of patronage. That ought to be taken out, and I should think that every man here would like to see it go out.

I served in one Congress when a Republican President attempted to penalize some of us because we were exercising our own free wills as Representatives, because we were voting our convictions against a vicious system. I saw a Republican President reach into this House and take away from the Members here the right to recommend postmasters with the idea of controlling our votes.

Mr. POU. Does not the gentleman think that-

Mr. MURDOCK. But I know what that President did not -that in the natural course of politics the actual taking away of the right to recommend the appointment of a postmaster is not half as potential as the threat of taking it away.

The CHAIRMAN. Does the gentleman yield? Mr. MURDOCK. Yes; I will yield to the gentleman.

Mr. POU. I only wanted to ask the gentleman if he does not think it was a debauchery of the merit system the vay that these assistant postmasters were covered into the civil service?

Mr. MURDOCK. I do not know how the gentleman feels on this question, but I think that when public servants go into the

merit system they ought to go in under an examination.

Mr. POU. Then the gentleman thinks something ought to be done about this?

Mr. MURDOCK. But after they are in, you ought not to take them out. You ought not to take a backward step, and that is

I want to say another thing to the gentleman from North Carolina, who is one of the leaders in the Democratic Party. I hope the gentleman will double up his fists and go into this thing in earnest. He will find after a little experience that postmasters are not the great political help that they used to be in this country under the old political system. The gentleman

will find that out speedily.

Now, here is another matter to which I direct his attention. We have not revised the system by which we pay the post-masters for nearly 40 years. The act under which we operate to-day in paying postmasters is a law passed away back in 1879. It is a law under which the compensation of the postmaster is based on the sale of postage stamps. The sale of postage stamps—a minor detail in the conduct of a post office— The sale of has absolutely nothing to do with the responsibility of the man who is at the head of the office. There is a chance now to change that system. It ought to be changed. The item of pay for the postmasters this year reaches the sum of \$30,000,000. Not all the postmasters of this country earn their 000,000. Not all the postmasters of this country earn their salary. The assistant postmasters come nearer earning theirs than the postmasters. While the assistant postmaster has his nose absolutely to the grindstone usually helping conduct the business of the office, the postmaster, a good deal of the time, may be out paying attention to politics, which would not be true if the place were taken out of politics.

Mr. QUIN. What can be done for the little fourth-class

postmasters who are now getting a few dollars a year?

Mr. MURDOCK. Oh, the fourth-class postmasters, as a matter of fact, receive little enough, heaven knows. I do not attack their pay. I have had postmasters in my district who got as little as \$17 or \$18 a year—an entirely inadequate compen-

Mr. QUIN. Does not the gentleman think it ought to be in-

creased in some way?

Mr. MURDOCK. I have no doubt there are cases where it ought to be increased; but I am talking about that class of postmasters who devote a great deal of their time to politics, and who are paid on the antiquated system of the amount of stamps sold.

The CHAIRMAN. The time of the gentleman has expired. Mr. MURDOCK. I promised to yield to the gentleman from Wisconsin [Mr. Lenroot]

Mr. SAMUEL W. SMITH. I yield one minute more to the gentleman from Kansas.

Mr. MURDOCK. I yield to the gentleman from Wisconsin

Mr. LENROOT. Referring to the portion of the gentleman's remarks about taking the man off the top and thus getting to the fourth man, did the gentleman have personal knowledge of

Mr. MURDOCK. In the most obscure way.
Mr. LENROOT. Was it in the gentleman's district?
Mr. MURDOCK. No. Is that what the gentleman wants to

Mr. LENROOT. I want to know, because I know that is not

the system they pursue.

Mr. MURDOCK. Does the gentleman say that when they have exhausted the first list they do not get a new list?

Mr. LENROOT. The postmaster is compelled to make his selection from one of the three at the top of the list.

Mr. MURDOCK. Yes; but after the first three are exhausted, then what?

Mr. LENROOT. Then another list is sent.

Mr. MURDOCK. Certainly. That is what I contend.

Mr. LENROOT. But the appointment has been made. Mr. MURDOCK. Yes; but the postmaster can manipulate that so that the second list that comes will contain the name he wants

Mr. LENROOT. No; but the vacancy has been filled. Mr. MURDOCK. The vacancy has not been filled The vacancy has not been filled at all. Three men have not taken the place, for some reason or other.

Mr. LENROOT. Oh. Mr. MURDOCK. Does not the gentleman realize that a postmaster can discourage the applicant; that he can tell the applicant it is not a suitable place for him? A man who is perfectly eligible may be passed on, and so the list may be exhausted; and that is just exactly the trick that has been played

in this country.

Mr. LENROOT. That rests entirely with the applicant and

not with the postmaster.

Mr. MURDOCK. The applicant is a helpless proposition in

this manipulation compared to the powerful postmaster.

Mr. SAMUEL W. SMITH. Mr. Chairman, in the closing moments of a debate on a bill carrying the largest amount of money—

congratulate the House and the country that so able and distinguished a man as Judge Moon presides over the deliberations of the great Committee on Post Offices and Post Roads, one of the leading committees of the House.

He has long been a member of that committee, is so well equipped, so familiar and conversant with the workings of that great department, that if circumstances permitted it would be a fitting close to his long, useful, and honorable career as a Member of this body if he could be made Postmaster General.

He is not only able and conscientious, but he is kind and considerate of the feelings and opinions of others, qualities to

be commended in any man.

It is a pleasure indeed, sir, a delight, to work with him, not only in the committee room, but on the floor of the House.

The committee as a whole have been so united on most of the provisions of the bill that I have not availed myself of the opportunity to speak in general debate, but will do so as to certain provisions when the bill is read section by section.

I now yield 50 minutes to the gentleman from Wisconsin [Mr.

STAFFORD]

Mr. STAFFORD. Mr. Chairman, for more than 10 years the subject of postal legislation and postal administration has been of direct concern to me. Ten years ago this coming March, during my first term in Congress and on the Post Office Committee, the Post Office appropriation bill was reported to the House, at that time the largest supply bill presented to Congress. That bill carried a total appropriation of \$170,000,000. present appropriation bill carries an aggregate of \$306,000,000. The expenditures for the fiscal year ended June 30, 1903, equaled \$138,000,000. The expenditures for the year ended June 30, 1913, equaled \$262,000,000.

In glancing over the figures, or rather the expenditures, for the last 15 years there is a seeming relation that in every 10year period the expenditures increase to the amount of 80 or 100 per cent. The expenditures of 1903 and those of 1913 confirm that, as well as all the expenditures dating back 15

years.

But these expenditures for the various services have not increased proportionately. In some of the branches of the service there have been in the last 10 years decided increases in salaries, notably in the case of post-office clerks, railwaymail clerks, and city as well as rural letter carriers. In the Post Office appropriation act for 1905 we carried an appropriation for postmasters of \$23,250,000. In the present bill there is appropriated \$30,750,000, or an increase of 32 per cent. For salaries to post-office clerks in 1905 we carried an appropriation of \$20,614,000. The present bill carries an appropriation of \$44,470,000, or an increase of 115 per cent.

The appropriation for letter-carrier service in 1905 was \$20,606,000, and the present bill carries \$37,700,000, or an increase of 87 per cent. In 1905 the clerks of the Railway Mail Service received \$12,951,000, and under the present bill for salaries they receive \$28,501,000, and for travel allowance, which is in the nature of compensation and which has been added since 1909, there is an appropriation of \$1,534,000, which

totals \$30,035,000, or an increase of 132 per cent.

In the rural carrier service we have seen the appropriations increase from \$15,000,000 in 1905 to \$48,650,000, as proposed in this bill, and if the increase in salaries, as recommended in the bill, is adopted it will require an additional two and a half or three million dollars, which will amount to an increase of about 250 per cent. Not only do we find these increases, so far as the compensation to the actual employees of the service is con-cerned, but, naturally, we find them in other branches of the service, as, for instance, in the increase of pay for the carriage of the mail by railroads.

The subject of railway-mail pay has been a disputed subject, I may say, since we first began to carry the mail on railroads, in It has been the subject of greatest discussion and less understanding than any other postal matter. There have been various commissions appointed, both congressional and private, and while most of them have come to definite decisions in their findings, nevertheless there has been some doubt left in the minds of many as to whether we were not paying the railroads too much for the carriage of the mails. I wish to direct the attention of the House to the increase of mail pay during the last decade, or, rather, the last 15 years. In 1899 we paid to the railroads, for the carriage of mails on the tonnage basis, \$30,500,000, whereas in 1913 there was expended \$47,627,000, or 56 per cent increase.

As most Members of the House know, there are two methods of compensating railroads for the carriage of the mail-one based on tonnage carried, according to a sliding scale of payment, the rate becoming less as the weight increases. In addi-\$306,953,117—in any single congressional budget, I want to tion to this weight pay there is an additional allowance based

upon what is known as the R. P. O. service, or the traveling post-office cars. For the tonnage pay in these 14 years the amount has increased, as above stated, 56 per cent; but in the traveling post-office car pay, which has been most sharply criticized, we have this startling condition, the only instance in the whole post-office bill of any reduction in any one branch of the service.

In 1905 the appropriation for that character of service was The appropriation carried in the present bill is \$5,412,000, or a reduction of \$324,000. It is proposed in one provision of this bill-that is, it is recommended by a majority of the Post Office Committee, though opposed very strenuously by a large minority of that committee-that we should launch into the Government ownership of the railway mail cars, not only the so-called traveling post-office cars, but also the storage cars; and provision is therein made for the purchase, under the direction of the Postmaster General, of sufficient storage cars and railway mail post-office cars that can be purchased for the amount of \$200,000, the purpose being to experiment and see whether we are paying the railroads too much for this character

At the present time and for many months past there has been a congressional investigation being made of this very subject as to whether we were paying too much to the railroads for the carriage of the mail in the traveling post office or so-called railway post-office cars. That compensation is based on space. the minimum rate being \$25 for a 40-foot car, and increasing in rate for the largest-sized cars, the highest rate being for a 55-feet car, or larger. Those cars, at least the modern steel cars for Railway Post Office Service, cost in the neighborhood of \$12,000. The pay for all these cars averages less than \$3,500 per annum. Many people in considering the proper allowance to be paid for these cars confuse in their minds that the payment of \$3,500 a year is for rental, for the mere use of a railway post-effice car, and do not take into consideration the fact that we are really paying the railroads for the hauling of that car. The railroads could well afford, and would be willing to any extent, to provide the Government with all kinds of railway post-office cars and have them on some siding and not in operation, at merely a nominal return of perhaps 8 per cent on the cost of the car; but when the Government takes possession of a car and makes it a traveling post-office car, the Government must necessarily make a return in payment for that service, just like every other character of service must make payment, when a private car is being operated over the railroad

In the very illuminating address delivered by a member of this postal commission, the gentleman from New Jersey [Mr. Tuttle], on Saturday last, there was brought to the attention of the House that on the 51 leading transportation lines of this country the cost of operation of passenger cars per mile is 19.41 cents per passenger train car mile, whereas the return to the railroads from these traveling post-office cars, including the compensation they received for the tonnage mail included in them, on an average of two and a half to three tons, is 18.84 cents per car per mile, or fifty-seven one-hundredths of a cent less than the cost of operation alone of these passenger cars. That computation of 19.41 cents does not take into consideration whatsoever any return for interest, dividends, or other fixed charges. The mere cost of operation is 19 cents, and yet the Government to-day is only paying 18 cents for these railway

Mr. GOULDEN. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes. Mr. GOULDEN. I did not catch quite clearly the gentleman's statement with regard to the operating cost per mile per passenger on the railroads.

Mr. STAFFORD. On 51 leading railroads of this country the statistics show that the haulage charge, the cost of operation per car, regardless of the receipts-the actual cost of operation-19.41 cents per passenger train mile.

Mr. GOULDEN. That is, regardless of how many passengers

the car carries's Mr. STAFFORD. Regardless of that. It is the cost of opera-

Mr. GOULDEN. That is what I wanted to get at clearly.
Mr. STAFFORD. The return to the railroads from the carriage of these railway post-office cars, including the space pay and tonnage pay for the average mail content of these railway post-office cars, is only 18.84 cents per car-mile, or a difference of 0.57 of a cent less than the cost of operation. And yet we are presented by this novel proposition by which the Government should go into the experimentation of constructing and operating these railway post-office cars and storage cars. As the

the so-called storage cars, which carry the great bulk of the mail over the country. We pay only an additional compensation for the use of these traveling post-office cars when the Government uses more than 40 feet of space.

Mr. GOULDEN. I think the gentleman has answered the second question which I proposed to ask, and that is, whether the gentleman is in favor of the Government going into the furnishing of cars for the transportation of its mails. the gentleman answered that with the statement he made a few

Mr. STAFFORD. The Interstate Commerce Commission has all the evidence before it to determine the cost of operation of this character of car. Not only that, but ever since the Government has been operating these traveling post-office cars the department has had full control as to the mode of construction, the interior and exterior arrangements, and the character of material, so that the character of the car is completely under the control of the Post Office Department. A few years ago we provided in the Post Office appropriation bill that all of these traveling post-office cars should be made of steel, and in a few years every one of these cars will have to be made of steel. Now, what justification can there be for this expenditure of \$200,000 in launching experimentation that may carry us to an expenditure we can not even approximate, when the facts from the Interstate Commerce Commission are within the reach of any man in this body?

Mr. GOULDEN. My friend from Wisconsin, then, is not willing the Government should enter into this experiment of furnishing its own cars? It has been claimed during this debate that, if adopted, it would save large sums of money to the

Government.

Mr. STAFFORD. I can not see any need for it. We have all the data at our command. Here is the data of this commission, which shows we are paying less than what it costs the railroads to merely operate these cars. Now, with this data which is being collected and which will shortly be presented to this Congress, if it shows that, why launch on this experiment of policy of the Government constructing and operating these

Mr. MADDEN. Will the gentleman yield for a question?

Mr. STAFFORD. I will be glad to yield for a brief question. Mr. MADDEN. The gentleman states that the cost of the transportation of mails, including all of the car and the weight, amounts to a little over 18 cents per car mile for miles traveled. How much is the gentleman able to state is the total weight of mail, how many cars there are, and how many miles were

Mr. STAFFORD. I could give that information by referring to my notes taken before the committee, but the hearings show that the average pay for one of these railway post-office cars is less than \$3,500 per annum. Now, the gentleman has all that information, because it was presented in the hearings, and I do not wish to divert from the other line of presentation that

Mr. MADDEN. My idea was it would illumine the statement which was made; it was not for the purpose of diverting

the gentleman from his line of thought.

Mr. STAFFORD. I appreciate the purpose of the gentleman that he intended to have me make an elaboration of that subject. If we inaugurate this policy, there is no telling where it will end. We will have to invest millions of dollars in storage cars that are now provided gratis by the railroads to the Government. We will have to erect shops and keep them in repair. We will have to have always an adequate supply ready at all times to meet the demands of the Postal Service; but to go into this experimentation at the present time, when the postal commission is about to report after a very full examination, I consider is rather launching into a field which can not be justified under existing conditions.

From the study I have given to this question-and I have so expressed myself in times gone by-the Government is not paying more than and I doubt even a compensatory rate for the use of these traveling post-office cars. If the supporters of this proposition believe that we are paying too much, they can readily offer an amendment to reduce the present haulage rate. But I protest in launching by this means in the Government ownership of a utility when it only means expense and perhaps

wasteful expenditure.

In the past 10 years, although the service has been extended, there have been no added improvements in postal administration other than the postal savings banks and the parcel post, both of which had their genesis in the last administration. These institutions, so popular—and deservedly so—are fixed in our postal administration. The postal savings banks have been gentleman knows, we pay nothing to the railroad for the use of | in operation a little more than two and a half years, and their

utility has already been proven. Though this service has been operated at a loss of a little less than \$1,000,000, as I have had occasion to say before on this floor, if we lift the limit on deposits of postal savings, which is now \$500, and permit the de-positors to deposit an unlimited amount, as was embodied in a bill which passed the House before the holiday recess, there will be only a short time before the revenues equal the expenses of this service; and if they do not, the Government can readily impose a higher interest rate to the 2½ per cent now being charged banks for interest on the loan of this money. But the postal savings-bank feature is a fixed adjunct to the Postal Service that will not in the future be removed. It is here to stay. It is like the parcel post

Mr. MADDEN. Will my colleague yield? Mr. STAFFORD. I yield,

Mr. MADDEN. I merely wish to be permitted to say that it is only fair to state the amount of loss showed in the operation of the Postal Savings System is due in a large measure to the arbitrary charges made against its operation by the various

post offices in the United States,

Mr. STAFFORD. It is the one branch of the Postal Service where there has been a strict accounting as to every element of cost, and the assistant director has taken into his computation elements that I believe should not be charged against the entire service for the present alone, but which will continue to be spread out over the service as the years go on and this savingsbank institution is continued.

Mr. MOORE. Will the gentleman yield?

Mr. STAFFORD. Yes.
Mr. MOORE. Will the gentleman state what the loss in the conduct of the postal savings bank was?

Mr. STAFFORD. A little less than a million dollars.

Mr. MOORE. In one year?

Mr. STAFFORD. No; in the entire two and one-half years of its operation.

Mr. MOORE. May I ask if the gentleman can tell whether the expectations of those who organized the postal savings bank,

with regard to deposits, have been justified?

STAFFORD. The expectations have been more than justified by those who recognize that those in opposition to it were wet-blanketing the proposition in every particular. The United States pays less return to postal savings-bank depositors than even Italy or any other country on the face of the globe that has a postal savings bank. We are lending the money to-day to the bankers at 2½ per cent, when the gentleman knows that the majority of the savings banks in New York pay 34 to 4 per cent.

Mr. MOORE. The strongest argument I heard in favor of the postal savings bank was that it would draw savings from stockings and from those who would probably send their money abroad because of lack of confidence in the banks and savings

funds.

Mr. STAFFORD. The testimony before the committee is uncontroverted that there have been any number of instances where money has been withdrawn from stockings for deposit in the postal savings bank, only to be refused because of this arbitrary limit as to the amount that can be deposited in any one month, or having \$500 on deposit at any one time. But there were a few of us on the committee at the time of its organization who wanted to have no limit, and only recently a bill has been introduced in the House which will permit those who have not confidence in private savings institutions, such, for instance, as was instanced in Washington recently, when the United States Trust Co. was in difficulty, to make deposit in postal savings banks. It will be remembered that during the run on that bank many depositors went to the postal savings bank, but their funds were refused because of this arbitrary limitation. Lift this limitation and there will be \$100,000,000 of deposits inside of a year.

Mr. MOORE. If the rate of interest is the same?

Mr. STAFFORD. Without the rate of interest,

Mr. MOORE. The remarks of the gentleman from Tennessee [Mr. Moon] the other day might indicate that there was no real lack of confidence on the part of small depositors in the present savings banks. That might account for the paucity of deposits in the postal savings bank.

Mr. STAFFORD. At that time I spoke at length on that feature of the system, and took a different position to that taken by the gentleman from Tennessee. He admitted that he had not been very zealous in his advocacy of this institution. I believe it is a fixed institution.

Mr. MOORE. The gentleman himself has every confidence

in the institution?

Mr. STAFFORD. I have every confidence in it, and foreigners and others who wish to deposit their funds in the postal

savings banks because they have not confidence in existing savings banks, go to the postal savings bank and receive this meager 2 per cent. It is a disgrace to the United States Congress that the United States is paying less than any other country on the face of the globe for these savings banks' de-

Mr. GOULDEN. As a member of the committee, and giving a great deal of attention to this matter, what does the gentle-

man think should be the maximum limit?

Mr. STAFFORD. As the bill passed the House there was no limit, and rightly so. Why should there be any limit? Why should not a man be permitted to draw his money out of a stocking and place it in the postal savings bank, which goes into the arteries of trade by being redeposited in regular banking institutions? In the beginning the private banks looked at this institution unfavorably, but they now admit that it has not affected them adversely, and they are getting this money from the Government at the low rate of 2½ per cent.

Mr. GOULDEN. I want to know if the gentleman was in

favor of the bill that passed this House?

Mr. STAFFORD. If the gentleman had been here he would know that I spoke in favor of it.

Mr. PLATT. Does not the gentleman wish to limit the deposits? Most of them do.

Mr. STAFFORD. You will have to excuse me from talking on that. That is another question entirely.

Mr. McLAUGHLIN. Will the gentleman yield?
The CHAIRMAN. Does the gentleman from Wisconsin yield to the gentleman from Michigan?

Mr. STAFFORD. I yield.

Mr. McLAUGHLIN. This question of the expense of the system is interesting. I presume the cost of originally outlining the service and installing the service has all been charged up as a matter of initial expense, and that will not have to be incurred again. Are any reforms in process or in contemplation that will eliminate some of the expense?

Mr. STAFFORD. That was the very item I referred to in speaking generally. It was that kind and character of expense which was incurred at the start, and which will spread itself over the entire system so long as the system is in existence, the auditor had taken into account in arriving at this

million dollars of deficit.

Mr. McLAUGHLIN. I presume there were some improper charges made. Are those to be eliminated or are changes in

the system to be inaugurated?

Mr. STAFFORD. I do not wish to go into this subject extensively, but the personnel that is now employed in the Post Office Department here that is handling these accounts is in a position to handle twice the amount of deposits without incurring any additional expense. They have to have a unit of force to do a certain amount of work, but it is able to adjust itself to twice the amount of deposits without increasing the

Mr. McLAUGHLIN. Does the gentleman think some charges have been improperly made?

Mr. STAFFORD. I do not think they ought to have charged

at the beginning all these originating costs.

Now, if the gentleman will pardon me, I wish to go on to the consideration of this new feature which has been of so much interest to the public during the past year. The parcel post is an established institution. It is a success. rated, as we all know, only a year ago, on January 1, 1913.

During the course of that year there have been some radical changes made in the rates and as to the zones by the Postmaster General. I have taken the time to glance over some statistics compiled by the Post Office Department, and perhaps they may be of interest to this committee. In a return that was made from the 50 largest post offices in the country, from October 1 to October 15, it was shown that but 5 per cent of the parcels deposited were for local delivery, and that 30 per cent of the parcels that were delivered in these 50 largest post offices had been received from other post offices for delivery, and that the remaining 65 per cent of all the parcel-post mail handled was sent for dispatch to other than the 50 returning post offices. According to those figures 95 per cent of all the parcel-post mail was carried by the railroads of the country.

It may be interesting also to know that 15 per cent of the aggregate parcel-post mail was of 1 pound and less, and that 80 per cent weighed from 2 pounds to 11 pounds, and that the average weight per parcel of parcel-post mail carried during this semimonthly period was 1 pound and 11 ounces.

In estimating the cost of this service the department only

took into consideration, according to the tabulations, the cost of delivery of this 35 per cent-30 per cent that had been received from outside offices and 5 per cent for local delivery-for deliv-

ery in these respective 50 offices, and the cost of the delivery of that 35 per cent equaled 3.3 cents per parcel. No charge was made whatsoever, even as to this 35 per cent, as to 60 or 80 per cent of this 35 per cent which was carried by letter carriers. The department was acting upon the premise that if a letter carrier was not overburdened with other mail and could carry it without extra cost, it should not be charged up to the parcel post; and so, according to the returns in New York City here, 76 per cent was carried by regular carriers without cost, and in Chicago it was 80 per cent.

As to that which was dispatched for carriage on the railroads or outside of the office of deposit, namely, 95 per cent of the total, 68 per cent of all the parcel-post mail was for delivery in the second, third, fourth, and fifth zones, or those zones which distance from 50 miles to 1,000 miles. Under the weighing that was had in 1899 for six months it was estimated that the cost of mail matter for carriage on the railroads was a little above 5 cents a pound. On the weighing of the mails, based upon the payments to railroads, in 1908 the average rate for mail alone was 3.79 cents a pound, and for mail and equipment included,

2.46 cents a pound.

Now, I recognize that it is not fair to compare the rate of 3.79 cents a pound or 5 cents a pound for parcel-post matter, because it would have first to be determined whether the average haul was the same, and the average haul of this mail matter on this

computation was 620 miles.

But here, so far as the charge of 5 cents for the carriage of 1 pound of mail matter under the revised rate to the second zone is concerned, we have merely 1.7 cents allowed for the cost of transportation on railroads, the cost of handling by the railway mail clerks, and the cost of collection. In these computations no consideration whatsoever was made of those elements Yet the figures show that it costs 1.4 cents per pound for every pound of mail matter handled in railway post-office cars by the railway mail clerks.

We are all in favor of the parcel post; but I think, after giving it as good consideration as I possibly can, that some of the rates that have been put into effect are noncompensatory. I do not conceive how you can collect a mail package of pound, have it go through the local post office, have it dispatched on the railway trains, distributed by the railway mail clerks, and then delivered, which last service is estimated to cost 3.3 cents, and after traveling a distance of 150 miles, and

have the rate of 5 cents compensatory.

It is true that, according to the most recent computation, for the first 15 days of October an average of \$60,000,000 annual revenue will be received for this service. But when this system has been fully established and all the varying services properly paid for; when the total expense, including a proper payment to the railroads of the country for the haulage of this great additional tonnage, and a charge for the expense of screenwagon service, electric-car service, mail-messenger service, and all the other characters of service with which the parcel post is directly chargeable, but to which no adequate payment is now being made. I question whether there will be much if any profit left when all these elements of expense are included.

Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman has used 40 minutes, and

has 10 minutes remaining.

Mr. STAFFORD. The railroads have been the butt of attack from every source. It is hard to find anyone who will say a word in favor of a just treatment of the railroads. The railroads are not receiving any compensation for the hauling of this large additional tonnage. In the last appropriation act we provided that 5 per cent increase should be granted, in the discretion of the Postmaster General, to those railroads whose pay was arranged prior to January 1, 1913. The only additional return to the railro ds from this source has been \$1,700,000. Other than this small percentage, which does not equal even 5 per cent on the amount paid to the railroads, they will receive no other return for the carriage of parcel-post mail, in the New England section, until July 1, 1917. There will be no other extra compensation to the railroads for this extra tonnage in the far western section until July 1 next; none in the great middle western section until July 1, 1915; and none in the South until July 1, 1916. It may be that during these years, before we are obliged to pay the railroads for this added weight, there will be a showing of a large surplus in postal revenues; but I ven-ture the prediction that when all these costs of this service, four years hence, are properly charged up to the United States Government, as they certainly will be, there will not be any showing of any large return of profit, and very likely a deficit will be shown.

Mr. SAMUEL W. SMITH. Will the gentleman yield?

Mr. STAFFORD. I am glad to yield.

Mr. SAMUEL W. SMITH. I have been called out of the Hall. I should like to ask the gentleman if he has been discussing the question whether the parcel post is a paying institution?

Mr. STAFFORD. The gentleman has been very faithful in

his attendance here, not only to-day but during the entire time given over to general debate; but evidently he did not hear what I had just been stating.

Mr. SAMUEL W. SMITH. I was called out.

Mr. STAFFORD. I have been going into that question quite extensively and giving the figures, and showing that the department has not taken into consideration elements of cost which must ultimately be taken into consideration by the department. In New York City alone 76 per cent of the parcel-post mail that was delivered was not charged as being an expense at all, the department assuming that because a letter carrier had a little extra space and could carry a small parcel, therefore it was not a proper item of expense. I also referred to the cost of transportation on the railroads, for which there has been no charge made in this computation. I say that considering these and other elements of cost it is impossible for me to believe that you

can carry a pound parcel 150 miles for 5 cents.

I was going to give some consideration to the recent modification of express company rates which has been ordered by the Interstate Commerce Commission, as many of you know, under that provision of the act of Congress which directs the Interstate Commerce Commission to apply reasonable rates for the carriage of express matter. Those greatly reduced rates become effective February 1. I can only summarize by saying that as to this character of service it is my opinion that under the existing rates the express companies will have no fear of competition in any zone beyond the third or the fourth zone in packages weighing over 10 pounds. Under the basis of charges for express carriage the Interstate Commerce Commission has formulated rates on a scientific basis. They allow 10 cents for collection, 10 cents for delivery of every package, and then they allow 25 cents as the minimum freightable charge in all the zones, which are five in number, except the fourth, which is the intermountain region, where they allow a minimum charge of 50 cents. In addition to that, they allow the amount of 15 cents per block for space used in the first zone, which is that territory, generally speaking, north of the Ohio and east of the Mississippi, and 20 cents in the second zone, described generally as the southern territory; 24 cents in the third and fifth zones, the third being the territory west of the Mississippi up to about the Rocky Mountain district, and the fifth the Pacific coast district; and 28 cents in the fourth zone, or intermountain

Now, in the first zone is the minimum charge, where the density of express business is greatest, which is 10 cents for collection, 10 cents for delivery, 25 cents the minimum freight charge, and 15 cents per block of 50 miles, making an aggregate of 60 cents expressage per 100 pounds for each block, which is about 50 miles.

As to the item of allowance per block for space, which varies in the different zones, that is reduced one-quarter of a cent for each additional block the express matter is carried over the entire part of the country. The Interstate Commerce Commission also bases the charge on the shortest practical route, so that the shipper gets the benefit of the shortest distance.

Now, this power to change rates and change zones and bringing new mail matter within the purview of the Parcel Post Sys ton was passed by Congress with the direct intendment that the I. terstate Commerce Commission should supervise these changes and should not give their consent until after investigation of the facts. But we are informed that the Interstate Commerce Commission has absolutely failed to perform these duties as Congress intended; that they have only, in fact, viséed the findings of the department officials, accepted their figures as facts, and did not go into any separate investigation at all. This is a great power, without limitation, to be vested in any

Postmaster General.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SAMUEL W. SMITH. I yield to the gentleman 10 minutes more.

I have nothing but praise for the ability Mr. STAFFORD. of the Postmaster General, of his conscientious attention to duty, but I believe the power of changing classifications is too great a power to be vested in any department head, no matter how much faith we have in his integrity of purpose, without some supervision and control over the matter similar to that which was directed to be vested in the Interstate Commerce Commission.

Recently the Postmaster General has put in force an order that brings books under the zone system of charges. I fully approve of the extension of the parcel-post rates so as to include books, but if he has the power to include books he has power to include second-class and all other classes of mail matter without review, judging from the action of the Interstate Commerce Commission, by any outside body.

There are many other provisions of the law that I would like to refer to, but before concluding my remarks I wish to speak briefly as to section 6 of the bill that we report, the famous section 6 that seeks to lift assistant postmasters out of the

classified service.

I approach that in the spirit of nonpartisanship. I do not wish my consideration of that subject to be considered as viewing it any way from a partisan standpoint, but rather from a Postal Service attitude. From my acquaintance with the postal affairs I sincerely believe that it is for the best interest of the Postal Service to have continued always in service some executive officer who is not the creature of political rule, who is there at all times, fully acquainted, efficient, and can give the very best advice and service as to the needs of the service. And particularly is that required during a change, when postmasters are being changed by change of administration. They are efficient men or otherwise they would not be retained. The weakness of the position of gentlemen on the other side is that they seek to remove these men under the guise that they are inefficient, and yet they want to substitute men appointed merely for political purposes. If they believe that these men are creatures of the spoils system and are inefficient, which the Postmaster General strongly dissents from, and they are believers in the merit system, why not give an opportunity to those of the grade of supervisory officials, such as cashiers, superintendents of delivery and registery now under the classified service, who merit the promotion to this higher position of assistant postmaster, at present under the civil service in each respective post office?

I hope the other side will not go to the extreme of opening this great business service to the attacks of the spoilsmen. In this great business system, where it is absolutely necessary to have efficiency, you ought not to make it the subject of the spoils system, and I sincerely hope that gentlemen on the other side will not invade thus this sanctum of business efficiency.

[Applause.].

Mr. SAMUEL W. SMITH. Mr. Chairman, I intended to yield the remainder of my time to the gentleman from Kentucky [Mr. Langley], but I do not see him present. Therefore I suggest that the other side proceed.

The CHAIRMAN (Mr. RUSSELL). Does the gentleman from

South Carolina control the time?

Mr. FINLEY. Mr. Chairman, I will say to the gentleman from Michigan that my understanding is that there will be but one more speech on this side.

Mr. SAMUEL W. SMITH. That is my understanding, and that the gentleman from South Carolina was going to close for that side.

Mr. FINLEY. Is the gentleman through?

Mr. SAMUEL W. SMITH. Yes; the gentleman from Kentucky [Mr. Langley] is not here, and therefore I yield up the remainder of our time.

Mr. MOON. Then the gentleman is through with his side of the debate?

Mr. SAMUEL W. SMITH. Yes.
Mr. MOON. Mr. Chairman, I now yield 50 minutes to the gentleman from South Carolina [Mr. Finley].
Mr. FINLEY. Mr. Chairman, I do not think that in discussing a great appropriation bill such as is before the House at this time partisanship or sectionalism should have a place. The Postal Service of the United States, as has been stated The Postal Service of the United States, as has been stated on this floor hundreds of times, is the one all-important, far-reaching Government service which extends to every person in any community in this country, and spreads out to the people not only of this great country, but also to every part of the known civilized world. I have been here for many years, having been elected eight times, and I have seen this service grow from one requiring an appropriation of \$89,000,000 per annum for its support to the present bill, which, in round numbers, carries \$306,000,000. It may be interesting to call attention to the origin of the Postal Service in the United States. As has been so often and so truthfully stated, the fathers of the Republic builded even more wisely than they knew. The Postal Service is mentioned in the Constitution of the United States in probably fewer lines and fewer words than any of the other great subjects treated in that great fundamental law. It is provided that "Congress shall have the right to establish post offices and post roads."

I have quoted the Constitution literally, and that is all there is to it, but it was found that after this country had embarked upon its career as one of the family of nations, what was most necessary was that an efficient postal service should be given

to the citizenship of the country, a service that was extended as the needs of the country demanded, a service that should grow year after year, and in this day the bill before the House for the support of the Postal Service of the United States is the largest appropriation bill, I believe, that has ever been introduced into any parliamentary body appropriating money for any single purpose. Such has been the growth of the Postal Service, and I call attention to the fact that the growth of the country has kept pace with the development of the Postal Service in the United States. Originally, I believe, Benjamin Franklin was the first Postmaster General, and I have heard it stated, and I believe it to be an historic fact, that in its origin the record of the service consisted of a single-entry daybook which he carried about with him under his arm. That was more he carried about with him under his arm. than a century ago.

Go back as far as 1800 and we find that the total annual expenditures were only a little over \$200,000. The expenditures were exceeded by the receipts by something like \$66,000. The following tables, taken from the Postmaster General's annual report to this Congress, show receipts, expenditures, and development of the Postal Service of the United States for the past 113 years.

Growth of the Postal Service.

RECEIPTS AND EXPENDITURES FOR CERTAIN YEARS FROM 1800 TO 1913.

Items.	1800	1810	1820	1830
Receipts	\$280,804 213,994	\$551,684 495,969	\$1,111,927 1,160,926	\$1,850,583 1,932,708
Excess of receipts Excess of expenditures	66,810	55,715	48,999	82, 125
Items.	1840	1850	1860	1870
Receipts Expenditures	\$4,543,522 4,718,236	\$5,499,984 5,212,953	\$8,518,067 19,170,610	\$19,772,221 23,998,837
Excess of receipts Excess of expendi- tures	174, 714	287, 031	10, 652, 543	4, 226, 616
Items.	1880	1890	1900	1903
Receipts	\$33,315,479 36,542,804	\$60, 882, 098 66, 259, 548	\$102,354,579 107,740,267	\$134, 224, 443 138, 784, 487
Excess of expendi-	3, 227, 325	5, 377, 450	5,385,688	4, 560, 044
Items.	1904	1905	1906	1907
Receipts	\$143, 582, 624 152, 362, 116	\$152, 826, 585 167, 399, 169	\$167,932,782 178,449,778	\$183, 585, 005 190, 238, 288
Excess of expendi-	8,779,492	14, 572, 584	10, 516, 996	6, 653, 283
Items.		1908	1909	1910
Receipts		\$191, 478, 663 208, 351, 886	\$203, 562, 383 221, 004, 102	\$224, 128, 657 229, 977, 224
Excess of expenditure	BS	16, 873, 223	17, 441, 719	5, 848, 567
Items.	centuri duni	1911	1912	1913
Receipts . Expenditures . Excess of expenditures . Excess of receipts .		\$237, 879, 823 237, 648, 926	\$246, 744, 015 248, 525, 450	\$266, 619, 523 262, 067, 541
		230, 897	1,781,435	4,551,984
ANNUAL EXPENDITURES,	BY ITEMS, F	OR THE YEAR	S 1904 TO 1913,	, INCLUSIVE.
Items,		1904	1905	1906

Items.	1904	1905	1906
Service in post offices: Salaries of postmasters. Salaries of clerks, etc. City Delivery Service. All other expenditures.	\$22, 273, 415. 63	\$22, 743, 521, 43	\$23, 548, 988. 33
	21, 043, 973. 86	23, 125, 718, 92	24, 700, 645. 34
	20, 585, 570. 31	20, 923, 392, 35	22, 095, 211. 02
	6, 135, 161. 60	7, 152, 286, 82	7, 501, 831. 70
Total	70, 038, 121. 40	73, 944, 919. 52	77, 846, 676. 39
Railway Mail Service	12, 106, 130. 09	13, 289, 368. 41	14, 182, 087. 57
	12, 681, 876. 90	20, 824, 269. 44	24, 773, 613. 58

Growth of the Postal Service—Continued.

Item	Items.		1905	1906
ransportation of domestic mail: By railroads By other means of transporta- tion.		\$43, 971, 847. 50 10, 697, 624. 54	\$45,040,563.62 11,302,795.22	\$46, 953, 438, 60 11, 449, 199, 43
Total		54, 669, 472. 04	56, 343, 358. 84	58, 402, 638. 03
Transportation of fo	reign mail	2, 708, 479. 52	2, 832, 432. 11	- 3, 052, 890. 46
Payment on accor money orders	ant of invalid	158, 036. 75	164, 820. 91	191, 872. 80
Iţem	s.	1907	1908	1909
Service in post office Salaries of postr Salaries of clerk City Dalivery S All other expenditu	nasters s, etc ervice	24, 580, 667, 25 26, 647, 397, 21 23, 356, 941, 90 8, 788, 126, 13	25, 602, 973, 86 30, 920, 449, 68 26, 450, 138, 33 9, 649, 691, 38	26, 571, 911, 15 34, 876, 492, 71 29, 869, 783, 03 10, 061, 092, 05
Total		83, 373, 132. 49	92, 623, 253. 25	101, 379, 278. 94
Railway Mail Servic Rural Delivery Serv	cerice	15, 178, 374, 82 26, 666, 889, 22	17, 390, 532, 15 34, 455, 269, 59	18, 356, 800. 13 35, 586, 779. 50
Transportation of d By railroads By other mean		49,758,071.01	48, 458, 255. 34	49, 869, 374. 52
tion	······································	12,002,580.70	11, 962, 539. 41	12, 382, 475. 27
Total		61,760,651.71	60, 420, 794. 75	62, 251, 849. 79
Transportation of fo	reign mail	3, 031, 038. 24	3, 084, 025, 44	2,943,849.32
Payment on accoumoncy orders	int of invalid	228, 201. 86	378,010.97	485, 545. 21
Items.	1910	1911	1912	1913
Services in post offices: Salaries of postmasters. Salaries of clerks, etc City Delivery Service All other ex- penditures	\$27, 514, 362, 80 38, 045, 456, 62 31, 805, 485, 28 10, 405, 405, 69	\$28, 284, 964. 11 40, 364, 930. 39 33, 165, 067. 58 11, 083, 406. 74	\$28, 647, 726. 32 42, 484, 457. 37 34, 266, 926. 35 11, 118, 292. 23	\$29, 126, 662. 47 45, 785, 826. 34 36, 732, 578. 66 11, 809, 403. 32
Total	107, 770, 710.39	112, 898, 368, 82	116, 517, 402. 27	123, 454, 470. 79
Railway Mail Service Rural Delivery Service	19, 389, 414. 44 37, 073, 732. 64	20, 106, 909. 40 37, 145, 756. 65	20, 711, 675. 12 41, 889, 522. 80	22, 925, 614. 11 45, 702, 413. 20
Transportation of domestic mail By railroads By other means of	49, 405, 311. 27	50, 583, 122. 96	51,691,301.21	51,959,387.60
transporta-	12, 534, 500. 99	13, 175, 365. 83	13, 288, 790, 46	13, 375, 142. 06
Total	61, 939, 812. 26	63, 758, 488. 79	64, 980, 091. 67	65, 334, 529. 72
Transportation of foreign mail	3, 203, 821. 23	3,315,349.28	3,917,370.94	4, 258, 621. 2
Payment on ac- count of invalid money orders	599, 733, 54	424,053.74	509,387.28	391, 892. 2

Thus it is seen that for many years the service dragged along, until about 1880. Then it was that the American people concluded to take their proper place in postal development, and the Postal Service has been extended accordingly. To-day, in point of wealth, in point of power, and in point of influence, the American people are richer by far than any two other nations under the sun. I stated here, years ago, that no country could possibly become great and powerful in the council of nations unless that country had a proper and efficient postal service. There were then and there are now those who believe that some of the nations of Europe are destined to compete with us in the final contest for industrial supremacy. I disputed that proposition 10 years ago. I said then, and I repeat now, that when China—that country great in area, in resources, and populated by a yellow race—is developed, its development will come largely because of the extension of its postal system. also said that if China is ever developed, if it ever reaches the high point in the state of progress that its people and its resources should command, then it will be that North America will be the final competitor with that great country in the

affairs of nations. One race against another? Not necessarily. As I take it, the race will be one of industry, of achievement in the arts and sciences, in the manufactures. I believe that in 20 years war will be an impossibility on account of aeroplanes and submarine boats. It has often been stated that the country which excels in the production of iron and steel is necessarily the greatest nation.

Now, if this be true—and I do not think it altogether true—then China has a greater area, has a greater mileage of navigable rivers, as great an extent of seacoast, greater deposits of steel, iron, and coal, and has a working population equal to that of the balance of the world combined. Thus when my friends speak about exploiting China I say to them that the time will come when we will compete not with Japan but with China—a China developed and a China with an efficient postal service. Then my friends on the Pacific coast will have a proposition to meet not so much of race as of industry and one which may stagger the civilized countries of the earth.

Now, Mr. Chairman, so much for this. I wish to state that I shall not attempt to discuss the various items of appropriations carried in this bill, but I will content myself by saying that the estimates submitted by the Post Office Department were prepared carefully; they were pared closely, and when they came to the Committee on the Post Office and Post Roads we found that these items in a great majority of instances could not be reduced. In a few instances we have raised these estimates, in others we have lowered them, and when the bill is finally passed I give it as my opinion that the sum total carried in the Post Office appropriation bill of this year will be about what was submitted by the Department to the Congress, not the same in every item of appropriation, but in the total.

Mr. Chairman, there has been a great deal said here about new legislation and about the iniquity of tacking on a matter that is subject to a point of order under the rules of the House. You can not bring in new legislation or legislation that changes existing law without that proposed legislation being subject to the point of order that it is not in order, and on a single objection it may be stricken from the bill. That is true, but since I have been, for 15 years, in Congress I have never seen a year, with the possible exception of one or two. I believe, when this course was not a necessity. And why? This country, being as great as it is, with its numerous and diverse interests coming from every section of the country, and with Congress here to register the will of the people, it has been found time and again that the only way to secure immediate action and get legislation was by tacking on riders to an appropriation bill. I have no apology to make for this course of procedure. It has been done a great many times. It is necessary in most instances and it is necessary in this. I state my position, therefore, to be that I am in favor of that course, because when the people demand legislation the best way to get it is the shortest and the quickest way, and that, I believe, has always been the rule that has guided the Post Office Committee in reporting new legislation.

As to this legislation, I shall go over it briefly. Section 1 is the Post Office appropriation bill proper. Section 2 corrects a defect in the law relative to weighing of mails when the weighing is interrupted by flood or unavoidable causes. Nobody will dispute the rightfulness of that propositon. Section 3 requires railroad companies carrying the mail to furnish railway-mail clerks transportation. This, I believe, has been found necessary because a number of clerks living at some distance from the terminals and from the end of their routes were prohibited by the railroad companies from doubling back a few miles just out of town to their homes, and so on. That is my recollection of the proposition. It amounts to very little, one way or the other, except to the railway-postal clerks. Section 4 provides that the Postmaster General may hereafter lease terminal railroad post offices for a period not exceeding 10 years. Now that the postal business actually handled in the country has been increased on account of the amount of through mail, mail that can not be made up well at the initial post office or in railway post-office cars, as it can be by being transferred to a terminal post office at the end of the route, it is found economical that there should be at various railroad stations throughout the country these terminal railway stations. There it is that mail is separated and the mail routed and made up for the various parts of the country. This makes for economy in the Postal Service. And while I am on this proposition I had just as well mention another matter that has been in my mind for some time. I believe that when some one conducting the Postal Service of the United States undertakes. in a sensible and efficient way, to reduce the cost of the service it will be found that mail can be best routed, can be best made up, outside of a traveling post-office car, except as to mail that is to be delivered between stations—to illustrate, mail taken on that is to be delivered between Washington and Greensboro, N. C., and so on.

I believe it will be found that this is one economy that can

be placed in effect and will result in a great saving.

Section 5 provides for the expenses of two delegates to the International Postal Union at Madrid. We have postal treaties with 32 other nations. Those countries have a convention once in five years, which goes over postal affairs as they are related one country to another. They also formulate rules and promulgate regulations for the government of international mail. In 1915 this convention will meet at Madrid, and we are to send two delegates; but those delegates, as provided in the proposed legislation, are to be from the department. In other words, it is not to be something to be given to "lame ducks." They are to be experts from the Post Office Department—men who know their business, and men who will go there with knowledge of what they are to do and be able to discharge their duties

I shall purposely omit section 6 for the present. Mr. FESS. Will the gentleman yield there?

Mr. FINLEY. Certainly.

Mr. FESS. The Member has impressed me not only with his great ability but with his sincerity, and that is why I ask this question. What I want to know is: Do you mean it is necessary to have section 6 in here in order to make this bill effective?

Mr. FINLEY. I will say to the gentleman that this section 6—one, so to speak, by itself—I will discuss it when I come to it in the same plain, straightforward way, I hope, that has always marked my discussions in this House and elsewhere.

Mr. FESS. The reason I asked the question-

Mr. FINLEY. I am coming to it.
Mr. FESS. You spoke a moment ago about the rider being necessary, and what is interesting me is whether it is necessary

Mr. FINLEY. A rider in an appropriation bill? Mr. FESS. Yes.

Mr. FINLEY. Often they are necessary. I will say to the gentleman this, that 99 per cent of the postal legislation since I have been in Congress has been in the way of riders on appropriation bills. In fact, I will say that 99.9 per cent of the legislation that is of importance and of moment to the American people has been brought about in that way.

Mr. FESS. Now, do you mean that that is necessary?

Mr. FESS. Now, do you mean that that is necessary?
Mr. FINLEY. Well, I say that on account of the diversity
of opinions that prevails everywhere, and men being weak—not
referring to the membership of the House, but to other bodies,
and other people who have something to say about it—on account of those foibles and weaknesses incident to humanity, it is necessary.

Mr. FESS. And then it would be better to put it in as a rider

than bring in a bill of itself?

Mr. FINLEY. I will say to the gentleman this, that when you bring in one of these propositions as a separate bill, coming from the Post Office Committee and passed by the House, it goes to some other body. I am not criticizing any other body, but if the bill found a resting place in an unexplored section of a pigeonhole in that other body, and was never heard of or found, it would not be unusual.

Mr. FESS. Now, is it not true that a rider is always an excuse for a thing that you can not help or bring in inde-

Mr. FINLEY. Not always. But I will say to the gentleman what I repeated before here, that a rider is a short, quick, and expeditious way of securing legislation. Now, a rider on this appropriation bill goes over to the Senate. They may amend it there; they may make it better, or they may make it worse. They may leave it out. However, when it goes to conference with such high-minded and patriotic citizens as my friend the gentleman from Tennessee [Mr. Moon] and my distinguished friend from Michigan [Mr. SAMUEL W. SMITH] and your humble colleague, whose diffidence is well known, as conferees, if an attempt was made to override the action of the House in conference on a matter of importance you would know about it long before the attempt was successful.

Mr. FESS. Then we are to understand that this rider is put in here because it is necessary and because it can not be gotten

in any other way?

Mr. FINLEY. I do not admit that. I will say to the gentleman that all of that will come up in its regular order. And I I do not admit that. I will say to the gentleam going to discuss section 6.

Mr. FESS. Is it not true that in order to embarrass a man who wants to vote for this measure you put this in because you think that thereby you will get some votes that otherwise you

would not get?

Mr. FINLEY. Oh, no. If there is anything in the world that the Post Office Committee of the House is noted for, it is for its utter frankness and its entire freedom from anything that would look like a willingness to allow somebody to take advantage of it or a willingness on its part to take advantage of some one else.

Mr. FESS. It would appear to me that the President would be very loath to veto a bill that carried the necessities for the running of the Government, while on the other hand if it were merely a question of principle in repudiating the merit system he would be apt to act quickly. Does not the gentleman think there is something in the mind of the committee along that line?

Mr. FINLEY. Well, I belong to the committee, and I will

say to the gentleman that I try to keep my promises.

Mr. LOBECK. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from South Carolina yield to the gentleman from Nebraska?

Mr. FINLEY. Certainly.
Mr. LOBECK. Are not these riders put on these appropriation bills generally the expression of the majority of Congress, as introduced by bills brought in by various Members, representing their views?

Mr. FINLEY. Well, generally that is true.
Mr. LOBECK. And in accordance with wishes of the people?
Mr. FINLEY. Generally, that is true; and it is necessary

in a majority of instances.

Now, section 7 provides for the compensation of railway postal clerks and substitutes for railway postal clerks receiving injuries in the Railway Mail Service, letter carriers in the City Delivery Service, railway postal clerks or special delivery clerks, rural carriers, and so forth. For many years, as those present all know, it has been the practice on the part of the Government to give railway mail clerks compensation for injuries received, or if they die or are killed certain sums are usually given to those dependent upon them. Now, this is simply to extend the provisions of the law to other postal employees than railway mail clerks if killed or injured in line of duty.

Section 8 provides that \$200,000 be expended by the Post Office Department for experimental purposes in purchasing and operating railway mail cars. Now, the question of railway mail pay comes up annually, and I suppose there are no two Members of this body who will agree, if they agree that the railroads are paid too much, as to how much they are overpaid, or who will agree, if they think they are paid too little, as to how much they are underpaid. Here is a proposition that gives to the Post Office Department what has been asked for many times.

There are those who believe that Congress should take over many, and, in fact, all, of the means used in the operation of the Postal Service. I am not one of those; but if there is any

abuse, I would be glad to see it remedied.

I want to say that to a very large extent my distinguished friend from Wisconsin [Mr. Stafford], who has just preceded me, submitted figures and deductions which in many respects are the same as those I had compiled for use on this occasion. I will try not to use all of them. This happened certainly without any conference between him and myself, and without any knowledge on our part of the action of the other. I want to state this, that while the Postal Service since 1904 has increased so largely in the matter of expense—which has more than doubled—yet the railway pay has increased only 18 per cent. I may say but for the economies brought about since 1906 in the way of the blue tag, shipping mail sacks, publications of various kinds by freight, and a reduction in railway mail pay, the expenses for this branch would be at least eight millions greater.

There are many people who are honest and to some extent correct in their belief, who think that too much money is paid for this service. Let us see about it. If too much is paid, it is paid to the great trunk lines. If there is too little paid, it is paid to the small railroads, those short-line railroads, apartment-car railroads, and so forth. I know of an instance where, as I recollect, the amount paid to the railroad for something like 30 miles of carriage of mails between important townsboth of them second-class post offices and with thriving villages and towns between them and a prosperous and well-to-do people all along the line—the railroad, as I recollect, receives less for carrying the mails than is paid to many of the railway postal clerks.

I think it is only something like \$1,200 or \$1,500. It is a very small amount, so that this railroad is not compensated at

all for the service rendered the Government.

When you consider the growth of the Postal Service, when you consider the increased number of magazines that are printed in this country, you will understand the tremendous increase in the weight of the mail carried. Most of you know something about the blue-tag system inaugurated by the department. That grew out of something that took place in the Post Office Committee in 1907, as I remember. The same is true as to railway-mail equipment. In view of these things, I want to ask my friend from Wisconsin [Mr. Stafford] if he does not think that this experiment of the Government owning its own railway post-office cars will solve the question whether or not it is cheaper for the Government to carry its mail equipment, the parcels that go through the mails, and also publications that can be carried in storage cars? I give it as my opinion that these cars will be largely used for the purpose of carrying railway-mail equipment, post-office equipment, and such publications as can be carried in carload lots from the place of publication to distributing points, and also in carrying parcels through the mails, in making the parcel-post system more efficient.

It is my opinion that the full cost of the parcel-post system has not yet been ascertained. [Applause.] The full benefits of it have not been reached, either; and when the full benefits are attained, and the service is given complete operation, then we will know what it costs this Government to operate the parcel-post system, and not before. That system is now op-erated largely under departmental orders. Those departmental orders were given with the best light before the department, but there is no one here or elsewhere who believes that this House, this Congress, the Post Office Department, or any other body is infallible. We are all liable to make mistakes. So my opinion is that within the next two years or three years, when this parcel-post system is fully developed, and when all the four weighing divisions of the country have had their weighings of mail, our present ideas as to the cost of the parcel-post system may be materially modified. A 50-pound package going through the mail will entitle the railroads to receive as much as they receive for carrying 50 pounds of letters. I believe that 60 letters, each carrying a 2-cent stamp, weigh about 1 pound. Now, when you calculate that the parcels going through the mails will entitle the railroads to the same pay at the same rate per pound that is paid for carrying these letters, you can see that the time has not yet arrived when we can say what

amount will be paid to the railroads.

So I believe that this provision in the bill, providing \$200,000 to purchase and operate railway mail cars as an experiment, is a wise provision. It will help the Post Office Department to try out, not only carrying the mails generally in its own cars, but to try out the proposition of carrying magazines and other publications that may be issued, transporting them in storage cars from New York or Philadelphia or Boston to Pittsburgh or Chicago or St. Louis or other distributing points. It will enable the department to try out the parcel-post proposition. And until that is done we will not know whether this proposed expenditure of \$200,000 is a good one or a bad one. I believe it is a good one. The meat packers and, to a large extent, vegetable

shippers own their own cars.

Mr. PLATT. Will the gentleman yield for a question?

Mr. FINLEY. Certainly.

Mr. PLATT. Under section 12 of this bill, which provides that the Post Office Department shall have some future part in the selection of sites and in the control of buildings, will it be possible to determine the expenditure for increased buildings, made necessary by the parcel post, and will that be accounted as a part of the cost of the parcel-post system? In my district we have got to have a new post office in the city of Newburgh, chiefly on account of the parcel post, and that building will cost probably \$200,000.

Mr. FINLEY. There will probably be a branch post office at the union station or depot, and the parcel post will be handled

from that point.

Mr. PLATT. And not from the post office? Mr. FINLEY. Of course it will be handled by employees of the post office and the post office will have charge of it.

So, Mr. Chairman, when the parcel post is in full operation it will be interesting to ascertain what is the increase in the weight of the railway mail on account of the packages carried by the parcel post. I believe they are going to weigh the mail in the New England division this year. Next year, I think, they will weigh the mail in the Central West. Those are the two great divisions so far as the parcel post is concerned, because in those divisions are located the great departmental stores. When these weighings are made and when, as I hope, we shall have in operation this system of the Government owning and operating its own railway postal cars—not to an unlimited extent, but to a sufficient extent to enable the Government to try

out the proposition-then we will know more than we know now. I am one of those who in the committee and on the floor of the House and in the committee of conference helped to frame the parcel-post law. I believed that the American people demanded it, and I believe it was a good thing for them and that it will result to the benefit of the people of the country and that it has already resulted to their benefit. It has had the effect of reducing express charges. Up to the inauguration of this system the express companies had a monopoly of carrying packages exceeding 4 pounds in weight.

While I am on this proposition I want to say by way of repetition that a parcel or package going through the mail is freight, so to speak, and it ought to bear all the expense incident to its receipt, separation, its carriage, and its delivery to the consignee from first to last. I am not one of those who believe that any man or any section or any particular business in this country has the right to special benefit coming to it in the way of charges of the Government for services performed for less than

the service costs the Government.

In view of that, I say that you must take the Postal Service as a whole, and while it will be impossible to figure the cost of the parcel post to a cent, we can approximate it as we do with many other divisions of the Postal Service.

Section 9 in relation to the rural carrier carries an increase of approximately 7 per cent. I read an editorial the other day in a newspaper, whose editor ought to have known better than to write such an editorial, to the effect that these carriers required no equipment, that they were without expense in this respect, or something like that.

Now, every Member in this House who has any knowledge of rural carriers is aware of the fact that each rural carrier has an equipment that costs from \$300 to \$600. It depends on the locality, it depends on the section of the country, on the condition of the roads, on the climate, and so on. And just here, if I may ask, with the parcel post in full operation, what will be the effect on these carriers? Most of them, or the majority of them, ride in buggies. Do you think, with the weight increased in the parcel-post packages to 50 pounds, that they will be able to ride in buggies very long? Some one very sensibly stated the other day that they would require spring wagons. I have no doubt about that, and that they will have spring wagons specially constructed for use in the service to properly conduct that service. So that this equipment of \$300 to \$600 will be vastly increased by the inauguration of the parcel post by reason of the amount of mail and packages they will have to carry. These matters all taken together mean that they will perform larger duties and will be at a much greater expense.

Mr. FESS. Will the gentleman yield Mr. FINLEY. Certainly.

Mr. FESS. The increase in the wage is not greater than the increase in the amount of work added by the parcel post, is it? Mr. FINLEY. No, not at the present time; but when the parcel-post system has reached its full development, then the question would have to be answered in the negative with stronger emphasis. In other words, with the full development of the parcel-post system this 7 per cent increase would not compensate them for the increased service they have to perform by reason of the parcel post.

Mr. MADDEN. Will the gentleman yield? Mr. FINLEY. I will yield. Mr. MADDEN. As to what the gentleman said about the necessity of spring wagons which the carrier will have to have. Will he not also have to have a set of scales to weigh the parcels that come to him from residents in the rural districts? suggest that it might be necessary, and probably will be, to have these scales a part of the wagon—built into the floor of the wagons—so that they will be a permanent fixture. will be added to the cost of equipment. That

Mr. FINLEY. My distinguished friend from Illinois is correct, as he usually is. The increased service that will be demanded of the rural carriers warrants the 7 per cent increase,

and later on a greater increase will be demanded.

Mr. HAMLIN. Will the gentleman yield? Mr. FINLEY. Yes.

Mr. FINLEY. Yes. Mr. HAMLIN. Did the gentleman also take into consideration the fact that the residents along the routes will have to provide a place for the deposit of parcels when delivered by

Mr. FINLEY. That can be regulated by departmental order. Mr. HAMLIN. Complaint comes to me that carriers frequently have to return back to the office packages that they start out with in the morning because there is no place to leave them. They can not deposit them in the boxes, and they do not dare to leave them outside for fear that they will be injured by the weather or that people may come along and take

Mr. FINLEY. I will say that there are comparatively few

Mr. HAMLIN. I think they are getting numerous.

Mr. FINLEY. In my country-I have not traveled in the gentleman's country-the rural routes go along the public highways and houses are generally on the highway. Those who have not the good fortune to live on the highway have a box located at the house of some one else who does live on the highway, so that any package could be left there without very much So I can not quite agree with the gentleman inconvenience. from Missouri that that would be a general condition.

Mr. HAMLIN. I understand it is quite general. More than one carrier told me last week that they were now under the necessity of phoning ahead to different houses for them to meet them at the road and receive packages which they did not dare to leave, and frequently they could not reach the patrons by phone because they did not have any phone, and they had to carry them all the way round their route.

Mr. FINLEY. I will say to the gentleman that proper delivery in the rural service means that no man would be more

than a mile from the rural route.

Mr. HAMLIN. He might as well be 5 miles as 1 mile, so far as the reception of these packages is concerned, if there is no receptacle to leave them in.

Mr. FINLEY. I understand that when there is a package to be delivered to a man who lives a mile or any distance from the public highway, then the package can be left with the person at whose house the box of this man is located.

Mr. RUSSELL. But it is not always at a house. Frequently the roads cross and there is no house there at all, and there are five or six boxes at the crossing of these roads.

Mr. HAMLIN. That is true; and houses are frequently set away back in the field, and besides that, I might not want my package left at this particular house.

Mr. FINLEY. Mr. Chairman, I will say this, that in the early days before the era of digging wells, laying out highways, and of automobiles and railroads, our people had a way of building their houses near some good spring. We have changed that now, and I submit that the people of Missouri will come to that after a time.

The people of Missouri live both on the roads Mr. HAMLIN. and back from the roads. Every portion of our country can be tilled, unlike the country the gentleman has the honor to represent, and so it is already populated now. They can not all live on the big road, but they can all read and do all get mail.

Mr. FINLEY. The same point the gentleman makes in reference to the delivery of packages could be applied to the delivery of registered letters.

Mr. HAMLIN. But there are not so many registered letters, I submit, as there are parcel-post packages.

Mr. FINLEY. All that will change now through the Democratic administration that we have in action.

Mr. RUSSELL. Everything will come around all right pretty

Mr. HILL. Mr. Chairman, will the gentleman yield?
Mr. FINLEY. Certainly.
Mr. HILL. I was going to ask the gentleman if, by executive order, the Post Office Department can make an additional box to hold packages of this sort at the expense of the person who receives the package or at the expense of the Government?

Mr. FINLEY. Oh, it would have to be at the expense of the person who receives the packages. The Postmaster General, under the law, has the right to make such rules and regulations as are necessary for the proper conduct of the Postal Service, when those rules and regulations are not in conflict with the law and when they will be conducive to and result in greater efficiency in the Postal Service. That is about the sum and substance of his power and authority.

All he could do would be to decline to have Mr. HAMLIN. mail delivered to the people who refused to comply with the

Mr. FINLEY. Yes.

Mr. FRANCIS. Mr. Chairman, will the gentleman yield?

Mr. FINLEY. Yes.

Mr. FRANCIS. This bill in section 9 provides a flat rate of pay for all rural carriers on a standard route of 24 miles

Mr. FINLEY. Yes; and I will say to the gentleman that when you come to discriminate and give one rural carrier one rate of pay and another another for like service, I think such a howl will go up over this country as the gentleman would not wish to hear repeated.

Mr. FRANCIS. Is there any comparison between the man who has a paved road to travel and another who has a lake

of mud? Does not one require three times the equipment that the other does? There ought to be some way of arranging the pay of these people in accordance with their trouble.

Mr. FINLEY. I will say this to the gentleman, that some people are fortunate and others unfortunate as to locality. About all the Government can do is to treat everybody on a plane of equality when they perform like service. depart from that rule, you get into trouble.

Mr. FRANCIS. The question is, Are they performing like

The CHAIRMAN. The time of the gentleman from South Carolina has expired. The gentleman from Tennessee has 17 minutes remaining.

Mr. MOON. Mr. Chairman, I yield the remainder of my time to the gentleman from South Carolina [Mr. FINLEY].

Mr. FRANCIS. They are not performing like service. They

are in the same department, doing a certain work. Mr. FINLEY. If the one with the paved road would exchange places with the man who had a mud lake, he would be on a paved road; otherwise not. But we are going to remedy all

that by passing the good-roads bill.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. FINLEY. Just for a question.

Mr. FESS. Does the power of the department without legislation here extend to forbidding patrons from dropping money instead of postage stamps into the box and expecting the letter carrier to put the postage on?

Mr. FINLEY. Oh, yes; the department has that power. Mr. FESS. We have a great many protests along that line.

Mr. FINLEY. I have no doubt. I will say to the gentleman he will never have any general law that confers as many blessings and benefits on the great American people as the Rural Delivery Service does without there being some little inequalities here and there.

Mr. RUSSELL. I had that question up with the department very recently and I was advised that I might inform my constituents that they were not bound to take up the pennies dropped in the box. The carriers said sometimes their hands were cold and numb and they could not pick them up, and the department said they did not have to do so, but if the pennies were put in some pasteboard receptacle, that then they would be required to pick them up. That is the order of the department.

Mr. FINLEY. Now, Mr. Chairman, I will proceed. not have the time to go over all this proposed new legislation. As I have already stated the expenditures for the postal service for 1800 were \$215,914. The expenditures for 1913 were about \$262,000,000, as I recall, and I have already inserted in my remarks a table showing the various expenditures for 10-year periods, beginning with the year 1800. Now, it is remarkable periods, beginning with the year 1300. Now, it is remarkable that in the past 13 years the expenditures have approximately increased 200 per cent. Salaries of postmasters in 1904 were \$22,273,415.63. For 1913 they were \$29,126,662.47. For 1904 salaries of clerks in city post offices, \$21,043,973.86. In 1913 they were \$45,785,826.34. In 1904 City Delivery Service amounted to \$20,585,570.31; in 1913, \$36,732,578.66. Now, during those same years the Railway Mall Service for clerks in 1904 was \$12,106,130.09; in 1913 it was \$22,925,614.11. In 1904 the Rural Delivery Service cost \$12,681,876.90, and in 1913 the expenditures were \$45,702,413.20, total Railway Mail pay for 1904 of \$43,971,847.50, and for 1913 of \$51,959,387.66, an increase of about 18 per cent.

Mr. Chairman, I wish to call attention to this fact: In mentioning railway mail pay a moment ago—the increase in 13 years is about 18 per cent. Now, you would naturally conclude that railway mail pay would increase in proportion with other expenditues of the Postal Service. Not at all; it is only about an 18 per cent increase. That comes about largely because of increased salaries paid to postal employees. In 1907 we greatly reduced railway mail pay, railway post office car pay, and this accounts for the fact to a very great extent that railway mail pay does not show a larger percentage of increase. Now, when this joint commission which has the matter under consideration reports, I am led to believe from what I am told that they will report some new legislation. What that will be I do not know, but I believe that if any change is made in the law that inside of three years from now the railway mail pay and the cost of the parcel post will be increased largely.

Mr. Chairman, as to section 6, it seems to be a proposition that worries everybody on that side of the aisle-Republicans, Bull Moosers, Progressives, and all. I do not think it worries the Progressives as much as it does the Republicans. About the sum total of the argument made by the Republicans amounts to this: "Now you wicked Democrats listen to what I tell you. You are going to hurt yourselves meddling with the civil-service law." That is about the sum and substance of the argument which they make, "You are going to hurt yourselves."

Well, now, if we are going to hurt ourselves, does not my handsome friend from Illinois, the minority leader, want us to do so—not at the expense of patriotism or the good of the country—but if the Democratic Party is going to put itself out of existence on assistant postmasters, would the gentleman, or any other gentleman on that side, not be willing to see the experiment tried? Oh, no! oh, no!

Mr. MANN. You will hurt yourself in so many ways you

will soon go out anyhow.

Mr. FINLEY. Well, I will say to the gentleman that we are in now and his side is out. The children of Israel wandered in the wilderness for 40 years and were afflicted by the Philistines for 40 years. We are through with our affliction. You are going through yours now.

The gentleman is turning his affliction over to Mr. MANN.

the country

Mr. FINLEY. No; the Republicans are self-inflicted, and you are getting what is coming to you. Talk about assistant postmasters, and you have tried to make it one of the greatest propositions here that was ever considered by the American Congress. Even my good-natured friend, that rock-ribbed Democrat from Missouri [Mr. SHACKLEFORD], who is solemn and sedate when all great questions are considered, can not repress a smile when it is suggested that if assistant postmasters are to be tampered with in any way, the country will go to the devil. I do not believe a bit of it. This is no new proposition to me. Some of the older Members here will remember when the Hon. "Charlie" Grosvenor-

Mr. FESS. From Ohio.

Mr. FINLEY. We all know where he is from. He and the Hon, "Pete" Hepburn, the strongest debater I ever listened to in my life, and myself voted conscientiously, from a standpoint of patriotism many times, against the civil service. We voted against it every time it came up and we had the opportunity.

Why, when I was a young Member here I thought it was my duty, when I could not voice my opposition in any other way,

to vote against an appropriation to support it.

Now, I want to say this, that perhaps I am in the most anomalous position of any Member of the House. I had more to do than anyone else in the House with the passage of the classification act of 1907, and also with the recent act classifying rallway mail clerks. I have stated my position, and I have always voted accordingly here. I am going to do it now. I believe when the American people registered their will that the Government of this country should be turned over to the Democrats they looked to the Democrats to take the Government of the country, and believed that that Government could be best conducted from a patriotic standpoint—and from a standpoint of the will of the American people as registered at the polls-when every office which is not, strictly speaking, a clerical office, should be filled by Democrats, unless in some special instances, as a case where on account of the particular fitness of a man or on account of something else equally convincing, he should be retained, although of the opposite party.

Mr. FESS. Now will the gentleman yield?

Mr. FINLEY. I am going to discuss the matter. I have but

a few minutes.

Mr. FESS. You stated you would wait and come back to this.

Mr. FINLEY. I am on section 6 now. Mr. FESS. Will the gentleman yield? Mr. FESS.

Mr. FINLEY. Just for a question.

Mr. FESS. What is the difference between the Democratic policy toward the merit system as expressed in this section 6 and President Jackson's policy of "To the victors belong the

Mr. FINLEY. Oh, Jackson was born in my district, though my people were Democrats long before his time.

Mr. FESS. What is the difference?

Mr. FINLEY. There is a great deal of difference.

Mr. FESS. What is the difference? Mr. FINLEY. I will come to that.

Mr. Chairman, I had a lesson shortly after coming to Congress that taught me something about the civil service. I had a friend, a good Democrat, who attended the same college or university I did. I was in the law school and he was in the

literary department.

He came here from South Carolina. He was one of the census clerks in 1900, the Twelfth Census. There was no civil service about that. These census clerks in my State were divided between the Democratic and Republican parties. I named him and he was appointed. Then I believe he got into the city post office, but he wanted to go into the departmental service,

and I tried for two or three years to get him in. He stood all necessary examinations, and finally I met up with the Republican referee from South Carolina one day in the Post Office Department Building, and what I said to him about the Republican Party and its administration of the civil-service law you will not find in any Sunday-school book in all this country. [Laughter.] Anyhow, when I got through he said, "Oh, Finley, what do you want?" I told him, and he said, "Come around"; and we walked around to one of the bureau chiefs, a big man, one of those next to the head of the department, and the referee wrote something down on a paper. I could not see exactly what he did write, but he wrote anywhere from a line and a half to two lines. I had given him the name of my friend. He handed the slip of paper to an Assistant Postmaster General of the Post Office Department.

Within three days my friend was appointed to a clerkship.

He got it how? Under civil-service law? No.
I stated on the floor of the House years ago, and I repeat it now, that the civil-service law is the football of politics. not want to wipe it all out; not at all. But here is the Republican Party undertaking to make a mountain out of a mole-hill. They are undertaking to take an ant hill and make a Mount Vesuvius out of it. What about? Why, about the appointment of assistant postmasters.

There is not a man in this Hall who does not know that an assistant postmaster in the absence of the postmaster takes his place, and even when the postmaster is present the assistant postmaster has executive duties to perform; and I say in every case like that the man who is responsible and gives bond to the Government should have the right to name his assistant or say at least who is unfit for the place. Under the civil-service law

he can not do that. [Applause.]

The CHAIRMAN. The time of the gentleman from South Carolina has expired. All time has expired. The Clerk will

The Clerk read as follows:

For per diem allowance of inspectors in the field while actually traveling on official business away from their homes, their official domiciles, and their headquarters, at a rate to be fixed by the Postmaster General, not to exceed \$3 per day: Provided, That the Postmaster General may, in his discretion, allow inspectors per diem while temporarily located at any place on business away from their homes, or their designated domiciles, for a period not exceeding 20 consecutive days at any one place, and make rules and regulations governing the foregoing provisions relating to per diem: And provided further, That no per diem shall be paid to inspectors receiving annual salaries of \$2,000 or more, except the 30 inspectors receiving \$2,100 each, \$261,400.

Mr. HAMLIN. Mr. Chairman, I desire to offer an amendment at the end of line 12. After the word "homes" insert the words their offices.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Missouri [Mr. Hamlin].

Mr. Hamlin. It would then read, "their homes, their offices,

their official domiciles, and their headquarters.'

The Clerk read as follows:

Amend, page 2, by inserting at the end of line 12 the words "their offices."

Mr. HAMLIN. Mr. Chairman, the reason I offer this amendment is to try to cure what seems to me an existing evil in the inspection service which has come to my knowledge.

Of course, we all understand the purpose of the qualifications that have been put in this paragraph by the committee and carried in the law heretofore. The purpose is not to pay these inspectors when they are not actually traveling on official business, but only when away from their homes, their head-quarters, or their official domiciles. But this provision of the law has not always been observed.

For instance, out in my own section, St. Louis being the headquarters, no difference where the inspector may be located or to what district he may be assigned, his home is, of course, where his family is located, and his official domicile is where his office is kept. But the practice seems to have grown up to evade the law and charge per diem for days spent in the office by living a few miles out of the town where his office is located, and then for every day that he spends at his office" transacting business he charges that up to the Government as though he were away on official business.

Now, it may seem that this is hardly possible, but it actually In my section, in my own district, my attention has occurred. was called recently to a case of that kind, and I have down in my office figures and information showing that the inspector who was assigned to the district in which my home city is located has an office in the Federal building in Springfield, Mo., but that he located his family out 25 miles at Marshfield, on the railroad, where the trains run so that he could come in early in the morning to his office and go back home at night. In doing that, every day that he put in at his office at his actual official domicile he charged up to the Government a per diem of \$3, so that one-third of the actual time of 11 months in the last fiscal year for which I obtained the figures from the auditor he put in in Springfield, where his office was located, but charged the Government this extra per diem in addition to his salary.

Now, I think that, of course, ought not to be permitted. understand, of course, the committee does not want to permit it, and I understand the department does not want to permit

anything of that kind.

Mr. MOON. What is the language the gentleman wants to put in? The gentleman says, "From their homes."

Mr. HAMLIN. "Their homes, their offices." Mr. MOON. Well, what is the difference between their official domicile and their office?

Mr. HAMLIN. Home, you mean?

Mr. MOON. No; the language of this bill is-

While traveling on official business away from their homes, their official domiciles, and their headquarters.

The language the gentleman uses does not seem to me to carry any more force than the language of the bill. domicile" and "office" are the same thing.

Mr. HAMLIN. It has not been so construed by some of the authorities. I took this matter up with the authorities down at the department, and they did not consider it that way. They say his official domicile is wherever he resides.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAMLIN. I ask for five minutes more time.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent for five minutes more. Is there objection?

There was no objection.

The CHAIRMAN. Does the gentleman from Missouri yield to the gentleman from Wisconsin?

Mr. HAMLIN. I do.

Mr. STAFFORD. I rose a moment ago to ask the gentleman's authority for the construction he has given of "official domi-When the committee wrote this provision about eight years ago, as the Chairman well remembers, we sought to correct an abuse similar to that which the gentleman has just described, intending by "official domicile" to mean their offices. Now, has the legal officer of the department or any other official head construed "official domicile" to be synonymous with

Mr. HAMLIN. I can only answer the gentleman in this way, that I talked with the chief inspector about it and he did not construe "official domicile" to mean his office; and while I did not talk to the auditor in person about that particular point, I know he could not have construed it as the committee intended it should be construed, to mean his office, because he allowed this per diem for the days that the record shows the man spent at the place where his office was located.

Mr. STAFFORD. I wish to say that that construction is a forced construction, not giving any effect whatever to the other phraseology, but directly contrary to the express phraseology here, which indicates three places from which the inspector must be absent before he is entitled to his per diem, namely, his home, his official domicile, and his headquarters.

Mr. HAMLIN. Yes.

Mr. STAFFORD. No lawyer would ever construe that provision to make "home" and "official domicile" to mean the same. To give full effect to it you must consider "official domicile" to mean their offices, which was the intendment of the Congress when they enacted it.

Mr. HAMLIN. The gentleman and I agree entirely, and I was absolutely astounded when I found that there was a different construction put upon it. I am quite sure there is no difference between the committee and myself on this matter. only thing is, I want, if possible, to make it so plain that it can not be again misconstrued, so that these fellows will not be permitted to "whip the devil around the stump" and move right outside of the city where their offices are located and then charge the Government a per diem on the days that they are engaged in their offices.

Mr. MANN. Will the gentleman yield for a question? Mr. HAMLIN. I yield to the gentleman from Illinois.

Mr. MANN. Does the gentleman mean to say that the department construes the term "official domicile" to mean the home where a man lives?

Mr. HAMLIN. I ought not to say that the department so construes it; and if I said that, I want to modify my statement. I do not think I said that. I said that I took the matter up with the chief inspector, giving him the facts in this particular case, and his construction was that the law had not been violated; that the headquarters of this particular man were St. Louis, and that his home and domicile was the place where he

lived, and not the place where he happened to have his office. do not mean that the department made that ruling. I took it up with the inspector in charge, the chief inspector.

Mr. MANN. Does the gentleman know how long that construction has existed, as a matter of fact, in determining the pay of these inspectors?

Mr. HAMLIN. All this last year in this particular case. I am sure, and I have a very strong suspicion that it has covered

Mr. MANN. Of course, it is impossible for anyone here to understand how a man's home could be called his official domicile

Mr. HAMLIN. I think so, too, and I was absolutely astounded. I was going to say that there was a Member on the floor-perhaps he is not here at this moment-who was with me and who heard the conversation, and heard what I said. used some pretty strong language. I was very much astounded that such a construction could be put upon it.

I want it fixed in some way so that there can be no doubt about it in the future. I do not know whether the amendment I offer will cover it or not, but it seems to me that it would cover this particular case, because there is no question about where this fellow's office was located, and by putting in the words "their offices," then there can be no doubt about it. That is the reason why I have offered the amendment. At least, I trust that this discussion will make it so plain that it can not be misconstrued in the future.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOON. I think my friend does not add anything to the strength of this section by the language he uses. The words "official domicile" mean, beyond question, the same thing as the language that he offers here. I imagine that the whole complaint does not arise from that language at all, but from the proviso which comes afterwards:

Provided, That the Postmaster General may, in his discretion, allow inspectors per diem while temporarily located at any place on business away from their homes, or their designated domiciles, for a period not exceeding 20 consecutive days at any one place, and make rules and regulations governing the foregoing provisions relating to per diem.

If any such incident occurred, I do not think it could occur by the construction placed on the other language. The discretionary power under peculiar circumstances given to the department of giving an extra per diem when away from the place of business temporarily is the ground probably of the gentle-man's complaint. But it is absolutely essential that the department should have some discretion, because of the peculiar work that must at times be performed.

Mr. HAMLIN. Is the proviso the gentleman read in the exist-

ing law to-day?

Mr. MOON. It is

Mr. HAMLIN. Then that was not the excuse given by him? Mr. MOON. The gentleman from Missouri was talking with somebody that did not know what he was talking about; it was not the head of the department?

Mr. HAMLIN. I was not talking with the Postmaster

General.

Mr. MOON. The gentleman was not talking with the First Assistant Postmaster General, was he?

Mr. HAMLIN. No.

Mr. MOON. He gave you an explanation that was not correct. This has been the practice all along. I do not think that any fraud has been perpetrated at any time under this section. I do not see any force in the gentleman's amendment, for I do not think it would affect the matter at all.

Mr. HAMLIN. I do not agree with the gentleman that this

privilege has not been abused.

Mr. MOON. I am not undertaking to say that it has not been abused. Wherever a discretionary power is given, as it is sometimes essential to do, there may be an abuse of it, and it is far from me to say that there has not. I do not know whether there has or has not, but I imagine that there has been no intentional abuse of it.

Mr. HAMLIN. The construction put upon this provision is that they have a perfect right to locate themselves outside of a place where the most business is done, for the purpose of increasing their compensation. That is the way it was stated

Mr. MOON. That could not be done unless it was under the

Will the gentleman yield? Mr. MANN.

Mr. HAMLIN. Yes. Mr. MANN. I would like to ask the gentleman whether the language he proposes to insert might not be construed so that no per diem would be allowed at all; that a man should not be paid a per diem unless he was away from his official office? As

a matter of fact, these inspectors carry their office under their hat, do they not?

Mr. HAMLIN. No. Mr. MANN. I think so; and under the gentleman's amendment I do not see how a man would get away from his office.

Mr. HAMLIN. We might eliminate the word "domicile"

and insert "office." I know that this per diem was allowed, and I know that it has been paid.

Mr. MANN. Mr. Chairman, may I ask the gentleman from Tennessee why they allow a per diem to inspectors who are paid \$2,100 and do not allow it to inspectors who are paid \$2,000?

Mr. MOON. These others are placed in a special service in the cities.

Mr. MANN. There is a difference in the class of inspectors,

Mr. MOON. Somewhat different in their work.

Mr. STAFFORD. I will say to the gentleman from Illinois that these \$2,100 men were transferred from the Railway Mail Service some years ago to the inspector service. At that time they received \$1,800 a year. When the per diem was reduced, through the efforts of the gentleman from Indiana [Mr. Cox], from \$4 to \$3, the following Congress increased the salary from \$1,800 to \$2,100. These railway inspectors are always on the road, and they continue to receive the per diem allowance.

The CHAIRMAN. The question is on the amendment offered

by the gentleman from Missouri.

The question was taken, and the amendment was lost.

Mr. SLAYDEN. Mr. Chairman, I move to strike out the last word. I would like to ask the gentleman from Tennessee in charge of the bill a question or two as to the method of appointing these postmasters whose compensation does not exceed \$180. I have in mind now two instances about which I want to interrogate him.

Mr. MOON. The section under which that inquiry will be more pertinent will be reached later. But while on the floor I might say that the inspectors make the examination and recommendation to the department for the appointment of fourth-

class postmasters whose salary is less than \$180.

Mr. SLAYDEN. That is just it. Do they not go invariably from their homes to the post office and at a very considerable expense to make these very minor appointments?

Mr. MOON. I imagine that it costs something.
Mr. SLAYDEN. That is the point. I have in mind two such trips made by post-office inspectors where the actual cost of travel and hotel bills to the Government was 80 per cent of the entire amount of the revenues of the office. It seems to me that common sense and good business judgment suggest that that method should be changed. I am not hunting patronage, permit me to say, in these \$180 and \$50 post offices.

Mr. MOON. I do not know any method that could be

adopted that would be cheaper.

Mr. SLAYDEN. What was the old method?

Mr. MOON. He was appointed by the Fourth Assistant Postmaster General

Mr. SLAYDEN. But after his visit and expense accounts like this?

Mr. MOON. Oh, no; after the ascertainment heretofore that he was a capable, honest man, and a Republican.

Mr. SLAYDEN. As we have no men in my district that measure up to that standard-capable, honest, and Republican-I am not concerned on that score.

Mr. MOON. Then the gentleman could find an honest and

capable man who is a Democrat,
Mr. SLAYDEN. Yes; and I think save the Government a great deal of money by a return to the old method. I happen to know that an inspector with whom I have personal acquaintance thinks that it is a waste of time, that might perhaps be given to other and more important work, and is an unnecessary cost to the management of the Post Office Department.

Mr. MOON. That may be true, but that rule can not pre-

vail until you change the civil-service law.

Mr. SLAYDEN. I am ready to change it in many particulars. [Laughter.]

Mr. Chairman, will the gentleman yield? Mr. MANN.

Mr. SLAYDEN. Yes.

Mr. MANN. I could not hear all of the conversation which took place.

Mr. SLAYDEN. It was very enlightening.

Mr. MANN. I thought possibly it would be still more enlightening if my distinguished friend would submit his inquiry to our former distinguished colleague from Texas, who is now

running the Post Office Department,
Mr. SLAYDEN. I will say to the gentleman that I am inclined to think that if it were submitted to him, without any

pressure from other directions, he would not set up too many obstacles to certain reasonable modifications of the civil-service

Mr. MANN. If the gentleman will permit, I desire to say that from my experience and knowledge of the distinguished Postmaster General I do not think he is one who is subject to passing whims or that he yields to outside pressure to any great extent. He is a man of his own mind. He was when he was in the House, and I have no doubt that he still is. I suspect that if my distinguished friend from Texas will submit his inquiry to the Postmaster General, his and my former colleague in the House, he will get full information on the subject.

Mr. SLAYDEN. What I am trying to do, I will say to my distinguished friend from Illinois, is to get from the chairman of the committee some information as to how a saving can be made.

Mr. MOON. Oh, I can tell the gentleman as to how a saving can be made.

Mr. SLAYDEN. I had understood that this was to be an ad-

ministration of economy, and I hope you will.

Mr. MOON. If that is all the inquiry is directed tosaving-I will say that the sending of an inspector down there to make a report would cost something, of course, and there is no way to correct that as I can see except to have the Postmaster General make the appointment in the first place.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Clerk read as follows:

For traveling expenses of inspectors without per diem allowance, inspectors in charge, and the chief post-office inspector, and expenses incurred by inspectors not covered by per diem allowance, unusual and extraordinary expenses necessarily incurred for maintenance by inspectors over and above per diem allowance while traveling on official business in connection with the postal service of Alaska, and for the traveling expenses of four clerks performing stenographic and clerical assistance to post-office inspectors in the investigation of important fraud cases, \$43,750.

Mr. SLAYDEN. Mr. Chairman, I move to strike out the last word. In order that my speech which was interrupted may have something like symmetry and a proper conclusion, I desire to call the attention of my friend, the distinguished chairman, one concrete case that has just come to my observation, which causes me to impede the progress of his bill. At Echo, in Coleman County, Tex., there is a post office with annual receipts of \$50. The railway fare from the home of the inspector to the nearest railway station to that post office is \$12.30. trip can not be made under about three days. At regular hotel rates in that section, that would amount to \$9 more. Other expenses are necessary to this trip on account of the fact that they have to go to the country. It is more expensive to travel when you get away from the railroad. All this makes the actual expense to select a postmaster for that place, with a revenue amounting to \$50, amount to the sum of \$39.30, leaving \$11.70, as I make the calculation. There ought to be some way of correcting that sort of thing.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. SLAYDEN. Certainly.

Mr. MADDEN. Would not the suggestion that the office be abolished be a good one?

Mr. SLAYDEN. I will say to the gentleman from Illinois that I have recommended the abolishment of an office in the

Mr. MADDEN. This one?

Mr. SLAYDEN. No; not this one. Mr. MADDEN. That would be the best remedy.

No; I think not. Mr. Chairman, it is neces-Mr. SLAYDEN. sary and it is quite customary to have post offices established throughout some States, although probably it is not in a State like Illinois—thickly settled and of comparatively small area as Illinois does not make a very great spot on the map. It is necessary to maintain unremunerative offices in some of the new countries in which individuals have built railroads, and not the Government, and which are being settled up rapidly. begin small, and these people ought to have postal facilities. and they have them, let me say. Occasionally, as happened in the case I refer to, which I recommended for discontinuance, it has been one temporarily established for the convenience of the employees of the railways. In this case it was the Santa Fe Railroad, which corporation was building a great, long piece of road through the State to shorten the distance between the Atlantic and Pacific Oceans. When they ceased work at a quarry, the population moved with the road to another place. There was no longer a necessity for keeping the office, and I recommended its discontinuance. It is possible that by exerting a reasonable amount of influence I might have maintained that office and, possibly, have had something to do with the appointment of the postmaster, but in the public interest I abandoned any such selfish thought. [Applause.]

Mr. TOWNSEND. As the gentleman always does.

Without objection, the pro forma amend-The CHAIRMAN. ment will be withdrawn.

There was no objection. The Clerk read as follows:

For payment of rewards for the detection, arrest, and conviction of post-office burglars, robbers, and highway mail robbers: Provided, That of the amount herein appropriated not to exceed \$5,000 may be expended, in the discretion of the Postmaster General, for the purpose of securing information concerning violations of the postal laws and for services and information looking toward the apprehension of criminals, \$25,000

Mr. MANN. Mr. Chairman, I move to strike out the last Is the gentleman from Tennessee able to inform the House how many post-office robberies there were in the last

fiscal year? Mr. MOON. What is the inquiry of the gentleman?

Mr. MANN. Mr. MANN. How many post-office robberles were there? Mr. MOON. I do not believe the hearings show that fact.

Mr. MANN. Well, I did not know but what the gentleman had that information. I know we have just had a report on the subject

Mr. MOON. I know we have; but I do not recall the report. Mr. MANN. It is quite a large document, giving the list. It looked enormous, and I wondered if there was any way of preventing that. When hundreds and hundreds of post offices are robbed every year it looks as though there ought to be some appropriation sufficient to try to stop it.

The CHAIRMAN. Without objection the pro forma amend-

ment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

OFFICE OF THE FIRST ASSISTANT POSTMASTER GENERAL.

For compensation to postmasters, \$30,750,000.

Mr. MOON. Mr. Chairman, I offer to amend, page 4, line 6. After "\$30.750,000" add:

Provided, That hereafter, in determining the gross receipts upon which the salary of the postmaster shall be based, stamps, stamped envelopes, and postal cards sold in large or unusual quantity to any person to be used in mailing matter at other post offices or in mailing matter diversed from other post offices shall not be included, whether the sale be made with or without solicitation by the postmaster.

The CHAIRMAN. The Clerk will report the amendment. The Clerk read as follows:

Amend, page 4, line 6, by inserting, after "\$30,750,000," the fol-

lowing:

"Provided, That hereafter, in determining the gross receipts upon which the salary of the postmaster shall be based, stamps, stamped envelopes, and postal cards sold in large or unusual quantity to any person to be used in mailing matter at other post offices or in mailing matter diverted from other post offices shall not be included, whether the sale be made with or without solicitation by the postmaster."

Mr. MANN. Mr. Chairman, I reserve a point of order. Mr. MOON. Mr. Chairman, it is subject to a point of order; there is no question about that. It is done now, and the department advises us it is only done by regulation or a rule down there which is in force and has been for years. It is deemed by the department better to have this included in the law.

Mr. MANN. I know there was such a regulation. This is to cover small towns and post offices adjacent to large cities, I take it, in the main?

Mr. MOON. Yes.

Mr. MANN. We have a regulation to that effect now?

Mr. MOON. Yes.

Mr. MANN. Will this add anything to the value?

Mr. MOON. Well, by regulation is not a good way to conduct a department.

Mr. MANN. I do not know. Regulations are made under the law, and there is a book of regulations; there are regulations that we could not put into a law.

Mr. MOON. We submit this at the request of the department

Mr. MANN. Is this a request of the Post Office Department? Mr. MOON. Yes; this letter is from the department on that subject

Mr. MANN. Can not we have this letter read? Mr. MOON. The Clerk will read the first part of it and I will read the balance of it.

The Clerk read as follows:

Post Office Department, First Assistant Postmaster General, Washington January 15, 1914.

CHIEF CLERK, Post Office Department:

The following suggestions are made for changes in the bill making ppropriations for the service of the Post Office Department for the scal year ending June 30, 1915:

Page 4, line 6, after "\$30,750,000," add:
"Provided, That hereafter, in determining the gross receipts upon which the salary of a postmaster shall be based, stamps, stamped envelopes, and postal cards, sold in large or unusual quantities to any persons to be used in mailing matter at other post offices, or in mailing matter diverted from other offices, shall not be included, whether the sale be made with or without solicitation by the postmaster."

This is now done by regulation, but it is believed that it should be made a part of this appropriation act so that it may be enacted into law.

Mr. TOWNSEND. Will the gentleman yield?
Mr. MOON. I yield to the gentleman from New Jersey. Mr. TOWNSEND. I would like to have the chairman of the committee explain a little, if he can, as to who is to determine what constitutes a "large and unusual" amount of postal supplies, and I am moved to ask him that question for this reason: A town in my district was deprived of city delivery privileges a year and a half or two years ago while inspectors of the Post Office Department were trying to decide whether their sale of postage stamps and postal cards, and so forth, was "large and unusual," and whether or not they should ever be given the privilege of city delivery. I will say to the gentleman that my own political activities were responsible for a part of that large sale, and that a further large sale resulted from certain philanthropic and charitable work of the ladies of that town, which has since been kept up regularly. And I can see very easily how a law like this might operate with

very great injustice to towns of that kind. Mr. FINLEY. If the gentleman will excuse me, this is where the purchased stamps and stamped envelopes and cards are to be used at other post offices than where purchased.

Mr. TOWNSEND. That is my question. Suppose a person in this town I speak of should buy two or three hundred dollars' worth of stamps, use them on envelopes containing circulars, and give them to her husband and tell him to take them over to New York and have his clerk address and send them out, as happened to be the case. They were used elsewhere, but were used for social and philanthropic purposes of the town, nevertheless.

Mr. MOON. I take it that we can not determine a question of that kind by a regulation. The department must determine about that under conditions which arise in each and every case. Mr. MANN. Mr. Chairman, while I think I will withdraw the point of order, I wish to say that when I first came to Congress I had a portion of Cook County, outside of Chicago, where there were some post offices. They were all close to the city. A postmaster came to me at one time with this proposition:

"A gentleman who lives in my town comes to the office and desires to buy postage stamps. I do not think he puts the mail into my office. He has an office down town. Shall I refuse to sell him stamps or not? If I refuse to sell him stamps, I am sure to have a row with him, because in his opinion he is entitled to go into any post office and lay down a \$5 bill and ask for \$5 worth of stamps. It is his practice to stop in my post office on the way to the train and buy stamps nearly every morning.

I put it up to the Post Office Department. "What should the postmaster do? What would you do were you the postmaster? Would you refuse to sell stamps to a man who furnishes the current coin of the realm, which obliges you to sell stamps to him? It is a great deal more convenient for the man to buy his stamps at that office, where he did not have to go out of his way to do it, than it was to go down town and send over to the post office at considerable delay or trouble to himself."

Upon the advice of the Post Office Department at that time, with no knowledge of what these stamps were being used for, the man was told to sell the stamps unless he believed they were being used improperly. They were not sold in large quantities at any time. I do not know what you can do in these cases unless a man keeps in a perpetual row with somebody.

I withdraw the point of order.

Mr. ROBERTS of Massachusetts. Mr. Chairman, I reserve the point of order. I think the older members of the committee will recall that some 8 or 10 years ago it was alleged a serious abuse had crept into the administration of the Post Office Department through the postmasters of small communities soliciting the sale of post-office supplies to people who resided in other communities. The purpose of the solicitation was to increase the salary of the local postmaster. I am strongly of the opinion that the regulation the chairman of the committee has read to the House, and which is now sought to be made into permanent law, was made by the Post Office Department primarily to prevent the postmasters working up salaries through such sale of stamps.

The gentleman from New Jersey [Mr. Townsend] has given the committee an instance where, I think, no one would condemn the practice of buying stamps under conditions as mentioned by him. The object of that unusual stamp cale in the town he names was not primarily to increase the compensation of the postmaster, but to enlarge and facilitate the social or industrial life of that community. Now, if we make permanent law of the regulation, it is not possible for the Post Office Department to waive the statute law.

If the regulation remains or if the practice continues as it is now, in such cases as that mentioned by the gentleman from New Jersey the Postmaster General can waive his own regulation and not visit on the postmaster the result of that unusual

sale of stamps.

I think we can all have faith and credit enough in any Postmaster General to believe that such a discretion can be safely lodged with him; but while, on the other hand, if permanent law is made of it, then in such instances as have been cited the postmaster must suffer. Although his work has been increased and the duties of his office has been enlarged, he gets no additional compensation, because of the rigid law which the Postmaster General can not waive.

Mr. MOON. Mr. Chairman, I do not feel that the gentle-man's apprehensions are altogether justified. The fact is that there is no law at this time for the postmaster doing the very things that have been done and which we are asking to remedy

by the enactment of law authorizing it.

We have complained always, and I think very properly, of the assumption of the right to legislate in the department by making regulations that go into effect beyond the regulatory power of the Government, and I apprehend that this is one of those cases where it would be wiser to confer the jurisdiction by law when there is a real doubt of the authority of the department by regulation to continue the practice that has gone on.

Mr. ROBERTS of Massachusetts. Mr. Chairman, if I may be

permitted and the gentleman has finished-

Mr. MOON. Yes.

Mr. ROBERTS of Massachusetts. If I may be permitted a moment more of time, I want to say that there is a condition in the section of country from which I come which may not obtain in the vicinity of the other large cities of the United States. In and around the city of Boston, within a radius of 10 miles of the statehouse, we have some 28 or 29 separate municipali-Some of those are towns. Now, the business activities of the towns

The CHAIRMAN. The time of the gentleman from Massa-

chusetts has expired.

Mr. ROBERTS of Massachusetts. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. Does the gentleman reserve his point of

Mr. ROBERTS of Massachusetts. Yes; I reserved the point of order, and I supposed that this discussion was going on under

The CHAIRMAN. The gentleman has been proceeding under the point of order. If he desires to go on further, he must get unanimous consent of the committee.

Mr. ROBERTS of Massachusetts. Then, Mr. Chairman, I ask

unanimous consent to proceed for two minutes.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to proceed for two minutes. Is there ob-

There was no objection.

Mr. ROBERTS of Massachusetts. The business activities of those smaller towns all center in the big city. The business men come out into the small towns practically to sleep, and they want postal facilities. They are willing to buy their postal supplies in these small towns in order that they may have for their families adequate postal facilities. Yet when we make a law that such sales will not increase the postal facilities and will not give the postmaster a better salary and those things that go to a larger office we prevent thereby the Post Office Department in meritorious cases waiving its own regulations.

But, Mr. Chairman, while I have these views I realize that the committee and the Post Office Department have probably given the matter much more consideration than myself, and I

shall not insist upon the point of order, but will withdraw it.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Tennessee [Mr. Moon].

The amendment was agreed to. Mr. GOOD. Mr. Chairman, I move to strike out the last

The CHAIRMAN. The gentleman from Iowa [Mr. Good] moves to strike out the last word.

Mr. GOOD. Mr. Chairman; this item, providing for the compensation of postmasters, carries an appropriation of \$30,750,000. If the gentlemen on that side of the aisle who have been talking so loud and long about economy really desire to practice economy, here is an opportunity to save to the Government, according to the report of the Commission on Economy and Efficiency, \$4,512,900, and at the same time improve the Govern-

That commission points out that the work of first-class and second-class postmasters is in the main done by the assistant The assistant postmasters receive but a small postmasters. compensation in comparison with the duties performed by them, and the commission states that if 20 per cent were added to the amount of the salary of the assistant postmasters, and that salary given to the postmasters in lieu of what they now receive, and the postmasters were obliged to give their time to the Government service, the offices of the assistant postmasters could be dispensed with entirely and a saving effected of \$4,512,900. At the same time the Government service would be improved.

Now, you certainly stand for improvement in the Government service. But do you stand for real economy? Do you stand for those things that you have been preaching all of these years? There is not a line here with regard to the service that is required of the postmasters. If they did what was wrong in the past, that ought to have been corrected; but that is no excuse for now appropriating \$30,750,000 to perpetuate this

wrong in the Government service.

Mr. BARTLETT. May I ask the gentleman a question?

Mr. GOOD. Certainly.

Mr. BARTLETT. Does not the gentleman know that, under a rule now enforced by the Post Office Department, postmasters are required to give all their time and attention to the post office, and that a number have been removed because they did not do it?

Mr. GOOD. I know there is such a rule. There has always been such a rule; it has not been changed, but it has been

violated.

Mr. BARTLETT. Violated by your party when it was in power.

Mr. GOOD. There is such a rule, as the gentleman knows, with regard to revenue collectors in the different States; but the gentleman knows that of 50 revenue collectors he can count on the fingers of his two hands all who are giving all their time to the Government service.

Mr. BARTLETT. That was the rule when the gentleman's

party was in power, but it is not the rule now.

Mr. GOOD. Yes; they are doing it now. Not one-fourth of the men employed as revenue collectors are obeying the law in that respect.

Mr. FITZGERALD. They are mostly Republicans.

gentleman ought not to criticize them too strongly.

Mr. GOOD. Oh, no; not all of them.

Mr. BARTLETT. They are Republicans that we have not

been able to get out yet.

Mr. GOOD. The gentleman says that the law was violated. Unquestionably that is true. Why not correct the law now, when we have the opportunity? Why not limit this appropriation so that no postmaster who does not give all of his time to the Government service can receive any part of this \$30,750,000?

Mr. MOON. I will state to the gentleman that that is a rule

of the department now.

Mr. Chairman, it is hardly necessary for the gentleman to attempt to obtain a partisan advantage on a matter of pure business like this. This appropriation, which amounts to \$30,-700,000, is only \$500,000 more than the last appropriation. ordinary increase in this item of expenditure heretofore has We have added an immense been a little over 3 per cent. amount of work on account of the parcel post, and it has been necessary to increase the number of these officials. Yet this appropriation asked for now is hardly commensurate with the increased demand of the service.

I take it that the facts and figures presented are sufficient to enable the House to realize that the department is going very slow in the matter of the increase of appropriations, and that it is only seeking the amount that is necessary to give an efficient and effectual service to the public. It is a very small increase in an item of \$30,000,000.

Mr. GOOD. The gentleman is aware of the fact that a great many of the postmasters of the first and second class are not

giving their time to the Government service.

Mr. MOON. I am not aware of that, because I do not know of anything of that kind. All of them down our way seem to be attending to their business pretty well. The gentleman possibly is aware of the fact, as most of us here are aware, that there is an order of the department which requires that post-masters shall devote their time exclusively to the duties of their

Mr. FOSTER. Does not the gentleman think that the Postmaster General now in office will enforce that order?

Mr. MOON. I think so.

Mr. FOSTER. And remove any man who does not obey that order

Mr. GOOD. «Can the gentleman cite a single instance where he has attempted to remove anyone for that reason?

Mr. FOSTER. Democrats are attending to the public business, and it is not necessary to remove them. Can the gentleman cite any particular instance where they are not doing it?

Mr. GOOD. Can the gentleman cite any single instance, except where the administration wanted to remove a Republican postmaster and appoint a Democratic postmaster, that it has enforced any such order?

Mr. FOSTER. Can the gentleman cite a single instance of a Democratic postmaster who is not staying in the office eight

hours a day and attending to business?

Mr. GOOD. I think I could cite a good many. Mr. FOSTER. Will the gentleman cite one? I am quite sure that if the gentleman will show the Postmaster General any Democrat who has been appointed who is not giving his time and attention to his office that Democrat will be removed. And further than that, let me say that since the election Republicans who are holding office are very careful to give eight hours' time to the office. If they did not do it before the election, they are trying to do it now.

Mr. GOOD. It developed a day or two ago in a hearing that a Democrat appointed a revenue collector is not giving his entire time to the duties of the office, and he is drawing the salary.

Mr. FOSTER. Knowing what a good business man the Secretary of the Treasury is and how he has done things in the past, if the gentleman will show the Secretary of the Treasury that that internal-revenue collector is not giving his attention to the office, I am sure he will be removed. Under this Democratic administration they are requiring that these officials should do the public work and not put it on some subordinate.

Mr. FITZGERALD. Mr. Chairman, in a special message to Congress on the 4th of April, 1912, the President of the United States, Mr. Taft, who was a Republican President, stated that if postmasters in first and second class post offices were enibraced in the classified service and required to devote all of their time to the public service, the annual saving would eventually represent many millions of dollars.

In a public address made by me on April 11, 1912, which attracted some attention, in referring to this message I made

this statement:

These postmasters are the appointees of the President; they are under the control of the executive branch of the Government; they are subject to the rules and discipline of the Post Office Department. It is the duty of the Postmaster General to require from them the services for which they are paid. If they do not devote all their time to the public service, let the President command them to do so and to refrain from the arduous work of endeavoring to conduct the chaotic affairs of the Republican Party. The demoralization of the Postal Service is easy to understand. It could hardly be otherwise since the establishment of the custom in recent years of putting it in charge of the head of the Republican national machine.

Under Republican administrations it had been the custom for some years to appoint the chairman of the National Republican Committee Postmaster General, so that there might be no mistake as to the partisan character of the men appointed as postmasters in the first and second class post offices in the country. The abuse became so great under Postmaster General Hitchcock and Postmaster General Cortelyou that President Taft, a Republican President, was compelled to cry out against the existing condition and to admit that these partisans not only did not give their time to the public service for which they were paid, but that evidently he was helpless to

compel them to do so.

The so-called Economy and Efficiency Commission to which the gentleman from Iowa refers, and for which perhaps he has more respect than I have, spent \$260,000 in its work. have challenged from time to time anyone to point to a single original recommendation which that commission has made which has resulted in the saving of a single dollar to the United States. This contention that by having postmasters in the first and second class offices put in the classified service and compelled to devote all their time to the public service, and that thus over \$4,000,000 would thereby be saved by dispensing with the services of the assistant postmasters in the offices, indicates the ridiculous character of the recommendations made.

Take the city of Chicago, the city of New York, the post offices in Brooklyn or Philadelphia or Boston or any one of gan.

the other first-class offices in the country, and they are the ones I am most familiar with, so far as my observation goes the men who conduct these offices are compelled to give a full day's time to their service, and they require those under the title of assistant postmaster, or some other title, to perform the duties that the assistant postmasters are now performing.

I am somewhat surprised, in view of all the controversy recently in the House about preserving the services of these highly qualified assistant postmasters in the post offices throughout the country, that my friend from Iowa should make a suggestion which would help to eliminate these partisan Republicans, who were never subjected to examination but were covered into the classified service. I have been informed by the Postmaster General himself, in conference with him about the selection of a candidate for postmaster in the community from which I come, that any person considered for appointment to the postmastership must understand and must agree to devote eight hours a day to the work of the office, and that unless after he be appointed he devote eight hours a day to the work of the office he can not continue in the service of the Government in such a position under this administration, whatever

may have been the practice under former administrations.

Mr. SAMUEL W. SMITH. Mr. Chairman, I do not feel like letting the statement of the gentleman from Illinois go unchallenged that Republican postmasters have been unfaithful in the discharge of their duties. I think I have named or recommended 200 different men as postmasters, and I know of no more faithful, competent men than they have been during the last 16 years. In the sixth congressional district of Michigan there are the cities of Pontiac, Flint, and Lansing, and I do not think it is possible to name a business man in any one of those cities who has been more faithful and conscientious in the discharge of his duty or who has put in more hours than have the postmasters of those cities, and this is true of the postmasters throughout the district. Therefore I say, Mr. Chairman, that I hardly feel that the statement of the gentleman from Illinois is warranted that the Republican postmasters throughout the country have been derelict in the discharge of

Mr. FITZGERALD. Mr. Chairman, the charge made against the Republican postmasters did not originate with the Democrats, but with a Republican President, President Taft.

Mr. SAMUEL W. SMITH. It originated right over there on

that side a few minutes ago.

Mr. FITZGERALD. That is what the President of the United States said, that they were devoting their time to business.

Mr. SAMUEL W. SMITH. I took no exception to the statement of the President.

Mr. FITZGERALD. I did not originate it. I took the statement of the President of the United States, who was a Republican, when he sent a special message to Congress and called attention to the fact that the men he had appointed to office had failed to give their time and devote their talents to the service to which they had been appointed, and asked Congress to remedy the situation.

Mr. SAMUEL W. SMITH. I was not replying to the gentleman from New York. I was replying to the gentleman from Illinois [Mr. FOSTER].

Mr. FITZGERALD. Oh, well, my statement stands, never-

theless.

Mr. FOSTER. Mr. Chairman, I move to strike out the last word. I have not stated that Republican postmasters were un-I do not know what the condition was faithful to their duties. in the sixth district of Michigan, but I would undertake to say that the postmasters of the sixth district of Michigan were not asleep during the campaign and the candidate for Congress in that particular district, whoever he might be on the Republican ticket usually could depend on them to do some political work for him. I know something of some postmasters in some sections of the country, and while I do not say this of all of them, I do know that some of those men with whom I happen to be acquainted were men who did not give eight hours time to the post office, and a great many of them gave much less. can not let the gentleman from Michigan lecture me because I did not say they were unfaithful but they did political work. The gentleman from New York [Mr. FITZGERALD] a few moments ago read what the President of the United States said, and he was a Republican President, and it became so bad that even the President himself called attention to it, crying out against

Mr. SAMUEL W. SMITH. It would trouble the gentleman or anyone else to name any more faithful and patriotic servants than the Republican postmasters in the sixth district of Michi-

Mr. FOSTER. Oh, I suppose the gentleman is so imbued with republicanism that he could not see a bad thing in one of them in the sixth district of Michigan, and I have no doubt they did what they could to elect the gentleman with all the power they could use.

Mr. GOOD. Mr. Chairman, will the gentleman yield? Mr. FOSTER. Yes. Mr. GOOD. Is it not a fact that there has been considerable complaint from that side of the House that Republican post-masters were simply doing the political work for Members of Congress of the respective districts and were not giving their time to the public service?

Mr. FOSTER. Why, they have proven it in a great many

Mr. GOOD. I will say that you intend here to increase this appropriation by \$500,000. You do not cut down the appropriation, and does not that prove one of two things, either that you intend to pursue the same policy or that your postmasters are

less efficient?

Mr. FOSTER. No. Let me give the gentleman a concrete illustration. In the district that I have the honor to represent it was shown that a postmaster was not giving his time and attention to the post office. It was further shown that in that particular office that man was the Republican leader, the acting chairman, the man who looked after the political affairs of that particular county, and when they removed him and put in a good, faithful, loyal Democrat they also took out one employee from that office, reduced the force, for he was not necessary, and so the clerk was transferred to another office, saving that much to the Government.

The CHAIRMAN. The time of the gentleman from Illinois

has expired.

Mr. MADDEN. Mr. Chairman, it affords me great satisfaction to see this political linen being washed across the aisle. We who live in a territory that is never affected by politics, either Democratic or Republican, are greatly amused in listening to these arguments of patriotism on both sides, first by a Republican and then by a Democrat, each trying to prove that his particular Representative is holier than the Representative

on the other side. I assume that men will be human, whether they are Republicans or Democrats, or whether they are postmasters or what they may be; that they will try to exercise their rights of citizenship, and if they have been appointed to a very easy place by some influential friend and that friend happens to be in the public eye and applies to the public conscience for elecand this chap can add a little strength to the strength already accumulated by this man who favored him, he is going And I do not complain about that, and I do not believe anybody else does, but the only complaint that can be made in any case is, perhaps, that the other fellow's fellow is

doing the thing against the man who is complaining.

Now, everybody knows this kind of colloquy is, if I may be allowed to use a street expression, "bunk," and it has not anything to do with the merits of this bill; and that the postmasters will continue to serve the public in their capacity as postmasters to the best of their ability, and if it takes eight hours to do the work they will give it, and if it only takes two they will only give two, and if they have political meetings to attend they will find some way of scheming around to get to them regardless of what the regulations might be; and I would not give three cents for a postmaster who would not do it; and we can philosophize all we like on this or any other subject that you can think proper to name, but you will find everybody does it when you find him actively at work, whether it is in the Democratic or Republican ranks. And I hope that we will be able to go on with the bill and pass it on its merits, and that we will quit washing political linen on the floor of the House. [Applause.]

Mr. MANN. Mr. Chairman, my colleague from Illinois [Mr. FOSTER] is usually very amiable, but for a moment he lost his amiability in what he said concerning the gentleman from Michigan [Mr. Samuel W. Smith]. I do not know what the facts may be, but if the postmasters in the sixth district—if that is the number represented by the gentleman from Michigan [Mr. Samuel W. Smith]—have devoted their efforts toward re-electing him to Congress, I am sure the consensus of opinion in the House is that they could have performed no more patriotic

[Applause.]

Mr. FOSTER. I am not complaining of the gentleman from Michigan about his services, except his votes on that side of the

House.

Mr. MANN. I understand. Mr. Chairman, I want to say this about the postmaster at Chicago, the present postmaster, and, so far as my recollection is, every postmaster who has

been there since I can remember has given most of his attention to the work of that office: The present postmaster at Chicago is very diligent in attending to the business of his office, and I can assure the gentlemen here that you are much more apt to find the postmaster at Chicago in his office than you are to find any Member of Congress on the floor attending to his And I notice, while we are discussing whether postmasters attend to their business, that out of a House of 435 Members there are probably not to exceed 100 Members present attending to the work of their office; and so far as I have learned, without attempting to make any criticism at all, at any time-so far as I have learned, no one of the postmasters who is accused of neglecting the duties of his office is engaged in delivering lectures on the Chautauqua in order to add to his emoluments. [Applause.]

Mr. BRYAN. Mr. Chairman, in view of the admitted argument here that the duty of the Republican postmasters of the country are to take care of their Representatives in Congress and look out for their political districts, and in view of the fact that it is shown that in the sixth district of Michigan they did so well, it seems to me it is fully demonstrated that the postmasters generally are a very inefficient set when we look at the plight of the Republicans in their representation on the floor of this House. [Laughter and applause on the

Democratic side.]

MESSAGE FROM THE SENATA

The committee informally rose; and Mr. DENT having assumed the chair as Speaker pro tempore, a message from the Senate, by Mr. Tulley, one of its clerks, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 1745. An act providing for the establishment of a term of the District Court of the Eastern District of North Carolina, at

Wilson, N. C.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee as indicated below:

S. 1745. An act providing for the establishment of a term of the District Court for the Eastern District of North Carolina, at Wilson, N. C.; to the Committee on the Judiciary.

POST OFFICE APPROPRIATION BILL.

The committee resumed its session.

The Clerk read as follows:

Assistant cashiers, assistant superintendents of delivery, assistant superintendents of money order, assistant superintendents of mails, assistant superintendents of registry, assistant superintendents of stations, bookkeepers, cashiers, chief mailing clerks, chief stamp clerks, examiners of stations, finance clerks, foremen of crews, special clerks, stenographers, superintendents of carriers, superintendents of delivery, superintendents of mails, superintendents of money order, superintendents of registry, superintendents of second-class matter, and superintendents of stations, 2,400, at not exceeding \$1,300 each.

Mr. BUCHANAN of Illinois. Mr. Chairman, I move to amend, on page 9, line 10, by inserting the word "seven" after the word "stations," instead of the word "two."

Mr. MOON. I reserve a point of order on that.

The CHAIRMAN. The Clerk will report the amendment.

Mr. FITZGERALD. Let the amendment be reported.

The CHAIRMAN. The Clerk can not report it, because he does not have it at the desk. Will the gentleman from Illinois

Mr. Buchanan] state his amendment over again?

Mr. Buchanan of Illinois. On page 9, in line 10, after the word "stations," amend by inserting the word "seven" in lieu of the word "two," making it read "seven thousand four hundred" instead of "two thousand four hundred."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 9, line 10, strike out the word "two" and insert in lieu thereof is word "seven."

Mr. BUCHANAN of Illinois. Mr. Chairman, my information in regard to this matter is that, as it reads now, it will give about 6 per cent of the clerks an opportunity to secure a salary of \$1,300. This amendment gives a larger number of the clerks an opportunity to secure the increase above \$1,200, namely, \$1,300. It seems to me that, taking into consideration the recent heavy work the clerks have had to do, due to the parcel post, with more than \$3,000,000 profit to the Government, they are entitled to some consideration in this matter, and I hope the chairman of this committee will withdraw his point of order and permit the Members here to vote, at least, on this question, due to the high cost of living and the extra effort necessary to be made by these employees, that they should be given more consideration in regard to salary than they have received in the past.

And I want to say in this connection that the chairman of the committee is one who is recognized as having been fair at all times in consideration of the employees in the Post Office Service. In making the statements that I have, it is not for the purpose of casting any reflection on the chairman or any other members of this committee, but I hope the gentleman will withdraw his point of order, and that this will be given favorable consideration.

Mr. Chairman, I doubt the wisdom of making Mr. MOON. this increase here without consideration being given the matter in hearings before the committee. I have seen nothing that seems to justify a change in this amount. The gentleman wishes the number changed from 2,000 to 7,000.

Mr. MURRAY of Massachusetts. The gentleman simply means to allow 7,000 clerks to get an increase of \$100 a year;

is that it?

Mr. BUCHANAN of Illinois. Yes.

Mr. MOON. I will have to insist on the point of order, and I hope the gentleman will come before the committee in regard to the matter.

Mr. MANN. Mr. Chairman, this is not subject to the point

Mr. MOON. I wish the gentleman would withdraw it until some consideration has been given to it by the committee. I will say to the gentleman, however, that I am in favor of any proposition that looks to the betterment of these employees, so far as consistent with the public service and the interest of the Treasury. Before doing anything of this kind the question ought to be investigated; but there has been no request for such an investigation, and consequently no investigation has been made.

Mr. MANN. I would like to inquire of the gentleman from Tennessee [Mr. Moon] if he has withdrawn the point of order?

Mr. MOON. I will withdraw the point of order; yes.
Mr. MANN. I am sure he would not want to insist upon it. If this amendment is subject to a point of order, most of the

items in this bill are subject to a point of order.

Mr. MADDEN. I would like to ask my colleague a question. Is it his intention to increase the number of cashiers, superintendents, assistant superintendents, and managerial officers in the Post Office Department by this amendment? That is what it does

Mr. BUCHANAN of Illinois. It increases the number who

will be able to secure \$1,300 a year.

Mr. MADDEN. I think my colleague has offered his amendment in the wrong place. I think, if I may be allowed to make the suggestion, that his intention was to increase the number of special clerks that would be raised to \$1,300. But to increase the number of men in this branch of the service would put the service all out of balance.

Mr. BUCHANAN of Illinois. I do not so understand.

Mr. MADDEN. Oh, yes; that would be the result.
Mr. BUCHANAN of Illinois. It is under this classification

that we want to increase them.

Mr. MANN. Mr. Chairman, will my colleague yield on that? Mr. BUCHANAN of Illinois. Yes.

Mr. MANN. It is the next item that carries the \$1,200 clerks, but that item includes the word "clerks." The item on which my colleague proposes to increase the number does not include the word "clerks."

Mr. MURRAY of Massachusetts. It says "special clerks"

Mr. MANN. No; the gentleman is mistaken. On line 16 you will find the word "clerks."

Mr. MURRAY of Massachusetts. Ought we to insert the word "clerks" as an amendment in line 6?
Mr. MANN. That is another proposition.
The CHAIRMAN. The time of the gentleman from Illinois

has expired.

Mr. MURRAY of Massachusetts. Mr. Chairman, I was observing, when the gentleman from Illinois raised his objection, that the difficulty might be met by inserting after the words 'special clerks" in line 6 the single word "six."

Mr. FITZGERALD. That can not be done. A point of order

can be made on that.

Mr. MURRAY of Massachusetts. The gentleman from Tennessee [Mr. Moon] withdrew his point of order.
Mr. FITZGERALD. That was because it was not subject to

a point of order.

Mr. MURRAY of Massachusetts. Mr. Chairman, on the merits of the main proposition may I inquire of the chairman of the Committee on the Post Office and Post Roads whether or not the matter of salaries of clerks in the \$1,200 grade has not frequently been considered in some form or other by the Post Office Committee, so that this is not an entirely new matter?

Mr. MOON. All of these items have been considered in some form or another from time to time.

Mr. BUCHANAN of Illinois. My understanding of this matter is that if this amendment were adopted we would have 1,000 more at \$1,300 a year.

Mr. ROBERTS of Massachusetts. Five thousand more.

Mr. BUCHANAN of Illinois. Yes; 5,000 more, at a salary of \$1,300 a year instead of \$1,200, as provided by law here. That is the purpose of the amendment-putting more in the class of clerks at \$1,300.

Mr. MOON. Does the gentleman propose to take them out of

the \$1.200 class?

Mr. BUCHANAN of Illinois. That is the purpose. That is my intention-to take them out of the \$1,200 class and put them into the \$1,300 class.

Mr. MOON. I do not think that a matter of this importance ought to be disposed of here without some hearing of the officials of the department and the persons interested, and I suggest that the gentleman let the matter be passed over until we can give it attention

Mr. BUCHANAN of Illinois. I will agree to that. Does the gentleman mean to take it up at the end of the bill?

Mr. MOON. It can be considered in the Senate committee. Mr. BRYAN. Mr. Chairman, I am interested in this matte Mr. BRYAN. Mr. Chairman, I am interested in this matter, and I am not willing to allow this amendment to be passed at The matter is one that the postal clerks have specially considered and have taken up very carefully, and this is the place for the amendment.

I have received some information in connection with the matter, and it seems that there are more than 17,000 clerks in the \$1,200 grade. Of this vast number, unless the bill is amended in the House, but 1,000, or less than 6 per cent, can be given a wage increase during the next fiscal year. When it is taken into consideration that many of these clerks, probably 5,000 in all, have not been promoted in five or six years, the need of

a larger allowance in this grade is apparent.

The clerks who would benefit by these increases are particularly deserving of recognition at this time. The majority of them entered the service 10, 15, or 20 years ago, when the entrance salary was \$600 or less per annum. They have worked through the years prior to the salary-classification law, when wage increases were uncertain; they have worked the long uncertain hours of the postal clerk before the eight-hour day was established; they have stood the brunt of the burden in the offices for the past decade.

If the bill in its present form is not altered to permit of more increases from \$1,200 to \$1,300, the department will not be able to grant to thousands of skilled distributors a wage commensurate with the work they must perform. The post-office distributor is a specialist, whose trained brain and expert knowledge of train schedules and city street numbers make him the most valuable adjunct of the large postal army. To better fit himself for his duties he must constantly study distribution schemes upon his own time-the department never has granted to clerks any time off for scheme study.

The last report of the Postmaster General states that a surplus of \$3,840,000 has accrued in the past year. In fairness to the men who have made this surplus possiblethe skilled expert workers in the ranks who have been denied salary promotions for the past five or more years—a more liberal provision should be made by the present Congress to the clerks in the

\$1,200 grade.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. Murray] has expired.

Mr. FINLEY. Mr. Chairman, I regret that I can not support this amendment. I will say to those who are advocating it that the classification act of 1907 has been most liberally dealt with, both in this Congress and in the last Congress. The increases made in the number to be promoted annually have been quite liberal. Here, in the grade above \$1,200, the Post Office Committee think they have dealt liberally with this class.

I will say to the gentleman from Illinois [Mr. BUCHANAN]

and to those who are advocating this increase that the places above \$1,200 are generally supervisory positions. Some of them are worth more than \$1,300, of course. The Post Office Committee gave hearings on this subject, and as to this particular grade I think we were not asked to grant anything. After these hearings we made what we considered a liberal allowance and inserted a provision in the bill for 2,400.

Mr. CALDER. What is the increase in the number over last

year?

Mr. FITZGERALD. The increase is 296.
Mr. FINLEY. The increase is 296. A great many of these employees are filling supervisory positions. There may be some distributors among them, but I will say to my friend that the

majority of distributors do not receive an amount in excess of \$1.200. That is my opinion. So the motion of the gentleman from Illinois [Mr. Buchanan], if carried, means an increase of \$500,000 in the amount of this bill. I do not mean to advance that as an argument why the motion should not pass if it is necessary and proper, and if it will add to the efficiency of the service; but as one of the members of the Post Office Committee I can not concede that it is necessary for the efficiency of the service, nor do I concede that it is necessary for the proper

Mr. GOULDEN. Will the gentleman yield?

Mr. GOULDEN. How many men are there who would be subject to this increase from the \$1,200 to the \$1,300 class, if there was sufficient money? How many could be advanced to

Mr. MOON. Seventy-five per cent.

Mr. FINLEY. I will say to the gentleman that in the bill before the House provision is made for an increase of 75 per cent of all clerks from \$1,000 to \$1,100 in second-class offices, and from \$1,100 to \$1,200 in first-class offices; 75 per cent of the clerks.

And what per cent from \$1,200 to \$1,300? Mr. GOULDEN.

That is what I want to get at.

Mr. FINLEY. The figures are approximately 2,400.

increase of 296 over last year.

Mr. BUCHANAN of Illinois. If this amendment passes it will give about 2,000 clerks an opportunity to increase their

The CHAIRMAN. The time of the gentleman has expired.

Mr. MADDEN. Mr. Chairman, the \$1,300 class of special clerk was created about two years ago for the purpose of encouraging men in the service to become expert distributors. This bill provides for the promotion of 1,000 men of that class.

It never was the intention of the committee or of Congress to pay \$1,300 to anybody except expert distributors. The men in the service know this. I do not know how many distributors there are in the Postal Service, but surely not anything like the number of expert distributors who would be provided for in

the amendment of my colleague.

The committee gave very careful consideration to this question. I think it may be fairly said that the post-office clerks have no better friends in Congress than the members of the Post Office Committee, and I think it may be said further that the members of the committee have gone to great length to do what they thought should be done for the men in the Postal We all realize that they are men who are deserving Service. of the best possible treatment; but I think that if the postoffice clerks themselves were called upon to consider the question now before the House, with all the facts before the committee when it considered this question, they would conclude exactly what we concluded and make the same recommendations that we did.

Mr. BUCHANAN of Illinois. Will the gentleman yield?

Mr. MADDEN. Surely.
Mr. BUCHANAN of Illinois. The increase in the postal business on account of the parcel post has brought a surplus to the Post Office Department, and that has been due largely to the efficiency of these distributing clerks.

Mr. MADDEN. I do not agree with my colleague.

Excuse me. I thought the gentleman was going to answer my question. I think I need not say that the clerks have no better friend than I am. I think this recommendation of the committee does them ample justice.

Mr. MURRAY of Massachusetts. What are you proposing to

do for the clerks?

Mr. MADDEN. We are providing for the promotion of a thousand men, who are expert distributors, from \$1,200 to \$1,300, in this very item.

Mr. MURRAY of Massachusetts. Over how many offices is

that likely to go?

Mr. MADDEN. That is for the Postmaster General to de-termine how many expert distributors there are and who can

be provided for.

Mr. MURRAY of Massachusetts. In the total number of offices you provide for assistant postmasters, and so forth, there are 2,350. Now, 1,000 men is a lot, but that is less than 1 man to an office.

Mr. MADDEN. A great many offices have no expert distributor at all.

Mr. MURRAY of Massachusetts. How many?

Mr. MADDEN. I will not undertake to say. I have talked with these men myself.

Mr. MURRAY of Massachusetts. I want to follow the gentleman, because I know that he is a friend of the clerks.

Mr. MADDEN. Gentlemen, I think, who are trying to force an increase in the promotion of this grade are doing the clerks an injustice, because I think the men on the Post Office Committee have yielded to every reasonable demand, and these men have every reason to be satisfied and are satisfied.

Mr. REILLY of Connecticut. Mr. Chairman, I think what the gentleman from Illinois intends to do for the ordinary clerk can not be done in the manner in which he suggests. You will notice that the paragraph provides for assistant cashiers, assistant superintendents of delivery, assistant superintendents of money orders, and several others, but does not provide at all for clerks.

Mr. MURRAY of Massachusetts. It does for special clerks.
Mr. REILLY of Connecticut. But the special clerk is an
expert and not counted as a clerk; he is a grade higher.

Mr. MURRAY of Massachusetts. Are there not several in

Mr. REILLY of Connecticut. No; except in the very large offices. If this provision offered by the gentleman from Illinois [Mr. Buchanan] should pass, under the administration of department affairs it is possible that the officials in charge of the Salaries and Allowance Division would promote no clerk at all to \$1,300, though such is not probable. All might be supervisory officials, so that he is not taking the right way to do it, in my opinion. You might not have a clerk that would get \$1,300, because it is a matter of discretion. There is a bill introduced here, a separate bill, which provides for an adequate increase to all the clerks, going as high, I think, as \$1,500 in grades, that will make the required promotions, and has so much merit in it that I have no doubt it will pass. Even if this amendment should be adopted I am afraid it will not do what gentlemen are proposing. I am afraid, under the amendment offered by the gentleman from Illinois, the regular clerks will not be taken care of.

Mr. J. I. NOLAN. You are only providing in the bill for the promotion of 1,000 men out of 17,000.

Mr. REILLY of Connecticut. We are taking care of an actual increase of 296 over last year's bill in this paragraph, but really we are providing for about 1,000 new \$1,300 men.

Mr. MURRAY of Massachusetts. Over how many offices?

Mr. REILLY of Connecticut. Over the entire country. can be placed in any office the department sees fit. The thing I am getting at is, I want it made certain that the men you are giving the promotion to shall be really provided for in the paragraph, but by passing the proposed amendment you will not

be giving that guaranty.

Mr. BUCHANAN of Illinois. Mr. Chairman, my colleague, the gentleman from Illinois [Mr. Madden], stated that these

clerks did not want this increase.

Mr. MADDEN. Oh, I did not say that the clerks did not want it.

Mr. BUCHANAN of Illinois. I beg the gentleman's pardon, so understood him.

Mr. MADDEN. I said that they were satisfied.
Mr. BUCHANAN of Illinois. I have here a letter from one of the officials of the National Federation of Post Office Clerks, and he says:

and he says:

Knowing you to be an earnest advocate of remedial legislation for the postal employees, I wish to enlist your support in having two sections of the pending Post Office appropriation measure altered:

First, On page 9, line 10, provision has been made for 2,400 employees in the \$1.300 grade. This will permit the department to grant increases to only 1,000 clerks in that grade. As there are 17,000 clerks in the \$1.200 grade, it necessarily follows that less than 6 percent of them will receive increases. The men in this grade, for the most part, are the skilled distributers, whose services are of the highest value to the Government. Because of the expert knowledge and skill of these employees, the Postal Department has been enabled to absorb easily and readily the parcel-post deluge of the past year. Probably one-third of the clerks in the \$1,200 grade, or approximately 5,000, have not been granted wage increases in six years. And unless a more liberal provision is made in this bill, these men can not be given the additional remuneration commensurate with the added responsibilities and labors they are called upon to perform.

This amendment is offered for the nurpose of giving these

This amendment is offered for the purpose of giving these \$1,200 clerks \$1,300. That is the desire of the postal employees themselves, and I think it is unfair for the gentleman from Illinois to say that they do not desire it. They not only desire it but believe it right that they ought to have it.

The CHAIRMAN. The time of the gentleman from Connec-

ticut [Mr. Reilly] has expired.
Mr. BUCHANAN of Illinois. I want to say, Mr. Chairman, that I have not heard one of these post-office clerks criticize the Post Office Committee.

Mr. MOON. Mr. Chairman, the department thought it advisable to ask for an increase for 296 men in this particular grade. That has been granted in this bill. There has been no suggestion whatever that any more was needed or required, nor has anybody connected with the clerks been before the

committee and made any suggestion in regard to it. Both of my friends from Illinois say that the clerks would be glad to have the increase. I have no doubt they would be glad to have it made \$10,000, as far as that is concerned. But, Mr. Chairman, no reason has been advanced why this should be done, in my judgment. I suggest to him again that it is a matter which, if there be any sound reason which has not yet been offered, he would better bring before the committee in some shape before the bill is finally passed upon.

Mr. BUCHANAN of Illinois. I will be willing to pass this

over by unanimous consent.

Mr. MOON. But I do not want to pass it over; I want to dis-

pose of it now

Mr. FITZGERALD. Mr. Chairman, I am opposed to this amendment. The paragraph as carried in the bill provides for 2,400 employees of various classes to receive annual compensation of \$1,300. It does not provide for clerks, but it does provide for special clerks who have been characterized as expert distributors. Five or six years ago Congress, after considerable controversy, passed the classification act by which the maximum compensation of post-office clerks was fixed at \$1.200. What is proposed now apparently by the gentleman from Illinois [Mr. BUCHANAN] is that, instead of providing 2,400 employees of these various grades to receive \$1,300 a year, we shall provide that 7,400 employees, with an increased expenditure of \$500,000, shall receive \$1,300 a year, in the hope that the Post Office Department would be coerced into designating 5,000 clerks receiving a maximum salary of \$1,200 a year as expert distributors, so that they might come in as special clerks. This bill carries \$306,000,000, practically the estimates of the department. It provides for the increase of 15 per cent in the number now in this grade over those receiving \$1,300 during the current year.

I pointed out early in the session that the estimates of the Secretary of the Treasury, while showing an apparent surplus of \$26,000,000 for the next fiscal year, were grossly misleading, because they eliminated all provisions for the sinking-fund requirements, eliminated all provision for deficiencies, and placed to the credit of the Government \$13,000,000 which the Secretary of the Treasury estimated had been appropriated, but could not be expended; so that, even according to his own figures, the surplus revenues for the next fiscal year are but \$13,000,000. His estimate eliminated \$10,500,000 of deficiency estimates, which are now pending before the Committee on Appropriations. The estimate took no account of the authorization for the Alaskan railroad, \$1,000,000 of which is asked at this time, with authorizations up to \$35,000,000. It took no account of authorizations

for good roads, with a bill pending here for the expenditure of \$25,000,000 for that purpose.

The pending Post office bill treats fairly all of the employees of the Postal Service, and I believe that our highest duty is not to attempt to curry favor by unduly advancing them, but to perform our duty by standing by this committee and resist this attempt to increase in this way by \$500,000 the appropriations in

this bill. [Applause.]

Mr. BRYAN. Mr. Chairman, by some kind of classification or understanding here it seems that only special distributors are to be affected. They may be classified as special dis-tributors, but the fact is they are assistant cashiers, assistant superintendents of delivery, assistant superintendents of mail, assistant superintendents of registry, and a whole string of employees, as seen here on page 9 of the bill. It is desired to raise the salary of 7,400 of these men instead of 2,400. When we come to consider the matter of half a million dollars, of course it is a large sum, and I do not blame the chairman of the Committee on Appropriations for trying to hold down some of the expenses of the Government. That is his particular duty and his particular function, but when we consider the responsibilities, consider the burden that is upon the postal clerk and the expense of living, I do not think \$1,300 a year is too much at all, and I do not believe this Congress ought to be parsimonious about the salaries of these men. Consider the parcel post, consider the surplus that is brought in there, consider the postal savings, and these cashiers and distributors and these clerks have all of that to handle. We only want a small part of the surplus which arises from the parcel post given to these men that do the work, and I think they are entitled to it as a matter of right.

Mr. COX. Mr. Chairman, it has been said that the Post Office Committee has been very liberal with the clerks. The argument has been made, upon different grounds, that if this increase is granted there will be an increase in salary of 5,000. One of the grounds is that the burden of the clerk has been increased because of the parcel post. Grant that to be true; this bill carries all the way through its proportionate increase in the number of clerks to take care of that increased burden.

We have provided that all the way through this bill, so that argument falls to the ground. If their burdens have been increased, we have increased the number of clerks to carry on the additional burdens.

Mr. BUCHANAN of Illinois. Will the gentleman yield?

Mr. COX. For a question only. Mr. BUCHANAN of Illinois. The fact is their work has been increased under the parcel post system, and the gentleman would have great difficulty in telling anyone who is working in the service that it has not been increased; and if the gentleman does not know that he had better seek information.

Mr. COX. I only yielded to the gentleman for a question. If there are any favored employees working for the Government to-day they are the postal clerks in the country. Why, they get their 15 days' lay off, and 30 days' lay off, and so forth, and they are carried in this bill along with the railway mail clerks to the extent that if they get injured while in line of duty they get their \$2,000. There is no ground for this increase in number, in my candid judgment, at all, and as the gentleman from New York [Mr. FITZGERALD] well said it is certainly time that some one shall get on the floor of this House and talk for the taxpayers of this country. [Applause.] At least it is true on this side of the House, because the burden is upon our shoulders, gentlemen, and I would like to call attention to the platform on which we ran the last time, and I would like to call attention to the platform of 1908, when we deliberately burned the Republican Party in words for its extravagance; and yet men who were elected upon that platform last fall come upon the floor of this House here and propose to increase the number of clerks from 2,000 to 7,000, and increase the pay \$100 per man. There is no need of it; there is no necessity for it. The bill carries along its natural proportionate increase, the automatic increase in pay each year, and, as the Postmaster General before our committee testified, there is no necessity for increasing any salaries in this bill. While he commended the entire personnel of the department—every employee, clerk to the highest one immediately under him—still he said there was no necessity of

increasing the salary of any one.

The CHAIRMAN. The time of the gentleman has expired.

Mr. J. I. NOLAN. Mr. Chairman, the gentleman who has just taken his seat believes the people of this country are going just taken his seat believes the people of this country are going to support the Democratic Party in their policy of economy, but if they are going to economize at the expense of the men in the public service of this country getting \$1,200 a year, and from that down to \$600 a year, I think the Democratic Party will find in the future that they are very much mistaken. [Applause on the Republican side.] Now, Mr. Chairman, it is all right enough to go before the people of this country on a campaign platform of economy. You heard here some years ago of a billion-dollar Congress, but the people of this country have become accustomed to a billion and a half dollar Congress, and do not expect the legislators of this country to economize at the expense of the underpaid public servants, especially those who are getting less than \$100 a month. Now, here is the case of 17,000 men in the Postal Service of this country, and you are providing for an increase of something like 6 per cent-supervisory officials-and the gentleman talks about the provisions that are made for the extra clerks to take care of the extra work in connection with the parcel post. I want to know how many expert distributors are provided for? They are necessary to expedite the work of the parcel post. A considerable number of the extra men are needed to take care of the work of the postal savings banks.

Mr. MOON. Will the gentleman yield?

Mr. J. I. NOLAN. I will.

Mr. MOON. Now, here is a system of transportation and carrying of mails that requires the service of quite a number of people. Does the gentleman feel that he is better prepared to tell this House the number of clerks needed to carry on this work than the department that is carrying on and transacting this business:

Mr. J. I. NOLAN. No; I do not intend, Mr. Chairman, to tell this House or this Post Office Committee. I believe they are competent to judge, but I think they have made a mistake in this instance; that there is sufficient reason to grant more than 1,000 increases to men at \$1.200. It may be 7,400 is somewhat high in comparison with 2,400, but I do not think the Committee on the Post Office and Post Roads have granted a sufficient number of increases to take care of the men who are justly entitled to the \$1,300 grade, and I do not think that the Democratic Party or any other party are justified in their policy of economy in taking it out of the men who are working for that sort of wages.

Mr. MURRAY of Massachusetts. May I briefly say, Mr. Chairman, that when this amendment was first suggested, I was greatly tempted to vote for it, because it seemed to be along the line of increasing the salaries of 5,000 clerks of the country. I have a high appreciation of the value of the services of many of the post-office clerks, especially in the large cities, I believe that many of the clerks in the \$1,200 grade are underpaid rather than overpaid. They are selected men from the civilservice list who have won their positions after hard tests along mental and physical lines. Any amendment which has for its purpose an increase of salary for deserving clerks will receive my support, and I have no doubt the support of the committee. However, the explanation of the chairman of the committee, the explanation of the gentleman from Connecticut [Mr. Reilly], the explanation of the gentleman from Illinois [Mr. MADDEN], and the statement of the chairman of the Appropriations Committee [Mr. FITZGERALD] have seemed to me most convincing, and I briefly want to say, for the reasons advanced, that I shall withhold my vote from supporting this amendment.

The CHAIRMAN. The question is on agreeing to the amend-

The question was taken, and the amendment was rejected. Mr. J. I. NOLAN. Mr. Chairman, I desire to offer an amend-

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 9, line 10, after the word "stations," in line 10, strike out the word "two" and insert in lieu thereof the word "five."

Mr. J. I. NOLAN. Mr. Chairman, in other words, this provides for 3,000 additional over what we have already provided

The CHAIRMAN. The question is on agreeing to the amend-

The question was taken, and the amendment was rejected. The Clerk read as follows:

Assistant superintendents of stations, clerks, stenographers, superintendents of carriers, superintendents of second-class matter, and superintendents of stations, 6,600, at not exceeding \$1,100 each.

Mr. MANN. Mr. Chairman, I move to strike out the last word. We have been here all day.

Mr. MOON. Let us go down to the end of that section there. Mr. MANN. What does the gentleman mean by the end of the section?

Mr. MOON. Down to the figures in the paragraph.

Mr. SABATH. If we do, there are several amendments to be offered later on.

Mr. MOON. I ask the Clerk to read at present:

The Clerk read as follows:

And to provide for the promotion of 75 per cent of the clerks in first-class post offices from the fifth to the sixth grade, and for the promo-tion of 75 per cent of the clerks in second-class offices from the fourth to the fifth grade; in all, \$44,470,000.

Mr. MOON. At that point I offer this amendment.

The CHAIRMAN. The gentleman from Tennessee [Mr. Moon] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 10, in line 12, after the word "grade," insert the following: "And for the employment of substitute clerks at \$800 per annum in place of clerks injured while on duty, and for the payment of \$2,000 in case of death of a post-office clerk by injury while on duty and not due to their own negligence."

Mr. STAFFORD. Mr. Chairman, I reserve a point of order

Mr. MANN. I reserve a point of order on that. Let us see what it is when it is in print.

Mr. MOON. It is subject to a point of order. That is con-

Mr. MANN. From the way it reads it says, "death while on duty." Of course, that would include everyone who dies.

Mr. MOON. The intention of it is to give pay to those who

are injured in the line of duty.

Mr. MANN. But that is not what it says.

Mr. MOON. I know. It will have to be corrected in that re-

Mr. FITZGERALD. I suggest that we let it go over.

Mr. MOON. I suggest that it be read as it should be corrected.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:
On page 10, line 12, after the word "grade," insert:
"And for the employment of substitute clerks at \$800 per annum in place of clerks injured while in the line of duty, and for the payment of \$2,000 in case of death of a post-office clerk by injury while in the line of duty and not due to their own negligence."

The CHAIRMAN. The gentleman from Wisconsin [Mr. Staf-FORD] reserves a point of order.

Mr. MOON. Now, let the gentleman make it if he wants

Mr. STAFFORD. I withdraw it.

Mr. FITZGERALD. I reserve it. This applies only to clerks. Mr. MOON. I will state to the committee that there is a section in this bill, No. 7, that not only covers clerks but all other employees engaged in the handling of mail. But that very section is subject to a point of order, and probably it will go out on a point of order.

The CHAIRMAN. Does the gentleman from Wisconsin [Mr.

STAFFORD] withdraw his point of order?

Mr. STAFFORD. I stated, Mr. Chairman, that I withdrew it.

Mr. FITZGERALD. I reserve it, Mr. Chairman. The CHAIRMAN. The gentleman from New York reserves the point of order.

Mr. FITZGERALD. The paragraph that the gentleman suggests applies not only to clerks but also to certain other employees in the Postal Service. This amendment applies only to clerks?

Mr. MOON. Yes

Mr. FITZGERALD. It seems to me that if this bill is to carry a provision for the payment of money to any class of employees in the Postal Service who are killed while in the line of duty, when it is put in the bill it ought to cover every class to which it is to apply. One provision might get through and another might not, and I suggest to the gentleman to let the matter go over until we can have a chance to look at the provision suggested.

Mr. MOON. I will suggest to the gentleman from New York that the bill as drawn does not contain the amendment I offer. The amendment is offered at the request of the department, for the purpose of carrying out largely the provisions of section 7, which appear in the latter part of the bill.

Mr. ALLEN. Mr. Chairman, will the gentleman yield? Mr. MOON. Yes. Mr. ALLEN. There was an intention to offer the same amendment at each point, was there not?

Mr. MOON. Yes.
Mr. MANN. Will the gentleman permit a suggestion? Mr. MOON. At each one of these sections we will offer it. The House can adopt it or not, just as it pleases. It is subject to a point of order.

Mr. FITZGERALD. The provision that the gentleman offers, for instance, does not have the condition that the money shall be exempt from the payment of debts of the deceased?

Mr. MOON. No; it does not.
Mr. FITZGERALD. If the gentleman persists in pressing his proposition at this time I shall insist on my point of order. I suggest that the gentleman ought to be willing to let it go over

until to-morrow, so that we may examine it.

Mr. MANN. Why does not the gentleman from Tennessee offer section 7 at this time as an amendment to the bill?

Mr. MOON. We prefer to offer it the other way, to take up each class of employees as we come to it. But it is for the House to determine whether the employees ought to have it or not.

Mr. MANN. But section 7 would cover the entire subject if a point of order is not made.

Mr. MOON. If a point of order is not made to section 7, we shall expect to go through the bill and provide in each place where it applies.

Mr. MANN. Why not offer section 7 now? Mr. MOON. Gentlemen have suggested, Mr. Chairman, that they desire to have section 7 offered. Of course I am in favor of that section. I will ask the Clerk to report section 7, to which I will offer the amendment.

The CHAIRMAN. The Clerk will report the section.

The Clerk read as follows:

Page 28, line 11, section 7-

Mr. MOON. That would be in lieu of the amendment I offered, Mr. Chairman.

The Clerk read as follows:

Page 10, line 12, after the word "grade," insert the following: "That hereafter the Postmaster General shall have authority"—

Mr. MANN. It should come in after the sum, I think.

The CHAIRMAN. The gentleman offered his amendment to go in after the word "grade."

Mr. MANN. It should come in after the paragraph.
Mr. MOON. It would be well to have it come in as an independent section after the paragraph.

The CHAIRMAN. Does the gentleman from Tennessee offer

it as a new paragraph? .

Mr. MANN. He offers it as a part of this paragraph, and then he expects to follow that up by offering a further amend-

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

The Clerk read as follows:

After line 12, insert the following: "That hereafter the Postmaster General shall have authority to employ acting employees in place of all employees or substitutes hereinafter mentioned who are injured while on duty, who shall be granted leave of absence with full pay during the period of disability, but not exceeding one year, then at the rate of 50 per cent of the employee's salary for the period of disability exceeding one year, but not exceeding 12 months additional, and to enable the Postmaster General to pay the sum of \$2,000, which shall be exempt from payment of debts of the deceased, to the legal representatives, for the benefit of those dependent on him for support, of any railway postal clerk, substitute railway postal clerk, supervisory official of the Railway Mail Service, letter carrier in the City Delivery Service, rural letter carrier, post-office clerk, or special-delivery messenger who shall be killed while on duty, or who, being injured while on duty, shall die within one year thereafter as the result of such injury: Provided, That no compensation shall be paid any such employee for any injury occasioned by his own negligence."

Mr MANN Now Mr Chairman—

Mr. MANN. Now, Mr. Chairman— Mr. SISSON. Mr. Chairman, I reserve a point of order on the section

The CHAIRMAN. Does the gentleman make the point of order?

Mr. SISSON. I reserve the point of order on the section.

The CHAIRMAN. Does the gentleman from Mississippi desire to be heard on the point of order?

Mr. SISSON. No. I simply want to reserve the point of

Mr. MOON. Mr. Chairman, there seems to be a disposition to quit for the evening, and I therefore move that the committee do now rise.

The motion was agreed to

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. Hay, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 11338) making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1915, and for other purposes, and had come to no resolution thereon.

EULOGIES ON THE LATE REPRESENTATIVE WILDER.

Mr. PAIGE of Massachusetts. Mr. Speaker, I ask unanimous consent for the present consideration of the following order.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent for the present consideration of an order which the Clerk will report.

The Clerk read as follows:

Ordered, That Sunday, February 8, 1914, be set apart for addresses upon the life, character, and public services of the Hon. WILLIAM H. WILDER, late a Representative from the State of Massachusetts.

The SPEAKER. Is there objection? If not, it will be so ordered.

There was no objection.

LEAVE TO EXTEND REMARKS.

Mr. PARK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on Senate joint resolution No. 5.

The SPEAKER. The gentleman from Georgia asks unanimous consent to extend his remarks in the RECORD on Senate joint resolution No. 5. Is there objection?

There was no objection.

LETTER OF GEN. H. H. BINGHAM.

Mr. VARE. Mr. Speaker, I ask unanimous consent to print in the Record a letter written by my predecessor in this House, Gen. Bingham, after the Battle of Gettysburg in 1863.

The SPEAKER. The gentleman asks unanimous consent to extend his remarks in the RECORD by printing the letter referred to by him. Is there objection?

There was no objection.

The letter is as follows:
[Gettysburg letter of Gen. H. H. Bingham, written to his sister, Mrs. John B. Coryell, while he was a captain on the staff of Gen. Winfield S. Hancock.]

Headquarters Corps,

Near Harpers Ferry, Va., July 18, 1863.

Dear Sister: Do not think I have forgotten you; I wrote you immediately after the battle concerning my safety and, if I mistake not a letter since, but perhaps I am wrong. Well, I came safe and sound out of the last engagement and have no objection to going into another to-morrow, provided always that we whip them. Gettysburg was a hard fought and fairly won battle—God grant us many such victories—and those of them that are spared will soon return to our homes wiser and better men.

and those of them that are spared will soon return to our homes wiser and better men.

By the by, I will tell you how I spent my Fourth of July night, About 8 o'clock in the evening I laid myself on the ground—and it was wet and foggy at the time—to rest for the night. I had nothing to put under or above me—on the field we take nothing in the shape of bed clothing. About 12 o'clock I awoke and found that I was in a complete pool of water that nearly covered me, and it was raining terribly. I got up and stood by, or rather against, a tree until daylight, but unfortunately this tree was within 20 or 30 feet of some hundred wounded, dying, and dead rebels, and together with the groans and crices for water and the rain I passed a night the remembrance of which I can never forget. I would not have been surprised to have my hair gray my agony at times was so intense. But that is

only one of the sad scenes in the great conflict. The morning after the battle I went over all the battle ground and I saw that which gave rise to the old expression, "Dead heaped on dead."

Our general—I mean Gen. Hancock—was the hero of the fight. Oh, but he is a gallant man. When we rode along our line of battle, while the enemy were advancing in three perfectly formed lines, every man looked up and saw the perfect soldler in their general, and as he spoke to them here and there cheer after cheer ascended, for all have and had the most unbounded confidence in him; but he was wounded during the heaviest part of the engagement. We assisted him from his horse, and there on his back he lay and gave us order after order to execute. Said he, in giving me one of the many orders which we executed: "Mr. Bingham—he always calls the gentlemen of his staff. Mister—take those two regiments on the left of this line, lead them to the left flank of Well's front and pour enfilading fire in that line of rebels just advancing." I led them within 20 yards of the rebel line, and poured a raking fire into the enemy that caused a breaking of their ranks and a promiscuous retreat.

It was at that time that I lost as beautiful a white horse as it is possible to obtain. I hope the general will soon return. He is now in Philadelphia. I am very well. Write soon. I suppose you know I am judge advocate of the Second Corps. When Gen. Hancock received command of the corps he took me with him. Love to all.

Direct,

H. H. BINGHAM,

H. H. BINGHAM, Headquarters Second Corps, Washington, D. C.

Your brother Harry.

I forgot to say that Jim is in this army now. I saw him some days to. He is very well. ago.

ENROLLED BILL SIGNED.

Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 3638. An act providing for the issuance of patent to

Joe Joubert.

IMMIGRATION.

The SPEAKER. House bill 6060, the general immigration bill, ought to be transferred from the House Calendar to the Union Calendar. If there be no objection, it will be so trans-

There was no objection.

ADJOURNMENT

Mr. MOON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock p. m.) the House adjourned until Wednesday, January 21, 1914, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were sev erally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. RAKER, from the Committee on the Public Lands, to which was referred the bill (H. R. 5884) granting to the people of the State of California the right of way upon and across the United States fish reservation at Baird, Shasta County, Cal., reported the same without amendment, accompanied by a report (No. 177), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (H. R. 122) authorizing the State of California to select public lands in lieu of certain lands granted to it in Imperial County, Cal., and for other purposes, reported the same without amendment, accompanied by a report (No. 178), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. RUSSELL, from the Committee on Invalid Pensions, to which was referred the bill (S. 832) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent relatives of such soldiers and sailors, reported the same with amendment, accompanied by a report (No. 174), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (S. 834) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent relatives of such soldiers and sailors, reported the same with amendment, accompanied by a report (No. 175), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (S. 833) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War, and certain wid-

ows and dependent relatives of such soldiers and sailors, reported the same with amendment, accompanied by a report (No. 176), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows: By Mr. BRUCKNER: A bill (H. R. 11968) providing for a

survey of Pugsley Creek, in the State of New York; to the Committee on Rivers and Harbors.

By Mr. LEVER: A bill (H. R. 11969) making appropriations for the printing and publishing of maps and reports relating to the kelp beds on the Pacific coast; to the Committee on Appropriations

By Mr. BOWDLE: A bill (H. R. 11970) granting pensions to members of the military organization of 1862 known as the Squirrel Hunters; to the Committee on Invalid Pensions.

By Mr. QUIN: A bill (H. R. 11971) providing for the construction of a concrete or cement walk from the entrance gate of the national military cemetery at Natchez, Miss., to the sidewalks of the city of Natchez, Miss., at the corner of Pearl and Oak Streets; to the Committee on Military Affairs.

By Mr. DALE: A bill (H. R. 11972) to provide for the purchase of a site and the erection of a public building thereon at the city of Brooklyn, in the State of New York, near the plaza at the east end of the Williamsburg Bridge; to the Committee on Public Buildings and Grounds.

By Mr. HUMPHREY of Washington: A bill (H. R. 11973) making timberlands available for homestead settlement, and for other purposes; to the Committee on the Public Lands.

By Mr. SELLS: A bill (H. R. 11974) to pension widow and minor children of any officer or enlisted man who served in the War with Spain or the Philippine insurrection; to the Committee on Pensions.

By Mr. TRIBBLE: A bill (H. R. 11975) authorizing the reduction of postal rates on agricultural, horticultural, dairy, and poultry products; to the Committee on the Post Office and Post Roads.

By Mr. GREEN of Iowa: A bill (H. R. 11976) to amend the act of August 24, 1912, fixing the rate on fourth-class mail matter; to the Committee on the Post Office and Post Roads

By Mr. STONE: A bill (H. R. 11977) to authorize and direct the payment of pensions monthly; to the Committee on Invalid

Also, a bill (H. R. 11978) to declare Lincoln's birthday a legal holiday; to the Committee on the Judiciary.

Also, a bill (H. R. 11979) to create a board to correct military records; to the Committee on Military Affairs.

Also, a bill (H. R. 11980) providing for the erection of a public building at Spring Valley, in the State of Illinois; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11981) to establish a fish hatchery and fish-culture station in the sixteenth congressional district of Illinois at a point to be selected by the Secretary of Commerce; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 11982) authorizing the Secretary of War to deliver to the city of Chillicothe, Ill., two condemned bronze or brass cannon, with their carriages and a suitable outfit of cannon balls; to the Committee on Military Affairs.

Also, a bill (H. R. 11983) to establish an agricultural experiment station in the sixteenth congressional district of Illinois; to the Committee on Agriculture.

By Mr. BYRNES of South Carolina: A bill (H. R. 11984) providing for the disposition of the tax on cotton collected during the fiscal years ended June 30, 1863, to June 30, 1868; to the Committee on War Claims

By Mr. SHACKLEFORD: Resolution (H. Res. 382) providing for the immediate consideration of the bill (H. R. 11686) empowering the United States, in certain cases, to aid the States and the civil subdivisions thereof in the construction and maintenance of rural post roads, and for other purposes; to the Committee on Rules.

By Mr. KAHN: Resolution (H. Res. 383) providing for the appointment of a committee to investigate charges concerning lobby influences in the passage of the act relating to the Metro-politan police force; to the Committee on Rules.

By Mr. LA FOLLETTE: Joint resolution (H. J. Res. 196) authorizing the delivery to the proper authorities of Columbia County, Wash., of two condemned bronze or brass cannon or fieldpieces with suitable outfit of cannon balls; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADAIR: A bill (H. R. 11985) granting an increase

of pension to John Baker; to the Committee on Invalid Pensions. By Mr. ASHBROOK: A bill (H. R. 11986) granting a pension

to Sarah A. Haas; to the Committee on Invalid Pensions. By Mr. BOWDLE: A bill (H. R. 11987) granting an increase of pension to John Kastel; to the Committee on Invalid Pen-

Also, a bill (H. R. 11988) granting an increase of pension to Henriette Krueger; to the Committee on Invalid Pensions. Also, a bill (H. R. 11989) granting an increase of pension to

Christiana Voigt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11990) granting an increase of pension to Charles H. Dart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11991) for the relief of Mrs. L. D. Goldsberry; to the Committee on Claims.

By Mr. CAMPBELL: A bill (H. R. 11992) granting a pension to Frank H. Campbell; to the Committee on Pensions.

Also, a bill (H. R. 11993) granting an increase of pension to

Isaac A. Hopkins; to the Committee on Invalid Pensions.

By Mr. CARAWAY: A bill (H. R. 11994) granting an increase of pension to C. W. Kerlee; to the Committee on Invalid Pension

Also, a bill (H. R. 11995) granting an increase of pension to Wyatt Baldwin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11996) granting an increase of pension Roy Brissenden; to the Committee on Pensions. By Mr. CULLOP: A bill (H. R. 11997) granting a pension

to Ella M. Randolph; to the Committee on Pensions.

By Mr. DYER: A bill (H. R. 11998) granting a pension to

Leila F. Devine; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11999) granting a pension to Melissa A. Hawley; to the Committee on Pensions.

By Mr. FRANCIS: A bill (H. R. 12000) for the relief of Albert McFadden for the loss of postal savings stamps; to the Committee on Claims.

By Mr. GERRY: A bill (H. R. 12001) granting an increase of pension to Hattie Sheldon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12002) granting an increase of pension to Margaret Connelly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12003) granting an increase of pension to Cynthia C. Edwards; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12004) granting an increase of pension to

Joseph Walker; to the Committee on Invalid Pensions Also, a bill (H. R. 12005) granting an increase of pension to Mary A. Carter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12006) granting an increase of pension to Mary McCartin: to the Committee on Invalid Pensions.

Also, a bill (H. R. 12007) granting an increase of pension to John P. Campbell; to the Committee on Invalid Pensions.

By Mr. GOEKE: A bill (H. R. 12008) granting an increase of pension to John H. Anderson; to the Committee on Invalid

Pensions.

Also, a bill (H. R. 12009) granting an increase of pension to William Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12010) granting an increase of pension to

John W. Reinoehl; to the Committee on Invalid Pensions. By Mr. GOULDEN: A bill (H. R. 12011) granting an increase of pension to Jeremiah Haley; to the Committee on Invalid Pensions.

By Mr. HAUGEN: A bill (H. R. 12012) granting a pension to Lydia Waltenbaugh; to the Committee on Invalid Pensions.
Also, a bill (H. R. 12013) for the relief of Aaron L. Abbey;
to the Committee on War Claims.

By Mr. HAWLEY; A bill (H. R. 12014) granting a pension to Charles W. Clark; to the Committee on Pensions.

Also, a bill (H. R. 12015) granting an increase of pension to

Albert A. Smith; to the Committee on Invalid Pensions.

By Mr. HELM: A bill (H. R. 12016) granting a pension to Charles C. Watson; to the Committee on Pensions.

By Mr. HAWLEY: A bill (H. R. 12017) for the relief of George E. Zimmerman; to the Committee on the Public Lands.

By Mr. MAGUIRE of Nebraska: A bill (H. R. 12018) granting an increase of pension to William M. Orr; to the Committee on Pensions.

Also, a bill (H. R. 12019) granting an increase of pension to Arthur L. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12020) granting an increase of pension to Thomas E. Heskett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12021) granting a pension to Mary A. Bishop; to the Committee on Invalid Pensions,

Also, a bill (H. R. 12022) granting an increase of pension to Ruth B. Martin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12023) granting an increase of pension to James D. Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12024) granting an increase of pension to Andrew N. Coffey; to the Committee on Invalid Pensions, By Mr. MAPES: A bill (H. R. 12025) for the relief of John J.

Waters; to the Committee on Military Affairs.

Also, a bill (H. R. 12026) for the relief of Samuel E. Cooper;

to the Committee on Military Affairs.
Also, a bill (H. R. 12027) for the relief of Peter Duchane; to the Committee on Military Affairs.

Also, a bill (H. R. 12028) granting a pension to Emma L. Conger; to the Committee on Invalid Pensions

Also, a bill (H. R. 12029) for the relief of Gerhard Heyboer; to the Committee on Military Affairs.

Also, a bill (H. R. 12030) for the relief of John Shields; to

the Committee on Military Affairs.

Also, a bill (H. R. 12031) for the relief of Samuel N. Raymer; to the Committee on Military Affairs

By Mr. PARKER: A bill (H. R. 12032) granting a pension to Sarah J. Ogden; to the Committee on Invalid Pensions

Also, a bill (H. R. 12033) granting a pension to Mary E.

Newcomb; to the Committee on Invalid Pensions. Also, a bill (H. R. 12034) granting a pension to Katherine Reardon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12035) granting an increase of pension to Austin Phillips; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12036) granting an increase of pension to

Charles M. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12037) granting an increase of pension to Amyel Baker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12038) granting an increase of pension to Charles La Marsh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12039) granting an increase of pension to William Hemstreet; to the Committee on Invalid Pensions.

By Mr. POST: A bill (H. R. 12040) granting an increase of pension to James T. Lott; to the Committee on Invalid Pensions.

By Mr. RUSSELL: A bill (H. R. 12041) granting a pension

to Olive E. Myer; to the Committee on Invalid Pensions. By Mr. STEPHENS of Nebraska: A bill (H. R. 12042) for the relief of the Medawakanton and Wahpakoota bands of Sioux Indians, otherwise known as the Santee Sioux Indians; to the Committee on Claims,

By Mr. STEPHENS of Texas: A bill (H. R. 12043) authorizing the Secretary of the Interior to withdraw from the funds now on deposit in the Treasury to the credit of certain Indian tribes and to pay certain claims; to the Committee on Indian Affairs.

Also, a bill (H. R. 12044) making appropriation for payment of certain claims as reported herein by the Committee on Indian Affairs; to the Committee on Indian Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows

By the SPEAKER (by request): Petition of the Boston Marine Society, of Boston, Mass., protesting against the passage of Senate bill 136, known as the seamen's bill; to the Committee on the Merchant Marine and Fisheries.

Also (by request), petition of the Winfield Scott Branch of the Continental League of Brooklyn and Yorktown Branch of the Continental League of Philadelphia, protesting against an appropriation for the celebration of "One hundred Years of Peace With England"; to the Committee on Foreign Affairs.

Also (by request), memorial of Sherman Council of Junior Order United American Mechanics, favoring the passage of House bill 6060, restricting immigration; to the Committee on Immigration and Naturalization.

(by request), petition of the Presbyterian Ministers Association of Washington, D. C., favoring the passage of the Kenyon bill (S. 234); to the Committee on the Judiciary.

By Mr. ASHBROOK: Petition of the Association of Amer-

ican Agricultural Colleges and Experiment Stations, favoring the passage of House bill 7951; to the Committee on Agriculture.

Also, memorial of the General Assembly of the State of Ohio, favoring the passage of the officers' volunteer retired list bill; to the Committee on Military Affairs.

By Mr. BROWNING: Memorial of Socialist Party of Camden, of Camden, N. J., favoring an investigation of strike conditions in Michigan; to the Committee on Rules.

By Mr. BUCHANAN of Illinois: Memorial of the Federation of Labor, Chicago, Ill., favoring an investigation of strike conditions in Michigan; to the Committee on Rules.

By Mr. CARY: Resolutions by the United Brewery Workmen of Milwaukee, Wis., urging an investigation as to the conditions

in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions by the Waiters' Union, Local No. 54, Milwaukee, Wis., urging an investigation as to the conditions of the copper mines of Michigan; to the Committee on Rules.

Also, resolutions of the Lake Seamen's Union of Milwaukee, Wis., urging investigation of conditions in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions by the Bay View Women's Branch, Social Democratic Party, of Milwaukee, Wis., urging investigation of the conditions in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions by the Third Ward Social Democratic Party, Milwaukee, Wis., urging investigation as to the conditions in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions by the Barbers' Union, No. 50, Milwaukee, Wis., urging investigation as to the conditions in the copper

mines of Michigan; to the Committee on Rules.

Also, resolutions by the Milwaukee Theatrical Protective Union, No. 48, of Milwaukee, Wis., urging investigation of conditions in the copper mines of Michigan; to the Committee on

Also, resolutions by Local No. 1447, of Milwaukee, Wis., urging investigation as to the conditions in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions by the International Brotherhood of Stationary Firemen, of Milwaukee, Wis., urging investigation as to the conditions in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions by the International Steam Operating Engineers, of Milwaukee, Wis., urging an investigation as to the conditions in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions by the Lake Seamen's Union, of Milwaukee, Wis., urging investigation of the conditions in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions of the Social Democratic Party, Town of Lake, Milwaukee, Wis., as to the conditions in the copper mines of

Michigan and urging an investigation; to the Committee on Rules.

Also, resolutions by the Cap Makers' Union No. 16, of Milwaukee, Wis., urging investigation as to the conditions in the

copper mines of Michigan; to the Committee on Rules.

Also, resolutions by the Cigar Makers' Union No. 25, of Milwaukee, Wis., urging investigation as to the conditions in the copper mines of Michigan; to the Committee on Rules

Also, resolutions by the Metal Polishers' Union of Milwaukee, Wis., urging investigation as to the conditions in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions of the International Molders' Union, of

Milwaukee, Wis., urging investigation as to the conditions in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions by the Millwright Local No. 1519, of Mil-

waukee, Wis., on conditions in the copper mines of Michigan and urging an investigation; to the Committee on Rules.

Also, resolutions by the Federated Trade Council of Milwau-

kee, Wis., urging an investigation as to the conditions in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions by the Blacksmiths' Union No. 77, of Milwaukee, Wis., urging investigation as to the conditions in the

copper mines of Michigan; to the Committee on Rules.
Also, resolutions by Local No. 10, Milwaukee, Wis., urging an investigation as to the conditions in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions by the Moving Picture and Projecting Machine Operators, No. 1640, Milwaukee, Wis., urging investigation as to the conditions in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions by the Lincoln Castle, No. 18, on Burnett immigration bill, favoring its passage; to the Committee on Immigration.

Also, resolution by the Coopers' International Union No. 35, urging investigation into the conditions in the copper mines of Michigan; to the committee on Rules

Also, resolution by the Glass Bottle Blowers' Association of Milwaukee, Wis., urging an investigation as to the condition in

the copper mines of Michigan; to the Committee on Rules.
Also, resolutions by the Social Democratic Party of West
Allis, Wis., urging an investigation as to the conditions in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions by the Fifth Ward Social Democratic Party, of Milwaukee, Wis., urging an investigation as to the conditions in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions by the Twelfth Ward Social Democratic Party, of Milwaukee, Wis., urging an investigation as to the conditions in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions by the South Milwaukee Local, No. 375, International Molders' Union, of Milwaukee, Wis., urging an investigation as to the conditions in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions by the International Molders' Union, No. 121, of Milwaukee, Wis., urging an investigation as to the conditions in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions by German-American Typographical Union, No. 10, of Milwaukee, Wis., urging an investigation as to the conditions in the copper mines of Michigan; to the Committee

Also, resolutions by the Seventeenth Ward Social Democratic Party, of Milwaukee, Wis., urging an investigation as to the conditions in the copper mines of Michigan; to the Committee

Also, resolutions by the Marble Workers' Union, No. 78, of Milwaukee, Wis., urging an investigation as to the conditions in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions of State Court Guardians of Liberty, of Wisconsin, favoring passage of the immigration bill; to the Committee on Immigration and Naturalization.

By Mr. COOPER: Memorial of Chicago Federation of Labor, favoring an investigation of the labor troubles in the mines of Michigan; to the Committee on Rules.

Also, petition of citizens near Franksville, Wis., protesting against the passage of the Sabbath observance bill; to the Committee on the District of Columbia.

By Mr. COVINGTON: Petition of citizens of Millington, Md., protesting against Sabbath observance bill; to the Committee on the District of Columbia.

By Mr. CURRY: Petition of 63 citizens of San Joaquin County, Cal., relative to House bill 9674; to the Committee on the District of Columbia.

By Mr. DAVIS: Petition of citizens of Hutchinson, Minn., protesting against Senate bill 752 and House bill 9674, the Sabbath observance bill; to the Committee on the District of

Also, petition of German-American Alliance of Sibley County, St. Paul, and Hastings, Minn., protesting against amendment to the Constitution prohibiting the sale, etc., of intoxicating liq-uors; to the Committee on the Judiciary. By Mr. DYER: Petition of Woman's Trade Union League of

St. Louis, favoring an investigation of the troubles in the copper regions of Michigan; to the Committee on Rules.

Also, petition of the American Mining Congress, favoring the passage of House bill 1739 for the betterment of Alaskan conditions: to the Committee on the Territories.

By Mr. FESS (by request): Petition of J. B. Smith and 35 other citizens of Bellefontaine, Ohio, protesting against the passage of House bill 9674, the Sabbath observance bill; to the Committee on the District of Columbia.

By Mr. FRANCIS: Petition of citizens of Ohio, favoring a two-battleship program; to the Committee on Naval Affairs.

By Mr. GOEKE: Petition of citizens of Lima, Ohio, favoring an investigation of labor troubles, etc., in the mining districts

of Michigan; to the Committee on Rules.

By Mr. GOULDEN: Petitions of sundry citizens of the State of New York, favoring the passage of the Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, papers to accompany a bill (H. R. 12011) granting increase of pension to Jeremiah Haley; to the Committee on In-

valid Pensions.

By Mr. GRAHAM of Pennsylvania: Petition of Chicago Federation of Labor, Chicago, Ill., favoring an investigation of the trouble in the copper regions of Michigan; to the Committee on Rules.

By Mr. GRIEST: Memorials of North Star Council, No. 67, Order United American Mechanics, of Quarryville; Martin Luther Commandery, No. 317, Ancient and Illustrious Order Knights of Malta, of Lancaster; White Cross Commandery, No. 159, Ancient and Illustrious Order Knights of Malta, of Lancaster; Meridian Sun Commandery, No. 99, Ancient and Illustrious Order Knights of Malta, of Lancaster; Washington Camp No. Order Kinghts of Marta, of Lancaster; Washington Camp No. 7700, Patriotic Order Sons of America, of Lancaster; Washington Camp No. 557, Patriotic Order Sons of America, of Lancaster; Washington Camp No. 28, Patriotic Order Sons of America, of Adamstown; Cigar Makers' Local Union No. 257, of Lancaster; National Camp, Patriotic Order Sons of America,

of Philadelphia, all in the State of Pennsylvania, favoring the passage of House bill 6000, being the Burnett immigration bill: to the Committee on Immigration and Naturalization.

Also, memorial of Socialist Party of Ephrata, Pa., favoring investigation of strike conditions in Michigan; to the Committee on Rules.

Also, memorial of Mrs. Rebecca Lane Price, Lancaster, Pa., favoring House bill 2131, granting pensions to Volunteer Army nurses of Civil War; to the Committee on Invalid Pensions.

Also, memorials of Socialist Party of Lancaster, Pa., and Local Union of Painters, No. 380, Lancaster, Pa., favoring an investigation of strike conditions in Michigan; to the Committee on Rules.

By Mr. HAWLEY: Petition of Walton Local, Walton, Oreg., favoring investigation of strike conditions in Michigan; to the Committee on Rules

By Mr. HUMPHREY of Washington: Memorial of Edmonds Merchants' Association, of the State of Washington, favoring bill for 1-cent postage; to the Committee on the Post Office and Post Roads.

Also, petition of citizens of Ferndale, Wash., protesting against Sabbath observance bill; to the Committee on the District of Columbia.

By Mr. IGOE: Petition of St. Louis Council, No. 1, Junior Order United American Mechanics, favoring the passage of the Burnett immigration bill; to the Committee on Immigration

and Naturalization.

Also, petition of Hamilton-Brown Shoe Co., of St. Louis, Mo., protesting against the passage of the Stanley bill; to the Committee on Interstate and Foreign Commerce.

Also, petition of M. Longo Fruit Co., of St. Louis, Mo., protesting against the passage of House bill 9987, relative to cold

storage; to the Committee on Agriculture.

Also, memorial of the United Hebrew Paper Hangers and Painters, of St. Louis, Mo., protesting against Burnett immigration bill; to the Committee on Immigration and Naturaliza-

By Mr. KENNEDY of Rhode Island: Petition of Loom Fixers' Association, of Pawtucket, R. I., favoring House bill 1873;

to the Committee on the Judiciary.

By Mr. KINKEAD of New Jersey: Petition of mayor and council of the borough of Highlands, favoring appropriation for a sea wall along the Sea Bright peninsula; to the Committee on Rivers and Harbors

By Mr. LAFFERTY: Memorials of Lodge 268, Brotherhood of Railway Carriers of America; Local No. 28, Theatrical Stage Employees' International Alliance; Portland Label League; and Brewery Workers Local No. 320, all of Portland. Oreg., favoring seamen's bill (S. 136); to the Committee on the Merchant Marine and Fisheries.

Also, Memorials of Portland (Oreg.) Lodge, 268, Brotherhood of Railway Carriers of America, and Brewery Workers Local Union No. 320, of Portland, Oreg., favoring investigation of strike conditions in Michigan; to the Committee on Rules.

By Mr. LEE of Georgia: Papers to accompany House bill 11949; to the Committee on Invalid Pensions.

By Mr. LINDQUIST: Petition of T. H. Butler and other citizens, of Sumner, Mich., protesting against the passage of the Sabbath observance bill (H. R. 9674); to the Committee on the District of Columbia.

By Mr. McLAUGHLIN: Papers to accompany a bill to grant

pension to Eliza A. Keech; to the Committee on Invalid Pensions.

By Mr. NEELEY of Kansas: Petitions of citizens of Nekoma, Kans., and Harper County, Kans., against House bill 9674; to the Committee on the District of Columbia.

Also, petition of citizens of Rice County, Kans., against House bill 9836; to the Committee on the Judiciary.

Also, petition of Socialist Party of Fort Dodge, Kans., favoring investigation of strike conditions in Michigan; to the Committee on Rules.

Also, petition of citizens of Hafford County, Kans., against removal of assistant postmasters from civil service; to the Committee on the Post Office and Post Roads.

Also, petition of citizens of Reno County, Kans., favoring immigration bill; to the Committee on Immigration and Natural-

By Mr. PARKER: Papers to accompany bills granting pensions to Katherine Reardon, Sarah J. Ogden, and Mary E. Newcomb; to the Committee on Invalid Pensions.

Also, papers to accompany bills granting increase of pensions to Charles La Marsh, Amyel Baker, Charles M. Smith, and Austin Phillips; to the Committee on Invalid Pensions.

By Mr. RAKER of California: Memorial of the Chamber of Commerce, South San Francisco, Cal., favoring the passage of House bill 8947, to extend the Free Delivery Service; to the Committee on the Post Office and Post Roads.

Also, petition of A. Levy & J. Zentner Co., of San Francisco, Cal., protesting against the passage of House bills 9266, 9530, and 9987, relating to cold storage; to the Committee on Interstate and Foreign Commerce.

Also, petitions of Henry Cowell Lime & Cement Co., of San Francisco, Cal., relative to lime and the new tariff law, and Chamber of Commerce of Sacramento, Cal., protesting against certain provisions of the income-tax law; to the Committee on Ways and Means.

Also, memorials of Santa Clara (Cal.) Letter Carriers, Branch 193, National Association of Letter Carriers, of San Jose, Cal., and San Diego (Cal.) Letter Carriers, protesting against elimination of assistant postmasters from the classified service; to the Committee on the Post Office and Post Roads.

Also, petition of the Western Forestry and Conservation Association, favoring greater appropriations for the Forestry Service; to the Committee on Agriculture.

Also, memorial of the board of directors of the Chamber of Commerce of Sacramento, Cal., protesting against the passage of the seamen's bill; to the Committee on the Merchant Marine

Also, memorial of the Chamber of Commerce of Sacramento, Cal., favoring the passage of the Nelson-Madden consular bill; to the Committee on Foreign Affairs.

Also, memorial of the board of directors of the Chamber of Commerce of Sacramento, Cal., protesting against the Kahn bill (H. R. 7595) providing for free importation of articles for foreign exhibits building at Panama Exposition; to the Committee on Ways and Means.

Also, petition of the board of directors of the Chamber of Commerce of Sacramento, Cal., relative to the completion of the park-way plan in Washington, D. C.; to the Committee on Public Buildings and Grounds.

Also, memorial of East Auburn Local Socialist Party, Local Tehama County Socialist Party, and Local Indian Falls Socialist Party, all in the State of California, favoring an investigation of the labor strike in the copper mines of Michigan; to the Committee on Rules.

By Mr. REILLY of Connecticut: Pétition of sundry citizens of the State of Connecticut, favoring the two-battleship program; to the Committee on Naval Affairs.

By Mr. SCULLY: Petition of the Chicago Federation of La-bor, of Chicago, Ill., favoring an investigation of the trouble in the copper regions of Michigan; to the Committee on Rules.

By Mr. J. M. C. SMITH: Petitions of E. Gilbert and 20 others of Potterville, Mich., protesting against the passage of the Sabbath-observance bill (H. R. 9674); to the Committee on the District of Columbia.

Also, petition of the Grand Rapids Association of Commerce, favoring city parks and beautifying the National Capitol; to the Committee on Public Buildings and Grounds.

Also, petition of Socialist Local of Albion, Mich., favoring Federal investigation of copper strike; to the Committee on

By Mr. TUTTLE: Petitions of International Brotherhood of Stationary Firemen, of Newark, N. J., and Local No. 9, Polishers, Buffers, and Platers, of Elizabeth, N. J., favoring investigation of strike conditions in Michigan; to the Committee on Rules.

Also, petitions of Daughters of Liberty of Morristown and Rahway, N. J., favoring immigration bill; to the Committee on Immigration and Naturalization.

Also, petition of Lodge No. 375, Independent Order B'rith Abraham, of Morristown, N. J., protesting against immigration bill; to the Committee on Immigration and Naturalization.

Also, memorial of town of Morristown, N. J., favoring Senate bill 3063; to the Committee on Public Buildings and Grounds. Also, petition of Plumbers' Local Union No. 245, of Elizabeth,

N. J., favoring House bill 1873; to the Committee on the Judi-

By Mr. VARE: Petition of certain citizens of Philadelphia, Pa., protesting against House bill 9674; to the Committee on the District of Columbia.

By Mr. WALTERS: Petition of Cyril L. Wolfhope, J. B. Salinger, R. C. Bruce, J. A. McHugh, John H. Moorey, and Robert R. Fritsch, of Pennsylvania, favoring the passage of resolution proposing prohibition amendment to the Constitution; to the Committee on the Judiciary.

Also, petition of organizations and citizens of Pennsylvania, favoring the passage of House bill 6060, restricting immigration; to the Committee on Immigration and Naturalization.

By Mr. WILSON of New York: Memorial of Day of Rest Conference of New York City, protesting against amendment to Post Office appropriation bill providing that compensatory time

for Sunday work shall be given; to the Committee on the Post Office and Post Roads.

Also, petition of the Abraham Lincoln Branch of the American Continental League, of Brooklyn, N. Y., protesting against appropriation of money for celebration of "One hundred years of peace among English-speaking peoples"; to the Committee on Foreign Affairs

By Mr. WINGO: Memorial of Socialists of Bownville, favoring an investigation of the labor troubles in the copper regions of Michigan; to the Committee on Rules.

SENATE.

Wednesday, January 21, 1914.

Prayer by the Chaplain, Rev. Forrest J. Prettyman, D. D. The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. Oliver and by unanimous consent, the further reading was dispensed with and the Journal was approved.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented memorials of Lincoln Branch, American Continental League, of Hubbard, Ohio; of General Daniel Morgan Branch, American Continental League, of Philadelphia, Pa.; of Valley Forge Branch, American Continental League, of Philadelphia, Pa.; and of Robert Morris Branch, American Continental League, of Philadelphia, Pa., remonstrating against any appropriation by Congress for the celebration of the so-called "One hundred years of peace among English-speaking peoples," which were referred to the Committee on Foreign Relations.

Mr. THOMAS presented memorials of sundry citizens of Lyons, Colo., remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which were referred to the Committee on the District of Columbia.

Mr. OLIVER presented memorials of Yorktown Branch, American Continental League, of Philadelphia, Pa.; of Nathan Hale Branch, American Continental League, of Philadelphia, Pa.; of Andrew Jackson Branch, American Continental League, Fal.; of Andrew Jackson Branch, American Continental League, of Shenandoah, Pa.; of General Sullivan Branch, American Continental League, of Pittsburgh, Pa.; of Anthony Wayne Branch, American Continental League, of Philadelphia, Pa.; and of Molly Pitcher Branch, American Continental League, of Philadelphia, Pa., remonstrating against any appropriation by Congress for the calculation of the so-called "One hundred". Congress for the celebration of the so-called "One hundred years of peace among English-speaking peoples," which were

referred to the Committee on Foreign Relations.

He also presented a petition of Valley Hill Council, No. 59, Daughters of Liberty, of Parkesburg, Pa., and a memorial of Local Council No. 109, Daughters of Liberty, of Monaca, Pa., praying for the enactment of legislation to further restrict immigration, which were referred to the Committee on Immigration.

Mr. BRISTOW presented a memorial of sundry citizens of Hanover, Kans., remonstrating against the enactment of legislation to prohibit the sale, manufacture, and importation of distilled liquor containing alcohol except for certain specifical which was referred to the Committee on the purposes. Judiciary.

He also presented a memorial of sundry citizens of Morgan-ville, Kans., praying for the enactment of legislation to prohibit the sale, manufacture, and importation of distilled liquor containing alcohol except for certain specified purposes, which was referred to the Committee on the Judiciary.

Mr. ASHURST presented resolutions adopted by the Socialist Party of Yuma, Ariz., praying for the enactment of legislation authorizing Government ownership of all the mines of the United States and the Territories thereof, etc., which were referred to the Committee on Mines and Mining.

Mr. GALLINGER. Mr. President, I have a letter from Rev. George Brown Thomas, pastor of St. Paul's Methodist Episcopal Church, of Manchester, N. H., from which I desire to read a

As pastor of the largest Methodist Church in the State I am writing to beg you, not only as an individual, but as representing practically a united body of citizens who are members of this church and parish, to support the immigration bill which will soon come before your body, introduced into the House by Mr. Burnett and known as House bill 6060. Probably a separate bill will be introduced into the Senate, if it has not already been introduced, under a different name, but containing the same provisions, particularly the educational restriction.

After much study and observation and experience I am convinced that we face no other peril greater, if as great, than the tremendous influx of foreign peoples who are totally illiterate.

My correspondent goes on to discuss the matter somewhat fur

My correspondent goes on to discuss the matter somewhat furin detail, which I will not read. I move that the letter be referred to the Committee on Immigration.

The motion was agreed to.

Mr. KENYON presented a memorial of sundry citizens of Humboldt County, Iowa, remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which was referred to the Committee on the District of Columbia.

He also presented a petition of sundry clerks and letter carriers employed in the post office at Oskaloosa, Iowa, praying for the enactment of legislation providing for the retirement of incapacitated civil-service employees, which was referred to the Committee on Civil Service and Retrenchment.

Mr. WEEKS presented a memorial of Hebrew Progressive Lodge, No. 177, Independent Order B'rith Abraham, of Boston, Mass., remonstrating against the enactment of legislation to further restrict immigration, which was referred to the Committee on Immigration.

Mr. BURLEIGH presented a petition of York Pomona Grange, Patrons of Husbandry, of Maine, praying for the passage of the so-called Lever agricultural extension bill, which was ordered to

lie on the table.

Mr. SIMMONS presented a petition of sundry citizens of Rocky Mount, N. C., praying for the construction of two new bat-tieships, which was referred to the Committee on Naval Affairs.

He also presented a petition of sundry citizens of Elm City, N. C., praying for the enactment of legislation to further restrict immigration, which was referred to the Committee on Immigra-

SENATOR FROM ALABAMA.

Mr. WALSH. Mr. President, I desire to make a privileged The Committee on Privileges and Elections, to which was referred the credentials of Frank P. Glass as a Senator from the State of Alabama, have considered the same, and I am directed by that committee to submit a report thereon. I ask that the report may be read.

The VICE PRESIDENT. The report will be read.

The Secretary read as follows:

[Senate Report No. 164, part 1, Sixty-third Congress, second session.]

CREDENTIALS OF FRANK P. GLASS AS SENATOR FROM ALABAMA.

CREDENTIALS OF FRANK P. GLASS AS SENATOR FROM ALABAMA.

Mr. Walsh, from the Committee on Privileges and Elections, submitted the following report (to accompany S. Res. 249):

The Committee on Privileges and Elections, to whom was referred the credentials of Frank P. GLASS as a Senator from the State of Alabama, have considered the same and submit the following report:

At the time the seventeenth amendment became valid as a part of the Constitution of the United States, on the 31st day of May, 1913, and thereafter until his death, on the 8th day of August, 1913, following, the State of Alabama was represented in the Senate in part by Hon. Joseph M. Johnston, holding by election by the legislature of that State for a full term, which would expire on the 4th of March, 1915. Later the governor of that State, the Hon. Emmet O'Neai, designated Hon. Henry D. CLAYTON to fill the vacancy thus occasioned. His credentials were presented to the Senate and by it referred to its Committee on Privileges and Elections, but before any report was made by the committee they were withdrawn by request of the appointee, who declined the place. Subsequently, on the 7th day of November, 1913, the governor issued a certificate by which the Senate was advised that he had appointed Hon. Frank P. GLASS as a Senator of the United States from the State of Alabama. His credentials having been presented to the Senate and by it referred to the appropriate committee, that committee now reports that in its opinion the governor of Alabama had no authority under the Constitution of the United States to make the appointment and that the said Frank P. GLASS is not entitled to a seat in this honorable body.

The right claimed under the appointment depends upon the construction to be given to the seventeenth amendment, referred to, which reads as follows:

"The Senate of the United States shall be composed of two Senators from each State, elected by the people thereof for six years; and each

as follows:

"The Senate of the United States shall be composed of two Senators from each State, elected by the people thereof for six years; and each Senator shall have one vote. The electors in each State shall have the qualifications requisite for the electors of the most numerous branch of the State legislatures.

"When vacancies happen in the representation of any State in the Senate the executive authority of such State shall issue writs of election to fill such vacancies: Provided, That the legislature of any State may empower the executive thereof to make temporary appointments until the people fill the vacancy by election, as the legislature may direct. direct.

"This amendment shall not be so construed as to affect the election or term of any Senator chosen before it becomes valid as a part of the

or term of any Senator chosen before it becomes valid as a part of the Constitution."

It is contended on behalf of Mr. Glass:

(1) That by reason of the last clause of the amendment it is inoperative with respect to any vacancy that may occur by the death, resignation, or expulsion of any Senator who had been elected prior to the 31st day of May, 1913, when the amendment became a part of the Constitution: that during the full period of six years for which any Senator had therefore been elected any vacancies occurring in the office to which he had been elected are to be filled pursuant to the provisions of the original Constitution.

(2) That the amendment is not self-executing and that until Congress or any particular State enacts legislation under which an election by the people for Senators can be held, Senators from such State must be chosen according to the provisions of the original Constitution and that Alabama had no such legislation.

(3) That assuming the amendment to be in force and operative in the State of Alabama, the laws of that State warrant the appointment under the second clause of the amendment, which empowers the legislatures of the States, respectively, to invest the governors thereof to make temporary appointments in the case of a vacancy in the representation of any State in the Senate.

TANUARY 21,

The propositions above itsted, numbered 1 and 3, were both adverge on bealt of the Charty the the grossed in the control of the

election to fill a vacancy in the House of Representatives. (1 Hinds' Precedents, 640, Hoge's Case.)

It is here contended that, whether the case was correctly decided or not, the determination constituted a construction of the Constitution by the only tribunal entitled to pass upon the provisions involved, and that when the identical language is found employed in the seventeenth amendment it is to be given the significance thus attributed to it. The force of the Hoge case as a precedent is somewhat weakened, however, by the fact that it was urged by Mr. Clay in the debate that the Pennsylvania statute was broad enough in its terms to cover the case of experience of the committee of the committee it is immaterial whether the case is accepted as authority or not. If it is rejected and the conclusion is reached that Alabama is not now equipped to hold an election, it will, in the opinion of the committee, be necessary that she assemble her legislature to make provisions. Some of the States anticipating the eventual success of the amendment, long before Congress for consideration, enacted laws to meet the contingency of its adoption. Okiahoma made specific provisions in her constitution for the election of Senators. It is quite generally conceded that here is one their senators. It is quite generally conceded that here of Senators. It is quite generally conceded that these laws, though enacted before the amendment was adopted, may be availed of. Still other States have election laws so general and comprehensive in their terms as to reach to the case of officers whose election by the people might in the future, speaking with reference to the time of the enactment of such laws, it is the opinion of the committee that Alabama is thus provided, and that there exists no obstacle to the holding of an election for Senator in the legislature, when the legislature will be in session prior to the committee that Alabama is thus provided, and that there exists understantive, and the legislature of the sanction of such laws. I

whose office the vacancy has occurred; and in all cases in which a special election is directed in a district composed of more than one county, such election must be directed to be held on the same day in each county.

"445. How conducted and certificates given.—Special elections are to be held and conducted, the returns thereof made and certificates given, and, unless otherwise expressly provided, regulated in all respects by the provisions in relation to general elections."

It is difficult to understand why all the necessary machinery for the conduct of an election to fill a vacancy in the Senate is not provided by these sections of the Alabama statutes.

That State seems to have been one of those which anticipated the necessity of conducting an election by the people for United States Senator, for it provided in section 332 as follows:

"General elections: for whom held—General elections throughout the State shall be held for governor, lleutenant governor, attorney general, State auditor, secretary of state, State treasurer, superintendent of education, commissioner of agriculture and industries, three railroad commissioners, no two of whom shall be elected from the same congressional district; State game and fish commissioner, chief justice and associate justices of the supreme court, supernumerary judge, and electors for President and Vice President of the United States, and such other officers as may be required by law to be elected by the voters of the entire State."

And by section 331:

"State and county officers who are elected by the people.—The following officers in this State shall be elected by the qualified electors thereof: Governor, lieutenant governor, attorney general, State auditor, secretary of state, " " and such other officers as may be required by law to be elected by the people."

Though the heading to the section, probably the work of the compiler rather than the legislature, designates the officers to which it relates as "State and county officers," the act itself speaks of all offic

officers in the State who may be required by law to be elected by the people.

The statutes are so plain in terms, so comprehensive in their scope, that it is difficult to conceive how the view could be entertained, if it was, that Alabama is under the necessity of convening her legislature in extra session if the view that the amendment is presently operative as to her should obtain.

But were they much less so they might still be adequate for the purpose. The method prescribed by the amendment for the election of Senators is the same as that laid down in the original Constitution for the election of Representatives. Concerning the filling of vacancies the identical language used in the Constitution respecting Members of the House is employed in the amendment. The most liberal rule has been established by long practice in the House concerning that provision of the Constitution which directs that the legislatures

of the States shall prescribe the time, place, and manner of holding elections for Senators and Representatives. A careful examination has failed to disclose that any special legislation had been enacted concerning elections of Representatives in either New Hampshire or Georgia prior to the first appearance in Congress of Members from those States, and yet they were admitted apparently without question.

The condition which prevailed in Pennsylvania and which gave rise to the Hoge case obtained in practically all the original States. An examination of the statutes under which their first Representatives were elected and which made provision for subsequent elections will reveal that few if any of them made provision for elections to fill vacancies. Apparently the doctrine of the Hoge case, either that the statutes covering the case of regular elections should be held applicable or that in the absence of legislation the governor could prescribe rules for the conduct of such elections, was generally accepted. Though the fourth section of the first article reposes in the legislatures of the States, respectively, the authority to prescribe the rules for the conduct of congressional elections, it is the settled practice after repeated contests to admit the first Representative sent by a State, though they are, as is usually the case, elected under laws enacted by Territorial, not State, legislatures. (See Hinds's Precedents, 644 and 648.)

The Fifty-sixth Congress admitted Robert W. Wilcox as a Delegate from Hawail, though there was no law of the islands specifically reaching to the case of the election of such an official. The election was conducted, however, under the forms prescribed by the local law for the election of members of the legislature, and having been found to have been fairly conducted was approved.

Under similar conditions the present Delegate was seated, upon a contest, by the Fifty-ninth Congress. (1 Hinds's Precedents, 675.)

Had Alabama proceeded to elect a Senator to fill the unexpired portion

Therefore the committee respectfully recommend the adoption of the following resolution:

"Resolved, That Frank P. Glass is not entitled to a seat in the Senate of the United States as a Senator from the State of Alabama."

ADDITIONAL VIEWS OF SENATOR THOMAS J. WALSH.

VIEWS EXPRESSED BY SENATOR THOMAS J. WALSH OF MONTANA, A MEMBER OF THE COMMITTEE ON PRIVILEGES AND ELECTIONS, RELATIVE TO THE VALIDITY OF THE CREDENTIALS OF HENRY D. CLAYTON AS A SENATOR FROM ALABAMA.

The committee has had under consideration the credentials of Hon. Henry D. Clayton, appointed by the governor of Alabama to fill a vacancy in the representation from that State, in the Senate, occasioned by the death of Hon. Joseph M. Johnston. The very grave duty is imposed upon the committee of determining whether, under the Constitution of the United States, in view of the seventeenth amendment thereto, proclaimed as a part of it on the 31st day of May, 1913, the governor of Alabama has any power to fill by appointment the vacancy which thus arose. The amendment in question is as follows:

"The Senate of the United States shall be composed of two Senators from each State, elected by the people thereof for six years; and each Senator shall have one vote. The electors in each State shall have the qualifications requisite for the electors of the most numerous branch of the State legislatures.

"When vacancies happen in the representation of any State in the Senator the executive authority of such States shall issue write of alex.

of the State legislatures.

"When vacancies happen in the representation of any State in the Senate the executive authority of such States shall issue writs of election to fill such vacancies: Provided, That the legislature of any State may empower the executive thereof to make temporary appointments until the people fill the vacancy by election as the legislature may may empower the executive thereof to make temporary appointments until the people fill the vacancy by election as the legislature may direct.

"This amendment shall not be so construed as to affect the election or term of any Senator chosen before it becomes valid as a part of the Constitution."

or term of any Senator chosen before it becomes valid as a part of the Constitution."

It is contended—

1. That by the third clause of the amendment a vacancy occurring by reason of the death, resignation, or expulsion of any member elected before it took effect must be filled in the manner prescribed by the original Constitution; that is, temporarily by appointment by the governor, and thereafter by selection by the legislature; and

2. That the governor has the power which he has attempted to exercise by virtue of a statute which authorizes and requires him to fill by appointment all vacancies which may occur in any State office when no other mode is prescribed by law.

I. It is asserted on the one hand that the plain meaning of the clause of the amendment referred to is that the right of no Member who had been regularly elected or appointed prior to the time the amendment became valid as a part of the Constitution should be open to question, nor should the term for which he was elected be either extended or abneviated in consequence of it; that the election or appointment of a Senator, valid when it occurred, should remain valid, and that he should be entitled to sit for the entire term for which he was elected or appointed, any provision of the amendment to the contrary notwithstanding; and that all vacancies occurring after the amendment became valid as a part of the Constitution—that is to say, after it was ratified by the legislatures of three-fourths of the States—must be filled in the manner prescribed by it; that is, by election by the people, the governor having power to appoint until an election may be held only if the legislature of his State shall chose to clothe him with such authority.

Against this view it is urged on behalf of the appointee of the gov-

governor having power to appoint attending the legislature of his State shall chose to clothe him with such authority.

Against this view it is urged on behalf of the appointee of the governor that the word "term" as used in the concluding clause of the amendment has an entirely impersonal significance, that it refers to the period of time, and the whole period of time, for which any Senator was elected, and that such term'is not cut short even by the death of the Member. In this view it is proper to speak of the term of Senator Johnston as still subsisting. A great wealth of authority is adduced to give sanction to the idea that it was in such sense that this important word was used. The basic idea upon which the contention thus made rests is set forth with unusual clearness and force by the Supreme Court of the State of Wisconsin in the opinion in the case of State ex rel. Bashford v. Trear (138 Wis., 536), from which the following quotation is made:

"The office, the term, and the incident—a specific salary—may exist for any period of time without the office being filled or without there being any method provided for filling it.

"Upon such method being provided and the office being filled, the incumbent takes it with its fixed term and incident. If he goes out during such term and another steps in, the latter does not take a new

term, but takes a part of the same term prior thereto enjoyed by his predecessor. The form continues during the fixed period with its jack each succeeding the other. Where another licembert goes in at the commencement of the full term prescribed by law, such full term becames and the problems of the full term problems of the full term, so far as not yet run, becomes his term in the constitutional sense. The full term problems of t

resentation from which a vacancy occurs being required to issue writs of election to fill the same as in the case of a vacancy in the delegation in the House of Representatives, though the governor may be empowered to make a temporary appointment pending an election. What reason can be assigned as to why vacancies now occurring should not be filled in the same manner?

These considerations but enforce the conclusion that the third clause means, and means only, what it plainly says, that the amendment shall neither lengthen nor shorten the term of any Member, whether the word "term" is used in a personal or an impersonal sense, and does not mean what it does not say, that this amendment shall be inoperative during the term for which any Senator is chosen.

It was argued that the word "chosen" in the clause in question, not had applicable to the case of a Senator holding by appointment, leads to the term of a Senator holding by appointment, leads sense. Even if that should be admitted, the conclusion urged, as shown, would not follow. But, though unusual, the word is not at all inapt to express the idea of a selection by the governor. He is required to choose, in order to make an appointment, quite as much as is the legislature, or as are the people in electing. No such nicety is exhibited in the use of terms in the Constitution. By it each State is authorized to "appoint," in such manner as the legislature may direct, a number of electors of President and Vice President equal to the whole number of Representatives to which the State is entitled in Congress. Though it is authorized to "appoint," each and every State now elects, and it has been judicially held that such procedure meets the constitutional requirement.

That provision of the Constitution found in Article V of the Constitution dealing with amendments, which provides that no State shall without its consent, be deprived of its equal suffrage in the Senate, is conceived in the constitution of the Amendment, Alabama is, for a time, without its full quota

"[No. 65-H. 55.]

"An act to provide for the filling of any vacant office of the State or any county or any municipality when there is no provision of law for filling such vacancy."

"An act to provide for the filling of any vacant office of the State or any county or any municipality when there is no provision of law for filling such vacancy.

"Be it enacted by the Legislature of Alabama:

"1. That when any office of the State, of any county or municipality thereof, is vacant from death, resignation, removal from the municipality, county, or State, or because the former incumbent absconds, or because an incumbent has been removed for ineligibility, or when the office is vacant from any other cause, and there is no way provided by law for the filling of such vacant office, the governor is hereby empowered and required to appoint a qualified person to fill the unexpired term of such office."

It is argued that United States Senators are not officers of the United States, neither is the office any such holds an "office under the United States," but an "office of the State" within the meaning of this statute, which, with much force and convincing logic, is said to contemplate not only offices then existing but those which might thereafter be created by law; not only those concerning which there was at the time of the enactment of the statute no express method provided for filling vacancies, but as well to those which, by any event, should be found vacant, and in relation to which there existed no express provision of the law for filling the vacancy.

If it should be admitted that a United States Senator is an "officer of the State," the question would still remain as to whether the second clause of the amendment does not contemplate and require future affirmative action on the part of the legislature before the governor becomes vested with the authority to appoint. That question will be canvassed later.

Various provisions of the Federal Constitution are referred to in this connection clearly establishing that as the phrase is used in them Senators and Representatives are not to be regarded as "officers of the United States." Thus in section 1 of Article II it is provided that—

"No Senator or

But it does not by any means follow that because Senators and Representatives are not within the purview of particular provisions of the Constitution or of particular Federal statutes referring to efficers of the United States they are necessarily officers of the States, respectively, from which they come.

It has been expressly held in Kentucky that Members of the House of Representatives are not "State officers" as that expression is used in the constitution of that State. A provision thereof required that certain vacancies should be filled by election "at the next succeeding annual election at which either city, town, county, district, or State officers are to be elected." It was held that the office could not be filled at a November election at which only Members of the House of Representatives were elected. (Neely v. McCollum, 53 S. W., 37; Eversole v. Brown, 53 S. W., 527; Donelan v. Bird, 118 S. W., 178.)

Language found in the opinion of Mr. Justice Miller in Ex parte Yauborough (110 U. S., 657) clearly implies that in the opinion of that tribunal Members of Congress are not State officers. We read therein as follows:

Eversole v. Brown, 52 S. W., 527; Donein n. Bird, 118 S. W., 178.)

Eversole v. Brown, 52 S. W., 527; Donein n. Bird, 118 S. W., 178.)

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executive authority thereof shall issue writs of election to fill such vacancies."

The new amendment, in its second clause, makes this provision:

"When vacancies happen in the representation of any State in the Semate, the executive authority of such States shall issue writs of election to fill such vacancies."

The system of delegating the power to choose Senators had broken down. It was everywhere in disrepute and in deserved disrepute. The jealousy of the people was aroused. They recalled the power which they believed had been unwisely delegated and determined to make their own choice, by direct vote, for Senators, even to case of vacancies, leaving to each State, if it saw fit to do so, to invest the governor thereof with the power to fill a vacancy by making a temporary appointment which should be effective only until an election should be held, as the legislature might direct.

The power to elect is by the amendment restored to the people, but the people of each State may, if they care to do so, vest in the governor power to fill a vacancy by appointment until an election can be held.

This clearly contemplates a deliberate purpose on the part of the people of the State, having this provision of the Constitution as it now exists in mind, to clothe their governor with such power by appropriate legislative action. The provision in question quite manifestly contemplates future affirmative action or the part of the people of the State, speaking through their legislature.

It is not to be understood that the view is expressed that if a State legislature, in anticipation of the ratification of the amendment, had passed, in form, a statute, declaring that in case the amendment should become valid by ratification the governor should be empowered to

appoint, its effect to make timely provision would be abortive. Congressional legislation in which many of the framers of the Constitution participated affords a justification for such action by a State.

"When the amendment of the Constitution of the United States relative to the choice of President was pending, and also an election of President, Congress passed an act providing that whenever that amendment should be adopted the Secretary of State should give notice to the executive of every State, who should notify the electors of his State; and these electors were to vote in the mode thereby prescribed. But as this ratification might not be known in season to all the electors, it was also provided that in such cases the electors might vote in conformity to the original Constitution and also in conformity to the amendment; and when the votes were counted those certificates only should be opened which contained the votes given in conformity to the Constitution, as it was in force on the day fixed by law, at the time of the meeting of the electors. (Act of Mar. 26, 1804.) (Pratt & Allen, 13 Conn., 119-128.)"

That case considered a statute of the State of Connecticut which was passed in anticipation of the adoption of an amendment to the constitution of that State. The power of appointment of sheriffs was at first given to the legislature. An amendment was submitted providing for their election by the people. The act in question, passed before the amendment was adopted, prescribed the manner in which the election should be conducted in case the amendment proposed became effective. It was held to be quite within the power of the legislature to pass such a law.

It is asserted, however, that the surrender on the part of the people of a State of the power themselves to elect a Senator by direct vote, or even to fill a vacancy, is not to be presumed from any statute general in character, however comprehensive its terms, and not passed obviously in view of the provision of the amendment under consideration.

of a State of the power themselves to elect a Senator by direct vote, or even to fill a vacancy, is not to be presumed from any statute general in character, however comprehensive its terms, and not pessed obviously in view of the provision of the amendment under consideration. People of each State are entitled to an opportunity to make a deliberate choice as to whether they will or will not invest their caleft executive with the extraordinary power contemplated by that part of the amendment upon which the validity of the appointment being considered must rest. The people of the State of Alabama have exercised no such choice. The amendment further contemplates that in case the people of any State should see fit, through their legislature, to repose in their governor the power of temporary appointment, they should fleevise designate the time the appointer should serve; that chosen to displace him. One State might require that a special election be held within 30 days, another 80, another 90, and another might, in the interest of economy, provide that the governor's writ should require the election to fill the vacancy to be held at the time of the next general election. It is conceivable that some State might fat the time of election so that it would coincide with the expiration of a term, and under such a law the person appointed would serve for governor to appoint must, under the amendment, fix the time for the election.

Such a statute would probably not violate even the spirit of the amendment in cases in which the vacancy occurred in reasonable proximity to the time when the election is to be held to choose a Senator for the full term. It is sufficient for the present to advert to the fact that the very language which contemplates action by the legislature to invest the governor with the power of appointment contributions of the proposition to fill the vacancy. It was a proposition of the senate by temporary appointment. It would be scarcely less unjust to assert that they had find a very language with the r

Mr. WALSH. Mr. President, I am directed by the Committee on Privileges and Elections to submit the following resolution, which I ask may be read.

The resolution (S. 249) was read, as follows:

Resolved. That FRANK P. GLASS is not entitled to a seat in the Senate of the United States as a Senator from the State of Alabama.

The VICE PRESIDENT. The report and accompanying resolution will be placed on the calendar.

Mr. ROBINSON. Mr. President, in connection with the submission of the report, I desire to submit a request on behalf of the senior Senator from Kentucky [Mr. Bradley]. That Sena-He desires to be allowed four days in which to file views of the minority. I ask unanimous consent that the senior Senator from Kentucky be permitted to file a minority report within four days from this date.

The VICE PRESIDENT. Is there objection? The Chair

hears none, and permission is granted.

SENATOR FROM MARYLAND.

Mr. SUTHERLAND. On behalf of myself and the senior Senator from Vermont [Mr. DILLINGHAM] I beg leave to submit the views of the minority on the credentials of Blair Lee as a Senator from the State of Maryland. I ask that the views may be printed in the RECORD and that they also may be printed in the usual form.

The VICE PRESIDENT. The views of the minority submitted by the Senator from Utah will be printed in the RECORD and also as a Senate report.

The views submitted this day by Mr. SUTHERLAND are as follows:

[Senate Report 160, part 2, Sixty-third Congress, second session.] CREDENTIALS OF BLAIR LEE AS SENATOR FROM MARYLAND.

CREDENTIALS OF BLAIR LEF AS SENATOR FROM MARYLAND.

Mr. SUTHERLAND (for himself and Mr. DILLINGHAM), from the Committee on Privileges and Elections, submitted the following views of a minority, to accompany Senate resolution 247:

I find myself unable to agree with the majority of the Committee on Privileges and Elections in holding that BLAIR LEF is entitled to a seat in this body as a Senator from the State of Maryland. The report of the committee in support of the applicant's right to the seat, while it recites the facts in detail and discusses at some length the contention of Senator Jackson, the sitting member, that he is entitled to retain his seat until the adjournment of the Maryland Legislature, fails to set forth the reasons for the conclusion of the committee that the election of BLAIR LEE was valid. The precise ground upon which this conclusion of the committee rests is therefore more or less a matter of surmise.

I. It was contended before the committee that the election of Mr. LEE could be sustained upon the grounds (1) that the provisions of the seventeenth amendment, that "When vacancies happen in the representation of any State in the Senate the executive authority of such State shall issue writs of election to fill such vacancies," carries with it as an incident the power on the part of the governor, thus authorized to issue a writ of election, to fix the conditions upon which the election shall be held; and (2) that the laws of Maryland in force prior to the adoption of the seventeenth amendment constitute sufficient legislative foundation for the election. I am unable to agree to either view.

The seventeenth amendment provides that two Senators from each

legislative foundation for the election. I am unable to agree to either view.

1. The seventeenth amendment provides that two Senators from each State shall be elected by the people thereof, instead of being chosen by the legislature, as provided in the original Constitution. This amendment, however, left intact paragraph 1, section 4, article I of the Constitution, which provides:

"The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof, but the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators."

This provision is mandatory and exclusive in form. The right and duty of prescribing the various elements of an election is thereby devolved upon the legislature alone. The legislative authority is not limited to general elections; it applies to all elections, special as well as general.

volved upon the legislature alone. The legislative authority is not limited to general elections; it applies to all elections, special as well as general.

By the seventeenth amendment when a vacancy happens the authority of the executive is limited to issuing the writ of election, a purely ministerial act. If there were no other provision in the Constitution governing the subject, there might be reason for claiming that the authority to issue a writ of election carried with it by implication the authority to fix the time, places, and manner of holding such election, but here the Constitution in express terms devolves the latter power upon the legislature, and it is contrary to all reasonable rules of construction to hold that an authority thus expressly vested in one body is taken away and given to another by mere implication. The meaning of the Constitution seems to be perfectly clear. It is that the legislature must fix the time, places, and manner of holding all elections, including elections to fill vacancies, and, this having been done, in case of a vacancy the governor issues his writ of election, but such legislative foundation must exist before the executive act of issuing the writ can be effective. The reasons are obvious. The legislature will prescribe these conditions by general law which will be the same in all cases, while if the power is held to be in the governor to fix them in connection with the issuance of his writ the rules may differ in every case. In one case he may call an election upon 2 days' notice, in another at the various county seats; in one case that the manner of voting shall be by Australian ballot, in another by a totally different form of vote. If the governer has the incidental power to fix the time, it follows, of course, that he likewise has the power to fix the places and manner, since all are equally necessary to an election. Every condition of an election would therefore rest not upon uniform law but upon the unrestrained discretion of the governor in each case. Such a r

reserve to Congress the power to make or alter such regulations; namely, such regulations as the legislature is authorized to prescribe. It was evidently contemplated that the legislature might in some instance fall to prescribe the time, places, and manner of holding elections, in which event Congress could supply the omission by itself making the regulation; and it was further contemplated—and this is no less important—that the legislature might make unwise or improper regulations, in which event Congress could correct them by alteration; but if the power to make regulations in the case of special elections belongs to the governor Congress is powerless to interfere, however a supply property of the contemplated of

specific meaning of which to the contrary is made perfectly clear by the context.

The legislature sometimes recognizes this rule by express language, as for example in section 1 of the Revised Statutes of the United States where the interpretation of various words is declared "unless the context shows that such words were intended to be used in a more limited sense." But the rule is the same whether included in the interpretation clause or not. Thus in Dean of Ely v. Bliss (2 De G. M. & G., 471) it is said:

"There has been a great deal of discussion, which I am not surprised

sense." But the rule is the same whether included in the interpretation clause or not. Thus in Dean of Ely v. Bliss (2 De G. M. & G., 471) it is said:

"There has been a great deal of discussion, which I am not surprised at, in regard to the meaning of the words: but it is to be observed that although the meaning of the words is defined by the statute, yet that statute declares (what would have been supplied if it had not been so expressed) that the words are not to have that meaning attached to them in the interpretation clause if a contrary intention appears."

The general rule is stated in Wilberforce on Statutes, page 297, that—"The real purpose of an interpretation clause is to define the meaning of words when nothing else in the act is opposed to the particular sense which is thus plreed upon them."

In Second Sutherland's Statutory Construction, section 359, some English cases are cited to the effect that the statutory interpretation clause "could be satisfied by applying it to the word where there was nothing in the context to interpret it otherwise," and that the clause "should control where the words occur without being accompanied by any others tending to show their meaning; or to interpret words which are ambiguous or equivocal, and not so as to disturb the meaning of such as are plain." And again, in section 360, the same author says:

"On the other hand, general statutory definitions and rules of interpretation will apply when the statute in question is not plain; or, in other words, does not define and interpret itself. Where positive provisions are at variance with the definitions it contains, the latter, it seems, must be construed as modified by the clear intent of the former, on the principle that the special controls the general."

So it is said in 36 Cyc., 1106:

"But the interpretation clause should be used only for the purpose of interpreting words that are ambiguous or equivocal and not so as to disturb the meaning of such as are plain."

In L. R. 7, H. M. of L., 493, it is said:

"Even

a word must be under all circumstances. We rather think that it merely declares what persons may be comprehended within that term where the circumstances require that they should."

Other cases to the same effect might be cited.

Applying these rules to the case under consideration, it seems clear that the interpretation clause can not be held to extend the various or any of the election laws of Maryland to the election of a United States Senator, since in every case where the word "election" is used the intention of the legislature to not have it so applied unmistakably appears. Not only is this so, but this intention is emphasized by the specific provisions of the Maryland statutes providing for the nomination of United States Senators by the people and their election in pursuance of such nominations by the legislature. That the interpretation clause is not to receive the rigid application for which Mr. Lee's advocates contend is apparent upon a moment's reflection. The language of this clause is that the word "election" is to include elections of officers under the laws of the State or the United States.

Specific provision is made for the election of Representatives in the Congress of the United States. Is the word "election" as here used to be construed to include elections of State officers or to include the election of any other than Representatives in Congress? Clearly not. Again, provision is made for the election specifically of the mayor of Baltimore City on the Tuesday next after the first Monday in the month of May, 1899, etc. Is the word "election" here to be construed to include the election of officers to be elected under any law of the United States or any other officer than the one specifically named? Again, clearly not. These illustrations emphasize the rule laid down by the authorities that the interpretation clause is intended only to be resorted to in cases of doubt and is not to be followed where the contrary intention is clearly apparent in the substantive legislation.

II. I find myself

The seventeenth amendment contains the following saving clause:

"This amendment shall not be so construed as to affect the election or term of any Senator chosen before it becomes valid as part of the Constitution."

Constitution."

I think this provision was inserted out of abundance of caution to prevent the seventeenth amendment being so construed as to legislate any sitting Member out of office. In the case of a Member elected for a regular term its effect is to preserve to him his seat until the expiration of the term for which he was elected. In the case of such a Senator the precise day when his term ends is fixed, but it seems to me it can not be doubted that it was also intended to save the seat of a Member who had been chosen by the governor to fill a vacancy. True, in that case the term does not end upon a particular day; it ceases upon the happening of an event, or, rather, as will be shown in a moment, upon the happening of one or the other of two events.

day; it ceases upon the happening of an event, or, rather, as will be shown in a moment, upon the happening of one or the other of two events.

In this view, when does Senator Jackson's term expire? The clause was intended to allow the sitting Member to serve the term which he would have served if the seventeenth amendment had not been adopted. Senator Jackson was appointed to fill the vacancy caused by the death of Senator Rayner, under the provisions of article 1, section 3, paragraph 2, which provides that—

"If vacancies happen by resignation or otherwise during the recess of the legislature of any State, the executive thereof may make temporary appointments until the next meeting of the legislature, which shall then fill such vacancies."

It has been several times held by the Senate, after thorough consideration, that the appointee in such case holds until the incoming legislature elects his successor or finally adjourns without an election. If this holding is not to be repudiated by the Senate it follows that the term of Senator Jackson was until the happening of one or the other of these events, namely, the election by the ensuing legislature of his successor or the final adjournment of the legislature is now precluded from electing a successor, and Senator Jackson's term would, therefore, not expire until the adjournment of the Legislature of Maryland, which, by constitutional limitation, must occur by April 7 of this year.

It is said however, that inasmuch as the seventeenth amendment

precluded from electing a successor, and Senator Jackson's term would, therefore, not expire until the adjournment of the Legislature of Maryland, which, by constitutional limitation, must occur by April 7 of this year.

It is said, however, that inasmuch as the seventeenth amendment provides for election by the people and inhibits an election by the legislature, that Senator Jackson's term would expire when his successor was elected by the people. But to so hold does violence to the language of the saving clause. True, the seventeenth amendment provides for an election by the people, but notwithstanding this the term of Senator Jackson is not to be affected by this or any other provision of the seventeenth amendment. It is therefore as though the saving clause had said: "The foregoing provision for an election by the people is not to be so construed as to affect the term of any Member heretofore chosen." In other words, the provision for an election by the people does not become operative so far as Senator Jackson's seat is concerned until he has served the term which he would have served if the amendment had never been adopted.

The former decisions of the Senate as to the term of an appointee of a governor are borne out by the language of the Constitution. The executive is authorized "to make temporary appointments until the next meeting of the legislature, which shall then fill such vacancies." Obviously the phrase "until the next meeting of the legislature. The power of the governor to appoint and not the term of service of his appointee. The power of the governor to make a temporary appointment must be exercised before the next meeting of the legislature. The meeting of the legislature that primary authority is incapable of acting and continues to be incapable of acting so long as it is in recess. During that period, and that period only, the secondary appointing power, amely, the governor, which shall then fill such vacancies." If the vacancy be filled, the appointee's term is at an end; if not filled, t

GEORGE SUTHERLAND.

WILLIAM P. DILLINGHAM.

REPORTS OF COMMITTEES.

Mr. PERKINS, from the Committee on Naval Affairs, to which was referred the bill (S. 4007) to authorize the Secretary of the Navy to enter into contract for use by the Government of dry docks at Hunters Point, San Francisco, Cal., reported it without amendment and submitted a report (No. 163) thereon

Mr. MARTIN of Virginia, from the Committee on Appropriations, to which was referred the bill (S. 2773) to increase the limit of cost of the public building authorized to be constructed at New Orleans, La., asked to be discharged from its further consideration and that it be referred to the Committee on Public

Buildings and Grounds, which was agreed to.

Mr. RANSDELL, from the Committee on Commerce, to which was referred the bill (S. 126) to permit citizens of the United States to be admitted to Government tuberculosis hospitals, asked to be discharged from its further consideration and that it be referred to the Committee on Public Health and National Quarantine, which was agreed to.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. STERLING (for Mr. JACKSON) :

A bill (S. 4126) amending the act of Congress approved June 26, 1912, regulating the admission of pupils to the public schools of the District of Columbia; to the Committee on the District of Columbia

By Mr. SHERMAN:

A bill (S. 4127) granting an increase of pension to William Day; to the Committee on Pensions.

By Mr. KENYON:

A bill (8. 4128) for the relief of Abraham Judd; to the Committee on Military Affairs.

By Mr. CHAMBERLAIN:

bill (S. 4129) granting a pension to Milton W. Hollister (with accompanying papers);

A bill (S. 4130) granting a pension to Arabella Roberts (with

accompanying papers); and A bill (S. 4131) granting an increase of pension to Eliza J. Sumner; to the Committee on Pensions.

By Mr. SHIVELY:

A bill (S. 4132) to correct the military record of William H. Richhart; to the Committee on Military Affairs. A bill (S. 4133) granting an increase of pension to Willis

Layton; and

A bill (S. 4134) granting an increase of pension to George W. Hayes (with accompanying paper); to the Committee on Pensions.

By Mr. BURLEIGH:

A bill (S. 4135) granting an increase of pension to Henry M. Chase; to the Committee on Pensions.

Mr. WEEKS. By request I introduce a joint resolution pro-

posing a constitutional amendment relating to the Federal control of insurance

The joint resolution (S. J. Res. 103) proposing an amendment to the Constitution of the United States was read twice by its title and referred to the Committee on the Judiciary.

AMENDMENT TO THE DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. KENYON submitted an amendment providing for the use of the money due the estates of deceased colored soldiers, sail-ors, and marines of the Civil War, etc., intended to be proposed by him to the District of Columbia appropriation bill, which was referred to the Committee on the District of Columbia and ordered to be printed.

COOPERATIVE AGRICULTURAL EXTENSION WORK.

Mr. STERLING. I submit an amendment, in the nature of a substitute, intended to be proposed by me to the bill (S. 3091) to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto and the United States Department of Agriculture. I ask that the amendment lie on the table and be printed.

The VICE PRESIDENT. The amendment will lie on the table

and be printed.

Mr. JONES submitted an amendment intended to be proposed by him to the bill (H. R. 7951) to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto and the United States Department of Agriculture, which was re-ferred to the Committee on Agriculture and Forestry and ordered to be printed.

I concur in the foregoing views.

RAILROADS IN ALASKA.

Mr. CHAMBERLAIN (for Mr. LA FOLLETTE) submitted an amendment intended to be proposed to the bill (S. 48) to authorize the President of the United States to locate, construct, and operate railways in the Territory of Alaska, and for other purposes, which was ordered to lie on the table and be printed.

THE TELEGRAPH AND TELEPHONE AS ADJUNCTS TO POSTAL SERVICE.

Mr. NORRIS. I desire to make a motion to discharge the Committee on Post Offices and Post Roads from the further consideration of Senate resolution 242. I have reduced the motion to writing in the form of a resolution. I ask that it be read, and then, I believe, under the rule, it will have to lie over for one day.

The VICE PRESIDENT. The resolution will be read.

The Secretary read the resolution (S. Res. 250), as follows:

Resolved, That the Committee on Post Offices and Post Roads be discharged from further consideration of Senate resolution 242, directing the Postmaster General to send to the Senate certain information relative to governmental ownership and control of the telegraph and telephone facilities.

The VICE PRESIDENT. The resolution will go over one day under the rule.

LABOR CONDITIONS IN MINING DISTRICTS IN COLORADO.

Mr. THOMAS. I submit a resolution and ask to have it read and referred to the Committee on Education and Labor.

The resolution (S. Res. 251) was read and referred to the

Committee on Education and Labor, as follows:

The resolution (S. Res. 251) was read and referred to the Committee on Education and Labor, as follows:

Whereas a difference between the coal miners and the operators of coal mines in Colorado, and notably in the counties of Huerfano and Las Animas in said State, culminated in a general strike in September last, which is still unsettled and which disturbed condition has resulted in violence, bloodshed, and disorder; and
Whereas the military forces of the State were mobilized in October last by the governor of the State for the protection of life and property, and have since then been in occupation and control of said counties, notwithstanding which the said strike continues with no prospect of an early termination; and
Whereas it is asserted—

(1) That a system of peonage has been established in said counties by certain of the employer companies in order to continue the operation of their mines.

(2) That the immigration laws of the United States have been and are being violated by some of said operating companies for the same reasons by bringing in laborers under contract.

(3) That many persons have been arrested, imprisoned, and subjected to arraignment, examination, and punishment without due or any process of law, and in violation of their constitutional rights as citizens of the United States.

(4) That a republican government has had no existence in fact in said counties for many years, all the officials thereof having been nominated, chosen, and maintained in their several positions by some of said operating companies, through whose agencies many foreign employees have been naturalized without regard to the requirements of the Federal statutes in relation thereto, and whose votes have been under the control of said companies.

(5) That military tribunals have been created and are in operation for commitment, trial, and conviction, notwithstanding the courts are and have at all times been open and engaged in the administration of justice.

(6) That all attempts and overtures at arbitration of or a settl

by the executive authority of the State and a large proportion of the citizens of the State as by the miners involved: Therefore be it Resolved, That the Senate Committee on Education and Labor is hereby directed to make a full investigation of the industrial conditions existing in said counties of Las Animas and Huerfano and in such other portions of said State as are involved therein for the purpose of ascertaining whether the matters and things hereinabove set forth are true, and why the disputes and differences causing said conditions have not been adjusted, and to make such report and recommendations as in its judgment are pertinent and justified by the facts. Said committee or any subcommittee thereof is hereby empowered to sit and act during the sessions of Congress, or of either House thereof, at such time and place as it may deem necessary; to require, by subgema or otherwise, the attendance of witnesses and production of papers, books, and documents; to employ stenographers at a cost not exceeding \$1 per printed page; to take and make a record of all evidence taken and received by the committee and keep a record of its proceedings; to have such evidence, record, and other matter required by the committee printed. The chairman of the committee or any member thereof may administer oaths to witnesses. Subpœnas for witnesses shall be issued under the signature of the chairman of the committee or subcommittee thereof. Every person who, having been summoned as a witness by authority of said committee or any subcommittee thereof, willfully makes default or who having appeared refuses to answer any questions pertinent to the investigation herein authorized, shall be held to the penatices provided by section 102 of the Revised Statutes of the United States. The expenses of such investigation shall be paid from the contingent Expenses.

ELECTION OF SENATORS.

ELECTION OF SENATORS.

Mr. WALSH. Mr. President, I desire to give notice that on Friday next, January 23, at the conclusion of the routine morning business, I shall ask the Senate to take up for consideration

Senate bill 2860, providing a temporary method of conducting the nomination and election of United States Senators.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Latta, executive clerk, announced that the President had, on January 20, approved and signed the following act and joint resolution:

S. 3484. An act to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, being chapter 231 of Thirty-sixth Statutes at Large; and

S. J. Res. 5. Joint resolution providing for the appointment of a commission to consider the need and report a plan for national aid to vocational education.

REVIEW OF DECISIONS OF HIGHEST STATE COURTS.

Mr. ROOT. Mr. President, according to the notice that I gave yesterday, I ask unanimous consent for the immediate consideration of the bill (S. 94) to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary. approved March 3, 1911. The bill was reported by me yesterday from the Judiciary Committee, and, as I stated, a similar bill has already passed the Senate once. Twice, after full consideration, it has been unanimously reported from the Committee on the Judiciary

The VICE PRESIDENT. The bill will be read for the information of the Senate.

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consid-

The bill had been reported from the Committee on the Judiciary with an amendment, on page 2, line 3, after the words "have been," to insert "in favor of the validity of the treaty or statute or authority exercised under the United States or may have been," so as to make the bill read:

may have been," so as to make the bill read:

Be the cnacted, etc., That section 237 of chapter 10 of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, is hereby amended by adding thereto the following:

"It shall be competent for the Supreme Court to require, by certiorari or otherwise, any such case to be certified to the Supreme Court for its review and determination, with the same power and authority in the case as if it had been carried by appeal or writ of error to the Supreme Court, although the decision in such case may have been in favor of the validity of the treaty or statute or authority exercised under the United States or may have been against the validity of the State statute or authority claimed to be repugnant to the Constitution, treaties, or laws of the United States, or in favor of the title, right, privilege, or immunity claimed under the Constitution, treaty, statute, commission, or authority of the United States."

The amendment was agreed to.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engressed for a third reading, read the third time, and passed.

WOMAN SUFFRAGE.

The VICE PRESIDENT. The morning business is closed. Mr. ASHURST. Mr. President, I send to the desk and ask to have read a request for a unanimous-consent agreement.

The VICE PRESIDENT. Under the rule, the Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	James	Perkins	Smoot
Bacon	Johnson	Pittman	Stephenson
Bankhead	Jones	Pomerene	Sterling
Borah	Kenyon	Ransdell	Stone
Bristow	Kern	Reed	Sutherland
Bryan	Lane	Robinson	Swanson
Burleigh	Lippitt	Root	Thomas
Burton	Lodge	Saulsbury	Thompson
Chamberlain	Martin, Va.	Shafroth	Walsh
Chilton	Martine, N. J.	Sheppard	Weeks
Cummins	Nelson	Sherman	Williams
Dillingham	Norris	Shively	Works
Gallinger	Oliver	Simmons	
Hollis	Overman	Smith, Md.	

Mr. MARTINE of New Jersey. I am requested to state that the Senator from South Carolina [Mr. SMITH] is absent from the Senate on account of business connected with the committee of which he is chairman.

Mr. BRYAN. I desire to state that my colleague [Mr. FLETCHER] is absent from the city and is paired with the Sena-

tor from Wyoming [Mr. Warren].

Mr. RANSDELL. I wish to announce that my colleague [Mr. Thornton] is absent on account of sickness.

The VICE PRESIDENT. Fifty-four Senators have answered to the roll call. There is a quorum present. The Senator from Arizona [Mr. Ashurst] presents a request for a unanimousconsent agreement, which will be read.

The Secretary read as follows:

The Secretary read as follows:

It is hereby agreed, by unanimous consent, that on Monday, the 2d day of February, A. D. 1914, immediately upon the conclusion of the routine morning business, the Senate will proceed to the consideration of Senate joint resolution No. 1, the same being a joint resolution proposing an amendment to the Constitution of the United States extending the right of suffrage to women; and that, at not later than the hour of 4 o'clock p. m., on Friday the 6th day of February, A. D. 1914, the Senate will proceed to vote upon all amendments that may then be pending, all amendments that may then be offered, and upon the said joint resolution, through the regular parliamentary stages, to its final disposition: Provided, houcever, That during the debate thereon each Senator, if he so desires, shall be entitled to speak for 10 minutes and no longer upon each amendment that may then be pending or that may then be offered to the said joint resolution.

The VICE PRESIDENT. Is there objection?

The VICE PRESIDENT. Is there objection?

Mr. BRYAN. I object, Mr. President.

The VICE PRESIDENT. There being objection-

Mr. ASHURST. I move that so soon as Calendar No. 114, being Senate bill 3491, relative to cooperative agricultural extension work, shall have been disposed of-which, if I understand the parliamentary situation, follows the present unfinished the Senate shall then proceed to the consideration of Senate joint resolution No. 1, being Order of Business No. 52, which has been recommended by and unanimously reported from the Committee on Woman Suffrage.

Mr. SMOOT. Mr. President, I would like to ask the Senator from Arizona if it would not be very much better for him to request that the joint resolution be made a special order, rather than to make a motion of the kind which he has made, at this

Mr. ASHURST. I appreciate the question and the experience of the Senator from Utah, but I fear that if the joint resolution is made a special order, consideration for one moment only would deprive it of its position on the calendar, whereas I wish it to have such parliamentary status that it would require unanimous consent to lay it aside; in other words, I want a vote taken on the joint resolution and to have it disposed of.

If making it a special order would put it in a position where it may not be laid aside except by unanimous consent, of course would cheerfully agree to that.

Mr. WILLIAMS. Mr. President, I should like to ask the Senator from Arizona what is the status of the joint resolution

upon the calendar?

ASHURST. This joint resolution, which proposes an amendment to the Constitution conferring the right of suffrage upon women, occupies the first place on the calendar, which,

however, gives it no preference at all.

Mr. WILLIAMS. It does, in this way, that when the time comes to take up the calendar, naturally this joint resolution becomes the first matter for consideration unless a motion is made and carried or unanimous consent is obtained-one or the other-to take up something else.

Mr. ASHURST. But when the calendar is taken up for consideration under Rule VIII, one objection will carry the joint

I want to get it into a situation-

Mr. WILLIAMS. But after a certain time the Senator from Arizona can move that the Senate take up the joint resolution

for consideration.

Mr. BACON. The Senator can make the motion at that time that the joint resolution be taken up, notwithstanding the

Mr. WILLIAMS. The Senator can move that the joint reso-

lution be taken up after a certain time.

Mr. BACON. No; notwithstanding there is objection, the joint resolution may be taken up by a majority vote.

Mr. WILLIAMS. It comes up first on the calendar.
Mr. ASHURST. I will say to Senators that I have no pride
of opinion on the subject. I do not care how or by what method we reach the consideration of the joint resolution so

long as the joint resolution is voted upon.

I suggest to the Senator to let the joint resolution come up in its regular order when the calendar is being considered. The joint resolution comes up first upon the calendar. For one, I do not think that any exceptional

methods ought to be pursued with regard to its consideration. Mr. THOMAS. Mr. President-

Mr. ASHURST. I yield to the Senator from Colorado. Mr. THOMAS. I think the motion of the Senator from Arizona is appropriate and is the best method of bringing up this joint resolution for the consideration of the Senate. The calendar is frequently called when it is not expected by a great many of us that it will be reached, and as a consequence important measures may go over at a time when, if that were not the case, they could be taken up in regular order.

It is true that while this measure, because it occupies the first place on the calendar, is not entitled for that reason to any special consideration, it is also true that it is an im-

portant measure and it ought to be disposed of. If the Senate is not prepared to give its assent to the measure, let us know it and get it off the calendar. If, on the contrary, as a good many of us hope, it will command a majority vote of the Senate, then the sooner that is done the better; and if some special arrangement can be made concerning it whereby we will know when it is to come up it will be much better than to leave it in a position where it may come up at some time when some of us who desire to participate in its discussion may be absent.

I do not think that the suggestion made by the Senator from Mississippi [Mr. Williams] is entirely pertinent; that is, that there is no reason why we should make this joint resolution the subject of any special consideration. The same suggestion would have been applicable, at least, to many measures, among which would be that which is now the unfinished business and upon which we will vote to-morrow. I have observed that the way in which to get the attention of the Senate to measures is to assign them by special motion to some particular time and occasion. When that is done we can transact a good deal of business, and when it is not done these matters go over from day to day on objection.

Mr. WILLIAMS. If the Senator will pardon me, what I said was that I did not want this resolution to be given any exceptional standing except by unanimous consent. Of course, there are motions that can be made with regard to it under the plain, parliamentary law of the Senate, and those motions, of course, would be voted upon when made. I was merely suggesting to the Senator from Arizona that he would obtain no advantage by the adoption of his motion, because, so far as taking it up is concerned, whenever the calendar is sounded it comes first, anyhow,

Mr. THOMAS. That is true.
Mr. WILLIAMS. Only unanimous consent could displace it.
Mr. THOMAS. But the calendar is not reached every day, as the Senator well knows. I do not want to insist upon any exceptional method by means of which this matter is to be brought to the attention of the Senate, nor do I understand that the motion of the Senator from Arizona is an exceptional On the contrary, he is following the course which I observe has been taken here whenever Senators desire to get any measure of importance before the Senate for consideration. In consequence I hope that his motion will prevail.

Mr. SMOOT. Mr. President, I was only trying to assist the

Senator from Arizona-

Mr. ASHURST. I appreciate that.

Mr. SMOOT. In getting this matter before the Senate. Under the rules of the Senate I believe the Senator from Arizona can proceed in only two ways. One is to ask-

Mr. THOMAS. May I say a word? Mr. SMOOT. If the Senator will wait until I finish-

Mr. SMOOT. If the Senator will wait affect I missing.

Mr. THOMAS. I was simply going to say that I have no desire to insist obstinately upon the motion made by the Senator from Arizona. I would also be very glad to yield to the superior knowledge and experience of the Senator from Utah as to the method to be pursued.

Mr. SMOOT. As I was saying, I think the Senator from Arizona has two ways to proceed in this matter. One is by asking unanimous consent, which, as I understand, he has done and it has been refused. The other way, in my opinion, for the Senator to proceed is to give notice that, at the conclusion of the consideration of the Smith-Lever bill, he will then move to take up Senate joint resolution No. 1 for consideration.

Mr. GALLINGER. Mr. President, I will suggest to the Senator from Arizona, in addition to that, that if that motion prevails the joint resolution then becomes the unfinished business. I concur with Senators who have suggested to the Senator from Arizona that it would be better to give notice of a motion of that kind. Under the rules, I think we could hardly vote that we should take up at a given time a certain bill and at another given time a certain other bill. We do not know what will be before the Senate; but the Senator can give notice of a motion to take up the joint resolution, and I feel very sure that the motion will prevail, whatever the fate of the resolution itself may be.

Mr. ASHURST. Mr. President, my first duty is to thank the Senators who have indicated what I believe to be the best way to reach the situation. Therefore I will withdraw the motion I just made, and will give notice that, immediately upon the disposition of the cooperative agricultural extension bill, to wit, Calendar No. 114, Senate bill 3091, I shall then immediately move that the Senate proceed to the consideration of Senate joint resolution No. 1, Calendar No. 52, which motion, if carried, will make the joint resolution the unfinished business of the Senate.

Mr. JONES. Mr. President, I should like to ask the Senator-I have not had time to examine the calendar-whether there has been any arrangement made for the disposition of the agricultural-extension bill?

Mr. ASHURST. Nothing more than that the Senator from Georgia [Mr. SMITH] has given notice, which appears upon the calendar, that, immediately upon the final disposition of the Alaska railroad bill, he will move to proceed to the considera-

tion of the agricultural-extension bill.

Mr. JONES. Of course, no one knows how long that bill will be under consideration by the Senate or whether or not it may be displaced by something else, so that it leaves the time when the Senator will make his motion, it seems to me, very uncertain. I want to suggest to the Senator-I may be mistaken, but, as I understand, in the morning hour when the ordinary routine or morning business is concluded a Senator can ask unanimous consent for the consideration of any particular measure, and if that is refused be can then make a motion, notwithstanding the objection, to proceed with its consideration, and if adopted that consideration will continue until 2 o'clock on any day unless the matter is sooner disposed of.

Mr. ASHURST. I appreciate all that the Senator from Wash-

ington says.

Mr. JONES. I thought that might be the better way to do it. Mr. ASHURST. I am inclined to follow the suggestion made by the Senator from Utah [Mr. SMOOT] and the Senator from New Hampshire [Mr. Gallinger], although I appreciate the interest manifested and the suggestions made by the Senator from Washington [Mr. Jones].

Mr. JONES. I just thought that possibly the Senator might give notice, for instance, that on Friday next, after the routine morning business shall have been concluded, he will ask the Senate to proceed to the consideration of the joint resolution, and that this might get his resolution sooner before the Senate.

Mr. ASHURST. I shall give close attention to the progress of business, and at the conclusion of the agricultural-extension bill, when that bill is disposed of, I shall immediately rise and ask permission to be heard to make this motion.

The VICE PRESIDENT. The calendar, under Rule VIII, is in order. The first business on the calendar will be stated.

The first business on the calendar was the joint resolution (S. J. Res. 1) proposing an amendment to the Constitution of the United States extending the right of suffrage to women. The Secretary read the joint resolution.

Mr. THOMAS. In the absence of the Senator from Arizona [Mr. ASHUEST], who, I see, is not in his seat, I suggest that the joint resolution go over.

Mr. BRISTOW. Why should it go over, Mr. President?

Mr. BRISTOW.

Why not pass it?
Mr. GALLINGER. Why not take the vote now?

Mr. THOMAS. I simply call attention to the fact that the Senator is not here.

Mr. BRISTOW. But what is the use of putting it over? Why not vote on it and pass it? Perhaps we can pass it

and get it out of the way.

Mr. THOMAS. I understood the Senator from Arizona had announced the course he would follow with reference to it, and it might not be observed by proceeding with it now. I am ready to take it up now.

Mr. BRISTOW. I should not think the Senator would want it passed over if we can pass it now, unless he wishes to make

an address on it.

Mr. ASHURST entered the Chamber.

Mr. SMOOT. Mr. President, I see the Senator from Arizona has entered the Chamber.

There being no objection, the Senate, as in Committee of the

Whole, proceeded to consider the joint resolution.

Mr. ASHURST. Mr. President, I was called into the marble room by a gentleman from Arizona, and upon my return I find that Senate joint resolution No. 1 has been taken up for consideration.

Mr. WILLIAMS. Why not go ahead and let some of the Senators make their speeches upon it now?

Mr. GALLINGER. Why not vote on it? All right; let us vote. Mr. LODGE.

Mr. ASHURST. I think the measure is so important that something should be said on it. As soon as I can get my breath I propose to be heard on it.

Mr. GALLINGER. But the Senator will have only five min-utes under the rule. If the Senator can get the joint resolution passed, will he not forego his speech and deliver it in Arizona at some time?

Mr. ASHURST. I shall be very glad to do so.
Mr. THOMAS. If the Senator will assure us that it will Dass

Mr. GALLINGER. Let us vote. We can not give that assurance, of course

The VICE PRESIDENT. The resolution is in the Senate as in Committee of the Whole and open to amendment. If there be no amendment to be proposed, the joint resolution will be reported to the Senate.

The joint resolution was reported to the Senste without

amendment.

The VICE PRESIDENT. The resolution is in the Senate and open to amendment. If there be no amendment to be proposed. the question is, Shall the joint resolution be read a third time?

Mr. ASHURST. Mr. President, much as I should like to forego the delivery of what I have prepared, I am balancing in my mind whether or not it is my duty to deliver this speech.

Mr. LODGE. I suggest that the Senator deliver the speech after the joint resolution is passed.

Mr. ASHURST. If we can have a roll call, Mr. President-Mr. GALLINGER. We will have a roll call.

Mr. LODGE. We will have a roll call right off.

Mr. CHAMBERLAIN. Mr. President, I think this matter is of enough importance to justify our hearing the Senator upon I assume there is not a Senator here who will insist upon the five-minute rule being applied to the Senator from Arizona in the discussion of the joint resolution. The question is not one that can be laughed down by the Senate when the Senator gets up to address the Senate, and the people of this country will be heard from in reference to it.

I think, therefore, the joint resolution ought to be treated with the greatest courtesy and the greatest consideration, as it will be by the people of some of the States, even if there is a disposition on the part of some persons in the Senate to laugh the matter out of court. I think the Senator from Arizona ought to deliver his speech, and deliver it now, and let the RECORD show who objects to its further consideration.

Mr. ASHURST. I will do so.

Mr. WILLIAMS. Mr. President, there has been no disposition to laugh the question out of court. There was a very natural disposition, in which the Senator from Arizona joined, to laugh at his embarrassment for a moment because the question had been precipitated upon him unexpectedly. It is not only a serious question, but it is about the most serious question with which the American people have been faced for quite a long time. Men assuredly can have permission to laugh when a fellow Senator finds himself in an embarrassing situation; and the dignity of the Senate should not forbid that momentary cheerfulness and mirthfulness in which all human beings are permitted to share.

Mr. GALLINGER. As I made an observation concerning the matter, I wish to assure my friend from Oregon [Mr. CHAM-BERLAIN] that there was no levity on my part. I shall vote for the joint resolution when it is submitted to the Senate; but it occurred to me that as we had reached it, and there was a disposition manifested to vote on it, we might forego speech making in connection with it.

I should like to hear the Senator from Arizona, but he will not change a vote. Every Senator has made up his mind how he is going to vote on the joint resolution, and no oratory will change a single vote. So it occurred to me that if we could vote on the joint resolution immediately, and dispose of it, it would be better to do so than to postpone it and open it up to general debate.

That was my feeling; and any suggestion from me was made

by a friend of the joint resolution.

Mr. ASHURST. Mr. President, I have no pride of expression but I believe the adoption of this amendment to the Constitu-tion of the United States is one of the most important reforms we can put into effect. I do not want to imitate the bad example which was set during the trial of the seven bishops, in When the court was about to rule in favor of the defendants, one of the attorneys-I forget whether it was Finch or Pollexfen-was so anxious to make a speech that he thereby nearly lost his case by reason of other witnesses coming in during the delay.

I do not wish to occupy such an attitude as that; but since I had the honor to be chosen to report the joint resolution, and since it proposes an amendment to the Constitution of the United States of America and has to do with the political liberty of 30,000,000 people, I do think I ought at least to say something about it. It may be that I shall not change a vote. Certainly there will be no oratory on my part that will change a vote. Certainly there will be no oratory on my part that will change a vote, because, even if I could, I should not attempt or essay any oratory in the delivery of this address.

Mr. McCUMBER. Mr President—

Mr. ASHURST. I yield to the Senator from North Dakota.

Mr. McCUMBER. Before the Senator proceeds, this being an intercept of the senator proceeds, this being an intercept of the senator proceeds.

important subject, running under the five-minute rule now, and

since we can not dispose of it in that time, I ask that the matter may go over. The Senator can take it up at another time in the proper order and discuss it. I ask that it go over.

Mr. ASHURST. Of course, if I am to be limited to five

minutes, it would be useless for me to attempt the delivery of my address, because it would take an hour and a half for me

The VICE PRESIDENT. The Chair would be compelled, of course, to rule that, except by unanimous consent of the Senate, the Senator would be limited to five minutes.

Mr. MARTIN of Virginia. I ask unanimous consent that the five-minute rule be not applied to the Senator from Arizona in discussing this matter this morning.

Mr. WILLIAMS. I join in that request, Mr. McCUMBER. I object to the request unless it is applied to everyone who may address the Senate upon this subject.
Mr. MARTIN of Virginia. I will enlarge the request to

Mr. McCUMBER. I do not think the rule ought to be suspended simply with reference to one Senator, and I do not think we ought to dispose of this matter in one day. No one expected it would come up for final disposition at this time. We ought to discuss it at length and fully. For that reason, in order that the Senator himself may not feel embarrassed in its full discussion and may not have to hurry, and in order that the Senate may have time to ponder upon the words he shall say in reference to it, I make the suggestion and object to the present consideration of the joint resolution and ask that it be passed over.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that, so far as this particular joint resolution is concerned, the five-minute rule shall be suspended with regard to all Senators who choose to address themselves to it.

The VICE PRESIDENT. During the morning hour? Mr. WILLIAMS. Yes; during the morning hour.

Mr. LODGE. That would block the whole calendar.
Mr. SMOOT. That only applies until 2 o'clock to-day, and the Senator will not be through with his speech by that time.

Mr. WILLIAMS. During this morning hour and other morning hours, as long as the joint resolution is before the Senate.

Mr. LODGE. Such a unanimous-consent agreement would block the calendar absolutely.

Mr. WILLIAMS. It would until the joint resolution is dis-

posed of, or until some agreement is made to take it up.

Mr. LODGE. Why would it not be much better at the proper time to move to take it up? There is no objection on the part of the Senate to taking it up, as I understand.

Mr. WILLIAMS. The practical result of it would be that the

Senator from Arizona could go ahead this morning and open the discussion.

Mr. LODGE. If it applies only to this morning, I have no objection.

Mr. MARTIN of Virginia. That is all.

Mr. WILLIAMS. Then, to-morrow morning we can take it up and do the same thing over again for somebody else, or

refuse to do it, as we choose.

Mr. BRISTOW. Why does not the Senator from Arizona move to take up the bill? That will obviate the five-minute

Mr. SMOOT. He can not do that until 2 o'clock.

Mr. BRISTOW. At 2 o'clock the joint resolution would have to give way to the unfinished business; but the Senator can move to take it up, and then the five-minute rule will not apply. Mr. GALLINGER. That is true.

Mr. BRISTOW. He could discuss it until 2 o'clock, when it

would be displaced by the unfinished business

The VICE PRESIDENT. The Chair would like to know a little something about the rules. The Chair has been of the opinion that during the morning hour a Senator could not move to take up a bill if there was an objection to it-

Mr. BRISTOW. An objection would put it over.
The VICE PRESIDENT. But that after 2 o'clock a Senator could move to take up a bill.
Mr. GALLINGER. That is right.
Mr. BRISTOW. As I understand the rules, an objection on the part of any Senator will put over any bill during the morning hour, under Rule VIII.

Mr. LODGE. Oh, no.

Mr. BRISTOW. But if a motion is made to take it up and the motion prevails, it is before the Senate.

Mr. LODGE. The rule is clear, I think, if the Senator will

permit me.
The VICE PRESIDENT. The Chair has no opinion at all in regard to the matter.

Mr. LODGE. I will read Rule VIII:

ORDER OF BUSINESS.

At the conclusion of the morning business for each day, unless upon motion the Senate shall at any time otherwise order, the Senate will proceed to the consideration of the Calendar of Billis and Resolutions and continue such consideration until 2 o'clock; and bills and resolutions that are not objected to shall be taken up in their order, and each Senator shall be entitled to speak once and for five minutes only upon any question; and the objection may be interposed at any stage of the proceedings, but upon motion the Senate may continue such consideration. proceedings, but upon motion the beating of the consideration of any matter shall be determined without debate.

The Senator has nothing to do but to make his motion, and if it is carried he can continue his remarks without limitation.

The VICE PRESIDENT. Let the Chair make a further inquiry. If the motion is made and carried, the joint resolution becomes the unfinished business, does it not?

Mr. GALLINGER. Oh, no.

Mr. LODGE. Not in the morning hour. Mr. GALLINGER. It falls at 2 o'clock.

It falls at 2 o'clock. Mr. LODGE.

The VICE PRESIDENT. The Chair will say that it has been ruled otherwise in this body and has displaced other unfin-

Mr. SMOOT. Let me call attention to section 3 of Rule VII:

Until the morning business shall have been concluded and so announced from the chair or until the hour of 1 o'clock has arrived no motion to proceed to the consideration of any bill, resolution, report of a committee or other subject upon the calendar shall be entertained by the presiding officer unless by unanimous consent.

The VICE PRESIDENT. That was the view of the Chair. Mr. LODGE. But the morning business has been concluded for some time.

Mr. SMOOT. But not until 1 o'clock.

Mr. LODGE. Oh, yes; it says "or until 1 o'clock." The morning business has been concluded. Of course it is open to the Senator to move to proceed to the consideration of the joint resolution. That lasts until 2 o'clock.

Mr. ASHURST. I move that the Senate proceed to the

consideration of Senate joint resolution No. 1.

Mr. LIPPITT. I understand that action will allow the Senator to go on until 2 o'clock?

Mr. GALLINGER. Yes; if the motion is carried.

Mr. LIPPITT. I had intended to relieve myself of some remarks and ideas that I had upon monopoly in connection with Alaska about 2 o'clock or some time during the afternoon, and I do not want the Alaska bill displaced.

Mr. WILLIAMS. It can not be displaced. Mr. GALLINGER. The motion is not debatable.

The VICE PRESIDENT. The question is on the motion of the Senator from Arizona that the Senate proceed to the consideration of Senate joint resolution No. 1.

The motion was agreed to.

Mr. ASHURST. Mr. President, I rise to address the Senate in favor of Senate joint resolution No. 1, which was, on June 1913, reported favorably from the Committee on Woman Suffrage.

Observant persons will not fail to notice that marked changes in the political and social affairs in the United States are now slowly taking place. Conditions under which we have been living are changing, for society and government are dynamic, not static, in character.

CONSTITUTIONAL AMENDMENTS.

Only a few years since some of the most profound citizens of this Republic believed that by reason of the complicated procedure and large majorities required it was difficult, if not impossible, to amend the Constitution of the United States, and some eminent statesmen even urged that strained constructions should be placed upon the Constitution so as to change somewhat the structure of our political system, bring it into conformity with the dynamic conditions of the day, and thus secure needful reforms.

Dicey says of amending the Constitution of the United States:

The sovereign of the United States has been roused to serious action but once during the course of 90 years. It needed the thunder of the Civil War to break his repose, and it may be doubted whether anything short of impending revolution will ever again rouse him to activity. But a monarch who slumbers for years is like a monarch who does

Speaking in the Senate of the United States on the 5th day of July, 1909, Hon. H. D. Money, a scholar, orator, and statesman whose services here added glory and usefulness to this body, said:

Mr. President, I am one of those who believe that there will never be another amendment to the Constitution of the United States.

* * * I do not believe this amendment—income-tax amendment—to the Constitution will ever be a part of it. * * *

But, contrary to the opinion which a few years since prevailed among many thinking people, within the past 10 months two amendments to the Constitution of the United States have been proclaimed, and they were adopted under the procedure which is indisputably complicated and involved. The adoption of these amendments, in addition to the valuable reforms they will bring about, has convinced the American people that our Federal Constitution is a living, breathing, dynamic force that protects persons as well as property, and that it is not a procrustean bed of fixity, incapable of amendment or change.

The belief that the Constitution of the United States may be

amended, and that in some particulars it ought to be amended, is not confined to any one political party. It extends to all of them, thus demonstrating that the "let-alone," noninterference, careless, laissez faire policy does not meet the demand of the present day. Indeed, one of the most needful of all reforms would be a constitutional amendment which will remove the obstacles, prolixities, and delays now incident to securing an amendment to our Federal Constitution, and unless an amendment be adopted providing for an easier method of amending the Constitution there will soon be a widespread demand for a national constitutional convention.

The "fathers" of the Constitution were not sanguine enough to suppose that the organic law which they framed was so perfect that it would never be altered. The experience of the Government under the Articles of Confederation had produced the

belief that there was need of a system of amendment by which the Constitution could be made to conform to the requirements

of future times.

The idea that some provision should be made in the instrument of government itself for the method of its amendment is peculiarly American. Provision for the regular and orderly amendment of an instrument of government first appears in the Pennsylvania frame of government of 1683. A similar provision reappears in the act of settlement of 1683, in the Pennsylvania frame of 1696, and in the Pennsylvania charter of privileges of 1701. Each of these documents provides that it shall not be altered, changed, or diminished "without the consent of the governor" "and six parts of seven of the assembly."

It is difficult to avoid the conclusion that it was the expectation of the members of the Federal Convention that a frequent use of the amending power would be exercised. They doubtless thought that the plan adopted would secure the desired end whenever the popular will would justify a change. But whatever may have been the view of the "fathers," it is now obvious that the methods of amendment as provided in the Constitution are so unreasonably clumsy and unwieldy that it is the duty of the statesmen of the present day to submit some plan whereby amendments may be brought about within a reasonable time and by a method less complex.

A government which assumes to be fixed and unalterable will soon become wholly unsuited to the circumstances of the nation and will have a tendency to degenerate into a despotism or will

produce a revolution.

While it is quite true that marked changes in our political and social conditions are occurring, it is none the less true that these changes are taking place slowly. Indeed, it is impossible that it should be otherwise, for no wound or disease of the body politic ever healed except by slow degrees. Many honest and well-intentioned persons "view with alarm the hasty judgments of the people"; but, in truth, the judgments of the people are not hasty. The judgments of the people are extremely deliberate. The great mass of the people patiently bear present ills; they turn from old ideas, customs, forms, and ways with much reluctance, and usually with doubts and misgivings. It is almost a natural habit to try to preserve what is established. Those who "view with alarm the hasty judgments of the people" may give their perturbed spirits rest, for if any fault be found with the mass of the people, it is not because they act too hastily but because they act too slowly and with too much deliberation and conservatism. Consider, for instance, how long the American people permitted themselves to be poisoned by impure and adulterated foods; reflect with what patience the people have suffered the delays and defeats of a pure-fabric bill; think how uncomplainingly the people still pay for woolens and frequently receive shoddies, because we will not pass the pure-fabric bill; reflect how many years the people permitted Members of Congress to ride on free passes over the railroads. Consider how long the people permitted public men to publish recommendations of patent medicines and other nostrums. Consider how uncomplainingly workingmen face danger in mines, in the fields, on the railroads, and in the workshops. Consider how long the American people tolerated a protective-tariff system which robbed the many for the enrichment of the favored few. Think how cheerfully and how

regularly the poor tax themselves to support the Federal Government, the State, the county, and the city. Consider with what patience the people permitted the Armor-plate Trust to take \$77,000,000 from the Public Treasury and then furnish only \$52,000,000 worth of armor plate to the Government. When we hear a timid "statesman" expatiating on the "hasty action of the masses," let us reflect that these same masses have been trying for 22 years to get a seamen's bill enacted into law, so that human life at sea may be made safer and our seamen released from an odious, involuntary servitude which has been imposed upon them, but that even to this good hour

the bill is not yet a law.

When we hear a "reactionary" stating how fearful he is of the tumultuousness of the masses and their inordinate and impatient "demand for hasty legislation," we should ask that reactionary how many years the people waited in vain for a parcel post, although everybody in the United States wanted a parcel post save and except the express companies. Consider how faithfully-and generally with what good nature-a large number of our fellow citizens toil in unsafe places or with un-Let us hear no more of our constitutions, safe machinery. institutions, and laws being overthrown by the hasty judgments of the "masses and the mobs." No people except the patient American people would have so long and so uncomplainingly suffered these abuses, looking the while with the eye of faith and optimism into a future which inevitably would correct these evils in the fullness of time. The American people seem to believe that "the foresight that waits is the same genius that creates.'

A vast majority of the people are busy earning a subsistence and have not the time necessary to give to the constant agitation necessary to the promotion of these great reforms, and they must of a necessity leave to their public servants, in large measure, the duty of putting into execution these needful and if we, as their chosen, honored, and well-paid offichanges. cials, fail to exert ourselves to the uttermost to accomplish these reforms which the people demand, and to which they are

so justly entitled, we are faithless trustees.

There is no doubt that the invention and adoption of improved means of transportation; the ready communication among the people afforded by the telephone, the telegraph, and the post office; the facilities for obtaining information and intelligence afforded by the schools, the newspapers, and the magazines have been powerful factors in the removal of many delusions, much ignorance, injustice, prejudice, and superstition that has hindered and hampered civilization in its efforts to make human life broader, more useful and beautiful; but in value, power, and utility, over, above, and beyond all these inventions and accomplishments of civilization which have rendered human existence more comfortable, stands political lib-

Political liberty invests the citizen with an appreciation of his or her duties and responsibilities. Political liberty is not a means to an end, but is itself the end. Political liberty is valuable to a citizen, because it secures to the citizen safety of person, secures the power to assist in selecting public officials, secures the opportunity to rebuke by ballot the extravagance of public officials. It makes the individual citizen part and parcel of the sovereign-that is to say, the ruling-power. It makes the individual citizen the peer-the equal-of every other individual citizen. It stimulates and excites the individual to aspire to excellence for himself and the Government.

When the workingmen—that is to say, the men who perform physical labor-were denied the right to vote, their condition was little better than that of the slave. Indeed, it is doubtful if their economic situation was as comfortable as that of the serf. In the Colonies at the time of the Revolutionary War much, if not most, of the physical labor was performed by slaves and indentured servants. Wages of the workmen were not quite \$1 a day, and the elevation of the laborer above a mere serf has been accomplished largely by his ballot and his adherence to organization and the trade-union. One of the wisest things which organized labor has done was to cease its passive attitude toward woman suffrage and to commence an earnest, active contest in its behalf.

As late as 1834, in England, six agricultural laborers were convicted and sentenced to seven years' penal servitude for unitedly asking for an increase in wages of 1s. per week. Under the laws in force in England at that time this was treated as a conspiracy, and these men were promptly convicted and transported to Australia. They became famous in history as the "six men of Dorset." One of these, George Lovelace, wrote in his diary a vivid description of the horrors they underwent while being transported. Then arose in England a tremendous agitation for their release, and 50,000 workingmen, in a procession, marched by the official residence of the then premier, Lord Melbourne, to present a petition in behalf of the "six men of Dorset." Their release finally came in 1837, and in May of last year a monument was erected in their native village in Dorsetshire to these martyrs in the cause of political liberty.

History is largely an account of man's struggle for freedom, and from the beginning of the human race down to the present time its tendency has been toward liberty-mankind reaching

out for freedom and immeasurably attaining it.

American civil liberty is the fruitage of many centuries of earnest and patriotic endeavor. The preservation of civil liberty will always depend upon the vigilance and zeal of those who love freedom, and if a people do not love liberty well enough to contend for it, if a people prefer turgid quietude to the boisterousness of liberty, they may be sure that the usurpers of power will sooner or later impose tyrannies and despotism upon them.

AMERICAN CITIZENS.

The rights attaching to an American citizen may be divided into two classes-that is to say, civil rights and political rights. On the ground of public policy minors, incompetents, and others are frequently denied political rights. The right of suffrage-that is, elective franchise or the right to vote-is a political right which, upon grounds of sound public policy and due regard for the genius of our form of government, should never be withheld from a class of citizens fairly and in good faith proved to be worthy of possessing such right.

This question as to who is an American citizen was left somewhat in doubt by the Constitution of the United States until the adoption—if, indeed, it were really adopted—of the four-teenth amendment, in 1868, when that amendment, in the first section thereof, created a distinct Federal citizenship, as fol-

lows .

ARTICLE XIV.

Section 1. All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and of the State wherein they reside. * * *

The right to vote is a political right, and under our American theory and practice of government restricted suffrage is the only character of suffrage which has ever existed in any of the

States of our Federal Union.

Under our American system the right to vote is a political right granted by the majority to those who are deemed worthy and competent to participate in the management and functions of government. No such thing as a national voter, in the real, true, and strict sense of that term, is known to our system. The very fact that the qualifications of voters in the various States of our Federal Union are not uniform, and that a citizen may be a qualified voter in one State and yet not be a qualified voter in another State, demonstrates that the qualifications of voters are fixed and determined by the State. A great many persons—indeed, a vast number of well-informed persons—believe that the fourteenth and fifteenth amendments to the Federal Constitution made all citizens national voters, but such is not the case. Neither the fourteenth nor fifteenth amendment, nor the two amendments in pari materia, made every citizen a

I have no sympathy with the fifteenth amendment to the Constitution. It is true that the amendment, as was said by the United States Supreme Court in United States v. Reese et al. (92 U. S., p. 214; 23 L. Ed., 563), does not confer the right of suffrage upon anyone, but simply prevents the States from giving any preference in respect to suffrage to one citizen of the United States over another citizen on account of

race, color, or previous condition of servitude.

The fifteenth amendment should not have been adopted, and, above all things, it should not have been adopted in the spirit The fifteenth amendment was the result that prompted it. of a bitter, vindictive, ungenerous, and unjust feeling that surged through the country after the Civil War. It was a part and parcel of reconstruction days, when magnanimity, generosity, moderation, restraint, and justice were practically obsolete national virtues. It was part of the wild saturnalia such as usually follows long and destructive wars, in which the base and sordid passions and vices have riotous indulgence. It was a part and parcel of carpetbag times-a part of the times when graft permeated every department of Government, and an obscene brood of harpies, in the form of ignorant negro officials, were imposed upon the white people of the Southern States.

The fifteenth amendment was not adopted to aid the negro or to ameliorate his condition, but it was adopted for the purpose of irritating, vexing, and humiliating the South by forcing corrupt government upon the southern people. But, sir, the southern people could not be humiliated nor degraded, for they were as brave a people as ever drew a sword or wore a plume, and amidst the shock and desolation of war, when the earth beneath their feet seemed to slip and the stars above their heads to shift, they did nothing unbecoming or unworthy of their inspiring, gallant, and heroic history and lineage, Thus the fifteenth amendment remains as an angry scar upon our American system and serves as a warning to any who would attempt to legislate for an ignoble or unworthy purpose.

Mr. GALLINGER. Mr. President-

The PRESIDING OFFICER (Mr. MARTINE of New Jersey in the chair). Does the Senator from Arizona yield to the Senator from New Hampshire?

Mr. ASHURST. Certainly. Mr. GALLINGER. The fifteenth amendment reads as fol-

The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude.

Does the Senator say that he takes issue with that amendment

of the Constitution as to the principles enunciated?

Mr. ASHURST. I want to be courteous to the Senator. I have just stated what I thought about that amendment.

Mr GALLINGER. I am greatly at a loss to know why the Senator, who is so earnestly and eloquently advocating the extension of the right of suffrage to a class to which it is now denied, should take issue with the fifteenth amendment, which is along the same line.

Mr. ASHURST. I appreciate the suggestion of the dis-tinguished Senator, but nevertheless that is my firm opinion of

the fifteenth amendment.

The PRESIDING OFFICER. The Senator from Arizona will

proceed.

Mr. ASHURST. In order therefore that a widespread misapprehension regarding the effect of the proposed amendment may be cleared away, I will state that the ratification of this proposed amendment, if submitted to the States, will not, ipso facto, confer the right of suffrage upon anyone, for, I repeat, that the right of suffrage is not a necessary attribute of national citizenship, as was held by the Supreme Court of the United States in The United States against Reese et al., above quoted. The right to vote comes from the State, but the right of citizens to be exempted from certain discriminations comes from the United States. right to vote has not been granted nor secured by the Federal Constitution, but the right to be exempt from certain discriminations is granted and secured by the Federal Constitution; thus, this proposed amendment, if adopted, secures to females the right to exemption from being discriminated against because they are females. This amendment, if adopted, would not interfere with the "grandfather" clause in the constitution or laws of any of the States. It would not interfere with the constitution of any State which exacts of its citizens certain requirements and qualifications before they are permitted to vote, save and except that the State would not be permitted to deny to a citizen the right to vote simply, solely, and only upon the ground that that particular citizen was a female. The adoption and ratification of the proposed amendment would have precisely the same effect as if the amendment read as follows:

No State, when it enacts its laws fixing the qualifications requisite for its voters, shall refuse to permit a woman to vote for the sole and only reason that she is a woman.

Political liberty was by no means achieved either by the successful conclusion of the Revolutionary War or by the forma-tion of our Federal Union. The Federal Constitution of 1787 provided in section 2, Article I:

The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

Thus leaving each State to prescribe the qualifications of

voters in such State.

At the close of the Revolutionary War the lingering vestiges of monarchy, aristocracy, and class rule were to be observed. The historians tell of the boldness with which these vestiges of aristocracy and class rule were attacked, and further tell us that in the States which, upon the advice of the Continental Congress of 1776, took up civil government and formed constitutions in the early days of the Revolutionary War-very little of what would now be called the rule of the people was recognized. Political rights were hedged about with restrictions which would now be thought unbearable. The right to vote and to hold office was not dependent on manhood, patriotism, integrity, virtue, or learning, but on acres of land, on religious opinions, on dollars, pounds, shillings, and pence. In one State the qualification of a voter was 50 acres of land or personal property to the value of £30. In another State it was a

property tax. In still another State the voter had to be a quiet and peaceable man with a freehold of 40 shillings or personal estate worth £40. To be a voter in South Carolina the man must have believed in a future state of reward or punishment and possess a freehold of 50 acres of land. To vote in New York the man must have been seized of a freehold worth £20 York money, or pay a house rent of 40 shillings a year, have his name on the list of taxpayers, and exhibit a tax receipt. Massachusetts the requirements were a freehold estate yielding £3 a year income or the possession of an estate worth £60. In Connecticut the qualifications were an annual income of \$7 from a freehold or real estate rated on the tax list at £134.

The right to vote, even when secured, did not carry with it the right to hold office. Thousands of men who on election days went to the polls were by the law debarred from holding even the office of sheriff, taking a seat on the bench, becoming a member of the legislature, or reaching the high place of governor of a State. No infidel, no agnostic, no atheist, no freethinker, no Jew, no Catholic could be governor of New Jersey, New Hampshire, Connecticut, or Vermont,

Not content with restrictions such as these, the constitutions of many States went further and required that the governor should not only be rich, but pious. In one State he must have an estate of £100, and in another £500, in another £5,000, in another £10,000; in yet others he must own 250 or 500 acres of land. For a seat in either branch of the State legislature qualifications were of the same kind. The people of New Hampshire thought it necessary that each Senator should be seized in his own right of a freehold estate worth £200. Massachusetts placed her requirements still higher, and would suffer no man to become a member of the upper branch of her general court who did not have a freehold of £300 or personal property of £600. For the lower branch the sum was one-third as great. A man who aspired to a seat in the Council of New Jersey or to the Senate of Delaware must have owned £1,000 of real or personal estate; in Delaware, 200 acres of land. Senators in North Carolina were required to own 300 acres; representatives in South Carolina must have owned 500 acres and 10 negroes; and in Georgia, 250 acres.

When the Constitution of the United States was written no forward step was taken on this particular subject, for no man could vote for a Member of the National House of Representatives who could not vote for members of the most numerous branch of his State legislature, and thus the various restrictions imposed on suffrage by the constitutions of many of the States were reimposed by the Constitution of the United States. The spirit of democracy, of civil and political liberty, however, was strong. During the 10 years which followed the inauguration of George Washington 8 State constitutions were made or amended, and by almost every one political liberty was greatly extended.

Pennsylvania abolished her religious test and left the ballot in the hands of every tax-paying male. South Carolina opened the polls to Catholics and Jews. New Hampshire abolished forever the religious qualifications once required of her governors and legislators, took off the tax, and gave suffrage to every male inhabitant 21 years old.

Delaware enfranchised every free man who had resided two years in the State and had paid his taxes, and no longer asked him if he believed in the existence of the Trinity and in the divine inspiraton of the Testaments. Kentucky and Vermont went further, and by the constitutions of these States manhood suffrage—that is, qualities of head and heart—were for the first time in our history made a part of the political system of the United States.

Thus it was that between the day when Washington was inaugurated President and the closing of the eighteenth century many of the old limitations on the civil and political rights of man were effaced from the law of the land. In general, it may be said that the property qualification was greatly reduced and that the democratic principle of suffrage, based on patriotism and integrity, was fast spreading.

CONTEST FOR FREE PRESS JUST AS STRENUOUS AS CONTEST FOR A FREE BALLOT.

The privileges which the English-speaking people hold to be of inestimable value-to wit, suffrage based upon patriotism and integrity instead of upon property, a free press, and freedom of religion-have not been easily acquired or easily maintained. The contest for a free and untrammeled press has been just as keen and intense as the contest for a free ballot.

In England, until the expiration of the licensing act, May 3, 1695, it was by no means certain that the publication of a newspaper was not illegal. The Court of Star Chamber de-livered an opinion that it was unlawful to publish without

the judges pronounced that it was a misdemeanor at common law to publish any news of a political nature without the express approval of the licensors of the King. Even John Milton's Paradise Lost narrowly escaped severe mutilation, and with difficulty obtained "leave to print" from the King's licensors.

A fair sample of the unfriendly attitude of the aristocratic classes toward the newspapers at this time is well disclosed by Sir Roger L'Estrange, who, in May, 1680, in first exercising his authority as licensor and censor of the press, and in explaining the attitude of the privileged and ruling classes, amongst other things, said:

A newspaper makes the multitude too familiar with the actions and councils of their superiors and gives them (the multitude) not only an itch, but a kind of colorable right and license to be meddling with the Government.

Article I of the first amendment to the Constitution of the United States was a rampart reared for the protection of the American people against those persons who believed that republican governments were dangerous delusions, and for the security of the people against legislative, executive, and judicial usurpations, just as the Bill of Rights and the Great Charter were reared by the English people for their own protection against the encroachments of the royal prerogative.

Even the Congress of the United States once passed a lawact of July 14, 1798-which declared it to be a crime to publish any false, scandalous article concerning Congress or the President, and making it unlawful to stir up sedition against the United States. The manifest purpose of this sedition law was to shield the Federal Government from damaging criticism and, among other things, to assist in the reelection of John Adams as President by preventing any criticism of his administration. The sedition law was of a transient nature, limited to short duration and expired by effluxion of time on March 4, 1801.

The constitutionality of the sedition law was vigorously assailed with great ability and earnestness, and was defended with equal vigor. This sedition law was impugned as being directly opposed to the letter and spirit of the Constitution of the United States and as wholly inconsistent with the rights of citizens and the liberty of the press. It never came before the United States Supreme Court, but Mr. Vice President John C. Calhoun, writing in August, 1832, said that from the date of the formation of the Constitution in 1787 down to 1832 only one question of a political character had been settled in the public opinion, and that that question was the unconstitutionality of the sedition law.

In some attempts to vindicate the sedition law of July 14. 1798, it was contended that the freedom of the press guaranteed by the first amendment to the Constitution of the United States was only such freedom as was guaranteed to the press by the common law of England, and that under and by the terms of this amendment to the Constitution Congress was simply prohibited from abridging the "common-law freedom" of the press. A mere statement of this contention will at once disclose to our view its extreme danger and harmfulness, for had such a construction been adopted it would have guaranteed only a very narrow, restricted, or, rather, no freedom of the press. as above pointed out, the judges in England, at the close of the reign of Charles II had pronounced it a misdemeanor to publish any news of a political nature without the authority of the duly appointed licensors.

It is difficult to estimate the number of prosecutions conducted under this sedition law, but sufficient it is to observe that each prosecution still further served to swell the tide of indignation against it and its authors, and the heat of popular resentment against the sedition law was undoubtedly one of the features of the campaign which promoted the triumph of

Thomas Jefferson and the defeat of John Adams in 1800.

Of course it will be remembered that "liberty of the press" does not mean that anyone is thereby licensed to print false scandals of other persons, but it simply means that all persons have the right to speak and print their opinions upon any subject whatever, without any prior restraint on or any subsequent penalty for publishing, so long as they do not injure another in his or her person, reputation, or property, and do not attempt forcibly to subvert the Government.

We must not forget that in many of the governments of antiquity liberty degenerated into license, and that with many of the ancient rulers the word "liberty" became an excuse or pretext for measures which transformed liberty into license and destroyed the very things which made liberty valuable. Indeed, the history of the world furnishes us with many painful and shocking examples of men who have spoken rapturously and sometimes with flaming eloquence of liberty and patriotism license, and, indeed, near the close of the reign of Charles II but who simply used such speeches as a disguise or mask to

conceal the fact that they were subverting true liberty and

plundering the public revenues.

We in this age who are not restrained to establish and publish a newspaper or print our sentiments therein and who march in a phalanx on election day to the polling places, there to exercise our great American prerogative, seem to think that these rights were born with us, are inherent in us, and seemingly it never occurs to us that our patriotic ancestors gave up their liberty, shed their blood, and sacrificed their lives in order that we might enjoy these privileges which we of to-day accept as a matter of course and sometimes perform grudgingly; but these rights, nevertheless, mean very much to a people who value true freedom. American citizenship is an inheritance which has been achieved and maintained only by virtue of stupendous sacrifices that have been made by those who have gone before to secure for us this inestimably valuable boon.

Under a government where citizens enjoy freedom of speech, freedom of religion, and a free ballot extended to all competent persons the people will probably have equity and justice and will enjoy equal opportunity. Under a government where justice and equity prevail, where freedom of speech, freedom of religion, and the ballot are extended to all who are worthy will also be found true success and happiness. It is such a State that children should be taught to revere. It is such a State whose history men and women will read and treasure. It is the example set by such a State that other States will seek to emulate. It is the State which guarantees liberty of opinion, freedom of speech, freedom of religion, justice, equity, and equality of opportunity for which men will fight, but when the State fails to preserve equity, justice, equal opportunity, freedom of opinion, freedom of speech, and freedom of religion patriotism will not be robust. The physical, mental, and moral condition of the people making up a State have very much to do with determining the good fortune and prosperity of that State.

If a people do not have equality of opportunity, if they do not enjoy justice and equity, if those who perform physical labor are obliged to work so continuously to earn a mere subsistence that they have no time remaining for rest, relaxation, or repose, no time remaining to devote to music, philosophy, poetry, or history, no time remaining to devote to the family, there can not be in the true and real sense any prosperity in the

Markets, trade, and material prosperity, of course, mean much to the glory of a nation, but they do not mean so much as do equity, justice, equal opportunity, a free ballot, and a fair count. The citizen who possesses the right to vote holds in his or her hand the attribute of sovereignty; that is, the right and power to be and remain one of the rulers.

The American people have already surmounted incredible difficulties and accomplished stupendous achievements, and in order to obtain a clear view of what will be accomplished in the future by this marvelous American people we should for a moment here review the Nation's progress during the 125 years that have run through eternity's glass since George Washington was inaugurated as the first President.

Commencing with the inauguration of President Washington, April 30, 1780, and extending down to this good hour, a great Nation was, and still immeasurably is, in the making; fundamental principles of government of infinite importance to the human race are being applied and tested; new ideas are constantly taking hold, new truths constantly being discovered; reforms have been made in manners, customs, institutions, and laws; time-honored usages and a ruling aristocratic class have been swept aside; a population has pushed its way westward, founded towns, cities, and States, built roads, bridged rivers, joined great lakes by waterways and canals, built fac-tories, mined for metals, and dealt on a gigantic scale and in a new manner with the economical and financial problems in a vast country where nature has poured forth her treasures and resources with such generosity and extravagance that imagination's most remote excursion does not measure them. Never before has any other people presented to the world a more interesting spectacle.

During all this progress the larklike voices of millions of Americans have been heard singing in Freedom's morn, for through the veins of the American people there flows that ethereal fluid, the ichor-the red blood which animated Rienzi, Winkelried, and those who gave us the story of William Tell—the spirit of liberty. Amidst all their vicissitudes the American people have been preserved by the God of eternities, who holds safely in the hollow of His hand the destiny of nations as easily as He would grains of sand.

It must not for one moment be imagined that we have reached the zenith in improvement in our laws, institutions, or national progress. There are myriads of secrets still locked within the bosom of the hills and mountains. Undiscovered secrets are lurking in the air above us and in the earth beneath our feet. Raging rivers which now pour their destructive and seemingly uncontrollable flood to the seas will yet be harnessed

and made to do man's imperial will.

"Human life could be prolonged an average to our entire population of 14 years in the United States if the people were properly informed in self-preservation, as was demonstrated in

the report on national vitality.

"The annual death loss in the United States is approximately seven to the thousand in excess of what it should be under improved conditions, making an unnecessary loss of life in 90,000,-000 of people of approximately 630,000 men, women, and children annually, whose lives ought to be saved. This annual loss, upon any reasonable basis, may easily be estimated at the commercial value of two thousand millions of dollars annually.

"Nearly as great a loss is due to the loss of efficiency and the loss of productive power of nearly 3,000,000 persons who are sick, on an average, during the year and who must be cared for

during such preventable illness.
"During the Spanish War, in four camps—Chickamauga. Alger, Meade, and Jacksonville—there were over 19,000 cases of typhoid fever, with a loss of 1,460 of the finest young men in

America, nearly all of which was preventable.
"The preventable deaths in the United States were caused by polluted water, impure and adulterated foods and drugs, foul air, bad ventilation, ignorance of the health laws, of hygiene, of exercise, of foods, and of self-care, and to epidemics and various preventable diseases, such as tuberculosis, typhoid and malarial fevers.

"A splendid illustration of what can be done is shown in the control of yellow fever in Cuba. In 1896 yellow-fever deaths in Habana, Cuba, amounted to 639 to each 100,000, but after the American occupation and the great discovery of James Carroll, Lazier, Walter Reed, and Agrimonte the death rates fell in 1900 to 124; in 1901, to 6; in 1902, in 1903, and in 1904, to none.

"Except for this discovery it would have been impossible for the United States to have built the Panama Canal, and on the Panama Canal the death rate, even in that tropical country, is not much more than one-half what it is in the United States." See report on Senate bill No. 1, Sixty-second Congress, second

One hundred and twenty-five years ago the person who would , have suggested the possibility of the locomotive, the telephone, the telegraph, gas jet, or electric light would have been regarded as a lunatic.

Reviewing, therefore, the enormous progress this Nation has made, and considering the spirit which animates our people, it would be just as sensible to attempt to draw out leviathan with an hook as to attempt to stop or stay our progress; as well attempt "to bind the sweet influence of the Pleiades, loose the bonds of Orion, bring forth Mazzaroth out of his season, or guide Arcturus and his shining sons" as to try to circumscribe

or set a limit to the destiny of the American people.

It is nearly 400 years since the celebrated chancellor, Sir Thomas More, gave to the world that curious philosophical work under the title of "Utopia," in which he described an imagi-nary country and people and added a new word to the English language. Nearly every proposed plan for the improvement of government and society since More's time has been called Utopian. While experience has probably proved that many of More's suggestions were indeed Utopian because they were incompatible with some of the inherent and congenital qualities of human nature, it is also quite true that many of his sugges-tions are to-day recognized by people of humanitarian impulse as principles which make for the strength, happiness, and progress of a state. For instance, he wrote:

If you suffer people to be illy educated and their manners to be corrupted from their infancy, and then punish them for those crimes to which their first education disposed them, what else is to be concluded from this but that you first make thieves and then punish them?

He also wrote:

And can it be thought that those who heap up an useless mass of wealth not for any use that it is to bring to them, but merely to please themselves with the contemplation of it, enjoy any true pleasure in it? The delight they find is only a false shadow of joy.

Mr. President, a contest to be met in the future, indeed, one of the greatest constructive works remaining to be accomplished is the abolition of poverty. This will not be done by force or violence, but by that progressive and forward-moving spirit which has always animated the American people. It will be accomplished by statesmen who realize that "bad straw makes bad brick," and that the way to treat governmental, economical, and political problems is to analyze them and test them

just as a chemist in the laboratory tests his problems.

I realize, of course, that there are many profound thinkers who believe that poverty is a thing inseparable from mortal life and human destiny; that it is an insolvable problem; and that the abolition of poverty is Utopian or phantasmagorial, but just so surely as at midnight there is busy a centrifugal force which in due time will whirl the world into the gladsome presence of the morning, just that surely in the fullness of time will poverty be abolished. Sweatshops, crowded slums, and starving children will some day be only a horrid memory. extension of the ballot to women will be a helpful influence in assisting to solve this great problem of the future.

Antoine Frederick Ozanam, writing in 1840, referred to "the duty to bring solace to the suffering classes and seek the aboli-

Ozanam pointed out that the worker, whether physical, in-tellectual, or moral, had a natural right to a wage which, in addition to providing for proper support for the worker and the support and education of his family, would also provide that the worker might retire in old age and enjoy the fruits of his toil. He further points out that if the worker receives any less than these things he has practically sold his life.

Our countrymen, however, are a trifle impatient with those public men who so continuously direct attention to abuses and evils, but who omit to suggest a remedy. Therefore I shall suggest one of many remedies that might be applied; and I have not the slightest doubt that the application of the one I propose would reduce poverty to a degree where it would cease

to be a national evil.

At the present time we are expending, in round numbers, about \$500,000,000 annually to pay the expenses of wars of the past and in preparing for wars we pretend to think may come in the future. Let us appropriate two-fifths of this sum each year, or \$200,000,000 annually, for a "home reserve fund,"

to be expended as follows:

Let the United States Government annually acquire, by purchase, if necessary, 50,000 small farms throughout the various States as may be most suitable and practicable, build com-modious dwelling houses thereon, and each year place 50,000 citizens, without any expense or cost to such citizens, into actual possession of these farms, carefully providing that these "home-reserve farm lands" shall not be alienated, hypothecated in any way, or transferred under any pretext by the citizen inducted therein. It would be necessary carefully to provide that the citizen installed into such tract of land and home could not be divested thereof under any pretext or pretense whatever, but would hold the same for his or her lifetime, and upon his or her death the same would revert to the Government home-reserve lands, again to be utilized for like homereserve purposes.

It should clearly be set down that the investiture of a citizen with such allotment of land would not preclude his or her acquiring any other lands by purchase, gift, devise, descent, or in any other legitimate way, but that whenever the needs and requirements of the Government made it necessary to acquire more lands for home-reserve purposes and no public lands were available all lands in excess of 5,000 acres belonging to any one person or corporation might be condemned under the law of eminent domain and such excess land applied to homereserve purposes, after condemnation proceedings in a court of competent jurisdiction and upon just compensation being paid by the Government to the owner thereof for taking from such person or corporation the lands owned by him or it in excess

The home-reserve plan would not, of course, be made compulsory upon any citizen, but optional only, and should provide that such land must be cultivated in good faith.

These tracts of land, with decent dwelling houses, could be provided at an average cost to the Government of about \$4,000

per farm.

Along with this plan, as a direct concomitant thereto and in connection therewith, should go the building of good roads, so that the isolation of rural life would be lessened and the

produce of the farm taken to market easily.

This plan would afford industrious and worthy citizens of the United States an opportunity to engage in small farming and other ways of independent living—would afford them an opportunity to get from under the landlordism of another—an opportunity to get back to the soil.

Thus, within a generation, millions of people who previously had been poverty stricken would be, if not on the road to wealth, at least removed from the terror of the ever-present rent gatherer-would feel that no matter how fiercely the

inclement winds of winter raged they would at least have a place whence they could not be driven and where by careful, honest, and industrious lives they could make the land furnish forth their daily fare. In this manner the unwise and unhealthy congestion of population in our great cities would soon be absorbed.

Population in the United States has overtaken production of foodstuffs. Ten per cent of our population is without food; we have built up cities at the expense of rural life, and must now turn our attention toward making agriculture a preferred vocation.

The building up and maintaining the fertility of the soil is a vast problem, and upon its correct solution depends the future

of America. It is a problem of enormous magnitude.

Only 12 per cent of the arable land of our Nation is yielding anywhere near the maximum return, and less than 40 per cent of our arable land is cultivated at all. Thus, along with the home-reserve farm plan should come the problem of systematic attention to inducing the people scientifically to cultivate the soil under the instructions of trained farm demonstrators or county agents, who would teach each farmer how to apply the best methods, how to breed and care for live stock, how to increase his yield, and how not to exploit his soil, but how to enrich and preserve it.

Thus the people, if given this opportunity and encouragement, would annually turn millions of tons of plant food and live stock into the market. This plan would take from the cities broken, discouraged, and heartsick men and women and convert them into dignified, honest, industrious, and happy

citizens.

This plan would promote law and order. It would increase patriotism and loyalty to country. The Government which affords a place in which the citizen may, within his little domain, be supreme, the country which affords a place in which the citizen may command even a king not to enter unbidden, is the country for which men will face shotted guns and will

resolutely fight.

This plan may be opposed by some persons as "socialistic," maternalistic," or "paternalistic," but no matter by what epigram you choose to stigmatize it, how Utopian you may deem it, how impracticable or visionary it may appear at first glance, it nevertheless will bear the closest investigation, and you will observe at once its simplicity. A truth is usually simple and without involvements or complexities. The proposed remedy is infinitely better than the present brutal and degrading system which forever precludes a large majority of our citizens from getting from under the landlordism of others.

The plan is constitutional and will run the gantlet of the most unfriendly court. In addition to its being constitutional, it is that which is also important, it is "institutional." It would not be "confiscation," it would simply be "restoration."

Between the 28th day of September, 1850, and June 30, 1909, public lands aggregating 159,125,734 acres of the property be-

longing to the people were by Congress directly and indirectly granted to various railroad companies, and of the vast amount of land thus granted the patents have issued for 115,473,986 acres thereof. These lands were granted to the railroad companies without the corporations paying to the Government so much as a penny or a sprig of peppercorn therefor; and it has been calculated that these lands are to-day worth at least \$600,000,000. To those, therefore, who hake their heads, who wash their hands with imperceptible soap in invisible water, and reject this proposed plan. I say it is equally as moral, righteous, and constitutional to build a home for the worthy, deserving citizen and to assist him and give him an opportunity to make his life worth the living as it was to give away these 159.125.734 acres of land to the railroad companies, and it must not be forgotten that along with these grants of the public lands which went to the railroad companies it was enacted and nominated in the bond in some of the grants that the railroad companies should not pay any taxes on their roadbed, superstructure, or rolling stock.

It should not so much be the duty of Government and business to extend charity as to dispense justice, and we would better learn now than later that in the end, as a Nation, it does not cost one-fifth the sum of money to keep people out of the jails and hospitals that it does to maintain them therein. So, I repeat, the extension of the ballot to women will increase the number of voters who desire to bring about the reduction of

The first prominent man in the United States to declare for woman suffrage was he who went from the ground floor of a log cabin to the highest eminence of human distinction— Abraham Lincoln. In 1836 he published in the Sangamon County Journal a letter to his constituents, stating that he was in favor of granting the ballot to all citizens possessed of certain qualifications, "by no means excluding females."

The equal-suffrage movement in the United States, however, owes, if not its origin, at least its earliest and ablest discussion, to the sisters Grimké. Sarah and Angelina Grimké were both born in Charleston, S. C.; Sarah in November, 1792, and Angelina in February, 1805.
Mr. SHAFROTH. Mr. President, will the Senator yield for

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Colorado?

Mr. ASHURST. Certainly.

SHAFROTH. Will not the granting of the right of franchise to women open up to them many occupations in which women have not now the opportunity of obtaining labor, thereby increasing the demand for their labor, and consequently increasing the compensation which will be paid women?

Mr. ASHURST. That is very true, and I thank the Senator

for that valuable suggestion.

Mr. SHAFROTH. Is the Senator going to cover that subject

in his remarks?

Mr. ASHURST. I think the very terse statement of the Senator from Colorado covers it better than I could myself, and thank him.

Mr. SHAFROTH. I should like to hear the Senator from Arizona on that subject, for his speech is very interesting to me. Of course, I am delighted to have the atten-Mr. ASHURST. tion of the Senator.

To resume; they were the daughters of Hon. John Grimké, a colonel in the Revolutionary War and later a judge of the

Supreme Court of South Carolina.

A Representative in Congress declared from his seat that women had no right to send up petitions to Congress, whereupon Angelina Grimké fully and eloquently answered him. Her reply convinced thousands of the correctness of her views and was in part as follows:

was in part as follows:

Every citizen should feel an intense interest in the political concerns of the country, because the honor, happiness, and well-being of every class are bound up in its politics, government, and laws. Are we aliens because we are vomen? Are we bereft of citizenship because we are the mothers, wives, and daughters of a mighty people? Have women no country, no interests staked on the public weal, no partnership in a nation's guilt and shame? Has woman no home nor household altars, nor endearing ties of kindred, nor sway with man, nor power at the mercy seat, nor voice to cheer, nor hand to raise the drooping or to bind the broken? The Lord has raised up men, whom he has endowed with "wisdom, understanding, and knowledge," to lay deep and broad the foundation of the temple of liberty. This is a great moral work in which they are engaged. No war trumpet summons to the field of battle, but Wisdom crieth without, "Whosoever is of a willing heart, let him bring an offering." Shall woman refuse her response to this cail? Was she created to be a helpmeet for man—his sorrows to divide, his joys to share, and all his toils to lighten by her willing aid, and shall she refuse to aid him with her prayers, her labors and her counsels, too, at such a time, in such a cause as this?

But, Mr. President, it is sometimes argued that when women

But, Mr. President, it is sometimes argued that when women vote men will no longer be chivalrous toward them. Sir, the language of eulogy has been exhausted over that work of Miguel de Cervantes, Don Quixote, which for 300 years has delighted mankind. Cervantes, by his book, is said to have overthrown chivalry; but whether or not that be true, whether or not it be true that the age of chivalry has gone, of one thing I am certain, and that is the age of justice is at last here.

It is, or at least ought to be, an axiom of American liberty that a class of persons obedient to the laws as are the women; a class of persons which has a peculiar care for the rights of others; a class which is taxed upon its labor and property for the support of the Government, which is liable to punishment for acts which the law makes criminal; which is patriotic, learned, and in a large measure capable of the highest degree of efficiency in the useful arts and sciences; which is patient beyond esti-mate and constantly pouring forth costly sacrifices for the common good of the species, should not be denied a voice in the enactment and enforcement of the laws and concerns of the

Government.

"Government is simply a tool in the hands of the people for the fashioning of that people's civilization." Government is strong or weak, capable or deficient, according to the people who control and make up that government. In this Republic the "people" constitute the Government. They are its creators and its maintenance; they are the Government. That the granting of the elective franchise to women would add to the strength, efficiency, justice, and fairness of government I have not the slightest doubt, and this is especially true in the United States, where all power is reposed in the people with universal suf-frage as the primal basis of its exercise. "The people" includes women who can not be denied those political privileges and responsibilities without doing violence to the fundamental principles of our Government.

It is anomalous and archaic in a free Republic, professedly made up of, controlled by, and administered for all the people, to deny to one-half of its citizens the right of exercising a valuable function of citizenship, to wit, the elective franchise, and thus preclude that one-half from the right and power to say what law or polity shall be its rule of conduct. And this anomaly becomes odious and abhorrent when we reflect that the particular one-half of citizenship thus excluded is the identical one-half from which springs so much wisdom, courage, cheer, hope, and good counsel. In this Republic we are in constant warfare against fraud and violence, avarice and cupidity, and in behalf of liberty and justice whose success will be accelerated by extending the franchise to women, in whom the materialistic is generally submerged for the idealistic; a class of voters which 'ooks to all laws and movements as to how such laws and movements will affect her children; how such laws and conditions will promote morals, human health, and human progress, more spe-cifically than as to how this or that particular law or polity will develop or serve material or property interests. In other words, as has been said, "Man looks after the affairs of life, but woman looks after life itself.

Woman's sphere, her ideals and her duties, make her the inescapable and essential conservator of human life, charged as she is with the duty of conserving the human race; and it is in harmony with political and natural justice to accord to her the right to say what laws shall assist her in bringing about the

betterment of her economic conditions.

There are some persons who believe that when women vote all human problems will easily and expeditiously be solved; indeed, there are some persons who imagine that woman suffrage is the panacea for all ills-that it will teach us how to find the pot of gold at the rainbow's end and will teach us how to eat our cake and keep it. Such persons, of course, are doomed to severe disappointment. Woman suffrage will not of itself bring Nirvana; it is not the magical alembic which will transmute the baser metals into gold, but woman suffrage will, as the years glide by, bring a gradual, general change in our social and economic conditions, and more and more will be observed a truer justice, a spirituality, a morality, and an idealism running through our laws.

Amongst the many reforms that woman suffrage will probably assist in bringing about are the following:

A strict attention to the laws concerning sanitary regulations, food supply, educational, and moral conditions.

Scientific conservation of the public health.

Laws providing for good roads, so that the transportation of crops and all plant foods may be easier and cheaper. The road builder is a valuable person, as good roads are the bands which will hold in unity, amity, and friendship the people of our Nation.

Laws which will make for a system which will see to it that the workers who create wealth and prosperity shall have an equitable share of that wealth and prosperity which they create.

Laws which will make for a system allowing those whose labor creates wealth ample time for relaxation, for pleasure, and reading, so that life shall no longer mean to the worker a ceaseless moil for a subsistence, but will mean happiness, improvement, health, good cheer, and an opportunity to enjoy some of the blessings of the prosperity which he deforms himself to create.

Laws requiring employers to provide reasonably safe places in which to work and reasonably safe machinery with which to work.

With woman suffrage a public office will truly become in spirit and in letter a public trust. When women vote no longer will public office be viewed as booty or plunder that has been captured from a defeated enemy, but will be viewed simply as an honorable opportunity to serve the common good of all the

When women vote we shall have wholesome prison reform. Until recently we assumed, to say the least, an ungenerous, if not inhuman, attitude of remorseless revenge toward a man who walked away from the prison gate. Very often the convict" was kicked out of every place he attempted to make his abode, and was met on all sides by averted glance and civil leer. An "ex-convict" who succeeded in concealing his identity and in making a good citizen out of himself in a community where his past was unknown was immediately ostracized and annihilated if found out.

The prison has been defined to be the connecting link between civilization and savagery. The system of brutally maltreating prisoners has never produced any good whatever, but it has increased crime, poverty, and sorrow. Brutality never reforms the offender.

We have been very slow to learn that it is our duty to reform and reclaim, save and rehabilitate, instead of ruin people convicted of crime. What possible good can come to the State by beating, starving, brutalizing, torturing, and degrading persons convicted of crime I have never been able to discover.

Some years ago a very eminent man advanced the theory This same man pubthat "the criminal is born, not made." lished a large number of sweeping assertions referring to the criminal as "of a race apart"; but these assertions have been upset and exploded by scientific researches, and the students of criminology to-day lay the responsibility for a large proportion of criminality at the door of society.

Should a philosopher desire to study human nature experimentally he could do so very well at a prison, for undoubtedly nine-tenths of the prisoners are there by occasion-that is to say, their lapse or crime is due mainly to bad social conditions.

Twenty years hence, when the muse of history shall come to write of the magnitude of the social revolution and of the changing of the old order which is occurring in our Nation now, but which we do not see because it is so near us, it will then be pointed out that woman suffrage was made a part of our American system because for centuries governments had been going to war without asking the consent of the women that furnished the sons, who after the carnage of battle, are heaped into a trench in "one red burial blent."

The waste of all governments through war is world-wide. Through war and its related agencies the taxes of the world are about double what they were in 1896.

Through militarism the world is living beyond its means and is borrowing the means of the coming generations.

Since the formation of our Federal Union, in 1787, for each

dollar that as a Nation we have paid out for promoting the arts of peace, the development of agriculture and the mechanical sciences, for the facilitation of internal trade and intercourse, and for the diffusion of knowledge, we have paid out \$700 for the purpose of military aggression or defense.

On February 12, 1849, the Committee on Agriculture of the House of Representatives submitted a report indorsing the views of the Secretary of the Treasury, together with a bill creating a new department of the Government to be known as the Department of the Interior, and in support of the bill the report, among other things, stated as follows:

The general fact remains unaffected that war and preparations for war have been regarded as the chief duty and end of this Government, while the arts of peace and production whereby nations are subsisted, civilization advanced, and happiness secured have been esteemed unworthy the attention or foreign to the objects of this Government. It seems to us that this should not always continue, but that we should, as a wise people, reorganize the Government so far as to fulfill these duties also, which are suggested by the nature, aspirations, and wants of our race as physical, moral, and intellectual beings; that it should do something toward protecting the people against those internal enemies—ignorance, destitution, and vice—as well as against those foreign foes who may invade or who it is apprehended may assail us.

The pen of the future historian will point out that the women of the world became weary of passing through the valley of the shadow of death, bearing sons as a bloody sacrifice to the Moloch of war. If their sons are to be thus sacrificed, they demand that they shall have a voice as to when war shall be

declared.
"But," say some persons with fertile and winged imagination, "women do not go to war, hence they should have no voice in determining the matter." The conclusion is not well founded, for female courage, female patriotism, and female influence are a "war power," or, rather, are just as much sinews of war at times as are ball cartridges. I reply that women do the work of the Red Cross and the hospital, and frequently the heavier and more important work which the men leave behind them. Their patriotism is just as virile, their devotion to country just as unswerving, as that of the men. History records many instances of the bravery, daring, dauntless courage, and prowess of women on the battlefield.

Let no man believe that when women vote the Nation will be any the less quick to avenge a wrong, or that the American people will fail at any proper time to unsheath their swords in defense of Liberty's altars.

But, sir, while I have enumerated certain laws which will probably be enacted in the future under the influence of woman suffrage, I am not so simple-minded as to suppose that all reforms can really be accomplished by statute laws. humanitarian impulses, morality, equity, and justice, even hap-niness itself, come from within us, not from without. You can not make people wise, virtuous, or just by legislative enactment. You can not legislate discernment into a fool. No law, however beneficent, can give wisdom to the simpleton, frugality to the spendthrift, virtue to the debauchee, nor liberality to the miser. The patient must minister to himself. A man may be a well-

lubricated intellectual machine, but if his springs of justice and equity are dried up, if his patriotism and ideality lie dead or dormant, he is really of little value to his country.

Until we realize that education, correct examples, fair play, the cultivation of ideals, and a spirit of brotherhood are more important than legislation, we shall continue to suffer abuses in spite of the most beneficent statute laws.

The argument has frequently been made that in the early days of the Government woman did not need the ballot for her protection, and that, therefore, she does not need the ballot Putting aside the question as to whether women needed the ballot in the early or formative period of our American system as academic only, we must view the question as it presents itself to us in the light of the facts, conditions, and

circumstances of this present day.

In the early days, or formative period, of our Government the situation regarding both men and women was vastly different from what it is to-day, for before steam and electricity were harnessed, before the factories were built, all or nearly all of the clothing and other necessities of life were manufactured in the home by a system of cottage industry, and each home was a private factory. The woman was largely the spinner and the weaver; she prepared the food and made the clothing for her own household; and even the food supplies offered for sale in the cities and villages were prepared by cottage industry. The household was the center of production, and most of the supplies were manufactured or prepared by rudimentary hand processes. Home life and industrial life were one and the same, and women were not obliged to cope with the industrial prob-lems that present themselves to-day. With the advent, however, of steam and electricity, the construction of factories, and the enormous industrial and economic development, beginning about the year 1830, the cottage industry declined. With the advent of many ingenious contrivances and machines to which steam and electricity were applied household industry vanished. The women have gone into the factory, and now we have in the United States over 7,000,000 of women wage earners and 2,000,000 of children wage earners. The woman is now required to study wages, dividends, tariffs, organizations of labor, transportation, the safety of machines, and factory sanitation. Therefore it will be seen at a glance, since the system of cottage industry has been abandoned and woman has been taken from her spinning wheel and wool carding at home to the factory, there to work with hundreds of others, under the eye, perhaps, of an employer whose sole desire is to wring from her labor the largest amount of profit she is capable of producing for him. that the necessity of the ballot in order that the women may have a voice in the shaping of proper laws for their protection is apparent.

Mr. SHAFROTH. Mr. President—
The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Colorado?

Mr. ASHURST. Certainly. Mr. SHAFROTH. If the Senator will yield, I wish to say right here that the influence of women upon the laws of the State of Colorado, especially with relation to the rights of property and the treatment of children, has been such as to place the people of that State, according to the opinion of the Interparliamentary Union which met in London three years ago, in the position of having the very best laws with relation to child treatment and child labor of any people in the entire

Mr. ASHURST. In my researches in the preparation of this paper I was especially attracted to the fact to which the Senator from Colorado has so properly adverted. I thank him for

the suggestion.

The housewife to-day does not weave or spin, as she did during the days of cottage industry, but must purchase clothing for those under her care. She pays for woolens, but usually gets a fabric that is half cotton, because we have been remiss in our duty respecting the passage of a pure-fabric law, I opine that if the women could vote they would soon see to it that a law was passed which provided that when they paid for woolens they received woolens. The majority of the women are equally powerless now in the matter of food supplies. In the days of cottage industry she had her own smokehouse and knew the kind of meat she was serving to her household, but now, since her sphere has been expanded far beyond her home, in a large measure she must buy beef, mutton, bacon, and hams, and in assuming that it is pure she must trust to the inspectors she had no voice in appointing. Under the present conditions she must trust to the integrity and capability of the inspectors and supervisors, whom she had no voice in selecting, to pass upon the quality of the milk for her household, and the only practical way in which to enable her to see to it that she receives pure fabrics, clean and wholesome food supplies, and other things which mean the physical, and even the moral, health of her children is to invest her with the right to a voice in selecting these various governing agents which are to manufacture, prepare, and inspect these necessities.

Whether the present system is superior to the cottage industry is a question I do not discuss, but this much is true, that our present industrial system has taken from the women the opportunity they had under cottage industry to inspect all these

We hear the opponents of equal suffrage say that "It is woman's place to direct her house and her children." Sir, that is indeed a choice assortment of words, but how about the brutality of a system which denies to woman the right and opportunity to have sensible and wholesome laws and regulations to assist her in procuring pure foods, pure fabrics, and sanitary houses?

Therefore, to those who say that women did not need the ballot in the early or formative period of the Government, I say in reply that the problems which presented themselves for solution in the early period of the States differ vastly from the problems now demanding attention and solution.

One of the arguments the antisuffragists have advanced, or rather the statement iterated and repeated by them with the most assurance, is that "The right to vote detracts from woman's nobility of character and would unsex her."

The argument is not sound, and those who advance it seem to forget that there would have to be a new creation, a new heaven, and a new earth to transform the feminine into the masculine, to make the mother forget her child and turn a deaf ear to the supplication of the helpless.

The nervous energy, time, effort, and prudence which women exercise daily in their personal, individual problems in the matter of attempting to inspect, select, and purchase food, clothing, and shelter for the protection of those within their household is a sufficient guaranty that they will not be degraded or lose any of their nobility of character by spending

half an hour every two years going to the polls.

Even the fiercest tunuits and ravages of war do not detract

from the nobility of character of some men.

When Sir Philip Sidney lay mortally wounded on the battle field a cup of cold water was brought to him; lifting it to his parched lips, he saw an expiring private soldier staring at the cup with burning and anguished eyes, and he handed the water to the dying soldier, saying, "Friend, thy necessity is yet greater than mine."

The long and weary years of the Revolutionary War, filled as they were with misfortunes, disasters, and desperate car-nage, did not disturb the quiet dignity of George Washington, and at all times his pride and honor revolted from the thought

of doing what did not become a true man.

Andrew Jackson inherited or imbibed from his mother a love of purity, and from the days when as a small boy he saw the British dragoons sweep along the red roads of Waxhaw Creek and dye them yet a deeper red with the blood of American militiamen, all through his long and tumultuous career, down to the time when for him the tattered flag of war was folded forever, he was stainless.

A hundred battles did not harden nor indurate Robert E. Lee, and he was from first to last the accurate gentleman,

the brave soldier.

The thunder of the guns never caused Stonewall Jackson to lose his innate gentleness, and every night, looking upon the "serene and shining pathway of the stars," he held communion with his God.

Voting will not lessen affection, and political affairs can not make women false to their inborn instincts or cause them to lose

one jot or tittle of their soft and loving tenderness

Women are particularly qualified for and entitled to political perty. As a class they always stand against violence and fraud; they always support the cause of liberty and progress and have been the chief mainsprings which have inspired, encouraged, and consoled great and useful men.

The history of woman is the history of her effort to assuage pain and purify society. Her history is one of temperance, fru-

gality, and industry.

Moreover, women are especially qualified to vote and act as a balance wheel to men in great contests, for they have demonstrated that fortitude and passive courage are the virtues of misfortune, sorrow, and defeat, while moderation, coolness, and restraint are the virtues of victory and prosperity. Women voters are capable of as much restraint as men, for we do not forget that men's passions and spirits amid the whirlwinds, simooms, siroccos, and tornadoes of politics rise to such a high

tide that we frequently do things for our political parties that we would under no circumstances do for ourselves.

De Quincey says, in his autobiography:

I do not wish, in paying my homage to the other sex and in glorifying its possible power over ours, to be confronted with those thoughtless and trivial rhetoricians who flatter women with false lip worship and, like Lord Byron's buccaneers, hold out to them a picture of their own empire built only upon sensual or upon shadowy excellencies. Though the sexes differ characteristically, yet they never fall to reflect each other, nor can they differ as to general amount of development; never yet was a woman in one stage of elevation and man—of the same community—in another.

Mr. President, I am about to conclude, and I have spoken at some length, because I believe the subjects that I have dis-

cussed are vital to our best interests as a nation.

With justifiable and patriotic pride many Americans boast of their belief that our beloved country now takes her position as the mightiest and greatest of the nations of the earth, but the question obtrudes itself: Is the Nation really great, or is its position simply fickle and hollow but imposing? The answer is that a nation's greatness is not to be measured by markets and stock exchanges.

Of what avail to the State are the brazen gates, the swelling domes, and widening arches, if within the State equity may not be found? Of what avail to the State are the sculptured architraves, fluted pilasters, the roofs of fretted gold, if social and economic justice be denied so completely to the working masses that there is invisibly, but nevertheless indelibly, writ-ten upon them the legend which appeared on the metal ring of the serf of the feudal lord, "Gurth, son of Beowolph, is the born thrall of Cedric of Rotherwood," or "Wamba, son of Witless, is the thrall of Cedric of Rotherwood."

The State is not prosperous nor truly great if within its borders there exists an industrial system under which a great majority of the people are crushed and stupified by poverty. and the physical workers completely give up their lives to the exactions of toil, but nevertheless scarcely obtain a subsistence and enjoy none of the beauties, comforts, luxuries, and glories of civilization which they have created. The Nation is not truly great if its women are denied the right to become a part

of the governing power.

Therefore I indulge the hope that the Senate may adopt this resolution, and so far as in our power lies, write justice, equity, equal opportunity, and ideality into our laws and thus proceed one step further in seeing to it that this shall be a nation of courageous, constructive people, a land of opportunity and hope, where justice as well as charity shall prevail.

During the delivery of Mr. ASHURST'S speech, The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

Mr. HOLLIS. If it is agreeable to the Senator from Oregon [Mr. CHAMBERLAIN], I ask unanimous consent that the unfinished business be temporarily laid aside until the Senator from Arizona has completed his remarks.

The PRESIDING OFFICER. If there be no objection-

Mr. CHAMBERLAIN. I was going to say that I believe there is one Senator who is prepared to address the Senate on the unfinished business, but if he has no objection I should like to have the Senator from Arizona conclude his remarks. think it will take only a short while for him to do so.

Mr. LIPPITT. I suggest that perhaps a very proper way would be for the Senator from Oregon to have the Alaska bill laid before the Senate, and if the Chair should see fit to recognize me, I would then be very glad to yield to the Senator from

Arizona to finish his remarks. Mr. CHAMBERLAIN. I will make that request. I ask that

the unfinished business be laid before the Senate. The PRESIDING OFFICER. The Chair lays before the Sen-

ate the unfinished business, which will be stated.

The Secretary. A bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes.

The PRESIDING OFFICER. The Chair recognizes the Sen-

ator from Rhode Island upon the unfinished business.

Mr. LIPPITT. If the Senator from Arizona should like to have me yield to him, I would be very glad to do so. May I ask about how long a time he expects to occupy?

Mr. ASHURST. I shall speak as rapidly as I may.
Mr. LIPPITT. I hope the Senator will not.
Mr. ASHURST. I think I will finish in about half an hour.
Mr. LIPPITT. I hope the Senator will take a reasonable time to finish.

Mr. ASHURST. I thank the Senator. The PRESIDING OFFICER. The Senator from Arizona will proceed.

After the conclusion of Mr. ASHURST's speech,

RAILROADS IN ALASKA.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 48) to authorize the President of the United States to locate, construct, and operate railroads in the

Territory of Alaska, and for other purposes.

Mr. LIPPITT. Mr. President, the steps which have led to the introduction to the Senate of the Alaskan question in its present form were taken because for some years now, in fact since 1906, the conditions of the Territory of Alaska and of the people of Alaska have constituted the most disappointing feature of American progress. Up to that time the Territory was expanding; its people were hopeful. At that time, owing to circumstances which it is not now necessary to consider, the coal lands were withdrawn from entry by ex-President Roosevelt. Since then the people of Alaska have been using every possible effort to have those coal fields opened in some way, so that their resources might be made available. In that they have been disappointed.

Mr. GALLINGER. Mr. President—
The PRESIDING OFFICER. Does the Senator from Rhode
Island yield to the Senator from New Hampshire?

Mr. LIPPITT. Yes.

Mr. GALLINGER. There are so few Senators present that I

make the point of no quorum.

The PRESIDING OFFICER. The Secretary will call the

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Gronna	Martine, N. J.	Shively
Bacon	Hitchcock	Nelson	Smith, Md.
Bankhead	Hollis	Norris	Smith, Mich.
Borah	James	Overman	Smoot
Brandegee	Jones	Perkins	Stephenson
Bristow	Kern	Pittman	Stone
Bryan	Lane	Pomerene	Sutherland
Burton	Lea	Ransdell	Swanson
Chamberlain	Lippitt	Reed	Thomas
Cummins	Lodge	Robinson	Thompson
Dillingham	McCumber	Root	Vardaman
Fall	McLean	Saulsbury	Williams
Gallinger	Martin, Va.	Sheppard	

Mr. BACON, I desire to say that my colleague [Mr. SMITH of Georgial is necessarily absent from the city.

Mr. SMITH of Michigan. I desire to announce the unavoidable absence of my colleague [Mr. Townsend] from the Senate to-day on official business.

The PRESIDING OFFICER. Fifty-one Senators have answered to their names. There is a quorum present.

Mr. LIPPITT. Mr. President, when I was interrupted by the roll call. I was stating the conditions in Alaska which led to the introduction of the pending bill. In consequence of them a commission was appointed about a year ago to study the situation in regard to its railroad development and to report to the Con-That commission, after a very hurried visit to Alaska, reported upon lines of railroad which they thought would serve the interests of that community, and recommended that those railroads, which would cost about \$35,000,000, be built by the Government. Promptly two bills were introduced to accomplish that end, and referred to the Senate Committee on Territories. The Senate Committee on Territories proceeded to take those bills under consideration, and to give hearings, which are contained in a report of some 700 pages that has been submitted to the Senate. That report divides itself under three heads.

Certain people appeared and testified in regard to the resources of Alaska in an attempt to justify the construction of railroads and to show that the amount of money that has been suggested to be appropriated could be wisely spent. Certain other people then appeared, not in opposition to the construction of railroads in Alaska, not in opposition to the statements which had been made about the value of the resources of Alaska, but protesting against Government construction of railroads, and saying that they and their associates were willing and would be glad to build railroads in that Territory if the restrictions that tied up the coal fields were removed, and one or two other conditions of less importance were properly adjusted.

That testimony left the proponents of this bill in the situation that they had advanced no important argument in favor of Government ownership of railroads, and in answer to the claims of those who wished to build the roads themselves, they put in in rebuttal, through Mr. WICKERSHAM, the Delegate from the Territory, an attack upon some people who had been connected with Alaska, claiming that the entire resources of that Territory were monopolized. On page 614 of the hearings Mr. WICKERSHAM testifies:

Mr. Wickersham. There can be no railroad building in Alaska except by two influences, one the Government and the other the Morgan-Guggenheims. That is all there is to it. They have got that country

by the throat, so far as transportation is concerned, and unless the Government comes to the rescue of its own property in the Territory of Alaska it will all be taken over by these big interests.

He submits various statements to support that assertion. Mr. President, I have examined those statements with great care, I have studied the testimony as carefully as I know how, and I think that no more unfounded, frivolous charge of monopoly was ever put forward, and that it is nothing more than an attempt to stampede the judgment of the country in favor of this step toward Government ownership of railroads by influencing them to believe that no other power can open Alaska.

The testimony in regard to the resources of Alaska has been very ably, eloquently, completely, and, I think, very fairly set forth by the Senators who have spoken in favor of the pending bill. I do not want seriously to question the testimony that has been given in regard to those resources. I am not, however, quite so enthusiastic about some of Alaska's possibilities as are a number of these gentlemen. I agree that Alaska has agricultural possibilities for the production of garden stuff, possibly for the production of grain, for the production of hay, and for the pasturing of cattle to some extent. I think perhaps that feature of it is properly summed up in the testimony of Prof. Piper, one of the Government officials in connection with the Agricultural Department who testified on this subject, when he said that he thought Alaska might raise agricultural

products for local consumption but not for export.

Alaska, without doubt, has great mineral resources, particularly gold. She probably has great copper resources. There are gentlemen—the Guggenheims and their associates—who have made a very expensive attempt to develop what seemed to them the most promising of those copper resources. It is in evidence in the hearings that in reply to a question from one of the stockholders of their company asking when they might expect dividends or some return from that development, the officers of the company said that they could not tell, but that it would certainly be many years. So that, while those copper resources are perhaps rich, they have not yet brought any return to the gentlemen who have spent many millions of

dollars in developing them.

Alaska has very large coal fields. They consist of one coal field about 25 miles from the coast opposite Controller Bay, called the Bering River field, said to contain somewhere in the neighborhood of 50 square miles. Then, there is what is called the Matanuska field, a little farther north, which is said to contain in the neighborhood of from 80 to 100 square miles. The character of the coal in these two fields is said to be substantially similar, being in part anthracite and in part bituminous and in part at least of high quality; but it is very badly broken up in its geological formation, so that there is great doubt whether the veins are continuous, and it is also so crushed that there is difficulty in finding lump coal suitable for some purposes. In addition to these two fields, there is a field of lignite coal, called the Nenana field, near Fairbanks, in the interior, which is of value perhaps to the people in the interior but not valuable for export purposes.

The evidence presenting these facts is the evidence in regard to the resources of Alaska. I might go much further in describing them, but anyone who is interested in that phase of the subject will find it so thoroughly presented in the speeches which have already been delivered here that it is unnecessary

for me to repeat it.

The next testimony presented was in regard to the construction of railroads by private individuals. There have been in Alaska three serious attempts to build railroads. Copper River Railroad, which has been built from Cordova up the Copper River by what is known as the Alaska Syndicate, composed of the Guggenheims; the firm of J. P. Morgan & Co., and their associates. That road was built chiefly for the purpose of developing the copper mines in which those gentlemen were interested.

There is, then, at the next point along the coast, a proposal by a Mr. Ryan to build a road of about 25 miles in length to open the Bering River coal fields. There is at the next point north, at Seward, a partially-constructed railroad of which, under the hands of different owners and through many difficulties, about 71 miles are built toward the Matanuska coal fields, the intention being to go on into the interior of the

country to the Tanana River and to Fairbanks.

The other transportation of Alaska consists of a line or lines of steamboats which run from St. Michaels down the coast to the mouth of the Yukon River, and up the Yukon River and the Tanana River to various points in the interior, and I may say that this great river system will always be a very important means of transportation in any development that may come to Alaska.

Mr. President, I do not want to go into these questions in unnecessary detail. I hope to confine my remarks to a short space, so I will simply say here that there is in the testimony plenty of evidence by different people, in the first place, that the Ryan road to the Bering River coal fields will be built; that the parties interested in it intend to build it, want to build it, and have the capital to build it, provided only that those fields are opened to entry and coal can be obtained from them when the read is built. In the same way, there is plenty of evidence that the road from Seward to the interior will be built to the Matanuska coal fields, and will be built to Fairbanks, provided the coal fields are open.

This is the evidence of Mr. Jemmett, who is now the manager of 11 allied banks in Canada, who, with their associates, own that property, and it is the evidence of Mr. Patrick, who is the attorney of those gentlemen. They testified that they were willing and would be glad to extend the road and that they could

get the capital to extend it.

In regard to the Copper River Railroad, the extension of which is not so important, the evidence is not so strong, but Mr. Jemmett testified that he was told by the owners of that road that they also would build on into the Tanana Valley if they could get coal. The testimony up to this point, therefore, is that Alaska has resources; that those resources are unjustifiably tied up; that she has energetic and enterprising people of the same type as the Americans who opened the plains and won the West; and that they are ready to attempt the opening and development of Alaska, provided the crushing hand of Government interference is removed from her resources.

Mr. CHAMBERLAIN. Mr. President—
The PRESIDING OFFICER. Does the Senator from Rhode

Island yield to the Senator from Oregon?

Mr. LIPPITT. I yield.

Mr. CHAMBERLAIN. What does the Senator think about the contract, which was offered in evidence and which is in the Senate hearings, between the representatives of the so-called Cunningham claims and the Guggenheim interests, which places practically the best part of the Bering River coal fields in the hands of the Guggenheims, who own the transportation into Chitina?

Mr. LIPPITT. The claims of the Cunninghams were for about 6,000 acres of the Bering River coal fields, the testimony in regard to which shows that it is more than 50 square miles in area. Whether they take up the best part of them is something that no living man knows, because no living man knows what is the best or where it is, or, if he does, he has not tes-

tified, so far as I know.

In regard to the Cunningham claims, that is a subject of the long ago, about which there was much discussion on both sides, with which I am not very familiar, and which has little bear-ing upon the present subject of discussion. The contract to which the Senator refers was one by which the Cunninghams proposed to give to the Alaska Syndicate, who were then contemplating the building of the Copper River road, a right to those 6,000 acres, and one of the Guggenheims, in behalf of the Alaska Syndicate, agreed to accept the option which they gave them for the purpose of having coal, or of knowing that they could get coal, which they could develop, provided they extended their railroad up to the Bering River fields. getting the property represented by the option, because it was held up by the Government and the claims were disallowed, the Copper River Railroad never did build up to the Bering River

Mr. CHAMBERLAIN. Mr. President—
The PRESIDING OFFICER. Does the Senator from Rhode

Island yield further to the Senator from Oregon?

Mr. LIPPITT. I am simply stating what I understand to be the facts. As I have stated, they never did build the railroad into the Bering coal fields. Without knowing anything about the legality or otherwise of the Cunningham claims, I will say that whatever may be the right or wrong of that matter I do not believe that any possible profit can ever come to the people of this country as a whole that will in any way compensate them for the great loss that has arisen because that extension of the Copper River Railroad was not built and the . production of coal in Alaska was not begun at that time.

I now yield to the Senator from Oregon.

Mr. CHAMBERLAIN. I simply call attention to that to show the disposition of the syndicate which had built the Cordova & Northwestern Railroad. They had already acquired at the end of the line the Kennicott mines, the most valuable copper mines in the country. That is conceded.

Mr. LIPPITT. I do not concede it.

Mr. CHAMBERLAIN. It is pretty generally conceded, and it is conceded, the Senator will find, in the evidence.

Mr. LIPPITT. The evidence is that they have tried for several years to make a dollar out of them, and they have not been able to make a cent, and they can not tell when they will.

Mr. CHAMBERLAIN. The evidence does not show that. The evidence shows that it is the most valuable copper mine in Alaska, and, further than that, it shows that the company built the road for the purpose of bringing out the ore.

Mr. LIPPITT. Certainly.

Mr. CHAMBERLAIN. But I call attention to the attempt of the syndicate to obtain control of the coal mines in the Bering River field for the purpose of showing that the same syndicate was undertaking to control not only the copper mines of Alaska, but the coal mines as well; and, as evidence of that, just as soon as those coal mines were held up the Alaska Syndicate abandoned the extension of its road into the coal fields.

Mr. BURTON. Mr. President, there are two or three questions which I should like to ask the Senator from Rhode Island. The PRESIDING OFFICER. Does the Senator from Rhode

Island yield to the Senator from Ohio?

Mr. LIPPITT. Yes. Mr. BURTON. The Cordova & Northewestern Railway is the same as the Copper River Railway, is it?

Mr. LIPPITT. Yes.

What is the distance from the main line of Mr. BURTON. that railway to these coal fields? About 30 miles?

Mr. LIPPITT. There are two different routes, I think. I do not remember exactly; but one is in the neighborhood of 30 miles and the other in the neighborhood of 50 miles.

Mr. BURTON. Which is the one that was proposed—the Cop-

per River Railway?

Mr. LIPPITT. I do not know which one they proposed at the time they built their road, but the report of the commission which investigated the conditions recently suggested two alternative routes-I think I am right-from the Copper River road to the Bering River coal fields.

Mr. BURTON. One of about 30 miles and the other of 50

Mr. LIPPITT. About that.

Mr. BURTON. Which is regarded as the better harbor-Controller Bay or Cordova?

Mr. LIPPITT. Cordova.

Mr. BURTON. Quite the better? Mr. LIPPITT. Quite the better.

Mr. BURTON. Did the commission come to the conclusion that a good harbor could be developed at Controller Bay?

Mr. LIPPITT. The commission did not visit Controller Bay; but Mr. Ryan, who represents the parties interested in building a railroad from Controller Bay to the coal mines, which would be only some 23 miles long, is confident of being able to build a harbor there at a cost of somewhere in the neighborhood of a million and a half dollars. Mr. Wickersham, the Delegate from Alaska, in the course of his testimony, says that he thinks Mr. Ryan's plan for getting out coal from the Bering River coal fields is by far the best; and Mr. Jemmett, the manager of the Alaska Northern, says he has no doubt that road will be built if the coal fields are opened.

Mr. BURTON. Which is the Alaska Northern—the one that

goes to the Bering River coal fields?

Mr. LIPPITT. The Alaska Northern is the one that goes from Seward to the Matanuska coal fields.

Mr. BURTON. What is the distance from nearest point of the Bering River coal fields? What is the distance from Cordova to the

Mr. LIPPITT. About 90 to 100 miles. Mr. BURTON. So it would be about 60 miles on the main

line, and then 30 miles on the proposed branch?

Mr. LIPPITT. Thirty or forty miles; somewhere in that neighborhood.

Mr. CHAMBERLAIN. Thirty-eight miles.

Mr. LIPPITT. I am informed by the Senator from Oregon that it is about 38 miles.

Mr. BURTON. Thirty-eight miles is the length of the proposed branch from the Copper River line to the Bering River coal fields?

Mr. LIPPITT. Yes. I will say in regard to that matter that Mr. Ryan testifies that he can take coal from the Bering River coal fields at 96 cents per ton less than it can be taken down over the Copper River Railroad, and he states that he is willing to take a contract from the Government to land coal at tidewater there for \$2.50 per ton.

Mr. BURTON. What is the obstacle in the way of building

that road?

Mr. LIPPITT. The fact that the Bering River coal fields are tied up, and nobody can enter a claim there.

Mr. BURTON. There is no obstacle in the way of right of

Mr. LIPPITT. There is no obstacle in the way of right of

way.
When I was interrupted by the distinguished Senator from Oregon [Mr. CHAMBERLAIN] I was on the point of taking up an examination of the claims of monopoly. The only strong argument that has been advanced in favor of having this railroad built by the Government, at an initial expense of \$35,000,-000 and at an ultimate expense which nobody will undertake to say, is the argument that unless the Government builds railroads in Alaska nobody but Mr. Morgan's firm or the Guggenheims can build them there. Let us first examine the evidence which is relied on to establish that claim in connection with the Alaska Northern Railroad, running from Seward about 71

miles into the interior at present and planned to run farther on.

This road at one period of its career was called the Alaska Central, and was owned by Frost & Osborne, of Chicago, promoters interested in several other schemes, evidently ambitious, vigorous, and enterprising men. They took their securities to the Sovereign Bank of Toronto, Canada, and borrowed money from it. The Sovereign Bank of Toronto, Canada, was a bank with resources of about \$22,000,000 in 1905 and in 1906, when this event occurred. It had branches in numerous parts of Canada, and the firm of J. P. Morgan & Co. had a stock ownership in it amounting to about one-sixth of the total capitalization, which was slightly under \$4,000,000, and acted as its New York agent.

Frost & Osborne failed. Their failure caused the failure, or the approaching failure, of the Sovereign Bank of Canada. Eleven banks of Canada—the allied banks, as they have been since called-in order to prevent the catastrophe which that would have brought upon the Canadian banking system, undertook to give help to the Sovereign Bank. They took over all the assets and all the liabilities of that bank, among which were the bonds of the Alaska Central Railroad running from Seward, afterwards and at present known as the Alaska They have practically wound up the affairs of the Northern. Sovereign Bank of Canada, except that they never have been able to realize anything upon the interest they have in this railroad at Seward. They testify that the face of the obligation left against those bonds is somewhere in the neighborhood of \$3,000,000, and that with interest charges the total amount of the obligation will be between four and five million dollars.

All the interest that the firm of J. P. Morgan & Co. have in this railway is the possibility that this stock in a bankrupt bank of Canada, whose assets for nearly eight years have been in course of liquidation, and on which it has been impossible to realize, may at some time pay something back. Mr. Jemmett, the manager of these allied banks, who has charge of this failed institution, says that he does not believe they will ever get anything. Others who have had experience in that sort of an operation, I think, will be very strongly inclined to agree with him.

I have no doubt that the firm of J. P. Morgan & Co. have long ago crossed off from their books and marked as worthless any interest they may have in the assets of that bank. Even if they get anything out of it, it probably will not be either the stock or the bonds of this railroad. It will be what is received in the form of cash or securities by the allied banks. They can only get something provided some capital, either their own or that of somebody else, goes into the development of that road. As it stands, it is worthless, and always will be.

To attempt to say that this possible residuary interest, far off in the future, controls in any way the construction or the operation of that railroad, is too far-fetched a proposition for my business mind to conceive. Mr. Jemmett testifies that neither Mr. Morgan nor any representative of his has any voice or management in the disposition or control of these funds, the way they stand now.

The testimony on the point of the Morgans not having an interest in this road is repeated in various plac s in this testimony by Mr. Jemmett and by Mr. Patrick. Nevertheless, Mr. Wickersham repeatedly and continually claims that they have a large interest. I want to read some of it. I read from Mr. Wickersham's testimony at page 633 of the Senate hearings. Mind you, this bank failed eight years ago, and this testimony was taken within a few months.

The truth about this Alaska Central is that the J. P. Morgan bank in Canada, the only J. P. Morgan bank in Canada, put up this money, and the J. P. Morgan bank to-day owns the whole of the Alaska Northern.

Was there ever a more unfounded assertion?

Senator CHAMBERLAIN. That is denied, I think?

Mr. WICKBERSHAM. No: Mr. Jemmett told the facts, from which that inference may be fairly and justiy drawn.

Senator CHAMBERLAIN. I think that was denied by Mr. Patrick, if I remember, at the time the hearings were had before the Territories Committee before.

Mr. PATRICK. They do not own one dollar of it.

Then, further over, in another place, on page 653, I find the following:

Mr. Patrick. Neither the Morgans nor the Sovereign Bank own the road nor own any interest in it. I will state that the securities were transferred to the Canadian banks which aided the Sovereign Bank.

Mr. Balliane. Transferred the trusteeship only.

Mr. Patrick. And if there should be any equity left, if the security should be more than sufficient to pay back the money advanced, then the Sovereign Bank might have some equity in the proceeds—the money that might result after settlement. But no title and no ownership and no interest exists in this railroad property. It is owned by the railway company, in which the Sovereign Bank is neither stock nor bond holder.

And the only connection Mr. Morgan has with it is through

the Sovereign Bank.

Mr. President it seems to me that with that testimony clearly and repeatedly given anybody who undertakes to say that that road is monopolized by Mr. Morgan or Mr. Guggenheim must do so for some ulterior purpose. We know what the purpose is. It is to try to convince the public of this country, who do not examine these subjects and who can not do it, that there is a great and overpowering monopoly there.

So much for the Sovereign Bank and Morgan monopoly of the

Alaska Northern. Now, let me go a step further.

We have Mr. Ryan wanting to build to Controller Bay to We have Mr. Ryan wanting to build to Controller Bay to get the coal out of the Bering fields. Mr. Wickersham, in his testimony, read to the committee the charter which Mr. Ryan got from the State of New Jersey. He put the charter in evidence. It is in the testimony. It is signed by four or five people, as was required by the State of New Jersey. None of them are names that are well known in any way. Mr. Wick-ERSHAM promptly says that those are dummy incorporators, and because they are dummy incorporators they must represent Mr. Morgan. The question was asked Mr. Wickersham, "Is this all you know about it?" Mr. Wickersham replied: "Yes; that is all I know about it."

Mr. Ryan himself promptly comes forward and says that the firm of Probst & Wetzler are the people that are backing it, and that neither Mr. Morgan nor Mr. Guggenheim has any interest at all in the property. He brings before the committee a representative of that firm, who, under eath, testifies to the same fact. Nevertheless, the charge is still made that Mr. Ryan's road is dependent upon these interests. Mr. Ryan appeared in my office yesterday, not solicited by me, and confirmed to me these statements. There is repeated evidence about them

in the testimony.

Now let us come to one other, and really one of the most remarkable of all of the statements. Up the Yukon River, starting from St. Michaels, there runs a line of steamboats. It is owned by the Northern Navigation Co. The people interested in the Northern Navigation Co. also own the Northern Commercial Co., this being a trading company with stations, posts, and stores at various points on the Yukon River, which are supplied by the steamers of the allied navigation company. The navigation company runs on up to Fairbanks on the Tanana, and up to Dawson on the Yukon.

There has been great competition on that river. thought in the past that there was a great deal of business to be done there, and various people came in and ran steamboats there. That has resulted in the business being so overdone that there are to-day 43 idle steamboats on that river. It has resolved itself, for the moment, into the hands of these people running from St. Michaels up the river from the mouth, and steamers connected with the White Pass Railroad, approaching from the other direction of Alaska, running down the river to Dawson and to Fairbanks.

The claim is repeatedly made by Mr. WICKERSHAM that Mr. Morgan owns and dominates either the Northern Navigation Co. or the Northern Commercial Co., or both. They are not very large companies, as I understand; nevertheless, they do all the

business that there is there.

The attorney for those companies in Washington is Mr. John Sidney Webb. He appeared in my office yesterday and showed me some telegrams from the owners of those properties, denying that Mr. Morgan or Mr. Guggenheim had any interest in them whatever. I told him that perhaps he might have it made more definite. He telegraphed to his people, who are the managers of that line and the principal owners-that they are the. principal owners, at least, is undenied—the Sloss people, of San Francisco, and their associates. He telegraphed to them, and received in reply a long telegram which I will put into the

An analysis of that telegram shows that the stock of these two companies, the Northern Commercial Co. and the Northern Navigation Co., is owned by the Alaska Commercial Co. to the extent of 65.24 per cent, by the Alaska Goldfields Co. to the extent of 26.77 per cent, by the International Mercantile Marine Co. to the extent of 5.34 per cent, and that they have in the

Co. to the extent of 5.34 per cent, and that they have in the treasury 2.65 per cent.

The stockholders of the Alaska Commercial Co. are given in detail here. The stockholders of the Alaska Goldfields Co. are all people in London except some gentleman by the name of Liebes. The board of directors is given here. It consists of the Slosses, Mr. Gerstle, Mr. Fairbanks, and other gentlemen, all of whom live in the West, I believe, and none of whom have any connection with Mr. Morgan, as I understand. By the way, the telegram denies that either Mr. Morgan or Mr. Guggenheim has any control or power over that railroad in any way.

I ask permission to incorporate this correspondence in the

I ask permission to incorporate this correspondence in the Record without reading.

The VICE PRESIDENT. Is there any objection? The Chair hears none

The correspondence referred to is as follows:

[Copy of night letter.]

SAN FRANCISCO, CAL., January 20, 1914.

SAN FRANCISCO, CAL., January 20, 1914.

John Sidney Werr,

Bond Building, Washington, D. C.:

Capital stock of Northern Commercial Company, three twenty-four thousand shares preferred at five dollars; sixteen thousand two twenty-eight shares common at hundred dollars. Northern Navigation Company, two hundred twelve thousand two hundred shares preferred at five dollars; sixteen thousand two hundred shares preferred at five dollars; sixteen thousand two hundred shares common at hundred dollars; held in following percentages of both companies; Combined Alaska Commercial Company, sixty-five decimal two four; Alaska Goldfields, twenty-six decimal seventy-seven. International Mercantile Marine, five decimal three four. Treasury, two decimal sixty-five. Only stockholders of Alaska Commercial Company, Sloss, Gerstle, Niebaum, and Greenewald families, Washburn, and Louis Greenbaum. Stockholders Alaska Goldfields—all London people except Liebes. Alaska Commercial represented on board directors by Leon and Louis Sloss, Mark and William Gerstle, Fairbanks, Greenbaum, Greenewald, Daniels; Alaska Goldfields, by Philips, Isaac and Julian, and Leon and Arnold Liebes; International Mercantile Marine by T. H. Clarke. Fifteenth director in Camden, New Jersey. We reiterate all statements made in our telegrams February tweifth and thirteenth, nineteen twelve.

LEON SLOSS, President.

[Analysis of telegram.]

Northern Commercial Co. stock: Preferred, 324,000, at \$5 per share; common, 16,228, at \$100 per share.

Northern Navigation Co. stock: Preferred, 212,200, at \$5 per share; common, 16,228, at \$100 per share.

	Per cent.
Alaska Commercial CoAlaska Goldfields CoInternational Mercantile MarineIn treasury	65. 24 26. 77 5. 34 2. 65
	The second second

100,00

Stockholders of Alaska Commercial Co.: Sloss, Gerstle, Niebaum, Greenewald family, Washburn family, and Louis Greenbaum.
Stockholders Alaska Goldfields Co.: All London people, except the

Liebes.

Board of directors: Leon Sloss, Louis Sloss, Mark Gerstle, William Gerstle, William Fairbanks, Louis Greenbaum, Greenewald, Daniels, Isaac Philips, Julian Philips, Leon Liebes, Arnold Liebes, and T. H. Clarke, Camden, N. J.

Mr. LIPPITT. The only way of connecting Mr. Morgan with this company as a grasping monopolist, which is the position in which he is being represented in this matter, is that the International Mercantile Marine Co. owns the small amount of 51 per cent of the stock. That came about years ago, when the International Mercantile Marine Co. was formed, by their having some steamers out on the Pacific coast which were taken into these properties and were paid for in stock. Mr. Morgan's firm, as is well known, formed the International Mercantile Marine Co. His firm undoubtedly still have a powerful influence in the direction of that company. Because, however, this small amount of stock in it is owned by the International Mercantile Marine Co., which is a company of enormous size, which extends its activities into many parts of the world, which is a trans-Atlantic steamship company; because it happens through the failures and the difficulties of doing business away out on the coast of Alaska to have this small percentage of interest in that transportation company, it is pretty far-fetched to claim that Mr. Morgan owns and controls and dominates it, or has anything to do with the matter. The fact undoubtedly is that

Those are the facts in regard to the three companies that are doing and are talking about doing transportation business in Alaska. If anybody can see in those facts anything to justify the claim that all Alaska is in the hands of a crushing monopoly, he can see something that is beyond my vision. I can not imagine why either the firm of J. P. Morgan & Co. or the firm of Guggenheim Bros. should wish to invest another dollar in They have already made an investment there of many, many millions. They are the only ones who have really, seriously, and energetically, and with capital behind them, taken hold of the resources of Alaska to try to see if something was to be gotten out of them. The testimony given by Mr. Dickeson,

the manager of the White Pass Railroad, is that they have not

made a dollar in dividends, and they can not tell when they will.

If any further evidence is needed on this question, Hon. James S. Davenport, a Member of Congress from the State of Oklahoma, wrote to the firm of J. P. Morgan & Co. in regard to the question whether they did or did not have a large interest in the transportation systems of Alaska. He handed me their answer this morning. I knew nothing about it until two or three minutes before it was put into my hands. It is dated yesterday—January 20. I will ask to have the Secretary read it.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Secretary will read as requested.

The Secretary read as follows:

7. P. Morgan & Co., Wall Street, corner Broad, New York; Drexel & Co., Philadelphia; Morgan, Grenfell & Co., London; Morgan, Harjes & Co., Paris.]

Co., Philadelphia; Morgan, Grenfell & Co., London; Morgan, Harjes & Co., Paris.]

New York, January 20, 1914.

Hon. James S. Davenport, M. C.,

House of Representatives, Washington, D. C.

Dear Sir: We beg to acknowledge receipt of your letter of the 19th instant calling our attention to a statement made during a debate on the Alaska railway bill that the Alaska Nordicate held or exercised a control of the White Pass & Yukon Route and the Alaska Northern Railway, and asking for a specific reply as to whether or not the Alaska Syndicate, our house, or M. Guggenheim's Sons have any interest or control in any railway or water lines in Alaska other than the Copper River Railway and the Alaska Steamship Co.

The Alaska Syndicate owns the Copper River & Northwestern Railway, running from Cordova, on the coast, to Chitina, with a branch line from Chitina to the Kennicott mines.

The Alaska Syndicate owns 41 per cent of the capital stock of the Alaska Steamship Co.

Neither the Alaska Syndicate, M. Guggenheim's Sons, nor ourselves have or ever have had any interest in the White Pass & Yukon Railway, The Alaska Syndicate, M. Guggenheim's Sons, or ourselves have not and never have had any interest in the Alaska Northern Railway or its predescessor, the Alaska Central Railway.

The firm of J. P. Morgan & Co. were stockholders in the Sovereign Bank of Canada, but were not represented on the board, nor did they have anything to do with the management of the bank. The bank failed and was placed in the hands of a receiver. At the time of the failure we learned that the bank had made loans either to the Alaska Central Railway, or one of them, as collateral. We had no previous knowledge of such loans nor any interest therein.

We paid our double liability as stockholders in said bank in cash and received therefor shares in the International Assets Co. (Ltd.), a Canadian company formed to liquidate the bank, which company, we believe, now holds whatever interests the Sovereign Bank had in the Alaska Northern Railway. If the liqu

Mr. LIPPITT. Mr. President, I have put in denials from almost everyone connected with the management of these properties of the statement that they are dominated and controlled by the interest which Mr. Wickersham asserts is throttling Alaska.

Mr. CHAMBERLAIN. May I interrupt the Senator?

Mr. LIPPITT. Certainly.

Mr. CHAMBERLAIN. I did not happen to be in when the first part of the letter was read. Was there any denie of the Posting statement which Mr. Ballaine made in reference to Mr. Perkins and what he had to say about the loan for railway construction?

Mr. LIPPITT. There was no denial of the fact that Mr. Perkins, as representing the house of J. P. Morgan & Co. in 1909, was strenuously urged by Mr. Ballaine to induce his company to finance an extension of the Alaska Northern Railroad; that Mr. Perkins visited Alaska to consider the question; that subsequently Mr. Ballaine went to New York hoping that he would receive a consent to his proposition and financial support; and that he was told that the firm of J. P. Morgan & Co. did not care to entertain the proposition. In other words, the testimony the honorable Senator from Oregon has referred to is to the effect that the firm of J. P. Morgan & Co. were earnestly solicited to build a line which, if they had consented to do, would have given them this very control that it is now claimed they have; that they refused to do it, although if they wanted this thing which they are claimed to want and claimed to have, here was the easy, manifest, ready way of doing it; and that instead of showing this grasping spirit they said that for various reasons they did not care to enter into the transaction.

Mr. President, what I was about to say before this interruption is, that if all these charges were absolutely true that have been made of monopolizing the transportation systems and resources of Alaska and we were still in the conditions in which our Government was and the conditions of doing business that we were in 20 years ago we might seriously consider it; but today, with an all-powerful Interstate Commerce Commission controlling the railroad situation in this country, with laws that are so powerful that even great railroads commanding hundreds and hundreds of millions of capital can be broken apart almost with the stroke of a pen, what danger is there of new railroads up in that undeveloped, barren, and almost waste country being developed by the same men? If I were an Alaskan, I would not care whether the railroads were owned by one man or a hundred or a thousand men so long as the Interstate Commerce Commission were here to fix their rates, to dictate to them how they should run their trains, what kind of cars they should run, and all the other details of railroad management. The day has gone by when this country needs to be stampeded by any such cry of monopoly.

Mr. LANE. Mr. President-

The VICE PRESIDENT. Does the Senator from Rhode Island yield to the Senator from Oregon?

Mr. LIPPITT. Certainly.

Mr. LANE. I should like to say to the Senator from Rhode Island that if I were in Alaska trying to get freight in there or food to last for a year's supply and had to pay \$120 a ton to get it, and if I had only a few hundred dollars in my pocket, I would take a good deal of interest about who was collecting the toll on the freight.

Mr. LIPPITT. Of course in that case he would not get his

freight in.

I was saying, when the distinguished Senator from Oregon interrupted me, that I think the Interstate Commerce Commission has ample power to handle any such situation if it existed.

I see no signs of its existence.

Under these circumstances the whole question resolves itself into the proposition whether or not in this country we are to abandon our time-honored policy of trusting to the initiative and the courage and the enterprise of our own citizens, our private citizens, our individual citizens, to develop our re-Mr. President, the glory of our country and its strength lie in the individual men who for the last 20 years have been grappling with just such problems as are presented to us to-day in Alaska. They have won their way across the deserts to the Pacific coast and they have built up industries of every kind.

Mr. President, we hear the much-abused phrase "private interests." It is the private interests that have built up this country-private interests run by private men. Farms and facories and forges and furnaces and mines and railroads, all the instruments of agriculture and commerce and manufacture, have been built up by private individuals who have put their energy, their lifeblood into the separate and special control of the separate and special industries that were under their eyesight.

The question that has now come to us is whether we are to abolish all that long continuous system of development that has built up the prosperity of which Americans so often boast.

If the only thing that had been developed were such things as farms and factories, probably we might hesitate, but, Mr. President, I picked up the other day a book by Mr. Howard Elliott, who has recently been made president of the New York, New Haven & Hartford. He gives the rates of transporting freight in this country and abroad. I will put the tables into the RECORD. Before I do so let me state that for the United Kingdom of Great Britain the cost per ton per mile is 2.33 cents, for Germany it is 1.41 cents, for Austria 1.45 cents, for Holland 1.32 cents, and for the United States of America 0.741 cent. That is a marvelous result to be obtained in a new country, a sparsely settled country, like ours.

But let me go on and show you something of the conditions under which it has been obtained. The cost of labor shown in another part of this volume is 60 per cent of the whole cost of the railroad business, and the average wages paid railroad employees per year in the United Kingdom are \$270, in the German Empire \$388, in France \$260, in Austria \$277, and

so on for the different countries.

Mr. WALSH. Mr. President-Mr. LIPPITT. May I finish Mr. LIPPITT. May I finish the sentence? Whereas in the United States of America the wages are \$733. In other words, the rate of wages is more than double the wages paid in the other railroad countries of the world, while we have a rate for transportation that is from one-half to two-thirds only of the

rate that is charged in those countries. I will now yield to the Senator from Montana.

Mr. WALSH. I desire to inquire of the Senator from Rhode Island, without intending at all to combat the conclusion to which his argument would lead, whether the discrepancy between the cost of transporting freight in this country and in Europe is not assignable in a very large measure to two facts: First, that in Europe, taking Germany particularly, the vast tonnage of low-grade freight is transported by canal, thus elevating, as a matter of course, the average cost of transporting such freights as are carried by railroads; and, second, inasmuch as the distances over which freight is carried in Europe are very much less than in this country, the terminal charges necessarily become a higher factor in the cost of transportation.

Is it not a fact that those two elements may account for very much of the difference which thus is most fortunately in our

favor in the matter of freight?

Mr. LIPPITT. It is quite possible that some of the conditions which the Senator from Montana instances may account for some of this difference. Passengers are not largely carried on freight boats, and there is a very material difference in the passenger rates between this country and abroad. The first-class passenger rate in Germany is 3 cents a mile, in England 4 cents, and there are different figures which I will not take the time at this moment to read. But in addition to all that the fact remains that whatever may be the conditions which might modify this result, nobody accustomed to commercial matters can question for a moment that it is enormously creditable that the great men who for these long years have been building up our railroad system in this country should have been able to give us an average rate that is anywhere near the average rate abroad, when the cost of labor here is more than double the cost of the labor that they have to use abroad.

The table referred to is as follows:

1		Cents.
1	United Kingdom	2. 33
1	Germany	
1	France	
Į	Russia	
1	Austria	
1	Hungary	
1	Denmark	
1		
1	Holland	
ł	Switzerland	
1	United States	. 741

And here are some figures for capitalization per mile of road: United Kingdom Germany ___ \$275, 000 \$275,000 114,000 144,000 81,000 118,000 67,000 58,000 82,000 117,000 Germany
France
Russia, including Siberia
Austria
Hungary
Denmark Switzerland _____ United States____

And here are the average wages paid railroad employees per

year:	
United Kingdom	282
German Empire	1
France	. 5
Russian Empire	1
Austria	-5
Hungary	2
Italy	
Switzerland	
United States	100

The argument which I want to make out of this circumstance is simply this: That we have organized in this country a set of railroad builders who have given us magnificent results under the system which we have so long used; that they are perfectly ready to undertake the problem of Alaskan transportation; and that there is no necessity of stepping outside of an agency that we know all about to employ one the results of whose management no man can foretell.

Mr. President, when the inhabitants of this country shall come to look to their Government for the direct management of their commercial development I think they will begin to lose the characteristic which is the most valuable that the people of a nation can possess, the faculty of initiative, of courage, and of independence. Anyone who has had experience in the employment of men knows that the one difficult and almost impossible thing to procure is a man of personal initiative, a man who will go outside of the beaten track, who will do something to-morrow differently from what he did yesterday, who will discover effective ways of meeting new problems. It is the possession of that faculty which has built up this country. The circumstances of our development has educated for us a class of men who are preeminent among all the people of the world in that respect. This Government ownership is the first world in that respect.

step toward diminishing that independent spirit among our people.

Government building and Government management lead to extravagances of all kinds. It leads to a government by a bureau instead of a government by your neighbors and friends. I believe that one of the very worst things that could be done to Alaska would be to take away from her the opportunities which a great country like that possesses for the development of men and substitute for it a system of business that is controlled by a Government several thousand miles away which is too busy and too dilatory to give it the close attention that it needs.

Mr. NORRIS. Mr. President, I want for a few moments to address the Senate upon an amendment to the bill that has been printed and that I expect to offer when the proper time arrives. I should like to have the Secretary at this point read the amendment.

The VICE PRESIDENT. It will be read. The SECRETARY. On page 8, after line 20, add:

The President of the United States is hereby further empowered, authorized, and directed to construct or cause to be constructed, not less than 10 nor more than 20 vessels suitable and appropriate for the freight and passenger service between the ports of Alaska and other ports on the eastern and western shores of North America and the ports on the eastern and western shores of South America. Said vessels shall be constructed as near as may be so that they will be suitable for use in aid of the Navy of the United States as a merchant marine. After the same are constructed, the President is hereby authorized, upon such terms as he may deem best to lease the same to the Panama Railroad Co. For the purpose of building said vessels the President is hereby authorized to raise money and to expend the same in accordance with the terms provided in this act, not exceeding the amount of \$15,000,000.

Mr. NORRIS. Mr. President, in my judgment, if this amendment were added to the bill it would go a great ways toward the carrying out of the purposes and the objects of the proposed law providing for the building of railroads in Alaska.

I am just informed that the Senator from Vermont [Mr. DIL-LINGHAM] had expected to follow the Senator from Rhode Island [Mr. LIPPITT]

Mr. DILLINGHAM. It makes no difference. I would just

as soon follow the Senator from Nebraska.

Mr. NORRIS. I had a talk with the Senator from Oregon [Mr. CHAMBERLAIN], and he told me that he did not know of anyone who was going to address the Senate on the bill to-day, but I am perfectly willing to yield to the Senator.

Mr. DILLINGHAM. I am perfectly willing to wait until the Senator has discussed his amendment, and then I will take the

Mr. NORRIS. It will be seen, Mr. President, from the reading of the amendment that it probably goes a great deal further than is necessary for the carrying out of the objects of the bill, and yet I believe it must be admitted, from the evidence that has been presented before the committee and statements made on the floor here by Senators in discussing the bill, that the bill itself is not complete unless we make pro-vision for the carrying of the products of the mines of Alaska from the shores of Alaska to the different ports of the country.

I confess, however, that while in my judgment I think it would strengthen the bill and carry out its purposes more completely, the greater purpose in my mind in offering the amendment, and the greater object I have in view, is to develop the commerce between the ports of North and South America—to develop if possible the trade that everybody admits ought to be developed with the ports of the different countries of South America.

The Panama Canal, now nearing completion, will be used mostly by ships of foreign nations. If we should pass this kind of an amendment it would enable the Government of the United States to put vessels upon the waters of the Atlantic and the Pacific Oceans to ply between the ports of North and South America, so that the trade that every American citizen is anxious should be developed between this country and South America could be developed and could be brought to us, where, as a matter of geography and as a matter of business and as a matter of commerce, most of it ought to be.

It is undisputed, I think, that while the combinations existing in Alaska have made it necessary, in the judgment of those who are behind this bill, to urge the building of railroads by the Government of the United States in that Territory, in addition there is a combination between the owners of vessels that ply between the shores of Alaska and the ports of the Pacific coast. This was brought out quite extensively by the Senator from Montana [Mr. Walsh]. It was mentioned in some detail by the Senator from Washington [Mr. Jones], and also by the junior Senator from Washington [Mr. Poindexter]. So, after we have developed the coal fields of Alaska and the mines and have brought her products to her shores, they must be shipped to the ports of the Pacific coast and other places upon vessels

owned by men who, it is conceded, I believe, are already in control of the situation, and who would have it within their power to exact such rates as would practically nullify the legislation that we would pass here, as far as the railroads are concerned.

Mr. GALLINGER. Mr. President-

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from New Hampshire?

Mr. NORRIS. I yield to the Senator.

Mr. GALLINGER. Mr. President, I think it is safe for me to say that heretofore there has been rather a wide difference of opinion between the Senator from Nebraska and myself as to the best means of rehabilitating our almost entirely vanished merchant marine.

Mr. NORRIS. I am going to discuss that subject, I will

say to the Senator, before I conclude.

Mr. GALLINGER. I assume that the Senator in this amendment has in view the probable development, to some extent at least, of the American merchant marine, which is a commendable object; but I will call the attention of the Senator to one fact in connection with his amendment. Heretofore we have thought that in developing our trade with South America it was desirable to have ships that left our great ports, like Boston, New York, Baltimore, and Philadelphia, carrying the commerce of our great country. It seems to me that this amendment provides simply that the products of Alaska shall be carried in these ships to South and Central America. Does the Senator think there will be a commerce of sufficient consequence to warrant the investment of, as I think, from ten to twenty

million dollars in building ships for this purpose? Mr. NORRIS. No; and the Senator has not grasped the real object of the amendment. Of course, as a parliamentary proposition, I had to prepare an amendment that would be in order on this bill. I think the fact that these railroads will come down to the ports of Alaska makes it in order as a parliamentary proposition to offer this amendment, although I have not believed, and I do not believe, that the ships I have provided for here would all be used or could all be used in carrying coal from Alaska. I do not believe that you can put that kind of a construction on the amendment. If the amendment were adopted, I think the President would have some of those necessary vessels engaged in the carrying of coal from Alaska to other ports, wherever the other ports might be found to be located, with a view of making the traffic profitable, but the larger number of them would undoubtedly be engaged in the general carrying of freight and passengers between the eastern and the western ports of both North and South America. is the object of the amendment. If it would not bear that construction, then I am mistaken in its language.

Mr. GALLINGER. I trust that the amendment will bear that interpretation. I fear that it does not or can not bear the interpretation. However, that is a matter which can be

carefully looked into.

Mr. NORRIS. Oh, yes; I will say to the Senator if it can not bear that interpretation any amendment that is necessary to give it that interpretation would not only be desirable, but

would be readily supported by myself.

Mr. President, I am not going to take up the time of the Senate in discussing the question of trade with South America. I assume that all Senators and all citizens of the country are anxious that the trade with South America shall be developed. We have spent about \$400,000,000 in digging the canal. We brought all those ports, commercially speaking, much nearer to our ports than they were before. The whole world is making preparations to use the canal. South of us all the countries of South America are trading almost entirely with Europe, and it strikes me that everybody in the United States is desirous, if it can be done, of getting at least a portion of that trade which we do not now possess, and that we will not possess until some steps are taken in some way to put the necessary ships on the ocean to develop it.

Mr. WALSH. May I interrupt the Senator? The PRESIDING OFFICER. Does the S Does the Senator from Nebraska yield to the Senator from Montana?

Mr. NORRIS. I yield to the Senator. Mr. WALSH. The Government of the United States owns quite a line of steamships now.

Mr. NORRIS. Yes, sir; I expect to take that up and discuss it shortly.

Mr. WALSH. Is it the opinion of the Senator that when those ships are released from the duties that have been devolved upon them during recent years in connection with the constriction of the canal they would not be available for the purpose he has in mind?

Mr. NORRIS. I think they would be available. I am going to discuss that, I will say to the Senator, shortly. I want now to mention the merchant-marine proposition. That is a question which has been discussed and has been an issue in a good many political campaigns. While, as far as I know, men of all many political campagns. While, as lar as I know, men of an political beliefs are anxious that we should develop a merchant marine, men have disagreed very widely as to how we should obtain it. I think the methods that have been proposed in the past, that were advocated by the Presidents who have preceded the present occupant of the White House, have met such serious objections, in my judgment objections well founded, that there will be no attempt to revive the agitation of obtaining a merchant marine in the method which has been advocated in the past.

I do not believe the American people are in favor of a ship subsidy; I do not believe it is necessary that we should have one in order to develop our merchant marine; but everybody concedes that we are seriously handicapped in that respect, and that in case of war we should be at the mercy of those who owned the ships; we should be compelled to pay what might be asked for them; and in many cases we should be unable to get them at all. So our Navy, to a great extent, would be rendered

When our naval fleet went around the world and when it made its recent trip to the Mediterranean, from which it has just returned, we heard it said that it was necessary to engage foreign ships in order to carry the coal to supply our Navy. seems to me that the adoption of my amendment would furnish a method of getting a merchant marine that would not be expensive, and that the United States would be able to obtain vessels, in case it needed a merchant marine, without paying a dollar for the use of the ships which are provided for in the amendment. The amendment provides that the President may lease these ships when they are constructed to the Panama Railroad Co. It is my theory that, if the amendment be adopted and the ships should be constructed, the President will avail himself of this discretion to lease the vessels to the Panama Railroad Co.

Mr. BRISTOW. Mr. President-

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Kansas?

Mr. NORRIS. I yield to the Senator. Mr. BRISTOW. Why not simply make an appropriation and authorize the Panama Railroad Co. to construct the ships and operate the line-it is there to do it if the means are providedinstead of going the roundabout way of having the ships constructed by the Government and then leased to this corpora-

tion, the stock of which is owned by the Government?

Mr. NORRIS. That would do very well; but such an amendment would not be in order, as a parliamentary proposition on this bill. A separate bill to that effect, if enacted into law, would accomplish the same thing which this amendment seeks to accomplish; but every Senator knows that between the introduction of the bill and the reaching of the stage of parliamentary procedure, which we have now reached on the pending bill, there are many dangerous steps and a great many obstacles to

Mr. GALLINGER. Mr. President, if the Senator from Nebraska will permit me, I think the Senator is somewhat influenced by the rules of another body in reference to the parliamentary procedure. We have no rule of relevancy here in the matter of amendments, except in reference to appropriation bills, and I feel sure that the Senator's amendment would be equally relevant and pertinent to this bill if he should draft it along the line suggested by the Senator from Kansas [Mr.

Mr. NORRIS. It would not be any better, in my judgment, than my amendment, although I concede it would be just as good, and I would just as soon support it; but I should like to say, while it does not bear directly on this question, in reply to the Senator from New Hampshire [Mr. GALLINGER], that my observation for several years, and my experience for a very much shorter time, of what is in order and what is out of order in the Senate, depends to a great extent upon the individual opinions or perhaps the wishes of some of those Senators who have been here so long that they carry in their minds and in their recollections rules that are not printed in the book. I think I have seen a good many instances where points of order have been made, and made by those Senators, and everybody has conceded at once that the points of order were well made. I do not want to run up against that kind of a proposition.

Mr. President, the Panama Railroad Co., as the Senator from Kansas [Mr. Bristow] has said, is a corporation, every dollar of the stock of which is owned by the United States. It has been operating a railroad in Panama and a line of steamships from Colon to New York and part of the time to Philadelphia, I believe, ever since we have been engaged in the construction of the Panama Canal. It is a corporation that goes into the market the same as any other corporation engaged in transportation, advertises, and does business in exactly the same way, and attempts to get business the same as do other corporations, excepting, perhaps, that it does not charge, and las not charged, the Government as high a rate in transporting articles to Panama as the owners of private steamships have charged.

Mr. President-

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Kansas?

Mr. NORRIS. I again yield to the Senator from Kansas. Mr. BRISTOW. I desire to say that the Panama Railroad Co. competes for Government business with private lines, and, if the private lines underbid it, it loses the business.

Mr. NORRIS. Certainly; but, as a matter of fact, to the extent of their capacity, as a rule, they underbid the private

Mr. BRISTOW. Very frequently it loses important ship-ments because the private lines underbid it.

Mr. NORRIS. I have here in my hand the official report of

the board of directors to the stockholders of the Panama Railroad Co. for the fiscal year ended June 30, 1913. It is a very comprehensive and full report, showing operations both of the railroad and the steamship lines; and I have found from an examination of the figures that are itemized here that, as a rule, they have carried freight cheaper than any other line between New York City and Panama, and that, as a rule, the Government has paid less per ton to them than to anyone else.

Mr. BRISTOW. Mr. President, if the Senator from Nebraska

will kindly yield-

The VICE PRESIDENT. Does the Senator from Nebraska. yield to the Senator from Kansas?

Mr. NORRIS. I yield to the Senator. Mr. BRISTOW. I think it has to do it or it does not get the business

Mr. NORRIS. That may be; but my statement is that it does do it and that it does get the business.

Mr. GALLINGER. Mr. President, I wish to ask the Senator

if the statement to which he alludes shows the profits and losses of this corporation?

Mr. NORRIS. Yes, sir. Mr. GALLINGER. Has it been a profitable corporation?

Mr. NORRIS. Yes; I will give those figures. I am about to come to that point in my address where I expected to put those figures into the Record.

Mr. GALLINGER. It is important in giving the figures, I

think, Mr. President, that the initial cost should be taken into consideration.

Mr. NORRIS. I do not have that, I will say to the Senator. Mr. CUMMINS. Mr. President—— The VICE PRESIDENT. Does the Senator from Nebraska Mr. NORRIS.

yield to the Senator from Iowa?

Mr. NORRIS. I yield to the Senator from Iowa. Mr. CUMMINS. I ask the Senator from Nebraska whether it be not true that shortly after the United States acquired the stock of the Panama Railroad and the steamship company there was not a very marked reduction in the general freight rates from New York to Colon or to Panama? I am under the impression that those who are familiar with it believe that the ownership of this property by the United States brought about a reduction of about \$3 a ton in those rates. I think I got that from the Senator from Kansas [Mr. Bristow] in some fashion or other, and if the Senator from Nebraska can not answer the question, I am sure that the Senator from Kansas

Mr. NORRIS. I had not expected that the question would be asked or I should have marked it, but in this report some--I do not feel as though I am justified in taking the time of the Senate to look it up now-there is a statement as to the price per ton charged by various transportation companies from New York to Colon; and I was impressed with the fact that the price per ton by the Panama Railroad Co. was lower than any of them. I want to say to the Senator that I am under the impression-I do not believe there is any doubt about der the impression—I do not believe there is any doubt about it—that what he has stated is true; that when the Panama Railroad Co. commenced to engage in the business of transporting freight and passengers from New York to Colon, it did reduce the freight charges very materially.

Mr. CUMMINS. My understanding is that not only did they charge less than the rates formerly prevailing, but that these competitive influences reduced the rates of the independent carriers between these solutions.

riers between those points.

Mr. NORRIS. Yes,

Mr. BRISTOW. Mr. President—
The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Kansas?

Mr. NORRIS. I yield to the Senator.

Mr. BRISTOW. I do not now remember the exact figures, though I was very familiar with them at one time; but I was told by one of the general officers of the Panama Railroad Co. that so great was the reduction in rates between New York and Colon as a result of the competition between the Panama Railroad Co. and Steamship Line and other steamship lines that at one time he was approached by the representatives of some European line with the view of entering into an agreement as to rates and increasing the rates over what they were, because those representatives of foreign interests said the rates were too low, these gentlemen, of course, not understanding that the stock of the Panama Railroad Co. was owned by the United States Government, thinking that it was still a private line, as it was during the French ownership of the company. He declined because he said the business was very profitable to the Panama Steamship Line, and there was no occasion for any advance in rates.

Mr. NORRIS. Mr. President, I am very much obliged to the Senator from Kansas [Mr. Bristow] for that observation, and I want to say that it is in accordance with my recollection of the situation. I do not believe there is any doubt whatever

Mr. President, for the fiscal year ended June 30, 1913, the steamship line operated by the Panama Railroad Co. had a total revenue of \$2,151,157.99 and a total expense of \$1,929,-668.07, leaving a net revenue after the payment of all expenses of \$221,489.92. I have an itemized statement of the income and of the expenses, but unless some other Senator desires it put into the RECORD, I shall not encumber the RECORD with it.

Mr. GALLINGER. I think it would be very important in making that estimate that we should have the interest on the original cost of those ships

Mr. NORRIS. I think so.

Mr. GALLINGER. And that we should have also the expenses, the overhead charges, as they might be called.

Mr. NORRIS. As I understand, they are all included. Mr. GALLINGER. Do they include the salaries of the officials who have control of those ships, or are they Government officials who receive salaries for other reasons?

Mr. NORRIS. It includes all the salaries of officials of the Panama Railroad Co., and those who control these ships are such officials; but it does not, of course, include Government

Mr. BRISTOW. If the Senator will pardon me for interrupting him so often, I desire to say that the officers employed by the Panama Railroad Co. are not Government appointees at all, any more than are the officer and employees of the Santa Fe Railroad Co. or of any steamship line. They are simply the employees of a corporation which is run just exactly like any other corporation. The directors are selected by the Secretary of War, who holds the stock in trust for the United States Government.

Mr. GALLINGER. I am not talking about the Panama Railroad Co. I am talking about the steamship company.

Mr. BRISTOW. The steamship line is operated by the Panama Railroad Co.

Mr. NORRIS. That is only one of the operations of that railroad company. They operate, as I said in the beginning, the railroad and also a line of steamships.

Mr. GALLINGER. The Government owns the steamships,

The Government owns all of the stock of this corporation. The Panama Railroad Co. owns the railroad and owns some of the ships and charters other ships. I will give a list of them shortly.

Mr. GALLINGER. It is very evident, of course, Mr. President, to the most casual thinker that if the Government is going into business in competition with private parties and the Government constructs factories and runs them in opposition to private parties, the private concerns are necessarily going to the wall in competition with the Government, it seems to me.

Mr. NORRIS. I take it that the Government could do that; but I do not have the remotest idea that the Government would

want to do anything of the kind.

In the next place, this is not building a factory, but supplying what the Senator himself a while ago suggested ought to be supplied in some way, although I do not mean to insinuate that it ought to be supplied in this way.
Mr. GALLINGER. No.

Mr. NORRIS. But it will supply a need of the Government; I think we will all admit that.

Mr. GALLINGER. I have no doubt that the Government can do anything and everything it chooses. The Government can take over every private business in this country if it wishes

Mr. NORRIS. But I am speaking, if the Senator from New Hampshire will permit me, particularly now of the merchant marine. The Senator from New Hampshire as well as myself and all other Senators are anxious that the Government should be supplied; and I think this would supply it-at least to the extent of the ships that we would build.

Mr. GALLINGER. Mr. President, my conviction is-I may be wrong about it; time will demonstrate that if it is ever attempted that it will be the most expensive merchant marine

that any country ever engaged in building or in operating.

Mr. NORRIS. My own idea is that it would be much cheaper for the Government to construct these ships, lease them to the Panama Railroad Co., and have them used for the purpose of developing commerce between our country and South America and Central America and Mexico, and between our own ports, than it would be to engage to pay a subsidy to private persons to build the same ships to go into the same business, and then, when we need the ships, if we ever do, to take them over at a cost that would perhaps be increased greatly by the very exigency of the occasion.

Mr. GALLINGER. All of the ship lines which are now receiving what the Senator chooses to call "a subsidy," which is simply mail pay, do so under the act of 1891; and there is a provision in that statute that the Government may take the ships at any time that it chooses when there is an exigency.

Mr. NORRIS. Yes; but it has to pay for them.
Mr. GALLINGER. It has to pay for them, of course.
Mr. NORRIS. In this case it could take them from the Panama Railroad Co., a corporation which it owns, and it would

not be necessary to pay for them.

Mr. GALLINGER. But somebody must have paid for them in

Mr. NORRIS. Certainly; the Government will pay for them in advance.

Mr. GALLINGER. They did not grow down in the region of the Panama Canal; they had been constructed at somebody's

Mr. NORRIS. Nobody contends anything to the contrary; but whatever benefit there would be, the necessity of the Government being able to get ships in case it needed them would be met at least to the extent of the number of ships that we would

build, and there would be no probability or possibility of the Government being held up at the time it took the ships.

Mr. BRISTOW. Mr. President—
Mr. NORRIS. I yield to the Senator from Kansas.

Mr. BRISTOW. I merely want to say, in connection with this matter, that I do not believe the Panama Railroad, if it were owned and operated by the Government in a direct way, as we operate the Post Office Department, would ever pay. think the only practicable way to operate the Panama steamship line and the Panama Railroad is just as it has been done, as a separate, individual corporation that is run as a private business and not as a Government function. The facts are that the Panama Railroad Co, and its steamship line in their entire operation are run just the same as any chartered corporation that is under the ownership of private proprietors. If anyone will study—if the Senator will pardon me for taking so much of his time—the operations of the Panama Railroad since its stock has been acquired by the United States Government, and what that company has done in connection with Panama and in the construction of the canal, he will perceive that it stands out to-day as the greatest achievement in history in civil administration.

Mr. NORRIS. I should like to add to what the Senator has said that during all the time the Government has been operating this road I have yet to hear of the first instance where there has been in connection with the operation and the management of the Panama Railroad Co. one single instance of graft, with the exception of the one instance which was recently given some publicity in the newspapers and which I think is now under investigation. That is a record which very few railroads in the world can boast of in the same length of time.

Mr. President, it might be interesting-it does not bear directly on the ship proposition, but I am going to call attention to it, because there has been so much said about the Panama Railroad Co .- it might be interesting to notice and call attention to the total revenues and expenses of the Panama Railroad Co. outside of the operation of its ships. The total revenue for the same year was \$1,516,734.43. The total expense of the railroad, outside of the ships, was \$813,795.25, leaving a net revenue of \$702,929.18. That, of course, is the net revenue of the operation of the Panama Railroad Co. proper and has nothing to do with the operation of the ships, which I have mentioned before

Mr. GALLINGER. But, Mr. President, is not that revenue in one sense a fictitious revenue—that is to say, is it not due to the tremendous amount of business given that railroad because of the construction of the Panama Canal?

Mr. NORRIS. Oh, yes.

Mr. GALLINGER. And is it not a fact that as soon as the canal is completed that revenue will largely disappear?

Mr. NORRIS. So far as that railroad is concerned, I think that is true; yes, sir.

Mr. BRISTOW. Mr. President, if the Senator will pardon me again-

Mr. NORRIS. Yes. Mr. BRISTOW. I would not want that statement to go without question, because it is the belief of a great many who have studied the transportation situation in Panama-

Mr. NORRIS. Before the Senator goes on, I will say that I made a mistake in the figures which I gave. I read from the wrong column the figures which I have just given in regard to the Panama Railroad Co. I want to correct them, if the Sen-

ator from Kansas will permit me, while we are on that subject.

The total revenue of the railroad proper was \$4,599,163.13.

The total expenses were \$2,770,310.45, leaving a net revenue of \$1,828,852.68. The figures which I gave before were the figures applying to the Panama Railroad Co. proper since the end of the fiscal year. That would be for four months, commencing with

the 1st day of July and ending October 31.

While I am on that subject, and before the Senator interrupts me again, I should like to give for that same length of time, those same four months, the figures in regard to the operation of the ships proper. The total revenue during those four months that is the latest report we have-ending October 31 from the operation of the ships was \$755,026.81; the total expenses were \$659,245.35, leaving a net revenue for those four months of Now I yield to the Senator from Kansas.

Mr. BRISTOW. Referring to the operation of the Panama Railroad Co. after the canal is completed, a great many who have given careful study to the transportation situation in Panama believe that it will be a profitable line after the canal is in operation, because there will be a great deal of small business which will have to be done over the railroad which can be done very much more cheaply in that way than by ships through the canal. The railroad probably will be run to its full capacity in handling trans-Isthmian freight.

Mr. GALLINGER. If the Senator from Nebraska will permit me, I will ask the Senator from Kansas, who is well informed on this matter, if it is not in contemplation to abandon the steam

railroad and substitute an electric railroad?

Mr. BRISTOW. Yes; because it is believed that it can be run very much more cheaply with electricity that comes from the waste waters of the Chagres River than by other power; and that that will be the proper way to operate it.

Mr. GALLINGER. I had an impression that that was in con-

templation.

Mr. BRISTOW. Yes. Mr. NORRIS. Mr. President, I should like to say that I think the Senator from New Hampshire was right when he said that the revenues from the operation of the railroad company from the work which it has had down there on the Isthmus would be materially decreased after the canal was in operation. I assented to that; but I did not mean to be understood as saying that there would be no further use for the railroad company. That has not anything to do, however, with the particular amendment which I am discussing; but in order to give some additional information to the Senator from New Hampshire I want to read an extract from the report of the president of the Panama Railroad Co., Col. Goethals, contained in the same report from which I have given these figures. He says:

Regarding the future policy of the company as related to the opening of the Panama Canal to commerce, the board of directors, after mature consideration of the topic in conference with the Secretary of War, the company's principal shareholder, decided to continue to operate the railroad and steamship line as at present, except for such modification of existing practices as may be expedient from time to time to meet changed conditions.

Mr. President, in conclusion, I want to say a word about the effect, in my judgment, that would be produced if this amendment were adopted and enacted into law. The ships provided for would not be a drop in the bucket so far as the number of ships that would be necessary to carry on the trade between all the points of North and South America. It is not my idea or my intention, nor do I believe that anybody desires, that steps should be taken to try to get a monopoly of this trade or any part of it by the building of not less than 15 nor more than 20

vessels. If that number is not adequate, it can easily be changed; as experience develops what the necessities are, we can easily give authority to the President to build additional ships if necessary. The idea is that if the ships were built and put upon the Atlantic and the Pacific Oceans to ply between the ports of North and South America through the Panama Canal, it would be a barometer of rates and there would be no danger with that many ships owned by the Government of the United States—for that is what it would mean if they were owned by the Panama Railroad Co.—there would be no danger anywhere in North or South America of a combination of shipowners by which unreasonable and exorbitant rates could be exacted or demanded from commerce. So that, in my judgment, the great benefit that would come would be the stability and the guaranty benefit that would be free; that there would be real genuine competition; and that the charges would be in accordance with the services rendered. Therefore, Mr. President, cordance with the services rendered. Therefore, Mr. President, it seems to me that not only would this amendment assist directly to control the price of coal that would be mined in Alaska, but it would go further and be a complete barometer of rates between all the ports of North and South America.

I promised the Senator from Montana, I believe, that I would

give a list of the ships.

Mr. CUMMINS. Mr. President, before the Senator from

Nebraska leaves that point—
The PRESIDING OFFICER (Mr. Sheppard in the chair). Does the Senator from Nebraska yield to the Senator from

Mr. NORRIS. I yield to the Senator.

Mr. CUMMINS. I do not know whether he has noticed the fact-and if he has not, I think it would be a powerful supplement to his argument-that we are paying now from seven to ten dollars a ton for coal that is used by our battleships on the Pacific coast, which mainly, of course, comes around the Horn in merchant ships. These merchant ships are mainly owned by citizens of foreign countries and sail under foreign flags. should like to know why it is not just as legitimate for the Government to build a merchant ship and use it in carrying coal to its own battleships as it is to own battleships and sail them or steam them around the Horn?

Mr. NORRIS. To my mind, there is no answer to the Senator's argument. It seems to me that it is just as reasonable

to do the one as the other.

Mr. CUMMINS. The ships that are proposed by the Senator from Nebraska are necessary as a supplement to our Navy, and they ought to be built; they ought to have been built long ago.
Mr. GALLINGER. Well, Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from New Hampshire?

Mr. NORRIS. I yield.

Mr. GALLINGER. On that point it is variously estimated that we are paying foreign ships to-day for carrying our com-merce to and fro across the Atlantic Ocean and the Pacific Ocean between two and three hundred million dollars a year. Would the Senator, for the purpose of reducing the cost to the American exporter or the American passenger, be in favor of the Government building a fleet of ships to ply across the At-lantic and across the Pacific Oceans in competition with private corporations?

Mr. NORRIS. In answer to the Senator, let me say that, in the first place, I would not do it for the purpose of helping people to go across. I would not be in favor of that kind of a proposition now, even to carry freight. There is a different condition existing that has developed. We have, however, just about completed the Panama Canal. We wish to get our share of the trade of South America. We are not going to get it unless we do something of this kind. Other ships, flying a foreign flag, are going to use that canal more than we are. have already a corporation engaged profitably in the operation of ships, in connection with which no one, so far as I know, has uttered a word of criticism as to its management, as to its honesty, or as to the ability with which it is managed. Nothing of that kind has been charged. This is simply to give a greater usefulness to that corporation, and enable it to bring the merchants of the United States into contact with the merchants and the business men of South America. Incidentally, it does what the Senator from Iowa has so well suggested; it enables us to use these ships, besides, in case of emergency and in case of war.

Of course, we all hope that necessity will not come, and that these ships may continue forever, or at least as long as they last, to carry on the more peaceful operations of trade between

the ports of North and South America.

Mr. GALLINGER. I will venture to suggest-and I will not interrupt the Senator again-that in case of war the handful of ships that is going to be provided through the Senator's

amendment will not accomplish a very useful purpose. We will need a great many more ships than those as auxiliaries to our warships if we ever get into war with a first-rate power.

Mr. NORRIS. Probably we will; and perhaps when we start out and build the number of ships provided here and get them on the waters we will find that we ought to double the number, and that they are doing good work and increasing our trade, and that by adding some more we will get more trade. may occur; I do not know. In my judgment, however, it is no argument for the distinguished Senator from New Hampshire to say that this amendment should not be adopted because it does not provide enough ships. I take it from what he has said that he is going to vote against the amendment, and yet he is criticizing it because there are not enough ships pro-

Mr. GALLINGER. If the amendment should be agreed to, I want, it to be as perfect as possible. I shall vote against it, in whatever form it is put, if it provides for Government ownership either of railroads or of steamships; but I am going to try as best I can, before the vote is taken on the amendment, to improve it. The Senator will not object to that, I am sure. Mr. NORRIS. I will not; certainly. I shall be glad to have

the Senator's assistance in that respect.

Mr. BRANDEGEE. Mr. President—— The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Connecticut?

Mr. NORRIS. I yield to the Senator. Mr. BRANDEGEE. I will not interrupt the Senator if he desires to proceed without interruption.

Mr. NORRIS. I have no objection to an interruption.

had about concluded my remarks.

Mr. BRANDEGEE. Not having heard the first part of the Senator's remarks, I wish to ask the Senator whether he contemplates that the vessels provided for in his amendment shall enter upon general carrying trade? Mr. NORRIS. Yes.

Mr. BRANDEGEE. Anything that offers?
Mr. NORRIS. Anything that is offered. As the Senator did not hear me, I will briefly state to him that the idea is that if they are constructed they shall be leased by the Government to the Panama Railroad Co.
Mr. BRANDEGEE. Yes; I understand; and operated through

that company Mr. NORRIS.

Mr. BRANDEGEE. Of course, however-that is, I will not say a subterfuge, but a mere agent of the Government in the operation, as are the existing steamships owned by that com-

Mr. NORRIS. Certainly.
Mr. BRANDEGEE. I think the proposition made by the Senator from Nebraska raises a very important issue. If the Government is to build ships and engage in general commerce in competition with shipping lines owned by private capital, it seems to me that before we enter on that policy it would be well to consider carefully where it would probably lead us. It may be desirable to do it; I do not know; but I am free to confess that at first blush and without having given it any particular consideration it seems to me it is likely to lead us into the field and to point a precedent for the Government engaging in various enterprises in competition with its own citizens.

Whether that is desirable or not is another question. I agree that we are already doing that and have been for some years, especially in relation to our Army and Navy equipment. We furnish factories to make armor plate, and we build our ships in Government yards to some extent. All of those activities are in competition with private concerns. But if we are to build ships to bring coal from Alaska to furnish the Navy in part, it seems to me with equal reason we might build railroads from oil fields to bring oil to furnish our ships. I believe oil is coming to be more and more used as a vessel fuel, and that Great Britain especially operates its warships largely with oil fuel.

Mr. NORRIS. If the Senator will permit me right there, I concede that that might be true, and in a proper case I would be perfectly willing to do it; but I do not know of any oil fields that are so out of reach of transportation that already exists that there would be any particular reason why it should be done.

Mr. BRANDEGEE. No; nor I, and I am not familiar with either the oil situation or the coal situation. As I say, we might be justified, for all I know, in engaging in both opera-

Of course, it has been said that the coal of the country is practically monopolized. It has been said that the oil of the country, also, is practically monopolized, and that therefore it

would be justifiable for the Government to establish competition of its own in relation to these matters.

I am merely drawing attention to the general principle of Government entering into furnishing supplies for its own legitimate activities, and then, incidentally, in order to use its equipment in full, filling up with general merchandise in competition with privately owned vessels.

Mr. NORRIS. I think the distinction the Senator draws is very clear. While we are not interested at present, at least, in any of the particular lines that he suggests, so far as I am concerned I would not hesitate in any case if I thought it were necessary, and the most practical way to break up an unreasonable combination by which extortionate rates were charged for transportation, to have the Government engage in it if it could. In this particular case, however, we are in the main, at least, if this amendment should be agreed to and enacted into law, engaging in a field where private parties are not now We are trying to develop, by means of this amendment, our commerce between the United States and all the countries on the Western Hemisphere south of us. The greatest good, in my judgment, that would come from it would be that development, and the effect that the Government owning enough ships to have an effect upon the transportation business would have in equalizing the rates and keeping them fair and reasonable.

Mr. BRANDEGEE. I understand the Senator, and I am not saying what I say at all in a spirit of antagonism, or even of

criticism.

Mr. NORRIS. I understand that.

Mr. BRANDEGEE. I say it simply to understand it clearly, as it strikes me that if commerce in South America with the private citizens of other countries is to be competed for by the United States Government we are entering upon a vast field. If we are not only to compete with foreign citizens for the trade of foreign countries, but are to compete with our own citizens for that trade, it strikes me it would be calculated to discourage individual enterprise if it is known that the United States Government, with its treasury, is to operate in any industry in competition with a private individual. The business does not need to be conducted successfully. Any indebtedness that is incurred can be paid out of the Treasury of the United States.

As to other questions suggested by the Senator, that whereever a combination in a product which is needed by the Government is so strong as to maintain, as he says, extortionate prices, that condition furnishes an excuse for the Government to go into the same business, as I view it, perhaps without warrant of the Constittuion, to engage as a merchant or a competitive business man for the purpose of suppressing combinations which are illegal, it seems to me that is a questionable policy. The thing for the Government to do, if a combination is illegal, is to suppress it by the law which prohibits it, and not to enter upon competition with it. Furthermore—and with one brief observation I shall have concluded—if every one of the particular instances which occur now and then, as illustrated by the amendment of the Senator from Nebraska, is to be followed by the Government going into competition with private citizens and private capital, I fear before long we shall be in the full exercise of socialism by this Government, lacking merely the name to describe properly the activities upon which our Government will have been almost unconsciously embarked.

Mr. WILLIAMS. Mr. President, will the Senator yield just for a moment, in line with a part of what the Senator from Connecticut was talking about?

Mr. BRANDEGEE. Certainly.
Mr. WILLIAMS. Suppose you build a railroad up there which belongs to the Government. There are now 466 miles of railway there. The railways there now pay a tax of \$100 per annum per mile. I take it that the Government railroad would not pay that tax, or does the Senator from Nebraska think it

Mr. NORRIS. No; and I should like to say to the Senator in that connection that he is talking about something that I have not discussed. I have not discussed the railroad proposi-What I have said related entirely to ships.

Mr. WILLIAMS. The Senator from Connecticut [Mr. Bran-DEGEE] was talking about bringing this Government-managed affair into unfair competition with a privately owned enterprise.

Mr. BRANDEGEE. He was talking about steamship lines. Mr. WILLIAMS. I know; but the same reasoning applies to railroads. If a railroad that paid no tax to the Government came into competition in any degree with one that paid a tax of \$100 per mile, it would be only a question of time when the one that paid the tax of \$100 a mile would have to quit running, it strikes me.

Mr. NORRIS. The \$100 a mile-while that has nothing to do with what I am discussing, and I should prefer that it had not been brought into the discussion-I will say to the Senator, as I understand, is the tax. It pays that in lieu of any tax. The Senator certainly would not advocate exempting the railroad from the payment of any tax.

Mr. WILLIAMS. But the Government-owned line would pay

no tax of any sort.

Mr. NORRIS. Unless there was a law providing for it, which could be easily provided. I take it that if we entered upon the acquisition of the railroads of this country we probably would provide, not for a direct tax, perhaps, as the railroads are taxed now by most of the States, but for the payment of some percentage of the income, or something of that kind, in proportion to the mileage, to the different States through which the line would operate in lieu of a tax.

I think, myself, that if the Government went into the railroad business up in Alaska, and built a line parallel to an existing line, and made the rate, as it could, so low as to ruin the other line, below the cost of operation, it would be an unjust and unreasonable thing to do; and I would not by any means advocate

such a procedure.

Mr. WILLIAMS. If the Senator will pardon me, the Government-owned road would not have to reduce the rate below the cost of operation. It could keep enough to pay interest upon what it had cost, and a slight sinking fund; and yet if the other line had to pay the ordinary taxes of the locality and, in Alaska, this \$100 per mile per annum, it would not be long before it would have to go out of business.

Mr. NORRIS. While there is not anything in this bill in

regard to the tax or anything that shall be paid to the local

authorities if the Government operates the road-

Mr. WILLIAMS. There is something in this bill, though, about a railroad to be owned by the Government, which neces-

sarily would pay no tax if we passed this bill.

I was just going to say that. I say, in this particular bill there is not anything that requires the payment by the Government of any tax to Alaska; but the reasons given why we should build this road in Alaska-and in my judgment they are sufficient, although that is a question upon which honest men may disagree-are because the peculiar conditions that exist there make it necessary for the development of Alaska.

Mr. WILLIAMS. I understand that; but what I am trying to impress upon the Senator is that if this bill does pass, it ought to pass with an amendment exempting the railroads now existing there from this tax of \$100 per mile, so as to enable

them to live with Government competition.

Mr. NORRIS. Personally, I do not know whether the \$100 tax is fair or not; but the railroads certainly ought not to be relieved from taxation.

Mr. WILLIAMS. By the way, I think that in a new and growing community like Alaska, where the main thing is to develop its resources, the railroads ought not to be taxed.

Mr. NORRIS. I want to say just a word in reply to what the Senator from Connecticut said about the Government entering

upon different activities.

The proposition before us that I am discussing is not that the Government is going to go into the manufacturing business. If the amendment is agreed to, it is going into a business principally for the reason that there is not anyone now, as far as America is concerned at least, in the business, and we want to develop it. The proposition of going into manufacturing things that the Government uses, and thereby coming into competition with private parties that manufacture the same things, is justified, in my judgment, if, in the opinion of the Government officials, we are not getting a square deal. I myself have taken a great deal of pleasure in reading the announce-ment that the Secretary of the Navy was in favor of building a Government armor-plate factory, because we have been held up by armor-plate factories in the past. Although it would come into competition with private persons engaged in that business, it is justified on two grounds—one, that the Government has a right to make articles needed for its own use; and second, build factories so that in case of emergency it will not be dependent upon private parties for armor plate. It is shown by the Secretary of the Navy and those who have investigated the matter that the Government has been charged exorbitant and unreasonable prices by those private parties.

Now, I want to close my remarks.

Mr. BRANDEGEE. Before the Senator closes, if he will allow me to interpolate one suggestion there, of course the Government has a right to do anything it thinks necessary for the well-being of this country and its people if it will amend its Constitution so as to authorize it so to do. We are, however, not only gradually entering upon the twilight zone and getting

into the penumbra of doubtful authority, but we are pretty well into it already, without ever having amended our Constitution; and we are doing a good many things for which nobody can cite any specific authority in the Constitution. It puzzles smarter men than even Philadelphia lawyers are alleged to be to find warrant or implied authority for many of the Government's activities at the present time.

Mr. WILLIAMS. Raising horses, for example.

Mr. BRANDEGEE. All sorts of things-educating farmers, inspecting all sorts of things, giving information about all sorts of things, and collecting statistics about all sorts of things. is an endless task, it appears to me, and every Congress is filled with propositions to plow farther into that unplowed field.

What I meant to say was that if we want to do these semisocialistic things we should amend the Constitution so as to give us authority to do them. When I say "socialistic" I do not use that word as a term of reproach, but as defining a kind of government and a policy that does not yet exist in this country. There may be many desirable things about socialism, but as applied to a country of this size the fact that somebody believes in the system advocated by the Socialists does not prove that the country will be better off with it.

What I am afraid of is that if propositions like that contained in this bill, and those corollary thereto suggested by the Senator from Nebraska, become the fixed policy of this Government even as to Alaska-because we must bear in mind that they are not tried; they are simply experiments now, only on paper—if they should be tried and should be successful as ap-

plied to Alaska, what will we have in Alaska?

We will have, as it seems to me, a crown colony, run and exploited by the United States Government, with all the transportation owned and operated by the United States Government, both rail and water. Say what one has a mind to say; if the Government owns a railroad in Alaska and the steamboats running from there to Pacific coast points, and perhaps through the Panama Canal and to both coasts of South America, carrying the commerce, exports and imports, to and from Alaska and the rest of the world on this continent, at least, there is no man alive now, and there never will be, and no combination of them, that will ever have the audacity or the effrontery to enter into competition with the resources of 100,000,000 people managed by politicians, for that is the way Government ownership and operation is going to be managed.

When I say "politicians" I do not mean to reflect on anybody. Politics is a respectable calling. It is the science of government. The only way the Government can operate anything is by employing men to do it, and this is a Government of One party beats the other party and takes possession of the Government, and mans and equips the agencies of government with its adherents. If we pass laws to provide that those operatives shall be permanent, and shall be maintained during good behavior, and of efficiency and demonstrated capacity, the minute a party that has been out of power long enough to get hungry enough gets in, I will not say by one pretext or another, but by one theory of policy, irrespective of what might have been their theory when they made the platform upon which they arrived at their destination, we see that suddenly the expert and qualified operatives who have had the experience and who have the capacity are suddenly stricken with inefficiency, and those who have never had any experience in the matter are the most efficient, and they get the jobs.

Mr. WILLIAMS. I wish to ask the Senator if he sees any large movement of that sort going on now?

Mr. BRANDEGEE. I have not seen any large movement, but I have seen a good many alleged attempts and a great deal of literature upon the subject, and I have seen two bills passed in Congress by the votes of the party of the Senator from Mississippi which have done that to a certain extent.

Mr. WILLIAMS. I make the inquiry because I have been anxiously awaiting the rising of the sun of patronage, and it has

not risen yet.

Mr. BRANDEGEE. I have not the slightest idea that enough will be released to satisfy the appetite. Do not let the Senator from Mississippi misunderstand me. I think there will be wail-ing and howling in his State and in his neghborhood long after they have gotten all they can.

Mr. NORRIS. I am very thankful to the Senator for yielding the floor to me. [Laughter.] I will proceed now, and I will reciprocate when occasion arises.

Mr. President, I hope I shall not be interrupted again. I should like to conclude. Every time an interruption comes it seems to me it necessitates something of a reply; but before I undertake to reply I want to do what I started to do when I closed about an hour ago. [Laughter.]

In answer to the request of one of the Senators, I want to give a list of the steamships that were and are operated by the Panama Railroad Co. There are six, as I gather from this report, only two of which are owned by the corporation. Four of them, having a gross tonnage of from nearly 7,000 tons to nearly 10,000 tons, are chartered steamers. Two steamers, one of nearly 4,000 tons and one of nearly 3,000 tons, are owned by the corporation, the Panama Railroad Co.

In conclusion I want to say just a word, while it has not anything to do with the question I am discussing, in regard to some of the suggestions made by the able Senator from Connecticut. He says: "Suppose we build this railroad in Alaska and it turns out to be a success." Well, that would be a calamity.

Suppose we do build it, and it turns out to be successful.

Mr. BRANDEGEE. The Senator need not worry about that. Mr. NORRIS. The Senator evidently is not worrying about it, but he is nevertheless somewhat fearful that it might be.

Mr. BRANDEGEE. Oh, no; if the Senator will pardon me, I never said anything of the kind, if I was in my right mind.

Mr. NORRIS. I can not answer for that, but I think I know what the Senator said.

Mr. BRANDEGEE. I did not say anything about success. said if the Government operated the road and the steamship line nobody would be audacious enough to attempt to compete with them.

Mr. NORRIS. Yes; the Senator said that, but I think the Senator will find he said "Suppose we build this railroad in Alaska and it turns out to be a success," or, "turns out success-

ful," or words to that effect.

Mr. BRANDEGEE. Oh, no. I did say, however, that if it turned out to have a deficit it would have to be paid for out of the Treasury

Mr. NORRIS. Nobody has denied that. Mr. BRANDEGEE. I did not anticipate its success, in my

wildest imagination.

Mr. NORRIS. I am not claiming, either, that it would be a financial success, at least for several years. Perhaps, it will be. I hope so. I think we are warranted in developing that great country, however, and opening up these coal fields, even though we know in advance that the railroad is not going to be a financial success.

But the Senator is also in error, I think, when he fears that if this bill as proposed to be amended should pass, particularly the amendment of which I am speaking, there would be danger of partisan political control of the corporation that would of partisan pointical control of the corporation that would operate the ships. The proposition is to lease these ships to the Panama Railroad Co., a corporation that has been in operation ever since the beginning of the digging of the Panama Canal, and I have not heard, and I do not believe any Senator here has heard, of a single instance in all those years in the operation of that corporation that politics has controlled the appointment of any official or the operation or transactions of the corporation. A corporation owned by the Government with that kind of record, the efficiency of which has never been questioned, can, I think, be trusted to operate these ships in the development of a trade that we are all anxious to develop, and a trade that is now in control of European officials.

If it be unconstitutional, the remedy of the Senator from Connecticut will still exist after the bill is passed. I think it is conceded that the bill, even with the amendment that I have proposed, is constitutional. So I do not believe that that enters into the proposition. It is, in my judgment, a different proposition from entering a field that is now already supplied with commercial facilities. It is entering a great field of transportation that we have been trying for years and years to develop and in which we have made no headway. Private parties have not been able to do it, have not done it, and are not doing When private capital does undertake it, especially where there are but a few ships engaged in the trade, and gets a monopoly of the trade, then exorbitant rates are charged, the people must pay unreasonable rates, and business does not expand or develop. I do not believe that the Government would undertake to destroy any other transportation company if it went into the business, but it would prevent monopoly by making fair rates. When the trade with South America developed in the development of the south America development. making fair rates. When the trade with south America develops, if it ever does, there will spring up in various Atlantic and Pacific ports ships that will engage in this trade owned and operated by private parties. This, in my judgment, will develop a trade that we have been for years trying to develop, and will induce private parties to go into the business.

Mr. GALLINGER. Mr. President—

NORRIS. I hope the Senator will let me conclude. I am about through.

Mr. GALLINGER. I will.

Mr. NORRIS. Although I will yield for a moment to the Senator, if he desires.

Mr. GALLINGER. I was about to suggest to the Senator

that his hope in that respect is chimerical, for the reason that we can never operate ships to South America or to any other foreign country in competition with Germany, France, and England, with their subsidized lines of steamships, running them at

so much less cost than we can run an American ship.

Mr. NORRIS. Now, let us put that argument right up against the argument of the Senator from Connecticut and the Senator from Mississippi, who say, if we go into the business ourselves, private parties can not go into it because they can not compete with us while we are backed up by the Treasury of the United States. Now, the Senator from New Hampshire says that the Government of the United States can not make a success of it. If that be true, then it never will be developed by private parties who, according to the other two Senators, are handicapped away beyond the United States Government. If the Government of the United States could not develop the trade by the ships operated by the Panama Canal Co., then there would be no use for private individuals to undertake it. Hence there would be no objection to this bill on the ground that it would interfere with private parties operating similar lines.

Mr. GALLINGER. I do not think it will interfere much with private parties, but I believe it will be a losing venture on the part of the United States.

Mr. NORRIS. The Senator, I take it, was anxious that we should provide by law for the proper kind of assistance to private ships that should operate between these same points, and that we should pay it out of the Treasury of the United States.

Mr. GALLINGER. Yes; for the transportation of the mails, Mr. NORRIS. These vessels would transport the mail and probably at a less cost than we would have to pay to the subsidized ships that have been provided for in any ship subsidy

bill that has ever yet been proposed.

Mr. GALLINGER. I will interrupt the Senator but a moment further. It is in line with my suggestion for amending the provision. The ocean mail act of 1891, under which we are paying a subvention—I do not call it a subsidy; it is a payment for transporting the mails, perhaps a little larger than the actual cost of transporting them—has several provisions in it that I think ought to be in this amendment; for instance, "that the vessels employed in the mail service under the provisions of this act shall be American-built steamships, owned and officered by American citizens, in conformity with the existing laws, or so owned and officered and registered according to law, and upon each departure from the United States the following proportion of the crew shall be citizens of the United States," and so forth. I will not read the necessary definition.

And further:

That all steamships of the first, second, and third classes employed as above and hereafter built shall be constructed with particular reference to prompt and economical conversion into auxiliary naval cruisers, and according to plans and specifications to be agreed upon by and between the owners and the Secretary of the Navy, and they shall be of sufficient strength and stability to carry and sustain the working and operation of at least four effective rified cannon of a caliber of not less than 6 inches, and shall be of the highest rating known to maritime commerce.

Further, the speed of the vessels is provided for. One of these boats is to be a collier that can go only 8 or 10 knots an hour. It will be of no service in war.

Mr. NORRIS. It would be a good collier in war, would it

Mr. GALLINGER. It would be overtaken by a sailing vessel of some foreign country. You have to have speed in war; you have to have good ships. We would not think of building a war vessel of 12 knots an hour when England is building them of 22 knots an hour. Of course, they would be of no use to us.

Mr. NORRIS. England has a great many colliers that can

not travel 22 knots an hour. Mr. GALLINGER. That is very true; but the Senator is providing now for vessels, he says in his amendment, which can be converted into auxiliary naval vessels in time of war.

Yes. Mr. NORRIS.

Mr. GALLINGER. I wish the Senator would take the law which is now on the statute books and look it over, with a view of perhaps incorporating some of its provisions into his amendment. If the amendment is to be adopted, it ought to be made as perfect as possible.

Mr. NORRIS. Let me suggest to the Senator, I think most of those provisions are covered, provided we are willing to trust the President of the United States, because it proposes to give the authority to the President, and says that "said vessels

shall be constructed as near as may be so that they will be suitable for use in aid of the Navy of the United States as a merchant marine." My own idea is that if the President, the highest authority in the United States, were instructed to build these vessels with that provision in the law, he would see to it that all the necessary things, so far as they could, in a vessel to be used in general business, were incorporated into the plans and specifications of the ships.

Mr. GALLINGER. But the point I was trying to make, and very likely I stated it very awkwardly, is that the provisions relating to their being used as auxiliaries in time of war ought to be enlarged so that they would be of sufficient speed and be constructed according to specifications of the Navy Department so that these would be actually useful vessels. That is the

point I was trying to make.

Mr. NORRIS. I can not conceive of the President, having authority to do that very thing under the bill, that would not do it. He has authority to do everything by this amendment suggested by the Senator. He is instructed to build them "as near as may be" so they will be suitable for a merchant marine. No one doubts, no one can doubt, that any President would under such a law see to it that all of these essentials were looked after.

Mr. BRANDEGEE. Mr. President, simply a word, replying to a remark of the Senator from Nebraska [Mr. Norris]. Senator from New Hampshire says that these vessels could not compete, in his opinion, with foreign vessels which are subsidized. Of course everyone would agree that they could not compete with them and show the same kind of a balance sheet.

They could not profitably compete with them.

Mr. GALLINGER. That is what I meant to say.

Mr. BRANDEGEE. There is no difference between the Senator from New Hampshire and myself. The Senator from Nebraska has attempted to make an argument out of it, though it were a reductio ad absurdum statement. What I distinctly say is that of course the Government can compete as long as the Treasury will hold out to pay the deficit. It is simply another form to pay whatever is necessary to operate them. If the Senator from Nebraska thinks that that situation would be an inducement for a man of private capital to invest his fortune and put it in an enterprise with which he is being competed by all his fellow citizens combined in the form of the United States Government, I disagree with him about the probabilities: that is all.

It occurs to me that if this steamboat-operation proposition should be a success it will be a success because it gets the business. If it gets the business, it will be because somebody else does not get it. In other words, this Government line will either prevent other lines coming in competition or it will drive them out after they have begun to compete, or else the Government will be driven out; one of the two. They can not exist side by side. If the Government stands ready to take all the business that offers between Alaska and the Pacific coast and South America, it is bound to furnish facilities for doing it.

We start with the number of ships provided for by the Senator from Nebraska. If those are not enough to attend to the business, the next Congress will authorize more to be built, if that is the policy of the Government, and the Government is going to attend to this business. If it is the policy of the Government that that business ought to be attended to as other business is attended to and let private capital go in and operate, where it does it can make some money; and then the Government ought to keep out of that business. I do not think we can have both successfully. The Government is either going to succeed or fail in it. It will not fail as long as the people will stand the operation of the unprofitable business.

The Senator from Nebraska has also alluded to the fact that I said there would be danger of political manipulation about the operation of these boats. Of course I do not think there will be any particular trouble about the manning and equipment of the boats, but what I mean to say is that they are to be run as every other Government activity is run, by human beings here in Washington at the heads of the departments, and with changes in political control, changes in the personnel of the operative heads of those boats will make a great change

in the business.

The fact that the Government owned and operated the Panama Railroad in Panama should furnish no precedent for this new embarkation in this Alaska scheme. The Government put on most of the steamboats that the Panama Railroad is operating to build the Panama Canal and to carry the material and the people who went there necessitated by that operation and not with the slightest intention of competing with its own merchants or sailors or citizens in the steamship business.

I do not think there is any reason for the Government now extending its operation in steamboat and railroad properties any more than in any other of the activities of life. I think those things had far better be left with all their troubles to private initiative, private capital. If great provinces like Alaska—and if Alaska, I do not know why not the Philippine Islands—are to be financed and exploited by the United States Government, I fear we are encumbering ourselves unwisely.

I do not know why the Government is under any obligation to develop the Territory of Alaska. There it is, a country such as it is, with its limitations, its climate, its difficulties, and with certain wealth to be achieved. It is to be developed. I do not know why it is necessary because the development is slow or the conditions are hard that the Government should rush in and insist upon developing it immediately. If it does not offer sufficient attraction for the people who subjugated the rigors and the difficulties of this country, which was a primeral wilderness, conquering the great American desert—if the Territory of Alaska does not offer opportunities and inducements enough for people who rose superior to the obstacles here in the United States to enter it and develop it, I see no reason why it should not lie idle. Whenever the commodities that Alaska offers become of sufficient value and the people need them badly enough, I have no doubt private capital will be found to go in and develop them and put them upon the market.

Mr. WALSH. Mr. President-

Mr. BRANDEGEE. I yield to the Senator from Montana. Mr. WALSH. Are we to understand from the Senator from Connecticut that he disapproves the policy which prompted the construction of the Cumberland Road by Government appro-

Mr. BRANDEGEE. I do not know. I do not recollect the facts about the Cumberland Road, to tell the truth.

Mr. WALSH. Does the Senator desire us to understand that he disagrees with the policy that prompted the loan of \$55,000,000 for the construction of the Union Pacific and the Central Pacific roads?

Mr. BRANDEGEE. I do not know. I think the Union Pacific was constructed largely as a war measure.

Mr. WALSH. And the Northern Pacific?

Mr. BRANDEGEE. Oh, far be it from me to regret that any of the transcontinental roads were aided by the Government.

Mr. WALSH. I do not quite understand, then, how the Senator takes the position he does in regard to these great works of internal improvement. The Senator's acquaintance with history is accurate, we all know, and extensive. He knows the manner of the construction of works of internal improvement had been the subject of debate in the halls of Congress here for 20 years, and the policy which was adopted prevailed because it was urged that it was the duty of the General Government to give transportation facilities to the extended regions to the west of the Allegheny Mountains and west of the Mississippi River.

Mr. BRANDEGEE. Certainly; the Government aided in the construction of those railroads.

Mr. WALSH. Then what difference in principal does the Senator find?

Mr. BRANDEGEE. The difference in principal I find is that, instead of aiding a company to go and build a road in Alaska, it is proposed to put the Government into the business as a

Mr. WALSH. Then, if I understand the Senator aright, he would give his approval to some form of aid to private corporations to construct railroads in Alaska.

Mr. BRANDEGEE. I do not know whether I would or not. would want to examine the proposition very carefully, if there was one up, I will say to the Senator from Montana, to see first that it was necessary to get the Government tangled up with any at all, to see that the people of this country were suffering bad enough to even authorize Government aid in the operation of a railroad in Alaska; and I would want to know which railroad it was. I would rather not vote for a bill, if my recollection serves me, which states in substance, as this bill does, that the President of the United States is authorized and directed to build railroads from the Pacific coast of Alaska to the interior, by which language the two termini of the road are accurately described and located, and that he shall be authorized to employ anybody he chooses, at any price he chooses, and to use any money in the Treasury not otherwise appropriated from the Treasury for the purpose of paying them. I would rather vote for a little more particular proposition, even for the Government ownership and operation, if that was proven necessary.

Mr. WALSH. I should not have interrupted the Senator at all except that I understood him to lay down the proposition that he was opposed to taking any steps toward the development of Alaska and preferred to allow it to remain there until private enterprise had developed whatever resources may be there and open to development, and provide the transportation facilities which are requisite; in other words, that he was opposed to the policy of Government aid in the opening up of a new and undeveloped territory.

Mr. BRANDEGEE. Mr. President, I think I can agree to a certain extent with the Senator's understanding of my views.

I would prefer, if left to myself, not to embark the Government in the operation of railroads and steamships in Alaska and from Alaska to other countries at the present time. I do not believe that the necessity exists for committing the Government to that proposition. I do not think the country is suffering bad enough at present to warrant it. However, if the country would abide by the result, I would almost be willing to see the Government try the experiment of operating this railroad in Alaska, because, then, it would deter people from advocating the ownership of all the railroads in this country by the Gov-

Mr. WALSH. Mr. President, I can very easily understand and appreciate the attitude and position of the Senator from Connecticut in his antagonism to Government ownership and Government construction or Government operation of a railroad anywhere, in Alaska or elsewhere, but I was somewhat astonished to hear the Senator from Connecticut-and that is why I assert what seemed to me to be in the nature of a statement that he was opposed to making any effort on the part of the Government toward providing transportation facilities, and that he preferred allowing Alaska to remain as it is until private enterprise, unaided in any way by the Government,

would develop its rich resources.

Mr. BRANDEGEE. The Senator from Montana has gone a good deal further in making an extreme statement than what I intended. I say I doubt if the situation at present necessitates the Government going into the building of railroads and steamships in Alaska. I would not say that the Government ought not to furnish any aid or encouragement to anybody or to any proposition to help develop Alaska. I think we have done a good deal, similar to what we have done in our forest reserves. in the way of making trails and roads, and we have done it also in the Philippines, and probably shall never get our money back; but I think there is a great deal of difference between aiding but I think there is a great deal of difference between adding and guiding and helping financially to a certain extent in the development of a country like Alaska and the pitching of the Government in there as the operating proprietor and putting it in charge of all the transportation lines. Even if it would open up the Territory, I doubt whether it would be wise. The trouble about all these things is that we can not tell whether or not they are wise until we try them; and, if they are unwise, we have the whole thing on our hands and have to pay the deficit.

Mr. DILLINGHAM. Mr. President, I intended to speak this afternoon upon the question now pending, but I understand the Senator from Oregon [Mr. Lane] would like to go on now, and as the hour is late I will give notice that at the conclusion of the address of the Senator from Nevada [Mr. PITTMAN] to-morrow

I shall ask the Senate to indulge me.

Mr. LANE. Mr. President, I shall not make a speech, but I would like to call the attention of Senators to some matters which I think will interest them in connection with the construction of a railway from the coast into the interior of

I differ in opinion from the Senator from Connecticut [Mr. Brandegee]. I think if the road were built to the best advantage, if it passed through a fertile country, first reaching the coal mines, and then over into the great Tanana Valley, that afterwards, if it were handled in an ordinarily businesslike manner, it would pay the Government, or that the Government, at least, would not lose money on the investment. I can understand how, if the Government made a mistake and built a piece of railway in connection with some privately owned railway which controlled the outlet to the sca, that it might, in acquiring the title to such railway and its lands, have to pay too much for the property and lose money by it, thus making a poor investment. I can understand, too, how, if it established a line through a particularly rough country, a country such as the Senator from Mississippi [Mr. Williams] was talking about the other day, where it had to go around or cross large glaciers, it would have difficulty in reaching the interior of Alaska except at an enormous expense.

It is the general impression among people who have been in Alaska, at least I have heard it from a number of them, that

the Copper River line-the Guggenheim line, as we term ithas gotten itself into difficulty with a glacier; and if the Government purchased that line I think it would have a troublesome and expensive piece of property upon its hands, for at the rate at which that glacier is now moving the bridge and the property in the vicinity of it will be crushed like an eggshell within the next few years. Upon the other hand, if the Matanuska coal field can be reached by a cut-off from Prince William Sound, to which the Senator from Montana Walsh] called attention a few days ago, with a tunnel, or from Seward on up the valley of the Susitna River, it is not a difficult proposition. You strike within a few miles of the coast into a region where the country is very good; it is a bit too rainy in the summer to be pleasant, yet vegetation grows there to a size and of a perfection which you would hardly believe The soil is rich; the climate is fairly mild. It has the disadvantage of having a very heavy snowfall, yet it has in connection with it, near by, gold mines and also coal fields, and thus offers inducements to people to build homes. route would open up a fairly good country.

If the Matanuska coal fields contain the quality of coal which it is claimed they do, the Government would immediately tap an immensely valuable property. The coal is needed all along the coast; it is not only needed in the interior of Alaska, but it is needed all along up and down the Pacific coast. There would be plenty of freight for a fleet of steamers were they put upon the route if you could get the coal to the coast at not too great an expense. A railroad properly built would follow a water grade to the sea with no glaciers to contend with, I am in-

formed.

If that road then proceeded up by the easiest grade through the Susitna Valley into the Tanana Valley, it would come into a valley which is several hundred miles long. The Tanana Valley, I presume, is 600 miles long, and in places from 100 to 150 miles wide. There are hundreds and thousands of acres of atrich muck land there as lies out of doors. There are also hundreds of thousands of acres of waste land where there are sloughs, the same as in any other country; yet the Tanana Valley, as you go into it on the boats or as you go through it with your dog sleds and look it over, is as beautiful as this

country; indeed, it is a prettier country than this.

The climate is not a bad one; it gets cold there, to be sure. In the winter the thermometer goes down sometimes as low as 50 degrees below zero, the same as it does in Minnesota; but you would not know it. Unless you saw a thermometer you would not know whether it was 10 below or 50 below, for it is that dry cold which does not chill you, as does the humidity of the Atlantic coast. The men in the Tanana Valley to-day who are working the windlasses in the mines on Cleary Creek and around Fairbanks and on the Chatanika and other streams all through that country are working in their shirt sleeves; they are not working with heavy clothing on, for the reason that if they should do so and bring on perspiration the climate is so dry and cold that it would frost them. They keep under that degree of body heat which brings on perspiration. precaution is necessary also in traveling with dogs. The same

Mr. GALLINGER. Mr. President, I should like to ask the Senator what treatment they give their ears when the ther-

mometer is 50° below zero?

Mr. LANE. I will tell the Senator. When the thermometer is 46° below zero I have been surface. dog team in Alaska and carried my ears along with me and brought them back here. [Laughter.] When you are running you must be careful that you do not get too warm. The cap which they wear in Alaska has nothing but a silk top to it. It has no fur on top; it would be too warm if it had, if you -I think the Senator from New Hampshire might require fur on his-you pull the flap of your cap down over your ears. and when your ears get warm you lift it. You have the flaps off your ears about half the time. I will say to the Senator that humidity is lacking; there is a dryness in the air, and if the wind is not blowing one will have no trouble with his ears nor with his fingers or his feet. He must keep them loosely clad and use a reasonable amount of care. The people there enjoy the winter season, I think, a great deal more than they do the summer time.

It would astonish you to know that the flora of that country is of the greatest variety and the most beautiful I have ever The country is one mass of the most beautiful flowers for miles upon miles and for hundreds of miles.

Mr. SMITH of Michigan. That is so up as far as Grant

Land.

Mr. LANE. That may be so; it is certainly true in the portions of Alaska to which I refer.

When they remove the moss from the soil, as one of the Senators explained the other day, the sun in the summer time thaws it out, say a foot the first year, and then down to two or three feet. Then, you have a muck soil, with the sun shining down

upon it 21 hours a day out of the 24.

In the heat of the day you have, say, 90° and the ice two or three feet down melting slowly and furnishing subirrigation, makes it possible to raise there the finest vegetables I have ever seen in my life, and the largest. I have asked a number of Senators here in the last day or two if they had been over to see the exhibit of vegetables from Alaska in room 115 of the Senate Office Building and have not yet found one who had done so. I would like to have every Senator look at that exhibit, and then I would like to have them say, when they return, if in their respective States, whether in the Delta of the Mississippi or the Beaver Dam land in Oregon-and there lies no better land out of doors than that-they can raise better vegetables in their States. We can not do so in Oregon,

They do raise rye in Alaska. In all of northern Europeknow it well-the Russian, the Finn, and the people who live in Siberia eat rye bread; they do not eat wheat-flour bread. Only a small minority of the people of this earth eat wheat Two-thirds of the people of the earth, from the beginning of its history, have never tasted wheat flour. They use other grains; and anyone can live well and sustain life on bread made from rye flour. They raise barley in Alaska and they ripen oats.

I have seen oats ripen there.

People will go in there to live and they will farm. You can not keep them out, for they can grow the grain for the bread The country has game in it; it has fish in it; it is a beautiful country to look at. The hills of the Tanana Valley are covered with spruce timber, sometimes from 100 to 150 feet high and as straight as a pole. They also have beautiful white birch and balsam, once in a while some tamarack, and willows, and behind almost every willow bush, or behind a great many of them, there is a great big snowshoe rabbit, which is good to The rivers teem with salmon, king salmon, if you please, which are as good and fine a fish as the Columbia River chinook, which is considered the best salmon in the world. Then they have the grayling, and they have the whitefish, and you all know, particularly those from portions of the country where whitefish inhabit the streams, that there is no better fish in the world than the whitefish, as there is no fish richer than the salmon. So the people of Alaska have those sources of food

They have, as I have said, a beautiful country to look at; and, in addition, there is always the lure of gold. Sometimes, when you sink your cellar, you discover gold. I have seen a man up there when digging a foundation for his house out on the benches, when he could not get a claim down in the creek bottom, which claims are staked first-I have seen a man in building his house strike a better gold mine than the best gold mine nearer the creek. There is always a chance that you will dig up a pocket full of gold; and that appeals to everyone. It is the most fascinating way in the world to make money. Everybody likes to see a man get it in that way. He does not take it from anyone; there is not any strife or fight for it.

It requires, however, harder work physically than any other method in the world of acquiring money.

There is the great Tanana Valley, as I have said, stretching hundreds of miles, one of the largest valleys that I know of in America. That valley will fill up with a population; you can not prevent it; you will not be able to keep people out of there, whether you build this road or not. But the conditions now are not calculated to bring about settlement. To get there they must either go through the White Horse Pass and down the Yukon River for 2,000 miles, and then back up 300 miles on the Tanana River in order to reach the town of Fairbanks, and then scatter from there, or else they must go in through the Unimak Pass and through the Bering Sea to St. Michaels, then up the Yukon River a thousand miles upstream on that river, and then 300 miles bucking the current of the Tanana River to arrive at their destination,

When the miner arrives at St. Michaels Island with his freight from the outside perhaps he has a stock of groceries or something of that sort, which he needs for himself or his family for a year's supply, and perhaps he has a bit more which he would like to take in to make a profit on. Whatever he has is very carefully looked over by the agent of the only company which operates on the Yukon River. When I was there there were two companies, but now there is only one company, which has the boats to navigate the river. But before I reach that point I will say that the company has trading stations all up and down the river from near the headwaters of the Yukon

to its mouth, and if you have anything which they carry in stock up there and which might come in competition with them, they decline for one reason or another to take your freight along on that trip; you will have to wait for another boat or the next trip, and it is very expensive to hang around St. Michaels Island, and it is a very unpleasant place in which to stay. I do not apply any of my descriptions of interior Alaska to that island, for there even the willow does not grow more than an inch or two inches high. It is nothing but tundra and moss. They may not take the freight for you at all, but if they do condescend to take it the freight charge from St. Michaels to Fairbanks would be \$90 a ton. When you pay \$90 a ton for freight an bacon and flour your freight comes rather high and makes your food cost you considerably. That is the condition that exists there. If you go farther up the Yukon you fare worse. In the meantime you have to pay the freight from Senttle to the mouth of the Yukon River or else through the White Horse Pass down over the White Horse Railway and then down the Yukon and back up the Tanana, where the transportation facilities are in the hands of the same gentleman or some particular friend of his. It is therefore very expensive for people to go in there to mine, and there is not much inducement for them to go in there and become farmers, if you please. They can not afford to ship farm products out of the country.

There are hundreds and hundreds of miles of that country and hundreds of thousands of acres where it is claimed-the Government does not make so large a claim-that anywhere from three to four hundred bushels of potatoes can be raised The Government says they do actually raise 285 to the acre. bushels-I think that was the quotation given here the other day-and that is a better average than we have in continental United States; it is better than the present average in my State; it is not, however, any better than it was 50 years

ago, but we have partly exhausted our soil.

The soil in most of Alaska where they will undertake farming is inexhaustible.

The cut banks of the Yukon, where the breaking up of the ice has exposed the soil, show it to reach a depth of 50 or 60 feet. It is a seemingly rich soil that goes down no one knows how I myself have been down in it 40, 50, and 60 feet to bedrock in mining shafts.

Mr. GALLINGER. The Senator is very interestingly discussing this question. I have endeavored to acquaint myself as far as I could with the agricultural possibilities of Alaska. The Senator is telling us that it is a wonderfully fertile and productive country.

Mr. LANE. Oh, certainly.

Mr. GALLINGER. I have been looking over the reports of Prof. Georgeson, representing the Agricultural Department in that great Territory, and what he says does not agree with what the Senator from Oregon is stating to us. He reports that the soil is not fertile, and that crops can not be raised without fertilizers. That, in a new country, is rather startling

Mr. LANE. It would be to me also.

Mr. GALLINGER. Because virgin soil is usually rich and does not need fertilization.

Let me read just two lines from Prof. Georgeson. He says:

For this reason the soll soon becomes exhausted-

Mr. WILLIAMS. What part of Alaska is the professor talking about there?

Mr. GALLINGER. He is discussing the agricultural possibilities of Alaska, and I think he goes through pretty nearly all of the Territory.

Mr. LANE. That is what I was going to ask.

Mr. WILLIAMS. I want to know what part the professor refers to, because probably Alaska, like other countries, has some parts that are more fertile than others.

Mr. LANE. I will quite agree with him as to other portions of Alaska. There are parts of that country which will not raise much of anything. The Seward Peninsula never will be an agricultural country, and yet it has much gold in it. I am talking at this time of the Tanana Valley and the Susitna Valley. I am sure I am right about the Tanana Valley, for the reason that I have seen vegetables grown there. I have been in the country, and I have seen them. They do raise them.

I say that it is my opinion that owing to the fact that these people, whatever you may say, are forced to pay an enormous tribute to get their tools, their food, and their other supplies into the country, or to get anything out of it; if the Government was ever justified in building a railroad in a new country and helping to develop it, it is justified in this instance, if it builds

the railroad in the right way. In my opinion there should be

some restrictions placed upon it.

I notice that some enterprising gentlemen have heavily shaded what seem to be the preferred lines. Those are the lines which are favored by the commission. I do not know of whom the commission was composed, and I do not understand just what the Government would be doing in building a road to the Matanuska coal field, and then striking off south and west of Mount McKinley to the Kuskokwim, because that is a very rough country, and I never heard anyone say that it had any agricultural possibilities. I have heard that there are going to be opened up in there some wonderfully rich gold-mining claims in the way of quartz ledges, the richest in Alaska. I was told that. I had that tip from a friend of mine who is well posted on that country.

Just what they are doing up there, unless they are hunting for that gold-laden quartz, I do not know. I would not like to see that done unless I knew more about it. I am only speak-

ing of that which I know.

I would not like to see the Government build a railroad up the Copper River Valley. I have been down the Copper River Valley, from near the head of it to Prince William Sound, and there is not much good agricultural country in there. That is a pretty rough country. There is some fair agricultural land there, but it would not pay the Government or anyone eles to bother with it. The railway that was built in there by the Guggenheims was striking for copper. They were striking out for the copper claims up there. That is all right if the Government is going into that sort of business.

I do not see, however, why Senators do not go over to that exhibit and look at it and see what Alaska raises. It is a wonderful country. It is the most attractive one to me that I ever saw. It is a country that puts vitality and vigor into the people who live there. It is even a health resort for tuber-Tubercular cases do about as well there as they do down in New Mexico and Arizona. There is ozone in the air. Then there are the northern lights that come in the fall and winter, those great northern lights, the aurora borealis, that goes over the sky. When you stand out where you can imagine that if you took two more steps you would be right under the north star, and those lights begin to play, you would think the Creator of the universe was right up in that country "marking down the time" and flashing His streamers across the sky and giving instructions to His assistants elsewhere as to how to carry on the affairs of the other spheres. It is the most wonderfully majestic sight, and one that can not be adequately described.

It is a great country, but it has its disadvantages, too, and much of it is bad country. I do think, however, that it is worthy of this attempt that is being made to open it up, and I do not think any mistake can possibly be made if the Govern-

ment uses ordinary intelligence.

I am not afraid of public ownership. We heard this sort of talk in the city where I live when we undertook to take over our system of waterworks. All the prophecies of evil that we have had here were made to us by those far wiser and those who had much more money than we had; but we have run the municipal water system now for many years, and for years and years we have made a profit from it of three or four or five or six hundred thousand dollars a year by the use of ordinary business methods.

Mr. BANKHEAD. Mr. President, before the Senator takes his seat I should like to ask him a question. The Senator from Oregon has given us a beautiful description of the Alaskan

Mr. LANE. It is not all that way. I am talking of especially favored sections.

Mr. BANKHEAD. The Senator has made it all beautiful by his description.

Mr. LANE. No; it is not all beautiful.

Mr. BANKHEAD. The Senator has told us very interestingly about its possibilities. I should like the Senator to tell us something in relation to the coal possibilities up in Alaska-what coal you have, what you can use it for, what kind it is, how we are to get it, and all about it. That seems to me to be an important question here, because I understand the chief purpose of this immense expenditure of public money and this departure that we are about to make is to secure coal from Alaska for use in the Navy and for use in all of the pursuits along the Pacific coast and in the rest of the country where coal is necessary to produce steam. I should like to have the Senator tell us something about the coal of Alaska.

Mr. LANE. All right.

Mr. BANKHEAD. I should like to know if there is any Senator here who has ever seen an analysis of this coal and knows what its qualities are: how much fixed carbon there is in it. how much sulphur, how much ash, whether it will coke, whether it is a good steam coal, and what its qualities are.

Mr. THOMAS. Mr. President-

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Colorado?

Mr. LANE. I yield; yes.
Mr. THOMAS. I simply wanted to say that that matter has been discussed here during the past few days at very great length by the senior Senator from Oregon [Mr. CHAM-BERLAIN], the Senator from Montana [Mr. WALSH], and I think the Senator from Washington [Mr. Poindextee], so that the RECORD is full of information upon the subject.

Mr. BANKHEAD. Just one moment more.

Mr. LANE. Certainly.

Mr. BANKHEAD. I should like to have the Senator from Colorado point me to some statement, some figures, some specific facts, as to what are the qualities of this coal. It is perfectly easy for Senators to get up and declare that there is an immense quantity of coal in Alaska and that it is good for all purposes. It has been stated here without any qualification that it is a magnificent coal for the Navy. That has been disproven by the Navy itself. The Assistant Secretary of the Navy, after a complete test, not only on a battleship but at the testing grounds at Annapolis, has said that it is not fit for use by the Navy. Now, what can you use it for? That is what I want to know.

Mr. CHAMBERLAIN. Mr. President, I think there is a very great difference of opinion as to what was the result of

this analysis.

Mr. BANKHEAD. I should like to see the analysis. Where

are the figures;

Mr. CHAMBERLAIN. As a matter of fact, the figures are in the reports, and many of them have been incorporated in the RECORD. I am afraid the Senator has not been here while the discussion was going on.

Mr. BANKHEAD. I have not seen that, and I want to

Mr. CHAMBERLAIN. Let me suggest to the Senator that some years ago some coal was gotten out of the Bering River field by a coal miner who had a claim up there, and 30 tons of it was put on board the Nebraska and tested. On the test, as evidenced by the report of the lieutenant in charge, it showed for naval use than Pocahontas coal. analysis which was made of the coal from the Bering River field showed that it ranked at least 79 per cent, as compared with 100 per cent for the Pocahontas coal.

Mr. BANKHEAD. That is a very great difference.

Mr. CHAMBERLAIN. Yes; but if the Senator had heard the discussions here he would have found out that there are affidavits filed here which show that the men who went up there and got that coal put into the sacks gravel and everything

Mr. BANKHEAD. I understand that. It is very easy, of course, to get an affidavit; but here is an actual test made by

Mr. CHAMBERLAIN. Yes: of coal that was brought out

on a sledge under very adverse circumstances.

Mr. BANKHEAD. I do not know exactly what the circumstances were under which it was brought out, but they brought it out, and they have made an actual test on a battleship and have declared it to be unsuitable for that purpose. Then they sent it down to Annapolis, to the testing station, and they say it is unsuitable for the use of the Navy.

I do not know whether this coal will coke or not. I do not know whether it is merely a sort of lignite, or something of that sort. We want to know something about it before we embark on all this expenditure of money. Building railroads in the Senate on paper is very different from building them in Alaska on the ground.

Mr. GALLINGER. Mr. President, if the Senator will permit me, we have already appropriated \$150,000 to try to ascertain whether or not this is suitable coal for the Navy.

Mr. BANKHEAD. Yes; so I understand; and they have

declared that it is not suitable.

I should like to have the Senator from Oregon, or some other Senator, tell me who is going to mine this coal. Everybody who has had any experience in coal mining knows that not 10 per cent of the coal mined in this country is mined on the main line of a railroad. Ninety per cent of it is mined on branch roads built out from the main line, some of them quite lengthy. When you have built all these railroads in Alaska, who is

going to mine the coal-the Government? Is the Government going into the coal-mining business? If so, it must open these mines at a very large expense. It is expensive to open coal mines. If you had a coal mine in Alaska with a capacity of 500 tons a day, it would take 100 miners' houses to accommodate the miners, and those houses must be substantially built in

It will cost large sums to open the coal mines. Who is going to do it—the Government? If so, for what? That is the question-for what? To develop the resources of Alaska? That is desirable in a way, of course; but the main purpose is to reduce the price of coal to the ultimate consumers in a very small section of this country. That is the real purpose of it. Nobody will deny that. The Senator from Oregon will not deny

It seems to me that in view of all these things the Senate ought to be very particular about what it does in this particular case.

If we are ready to go into the Government ownership of railroads, this is a fine beginning. If we are ready for the Government to go into the business of mining coal, this is a good start.

If we are going to spend all this money to build some railroads in Alaska to open some mines to be worked by the Government for the purpose of reducing the cost of coal to somebody, why not let the Government mine coal in Pennsylvania, where it can reduce the cost, if it can be done at all, to a very large number of people?

I do not think the Government can do anything as cheaply as a private individual can do it. It can not build a railroad, it can not operate a railroad, it can not open and operate mines as cheaply as a private individual can do it. That is my experience, and I believe it is the experience of every Senator who does me the honor of listening to me.

I would be willing to have the Government guarantee the interest on bonds sufficient to build railroads in Alaska to the extent that the conditions justify. I would be willing to do that, just as we did in the development of this great western country of ours. Then I would open these coal mines on a lease system under proper regulations and restrictions. I would say to private capital, "Here are these lands. We will not sell them. We do not propose to part with our title in them, but we will lease them to you." More than half the coal produced in the United States is mined on the lease system and not by the actual owners of the land.

I hope the Senator from Oregon will pardon me. I shall be through in a minute.

Mr. LANE. All right.

Mr. BANKHEAD. I would say to private capital, "We will lease you these coal lands on a certain royalty under proper The royalty might be 10 cents; it might be 8 cents; or if the coal is of a very high quality-I have heard it suggested that they have anthracite coal there-the royalty might be 25 or 30 cents, depending on the value of the coal.

Mr. WILLIAMS. If the Senator from Alabama will pardon me, if they would add just one other feature to that, they could for all time prevent monopolization.

Mr. BANKHEAD. Why, of course.
Mr. WILLIAMS. That is this: After limiting the number of square feet that should be allowed to go to any one person, natural or artificial, if they would then declare the lease to be a personal license of privilege and then provide that in case the lessee attempted to re-lease it or to sell it the lease should ipso facto fall back to the Government, no corporation could ever gather together many grants and monopolize the production.

Mr. SMOOT. In answer to the Senator from Mississippi I want to say that I have introduced just such a lease bill, and it is now before the Committee on Public Lands. I expect a favorable report upon it from the Secretary of the Interior, and I shall ask the Senate to vote upon that lease bill at the earliest

Mr. BANKHEAD. I am very glad to hear that the Senator has done so. That idea has always seemed to me thoroughly practical, and I have always been of the opinion that a government which has done what our Government has done from the beginning has made a mistake. There ought to be a limitation upon the amount to go to any one person, natural or artificial, and there should be a personal license, nontransferable. With a nontransferable license, a hundred of them can never get into one hand, and it will never become a monopoly.

Of course these lands are all absolutely the property of the Government at this time, and we can make just such regulations as the Government may think necessary to protect the Government, to protect the consumers of coal, and so on. There will be no trouble about that. I do not want to give

my approval-and I doubt if I do-to the idea that we are going to build railroads in Alaska; that whether they are needed for the development or not we must build the roads at an expense of forty or fifty million dollars for the purpose of some kind of development. I do not want to give my approval to a proposition that is going to authorize the Government, even if they go on and build these roads, to operate coal mines

To repeat what I said, and then I am through. I am perfectly willing to vote-indeed, I would be glad to have an opportunity to vote-for a bill pledging the Government for the interest on a sufficient amount of bonds to build the necessary roads in Alaska, just as we did in building the Union Pacific; and we got it all back.

Mr. WILLIAMS. And in the Philippines we did the same

thing.

Mr. BANKHEAD. In the Philippines we are doing it. I can not see any particular objection to that. But this is an entirely different proposition. I think we ought to be very cautious, and we ought to know more about it than we do, although we have had some very extensive and enlightened discussion on this question in the Senate in the last few days. But we building them on paper. We are opening and developing mines here in the Senate on paper. I want to assure the Senate, from some personal experience, that it is a very different thing when you come to build railroads on the ground and through the mountains and tunnels and opening mines with slides and drifts and shafts, and building miners' houses and everything that pertains to the operation of a coal mine. Those are very different things from what we have had here in the Senate in the

Mr. LANE. Mr. President, I will take but a moment more. wish to call attention to the fact that horses will winter out in the Tanana Valley and come out in the spring fat. They can not do that in any climate unless they have good grass. have seen them there in midwinter as fat as butter. We can not do that in the Willamette Valley, Oreg., for the reason that it is a little too damp and the grass is not nutritious. Over in the eastern part of the State they can. I do not think they can do it in this climate, but I may be mistaken. I would not care to put one of mine out on grass in this part of the country in the winter.

I wish to say in reply to the question of the Senator that the cost of building railroads in Alaska is liable to be exag-There are places where it is difficult, and then there are gerated. miles and miles and miles where the ground is as level as a floor. The little railroad which runs out from Fairbanks to Cleary Creek goes through a country where in many places there is good timber alongside the track suitable for ties, and they put the rails down on top of the moss. They did not in many places have to grade or shovel dirt. There are miles and miles where practically there will be no grading at all in the construction of a railway to the interior of Alaska. There will be more cost for the bridging of streams than for anything else.

In relation to the matter of leasing coal mines, if I had a coal mine or a gold mine I would not lease it to anybody. have seen the leasing business carried on in mines, for I have lived in the vicinity of mines all my life. The man who is the lessee of a mine desires to get at the richest part of the mine, the pay streak, and to do as little timberwork as he can, and he "guts" the mine, as a rule, in order to do so.

guts" the mine, as a rule, in order to do so.

Now, in relation to the Matanuska coal, I have heard from people who live there that it is very good coal; that some of it is almost as good as the anthracite of Pennsylvania. not know that that is true. Much of it, I presume, is like our soft coal on the Pacific coast. It is a good steaming coal, but whether it be good enough to drive torpedo boats at a high rate of speed I do not know. It will do on our coast steamers They use that character of coal all over the coast. It will make steam and plenty of it, and it will coke. I am assured of that on what seems to be good authority. However, I will say that if an honest investigation can prove the fact that the coal is not to be of any value to the Government or the people as a fuel, I would not vote to build one inch of railroad to it. But if it is, as I am told, a valuable coal, a good coal as coal goes, and some of it of superior quality-and there is plenty of it, as I am assured, enough to give tonnage to a railroad with a double track—I would, if it were in my power, build a road to it.

Mr. SMITH of Michigan. Before the Senator retires, from his familiarity with Alaska Territory, I should like to ask him where he thinks the railroad ought to be constructed?

Mr. LANE. I am not an engineer.

Mr. SMITH of Michigan. I understand; but the Senator has

some familiarity with the country.

Mr. LANE. If I were going to that country to tap the richest country with the greatest agricultural possibilities and having the largest deposit of the best coal and good gold mines and at the same time get over into the interior of it, into the great Tanana Valley, I would start here [indicating], very near about Cooks Inlet, at the town of Seward, or near there, and cut across here [indicating] from Prince William Sound and go up the Susitna Valley and over the divide. You do not know it when you pass over the divide; it is so low.

Mr. SMITH of Michigan. What would the mileage be? Mr. LANE. That route, I am told, is not to exceed 300 or 350 miles clear on into the valley.

Mr. SMITH of Michigan. In the opinion of the Senator, would that subserve the purpose? Mr. LANE. That would tap the heart of Alaska. That is

my personal opinion.

Mr. SMITH of Michigan. In the Senator's judgment, it would not require more than about 300 miles of railroad?

Mr. LANE. I think that is all. It would not be far from

Mr. SMITH of Michigan. So the claim that there is a necessity for authorizing a thousand miles is a little extravagant. Mr. LANE. They could go as much farther as they liked to

get in here [indicating].

Mr. SMITH of Michigan. I understand.

Mr. LANE. I am talking about tapping the Tanana Valley near the center.

Mr. SMITH of Michigan. Three hundred miles would subserve every requirement for many years to come?

Mr. LANE. I do not know that. If you bring in a line of railroad, the people will rush in there and the products will have to come out. I am only stating that that is the heart of the proposition, as I understand it. In my opinion, that taps the heart of the Alaska country.

Mr. BACON. Will the Senator permit me to ask him a ques-

tion?

Mr. LANE. Certainly.
Mr. BACON. Leaving out of consideration the question of the development of other resources of Alaska, and limiting the inquiry simply to the question of coal, if you had no other purpose now but to run a railroad to the coal fields, those fields that you say have good coal, how much railroad would it require from the seacoast?

Mr. LANE. If you went in through by Seward, something like 120 to 150 miles. Of course, you could cross from Prince

William Sound in probably half the distance.

Mr. BACON. Seventy-five miles?
Mr. LANE. Yes.
Mr. BACON. Yet we are talking about building a thousand

miles to get to the coal.

Mr. SMITH of Michigan. That would be competitive, would it not? Private enterprise already has that country opened up? Mr. LANE. No. You see, the trouble with railroads in Alaska

is this: All quotations from there in recent years have shown that they do not make a profit. The supposition that they do is based, as I have heard the argument, on a false assumption. They begin at the seacoast, but they do not reach anywhere. They do not get on into a productive country. When you get up into the Bering district, off Katalla, the wind whistles off the glaciers 60 miles an hour at times, and it is as cold as ice, and it is a very hard place to make a landing.

Mr. BACON. I understand the Senator to say that 75 miles

will reach the coal fields.

Mr. LANE. I am told so. It is something like that. It may be a hundred miles.

Mr. BACON. Therefore the other 925 miles are not for the

purpose of reaching the coal fields.

Mr. LANE. But you will get up into the interior. Mr. BACON. But the coal question can be developed with

Mr. LANE. That may be; but I will say that I did not rise for the purpose of saying anything which would obstruct the passage of the bill.

Mr. THOMAS. The Senator from Oregon [Mr. CHAMBER-LAIN] requested me to ask, when this discussion was over, that Senate bill 48 be temporarily laid aside.

The VICE PRESIDENT. Without objection, it will be so

ordered.

Mr. KERN. I move that the Senate adjourn.

The motion was agreed to; and (at 6 o'clock and 10 minutes p. m.) the Senate adjourned until to-morrow, Thursday, January 22, 1914, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

Wednesday, January 21, 1914.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the follow-

ing prayer:

We bless Thee, eternal God our heavenly Father, for the spark of divinity which glows in the heart of man, which lifts him infinitely above the animal, makes him a living soul, a progressive being destined to live on forever. Impress us, we beseech Thee, O Lord, with the great responsibility Thou hast laid upon us as individuals and as a people, that we may think and think right, act and act right, keeping ever before us the highest ideals in intellectual, moral, and spiritual attainments, thus moving onward and upward, under the leadership of the Jesus of Nazareth, the world's great Exemplar. Amen.

The Journal of the proceedings of yesterday was read and

approved.

NAVAL HOLIDAY.

Mr. HENSLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by inserting an article from

Berlin on the naval holiday.

The SPEAKER. The gentleman from Missouri asks unanimous consent to extend his remarks in the Record by inserting an article from Berlin on a naval holiday. Is there objection?

Mr. MANN. Reserving the right to object, Mr. Speaker, I

want to say that that is rather indefinite. What is it?

Mr. HENSLEY. It is a dispatch from Berlin which appeared in the press of this country, showing that Germany, instead of being opposed to a naval holiday, is anxious to join the great nations in a plan of this character, in order to relieve their people of the great burden of taxation which is due to the increase in armaments.

Mr. MANN. From some Berlin newspaper?

Mr. HENSLEY. Yes, sir; indicating the position taken by Germany upon the proposition of a naval holiday for one year. It is a short article.

Mr. MANN. I am making no objection.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection. The article is as follows:

THE ATTLEE IS AS IGNOWS.

TIRE OF NAVY "BLUFF"—GERMANS GLAD THAT ENGLAND FAVORS BATTLE—SHIP 'HOLIDAY—SEE PRACE BETWEEN NATIONS—KAISEE'S SEA FORCE TO-DAY AS STRONG AS GREAT BRITAIN'S WAS 10 YEARS AGO, BUT LIMIT IS ABOUT REACHED—WILLINGNESS IN EMPIRE TO FOLLOW WINSTON CHURCHILL'S PROPOSAL.

[Special cable to the Washington Post.1

BERLIN, January 17.

Nothing in the foreign political situation is more pleasing to the German people than the fact that the English-German tension, which at times last year seemed to threaten the peace of Europe, is lessening. It is not quite clear to the Germans whether this is a result of the Balkan drama or, what it is preferred to believe, because the English statesmen are gradually becoming convinced of Germany's sincere love of peace. But whatever the reason, there is refoicing to see that England has discovered that there is absolutely no necessity for her to keep practically her whole naval fighting force concentrated in the North Sea.

SEES PEACE NAVY PROGRAM.

In a talk the writer had the other day with a prominent naval expert, Capt. L. Persius, a frequent writer on naval subjects in the Berliner Tageblatt, he expressed the firm conviction that the way is now open for an Anglo-German agreement restricting naval armaments, as repeatedly suggested by Mr. Winston Churchill. No one can deny the proposed naval budgets of both countries are so gigantic it is to be feared it will be found almost impossible to carry them out.

"About a decade ago," Capt. Persius said, "the British fleet consisted of 61 battleships, with an aggregate tonnage of about 800,000, while the navies of Russia, France, and the United States were about half as strong. Germany had at her disposal 25 battleships, with an aggregate tonnage of 270,000. Now the German Navy program provides for 61 battleships, and at this moment Germany actually possesses 33 first-class battleships of 537,000 tons and 13 battle cruisers and armored cruisers, with a tonnage of 186,000. That is to say, Germany's navy is to-day about as strong as was England's 10 years ago.

GERMANY FORGING AHEAD.

GERMANY FORGING AHEAD,

"If the present program is carried out and the ships antedating the dreadnought period are replaced by modern battleships, the tonnage of our 61 battleships will reach the enormous total of 1,500,000. The new English and American battleships will have a tonnage of from 28,000 to 30,000."

to 30,000."

If Germany considers 61 battleships necessary for her defense, Capt. Persius went on to say, England will certainly need 100. The cost of construction of a modern battleship of 30,000 tons is about \$15,000.000, and it requires a crew of about 1,100. These figures show what enormous heights the naval budgets must reach in a near future. Will the nations really be able to bear this burden?

EUROPE LOOKING ON.

All the other powers fully realize this and let England and Germany fight out their "bluffing match" alone, fully aware that one of them will be forced to give up and that they will be the ones to profit thereby. France's program provides for only 28 battleships and Russia's naval

plans are equally moderate. Italy is satisfied to build one battleship a year. Austria intends to do the same and the United States wisely follows suit. It had been expected that Japan would quickly build a mighty navy after the war; but patriotic though the Japanese are, their papers have stated in no uncertain terms: "The people demand that their real interests be not sacrificed to the Moloch of militarism and marinism." The cries of the Japanese jingoes have been entirely drowned in the storm of popular protests. Brazil has discovered that dreadnoughts are expensive toys and is now endeavoring to sell the ships she was too quick to buy, and Chile is following her example.

WHOLE WORLD AGREES.

Practically every power in the world has admitted that naval armaents have been excessive and that it is absolutely necessary to call a

ments have been excessive and halt.

Remembering the words of Winston Churchill, on November 15 last, that with a little good will much might be accomplished, the whole German nation fervently wishes that the two Governments will show the necessary good will during the present year.

IMMIGRATION.

Mr. GOLDFOGLE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the immigration bill.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the Record on the immigration bill. Is there objection?

There was no objection.

RAILROADS IN ALASKA.

The SPEAKER. This is Calendar Wednesday and the unfinished business is the Alaskan railroad bill. The House automatically resolves itself into Committee of the Whole House on the state of the Union, with Mr. HARRISON in the chair.

The CHAIRMAN. The House is in Committee of the Whole

House on the state of the Union for the consideration of the bill H. R. 1739, of which the Clerk will read the title.

A bill (H. R. 1739) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes.

Mr. HOUSTON. Mr. Chairman, I move that the committee now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. Harrison, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee had had under consideration the bill H. R. 1739, the Alaskan railroad bill, and had come to no resolution thereon.

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent that the time for general debate on the Alaskan railroad bill be limited to five hours and a half on a side after the conclusion of the speech of the gentleman from Oklahoma [Mr. Ferris], one half of that time to be controlled by the gentleman from Oklahoma [Mr. DAVENPORT] and the other half by myself.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that after the gentleman from Oklahoma [Mr. FERRIS] concludes his speech there shall be five hours and a half of debate on each side of this question, one half to be controlled by himself and the other half by the gentleman from Oklahoma [Mr. DAVENPORT]. Is there objection?

Mr. MANN. Reserving the right to object, I suggest that some gentleman on this side of the House ought to have control

of some of the time.

Mr. HOUSTON. We thought the matter of discussion could be taken care of by the advocates of the bill and the opponents without regard to partisan control.

Mr. MANN. I understand; but I do not know who wants

to be heard on this side.

Mr. MONDELL. Mr. Speaker, reserving the right to object, I want to call the attention of the gentleman from Tennessee to the fact that those who favor this legislation have up to this time had between four and five hours more—

Mr. DAVENPORT. They have had six hours.

Mr. MONDELL. Six hours more than those opposing the

legislation. Now the gentleman from Tennessee proposes to have a division of the time without regard to what time has heretofore been consumed. I want to ask the gentleman if he thinks that is a fair division?

Mr. HOUSTON. The gentleman from Wyoming does not state the matter properly. We do not ask for such a division of the time. We propose, in order to compensate for additional time, that the gentleman from Oklahoma [Mr. Ferris] shall have time to conclude his speech before the limitation begins. After that is done, which will set us right, we propose to limit the time.

Mr. MONDELL. The gentleman from Oklahoma [Mr. Fer-RIS] has not suggested that he wants to take all day, and it will be necessary for him to take the entire day in order to average up the time. I think the gentleman from Oklahoma ought to have all the time he desires, but I do not think he desires four or six hours. Therefore I think it would be better

to go on with the debate, and at the conclusion of the debate to-day, perhaps, come to some arrangement in regard to it. But, in any event, whatever debate there is to be from this time forward—and it seems to me there ought to be two full days—ought to be divided so that at the end of the debate each side will have had an equal length of time.

Mr. MURDOCK. If there are enough against it to occupy

that much time.

Mr. HOUSTON. Mr. Speaker, we have agreed, the opponents of this measure and those who are in favor of it, in the committee on this division of time. We agreed to compensate the negative for the additional time we have had in favor of the bill by allowing the gentleman from Oklahoma [Mr. Ferris] to complete his speech, and after that to fix the limitation of time. So far as the question raised by the gentleman from Illinois [Mr. Mann] is concerned, I do not think we will have any trouble about Republicans and Democrats alike getting a fair division of time.

Mr. MONDELL. Mr. Speaker, does the gentleman from Oklahoma expect to consume enough time to equalize the time in debate up to this time, which will be some five or six hours?

Mr. FERRIS. Mr. Speaker, I have not the floor, but I will say that I do not expect to use over an hour and a half; I hope less than two hours. This question is one of making reference to hearings that we can not get over as readily as we would like and that has consumed by former speakers and will by myself consume some more time than one would like. I am sure that I will be through within two hours.

Mr. MONDELL. Mr. Speaker, in view of the statement that the gentleman has made, it is very apparent that there will not have been an equal division of time after he has closed his speech. Therefore it seems to me better to go on to-day, alternating on each side. I suggest an arrangement such as will equalize debate at the end of two days between those in favor of the legislation and those who are opposed to it. That will

leave two days for general debate.

Mr. MANN. Mr. Speaker, it is quite evident that the request of the gentleman from Tennessee [Mr. Houston] would occupy one more day besides this in general debate, and I think likely

run over that.

Mr. HOUSTON. Mr. Speaker, that is evidently correct, and in order that we may get through with this measure and not have such extensive time consumed, it is very important I think that we fix this limitation now. We had agreed on the limitation of time, after allowing the negative side on this question to present their case in as much time as the gentleman from Oklahoma [Mr. Ferris] deems proper to consume. We have reached an agreement of that sort in committee, and I think that will be fair to all.

Mr. MONDELL. Mr. Speaker, I desire to suggest to the gentleman that he put his request so that there shall be general debate on to-day and on the Wednesday following, and that the time be equally divided between those in favor of and those opposed to the bill, taking into consideration the time already used.

Mr. HOUSTON. Mr. Speaker, I am very anxious that we should get through with this matter in a reasonable time. We have reached an agreement that I think is fair, and I shall

insist upon that proposition.

Mr. DAVENPORT. Mr. Speaker, after discussing the matter with the chairman of the committee, I said to him that I would be willing to agree to that. However, I do say that I believe the time should have been equally divided, notwithstanding I told the gentleman a moment ago that if the gentleman from Oklahoma [Mr. Ferris] were permitted first to finish his remarks, I would agree to five hours and a half on a side. Yet those favoring the bill have had six hours and something more than those opposing it, and I feel that this bill is of such importance to the people of the United States that all time necessary for Members of this House to discuss it should be given.

Mr. FERRIS. Mr. Speaker, will the gentleman yield?

Mr. DAVENPORT. Certainly.
Mr. FERRIS. It is true, and I think all understand it, that those in favor of the bill have used about six and a half hours more than those who are opposed to the bill.

The SPEAKER. That is correct,

Mr. FERRIS. But I think there is guite a well-defined reason for that. The gentleman from Alaska [Mr. WICKERSHAM] is the Delegate from that Territory, and in a colloquy between myself and the gentleman from Tennessee [Mr. Houston] on Wednesday last, it was pretty well explained and accepted by the House that the gentleman from Alaska should have more time than the rest of us. I am rather in hopes that the sugges-tion of the chairman will be agreed to. It is undoubtedly incumbent upon the chairman to try and get the legislation through some time, and we have had already a good deal of general debate. And if the gentleman from Wyoming [Mr. MONDELL] should feel that he could agree, even if we have had more time, I hope he will agree to that and let us go ahead.

Mr. MONDELL. Mr. Speaker— The SPEAKER. The gentleman from Tennessee [Mr. Hous-TON] asks unanimous consent that, after the conclusion of the speech of the gentleman from Oklahoma [Mr. Ferris], there shall be 11 hours of general debate, one half to be controlled by himself and the other half by the gentleman from Oklahoma [Mr. DAVENPORT]

Mr. MANN. Mr. Speaker, a parliamentary inquiry. The SPEAKER. The gentleman will state it.

Mr. MANN. The gentleman from Oklahoma [Mr. Ferris] has been recognized in the Committee of the Whole House on the state of the Union for one hour. That is all he can get except by unanimous consent or an order of the House.

The SPEAKER. That is true.

Mr. MANN. If any further time was used by the gentleman, would that come out of the 11 hours?

The SPEAKER. No.

Mr. MANN. It would unless there was some agreement to

The SPEAKER. Of course, if the rule is strictly construed, nobody can speak more than an hour without unanimous con-

Mr. FERRIS. I understood the gentleman from Tennessee

to include in his motion that I have time to conclude.

The SPEAKER. The gentleman from Tennessee included in his motion that at the expiration of the speech of the gentleman from Oklahoma-

Mr. MANN. Why not modify the request and make it seven hours and a half to those opposed to the bill, which will give the gentleman from Oklahoma [Mr. Ferris] two hours, and five hours and a half to those who favor the bill?

Mr. HOUSTON. I am perfectly willing to do that; I am willing to put my request in those terms.

Mr. MURDOCK. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Tennessee this: Under this proceeding, when we began this discussion of the bill those of us who wanted to speak went to the Speaker's desk and put our names in for time. Among those who put their names in was Mr. Falcones, of Washington, Mr. Bryan, and myself. I have had, I think, 10 or 15 minutes' time. Mr. Falconer and Mr. BRYAN are still waiting for time. Are they to have a portion of this time?

Mr. HOUSTON. Certainly, they are to have a portion of the time as limited. They are to have a portion of the 11 hours, if

my request is agreed to.

Mr. MURDOCK. Under this proceeding, I will say to the gentleman from Tennessee, we put our names in and it is within the control of the Chair to recognize whom he pleases.

Mr. HOUSTON. I think there will be no trouble under that.

Those gentlemen will be given time.

Mr. MURDOCK. That is all I desire to know-whether they will be given time or not.

Mr. MADDEN. Mr. Speaker, I reserve the right to object unless some of us who are opposed to the bill have an opportunity to be heard upon it.

Mr. MONDELL. Let me suggest to the gentleman from

Tennesse

Mr. MADDEN. Mr. Speaker, I reserve the right to object unless some of us who are opposed to the bill have an opportunity to be heard upon it.

Mr. HOUSTON. There are seven hours and a half proposed

to be given to those who are opposed to the bill.

Mr. MADDEN. I notice that under the procedure hastily agreed to heretofore those in favor of the bill could get time,

whereas those opposed are left no time.

Mr. UNDERWOOD. If the gentleman will permit, I suggest to the gentleman from Illinois [Mr. Madden] it is entirely within the power of the chairman of the committee to move to close debate

Mr. MADDEN. I understand that.

Mr. UNDERWOOD. And then it will be equally divided.
Mr. MADDEN. I understand that.

Mr. UNDERWOOD. And this grants two and a half hours more to the opponents of the bill than to those in favor of the

Mr. MADDEN. But those in favor of the bill have had two-

thirds of the time already.

Mr. UNDERWOOD. But they are going to be compensated. It seems to me it is an exceedingly fair proposition for those opposed to the bill.

Mr. MONDELL. How can the gentleman undertake to say !t is fair when they have already used six hours more than those

opposed to the bill?

Mr. DAVENPORT. In answer to the gentleman from Illinois [Mr. Madden] I desire to say to him that a number of gentle-men on that side have submitted to me requests for time and have been granted time, and that the time, if we should fix it as suggested now, has all been taken.

Mr. MADDEN. Then I object.

Mr. DIES. Mr. Speaker, I object if it is all taken, for I want to make a speech against the bill.

Mr. SLAYDEN. So do I. The SPEAKER. Objection is made.

Mr. MANN. We had better let debate run for the day. Mr. HOUSTON. Mr. Speaker, I move that general debate on

this bill be closed in 111 hours.

Mr. MANN. The gentleman just agreed to 13 hours.

Mr. HOUSTON. Not 13.

Mr. MANN. Five hours and a half on a side, and 2 hours extra to the gentleman from Oklahoma [Mr. Ferris], which makes 13 hours.

Mr. HOUSTON. That is right. Mr. Speaker, I move that general debate be closed in 13 hours, and that the time be controlled by the gentleman from Oklahoma-Mr. MANN. You can not do that.

Mr. HOUSTON. I make my motion to close debate in 13

The SPEAKER. The gentleman from Tennessee [Mr. Hous-TON] makes the motion to close general debate in 13 hours.

Mr. SMALL. Mr. Speaker, that is the same request to which objection has just been made.

The SPEAKER. The question is on the motion of the gentleman from Tennessee.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. DIES and Mr. FERRIS demanded a division.

The House divided; and there were—ayes 85, noes 39. Mr. DIES. Mr. Speaker, I make the point of no quorum. The SPEAKER. The gentleman from Texas [Mr. Dies]

makes the point of no quorum. The Chair will count. [After counting.] One hundred and fifty-five gentlemen are present; not a quorum. On the last vote the yeas were 35 and the noes 39. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll. Those in favor of limiting general debate to 13 hours will, as their names are called, answer "yea," and those opposed will answer

The question was taken; and there were—yeas 283, nays 66, answering "present" 5, not voting 79, as follows:

YEAS-283.

Abercrombie	Chandler, N. Y.	
Adair	Church	Fo
Adamson	Clancy	Fo
Allen	Clark, Fla.	Fo
Anderson	Claypool	Fra
Anthony	Clayton	Fre
Austin	Cline	Ga
Bailey	Condy	Ga
Baker	Collier	Ga
Baltz	Connolly, Iowa	Ga
Barkley	Conry	Ger
Bartholdt	Cooper	Gil
Bartlett	Cox	Git
Bathrick	Cramton	Gla
Beakes	Crosser	Go
Bell, Ga.	Cullop	Go
Blackmon	Curry	Go
Booher	Dale	Go
Borchers	Davis	Go
Borland	Decker	Go
Bowdle	Deitrick	Gr
Brodbeck	Dent	Gr
Brown, N. Y. Brown, W. Va.	Dershem	Gr
Brown, W. Va.	Dickinson	Gr
Browne, Wis.	Difenderfer	Gr
Bruckner	Dooling	Gu
Brumbaugh	Doolittle	Gu
Buchanan, Ill.	Doremus	Ha
Buchanan, Tex.	Doughton	Ha
Bulkley	Dunn	Ha
Burgess	Dupré	Ha
Burke, Wis.	Dyer	Ha
Burnett	Eagan	Ha
Butler	Edwards	Ha
Byrnes, S. C.	Elder	Ha
Byrns, Tenn.	Esch	He
Calder	Estopinal	He
Campbell	Evans	He
Candler, Miss.	Fairchild	He
Cantrill	Faison	Hi
Cantor	Falconer	Hi
Caraway	Fergusson	Ho
Carew	Ferris	Ho
Carr	Fields	Ho
Carter	Fitzgerald	Hi
Casey	Flood, Va.	Hi
Cases	2.000, 100	-

loyd, Ark, ordney oster owler rancis Hulings Hull Humphreys, Miss. Igoe Jacoway Johnson, Ky. Johnson, S. C. ear Johnson, S. C.
Kahn
Keating
Keister
Kelley, Mich.
Kennedy, Conn.
Kennedy, Iowa
Kennedy, Iowa
Kennedy, R. I.
Kent
Kettner
Key, Ohio
Kindel
Kinkaid, Nebr.
Kinkead, N. J.
Kirkpatrick
Kitchin
Knowland, J. R.
Konop
Kreider
Lafferty
Langley
Langley
Lazaro
Lee, Ga.
Lenroot
Lesher
Lewis, Md.
Lewis, Pa.
Lieb
Lindberg
Lindquist
Linthicum rner rrett, Tenn. rrett, Tex. Kahn rry ttins ass dwin, N. C. oldfogle od rdon rman ulden aham, Ill. ay een, Iowa eene, Mass. eene, Vt. idger iernsey amilton, Mich. mlin ammond ardwick ardy rt augen ayden efiin elm Lindauist Linthicum Lobeck Logue elvering ensley Lonergan McClellan McDermott McGillicuddy McGuire, Okla. McKellar McKenzie nebaugh olland ouston Hughes, Ga. Hughes, W. Va.

McLaughlin Maguire, Nebr, Maher Manahan Mann Mapes Metz Miller Miller Mitchell Montague Moon Moore Morgan, La. Morin Morrison Moss, Ind. Mott Mott Murray, Mass, Neeley, Kans, Nelson O'Brien O'Hair Oldfield O'Learn O'Leary O'Shaunessy

Padgett Paige, Mass. Palmer Park Parker Patten, N. Y. Payne Peters, Mass. Peterson Phelan Platt Plumley Post Pou Powers Powers
Rainey
Raker
Reed
Reilly, Conn.
Reilly, Wis.
Rogers
Rouse
Rubey Rubey Russell Sabath

Seldomridge Sells Shackleford Sherley Sherwood Shreve Sims Silos Sloan Smith, Minn. Smith, Saml, W. Sparkman Stafford Stanford Stanley Stedman Steenerson Stephens, Nebr. Stephens, Tex. Stevens, N. H. Stone Stringer Sumners Sutherland Taggart Talcott, N. Y.

Tayenner Taylor, Ala. Taylor, Colo. Taylor, N. Y. Ten Eyck Thacher Thomas Thompson, Okla. Towner
Townsend
Treadway
Tribble
Tuttle
Underwood
Walker
Walsh Walsh Watkins Watson Whaley Williams Wilson, Fla. Wilson, N. Y. Winslow Young, N. Dak,

NAYS-66.

Aiken Ashbrook Barnhart Barton Bell, Cal. Britten Brockson Bryan Callaway Copley Danforth Dillon Dixon Donohoe Donovan Farr

Lloyd MacDonald Madden Mondell Morgan, Okla, Murdock Nolan, J. I. Norton Page, N. C. Quin Rauch Fess Finley French Gardner Gillett Gregg Harrison Hawley Hay Hayes Henry Howell Humphrey, Wash. Johnson, Utah Johnson, Wash. Rauch Rayburn Roberts, Mass. Rupley Scott Sinnott Sisson La Follette

Slayden Small Smith, Tex. Stephens, Cal. Stephens, Miss. Stevens, Minn. Switzer Taylor, Ark. Thomson, Ill. Vaughan Walters Wingo Witherspoon Woodruff Young, Tex.

ANSWERED "PRESENT"-5.

Browning Davenport

Hinds

Talbott, Md.

NOT VOTING-79.

Ainey Alexander Ansberry Aswell Avis Barchfeld Beall, Tex. Bremner Broussard Burke, Pa. Burke, S. Dak. Carlin Cary Connelly, Kans. Covington Crisp

Curley Driscoll

Eagle FitzHenry

George Goeke Goodwin, Ark. Graham, Pa. Griest Griffin Hamili Hamilton, N. Y. Helgesen Hobson Hoxworth Jones Jones Kelly, Pa. Kiess, Pa. Korbly Langham L'Engle Lever Levy

Edmonds

Gallagher

Loft McAndrews McCoy Mahan Martin Martin Merritt Moss, W. Va. Murray, Okla. Neely, W. Va. Oglesby Patton, Pa. Peters, Me. Porter Prouty Ragsdale Richardson Riordan Roberts, Nev. Rothermel Rucker

Saunders Saunders
Scully
Sharp
Slemp
Smith, Idaho
Smith, J. M. C.
Smith, Md.
Smith, N. Y.
Temple Temple Underhill Vare Volstead Wallin Weaver Webb Whitacre Willis

So the motion to limit general debate was agreed to. The Clerk announced the following pairs:

For the session:

Mr. Scully with Mr. Browning.

Mr. METZ with Mr. WALLIN.

Until further notice:

Mr. Underhill with Mr. Prouty. Mr. Smith of Maryland with Mr. Smith of Idaho.

Mr. SHARP with Mr. PORTER.

Mr. RUCKEB with Mr. Woods. Mr. ROTHERMEL with Mr. PATTON of Pennsylvania.

Mr. NEELY of West Virginia with Mr. Peters of Maine.

Mr. White with Mr. Willis. Mr. McCov with Mr. Vare.

Mr. Loft with Mr. J. M. C. Smith. Mr. Levy with Mr. Moss of West Virginia.

Mr. Lever with Mr. Martin.

Mr. Korbly with Mr. Griest.

Mr. Griffin with Mr. Langham. Mr. Goeke with Mr. Kiess of Pennsylvania.

Mr. George with Mr. Helgesen. Mr. Gallagher with Mr. Cary.

Mr. Covington with Mr. Graham of Pennsylvania. Mr. Carlin with Mr. Burke of South Dakota.

Mr. BEALL of Texas with Mr. AINEY.

Mr. Ansberry with Mr. Burke of Pennsylvania. Mr. Goodwin of Arkansas with Mr. Avis. Mr. Talbott of Maryland with Mr. Merritt.

Mr. CRISP with Mr. HINDS (transferable).

Mr. CLANCY with Mr. HAMILTON of New York. Mr. Webb with Mr. Volstead.

Mr. FITZHENRY with Mr. ROBERTS of Nevada.

Mr. ASWELL with Mr. SLEMP.

Mr. Hobson with Mr. BARCHFELD.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present, and the Doorkeeper will open the doors. The House automatically resolves itself into Committee of the Whole House on the state of the Union.

Mr. HOUSTON. Mr. Speaker, I desire now to submit a request for unanimous consent. It is the proposition we agreed to. The proposition is that 7½ hours of the 13 hours be allotted to those opposing the bill and 51 hours to those in favor of it, the time to be controlled by the gentleman from Oklahoma [Mr. DAVENPORT] and myself, respectively.

The SPEAKER. The gentleman from Tennessee [Mr. Hous-TON] asks unanimous consent that the 13 hours allowed for general debate be divided, 72 hours to be used by the opponents of the bill and 51 hours by the proponents of it, the 51 hours to be controlled by himself and the 74 hours to be controlled by the gentleman from Oklahoma [Mr. DAVENPORT]. Is there objection?

Mr. DIES. Mr. Speaker, I object. The SPEAKER. The gentleman from Texas [Mr. Dies] objects. The House automatically resolves itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 1739) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes, and the gentleman from Mississippi [Mr. Harrison] will take the chair.

The House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the

bill H. R. 1739, with Mr. HARRISON in the chair.
The CHAIRMAN. The House is now in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 1739, which the Clerk will report by title.

The Clerk read the title of the bill, as follows:

A bill (H. R. 1739) to authorize the President of the United States locate, construct, and operate railroads in Alaska, and for other purposes.

The CHAIRMAN. The gentleman from Oklahoma [Mr.

FERRIS] is recognized.

Mr. FERRIS. Mr. Chairman, I ask unanimous consent that I be permitted to conclude my remarks in not to exceed two hours.

The CHAIRMAN. The gentleman from Oklahoma [Mr. Fer-ris] asks unanimous consent to be permitted to conclude his remarks in not to exceed two hours.

Mr. HUMPHREY of Washington. Mr. Chairman, reserving the right to object, does that mean that the gentleman is to consume 2 hours out of the 13?

The CHAIRMAN. The Chair thinks it would be 2 hours out

of the 13.

Mr. HUMPHREY of Washington, Mr. Chairman, I do not want to object, but I would like to know something about the allotment of this time. I am as much interested in this legislation as anyone in the House, not even excepting the gentleman from Alaska [Mr. Wickersham], the Delegate. The other day he had all the time to talk that he wished, and I am glad that he did, and I consented to it; but under this arrangement the Members from the State of Washington, it seems to me, are not going to have an opportunity to talk upon this question. I think that the gentleman from Oklahoma [Mr. Ferris] ought to have all the time that is desired, but at the same time, if we are going to be limited to 13 hours, I think we ought to have some understanding about it. I want to have a little time myself.

Mr. MANN. Mr. Chairman, I suggest that the Chair, who unofficially has knowledge of what has already taken place in the House and who now has charge of the time, will undoubt-edly recognize gentlemen in opposition to the bill for seven and one-half hours and gentlemen in favor of the bill for five and one-half hours, so that the granting of this time would not interfere with the rights of the gentleman from Washington

[Mr. HUMPHREY]

The CHAIRMAN. The Chair thinks that the 2 hours would come out of the 13-

Mr. MANN. Certainly— The CHAIRMAN. And in recognizing the various Members

he will take those two hours into consideration.

Mr. HUMPHREY of Washnigton. Mr. Chairman, reserving the right to object for just a moment, I want to call attention to the situation we are in just now. Here is a bill of vital importance, and five Members from the State of Washington, and five and one-half hours of debate are allowed, and 15 or 20 gentlemen wanting time; and yet, in the face of that fact, without attempting to make any arrangement or adjustment of the time, the chairman of the committee asks that this debate be limited. I want to call the attention of the House to the injustice of that proposition. I am not going to object. I have never made an objection in this House since I have been herefor 10 years.

Mr. Chairman, in view of the tremendous importance of this measure and the great number of gentlemen who are anxious to be heard upon it, I am constrained to

The CHAIRMAN. Objection is made. The gentleman from

Oklahoma [Mr. Ferris] is recognized for one hour.

Mr. FERRIS. Mr. Chairman, I had hoped to dwell historically on Alaska for a few moments, but my time being limited, I will not be permitted to do that. In place of that I wish to thank the gentleman from Alaska [Mr. Wickersham], the Delegate, who gave us a great deal of historical data on last Wednesday about his people and about his Territory.

I concede to any Member of Congress here the right to say as many nice things about his people as he cares to say, and as many hopeful things about the future of his country as he cares to, but living in the West myself, and knowing something of what chambers of commerce and people living in a new State or Territory are apt to say and think and hope for the future, I shall neither be amazed at what he said nor deceived by it.

There are nine railroads or parts of railroads in Alaska, ranging from 5 to 195 miles in length, part of them narrow gauge, part of them standard gauge, with a total trackage of 466 miles, all "busted" and "broke" except three, and trying to sell out.

RAILWAY COMMISSION.

The last Congress authorized the President to appoint a commission to go to Alaska to examine the railroad situation. President Taft appointed on that commission Maj. Jay J. Morrow, Corps of Engineers, United States Army, chairman; Alfred H. Brooks, geologist in charge of Division of Alaskan Mineral Resources, Geological Survey, vice chairman; Civil Engineer Leonard M. Cox, United States Navy; and Colin M. Ingersoll, consulting railroad engineer, New York City. They were directed to report to Congress at the succeeding session their findings. Their work necessarily had to be done with great least and as their report on numerous consistent indicates. haste, and as their report on numerous occasions indicates, they based it on facts, figures, and data collected from rail-roads and other parties on the ground rather than by personal contact, surveys, and investigations. They made an estimate of cost on 16 different lines of railroads, specifically stating that in each of the estimates made no allowance was made for organization and promotion expenses.

I will here insert the commission's estimates and their remarks on construction.

The commission has made a careful study of conditions in Alaska as regards wages, cost of materials, and freight rates. It had at its disposal the results of preliminary surveys of only a portion of the roads considered. Such surveys were lacking on many of the routes, though considerable data bearing on costs of construction were available.

The commission has prepared estimates of cost of construction of all roads under consideration. These estimates are submitted herewith in the order in which the various roads have been described. It will be observed that the cost of the line from Chitina to Fairbanks has been estimated in considerable detail. It is regretted that the other lines could not be treated in the same manner, but this was impossible on account of lack of data, and in these cases the commission was compelled to assume a cost of construction per mile comparable to that experienced m country of similar character traversed by existing lines or estimated for in the Chitina-Fairbanks line, over which the commission actually traveled.

The commission had opportunity to obtain construction results from a number of existing railroads and also to discuss costs with engineers who have had Alaskan or Canadian experience; and it was on information such as this that it based its unit prices for the various classes of excavation, clearing, grubbing, trestles and bridges, masonry work, etc. For equipment the commission assumed the number of locomotives and cars which it believed sufficient to care for the traffic immediately in sight. In all of the following estimates no allowance has been made for organization and promotion expenses.

Estimate No. 1—Haines-Fairbanks route.—This line involves the construction of 638 miles of line, starting at the town of Haines, running in a northwesterly direction through 287 miles of Canadian territory and terminating at Fairbanks.

Cost of construction of this line is estimated at	\$21, 284, 700
Engineering and superintendence, 5 per cent Terminal ground and land damages	1, 064, 235
Telephone	159, 500
Contingencies, 10 per cent	2, 252, 844
struction	2, 230, 315
Rolling stock plus overhead charges	1, 173, 920
	20 405 544

Total 28, 186, 000
Average cost per mile of track 44, 300
Average cost per mile of track 44, 300
There was no profile of this line available, and the above estimate is based almost entirely upon information furnished by the engineer who conducted the exploratory reconnoissance. One member of the commission, having traveled over approximately the same route, was sufficiently familiar with the character of the country traversed to form a general idea of the cost of railroad construction.

Estimate No. 2—Chitina-F	airbanks	route.	
	Quantity.	Unit price.	Total cost.
1. Right of way			
2. Clearingacres	3,756	\$100.00	\$376,000.00
3. Earthcubic yards	2, 190, 535	.40	876, 214. 00
4. Frozen earth or graveldo	1,937,000	1.00	1, 453, 205, 00
5. LOOSE FOCK	208 025	1.00	876, 214. 00 1, 453, 205. 00 89, 100. 00 638, 280. 00
7 Culcorte miles	213	500.00	156, 500, 00
2 Pile and framed tractice	010	000.00	977, 280, 00
9 Rridges (steel and masonry)			464,000.00
0 Tunnels feet	945	75,00	70, 880, 00
1. Ties	901, 440	.50	70,880.00 450,720.00
2. Rails (75-pound) tons	36, 930	65,00	2, 400, 450, 00
8. File and framed tresties 9. Bridges (steel and masonry). 0. Tunnels	110, 180	2.84	2, 400, 450.00 312, 900.00
4. Switch timbers and ties			20,000.00
 Spikeslbs 	2, 253, 600	.05	112,680.00
6. Splice barsdo	4,031,440	.05	201,570.00
7. Track boltsdo	532, 100	.07	201, 570, 00 37, 240, 00 187, 800, 00
18. Track layingmiles.	313	7 000.00	187,800.00
9. Ballastingdo	. 300	1,000.00	303, 450. 00 30, 000. 00
Water stations	16	4 400 00	70, 400, 00
Denote	46	4,400.00 2,500.00	115,000.00
23 Snow fences feet	93.200	34	31,690,00
24. Snow sheds do	15,845	50.00	792, 000, 00
25. Intermediate vards.	. 3	40,000.00	31, 690. 00 792, 000. 00 120, 000. 00
3. Rail sidings, laid feet			269, 000. 00
Cost of construction			10.547.339.00
27. Engineering and superintendence, 5 per cent			527, 367, 00
28. Terminal ground and land damages			20,000.00
29. Telephone			78, 250.00
Cost of construction. 77. Engineering and superintendence, 5 per cent 28. Terminal ground and land damages. 29. Telephone. 30. Contingencies, 10 per cent 31. Interest, 6 per cent on cost during half period of construction. 32. Rolling stock plus overhead charges.			10,547,339.00 527,367.00 20,000.00 78,250.00 1,117,296.00
of construction	and the same of	www.	1, 106, 122.00
32. Rolling stock plus overhead charges			575,000.00
			10 071 074 00
Grand total			13, 971, 374.00
Average cost per mile of track		********	13, 871, 000.00
Grand total. In round numbers. Average cost per mile of track. Estimate No. 3—Valdez-Fairbanks round struction of 101 miles of road from Valctions the route already estimated for the	te.—This	line invol	ves the con
which point to the terminus, 279 miles, thaken from estimate No. 2.	he constru	iction cos	t per mile i
Cost of construction of 101 miles Engineering and superinterdence, 5 per of	cont		934 200
Felenhone	CHT		25 250
Contingencies, 10 per cent			494, 350
Interest on cost, one-half period of const	ruction		489, 406
Telephone Contingencies, 10 per cent Interest on cost, one-half period of const Rolling stock plus overhead charges			25, 250 494, 350 489, 406 174, 225
Grand total, 101 miles279 miles, at \$44,600			
		THE RESIDENCE	
Total, Valdez to Fairbanks			18, 544, 879
in round numbers			18, 545, 000
Average cost per mile of track			48, 800

Estimate No. 4—Seward-Fairbanks route (from Kern Creek to Fairbanks).—This line involves the construction of 391 miles of line, extending from Kern Creek, the terminus of the Alaska Northern Railroad, in a northerly direction to Fairbanks. The use of the existing Alaskan Northern tracks, which run from Seward to Kern Creek, is

Cost of construction of 391 miles Engineering and superintendence, 5 per cent Terminal land damages Telephone Contingencies, 10 per cent Interest on cost, one-half period of construction Rolling stock plus overhead charges	\$15, 382, 004 669, 103 20, 000 97, 750 1, 416, 891 1, 402, 722 719, 440
Total	

Total 11, 707, 960
In round numbers 17, 708, 000
Average cost per mile of track 45, 300
Estimate No. 5—Seward-Iditarod line.—This line involves 344 miles
of new road, the first 115 miles from Kern Creek to Willow Creek
is coincident with the Seward-Fairbanks route. From Willow Creek
it runs in a northwesterly direction 229 miles to the village of McGrath
on the Kuskokwim River.

on the Kuskokwim River.
Cost of the first 115 miles (estimate No. 4; this includes all overhead charges)
Cost of construction of the remaining 229 miles
Engineering and superintendence, 5 per cent
Telephone
Contingencies, 10 per cent
Interest on cost, one-half period of construction
Rolling stock plus overhead charges \$5, 209, 500 9, 746, 000 487, 300 57, 250 1, 029, 054 1, 018, 764 421, 360

1, 841, 300 1, 209, 198 736, 000

Telephone
Contingencies, 10 per cent
Interest, 6 per cent on cost, during one-half period of construction
Rolling stock plus overhead charges

Estimate No. 7—Valdez-Marshall Pass—Copper River line.—This line involves 54 miles of new road. It starts at Valdez and from that town to Marshall Pass the line is coincident with the Valdez-Fairbanks	Junction, 77 miles, the new line is coincident with the proposed Seward-Fairbanks route. The remaining distance of 38 miles runs in an easterly direction to the Matanuska coal fields.
route. At mile 27 this line runs through Marshall Pass, thence in an easterly direction, connecting with the Copper River & Northwestern Railroad at about mile 87 of that route.	Cost of construction of now work outsides as a
Cost of construction of the first 27 miles \$1,507,190 Cost of construction of the remaining 27 miles 1,205,000	Creek to the Matanuska Junction, of 77 miles. \$2,640,353 Cost of construction of remaining portion of line, extending from Matanuska Junction to the coal fields. 1,223,116 Engineering and superintendence, 5 per cent. 193,174 Telephone 28,750 Contingencies, 10 per cent. 408,539
Total cost of construction 2,532,190 Engineering and superintendence, 5 per cent 126,500	rateries, o per cent, on cost during one-nair period of con-
Telephone 13,500 Contingencies, 10 per cent 267, 230 Interest, 6 per cent on cost during one-half period of con-	Rolling stock plus overhead charges 316, 250
Rolling stock, plus overhead charges 93, 150	Total 4, 945, 000 Average cost per mile of track 43, 000 Estimate No. 14—Skolal Pass-White River Branch line.—This route
Total 3, 120, 866 In round numbers 3, 121, 000 Average cost per mile of track 57, 800	involves the construction of 129 miles of new line starting from Mc-Carthy, near Kennicott, on the Copper River & Northwestern Railroad, and running in an easterly direction through Skolai Pass, connecting with the Haines-Fairbanks route near the junction of the White and
Estimate No. 8—Branch from Bering River coal field to Cordova via Katalla.—This line is 93 miles long, 55 miles of which is a pro-	Doujek Rivers.
posed extension. This new line connects with the Copper River & Northwestern Railroad at mile 38, and runs in a southerly direction to the town of Katalla, thence in a northeasterly direction to the	Cost of construction is estimated at \$6,750,000 Engineering and superintendence, 5 per cent 337,500 Telephone 32,250
Bering River coal fields. Cost of construction of this new line is estimated at \$2,099,500	Interest, 6 per cent, on cost during one-half period of con-
Telephone 13, 750	Rolling stock plus overhead charges 222, 525 Total 8 289 202
Interest on cost, one-half period of construction 73, 201 Rolling stock plus overhead charges 187, 000	Total 8, 289, 202 In round numbers 8, 289, 000 Average cost per mile of track 64, 000
Total 2, 700, 249 In round numbers 2, 700, 000 Average cost per mile of track 49, 000	Estimate No. 15—Fairbanks-Yukon extension.—This route involves 115 miles of new line starting at the town of Fairbanks and runs in a northwesterly direction to the Yukon River.
Estimate No. 9—Branch from Bering River coal field to Cordova via Lake Charlotte.—The total length of this tine is 76 miles, 38 miles of which will be new road. This new line connects with the Copper River & Northwestern Railroad at mile 38, and runs in an easterly direction	Cost of construction \$3,775,000 Engineering and superintendence, 5 per cent 188,750 Telephone 28,750 Contingencies, 10 per cent 389,250
& Northwestern Railroad at mile 38, and runs in an easterly direction via Lake Chariotte to the Bering River coal fields. Total cost of construction of this new line\$1,583,334	Interest, 6 per cent, on cost during one-half period of con-
Engineering and superintendence, 5 per cent 79, 167	Rolling stock plus overhead charges 198, 375
struction 55, 176	Total
	Estimate No. 16—Valdez-Matanuska coal-field line.—From Valdez to Mile 55, on the Chitina-Fairbanks route. This estimate is the same as the like portion of the Valdez-Fairbanks route. The remaining 198 miles to the Matanuska coal fields is the same as the like portions of
Total 2, 053, 977 In round numbers 2, 054, 000 Average cost per mile of track 54, 000 Estimate No. 10—Katalla-Bering River coal field line.—This line in-	the Matanuska-Chitina line.
Estimate No. 10—Katalla-Bering River coal field line.—This line involves 31 miles of road, starting at the town of Katalla and terminating in the Bering River coal fields.	Cost of construction
in the Bering River coal fields. Cost of construction of this line	Interest, 6 per cent on cost during one-half period of construction
struction 41. 168	Total 12, 662, 000 Average cost per mile of track 55, 000
Rolling stock plus overhead charges 288, 190 Total 1, 701, 590	No construction work should be begun until adequate preliminary surveys had been run. Topographic surveys should be made over a
In round numbers	No construction work should be begun until adequate preliminary surveys had been run. Topographic surveys should be made over a wide belt of the country traversed, in order that no opportunity may be lost to secure the best possible location. They could be completed in one year, and the commission is of the opinion that the railroads can be built and ready for the operation of trains within three years after the completion of the surveys and after decision as to definite
Grand total 4, 202, 000 Average cost per mile of track, exclusive of terminal 55, 000	can be built and ready for the operation of trains within three years after the completion of the surveys and after decision as to definite location.
Estimate No. 11—Controller Bay-Bering River coal field line.—This line involves 25 miles of road, starting at Controller Bay and running in a northeasterly direction to the Bering River coal field.	There have been presented to Congress measures for Government construction of railways in Alaska which contemplate the use of railroad and construction equipment of the Panama Canal Commission. It is possible that economy would attend the use of this material, but this would depend upon the amount which it would bring it offered for sale in the open market at Panama. The commission does not feel that it would be justified in considering the use of this equipment in its estimates of cost, but invites attention to a memorandum furnished by the Secretary of the Interior containing a list of such equipment as is now or will later become available. This memorandum is made a part of the appendix of the report. In the above estimates, while the time of construction for the trunk
Cost of construction of this line \$952, 313 Engineering and superintendence, 5 per cent 47, 616	possible that economy would attend the use of this material, but this would depend upon the amount which it would bring if offered for sale in the open market at Panama. The commission does not feel that it
Telephone Contingencies, 10 per cent Interest, 6 per cent, on cost during one-half period of con-	would be justified in considering the use of this equipment in its esti- mates of cost, but invites attention to a memorandum furnished by the Secretary of the Interior containing a list of such equipment as is now
struction 83, 204 Rolling stock plus overhead charges 287, 500	or will later become available. This memorandum is made a part of the appendix of the report. In the above estimates while the time of construction for the trunk
Total	roads was assumed at three years, it was considered that the shorter branches and the coal roads could be constructed in one year; interest
In round numbers	items were computed accordingly. Attention is invited to the fact that in each of the foregoing estimates it is assumed that money used in construction bears interest at the rate of 6 per cent; should it prove feasible to obtain these funds at a lower rate of interest an appreciable reduction in first cost would result.
Estimate No. 12—Chitina-Matanuska coal field line.—This line leaves	rate of interest an appreciable reduction in first cost would result. The commission recommends the construction of five lines of
the Copper River & Northwestern Railroad at mile 132 at the town of Chitina; for 55 miles the proposed new line is coincident with the Chitina-Fairbanks route. Leaving that route the line runs in a north-	railroad, as follows: (1) Chitina to Fairbanks, 313 miles; estimated cost, \$13,971,000.
westerly direction for 108 miles to the Matanuska coal fields. Total cost of first 55 miles	It will be observed that this extends the Guggenheim line from Chitina on up to Fairbanks, and it was admitted in all the
Total cost of first 55 miles	hearings, both before the House and Senate committees and by the Railway Commission itself, that that part of the line run-
Interest, 6 per cent, on cost during one-half period of con- struction 233, 962 Rolling stock plus overhead charges 400, 980	ning from Chitina to Fairbanks would not be profitable, due to the fact that there was not sufficient tonnage to warrant the
Total 8, 433, 669 In round numbers 8, 434, 000	construction of a line up through that barren, treeless country. (2) Branch from Bering River coal field to Cordova via Lake Charlotte. 38 miles: estimated cost. \$2.054.000
Average cost per mile of track 51,700 Estimate No. 13—Kern Creek-Matanuska coal-field line.—This line	lotte, 38 miles; estimated cost, \$2,054,000. (3) From Kern Creek to the Susitna Valley, distance 115 miles; estimated cost, \$5,209,000. (4) Matanuska coal field branch, distance 38 miles; estimated cost,
involves 187 miles of new road, starting at Kern Creek, the terminus of the existing tracks of the Alaska Northern Rallroad, and terminating in the Matanuska coal fields. From Kern Creek to Matanuska	(4) Maranuska coal held branch, distance 38 miles; estimated cost, \$1,618,000 (5) Susitna Valley to the Kuskokwim River, distance 229 miles;
and in the management over house, From Acra Oreca to maranusary	estimated cost, \$12,780,000,

		Marine Marine
TAMES TRANSPER	Junction, 77 miles, the new line is coincident with a Seward-Fairbanks route. The remaining distance of 38 man easterly direction to the Matanuska coal fields.	the proposed ailes runs in
	Cost of construction of remaining portion of line, extend- ing from Matanuska Junction to the coal fields	1, 223, 116
PASSING.	Creek to the Matanuska Junction, of 77 miles Cost of construction of remaining portion of line, extend- ing from Matanuska Junction to the coal fields Engineering and superintendence, 5 per cent Telephone Contingencies, 10 per cent	193, 174 28, 750
	Interest, 6 per cent, on cost during one-half period of con-	408, 539 134, 818
	struction Rolling stock plus overhead charges Total	4 045 000
	Average cost per mile of track	43, 000
	involves the construction of 129 miles of new line starth Carthy, near Kennicott, on the Copper River & Northweste and running in an easterly direction through Skolai Pass with the Haines-Fairbanks route near the junction of the Donjek Rivers.	ng from Me- ern Railroad, connecting White and
100 TALES	Cost of construction is estimated at	\$6, 750, 000 887, 500 32, 250
	Interest, 6 per cent, on cost during one-half period of con-	711, 975
	Rolling stock plus overhead charges	934 059
	Total In round numbers	8, 289, 202
	Average cost per mile of track	64, 000
1	Estimate No. 15—Fairbanks-Yukon extension.—This ro 115 miles of new line starting at the town of Fairbanks ar northwesterly direction to the Yukon River.	id runs in a
	northwesterly direction to the Yukon River. Cost of construction Engineering and superintendence, 5 per cent Telephone Contingencies, 10 per cent Interest 6 per cent or cost during openals period of cox	\$3, 775, 000 188, 750
-	Contingencies, 10 per cent	399, 250
	struction Rolling stock plus overhead charges	131, 753 198, 375
	Total	4, 721, 878
	Total In round numbers Average cost per mile of track	4, 722, 000 41, 000
	Estimate No. 16—Valdez-Matanuska coal-field line.—Fro Mile 55, on the Chitina-Fairbanks route. This estimate is the like portion of the Valdez-Fairbanks route. The remiles to the Matanuska coal fields is the same as the like the Matanuska-Chitina line.	m Valdez to the same as maining 108 portions of
	Cost of construction Engineering and superintendence, 5 per cent Telephone Contingencies, 10 per cent	\$10, 255, 204 512, 760
	TelephoneContingencies, 10 per cent	57, 500 1, 082, 546
	construction	THE RESIDENCE
ı	TotalAverage cost per mile of track	55, 000
	No construction work should be begun until adequate surveys had been run. Topographic surveys should be a wide belt of the country traversed, in order that no oppobe lost to secure the best possible location. They could in one year, and the commission is of the opinion that a can be built and ready for the operation of trains within after the completion of the surveys and after decision as	nade over a artunity may be completed he railroads three years s to definite
	There have been presented to Congress measures for Gove struction of railways in Alaska which contemplate the use and construction equipment of the Panama Canal Commis possible that economy would attend the use of this mater would depend upon the amount which it would bring if off in the open market at Panama. The commission does not would be justified in considering the use of this equipment mates of cost, but invites attention to a memorandum furn Secretary of the Interior containing a list of such equipment or will later become available. This memorandum is made the smenday of the report	ernment con- of railroad asion. It is ial, but this ared for sale feel that it in its esti- ished by the at as is now le a part of
	roads was assumed at three years, it was considered that branches and the coal roads could be constructed in one years, items were computed accordingly. Attention is invited to the fact that in each of the foreyout	the shorter ear; interest
	it is assumed that money used in construction bears interest of 6 per cent; should it prove feasible to obtain these fund rate of interest an appreciable reduction in first cost would.	
	The commission recommends the construction of firailroad, as follows:	
1	(1) Chitina to Fairbanks, 313 miles; estimated cost, \$13 It will be observed that this extends the Gugge	

Their estimates of cost for the 16 lines of railroad estimated upon range from \$41,000 to \$64,000 per mile. If all of those lines were constructed concerning which they made a partial or full report, it would require more than \$600,000,000 from the Treasury to construct those lines. But relying upon one of the leading railroad presidents who appeared before the committee in advocacy of this bill, he said it would require 10,000 miles of railroad to develop Alaska. Let us strike a balance of the average cost per mile of \$48.000, and they estimate that to be the average price. To construct 10,000 miles of railroad, at \$48,000 per mile, would take \$480,000,000 out of the Treasury. this House, who have promised the people economy and sane, careful, patient, well-defined government, what does all this mean? I ask you what political platform, aside from the Socialist and the Progressive platforms, ever promised, prior to their election, any such propaganda as that?

This bill appropriates \$1,000,000 outright. It authorizes a bond issue of \$35.000,000 outright, and authorizes the President to do anything and everything he desires to do with that first \$36,000,000. There is a velled suggestion coming from somewhere behind the scenes that from this \$36,000,000 they are going to build three lines of railroad, but no part of the bill, from first to last, limits it to any particular line or any particular feature of construction, and no part of the bill limits the number of miles to be constructed, or offers a word of restraint as to the purchase of these seven defunct, "busted" railroads that are now seeking to sell out. Any attempt to parallel them would be opposed on every hand, so what will probably happen is an unloading of those defunct, worthless roads on the Gov-ernment, which will blast us and plague us.

The Alaskan Territorial Legislature have expressed themselves on this proposition, and in a letter directed to the Secretary of the Interior on April 13, 1913, signed by the president of the senate and six senators, have expressed the gravest doubt about the advisability of the construction of the railroad by the Federal Government.

I will insert this letter in the RECORD at this point:

Alaska Territorial Legislature, Senate Chamber, Juneau, Alaska, April 13, 1913.

TO THE SECRETARY OF INTERIOR, Washington, D. C.

Sin: We are informed that it is a general opinion prevalent at Washington that the people of Alaska are unanimously in favor of a Federal Government owned, constructed, and operated railroad in Alaska.

The majority of the people, in our opinion, are opposed to the principle of Government ownership.

It is true, however, that in order to prevent the depopulation of Alaska we are in favor of any plan or system that will result in the immediate construction of trunk-line railroads in Alaska, as an imperitive necessity to the development of our vast mineral resources and extensive coal fields.

We consider "transportation" the key to the present situation in Alaska.

Alaska. Yours, respectfully,

L. V. RAY,
President of the Senate,
ELWOOD BRUNER,
Senator Second Division,
B. F. MILLARD,
Senator Third Division.
CONNAD FREEDING,
Senator Second Division.
H. T. TRIPP,
Senator First Division.
J. M. TANNER,
Senator First Division.
HENRY RODEN,
Senator Fourth Division.

Hon. FRANKLIN K. LANE, Washington, D. C.

I can scarcely think this Congress, irrespective of party and irrespective of any program mapped out in the minds of those here, can realize what all this means. Ten thousand miles of railroad, it is stated in the Senate hearings, will be required to develop Alaska. Ten thousand miles of railroad, at \$48,000 a mile, calls for an appropriation of \$480,000,000. Is there anyone who thinks that by the building of the three lines of railroad referred to the clamor from the Seattle Chamber of Commerce and the various chambers of commerce in Alaska will be stopped? Are the eyes of anybody so blinded to the truth as to believe that this \$36,000,000 which we are now proposing to appropriate will be the end? Not at all. It will merely whet and sharpen the appetite of every other chamber of commerce, of every other town-site booster, of every promoter up there to come down and claim their part.

What is the history of appropriations in this House? Look at them. Look at the Army and Navy. Look at the rural-route appropriations, which started in a few years ago with \$30,000 or

\$40,000 and now amount to \$45,000,000.

Tom Reed and his entire Congress were swept off the map because they appropriated a billion dollars in a single Congress saying that there was not a single acre of land granted in aid of two years. We are appropriating more than a billion dollars

every session of Congress, and we are asking to be retained from an economical standpoint and on a platform of economy.

I do not blame my good friend the gentleman from Kansas, Vic Murdock, and his Progressive Party for advocating this scheme. But I should like to have a Republican or a Democrat step up here and say that he advocated the Government ownership of railroads in any platform that he ever ran on, at any time, at any place, or anywhere. The Bull Moose Party are so few in number and so far from power and responsibility they can advocate anything. They were organized to destroy the regular Republican Party. That is done. Their mission is

Mr. BRYAN. Will the gentleman yield? Mr. FERRIS. For a question. Mr. BRYAN. Will not the gentleman admit that Mr. Bryan, Secretary of State, openly advocated Government ownership of

Mr. FERRIS. Not at all. I have attended the last four or five national conventions, and nowhere, except in the platform of the Socialists or the Progressives, has there been any plank on the Government ownership of railroads. The courageous Secretary of State has had much to do with the making of each one of these platforms, and if he desired Government ownership in them it would undoubtedly have been inserted.

Mr. BARTLETT. V. Mr. FERRIS. Yes. Will the gentleman yield?

Mr. BARTLETT. I know that the gentleman is familiar with what I am about to ask him.

Mr. FERRIS. I do not know about that.

Mr. BARTLETT. One suggestion that has been made here, and as an argument why we should build this railroad to develop Alaska, is to compare it with what we have done in the matter of railroads in the Philippines. Is it not a fact that the Government of the United States has not at any time guaranteed any bonds of any railroad in the Philippines, but that the Philippine Government alone is responsible for them?

Mr. FERRIS. I think that is true. I have not given that close attention recently, but this is undoubtedly our first at-

tempt in anything of this kind.

Mr. GARRETT of Tennessee. If the gentleman from Oklahoma will allow me, that is absolutely true. Congress permitted the Philippine Government to guarantee the bonds, but the United States did not guarantee them.

Mr. BARTLETT. I do not want to take up the gentleman's

Mr. FERRIS. I endeavored to get some additional time, but

did not get it.

Mr. BARTLETT. That was one of the reasons and one of the arguments given by the advocates here, that we were doing this thing in the Philippines, and I want it to appear in the RECORD, and I knew that the gentleman from Oklahoma was familiar with the matter.

Mr. FERRIS. The Government is not doing it in the Philippines, neither are they doing it anywhere else. They have heretofore granted to railroads a large amount of land, which is a blot on the Nation's history, and no man can defend it. All through this debate that has been offered as a precedent as to why we ought to do this, but instead of being a precedent in favor of it it is a hideous, ghastly, blighting precedent against it, and we ought not to need anything more to make us realize it.

The proponents of this legislation offer as a precedent for this bill that the Federal Government has heretofore granted 159,-125,734 acres of the public domain to the railroads of the country to encourage them in railroad building. I pause to call attention to the cold but stolid fact that this acreage, at \$10 an acre, would bring an amount of \$1,591,257,340 of the people's money; I pause to again call attention to the somber fact that this was the granting away of homes of 40 acres each to 3,988,143 homeless American families; I pause again to ask if such a precedent is sufficiently encouraging to warrant us in supporting the Alaskan railway bill. So far as I am concerned, I am opposed to any more land grants, and I think the records will show that the land grants of this country, by which the railroads were enabled to sell at extortionate prices and on harsh terms to bona fide home builders the lands received gratis from the Federal Government, is a blot upon our history and would serve only as a condemnation rather than as a precedent to proceed further upon the same line.

My good friend from Alaska [Mr. WICKERSHAM], who is able, bright, and brilliant, made a noble fight for his people, and I am glad that he did; but he toek occasion to whack my colleague and myself and my State over the fact. This morning I secured from the General Land Office a letter which I have here, time to read the letter, for our State is not on trial. We are not asking the Federal Government to appropriate \$36,000,000 in aid of any railroad project.

It is doubtless important to this Congress to know exactly what is proposed to be done here. It might also be interesting to know just who wants the Federal Government to build this line from Chitina to Fairbanks. We are fortunate in having so good an authority as ex-Secretary of the Interior, Mr. Fisher, to quote from, wherein on page 141 of the Senate hearings he illuminates quite well, though possibly unintentionally, the real situation in Alaska. The exact colloquy is as follows

situation in Alaska. The exact colloquy is as follows:

Senator Walsh. Mr. Secretary, does not that condition, with the immense wealth of agriculture and mineral deposits, in that neighborhood offer the most inviting kind of a field for the construction of a railroad by private enterprise?

Mr. Fisher. No; it does not, for this reason, Senator: The difficulty is that the people that are asked to build this railroad will say:

"Alaska is a long way off and we are not satisfied with the return on our investment in Alaska that we would be satisfied with in Indiana, Iowa, or Montana. We want a great deal more if we are going to put our money in up there. We do not see where we are going to get it. It may be that in the course of time there will be traffic developed which will justify it, but it is a long wait, and we do not know; we will proceed tentatively. We will develop up to the Matanuska field, then we will stop, and we will wait to see what happens."

The result is nothing happens except in the most casual fashion. As I said before, it is a vicious circle. You never get any place. You have got to get your transportation in advance of development, and the financial interests that have been concerned so far have no disposition to do it. I have talked with the representatives of the people interested in the Copper River Railroad. They talked very sensibly about it. They say, "We do not care to extend from Chitina over to Fairbanks, because it would not pay." Why have they built that railroad? They have built it because they were interested in the Bonanza copper field up at Kennicutt, and they figured there was enough copper ore up there to justify putting in the road that far. They came up to Chitina and came up the Chitina River to Kennicutt and built the road. It cost them, so they say, approximately \$20.000,000, You say, "Build it from here" [indicating]. They say, "That is an awful way off, and we do not see the justification for it at all. We do not care to do it." I have asked them, "Do you care to give a

we do not want to do that; we have had our dose in Alaska. Our present investment is not particularly encouraging, and we do not care for more."

What they would like to do would be to have the Government build a road from Chitina over to Fairbanks.

Senator Walsh. That is quite obvious.

Mr. Fisher. That is one reason why I have advocated the Government taking over this road from Seward, this 72 miles, and extending this other road. I have not much use for this feeder system, the Government building the feeders and the privately owned trunk line getting the advantage of them.

Senator Walsh. If you were endeavoring now to interest us as the directors of a private road to construct beyond the coal fields and into the Tanana Valley, what inducements would you hold out to us as the directors of a private road to construct?

Mr. Fisher. If you were a private road, all I could do to you would be to describe as eloquently as I was able the probable future development of the country.

Senator Walsh. That is what I want to know.

Mr. Fisher. I should like to do that. I think the railroad commission has done it as well as men could who wished to be careful about what they said, and have a solid foundation for every statement. They have said what they think can be done. They have said that if private capital builds that extension from Chitina over to there [Indicating], and pays what private capital would have to pay for its money, or would expect to get as a return on its investment, that there is not enough freight visible at the present time to pay the carrying charges, let alone a profit over and above what might be called a proper bond interest for private capital under conditions like that. But they say that if the Government would have to pay on its money and what private capital would expect to pay on its money and what private capital would expect to pay on its money and what private capital would expect to pay on its money and what private capital would expect to pay on its money and what private capital would

Now, let us see what the situation is. Here are the Guggenheim people, who have built their road from Cordova up to From there to Fairbanks the record in the Senate before the Territories Committee shows that it is a wild, barren, worthless, glacial country, and that nothing will grow there and that nothing does grow there. The glaciers have come down from the mountains from time immemorial, and there are huge cakes of ice there 200 feet below the surface, which have each season been buried deeper and deeper as the last glacial formations would come down upon them; so that it is a bleak country of no value. The Government, if it builds that extension, will do one of two things-either buy out the Guggenheim line and be in the attitude of buying out alleged crooks instead of prosecuting them, or building a Federal Government line up there, up through a barren waste, so that the Guggenheims will get the profits and the Federal Government will get the experience. I ask you which one of the horns of this dilemma do you choose? Here comes Secretary Fisher, who says that the Guggenheims refuse to build any farther up there; that they have had enough of Alaska. They told Senator Nelson in the Senate that they wanted to sell the lines. Here is Mr. Ballaine, who owns the Seward town site and was the promoter of the now "busted" railroad 70 miles long. He is here, too, and before the committee seeking to get the railroad taken over. Without becoming personal, there is a lady in my hotel who owns stock which she was induced to buy in a railroad to be built across

Bering Strait from Alaska into Russia, under the sea, beginning nowhere and ending nowhere. Is the Government, of which we are the chosen agents, to be duped, scuttled, and cheated? Are we to allow our Government to be the unsuspecting one?

This new theme of buying out alleged crooks, criminals, and monopolists rather than prosecuting them is a propaganda wonderfully and terribly made. I should prefer, had I my way, that we make use of our clear-headed administration, our welltrained and well-equipped Department of Justice, and see to it that every species of monopoly is crushed out of Alaska; that every monopolist is prosecuted and imprisoned, so that the humblest man in all America may be given an opportunity to lease a piece of coal land and carry on his industry under fair treatment and not admit that we have to buy out the Guggenheim and other defunct Alaskan railroads or to build railroads that will accommodate them in order to ward off the monopoly and oppression of which they stand charged.

These schemers and promoters from up there are going over the country selling wild blue sky stock to people, and they have come down into this House and into this Government with their moving picture shows, and pictures, and chambers of commerce, and they are about to blind the eyes of the clearest-headed men in the House. I will offer some remedies before I get through of how you can open Alaska, and do it without any noise or whoop hooray, and without any breaking of precedents, and without any going back on our party plat-

form or anything else.

Again I quote from Secretary Fisher in the hearings from the Senate. I quote now from a portion which comes after a colloquy between him and Senator Walsh. He says:

I want to say, Mr. Senator, that you would not be interested in it at all as private parties unless you were quite optimistic about the future development and willing to go through a lean period in order to obtain a sufficient return upon your capital. You would figure a loss if you figured the carrying charges upon your investment.

Gentlemen, after all, the Federal Government wants to do its full duty. I want to do my full duty and you want to do your full duty, but at the same time you are Representatives of the people and of the Government, and you should not launch your Government into something that your ex-Secretary of the Interior tells you is not feasible, and you should not put the Federal Government in the attitude of going through a lean period that no private person would be interested in. Appropriations have grown beyond all reason and defense, and some time, somewhere, somebody ought to take unto themselves the painful task of having the Federal Government use a little common sense and head off appropriations that can not be defended from any economic source whatever.

Mr. Chairman, one word about the coal fields. There are but two known coal fields in Alaska that anybody will assert have a merchantable value sufficient to bear shipping expenses to the States. They have a lot of lignite coal up in and around Fairbanks and in the interior of Alaska, but everyone knows that lignite coal will not bear shipping across Alaska, a distance of 400 or 500 miles and then a 1,500-mile water haul to Seattle. The two fields are the Matanuska and the Bering coal fields. Where are they? They are right on the coast, not right on the edge of the water, but one is 25 miles back from the water and the other is about 130 miles back. The construction of 25 miles of railroad will give us water transportation to the Bering field and a distance of 110 miles added on to the Ballaine defunct road, that is now "busted," and which is now on the market on amicable terms by the lamb speculators who want to let loose. I ask my own party, who are charged with responsibility here and who are on trial, what more would you want to do than to build those two extensions if you wanted to build anything? Why appropriate \$36,000,000 to build up through a country that has nothing to invite either private or public capital to construct? I again revert to some of ex-Secretary Fisher's statements. He is not of my party and he is not an official of this day, but I have been a member of the Committee on Indian Affairs and of the Committee on the Public Lands, and I grew quite well acquainted with him. He was before both of those committees many times. I say for him in his absence, and I would say to him anywhere, he is one of the clearest-headed men in this country. Here is what he says:

Alaskan coal is of great value, but its extent and character have been much exaggerated. There are great quantities of lignite and low-grade bituminous coal in several parts of the Territory, but there are only two fields of accessible high-grade coal known in Alaska.

Of course, Secretary Fisher then did not know that the Secretary of the Navy had tested this coal and finds that it is not feasible for naval purposes. I will present those letters in a few minutes. He continues:

Their location is shown on the accompanying map, page 1—which we do not have here. The better known of these two fields is the Bering River field, which is near Controller Bay, and in which the

Cunningham claims were located. It is the field about which the Alaskan controversy has been fiercest and most bitter. The Matanuska field is larger and may prove to be the more important. Both of these fields contain anthracite and high-grade bituminous coals. The question is how they shall be opened so as to promote development and protect the public interests. Before answering that question it is necessary to consider the general conditions that now exist and the real end that we wish to attain. Alaskan coal can be opened so as to enable a larger or smaller number of individuals or groups of individuals to make money out of its development, bringing with this development considerable incidental benefit to the community as a whole through the expenditure of money and the employment of men; or it can be opened on terms which will offer to the operator a sufficient profit to furnish an adequate incentive for his investment and his efforts, but which will result in placing the coal upon the market at the cheapest price consistent with this incentive, conferring upon the community the manifold advantages of cheap fuel and of the development of the many forms of industrial enterprise that cheap fuel renders possible.

That states the case more beautifully than I can state it,

That states the case more beautifully than I can state it, and, if I can have the time, I am going to state how this can be done without the construction by the Government of any road. Again, it will be observed that 500 tons of that coal has within the last month been examined, been burned, been used on the steamship cruiser *Maryland* in the test, and in addition to that a test has been made down here at Annapolis, where that coal has been washed and screened and given all possible advantages of the test. Let me read what the Secretary of the Navy says in a letter addressed to my colleague [Mr. DAVENPORT]:

NAVY DEPARTMENT, Washington, December 15, 1913.

Hon. James S. Davenport,

Committee on the Territories,

House of Representatives, United States.

My Dear Mr. Davenport: The report of the coal investigations in the Bering River fields have not yet been completed. At the present time the progress is as follows: The conditions in the Bering River field have been observed and a large sample of coal mined. It has been estimated that the field contains an adequate supply. The sample of run-of-mine coal contained a much larger percentage of ash than former investigations of the field indicated, and possibly on account of this large ash content and the clinkering of the coal the test by the U. S. Maryland proved that run-of-mine Bering River coal is unsuitable for naval use. A portion of the coal was screened and washed at the naval engineering experiment station, Annapolis, Md., and an evaporative test will be made on December 17 and 18 to show whether the washed and screened coal from the Bering River field is suitable for naval use.

The department regrets that your letter was not received in time to forward you this information at the hour requested by you.

Sincerely, yours,

JOSEPHUS DANIELS.

JOSEPHUS DANIELS.

Now, let me read what they say after they made a test at Annapolis:

NAVY DEPARTMENT, Washington, December 27, 1913.

Washington, December 27, 1913.

Hon. James S. Davenport, M. C.,

House of Representatives.

My Dear Mr. Davenport: The preliminary report of the tests of Bering River washed and screened coal at the engineering experiment station, Annapolis, Md., notes that under similar conditions Bering River coal produced only about 75 per cent of the power gotten with Pocahontas.

The department, therefore rates with

The department therefore notes with regret that the Bering River coal sample has thus far proved unsuitable for naval use.

Sincerely, yours,

FRANKLIN D. ROOSEVELT,
Acting Secretary of the Navy.

I ask with what bland complacency those gentlemen in favor of this bill can go along claiming this is the place to establish a naval base. I ask what becomes of the argument that was the sole moving cause that undoubtedly interested the President and the Secretary of the Interior. Though not endeavoring to quote them here or without any brief for them, the fact was it was a place from which they could ship naval coal, and I want to call attention to the fact that Josephus Daniels, Secretary of the Navy, in the report so recent that he can not be mistaken about it, says it is not naval coal, and he regrets very much that it is not suitable. But that is not all.

Mr. LENROOT. Now, the gentleman wants to be fair-Mr. FERRIS. I do.

Mr. LENROOT. That applies only to the Bering field coal. Mr. FERRIS. Oh, absolutely; but the Bering field has been considered better than the other.

Mr. LENROOT. Quite the contrary.

Mr. FERRIS. I do not want to enter into an argument with the gentleman; I can not do so in the time I have; but I have plenty of reports to show the two fields are on a parity, and many assert the Bering is the better.

Mr. BOOHER. Will the gentleman yield?

Mr. FERRIS. I will.

Mr. BOOHER. From what field was the coal obtained that

was tested at Bremerton?

Mr. FERRIS. I am not acquainted with the Bremerton tests. Is that one of these?

Mr. BOOHER. That is from the Matanuska field, and held to

be the best naval coal in the country.

Mr. FERRIS. I am not familiar with that test; but I am referring to the test which was held at Annapolis, which says they used 500 tons, and it is not feasible coal. It was examined at Annapolis as recently as December 18-19, 1913, and this other letter relative to the Annapolis test is of date of December 27, and it shows it did not bear the test.

Mr. BOOHER. I thought the Matanuska coal was decided

by test to be the best coal.

Mr. FERRIS. I am not acquainted with any such report, and it must be of a more ancient origin than this.

Mr. MANN. Is the gentleman aware the Secretary of the Navy has recently reported that the Navy Department ought to

mr. FERRIS. I am, and I am going to read a letter here in relation to it. Might I not have more time? I am going to hurry through. Mr. Chairman, I ask unanimous consent that I may be permitted to conclude, which will only run a little over

my time.

Mr. MANN. How much time would the gentleman desire

over the hour?

Mr. FERRIS. I would like to have authority to finish within the two hours, if I can, and I will try to finish within Mr. FERRIS. an hour and a half.

Mr. MANN. I will again ask unanimous consent that the gentleman have an hour's extra time if he needs it.

gentleman have an hour's extra time if he needs it.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the gentleman from Oklahoma have an hour's additional time. Is there objection? [After a pause.]

The Chair hears none, and it is so ordered. [Applause.]

Mr. BATHRICK. I would like to say gentlemen appearing in connection with the hearings before the Naval Committee

stated that this coal could be used in time of peace and was

among the best used.

Mr. FERRIS. I will say in response to the gentleman I do not know what happened before the committee; you can get anything you want before a committee, but here we have a statement from the head of the department that the Secretary of the Navy says, in two letters dated in December, 1913, both of them, that the coal is poor, inferior, and not suitable for naval use. That settles it, as far as I am concerned. am not interested in what was said by some enthusiast before a commercial club or before a committee or anywhere else, but what the Secretary of the Navy says is what interests me and he has stated in writing his views. Now, if the gentleman will let me proceed, I will do so.

Again, as has been suggested by the gentleman from Illinois, and he merely anticipated what I was going to say, because I have the letter here, all future battleships are to be built to burn crude oil, and not coal. Not only that, but most all of the battleships now burn oil. To be sure that I make no mistake, let me present a letter on this oil-burner question of

the Secretary of the Navy, as follows:

NAVY DEPARTMENT, Washington, December 15, 1913.

Hon. Scott Ferris,

Washington, December 15, 1915.

House of Representatives, United States.

My Dear Mr. Ferris: The tests of Bering River coal will not be completed until December 18. In general, it may be said that an adequate quantity of Bering River coal exists in that field; that the sample mined contained a much larger ash content than analyses would indicate: that the U. S. S. Maryland's tests showed that run-of-mine Bering River coal is not suitable for naval use; and that the tests at the engineering experiment station at Annapolis are being conducted to ascertain whether washed and screened coal from this field is suitable for naval use.

The Navy has definitely abandoned the use of coal in future fighting-ship design, and all destroyers, submarines, and battleships are being designed for oil burning. There are now built and building 4 battleships, 41 destroyers, 30 submarines, 1 monitor, 3 tank ships, 1 submarine tender, and several tugs and small vessels, all of which are to use oil fuel. Eight battleships burn both coal and oil, and 1 transport and a supply ship will be fitted to burn either oil or coal.

Sincerely, yours,

JOSEPHUS DANIELS.

JOSEPHUS DANIELS

What has become of these bland gentlemen who say that nowhere can such a naval base be found as that contemplated in Alaska? Here we find the Secretary of the Navy telling us, first, that the coal is not good and feasible for naval use, and, second, we find the use of coal in fighting battleships has been totally abandoned. With what consistency can men come here and say that we must appropriate money lavishly, and, I fear, almost idiotically, for a purpose that is so wanting in feasibility and sense and so nonfeasible from every possible view-

Mr. SHERLEY. Will the gentleman yield?
Mr. FERRIS. I will.
Mr. SHERLEY. Is it the gentleman's contention that the
Navy will have no need for coal in the future?
Mr. FERRIS. Not that. They will use some coal, I assume.

There is no question about that.

Mr. SHERLEY. The reason for my question is that they are making provision for a very great supply of coal at Panama, and I was wondering, in view of what the gentleman says, why they are doing it.

Mr. FERRIS. To make sure that we be not mistaken about that, if the gentleman from Kentucky will give me his atten-

Mr. SHERLEY. Certainly. Mr. FERRIS. I have in my hand a letter of December 16, 1913, from the head of the Navy Department, which says the Navy has abandoned the use of coal in future battleship designs.

Mr. SHERLEY. I am not questioning the gentleman's statement. But I was struck immediately on hearing it how it appeared to be in conflict with the policy they are pursuing in connection with the use of coal in Panama.

Mr. FERRIS. I did not know that was true. men, if we do not have coal in Alaska that is suitable for the Navy Department, and we are not constructing any ships to use it, what under high heaven can be the reason for entering Alaska with a Government railroad?

Mr. MANN. The gentleman has not referred to the annual report of the Secretary of the Navy. He goes into the subject matter more thoroughly there than in the letter which the gen-

tleman has read.

Mr. FERRIS. That was made a year or two ago. Mr. MANN. I refer to the annual report of the Secretary of Mr. MANN. the Navy submitted about the 1st of December. He says that every civilized nation that knows anything is trying to abandon coal in the Navy, and that we have the best chance of any of

Mr. JOHNSON of Washington. I want to ask the gentleman if he does not admit that coal that is 75 per cent as good as the Pocahontas standard coal would not be available in the service of the Government on the Pacific Ocean, not only for some war ships, but for revenue cutters, colliers, cable ships, and so forth, and be plenty good enough?

Mr. FERRIS. I assume myself it would be certainly good for some purposes, but I do not know of any better authority to go to than our Secretary of the Navy, who has so recently had tested 500 tons of it—washed it and screened it, gave it every chance—at Annapolis, and has absolutely exploded that view

from every standpoint. Mr. LA FOLLETTE. Will the gentleman yield?

Mr. FERRIS. I will.

Mr. LA FOLLETTE. Can you give us any idea of the depth

at which the coal tested was mined?

Mr. FERRIS. I can not. I have the letters before me. They seem to have gone to great pains about it. They have brought it here to our Naval School and have screened and washed it and given it the highest possible test.

Mr. BATHRICK. I will answer the question of the gentle-

man from Washington [Mr. LA FOLLETTE].

Mr. FERRIS. I will not yield for a side colloquy. make the speech myself. I say that, of course, with due courtesy to the gentleman. I know the gentleman does not want to try to take me off my feet.

Mr. GOULDEN. Will the gentleman yield for just this question? How many tons of coal were brought over to Annapolis and used in that test?

Mr. FERRIS. Five hundred tons, I think; although the let-

ter does not disclose the amount.

Mr. JOHNSON of Washington. If the gentleman will permit, the amount sent east for actual test was but 50 tons, and only

500 tons were used on the coast for actual trials.

Mr. FERRIS. I accept the gentleman's statement, because I think he knows. Now, if there is any reason on earth for building a railroad, we will have to show the reason for hauling something out of Alaska or something into Alaska. That is a bold, but nevertheless practical, statement.

As stated before, that is a bald, frank statement, but I am

going to deal presently with that very statement.

Mr. SAUNDERS. Mr. Chairman, will the gentleman yield? The CHAIRMAN. Does the gentleman from Oklahoma yield to the gentleman from Virginia? Mr. FERRIS. I do.

Mr. SAUNDERS. We have evidence of recent tests showing the inefficiency of this coal. I wish to ask the gentleman whether there are any tests that have shown its efficiency for

Mr. FERRIS. I do not know of any having been had; otherwise they would have been presented here with glaring headlines.

Mr. SHERLEY. How about coal for the use of the Army? How much coal does the Army use in comparison with the Navv'

Mr. FERRIS. I can not make accurate answer to that, but, as I understand, we do not need much coal for the Army posts in Alaska. We have enough coal in the States, at the rate of 400,000,000 tons consumed last year, to last us 7,000 years. The Geological Survey assures us of this by their full and complete reports

Mr. SHERLEY. Well, we have transports for the Army that

use coal.

Mr. FERRIS. I can not answer the gentleman, but I believe that such coal as might be needed for the Army posts in the far West could be transported from Wyoming, where the Geological Survey report for 1908 shows there is enough coal to supply the people of this Republic, at the rate of 400,000,000 tons' consumption a year, for 1,000 years, and that as yet the surface has been but scratched. This, of course, includes Army posts and all sorts of consumption. I take it that we could use that Wyoming coal much more cheaply than by bringing the Alaskan coal down. It is close by-from two to four thousand miles-with railroads and normal conditions present.

Mr. JOHNSON of Washington. That is lignite coal in Wyo-

ming, is it not?

Mr. FERRIS. I am not so sure about that. It is good coal. I have a report of the Geological Survey showing that they have enough coal in that State, with only a mere handful of people, comparatively, to last the people of this country 1,000 years, at the rate of 400,000.000 tons a year.

Mr. HELGESEN. Mr. Chairman, will the gentleman yield? The CHAIRMAN. Does the gentleman yeld?

Mr. FERRIS. Yes.

Mr. HELGESEN. Does the gentleman claim that the test he refers to is a fair test of the value of all the coal in Alaska?

Mr. FERRIS. In answer to the gentleman's question, I will say this, that we have from ex-Secretary Fisher and from all of my associates in opposition to this bill, and from all the hearings and reports that can be got, the general testimony to the effect that there are only two known coal fields in Alaska, the Bering field and the Matanuska, that would justify the expense of shipping coal from Alaska and then incurring the expense of a haul of 2,000 miles for its transportation by water. The books and reports are full of data showing that the Matanuska coal field is on individual property, and that the Bering coal field. according to the reports, is superior to the Matanuska, but the coal other than these two fields is all in the interior of Alaska, and nobody claims that that lignite coal is of any other than local value.

Mr. HELGESEN. Are there not reports on file showing that

there are great quantities of it?

Mr. FERRIS. Secretary Fisher says there are enormous quantities of low-grade lignite around the Tanana and in that interior section of the country, but he states that it is of value only for local purposes.

Now I must proceed. We have, about 50 miles south of Fairbanks, and within 20 or 30 miles from the proposed road from Cordova or along the proposed route from Seward, the Nenana

coal field. I do not know just how that is pronounced.

Mr. WICKERSHAM. Ne-na-na.
Mr. FERRIS. Yes. The Nenana coal field is a coal field where there is an enormous amount of lignite coal. But that is in the interior, where they are holding out the olive branch to us and telling us that we must open it up. Now, everybody knows what lignite coal is. Everybody knows that lignite coal is only good coal for local purposes, and that it is not of sufficient value to warrant its transportation for a long distance. I will read from the hearings an extract of testimony by Dr. Alfred H. Brooks, of the Geological Survey, who was a member of the railway commission, and here, no doubt, is a reference to one of those chamber of commerce pictures. The colloquy between The colloquy between Mr. Wickersham and Dr. Brooks is as follows:

Mr. Wickersham and Dr. Brooks is as follows:

Mr. Wickersham. Have you seen this picture over here [indicating]?

Mr. Brooks. I did not take that photograph. I am a little skeptical about the picture of a coal bed.

Mr. Wickersham. How thick is that bed?

Mr. Brooks. I have measured coal about 20 feet in thickness in this field. That is about the workable limit of commercial mining, so I prefer to think there is no coal quite so thick as indicated by the picture, because I do not think it would be worth much. But whatever may be said about the thickness of any individual bed, there is an enormous amount of coal in the field. Our party made an estimate on the basis of the actual coal in sight—and our surveys were not detailed—of some 9,000,000,000 tons, which is more lignite coal than we estimated in all Alaska at the time we made the reports of the conservation commission. There is an abundant supply of coal there. So far as we know it is all lignite, a fair grade of lignite, and can be used to advantage in local industries.

I hope the House will get that point, because, gentlemen, we have got to produce something in the interior of Alaska; otherwise they do not need a railroad. Reading from the report:

So far as we know, it is all lignite, a fair grade of lignite, and it can be used to advantage in local industries.

Is not that what I told you a moment ago? Dr. Brooks is the best geologist and the highest authority, and both the proponents and opponents of this bill will so insist. What he says ought to have weight here. It is not guesses and horseback opinions, but words from some one who knows-words from a man who is not biased and has no schemes to promote.

Continuing, he says:

It should be used, because they need fuel at Fairbanks very badly, and will need it much worse before many years have passed, because the timber supply has been rapidly used up by the local needs of the community.

So we have Dr. Brooks explaining to us that the only coal they have in the interior of Alaska is lignite. The other two fields are down where they have water transportation. What earthly reason do they have for this proposed Government Do you suppose a ton of lignite coal could ever stand the freight charges out to the coast and then stand 1,500 or 3,000 miles of water shipment? Certainly not. This is not any speculative theory, but this is the theory of Dr. Brooks, of the Geological Survey, who has long been a resident of Alaska, and who was of such high standing that President Taft appointed him on this railroad commission. Both friends and foes of this legislation must recognize him.

I take it it may not be amiss to let the people know, first, how much coal is used annually in the whole United States. I have the figures here, 405,000,000 tons in round numbers. Fifteen million tons come from Alabama, 2,000,000 tons from Arkansas, while California and Alaska, both put together, only produce 11,000 tons. I do not say there is not coal in Alaska, but Alaska is so inaccessible, so far away, that it can not stand the ship-ment charges and never will be able to stand them. With coal enough in the States already located by the Geological Survey to

last 7,000 years, we will never need it.

I will read a table from the Geological Survey giving some statistics on coal production, by States, which might be interesting:

Coal production of the United States, 1911, by States. [Value per ton and price per ton per employee.]

States.	Tons.	Average per ton,	Tons per employees.
Alabama	15, 021, 332	\$1, 27	662
Arkansas	2, 106, 789	1.61	372
California and Alaska	11,647	2.00	012
Colorado	10, 157, 383	1.45	710
Georgia and North Carolina	165,330	1.49	1.10
Idaho and Nevada	1,821	2.68	***********
Illinois.	53, 679, 118	1.11	701
Indiana	14, 201, 355	1.08	670
lowa	7,331,648	1.73	442
Kansas	6, 254, 228	1.54	538
Kentucky	13, 706, 839	.99	628
Maryland	4, 685, 795	1.11	779
Miehigan.	1,476,074	1.89	
Missouri	3,760,607	1.71	444
Montana	2,976,358	1.79	376
New Mexico.	3,148,158	1. 54	770
North Dakota			788
	502, 628	1.43	
	30,759,986	1.03	688
Oklahoma	3,074,242	2.05	350
Oregon	46,661	2.32	
Pennsylvania (bituminous)	44, 754, 163	1.01	860
l'ennessee	6, 433, 156	1.12	601
Pexas	1,974,593	1.66	
Utah	2, 513, 175	1.69	821
Virginia	6, 864, 667	.91	929
Washington	3,572,815	2.29	550
West Virginia	59, 831, 580	.90	896
Wyoming	6,744,864	1.56	851
Total	405, 757, 101		

Now, the possible tonnage: We had the statement in glaring figures here about the products that come from Alaska. What are the facts? More than half the products that come from Alaska are furs and fish that do not need any railroad; that tonnage comes out of the water up there, and nature has supplied water transportation. Let me give you the exact figures. The total receipts of Alaska from 1868 to 1911 in mineral products, including coal, gypsum, marble, and tin, amounted to \$206,000,000, while the receipts for sea food and furs amount to \$222,000,000, making a total of \$428,000,000.

Is there anybody here who thinks we need a railroad into the interior of Alaska, through that cold, bleak, barren country, frozen 200 feet below the surface, in order to haul the furs and fish brought out of Alaskan waters down to Seattle? Ships into it?

will carry them without any railroad. No one would use a railroad for that purpose if they had one. The rest of the products are mostly precious metals with large intrinsic value but devoid of tonnage. Railroads must have tonnage if they succeed.

Mr. HARDY. Do those figures include the fish output? Those figures include the fisheries and furs. Mr. FERRIS.

Now, the real truth about it is that the mineral products of Alaska are beginning to fail, and I will present figures here to show it. There is a marked decrease in the Alaska production The Geological Survey puts out an advance statement, which has later been embodied in their annual report. which shows the following facts. These are not speculative statements; these are not the statements of chambers of commerce; but these are the official statements of your own Geological Survey. This is not charged with town-site schemes or with railroad schemes, but comes from your own Geological Survey:

The total mineral output in Alaska in 1912 was \$22,000,000. The total output in 1913 was \$18,000,000, a dropping off of \$4,000,000 in a single year. The total gold output in Alaska for 1912 was \$17,000,000, and for 1913, \$15,000,000, dropping down \$2,000,000. Copper and other minerals dropped down in proportion.

Now, I want to devote a little time to agriculture and its possibilities in Alaska.

Mr. HARDY. Before the gentleman leaves that subject, is it not likely that if freight rates and conditions of access continue to be as hopeless in that section as they are to-day, finally the

mining industry will have to be abandoned?

Mr. FERRIS. I do not think so. I will offer the gentleman remedy a little later that I think the gentleman will accept. Mr. HARDY. It would seem to be natural that people cease to endeavor to develop that country if the difficulties of getting to it should continue as they are now.

Mr. FERRIS. I have no criticism at all of that question. It is a very proper question, and I will try to answer it.

Alaska has been very much abused by the handling of its public domain, its land laws, and coal laws, and I have a plan that I think the conservation people of this House will accept, and I believe the anticonservationists will accept, and I believe Alaska may have the door swung wide open for such resources as she has and give her population a chance to grow. I will present that plan a little later. The man who comes into this House or who goes elsewhere and tears down, but has nothing to put in its place, is a mere destroyer; but the man who comes here and has something to advocate, is at least trying to do his duty and

is entitled to your consideration. [Applause.]
Mr. LENROOT. Will the gentleman yield?
Mr. FERRIS. Certainly.
Mr. LENROOT. I want to ask the gentleman if he thinks this plan will result in the building of railroads for private enterprise?

Mr. FERRIS. I think it would; and I will produce for the gentleman's edification the words of ex-Secretary Fisher, and I know that he is an ardent admirer of the ex-Secretary, as I am myself. The ex-Secretary says that it will, and I have no doubt of it.

Mr. LENROOT. The reason that I asked the gentleman the question is that up to this point the gentleman is making the point that there is nothing in Alaska to build railroads for, so I was curious to know what his opinion would be.

Mr. FERRIS. We will let the House pass on that after I get through. Now, it has been presented to this House by the chamber of commerce pictures and chamber of commerce resolutions and these booster sheets that have crept into the House from one source and another-I do not know where-that the interior of Alaska was a garden and as fertile as the Nile; that it would grow wheat, corn, and potatoes and everything on earth that you want to grow; and that the things would grow like a weed in a fertile soil.

Mr. HARDY. Will the gentleman yield?

Mr. FERRIS. For a question.

Mr. HARDY. Does the gentleman recall the effort by the Northern Alaska Railroad Co. to get an extension of its franchise and how vigorously the ex-Secretary wanted the committee to guard against any kind of a privilege that might be deemed of value in case the Government should want to take over the railroad?

Mr. FERRIS. So far as I know that is true; but I do not

know the situation the gentleman refers to.

Mr. HARDY. Did it not appear that the road seemed to be so hampered by present restrictions that capital was loth to go

Mr. FERRIS. That is true, and the gentleman is anticipating my remedy; a remedy which the gentlemen may accept or not as they see fit.

Now, as to agriculture. In the first place, I want to say that since 1897 Congress has appropriated for the installation of five agricultural bureaus in Alaska-one situated at Sitka, one at Fairbanks, one at Copper Center, one at Kodiak, and

one at another place.

If I show you what these agricultural agents who have been there in charge since 1897 say about the agricultural outlook of that country, would not that be as good evidence as the moving-picture show that the chamber of commerce is presenting to us around the Capitol and about Washington? Would not the House be more apt to listen to men that they themselves employed and sent there to compile the facts than they would in looking at the moving pictures? Why, in my town to-day William F. Cody, "Buffalo Bill," is killing and scalping Indians and hanging them up by the toes, and they are burning down haystacks and covered prairie wagons, to show what beautiful moving pictures they can produce. They make good pictures, but, of course, are not based on facts at all. I think most of us know what the Seattle-Alaska Co. is doing here. Why, they are having moving pictures over in the Senate Office Building; they are running them in my hotel. In a little while we will have these people that are down in Oklahoma producing moving pictures showing Cody down there scalping and burning Indians, but nobody believes that it is so. It is beautiful to entertain the children, but I am going to give you some facts. Facts, not moving pictures, are what should guide this House when they

are spending the people's money.

Much has been said by the town-site promoters and realestate men and the proponents of this measure about the agricultural possibilities of the interior of Alaska. After the experience I have had in new Territories I am neither amazed nor deence I have had in new Territories I am heither amazed nor de-ceived by them. I have lived in a new town, I have lived in a new Territory, I have lived in a new State where every man was an enthusiast and every man was willing to buy, boom, and promote to-day that which on the coming morrow he would sell to his unsuspecting brother, and so on, ad infinitum, until

the general collapse came. [Laughter.] However, this is a novel scheme to have the Federal Government carry on the boom, or more unusual still is the fact that it is the first time I ever found it to be true that the Federal Government itself is to be the unsuspecting one. This is the first time I ever heard of the Government being asked to hold the sack. Fortunately for this Congress and for the Federal Treasury we have valuable testimony from Prof. Charles V. Piper, of the Department of Agriculture, in the District of Columbia, a member of the Alaska Railway Commission, sent there by President Taft, in the Senate hearings, pages 548, 550, 552, and 556, showing what Alaska is from an agricultural view-

Listen to this man. Here is a member of the railroad com-mission, here is one of the men who had charge of the Alaskan

agricultural stations:

mission, here is one of the men who had charge of the Alaskan agricultural stations:

Prof. Pyper. The development of the Copper River region anticipated at the time that the station was there established did not materialize. When it comes to predicting the future agriculture of Alaska from these experimental results, backed up by the results of many farmers scattered over Alaska, one is confronted with a difficult problem. Before I touch on that I may state that most of the work done at these experiment stations have been done on small plats. The yield of oats has varied from 50 up to 125 bushels per acre, and of barley from 50 to 60 bushels. Yields of 50 to 60 bushels of barley were, I understand, scarred last season at Fairbanks in pretty large sized fields. No wheat, so far as I know, has yet been grown in fields of any area, or at least where considerable fields have been small.

There can be no question from these results that there is a possibility of the production of grains in the agricultural lands of Alaska. Just here I may say that the amount of tillable land in the interior of Alaska has been estimated by most of the men who have attempted to make an estimate at about 30,000 square miles. The total area of agricultural lands in Alaska has been estimated at 100,000 square miles, of which it is assumed that at least one-third is tillable, and that of that tillable land probably more than two-thirds is in the interior. So there is a very large area of land which if capable of raising profitable crops of grain would furnish a large amount of freight. As I said a moment ago I do not think there is any question as to the possibility of growing these grains, especially the oats, barley, and rye. In fact, I think there can be no doubt that sufficient of them will be grown for all local needs. As to whether quantities will be raised that could be exported, I am very far from being sanguine. There is, as I understand, in the interior of Alaska no large area of land on which a farmer can go and plow up as he

Mr. Joslin. Yes; up in that heavy timber.

Prof. Piper. That was also about the cost at Kenai on lands covered with light timber.

Mr. Ballaine. That is heavy timber—very heavy timber at Kenai.

Prof. Piper. I would not call it very heavy.

Mr. MacKenzie. I have had a little experience in clearing land up in the interior of Alaska, and if you can get a burn on the ground and kill those trees, the roots will lie on top of the frost, and in two or three years you can go along there and almost kick them out. It is very easy. Of course if you do it in one season it is a very expensive system.

system.

Prof. Piper. At any rate, whether you put it at \$100 an acre or \$50 an acre, you can still get good farm lands in the United States at \$50 an acre. However, I would not give too much weight to that, because the pioneer is attracted to public land that he can homestead even if it cost \$200 an acre to clear. The \$200 an acre for clearing it is based, I suppose, on wages to the ordinary laboring man of \$5 and \$6 a day, and if a farmer clears the land himself he saves that \$5 or \$6 a day. So that it is really the high cost of labor that makes the apparent high cost of clearing that land.

Mr. HUMPHREY of Washington. Mr. Chairman, will the gentleman yield?

Mr. FERRIS. I am quoting from testimony, but I will yield

to the gentleman.

Mr. HUMPHREY of Washington. I have read the testimony which the gentleman has just quoted, that it cost \$200 an acre to clear this land, but it is my understanding that that clearing was done by the Government by hiring labor that worked eight

hours a day and paying \$7.50 a day for it.

Mr. FERRIS. Then that is one somber example of what the Government would do if we sent the Government up there to build railroads. What a hideous example that would be! If it cost \$200 an acre for the Government to clear land in Alaska, land that is covered with moss a foot thick, what would it cost to build a railroad? We have more than 300,000,000 acres of public land in the United States merely waiting for the homesteader to go upon it with his family and to turn over the soil, build a house, dig a well, set out an orchard, and farm. You can buy land in Illinois within 40 miles of Chicago for \$150 an acre. Why go to Alaska, where the ground freezes 200 feet deep, where the thermometer goes down to 80° below zero, where they have eight months' darkness, and take up land that costs \$200 an acre to clear?

Mr. HUMPHREY of Washington. Mr. Chairman, will the

gentleman yield?

Yes. Mr. HUMPHREY of Washington. I want to ask the gentle-

man if he has also read the evidence from my distinguished friend, Mr. Boyce, who wrote the article that has been circulated? After admitting everything, he says that they made a

profit of \$600 an acre on their potatoes.

Mr. FERRIS. He may have, but I will show you a little later where they grow a few potatoes on that muck soil by aid of fertilizers, where it freezes 200 feet deep, and that those potatoes were so watery that they are a drug on the market at 4 cents a pound in Fairbanks, while potatoes from Seattle and the States were selling at \$1 a pound. I do not wonder that the Seattle Chamber of Commerce is here with their moving pictures, wanting transportation facilities, so that they may be able to sell their potatoes at \$1 a pound to the poor benighted Alaskans.

Mr. HUMPHREY of Washington. Has the gentleman seen

the pictures

Mr. FERRIS. No; I have not been taken in as yet, though

I may be run down with them.

Mr. Chairman, fearful that Prof. Piper may have made a mistake, that he may have placed a charge too high, I want to give you more recent authority as to what it costs to clear land in Alaska, this wonderful Alaska. Did any of you know of Seth Mann? I do not know whether he is kin to the gentleman from Illinois or not. In any event, he was appointed by President Taft to go up there with the Seattle Chamber of Commerce to look over Alaska and to report to him personally what the situation was, and anything he would say against it, after being in the hands of the Seattle Chamber of Commerce as long as he was, you would take for granted, would you not? Listen to what he says. On page 12 of his report this is what he says about clearing the land:

The trees are small and valueless, except for fuel. They are easily prooted, and when the clearing is completed the covering of moss

uprooted, a and tundra-

I do not know what that is, but it must be something awfulabout a foot in thickness must be removed and the soil exposed to the summer sun. The initial expense in preparing the ground is in many places considerable, reaching as high as \$125 per acre.

Prof. Piper says it would take from \$50 to \$200 an acre, and

Mr. Mann says that it would take \$125 an acre. Mr. Mann has just got back from there, and he rushed that report to every desk, a beautifully blue bound report. He says that it would cost \$125 an acre to clear it, so some of these fellows must be

telling the truth, and this man Mann all of the time under the influence of the Seattle Chamber of Commerce. If he says \$125 an acre, we might double it and then be safe. Here is what Prof. Piper says again:

So far as railways into the interior are concerned, any great amount of agricultural freight in the future would have, in the main, to come from and on account of possible grain production; that is, the production of other things like dairy products, or even meats, would not yield any very great amount of freight.

The most interesting experiment stations, so far as this problem is concerned in Alaska, are those at Rampart, which has been conducted since about 1900; Fairbanks, where the experiment station has been in existence since 1907, I believe; and Copper Center, on the Copper River, where an experiment station was conducted from 1902 to 1906.

It will be observed that conditions were so unfavorable at this point that the Agricultural Department was compelled to abandon it after six years of futile effort.

They sometimes cut wheat green before it has time to head up, because it will not ripen. I will show you where on July 1, on August 8, on August 25, on September 5, there was a killing

Mr. HUMPHREY of Washington. At what place? Mr. FERRIS. At one of the agricultural stations.

Again, here is what Prof. Piper says. He is still working for the Agricultural Department and these are his annual reports, which you gentlemen can get from the Agricultural

In general, my impression of the whole interior country is that there will be successful homesteads wherever there is a local market for the produce. I am somewhat skeptical about there being in the near future any surplus produce, either of potatoes or potato products, or of cereals, which will be exported.

Now I will give a little more.

Now I will give a little more.

Prof. Piper. I may state briefly, in conclusion, that my own viewpoint, and I think that is the viewpoint Prof. Chubbuck has taken—and I am sure it is the one Prof. Georgeson takes in all his reports—is conservative as to the future agricultural development of the interior of Alaska. I have no doubt that with the building of the railways there will be plenty of literature of the boom type published, but I think it would be something of a calamity to induce any large number of homesteaders to go there to-morrow with the idea that it could be developed rapidly, like much of our prairie country was in the West. In the development of a new agricultural region usually the first development is live stock and the second is grain raising—usually wheat raising. Now, in the development of the live-stock industry in Alaska somewhat different methods will have to be used to those which farmers have been familiar with in the States, and, in a way, they will have to feel their way along toward the most profitable methods.

In the matter of extensive grain culture, while that may be possible, I feel that the farmer himself will have many problems to solve before the ordinary man can be advised to go into grain farming. That is, in other words, I would fear that the greatest danger to the proper development of the interior of Alaska would be of holding out too roseate hopes of what can be done in the way of its agricultural development.

Observe the spectacle of asking one aspiring to own a home. leaving the more than 300,000,000 acres of Government land behind in a mild climate among good schools, good roads, near-by markets, where land can be had by merely residing upon it, to go to Alaska, where it costs from \$50 to \$200 per acre to clear it, where they have frost every month in the year, the thermometer 80° below zero, and the ground frozen 200 feet below the surface.

Now let me go a little further, and I desire to speak of weather conditions in Alaska, and I want to talk a little about that. These are the annual reports of the department I am quoting from they make in Alaska, the same as here, and they can be had by anyone applying, and they say the weather conditions in Alaska are both varied and uncertain, and the success or failure in agriculture is necessarily dependent upon them. The annual reports from the agricultural stations in Alaska usually commence with the condition of the weather, as shown by the excerpts from the agricultural experiment station reports for the years 1905, 1910, 1911, and 1912.

I shall first present for your consideration an excerpt from the annual report for the year 1912, at page 99:

annual report for the year 1912, at page 99:

The plans outlined in former reports have been followed during the past year. In experimental work it is disastrous to change plans. They should be so well considered beforehand that no change will be necessary. The fundamental lines should be broad and well defined. Additions may be made to them, but to substitute others is detrimental to the results. The fundamental basis for work in Alaska is to obtain answers to the question, "What will the country produce?" It follows as a corollary to ascertain how to produce it. The dominating motive in the experiments of the stations is to answer these questions truthfully. The soil, climate, and crops must be studied and animals bred, and subsequent work must be governed by the results obtained. Experiments have already proven that grain of certain sorts can be successfully grown in Alaska, that hardy vegetables of all sorts can be produced, that live stock can be kept here, and that therefore it is possible for the farmer to make his home here. The agricultural problems of the country are new. Nowhere else in the United States are similar climatic conditions encountered, and all methods must be adjusted to meet these conditions. Every step in advance is new and untried, and no one can predict with certainty what the results will be until the fact has been established by experiments. All agricultural work in Alaska is in a peculiar sense experimental, and since there is

great variation in the climate and soil throughout this great Territory, it became necessary to start experiments in several regions.

Work AT SITKA STATION.

Sitka is the smallest of the four stations, measured by the area under culture. It is the headquarters station chiefly by virtue of its location. It is more accessible and in more direct communication with the Department of Agriculture than any of the others. Its work is representative of the possibilities in agricultural lines in the coast region of Alaska, and more particularly of southeastern Alaska. Whatever can be done at Sitka can also be done in most places throughout the coast region, and whatever can not be done at Sitka can not be done with any degree of success anywhere else in this region. The nature of the country and the climate together determine the nature of this work. The region is mountainous and heavily timbered. There is but little land available for culture, and as a rule it must first be cleared of timber. Farming on an extensive scale is therefore out of the question. The climate limits the work as to the crops that can be successfully grown. Grain growing is a failure not because the season is not long enough between frosts, but because the heavy rains which prevail during the fall make it almost impossible to save grain crops after they mature. Vegetables and small fruits, on the other hand, are at home in this region, and the work of the Sitka station is therefore naturally confined to these crops. Small areas given intensive culture will always be the rule in the coast region of Alaska; there is little chance for the use of machinery.

You will observe that in this instance at Sitka, which is in WORK AT SITKA STATION.

You will observe that in this instance at Sitka, which is in southeastern Alaska, they say farming on an extensive scale is clear out of the question. At Sitka the rains drown them out and up at the northern stations the frosts freeze them out. Vegetables do fairly well at Sitka.

At page 7 of the report of agricultural investigations in Alaska they report as follows:

WEATHER CONDITIONS.

Weather conditions.

In Alaska the weather is the controlling factor which determines the degree of success attainable in agriculture. During the season of 1905 the weather was favorable to agricultural operations in the coast region. The months of July and August were bright and warm, and the gardens throughout that region were quite successful. In the interior, on the other hand, conditions were somewhat less favorable. The spring was late, raw, and overcast. Seeding was therefore late and early growth was slow. In July and early August the weather was favorable, but during the middle and latter part of August the weather was rainy and overcast, which retarded the ripening of the crops. Conditions were not uniform throughout the interior. In the Yukon and Tanana Valleys the settlers complained of too much rain and not enough sunshine. In the Copper River Valley there was not enough rain, and killing frosts began in the latter region as early as August 14. Light frosts occurred in the Yukon Valley on several days the latter part of August, but no killing frosts destructive to hardy plants occurred until September. Hence the grain crops matured at the Rampart station, allowing they were late, while only a small percentage matured in the Copper River Valley, because of an early killing frost.

You will observe from this report that frosts appear on

You will observe from this report that frosts appear on August 14, long before the crops have time to mature; and, again, almost a total failure is recorded at the Rampart station, which has heretofore been referred to as the banner station of the Territory. It will also be observed that in the Copper River Valley and the Yukon Valley similar frosts occurred all through the season, which made agriculture impossible and extremely hazardous on anything like an extensive

We are again fortunate to have before us the report of Mr. C. C. Georgeson, special agent in charge of the Alaskan work, and he, in his annual report for the year 1910, again commences his report with the conditions of the weather, as follows:

It seems trite to begin an annual report with remarks on the weather, and yet the weather is the most important factor in our operations. In these northern latitudes all vegetation is dominated by the weather. Low temperatures are not the only factors which make for success or failure. The percentage of cloudiness is almost of equal importance. Whenever the growing season is overcast, even if it is not exceptionally cold, vegetation languishes. The soil does not dry out and remains cold, and these conditions are further augmented for the worse when the rainfall is heavy. An exceptionally favorable season is one with a large percentage of sunshine, for sunny weather means warm weather.

I stated in an interrogatory a few days ago there were killing frosts in that country every month in the year, and I state it again, and I desire to present my authority for it, which is as follows:

There were killing frosts at Fairbanks station the past summer-

And that is the home of my genial friend the Delegate, whom we all like, and who everyone knows presented the chamber of commerce reports from the various sections of the Territory better than any other human being could do, and I am glad of the opportunity to pay this compliment to him. It says:

There were killing frosts at the Fairbanks station the past summer on July 31 and August 5, 9, 20, 29, and September 5. It is the first time that this station has had frost in July and as early as August 5 or 9. The summer in the Tanana Valley was cool and cloudy, and in the first part of the season the rainfall was light. These conditions were, of course, very unfavorable. It is to be noted, however, that the frosts which occurred prior to that of September 5 did not injure the grain, but they did injure the potatoes on low ground.

You will observe from the excerpt of the report of 1910, at page 36, there were killing frosts at the Fairbanks station during the preceding summer, on July 31; again on August 5, 9, 20, 29, and September 5. It will be observed that these killed

the potato crops and shows conclusively at what great hazard agriculture can be carried on, even at the objective point for which all these Government-owned railroads are headed.

Again, you will observe that this is the valley that is being held out to us as the valley that is to afford sufficient tonnage to warrant the construction of a railroad and to make Alaska famous as an agricultural country. With killing frosts occurring once in July, four times in August, and once on September I can not think any sane homesteader would leave behind him 300,000,000 of acres of Government land awaiting the plow and be attracted to any great extent for agricultural purposes to Alaska.

Again, the report of 1911 starts off with the remark as to the condition of the weather, and on page 9 Prof. Georgeson blandly remarks as follows:

Weather conditions must always receive the first consideration in all Alaska agricultural work. Plenty of sunshine during the growing season and a well-distributed rainfall means success, whereas much cloudiness and heavy precipitation means more or less complete failure. The past season was favorable in some respects and in others not. The spring was unusually late and cold. This was true both of the coast region and the interior. It was not until the last of May that the soil was warm enough and dry enough to sow and plant, and not until the beginning of July did the various garden and field crops begin to grow with vigor.

Here it will be observed that it is not until the last of May that the soil is warm enough and dry enough to sow and plant, and not until the beginning of July did the various garden and field crops begin to grow with vigor. As we observed in the preceding paragraph, if you could not plant until the last of May, and if the plants would not come up until July, and the frosts began on July 31 and lasted without interruption all through August and early September, I ask the proponents of this bill who they can seduce from among homesteaders to go and take up land under such conditions in Alaska?

Now, my friends, when the crops will not come up until the end of July by reason of the cold, clammy, mucky soil, and you have chilling frosts in August, have frost from July to September, I ask you with what propriety can any homesteader, seeking a home, be induced to abandon 300,000,000 acres in this country, where we have good schools, good roads, railways, and every other convenience, and go there-I ask with what propriety this Government can be asked to build a Federal Government-owned railroad, bringing on such an enormous bond issue, in the beginning, in such a favorable administration as we have to carry out any such propaganda as that?

Mr. BRYAN. Will the gentleman yield? Mr. FERRIS. For a question only.

Mr. BRYAN. If I understand correctly the gentleman is going to submit a plan whereby private capital will go and do

Mr. FERRIS. I will submit my plan if the gentleman will content himself in peace. I shall not allow him to pervert anything I am going to say. I will present the plan that I have referred to presently, which will bring improvements into Alaska, with her resources, as fast as she is entitled to, and what I think should be done whether the railroad is built or not.

Mr. BRYAN. And that will include the building of the rail-

Mr. FERRIS. I did not yield to the gentleman for a statement to be injected into my remarks. I do not intend to be discourteous, but I did not yield to him to make the speech. The gentleman does not appear satisfied with what my position is, but I will state that myself, and, so far as I may be wanting in that, of course, the House will accept or reject

Now, I come to weather conditions, on page 46 of the 1911 report, and let us see what they say. It is in this country where we are going to abound in homes where they have increased 733 souls in 10 years, and, I understand, took the census in the middle of the summer so as to take in the people up there who came to look at the glaciers, in order to increase the number. I am going to read the agricultural report for 1911, by Prof. Georgeson, at page 46.

Mr. WICKERSHAM. Will the gentleman yield?

Mr. FERRIS

Mr. FERRIS. With pleasure. Mr. WICKERSHAM. The gentleman stated that they took the last census in midsummer so that they could get the benefit of the additional population?

Mr. FERRIS. I was drawing, of course, somewhat on my angination. When was it taken?

imagination.

Mr. WICKERSHAM. It was just the opposite.

Mr. FERRIS. Well, let us give him 333 more souls and let it go at that. Even then the increase would be such a sad commentary that I know the gentleman would dodge when it

was even referred to. I say that in good 1 mor, of course. Now, as to weather conditions. Did you ever hear a report concerning the weather being always started with, "How do

you do? How is the weather?" My friends, we greet each other on the street in that way, but what do you think of five annual reports from Alaska each one of which is opened with How do you do? How is the weather?

Let us give them a little favorable report for a while. We have been quite heavy on Alaska. In the 1911 annual report from the Alaskan representative of the Agricultural Department, at page 46, they say:

WEATHER CONDITIONS.

In comparing one season with another it is found that the weather behaves very peculiarly. Last season (1910) was quite favorable to growing crops during the early season, changing to the other extreme about midsummer, and it continued cold, with frequent showers and killing frosts through the remainder of the season, while this season was almost the opposite.

This season opened a little later than usual and continued cold and wet with little sunshine until June 1, when the weather suddenly turned warm and dry with an unusual amount of sunshine.

I thought we were going to be spared the reports of this country being afflicted with drought, but they seem to be afflicted with that.

Continuing, the report says:

These conditions prevailed until well into August, with the exception of two or three light frosts in the lowlands late in July and early in August. Cold, rainy weather set in late in August, which made it very difficult to finish curing and storing the hay crop. Several light frosts occurred in the lowlands during the last week in August, and on August 31 potatoes and other tender plants were killed all over the valley. The temperature fell to 28° F. at the station and as low as 20° F. at Fairbanks and on the lowlands.

Here it will be observed that Prof. Georgeson stated that they had frosts in the lowlands late in July and the early part of August. He says, as you have observed, that several light frosts occurred in the lowlands during the last week in August, and on August 31 potatoes and other tender plants were killed all over the valley; that the temperature fell to 28° F. at the station and as low as 20° F. at Fairbanks and on the lowlands.

How flattering it must be to this country which is going to furnish tonnage enough to cause us to go into the Federal Treasury in order to build a railroad! Only 163 homesteads in the entire country have been patented. Only two coal claims patented. Only one cemetery site to care for the perishing.

Again, at page 10 of the report for 1911, Prof. Georgeson advises us that in the interior there was a killing frost on August 31, enough to injure grain that had not matured by that date, in the following language:

In the interior there was a killing frost on August 31, enough to injure grain that had not matured by that date.

How much time have I left, Mr. Chairman?

The CHAIRMAN (Mr. THOMPSON of Oklahoma). The present occupant of the chair was informed by the former Chairman when he took the chair that the gentleman had an hour.

Mr. FERRIS. Now, again, at page 10, we have another annual report. This is coming right on down, now. This is on page 10 of the report of 1912 by Prof. Georgeson. It says that agriculture is at all times at the mercy of the weather. It is again, you see: "How do you do, Mr. Weatherman? How is the weather?" Every annual report begins with that. I will quote from the report:

Agriculture is at all times at the mercy of the weather. This statement is trite, but it is so true that those who are not familiar with the conditions in Alaska fail to appreciate its force unless it is brought home to them with emphasis and frequent repetition. Rain and sunshine are the two factors which determine success. When sunshine is abundant during the growing season the farmers' efforts prosper; when rain and cloudy weather unduly dominate their efforts languish or fall completely. These elements are beyond control, and it is necessary to learn how to meet them. This adaptation constitutes no small part of the experimental work of the Alaska stations.

If the reports I have just read were not from the very highest authority and did not cover a series of years, they might not be of value to this House; but I confess and submit to you what higher authority could there be than a representative of the Agricultural Department there on the ground at Government expense to the department, whose sole purpose was to ascertain real conditions independent of real-estate men, independent of boomers, independent of promoters and those who would proclaim for their country more than calm and dispassionate eyes could behold? I can not fathom with what propriety homeseekers could be induced to launch out on agriculture under such conditions without any hope whatever of reward; I can not think but few, if any at all, will go there. The fact of the business is the country amidst all its boom days and mining excitement of the last 10 years has increased but 733 persons; only 163 homesteads have ever proceeded to patent; only 2 coal claims of less than 200 acres have ever proceeded to patent; only 7 town sites have proceeded to patent; 12 mission sites; 311 mineral claims; 7 trade and manufacturing sites; and 1 cemetery site.

Now, my friends, I have given you what Prof. Georgeson, Prof. Piper, and Prof. Chubbuck, the three representatives of the Agricultural Department in charge of the four stations in Alaska, have to say about the climate and agriculture. I want to talk to you a little about the soil. I do not really want to talk so much myself about it as I want to present what is said about it by our own Agricultural Department on whom all can

Will the gentleman yield for a question?

Mr. FERRIS. I will.

Mr. MANN. Is the gentleman able to say from the report of the investigations of the experimental stations what crops have

Mr. FERRIS. They raised some little rye in patches, and some barley, and some potatoes. They do raise some things on a small scale. They really seem to raise more potatoes than anything else, but I will soon present a report to the effect that potatoes, owing to the fact that they were raised on the frozen mucky land, where the soil is acid, are watery, and they sell for only 4 cents a pound, and in many cases not at all, and that they had to import potatoes from Puget Sound to keep the Fairbanks people going. The man who is in charge of the agricultural bureau says that the Alaskan people around Fairbanks will have outside potatoes at any cost and at any price.

Mr. MANN. Have they raised anything at these experiment

stations which they have sold?

Mr. FERRIS. I have the figures on that. We have expended up there \$298,000, and we have gotten back \$22,000. So we are about \$276,000 behind.

Mr. MANN. But they have been able to sell \$22,000 worth?
Mr. FERRIS. Since 1897. My figures are from 1897 up to
the present. They use commercial fertilizer, hotbeds, and with great care they can raise some produce. Prof. Chubbuck, who is conceded to know more about Alaskan conditions than any other gentleman, has submitted a report contained in Bulletin 50, which is just off the press, in which he says:

Reference has been made to the water and frost holding characteristics of the moss growth. It is this that makes the moss an impediment to agricultural development in sections where tiliage is feasible. It appears to decay very slowly, as is the case to a certain extent with all vegetable matter in localities where there are but brief periods of warm weather, so that a coat of moss varying in thickness from a few inches to a number of feet accumulates over much of the land surface.

You remember this moss is of the kind which costs from \$50 to \$200 to remove. It also keeps the land frozen the year around.

Continuing, the report says:

Even in those portions of Alaska where the winters are comparatively mild, but the summers cool and moist, the frost will be so near the surface under a coat of moss that at any time during the summer a cane may be thrust through the moss to the frost line. Under these wet and cold conditions and the slow decay of the vegetation the soil is quite acid, as is evidenced by much of the plant growth, the species being those that grow on land that is too sour for most farm crops. When the timber and other plant growth, including the moss, is removed from the land, thus giving the heat of the sun and the air a chance to penetrate the soil and dry out the moisture, the frost line goes lower each season until it ceases to be an injurious factor, and in the meantime the acidity of the soil grows less.

There is something about the long freezing the content of the soil grows less.

There is something about the long freezing, there is something about that foot or two feet of Arctic moss, that leaves the land sour, or akali, as we know it in the West. I read further:

THE SOILS OF ALASKA.

Alaskan soils have their origin largely in material formed by glacial action. They are not very rich in available plant food as a rule. The vegetable matter that has accumulated on the surface is in such a partially decayed and acid condition that it is quite apt to be injurious to some cultivated plants.

Here it is manifest that this country is impossible from an agricultural standpoint for thousands of years yet to come. It is all a dream of things that are not true and can not, from your

own agricultural reports, come true.

I stated a while ago that you can go down 200 feet below the surface and take out great blocks of blue ice. They even say you can go down 1,000 feet and find ice, but I am not warranted in saying that. Glaciers have come down since time immemorial and formed that gravelly, glacial, sour, acid, alkali,

and worthless soil that will not grow anything.

So, my friends, what a frost does not kill, the acid and the

alkali of the land kill. I read again:

This is quite pronounced even in the regions of mild temperatures and abundant rainfall, as in southeastern Alaska, where vegetation is luxuriant and the soil is apt to be quite peaty and mucky. In fact, extensive beds of peat exist in various portions of Alaska.

I understand, by way of digression for just a few moments, that the Alaska Chamber of Commerce has just arranged to pump the Japan current over into the Yukon River so as to warm the inferior of the country instead of permitting its use to warm up the southern country. [Laughter.] No doubt ere long they will attempt to have the Federal Government to do

the pumping, but other sections would grow jealous, and it is possible that even this would not pacify the Alaska Chamber of I read again:

Wherever there has been sufficient drainage and the vegetable matter-has fully decayed there is a rich black loam of varying depths; but these areas are limited to small valleys, some of which are the dried-up beds of former shallow lakes. The alluvial deposits along the larger streams contain good soil, but there are many gravel beds that have only a thin covering of fertile seil. Much of the soil, particularly of the benches and low hills, is composed largely of material deposited by the melting of the ice sheet that formerly covered the land.

That is where we get the ice 200 feet below the surface.

Again, Prof. Chubbuck, in a painstaking, well-worded message, warns homesteaders against going up there. With one unbiased arm of the Government warning people not to go there. here we are asked to build that railroad to try to force people to go there. What a spectacle! Prof. Chubbuck deals with what difficulties would confront homesteaders who contemplate going to Alaska to take up homes, and I take it everyone must feel interested in this matter, because if Alaska is to be settled people must go there and make homes for themselves. Prof. Chubbuck says:

DIFFICULTIES THAT CONFRONT THE HOMESTEADER.

Over against the optimistic facts pertaining to this great northwestern portion of the North American Continent are others that should be remembered by those who contemplate going to Alaska for the purpose of home making, particularly farm-home making.

On the south coast, where the climate is mild, tillable land is scarce, because of the proximity of the mountains to the shore line; elsewhere in Alaska the winters are long and very cold and frost-proof buildings must be provided for shelter of family and stock.

The ground freezes to a great depth and there is but a short period during which this can thaw, and the surface is covered with an accumulation of undecayed moss and other vegetable material serving as a protection to the frost and a reservoir for moisture.

Mr. WEAVER. Will the gentleman tell us what he is reading from?

Mr. FERRIS. I am reading from page 27 of Prof. Chubbuck's report, which is known as Bulletin No. 50, which is available in the document room. He says further:

The frost line under natural conditions sinks but a few feet during a season, and the thawed layer is usually a morass of muck in all portions of Alaska where tillage is possible.

Now, the gentleman from Illinois [Mr. Mann] asked a few minutes ago about the kind of soil, and about potatoes, and so on. Here is Prof. Chubbuck, on page 27 of Bulletin No. 50, off the press within the last few days, saying that "the frost line under natural conditions sinks but a few feet during a season, and the thawed layer is usually a morass of muck in

all portions of Alaska where tillage is possible."

That indictment of Alaskan soils by Prof. Chubbuck, representing an arm of your Agricultural Department, is more severe than anything any of us could think of. He declares it to be a condition that makes land travel almost out of the question during the summer until wagon roads shall have been

built.

Now, I want to say that they have expended \$2,000,000 out of the Treasury on the wagon roads up there, and yet Mr. Ballaine, who is very largely the owner of one of those towns and chief booster of this proposed railroad, as appears in the hearings

Mr. FALCONER. Mr. Chairman, will the gentleman yield there for a question?

The CHAIRMAN. Does the gentleman yield?

Mr. FERRIS. Ballaine says that the \$2,000,000 is mostly squandered. I have a letter in my pocket written by the chairman of the wagon-road commission up there, and in it the writer says that everything Mr. Ballaine has said is untrue, I do not know which one of them is telling the truth, and I can youch for neither one of them.

Now I will yield to the gentleman from Washington.

Mr. FALCONER. I think the gentleman is fair and would not be inclined to make a misstatement if he knew it. The gentleman ought to know that Mr. Ballaine has no money in this Alaskan railroad and has had no money invested in it for years. He ought to know that the Alaska Northern Railroad is fighting this bill. The gentleman from Oklahoma and others on the committee know that the representatives of that company were against the bill and appeared before the committee and made known their attitude to that effect.

Mr. FERRIS. Now, let me ask you something, and we will be how we come out. There has been a good deal of this loose see how we come out. talk around here that everybody who is in favor of this bill is a patriot and that everybody who is opposed to it is not a patriot, and we will have that out before we get through. If it has come to pass that a Member of this House who is trying to save the Treasury from unwarranted appropriations and bond issues and trying to save the people from a big scheme has got to be assaulted and pelted from every side by pillagers

and plunderers, we will meet the issue squarely, and I will go to the bat on that proposition now. My service in this House is not so new that it needs any defense, and I will be guided by what I conceive to be my duty as long as I am here. plause. I

I will ask the gentleman how many town lots in Seward does

Mr. Ballaine own?

Mr. FALCONER. I do not know.

Mr. FERRIS. He owns the whole town, does he not?

Mr. FALCONER. No; he does not.
Mr. FERRIS. He is the town-site promoter, the one who opened up that town, did he not?

Mr. FALCONER. I think the gentleman knows that Mr. Bal-

laine does not own any interest in the railroad.

Mr. FERRIS. I do not know anything of the kind. been around here urging everybody, trying to get this scheme through, and I do not know anything of the kind which the gentleman states. Senator Nelson states that Ballaine and his associates sold stock to some of Senator Nelson's constituents. I find people around here who are holding some of the stock of these defunct railroads in Alaska, which they are now trying to unload onto the Federal Government, amid a blare of trumpets and a lot of false, incredible, unreasonable, and damnable charges. [Applause.] I will not be driven by any such abnormal influence. I do not have to be. Now, what question does the gentleman want to ask?

Mr. FALCONER. The interests of the several men interested in the railroads in Alaska are fully set out in the hear-ings. Mr. Ballaine stated definitely his interest in Alaska and

made a very frank explanation of it.

Mr. FERRIS. I can not yield to the gentleman for the purpose of allowing him to make a speech. If the gentleman asserts that Mr. Ballaine does not own anything and he wants to say that, that is all right, and I do not want to argue it with him. I say that Mr. Ballaine is a town-site promoter who has been for five or six months hanging around this Capitol lobbying, trying to get this bill through. I do not know his I do know that he was the town-site promoter who opened the town site of Seward and that he owns a lot of it yet, and he is here trying to get this bill through. It is fair to Mr. Ballaine to say that he asserts in the hearings that he does not now own any stock in the Alaska Northern Railway.

Mr. TOWNER. The gentleman did not say that Mr. Bal-

laine owned any of the railroads. I think he was strictly within

Mr. FERRIS. I did not say that, although I do not know what the facts are. I do not know that he does, I do know that he was the original promoter of it and that his crowd were peddling out this stock and unloading it onto a lot of unsuspecting persons, and now he is down here trying to make the Federal Government play the part of an unsuspecting purchaser; and whatever the consequences may be, I will not subscribe to the proposition to have the Federal Government be an unsuspecting investor in this matter.

Mr. TOWNER. I shall be glad to ask the gentleman a ques-

Mr. FERRIS. I shall be glad to answer it if I can. There are a lot of things about Alaska that I do not know.

Mr. TOWNER. Does the gentleman know about the owner-

ship of the Alaska Northern Railroad?

Mr. FERRIS. I think Mr. Ballaine does assert that he sold his interest. Senator Nelson makes the assertion that they peddled stock among his farmers, and so forth.

Mr. TOWNER. I do not care anything about Mr. Ballaine I want to ask you if you know anything about the present

ownership of the Alaska Northern Railroad.

I have not gone into that far enough to give Mr. FERRIS. the gentleman the best information. I take it he wants the best information, and I can not give it to him. This is a matter upon which I will not make a statement unless I have the facts.

Mr. LENROOT. I should like to ask the gentleman if Mr. Jenness was not one of the trustees of this Alaska Northern Railroad, and if he did not appear before the Committee in opposition to this bill?

Mr. FERRIS. I do not know. I have neither seen him nor his testimony. The gentleman may be right about it. I neither affirm nor deny.

Mr. HARDY, Will the gentleman yield? Mr. FERRIS. In a moment. I was, in a measure, unfortunate in the matter of not being present at most of the hearings. I was tossed on to the Committee on the Territories at the last The Speaker very kindly appointed me a member of the Mulhall investigating committee, and I missed most of the hearings before the Committee on the Territories; so whatever my errors and mistakes may be they are owing to a lack of

information and are not intentional. I have read enough to make me exceedingly skeptical of these Alaskan railway schemes.

Mr. HARDY. Having been on the Committee on the Terri-

tories when a good deal of this matter was inquired into, and having been off that committee during this session, I wanted to ask the gentleman if it was not a fact that before that committee the question was not simply one of buying these railroads, but whether the Government ought to open up Alaska by some Government-owned road built either from Seward or Cordova or Valdez, or anywhere where the Government saw proper, without buying any of these roads, or by buying an existing road, as might be deemed best, and is there anything in this bill that requires the buying of these roads? On the contrary, does not this bill give the President the full right to ignore the existing roads?

Mr. FERRIS. It is not compulsory, although it gives him full

authority to buy one or all of them.

Mr. HARDY. Exactly. He is not bound to buy either of these roads. Did your committee investigate the question Exactly. He is not bound to buy either of whether we might not more cheaply build from a central station like Valdez?

Mr. FERRIS. There was much testimony, which I can not go over now, some of it credible, some incredibile. I think the

bill contemplates building three lines.

Mr. HARDY. The committee, when I was a member of it, were discussing whether the road was desirable and whether they should build it or buy it. This bill determines the first of these questions in the affirmative and leaves the second for the President to decide.

Mr. FERRIS. I have nothing but the highest praise for the chairman and every member of the committee. I know that they are honest, painstaking, patriotic men, trying to do their duty, and I would not if I could and I could not if I would make any Member of the House believe differently. Each man on that committee is following his own patriotic instincts, as he ought to do, and that is all that I have to say about that.

Let me proceed. I was reading from Prof. Cubbuck, Bulletin

No. 50, page 27:

No. 50, page 27:

This condition makes land travel almost out of the question during the summer until wagon roads shall have been built, and these must be largely of the corduroy type. Meantime the farm home must generally be located close to navigable water.

The swampy character of much of the surface of Alaska makes it a great breeding ground for mosquitoes and gnats, which are almost intolerable pests to both man and beast. It also makes drainage a prerequisite in order to remove the surplus water so that the land can be worked, raise the temperature of the surface soil, lower the frost line, facilitate the decay of the accumulated organic matter, and bring about chemical changes which will transform the soil from a very acid condition to one much less so. Nature requires much time for this last process.

Where the vegetable accumulations are largely moss, this must be destroyed, either by burning or by carting it from the land, for if plowed under it decays very slowly and seems to have an injurious effect on most crop plants.

The timber growth, which occurs on practically all the land suitable for tillage, must, of course, be cleared from the land.

All this work—building houses and barns, drainage, clearing land of moss and timber—is very slowly accomplished in the short outdoor working season if done single handed by the homesteader, and costly, almost prohibitively so, if hired labor is used, because of the high wages and living expenses.

It will be observed that this comment of Prof. Chubbuck's is every word a warning to homesteaders to keep away from Alaska, showing with what disaster homesteading in Alaska is fraught, and admonishes them to not be mislead by reports that

are impossible, farcical, and even monstrous.

Prof. Chubbuck says that we must not only first build the railroads, but then we must build wagon roads. \$2,000,000 worth of wagon roads as an extension of the Guggenheim line from Chitina up to Fairbanks. It may have been a proper expenditure to do that. I do not want to leave any imputation anywhere, but Chitina is the end of the line and they spent \$2,000,000 building wagon roads from Chitina to Fair-Mr. Chubbuck says that we must build more wagon roads or settlers can not go there. When will this clamor for appropriations end and where is the House drifting? First, we build the railroads and, second, wagon roads, with five agri-cultural stations established there to prove that there is nothing but morass, muck, and sour, acid soil that will not grow any-

Now, as to the soil. Did you know, my friends, that in Alaska, due to the long freezing and due to the sour, mucky nature of the soil, they have to use fertilizer on the land to grow anything? What do you think of using commercial fertilizer on virgin soil the first year that it is cleared and plowed up? In old worn-out soil, in old depleted run-down soil they have to use fertilizer. I call your attention to the somber fact that they have to use fertilizer in Alaska to start with. Let me present my authority. I am reading from page 13 of the annual report from the keeper of those experiment stations.

FERTILIZERS IMPROVE THE YIELD.

It is further to be noted that the soil is not naturally rich. Where fertilizers were applied there was an increase in the yield of straw, which in some cases amounted to double the weight obtained on unfertilized plats. Alaska soils are as a rule not fertile, except on alluvial deposits near the mouths of the rivers or elsewhere where silt has accumulated. There is but a small amount of vegetable mold in the soil. In the coast region, where the rainfall is abundant, vegetation is luxuriant nearly everywhere, but in the interior, where the rainfall is scant, the native vegetation is not abundant. Consequently, but little humus is accumulated. Owing in part, also, to the same cause, disintegration of the rocky material is not so complete as it is in more southern latitudes; that is, the soil, as a rule, contains a large percentage of gravel. These conditions combine to make the addition of fertilizers very desirable. The fertilizer used the past season was fish guano, an Alaskan product manufactured at Killisnoo.

Here it will be observed that the soil is poor and inferior and in the main of no substantial value for agricultural purposes. I submit that millions of acres of land within our own country, in fact, almost within the shadow of the Capitol, in Maryland and Virginia, could, with a sufficient amount of fertilizer, be made productive and, of course, valuable; but in a country where the climatic conditions are so extremely hazardous and the soil itself is lacking in fertility, and where the plants do not come up until July and are cut off by the frosts in August, pray tell me what is there that recommends such a country to a home builder and a home seeker, and pray tell me with what propriety can this Congress be induced to issue bonds, breaking all precedents, bankrupting the Treasury, abandoning economy, starting in on a project that is of more than doubtful propriety, when the very reports of the Agriculture Department itself tell us on every hand that the country is of little or no merit from an agricultural viewpoint.

Now, another report here, presented on page 33—and I hope the House will hear me, because upon this will hinge the result as to whether we build these railroads:

Alaska soils are not rich. Frequently statements from travelers and other observers are seen to the effect that the soil must be exceedingly rich in plant food, to judge from the height of the grasses and the luxuriance of some of the vegetation, but such a conclusion is not warranted. Grasses will sometimes grow rank on an almost barren gravelly soil, because they have plenty of moisture and they are adapted to the climate and to the conditions. The virgin soil in the interior is everywhere frozen to an unknown depth or to bedrock. In this state of refrigeration there can be no activity of the organisms which aid in the formation of mold and the manufacture of plant food from the organic matter, and what plant food the soil may hold is in a large degree insoluble, and therefore not available for plants except by a long and slow process of weathering. For this reason the soil soon becomes exhausted, and fertilizers are necessary. This is particularly demonstrated by the results of the Fairbanks station the past season, which will be referred to later.

What do you think of that? The interior of the soil is

What do you think of that? The interior of the soil is frozen everywhere to an unknown depth or to bedrock. This is no chamber of commerce report; this is no moving-picture report, but this is your own agricultural report.

Here it will be observed that many persons casually passing through Alaska are deceived at the fertility of the soil by reason of the growth of certain grasses thereon, but you will observe that the man familiar with the soil states that the growth of such grasses does not indicate a rich soil, but, on the contrary, is often found growing on barren, gravelly soil, being produced merely on account of the moisture contained therein. Again, you will observe that the irrigable soil in Alaska is frozen to bedrock, and it seems to me where he so well explains the soil to be in such a state of refrigeration that there can be no activity of the organic matter that the soil is doubly wanting under such conditions. He goes on and explains so well and so carefully how soon the soil becomes exhausted, and that fertilizers become necessary. He calls attention to the fact that this is more particularly demonstrated at the town of Fairbanks in the famous valley where this region is to afford ample tonnage, and at the very objective point of this railroad itself.

I now come to maintenance of fertility. It will be seen that they have not only a frost which comes with every month, and they have not only this other condition, this Alaskan moss, which takes from \$50 to \$250 an acre to clear, but they have other trouble. The soil is so barren that the annual report says they can not crop it every year, but they have to crop it every other year. I want to read now from the maintenance of fertility report, at page 38, for the year 1910:

MAINTENANCE OF FERTILITY.

As already stated, generally speaking, Alaskan solls hold but a limited supply of available plant food. They soon become exhausted, and the problem is how to increase this limited store of plant food. There are two ways: One is to raise a crop on the land only every other year and summer fallow the intervening years; that is to say, give nature time to act upon the soil and gradually change the plant food in the soil from its insoluble to a soluble form.

Here you will observe that the man acquainted with agriculture and with soils, who was a representative of the Government and who has no selfish interest to serve, says that the Alaskan soils hold nothing but a limited supply of available plant food,

explaining how soon under the conditions they become exhausted, and that there is no way to increase the limited store of plant food. He suggests the raising of crops on the land only every other year, but this is both expensive and unsatisfactory to any prospective home seeker, and all of this in the valley and at the point which is the objective point of the proposed railroads to be constructed at Government expense, that has heretofore proved unattractive to capital from any source or from any

Why, my friends, if it costs from \$50 to \$200 an acre to clear the land in the beginning, if you have to use fish guano to fertilize it the first year it is plowed, if you have to crop it every other year because you can not crop it every year, I ask you, What is there to attract an ordinary home builder? Will the home builder leave 300,000,000 acres of land behind him in the States, beckoning him to come with his family and reside upon it, and go to such a place as that? But even worse yet. Will this House adopt this moving-picture, chamber-of-commerce propaganda and build a railroad, unheard of in the history of this country, that begins nowhere and ends nowhere, with nothing to haul after you get there?

Mr. TOWNER. Mr. Chairman, will the gentleman yield? Mr. FERRIS. I will.

Mr. TOWNER. The gentleman speaks about there being 300,000,000 acres of land in this country available for farm use. Will the gentleman be kind enough to tell us where that is

Mr. FERRIS. I will. In Arizona, New Mexico, California, Wyoming, Utah, Idaho, Nevada, Montana, California, Oregon, Washington, and a number of the Southern States there are small areas yet subject to homestead.

Mr. TOWNER. Is the gentleman not giving now the total

unoccupied land in the United States?

Mr. FERRIS. No; I am giving the land that is subject to entry. There are great areas in forest reserves that are not included at all in this statement. These figures are fresh from the tract books of the General Land Office and can be corroborated.

Mr. TOWNER. I was under the impression that if there were any public land that was really useful for farm purposes it was being occupied about as rapidly as the people could get to it, and that the Government when it could get a little reservation away from the Indians and could turn it over to the people was having difficulty in satisfying the clamor of those who were wanting a chance to get hold of the land.

Mr. FERRIS. That would undoubtedly seem to be true to those who had not looked into the matter, but on the contrary, independent of Indian reserves, independent of forest reserves and mineral reserves, there yet awaits a little more than 300,000,000 acres-I could give you the exact figures from the Interior Department—subject to homestead entry, that the gentleman from Iowa and other gentlemen here who have not exhausted their homestead rights can go and take to-morrow if they will but present themselves to the appropriate land offices.

Mr. TOWNER. The question is not whether we have a right to do that or whether the people have a right to do it, but

whether it is worth anything after it is taken.

Mr. FERRIS. Of course the gentleman knows that that is a speculative question. I may say to the gentleman that much of those 800,000,000 acres is good land and will be taken up and will make good homes on which people will live, and they will do it by dry-farming methods—intensive cultivation, irrigation, and so forth, which has become a science. I wish I could have time to speak of that at length. They are entering it every day.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. FERRIS. Yes.

Mr. MADDEN. As a matter of fact, there are millions of acres of the richest agricultural land in the world in the Southern States that can be purchased anywhere from \$15 to \$25 an acre, are there not?

Mr. FERRIS. I would not try to answer as an expert on that, but I understand that is true; and there are some lands open to entry in the Southern States. Arkansas has areas of public land, Alabama has, and Mississippi has small areas of public land-not much, but some.

Mr. FOWLER. Does the gentleman include in his estimate the 75,000,000 acres of swamp lands the richest lands in the

world?

Mr. FERRIS. Well, if it is public land, I do, yes; because I take in all the land subject to homestead entry. There are a great many millions of acres in forest reserves and in military reserves and in other reserves that I have not referred to at

Mr. BOOHER. Will the gentleman yield for a question? Mr. FERRIS. Yes; for a question.

Mr. BOOHER. I will ask the gentleman if he knows where the Government owns any swamp lands anywhere? Did not the Government give all the swamp lands in the country for school purposes?

Mr. FERRIS. I think not. There are many lands in the

State of Arkansas now, such as are known as "sunk" lands.

Mr. BOOHER. That is not Government land.

Mr. FERRIS. Yes; the gentleman could file, and I, if I had not exhausted my homestead rights, could file. I have been a homesteader myself within the last dozen years.

Mr. BOOHER. Does the gentleman know any other swamp lands which have not been given by the Government for school

Mr. FERRIS. I could not give the gentleman an answer offhand, because there may be such lands. How much time have

I left, Mr. Chairman?

The CHAIRMAN. The gentleman has about 16 minutes left. Mr. DONOVAN. Mr. Chairman, I just wanted to suggest to the gentleman not to allow his time to be taken up by outside matters in connection with his Alaska talk.

Mr. FERRIS. Yes; I will proceed as rapidly as I can. I

have only a few minutes——
Mr. HARDY. I would like to have the gentleman's plan, as I am interested in his plan.

Mr. FERRIS I am going to get to that.

Mr. STAFFORD. How much more time would the gentleman need to present his plan fully?

Mr. FERRIS. I do not know; I will journey on as fast as

Mr. STAFFORD. We would like to have a full presentation of the gentleman's views, because the House is deeply interested in the gentleman's presentation.

Mr. TOWNER. I think that ought to be done. The gentleman has given the matter such careful consideration, and

ought to have as much time as the Delegate from Alaska.

Mr. FERRIS. I do not ask that much. I am not entitled

to it.

Mr. HELM. Will the gentleman yield for just a question?

Mr. FERRIS. I will. Mr. HELM. What does the gentleman think was the orig-

inal purpose of the Government in buying Alaska?

Mr. FERRIS. Well, I do not know; probably fish and furs; that is my candid belief. Now, if the gentleman will pardon

Mr. STAFFORD. Mr. Chairman, I ask in view of the statement of the gentleman that he be granted unanimous consent for an additional half hour.

If I need it. Mr. FERRIS.

Mr. STAFFORD. If the gentleman needs it.

Mr. DAVENPORT. That means it is not to come out of the

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent that the gentleman from Oklahoma may proceed for 30 minutes additional to the time already allotted. Is there

Mr. BRYAN. Mr. Chairman, I will not object if it is to be taken out of the ordinary time, but if it is to give the negative side this addition of time, unless the affirmative is going to have

an addition also there will be opposition.

Mr. HARDWICK. The affirmative side on this question has had a great deal more time than the negative side—three or four

the House.

The CHAIRMAN. The Chair will state that there are about 25 persons desiring time, and only 11 hours left in which to divide that time.

Mr. BRYAN. I understand this extension will not be taken out of the 13 hours?

The Chair did not so understand the The CHAIRMAN. request

Mr. HARDWICK. The request was that this be in addition to the time the House had granted by unanimous consent, not to exceed 30 minutes.

Mr. STAFFORD. I understand we can not in the Committee of the Whole change the time originally set for general debate.

The CHAIRMAN. The Chair will state the time was fixed by

Mr. SISSON. But in the event there is no objection here there would be no violation of the rule.

I will state for the benefit of the chairman-and he may have kept up with that better than I have—that I have no disposition to lengthen this debate; but those in favor of the bill have consumed three or four times as much time, with the exception of this speech this morning, and if you look at the RECORD you will find that is true; and the gentleman from Alaska [Mr. Wickersham] was given unlimited time to debate

this question, and in fairness I believe the gentleman from Oklahoma [Mr. Ferris] ought to have unlimited time. I have not any brief to speak for or against the gentleman from Oklahoma having time. I have no disposition to do otherwise than to give both sides a fair opportunity to present this thing to the country, and if no point of order is made, this matter may proceed by unanimous consent.

Mr. LENROOT. I suggest to the gentleman that unanimous consent can not extend it beyond the 13 hours, and that any gentleman at the expiration of the 13 hours might raise the

point of order that the time had expired.

Mr. SISSON. I understood that they had an agreement in the House that if the gentleman did not conclude in an hour and a half or in two hours if he needed additional time it should not be taken out of the 13 hours.

Mr. STAFFORD. That was not the understanding.
Mr. SISSON. I was mistaken, then, about the agreement.
Mr. HOUSTON. I will say to the gentleman we tried to
make an arrangement and agreement by which we could have an equal division of time at least satisfactory to the opponents of the bill and agreed upon by those in favor of it. It was perfectly satisfactory to the gentleman from Oklahoma [Mr. Ferris] and to the other gentleman from Oklahoma [Mr. DAVENPORT], who, it was suggested, should have charge of the time. Now, then, the House, by its solemn action, fixes the time at 13 hours. I have no disposition to cut it off at all with a point of order, but we must get through some time. I do not think we should extend the time at which the House has fixed it.

Mr. DAVENPORT. I suggest that the gentleman proceed until the two hours of his time is exhausted, and then I will

dispose of it by a motion-

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent that we may have an additional time of half an hour, making it at the suggestion of the gentleman now occupying the floor. think it a reasonable request. I do not wish the gentleman to be pressed to conclude his remarks in a limited time.

The CHAIRMAN. The gentleman from Wisconsin [Mr. Staf-FORD] asks unanimous consent that he may proceed for 30 minutes in addition to the time already allowed. Is there ob-

jection?

Mr. HUMPHREY of Washington. If the committee can do this without taking it out of the 13 hours, I hope it will.

Mr. DAVENPORT. If nobody objects to it, it will go that

The CHAIRMAN. Is there objection?
Mr. SAUNDERS. This is additional now to the 13 hours? The CHAIRMAN. The Chair does not understand it that

Mr. SAUNDERS. I understood that to be the motion.

Mr. STAFFORD. I know, but that will be contrary to the rules of the House.

Mr. SAUNDERS. Technically speaking, that is true; but if we all agree to it we can do it. We will make the motion specifically that he shall have the time, not to be taken out of the

Mr. LENROOT. Reserving the right to object, I have no objection in this particular case, but that would be a precedent for other gentlemen extending time beyond that point.

Mr. SAUNDERS. If anybody else makes that motion, I will

Mr. HUMPHREY of Washington. If the gentleman is going to take that attitude, I do not think it is going to help matters.

Mr. SAUNDERS. As I understand, we want to make an exception in the case of the gentleman from Oklahoma [Mr. Ferris]. If I understand the situation, that is what we want to do.

Mr. LENROOT. May I suggest to let the motion of the gentleman prevail, and then at the end of the 13 hours make a mo-

tion to extend the time further?

Mr. SAUNDERS. Well, I do not know. We can do it now,

but we can not know who will be in the House at the end of 13 hours

Mr. SISSON. Mr. Chairman, if the Chair will permit, the suggestion made by the gentleman is that at the end of 13 lours it can be arranged. If the gentleman from Oklahoma [Mr. Ferris] shall consume 30 or 40 minutes more than the time allotted, I think there would be no objection in the House to extending the time at the end of the 13 hours by just the amount by which the gentleman from Oklahoma exceeds the allotted time, because the gentlemen in charge of the bill on both sides are anxious that that be done.

The CHAIRMAN. Does the gentleman from Wisconsin [Mr. STAFFORD] accept the amendment proposed by the gentleman

from Virginia [Mr. SAUNDERS]?
Mr. STAFFORD. I have no desire to object to it.

Mr. LENROOT. I will be constrained to object to the propo-

sition of the gentleman from Virginia.

The CHAIRMAN. The gentleman from Wisconsin [Mr. STAFFORD] asks unanimous consent that the gentleman from Oklahoma [Mr. Ferris] be permitted to proceed for 30 minutes in addition to the time already allotted to him. Is there objection?

There was no objection.

Mr. FERRIS. Mr. Chairman, I hope the Chair will avoid taking this out of my time.
The CHAIRMAN. Very well.

Mr. FERRIS. Mr. Chairman, now let us examine at page 49 in the report of 1912 from the man in charge of these agricultural stations in Alaska and ascertain what the six years' experience they have had there have led him to say about the soil and the treatment of it. His exact words are as follows:

SOIL TREATMENT.

The soil in a cold climate requires somewhat different treatment from that where the ground does not freeze. Here the ground is frozen nearly seven months of the year, and chemical action is therefore very much retarded. Plant food does not become available rapidly enough to crop the land every year. A system of cropping most of the land every other year has been inaugurated, especially for the hay and grain crops. This system admits of summer plowing when more or less green stuff can be turned under, and it also relieves the spring rush of preparing the soil for seed. The soil should be plowed deeply in July or August and left rough so that the air can act upon it. For good results the spring cultivation should be very thorough before seeding. If time will permit, it is highly beneficial to replow the land in the spring, as it helps to warm the soil, and it seems the more the soil is stirred in the spring the better the crops which follow. Care should be taken not to plow too much litter under, as it tends to cut off the capillary action of the moisture, and the rainfall is usually very light during the months of May and June. Without proper tillage the soil is apt to become too dry, and the crops will suffer from lack of moisture. It should be remembered that most of the snow water runs off before the soil is sufficiently thawed to absorb it, and it becomes necessary to conserve the moisture as much as possible.

Here you will observe he says they have been forced to abandon the proposition of cropping the land every year; that the soil is frozen seven months and there is not enough chemical action to keep plant life alive. He further explains that so much of the year the soil is frozen so hard and so deep that the water runs off into the sea and does not water the crop. He even cautions the farmer not to plow too much litter under, as it tends to cut off the capillary action of the moisture, and the rainfall is very light during the months of May and June. I had truly hoped that we might be spared this one comment, for I had at least assumed that they would not be drought-stricken on top of all the other series of calamities that the agricultural bureau in that Territory have to put up with, but it seems with their barren soil, with their arctic climate, with their midsummer frosts, and their necessity to fertilize, which is always expensive, and usually prohibitive, on top of this we find them afflicted with droughts that can not be overcome or checked, due to the fact that the frozen ground can not absorb the water, which rushes off madly to the sea.

No, my friends; farming in Alaska under such conditions as these can not become a reality. As one who has gone through the frontier days and frontier conditions incident to the opening and development of a new country, in the light of these facts this country is without hope and without possibilities so far as a poor man's country is concerned, and surely, if the Federal Government is to develop it at Government expense, it should be for the benefit of the poor man and for him alone. I can not fathom that the Federal Government would ever get so beside themselves as to think this is an agricultural country or induce its citizens to go there to suffer, freeze, and starve in the bleak and barren hills of Alaska.

CROPS.

This Congress is asked to issue \$35,000,000 in bonds and appropriate \$1,600,000 outright in cash for the purpose of con-structing a railroad in Alaska which is to derive its tonnage from agriculture, because there is not sufficient coal of value to transport from within the interior, and because of what precious metals there are in Alaska no tonnage of any significance is connected with them; hence, we must rely upon the agricultural tonnage if we are to meet with any success in constructing this railroad.

Much has been said, Mr. Chairman, about potatoes being the leading crop up there. It is an important crop. It is the vegetable upon which the poor live almost everywhere, and it is an important crop. Let me explain to you why Alaska is not suitable for the production of potatoes. I read not my own words, but I read from the annual report for 1911, page 7, on potatoes. Here is what is said there:

POTATOES.

The potato is by long odds the most important vegetable grown in Alaska. It constitutes a very important item in the people's diet. Everybody uses it; everybody knows how to grow it; and with proper

care it can be grown all over the Territory. But in spite of this, several thousand tons are imported into Alaska every year. About a thousand tons are shipped into the Fairbanks region alone each summer from the Puget Sound district. It is maintained that "outside" potatoes are drier and mealier than those grown in Alaska, and they therefore bring a higher price in the market than do native-grown relations.

Here it will be observed that, though much has been claimed for Alaska as a potato country and much has been said of excessive freight charges, still the report says several thousand tons of potatoes are imported into Alaska every year and that about 1,000 tons are shipped into the Fairbanks region alone from the States. He also gives us the reason why this is true. The Alaska potato is watery, unpalatable, and is only eaten when the outside potato can not be had at any price. I think none of the proponents of this bill, laboring under the impres-sions they are of all the real-estate boomers and other pressures combined, will try to contradict this statement or attempt to combat it.

Now, my friends, that extract quite well corroborated what I said, but in the event it should not be so considered, let me read a little further. I read from page 50 of the annual report of 1912 of the men in charge of one of the arms of the Agricultural Department. This is a report which can be had by every gentleman here. This is said there:

Garden stuff commands a good price, but the supply usually exceeds the demand. Native potatoes are slow sale this season at 4 cents per pound. The Alaska potato market is peculiar. The Fairbanks market especially demands, first, an outside, or imported, potato regardless of price, kind, or quality; therefore, the merchants in their endeavor to please their customers do not like to handle the native potatoes, and will not, as a rule, when it is possible to have the outside stock.

Here you will observe that the Alaskan merchants will not even handle the potatoes and they are a slow sale at 4 cents a pound. He says the Fairbanks people demand outside potatoes regardless of the price, kind, and quality. I ask the proponents of this bill what kind of potatoes do they raise in Alaska and where does all this bland complaisance hail from with reference to their agricultural possibilities in Alaska?

Now let us look at the premises for a moment and follow it for a moment. First, it says that potatoes are the leading crop, and then it says the Alaska people will not use them. It says they can not sell them. At other places in the report the Agricultural Department representatives say they can not sell them, and assert that they are a drug on the market.

The statement is made that a thousand tons of potatoes were shipped into Fairbanks alone from Puget Sound in one season. Now, if that is so, I believe it would be cheaper to bring those people out of Alaska entirely and give them a home in one of these several million acres of unoccupied public land. Why, we could board them at the Waldorf-Astoria Hotel more cheaply than keeping them in Alaska.

Mr. BARKLEY. Mr. Chairman, will the gentleman yield

for a question?

The CHAIRMAN. Does the gentleman yield?

Mr. FERRIS. Yes.

Mr. BARKLEY. My question is prompted by a desire for information rather than by mere curiosity. If they can not eat or sell the potatoes, what do they use them for?

Mr. FERRIS. Oh, I guess they can mix them up with guano and put them back on the soil and fertilize the soil and

raise more potatoes of the same kind. [Laughter.]
Mr. JOHNSON of Washington. Mr. Chairman, if the gentle-

man will permit, I will answer that question.

Mr. FERRIS. Certainly.

Mr. JOHNSON of Washington. It is an actual fact that potatoes are shipped from Alaska to Seattle, the very place from which are shipped the potatoes that were sold at Fair-

Mr. FERRIS. Where does the gentleman get that information? When was that?

Mr. JOHNSON of Washington. That was within the last year or two.

Mr. FERRIS. I do not know where the gentleman gets a report of that kind.

Mr. JOHNSON of Washington. I get it from the Federal statistics.

Mr. FERRIS. I have in my hands, Mr. Chairman, the report of 1911 and the report of 1912, which show that to this wonderful country a thousand tons of potatoes were sent to the gentleman's home town in Fairbanks from the States. One of two things must be true-they are either without home potatoes or those they have are worthless, or they would not ship in such quantity as that.

Mr. BRYAN. Mr. Chairman, will the gentleman yield for a

question?

The CHAIRMAN. Does the gentleman yield?

Mr. FERRIS. Yes.

Mr. BRYAN. Has the gentleman ever bought an article marked "Made in Germany"?

Mr. FERRIS. Oh, the gentleman would not desire me to digress to answer that.

Mr. BRYAN. That is on the same principle. Mr. HELM. Mr. Chairman, will the gentleman yield?

Mr. HELM. Mr. Charlindi, whi the general Mr. FERRIS. Yes.
Mr. HELM. Is it not a fact that there was collected in customs duties at the ports of the United States \$60,000 or \$75,000 on potatoes imported into United States ports in the year before last?

Mr. FERRIS. I do not think so. I am sure that can not be. They do not even eat the Alaskan potatoes themselves, only when a potato famine is on. But I will say that since the date of the purchase of Alaska for \$7,200,000 the imports from Alaska have been a mere bagatelle and negligible in comparison with the expense of that Territory. If it takes from 1867 down to this good day to pay back \$7,000,000 on the money we have spent for Alaska, I would like to know how long it will take for the imports from Alaska to pay for this \$400,000.000 railroad which it will eventually amount to if the scheme is entered into at all—that you propose to build up there. That is a proposition that you gentlemen can take home with you and think of until you are tired. We have spent \$35,000,000 on Alaska, and only

\$17,000,000 has as yet been returned.

Mr. HELM. If the United States is importing potatoes for consumption, is it a crime for the people of Alaska to import

potatoes also?

Mr. FERRIS. No; but the gentleman well knows, if he is earnest in his efforts to secure information, that attempts to raise Alaskan potatoes are not successful. On the contrary, the soil is so sour and mucky and devoid of fertility that potatoes raised upon it have no quality that makes them palatable. Po-tatoes from outside were imported into the gentleman's home town—the town of the gentleman who has presented this matter to the House so creditably and favorably. Under the circumstances, I can scarcely fathom his metive in making such a remarkable statement as he has made.

In his own town they had to import a thousand tons of po-tatoes, and his town is the olive branch that they hold out. All three of these railroads are headed for Fairbanks. What for? To carry in potatoes to keep the Fairbanks people from starving to death. [Laughter.] Why, we ought to bring those people out and board them where we can board them cheaply.

Mr. WICKERSHAM. Besides those potatoes we have brought out \$75,000,000 of gold inside of 10 years from that same town.

Mr. FERRIS. I will not take the time now but I beared.

Mr. FERRIS. I will not take the time now, but I have the gold figures here. I should like to present those figures. They are falling off at the rate of \$4,000,000 a year. I will present them to the gentleman. Turning to page 33 of the report for 1912, let us see how we are getting along on potatoes, wherein it says:

It is a question whether the potato market will continue to be a profitable one. The population gradually diminishes as the placer ground is worked out, and the homesteaders are gradually extending the area in potatoes. The time will come when the price of the native-grown potato will be so low that there will be no profit in it. In this connection it is well to call attention to the fact that potatoes grown on lowlands, as a consequence, suffer from early frosts and seldom mature normally. They are therefore soft and watery when cooked, and when placed on the market they ruin the reputation of the Alaska-grown potato.

In the lowlands, where the soil is rich, the frost gets them, and on the high mucky soil they die for want of fertility; so in either event you raise nothing. Continuing, the report says:

Ranchers should transfer their potato growing to southern slopes of the low hills. There they will get a potato of better quality, which will not be discredited in the market.

What a spectacle that is!

Mr. HARDY. Is it not the excessive freights on potatoes that make them cost, when imported, a dollar a pound?

Mr. FERRIS. I think it is; but if the country had the fer-tility its friends claim for it there would not be any need to import foodstuffs. They could feed themselves.

Mr. HARDY. I will ask the gentleman to deal with this

question: If the freight rates are so high that potatoes cost a dollar a pound, ought we not either to close up that country or

give some access to it? [Applause.]

Mr. FERRIS. I will tell the gentleman frankly what I think about that. Let me read again in the report for 1911 and see what the Agricultural Department says about that. Here we have what the Agricultural Department says, which ought to

be placed before the people who anticipate going there.

First, however, let us for a moment sum up what our agricultural investigations in Alaska have really resulted in. First, the expenditure of \$298,000 out of the Federal Treasury, with coal is right there?

a return of \$22,000. I presume the Auditor for the Treasury Department will audit this amount as so much for experience in agriculture in Alaska. So far as I am personally concerned, I think the money has been well spent, for I believe it will prevent many of our patriotic home-seeking people from getting on the rocks of starvation and disaster by ever going to Alaska at all and taking up a homestead there.

One of the stations at Copper Center has already been abandoned. I have no doubt but that that station is buried in the one cemetery site that has heretofore been patented, and I have no doubt but that in the near future there will be four freshly made graves for the other stations now in existence there, namely, Sitka, Rampart, Fairbanks, and Kodiac. I shall not attempt at this time to make reference to what would be a proper inscription upon the tombstones of these costly and unsuccessful ventures.

Again, at page 31 of the same report of 1912, we will observe where the agricultural report shows that potato culture will in all probability have to be abandoned altogether, due to the fact that as they work out the placer mines and the population begins to recede there will be no demand for the potato. The language is as follows:

guage is as follows:

It is a question whether the potato market will continue to be profitable, however. The population gradually diminishes as the placer ground is worked out, and the homesteaders are gradually extending the area in potatoes. The time will come when the price of the native-grown potato will be so low that there will be no profit in it.

In this connection it is well to call attention to the fact that potatoes grown on lowlands, as a consequence suffer from early frosts and seldom mature normally. They are therefore soft and watery when cooked, and when placed on the market they ruin the reputation of the Alaskagrown potato. Ranchers should transfer their potate growing to southern slopes of the low hills. There they will grow a potato of better quality, which will not be discredited in the market.

Let us now for one moment go up to the Tanana Valley in

Let us now for one moment go up to the Tanana Valley, in the vicinity of Fairbanks, and observe conditions there through first-handed information secured from the agricultural repre-sentatives, who must of necessity be the highest authorities upon whom we can depend for information as to the agricultural conditions in Alaska. At pages 49 and 50 of the report of 1911 we are again favored with a report on the conditions of wild grass and hay. The report is as follows:

The writer challenges the many reports that are continually appearing in eastern papers—

That is some more of my friends Wickersham and Humphrey's moving-picture shows-

magazines, and other current literature, calling the public attention to the supposed vast areas of meadow lands in the Tanana Valley, which are calling forth innumerable letters of inquiry.

These moving-picture fellows are raising potatoes to beat the band in Boston and New York and around this Capitol. main way that they raise potatoes is in these moving-picture shows. Continuing, the report says:

It is true, travelers often see small meadows and short stretches of good grazing, but when we consider the great area comprised in the Tanana Valley we lose sight of the few scattering grassplats. There are probably not a dozen of the 200 or more homesteaders in the valley who can cut enough wild hay on their homesteads to winter a team.

Mr. MADDEN. What are horses worth up there?
Mr. FERRIS. They do not have any. Let me read to you here. They have no hay to feed them with if they had them, but they do not have any. I will present the agricultural report:

Nearly all homesteads, however, do afford some grazing four or five months in the year.

Considerable grazing land may be found near the headwaters of the Tanana and also occasionally small areas are found on the hills above timber line. Where forest fires have devastated the timber grass usually springs up in abundance until choked out by a new growth of timber and moss.

It costs \$125 an acre to remove the moss.

Continuing, the report says:

While a few of the more prosperous settlers have cleared up enough land to raise their own feed and some to sell, the great majority of homesteaders do not have any stock at all, but hire their neighbors to plow up a small area, and they finish the cultivation by hand, while others devote their whole time to cutting wood for a living.

That answers the gentleman's question. They do not have any at all, but hire their neighbors to plow up a small area, and they finish the cultivation by hand, while others devote their whole time to cutting wood for a living.

Mr. MADDEN. What do they do with the wood? Mr. FERRIS. I guess they toast their toes by it. They have eight months darkness and the thermometer goes down to 80° below zero. They need firewood worse than anything else, and somebody ought to build a fire under some of these moving picture fellows and stop them from misrepresenting these things

in the East, and their own Agricultural Department says so.

Mr. JOHNSON of Washington. Why should they be cutting
wood in a country where the wood is mostly conserved and the

Mr. FERRIS. I will get to that. The gentleman and I are pretty nearly in agreement about that. I have a plan to pro-

pose about that, and I will come to it presently

The reports even show that the agricultural agent in charge up there has even become vexed at the lack of knowledge on the part of our people in the States as to true conditions in Alaska. You will observe, he says, that in that wonderful valley, which has been pictured to us as the great millenium of agriculture, that less than 200 homesteaders are there, and that there are probably not a dozen of them who can cut enough hay to winter a team, many of them having to devote their whole time to cutting wood for a living. How does this compare with the boom literature we find emanating from chamberof-commerce and real-estate men up in that country? I ask this House, Will you employ men to go to Alaska in-charge of your affairs and instruct them to obtain the facts, and when brought home to you free from excitement, free from noise, will you turn them aside and follow the booster sheets and movingpicture shows of the chambers of commerce and interested partles instead? Alaska would not be entitled to have this said about her but for the fact that it is necessary to bring about an awakening to the extent that the Federal Government will not, through a misapprehension, break precedents in making large expenditures of the public moneys for a proposition totally wanting in feasibility, practicability, and common sense.

Again, at page 53 of the same report, we again meet the true

conditions with reference to tame hay, and there the experiment station, after four long years of preparation of the ground, has

the following to say:

As has been stated in former reports, the hay crop is much improved by summer fallowing and frequent cultivating through the summer. The ordinary land will not stand cropping every year without using some fertilizer.

Early seeding is highly important, as it is next to impossible to cure hay cut after the first week in September.

I think it is unnecessary to say to this House, even though many of you have not been connected with agriculture, that where the land has to be plowed each year, or lay idle, that no human being can make it profitable. I have been fortunate in having more or less to do with agriculture all my life, and I think every farmer in this House will bear me out in the state-ment that the uncertainty of getting a "stand" is so great that unless it would stand from 10 to 20 years it would not be considered valuable for a crop. In the report you will observe that they treat tame hay as an annual crop that must be planted yearly, and the report goes on to say that the land can be cropped only every other year.

I shall not devote more time in calling attention to the numerous and voluminous reports that show conditions in Alaska and the preposterousness of trying to hold out to this Govern-ment or anyone else the fact that agriculture in Alaska will ever afford any tonnage for a railroad. The only possible good such railroads could serve would be to carry in food from the States to ward off starvation from the people who live within, and I think the excerpts from the reports of the man on the ground in charge warrant a statement as drastic as this one.

At page 22 of Bulletin 36, by ex-Secretary of the Interior Walter L. Fisher, it being a bulletin from the Bureau of Mines, he there very ably discusses the method of opening coal mines, the inadvisability of Government operation, and so forth. His

words on pages 22 and 23 are as follows:

METHODS OF OPENING THE ALASKAN COAL FIELDS.

[Page 22, Bulletin 36. By Mr. W. L. Fisher, Bureau of Mines.]
On the other hand, direct Government operation, including the mining and the selling of coal, involves such deep and far-reaching changes, both of policy and of administration, that there is no likelihood at the present time of its adoption to the exclusion of private operation. Unlike the Government ownership of railroads, public coal mining has never been held by the courts to be a function of government. It would be regarded by many sincere and disinterested citizens as an invasion of the field of private enterprise, and would involve such general and uncompromising opposition that even those who believe in its adoption as a matter of principle should not insist upon tying up the coal fields of Alaska until the great economic and political questions that are involved in its exclusive application to these fields have been fought out to a practical conclusion. The true function of government is not merely the preservation of public order or the regulation of the conduct of Individuals, but the carrying on of any enterprise which will promote the welfare of the community as a whole more effectively if carried on by the organized community than if left to the voluntary action of individual members of the community. But to determine whether a particular activity answers this test depends in every instance on a final and complete analysis involving a consideration not only of Immediate results, but of the far-reaching consequences upon humanity and upon the social order. While, therefore, much can be said in favor of permitting the Government to enter experimentally into those fields upon which industrial development and the welfare of society depend, which perhaps may in the future include the development and distribution of power and the means by which power may be created, I do not believe that the Government alone should preempt these fields or exclusively assume their development by private enterprise can not be effectively controlled. For this rea [Page 22, Bulletin 36. By Mr. W. L. Fisher, Bureau of Mines.]

to the policy of having the Government alone own and mine Alaskan conl.

Here it will be observed that ex-Secretary Fisher is inclined to be against having the Federal Government mine the coal in Alaska, and he is undoubtedly right about it. The building of a railroad in Alaska does not in any sense soive the problem, but, on the other hand, it must yet be met. We should first bravely meet the problem and then solve the railroad proposition later. I do not always agree with ex-Secretary Fisher in all things, but he deals so clearly with problems that are of great moment to our people that the country may well find itself indebted to him for it.

Again, at pages 27 and 28 of Bulletin 36 of the Bureau of

Mines, by ex-Secretary Fisher, he says:

CONDITIONS TO BE INCORPORATED IN COAL LEASES

With records at hand giving the results of a large volume and great variety of experience covering the operations of both private and public coal-land leases in our own and many other countries, it should not be difficult to decide upon the ordinary conditions and requirements that should be incorporated in a leasing system for the Alaska coal fields—working conditions that will meet the legitimate demands of the prospector, the investor, and the operator, safeguard the health and life of the mine worker and the operator, safeguard the health and life of the mine worker and the property of the Government, to the end that the public may secure an adequate supply of fuel at the lowest cost consistent with these conditions.

It may be practicable to provide in connection with the renewal of leases at their termination that such renewals shall be subject to the then existing laws applicable thereto. This principle has been successfully adopted in the Australian leases. Our first leases can well be made more favorable than those which follow, so that prompt development may be secured; and if they are for reasonable but fixed periods, and if we lease only as much of our coal lands as may be required for the existing market and its effective extension, we can thus proceed experimentally, correcting early mistakes and meeting future conditions as they arise.

The prime requisites of a leasing system are that only sufficient coal lands should be leased to meet the existing market and encourage its development; that the terms of the lease should be such as to attract capital and protect both the capital invested and the public interest; that the quantity leased to any one lesses should be limited to the amount that can be profitably mined as a unit and yet be large enough to attract investors; that the lessee should be limited to the amount that can be profitably mined as a unit and yet be large enough to attract investors; that the lessee shall pay his royalty as he mines his coal; that this shall annually amount to at

Here ex-Secretary Fisher shows with amazing clearness that it would be easy to incorporate in the lease provisions which would meet all the legitimate demands of the prospector, the inventor, the operator, and well safeguard the life and property of the mine worker and likewise the property of the Federal Government. At almost the same breath he shows that the public may secure an adequate amount of fuel at a low cost, further explaining how safeguards could be placed in the leases to ward off monopoly and viciousness on the part of any of those who may enter the field for mining purposes.

Again, on page 23 of Bulletin 36 from the Bureau of Mines.

ex-Secretary Fisher dwells on the many advantages of the

leasing system. His words are as follows:

SOME ADVANTAGES OF AND OBJECTIONS TO THE LEASING OF COAL LANDS.

Page 23, Bulletin 36. By Mr. W. L. Fisher.]

I believe that the leasing system avoids the controversies and the difficulties of both extremes of public and of private ownership. It has been adopted with conspicuous success in the great mining communities of Australia and New Zealand. It is now the established law of the Yukon territory lying in Cannula just across the border line from Alaska. It is the system under which much of the privately owned coal land of the United States is in fact to-day being developed. Under it we can insert as matters of contract and as conditions to which the lessee voluntarily consents those regulations and requirements which promote the public interest, the enforcement of some of which by mandatory law might be unconstitutional. By making the terms of our leases liberal we can make them even more attractive to capital than if we adopt the policy of an outright sale of the fee.

Let us consider for a moment what ordinarily happens with coal land that is sold outright, Comparatively little of it is mined by the original purchaser. He usually disposes of his title to a succession of others, each of whom in turn adds to the cost of his purchase the profit in consideration of which he sells, and with increasing frequency the final result is the operation of the coal mines by a lessee, who must pay a return on these accumulated profits and who adds his own, transferring the burden of it all to the consumer. One hundred and fifty-six ferring the burden of it all to the consumer. One hundred and fifty-six million tons of coal, or 34 per cent of the total production of the United States for the year 1900s, were mined from lands operated under private leases, and these leases are common in every coal-mining State, naturally much more so in some States than in others. Considering the naturally much more so in some States than in others. Considering the continent, about 90 per cent of the area in the Pocahontas district and

about 60 per cent of that in the New River district are mined on a private-lease basis, which pays the lessor a royalty fee averaging 10 cents per ton.

Here it will be observed that the lease can be so arranged that it will be attractive to investors to come and develop Alaska; then Alaska's purposes will all have been served and our Government will have practiced prudence and economy. We will only be walking in the wake of New Zealand and other countries that are carrying on coal mining in this way and by this system the Alaska Territory may reach her highest goal

of development.

Even if railroads should be built by the Federal Government, the real problem yet stares you in the face of How shall the coal be mined? How shall it be handled? How is monopoly to be crushed? How shall the weak be protected from the strong? All these, nay more, questions stare you in the face as before. Why not solve the real problem first? Then, if conditions do not hold out sufficient inducements to invite railroads, wagon roads, and other developments, then it would be time enough, after a fair trial, to look to Government ownership and the knotty problems that go with it.

On this proposition of leasing, I again call your attention to the words of ex-Secretary of the Interior Hon. Walter L. Fisher, appearing on page 132 of the Senate hearings, and which

They will all be agreed upon the proposition that the way to handle these fields is to have the Government lease them, and lease them upon terms that will encourage development, will protect the operator, and will give him a far better chance in the practical operation of the coal mines than he can possibly get under the existing system. You do not propose to throw this coal land open under the present law except in very small quantities, so small that it is not profitable to operate, so small that certainly if there is any operation it is upon the most uneconomic basis.

Further, on page 133 of the Senate hearings, speaking of the leasing plan and the method of opening Alaska, ex-Secretary

Fisher says:

Now, the Federal Government can make a lease that will make the royalty whatever it wants, and it can impose conditions with regard to the protection of the interests of the miners and the workmen that will be right and proper—not unreasonable, not finical, or anything of that kind, but right, and if that involves a financial expense on the operator that ought to be taken into consideration, it can be taken off the royalty. So far as I am concerned, I do not care whether the royalty amounts to anything or not in cash money if the Government gets the things it wants and if the public gets the things it ought to get instead of actual money.

I am again proud to refer to the remarks of ex-Secretary Fisher, at page 135 of the Senate hearings, as follows:

In the past we have made land grants, and we have given other assistance to railroads. I think that time has definitely gone by. I do not believe that Congress is going to make any more land grants in aid of railroads.

Now, as to the question of what would happen in the event a leasing system properly safeguarded were put into vogue in Alaska, we are again proud to have what ex-Secretary Fisher says, as shown at page 140 of the Senate Hearings, the exact colloquy being as follows:

colloquy being as follows:

Senator Walsh. You are apparently of the opinion, Mr. Fisher, that if these roads were built, or if any of them was to be built to the coal fields, and a law were passed providing for the leasing of coal lands, that lessees would appear in abundance?

Mr. Fisher. I have no doubt whatever of it, Senator. I have been told by many men that there would not be any question about it.

Senator Walsh. If, then, such an act were passed making provision for the disposition of the coal land under such a system as that, so that the coal lands were to be opened up, would it be your opinion, then, that private enterprise would construct these lines in order to carry out the coal thus to be mined?

Mr. Fisher. I think private interests would construct lines necessary to carry out the coal, both at the Bering field and at the Matanuska fields.

Senator Walsh. Under a leasing system?

Schator Walsh. Under a leasing system? Mr. Fisher. I think so.

I am in favor of leasing the coal lands in Alaska on a royalty basis, just as a farmer would lense his farm for one-third of the wheat or one-fourth of the cotton, or the usual crop rent, so that the man who mines coal in that country will not only make a profit for himself, but for the Federal Government and for Alaska herself, and will help develop the country-with no scandal, no noise, no buncombe, no Guggenheimism, and no blinding, blighting, idiotic statements, challenging the patriotism of men who are here to do their duty. [Applause.]

The leasing system is one you will have to come to anyway.

We are doing it in Oklahoma, we are doing it everywhere, and now I ask the gentleman from Alaska [Mr. WICKERSHAM] how does he stand on a leasing law? You were against it in the

hearings.

Mr. WICKERSHAM. What is the use of a leasing law if there is no coal up there, as the gentleman says there is not?

Mr. FERRIS. The "gentleman" does not say there is no

coal there. He has never said so and he does not say so now. but you are getting the cart before the horse in that way; we

But I want to know how does the gentleman stand on a leasing law?

Mr. WICKERSHAM. I am in favor of it, provided that it is so arranged that the Guggenheims can not get control of it.

Mr. FERRIS. The gentleman did not so state in the hearings. The gentleman then said that he was against a leasing law.

Mr. WICKERSHAM. Yes-

Mr. FERRIS. What has changed his opinion?

Mr. WICKERSHAM. Nothing.

Mr. FERRIS. Is the gentleman for it or against it?

Mr. WICKERSHAM, I am against it if-

Mr. FERRIS. He who is in favor of real conservation, of real development, is in favor of opening the mines under a leasing law free from exploitation.

Mr. WICKERSHAM. Will the gentleman let me answer his

Mr. FERRIS. Yes. Mr. WICKERSHAM. I am in favor of a leasing law such as is indicated in the language of President Wilson in his last

message. Is the gentleman in favor of that?

Mr. FERRIS. I do not recall just what that language was, but I am in favor of more that President Wilson stands for than is the gentleman from Alaska. The gentleman wants to drag us up into Alaska to spend \$36,000,000, where he only has 35,000 white souls with only the pitiful increase of 733 souls for the last 10 years.

Mr. HARDY. Will the gentleman yield?

Mr. FERRIS. Yes.

Mr. HARDY. Can the gentleman expect a man to go up into Alaska mining coal and getting enough out of it to pay \$1 a

pound for potatoes that they must have?

Mr. FERRIS. Well, the gentleman has asked a question that will call for a considerable digression, and I do not think he expects me to go into that. I have a way of remedying that. If you lease the coal and control monopoly by Federal and trust legislation, you have solved the problem. Whether you pass the railroad bill or not, you have to come to the lease law for Alaska, and you know it. We are merely getting the cart before the horse. I am not in favor of the Guggenheims grabbing any more of Alaska, and I am not in favor of letting anybody else grab Alaska, but, on the contrary, I am in favor of leasing the minerals of Alaska, and that is the only way to solve the problem.

Mr. HARDY. Will the gentleman yield?
Mr. FERRIS. Yes.
Mr. HARDY. Would anybody go up there and accept a lease under the present conditions and the law?
Mr. FERRIS. Yes; they would be glad to do it. The hearings are full of the names of people crying to do it.
Mr. HARDY. Under present conditions?

Mr. HARDY. Under present conditions? Mr. FERRIS. Under present conditions. There is no lease law on the statute books. It is the duty of this brilliant, clear-headed, progressive Wilson administration to give Alaska laws which will enable them to lease these lands; and they ought to do it without any more ceremony, and I welcome the aid of the Progressives and the Republicans to do it.

Mr. LENROOT. Will the gentleman yield?

Mr. FERRIS. I will. Mr. LENROOT. I am thoroughly in accord with the gentleman.

Mr. FERRIS.

Mr. FERRIS. I know the gentleman is. Mr. LENROOT. I want the gentleman to tell the House what reason he has to believe that under proper laws which will guard against monopoly the railroads will be built into these fields?

Mr. FERRIS. Read Mr. Fisher's statement in his bulletin on Alaska. He says in substance that he has no doubt that they

will, and I believe that they will.

Mr. LENROOT. Does the gentleman place greater credence in the judgment of ex-Secretary Fisher, a Republican, than he does in the statements and opinions of Secretary Lane?

Mr. FERRIS. Not at all. I think they are both clearheaded, patriotic gentlemen; but because men happen to differ in opinion on a single proposition, it is no sign that they are lacking in patriotism, intelligence, or true worth that goes to make up manhood.

Mr. SIMS. Will the gentleman yield?

Mr. FERRIS. Yes.

Mr. SIMS. In case the Government builds the railroad, could not it lease the property for better returns?

Mr. FERRIS. Possibly it could and possibly it could not;

should solve the conservation proposition first and build the railroads later.

Mr. WICKERSHAM. Will the gentleman yield?

Mr. FERRIS. Certainly. Mr. WICKERSHAM. Does the gentleman remember that Secretary Fisher appeared before the Committee on the Territories and strongly recommended this bill?

Mr. FERRIS. I do; he was in favor of the bill, and he was

in favor of a lease law, which the gentleman did not favor and is not in favor of now.

Mr. LENROOT. There is nothing inconsistent with this bill

and a leasing law.

Mr. FERRIS. I think the leasing law makes this bill unnecessary.

Mr. HARDY. I think I am with the gentleman for a lease

Mr. FERRIS. And I want to say to the House that if anybody thinks that the appropriation of \$36,000,000 out of the Treasury at this time will stop the noise and clamor for more railroad appropriations, he is wrong. I want to call attention to the fact that the passage of this bill and an appropriation of \$36,000,000 will in no sense solve the problem in Alaska. there a man in the Progressive Party, is there a man in the Republican Party or in the Democratic Party, who would stand up here and advocate that the Federal Government ought to go up there with a pickax and dig that coal out and load it on to freight cars? No good man would have the temerity to stand up and advocate any such a thing as that.

Mr. BRYAN. Mr. Chairman, I certainly believe it will be

all right for Uncle Sam to do that.

Mr. FERRIS. There is one lone Progressive.
Mr. BRYAN. And supply the market with coalMr. FERRIS. Brethren, are there any others? [Laughter.]

Brethren, are there any others? [Laughter.] Mr. BRYAN. It will be so much better than the West Virginia scheme and the Colorado scheme that there will be no comparison.

Mr. FERRIS. Can there be others? Mr. Chairman, there is a sample of the Progressive Party for you. There is a man who would have the Federal Government leave the ordinary functions of government behind and go up with a pick in hand to dig coal in Alaska. What do you think of that? [Laughter.] I see 19 or 20 good Progressive Party men sitting around here, all good fellows, who would not think of such a thing as that, They are all lovable, good fellows, that have the milk of human kindness in them, and I am with them lots of the time; but what a spectacle that would be. Still, the gentleman lives near Seattle, where the moving pictures come from, so that may account for it. [Laughter.]

Mr. BRYAN. I will state this, that we have none of those

Indian shows which the gentleman has spoken about, with

Buffalo Bill as a central figure.

Mr. FERRIS. I know the gentleman is a few days in ad-

vance of us on that.

Mr. TOWNER. Mr. Chairman, I would like to ask the gentleman if he thinks, seriously, that with a leasing system any railroads would be constructed to the two coal fields that we have in Alaska?

Mr. FERRIS. Undoubtedly; and they are clamoring to-day and they will do it, and we can put the protection of the Interstate Commerce Commission around them so that they can practice neither monopoly nor extortion, and that is the sensi-

Mr. TOWNER. I had supposed that the reason that these railroad projects to these coal fields had been abandoned was because the projectors could not get hold of the coal fields.

not that the gentleman's idea?

That is largely true. No one can mine coal Mr. FERRIS. there now. A lease law will cure this, so things can move on without scandal and true conservation will be in vogue.

Mr. TOWNER. I know that is very true, and I am with the entleman on the leasing proposition; and is it not likely, if that is true, that a leasing system would prevent any large monopolization, or certainly control, of those coal fields?

Mr. FERRIS. It would, because we could write into the face

of the lease every safeguard that we wanted in there.

Mr. TOWNER. That being true, would any of these syndicates—these people who have been building railroads, or any other large interests that would take up railroad building-be likely to go to the coal fields?

Mr. FERRIS. I think they would if they could get tonnage. Mr. TOWNER. That is a problem I think we will have to

consider very seriously.

Mr. FERRIS. True, indeed.

Mr. TOWNER. The leasing system will do no good unless the coal can be taken to the seaboard.

Mr. FERRIS. True enough,

Mr. TOWNER. And it will not be worth while for us to pass leasing law unless that will result in allowing the coal that is mined to be taken out and made available.

Mr. FERRIS. Precisely; but let me answer the gentleman. Mr. MADDEN. Suppose that we have a railroad and that we do not have a lease law; how will we get the coal to the seaboard?

Mr. FERRIS. Mr. Chairman, I want to answer the gentleman from Iowa. I have ample authority here that I may not have time to present; but it shows that the two coal fields that are merchantable in character are very near the coast.

The Bering Sea field is 25 miles from Cordova Bay. other one has a railroad built 70 miles above Seward and by the construction of 110 miles more will go clear through to the Matanuska coal field and will be built if they can get the tonnage. The history of railroad construction since it began has been based on the fundamental principle of tonnage, and tonnage is a thing that brings railroads—nothing else. And with a lease law you have that tonnage. Why? Because men can be made certain in their investments, can know what they can earn, can know what the Government will exact in the way of royalty, will know on the face of the contract precisely what they have to do; they will know that instead of being governed by a noise, they will be governed by law, by contractual relations, by decent relations, which will bring honest, patriotic development; that there will be no monopoly, that there will be no oppression of labor, that there will be no extortion of freight rates, or any of the things of which both the gentleman and myself complain.

Mr. TOWNER. One other thing I want to call attention to. In reading these hearings-I do not want to take up the gen-

tleman's time.

Mr. FERRIS. I know, but we are a little short of time, if

the gentleman will pardon me.

Mr. TOWNER. Then I will not press the inquiry.

Mr. FERRIS. I dislike very much not to be able to yield further; I like to be considerate and at all times courteous to Members, but I must hasten on. Passing from the agricultural phase of it, I want to say this, particularly to my own side of the House. I have probably less source of information and right to make a suggestion to my own side of the House than anyone here, but nevertheless I am going to venture one. I want to call attention to the growth of appropriations.

The Senator from Ohio [Mr. Burron] did it more for-cibly than I can hope to do and I have kidnaped some of his figures and used some of my own. We promised the people in our platform that we would be careful in our expenditure of the people's money and, without any criticism, I believe our party is pledged to it, and I think every Democrat here can point with pride not only to-day but as long as he is here, to the great strides we have made in our progress and development and along lines that will tend to put Woodrow Wilson and ment and along lines that will tend to put woodlow which his administration and our party in history as a great progressive set of men making up a Democratic Party that proposes to do something. Now, I do not want to see anything that tends to blight or blast our beautiful prospects by a wild expenditure of money that is not based on something fundamentally sound. Now, let me call attention to the growth of appropriations. In the Army appropriation bill of 1873 the appropriations were \$28,000,000. In 1914 the appropriations were \$94,000,000. The naval appropriation bill in 1873 was \$18,000,000, and in 1914, \$140,000.000. The appropriations for rivers and harbors in 1873 were \$5,000,000; in 1914, they were \$51,000,000. The Department of Agriculture in 1881 had an appropriation of \$253,000; in 1914 it had an appropriation of \$17,000,000. We appropriated for pensions in 1873, \$30,000,000; in 1914, \$180,000,000. The total appropriation for the Forty-third Congress amounted to \$653,794,991; in the Sixty-first Congress we appropriated \$2,654,584,510.90.

Senator Burron calls attention to the fact we have increased our appropriations 366 times since 1790, while our population has only increased 24 times. Now what is the result? When every one of these appropriations started they said this will only be for a few years and we will hold them down next vear.

It shall not be my purpose to condemn any one of the above appropriations, for, on the contrary, we can all recognize good in the expenditures of the money and the improvements effected by them. It is always easy to call attention to the good things that money will buy; it is always painful and disturbing to debate the source from whence money comes; it is true in private life, in local municipalities, in the county, in the State governments, and in the National Government. I can not help but feel, however, that it is the duty of some one, somewhere, to

call attention to where we are really drifting. As the above figures disclose, we launch out at a particular time on what looks to be a small venture and a correspondingly small expenditure only to find ourselves a few years later appropriating sums so vast and so enormous that it would stagger the judgment of any man who even had a passing thought for the welfare and perpetuity of the Federal Treasury. I can not think it would be unfair to offer the above growth in appropriations as a somber criterion for what will follow in the event we commit the Federal Government to the owner-ship of railroads, which is more far-reaching, more enormous, and more unfathomable than any of the figures preceding us.

Let us pause for a moment to ascertain something of what Government ownership really means. To ascertain what it really means is important, irrespective of whether we favor it

It means, first, the ultimate taking over of all railroad lines in the United States, aggregating a total mileage of 248,888, and a salaried roll of 1,669,000 employees. It likewise means the taking over of the telephone, telegraph, and express companies and an addition to our pay roll in that regard of 322,044 employees at an annual salary of \$164,825,435.

The total number of Government employees, exclusive of the Army, Navy, and Marine Corps, is 469,528. It is not possible to assume actually what amount of money is estimated to pay these salaries, but the growth in the appropriations made by Congress since it has reached the \$2,000,000,000 mark is indicative of what we are getting into should we add the long list of telephone and telegraph and express companies and railroad salaries to the list. The enormity of such a proceeding can hardly be fathomed or understood.

The United States with her 248,888 miles of railroad is not to be compared with European Government ownership, countries that are densely settled and whose railroad mileage is not to be compared with ours. The 16 European countries which have Government ownership range in mileage from 318 to 37,996. There are five countries in America other than the United States, which have Government ownership, their mileage ranging from 3,526 to 24,726. There are six countries in Asia having Government ownership, the mileage ranging from There are five countries in Africa having Government ownership. The exact mileage is not given separately, but in each case the mileage is so small that it makes comparison unpardonable. Australia has seven subdivisions having Government ownership of railroads, ranging in mileage from

Government ownership would divest the several States of \$103,873,193 in taxes annually, equitably apportioned among the respective States according to the railway mileage in the States. The taxes range from \$130,031 for Delaware to \$7,561,014 for New York. It may well be asserted, and we are undoubtedly within the facts, to say that the purchase and taking over by the Federal Government of the railroads, telephones, telegraph lines, and express companies would increase the personnel of the national pay roll approximately 3,000,000, or, to be exact,

It will be observed that the last 10 presidential elections elected Presidents by a plurality varying from 7,000 to a little more than 2,500,000. Might we not well anticipate what the increase to the Federal pay roll of such a number would amount to in the controlling of a political machine to choke, strangle, and even overthrow this Republic?

But whether we believe in Government ownership or not, this particular project we are discussing is totally lacking in feasi-The construction of a railroad will not solve the problem. Legislation must be passed authorizing the mining and removal of coal and minerals, otherwise a railroad would be of no avail. It has been asserted that Alaska is overrun with grafters and crooks. For my purposes it is not necessary to either affirm or deny this assertion, but, in my opinion, the construction of railroads would increase rather than diminish this element, unless proper safeguards were thrown around the mining and removal of both the coal and the mineral.

Are we going to start in and build all the railroads in Alaska that the moving-picture people want up there? Falcon Joslin, proponent and president of one of the defunct railroads up there, says it will take 10,000 miles of railroad to open Alaska, which calls for an expenditure estimated at \$480,000,000. There are 35,000 white people there, an increase of 733 in 10 years. any Democrat, can any Republican, can any gentleman other than the gentleman from Washington [Mr. Bryan], who wants to have us go up and dig coal and raise potatoes, can anybody justify such a venture as that?

Mr. BRYAN. As far as going into that point you just suggested, they could mine the coal without suspending the Constitution as they did in West Virginia, but I am not suggesting anything in regard to that. But did Falcon Joslin say it would take 10,000 miles of railroad to open Alaska?

Mr. FERRIS. He did in substance. I am not trying to quote verbatim

Mr. BRYAN. Did he not say it would take that to develop Alaska?

Mr. FERRIS. That is only the difference between tweedledee and tweedlednm You give one community in Alaska 733 miles of railroad and there will be 732 other communities that would want a like amount immediately. Here comes a Member of Congress with an appropriation for rivers and harbors in his district. His brother Member across the aisle must have as much as he, and Tom, Dick, and Harry say that they must have as much as he has, and so on ad infinitum.

Mr. MADDEN. What percentage of the present population would be served by these 733 miles of railroad?

Mr. FERRIS. That has been figured out and has been stated

in the last few days. The big bulk of the population lives down on the seacoast, and they do not need the railroads; and the rest of the population is scattered throughout the interior.

Mr. KELLEY of Michigan. Would it bother the gentleman to state what the 10,000 miles of railroad of which this railroad

president speaks would be put in there for?

Mr. FERRIS. The theory is that the chambers of commerce up there want them. That is the main reason, I observe, and the people of Seattle want them, because every time we appro-\$36,000,000 for Alaska, Seattle figures on getting \$30,000,000 of it.

Mr. HUMPHREY of Washington. Will the gentleman yield?

Mr. FERRIS. I will.

Mr. HUMPHREY of Washington. In order to be entirely fair to Mr. Joslin, for whom I know the gentleman has a high

Mr. FERRIS. I have heard him to be a lovable character.
Mr. HUMPHREY of Washington. Is it not true that in
speaking of the development of Alaska he referred to the time t would be developed until it would have the number of inhabitants of Norway and Sweden?

Mr. FERRIS. That is a blissful time, which will never be

Mr. HUMPHREY of Washington. Was not that the statement?

Mr. FERRIS. I have the statement here, and it does not state that. I have his statement in the hearings and I will print it in my remarks. Mr. Joslin says:

Over 99 per cent of the area of Alaska is public domain. It cost the Government scarcely 2 cents per acre. Less than 1 per cent of the area has been reduced to private ownership. At least 10,000 miles of railroad will be required to develop the Territory.

I will read you another extract over the signature of Falcon Joslin from a letter dated April 15, 1912, addressed to the editor of the New York Times in reply to an editorial that appeared in the Sunday Times on the "United States Railway in Alaska." Mr. Joslin says:

You say, "Doubtless Alaska urgently needs a railway and ought to have one." What Alaska really needs is not "a railway." but many railways. One railway does not develop a continent. The instant need of Alaska is one or two trunk railways connecting tidewater with the navigable river systems of the interior, with two or more spurs opening up the nearest coal fields. One thousand miles of road properly distributed would do this. Even 500 miles might be sufficient to start with, but 10,000 miles of railroad will evidently be required before the Territory is well developed.

Now comes my suggestion:

A SUGGESTED REMEDY.

The citizen or the Representative who stands in opposition to an undertaking should be both able and willing to advance something in its stead more feasible. Three methods of actually opening up the coal mines in Alaska are before us, and only

The first is to permit, in the old way, private individuals to acquire title in fee to the coal lands in Alaska under existing

The gentleman from Alaska [Mr. WICKERSHAM] said in the hearings that he was not in favor of a leasing bill, so we assume ho is in favor of this one.

Now, as to method No. 2: To have the Federal Government own, operate, mine, remove, and market the coal through its own agents and its own instrumentalities; and third, that of having the Federal Government execute a lease properly safeguarded with proper limitations to insure, first, development; second, to prevent monopoly; third, to ward off extortionate prices; and fourth, to prevent abuse and maltreatment of

So far as I am concerned, in the face of conditions here present, I shall take my stand with the leasing method, giving to the Federal Government full power to work out a lease that will be properly safeguarded; that will have due regard for the welfare of Alaska, the welfare of labor, and with no opportunity for selfish monopoly to step in and retard Alaska's

The method I have proposed, I think, will meet with the ardent approval of every patriotic conservationist in the United States; it will be objected to by a few of the anticonservationists of the United States; it may be partially objectionable to probably all of the anticonservationists of the United States. It is this, invite the President, the Department of Justice, and the Secretary of the Interior to join in the drafting of a leasing bill for the Territory of Alaska on a royalty basis, the royalty to be governed and based upon the net profits derived from the mining and removal of the coal. I think the bill should contain a provision carefully drawn which would ward off monopoly, oppression, and extortion, and the provision should go in the face of the lease so the same could not be avoided.

I would place the power to fix the area in the President of the United States, so that Alaska could immediately be put on a working basis without coming back to Congress to have any particular phases of the lease modified or changed. My personal opinion is that the lease contract should likewise contain a strong provision well guarded and the strongest sort of a forfeiture clause for the maltreatment of labor either by reduced

wages, inhuman hours, or other inhuman treatment.

Second. Ample authority should be given the Interstate Commerce Commission over such matters as come under their jurisdiction; power to regulate rates and prevent extortion in that The Alaskan Territorial Legislature should be given power, if they do not already have it, to fix rates within the Territory. A corporation or railway commission within the Territory should likewise be created so railroads would be forced to deal justly with the people and at the same time be reasonably secure in the return of their investment and the operation of their rates.

The mere building of a road does not solve the question as stated; more questions will stare you in the face than before; they would still await solution at your hands, because as the matter now stands the coal claims are all withdrawn from entry; no Secretary of the Interior or President would be willing to restore them under entry and acquirement of the old law.

Too many claims have been initiated by the Guggenheims and others already that might become valid if this course were pursued, so the plan proposed is not only theoretical but it is something that must be done whether railroads are or are not built, and it is my earnest judgment, and I believe I can show from the highest authority that it is the judgment of those who know most about it, that if a course of this kind we're pursued that the door of opportunity to Alaska would swing open; that railroads and wagon roads would follow as fast as the business of the community would warrant; monopoly, graft, and irregular dealing would no longer be present, and the Federal Government could avoid committing itself to the enormous expenditure of \$36,000,000 at this time, which is only to serve as a predicate for the expenditure of millions in the future, so the Federal Government could avoid launching upon a scheme of doubtful propriety without precedent or without information that few, either inside or outside of Congress, can either fathom or understand.

I am full well aware that the treatment accorded Alaska has been difficult for them to forbear. The withdrawal of all their lands from public entry has naturally retarded railroad development, naturally retarded wagon-road development, naturally decreased the production of their mines and resources; and something no doubt should be done. Still, at the present time, to do a thing not properly worked out, to do a thing improperly understood, to do a thing without precedent, to raid the Federal Treasury for a scheme of doubtful propriety, is asking more of the Federal Government than should be expected at our hands.

My friends, did you know that since 1867 but two coal claims have ever proceeded to patent of less than 200 acres? friends, did you know that only 163 homesteads have ever proceeded to patent since 1883? No developments! Alaska has not been treated fairly? Alaska has not been treated fairly, they say; but, my friends, perhaps it has been treated as fairly as it could be treated under the circumstances. What should be done now is to open the door by the leasing system, and proceed orderly and decently up there to open the country.

Suppose for the moment that the Federal Government builds this 733 miles of railroad for \$36,000,000, does anyone think | planes and better things.

that act by itself will open the mines in Alaska, will mine and remove the coal from its hidden walls or load it on to the cars and find a market for it? Does anyone think, either in Congress or out, that the expenditure of such an enormous sum for the construction of three lines of railroad would make the other portions of Alaska less clamorous for their share and

grab at the Public Treasury?

The growth of our appropriations heretofore mentioned belies any such a theory, but, on the contrary, is but the holding out to them of roseate hopes that can never be realized upon as long as even the semblance of economy and prudence remain within the make-up of any of us. Do the proponents of this bill think that the American Congress will spend this enormous sum and construct these precarious lines of railroad and then turn Alaska over to them for exploitation and misuse? Do the proponents or the citizenship of Alaska themselves believe that the Secretary of the Interior or the President will release those Cunningham coal claims and the other partially segregated claims in the Bering and Matanuska coal fields? No; it will not be done; Congress will not permit that; public sentiment through the press and through the country will not permit that; but, on the contrary, we will have an expensive railroad, an expensive undertaking, with no tonnage to patronize the railroad, and with the same troublesome, perplexing problems to confront us that have heretofore perplexed this Nation and retarded the growth of Alaska for the past series of years.

Let us for the moment presuppose that the enactment of a leasing bill-which, after all, is but the placing of the Federal Government in the prudent and careful position that an indi-vidual citizen would place himself in had he coal lands under his ownership—should prove a failure; what, then, would be the status of the Alaska problem? The Federal Government would still have the right to construct a railroad if it then desired it; the Federal Government would still either own its coal lands and mineral lands or the royalties from them; they would still have the key to the safe door of the costly treasury until such time as the matter could be equitably and successfully settled. On the contrary, the proponents of this bill would have the American Congress take a leap in the dark and commit the United States to a policy that is both dangerous and uncertain.

The proposal I have suggested is not a new one, but, on the contrary, a very old and well-defined one. In Australia they have a minister of mines who looks after the leasing and handling of their mines. In our country the Interior Department would doubtless perform that function, and, in my judgment, we are especially blessed with a clear-headed, statesmanlike Secre-In New Zealand, where the leasing system has been in vogue for years, it has worked amicably and admirably; in Nova Scotia the system is in vogue; and it is the leasing of the Alaskan mineral and coal lands where the real solution of this problem must finally lie. It is right, it is just, it is logical. It will open Alaska; it will be workable. No matter what becomes of this railroad scheme, the lease law for Alaska is where we will all finally land. [Loud applause.]

I yield back, Mr. Chairman, any time I may have remaining. The CHAIRMAN. The gentleman from Ohio [Mr. BRUM-

BAUGH] is recognized.

Mr. BRUMBAUGH. Mr. Chairman, the Committee on the Territories of the House of Representatives gave long and careful study during the past summer to the bill which is now, through the honored chairman of the committee, presented to this House for the development of the great rich wonderland of Alaska.

The committee invited and held extensive hearings, hearing freely and fully at great length experts and others from all parts of the United States, Canada, Alaska, and the world at

The results of our labors-the complete reports of the hearings-are printed in book form and have been available to all. It is but fair to state that the committee approached the consideration of this great subject with open minds, and that those of the committee who could or would attend the hearings and thus make up their decision from the evidence in the case and the facts deduced have given their support to this measure; moved to that position wholly by the justice and benefits of this great measure both to all the people of the United States as well as to the people of Alaska themselves.

PRESIDENT WILSON'S STATEMENT FOR ALASKA.

We are more than gratified that our position is so completely sustained by our great President, whose wonderful grasp of affairs and fine statesmanship has not only met every delicate emergency with consummate ability but whose keen sense of right and justice is leading the thought of the world to higher

You all heard what he said in his masterly address before the House and Senate December 2 last on the subject of the need, the benefits, and the justice of Alaskan development. President speaks of Alaska as a great storehouse, and points out that the development of Alaska is an imperative duty that confronts us. I want to refresh your minds with his clear, logical, and forceful statement based on reports obtained from most minute and thorough inspection of all parts of Alaska. The President says:

most minute and thorough inspection of all parts of Alaska. The President says:

A duty faces us with regard to Alaska which seems to me very pressing and very imperative; perhaps I should say a double duty, for it concerns both the political and the material development of the Territory. The people of Alaska should be given the full Territorial form of government, and Alaska, as a storehouse, should be unlocked. One key to it is a system of railways. These the Government should itself build and administer, and the ports and terminals should itself control in the interest of all who wish to use them for the service and development of the country and its people.

But the construction of railways is only the first step; is only thrusting in the key to the storehouse and throwing back the lock and opening the door. How the tempting resources of the country are to be exploited is another matter, to which I shall take the liberty of from time to time calling your attention, for it is a policy which must be worked out by well-considered stages, not upon theory, but upon lines of practical expediency. It is part of our general problem of conservation. We have a freer hand in working out the problem in Alaska than in the States of the Union, and yet the principle and object are the same, where we touch it. We must use the resources of the country, not lock them up. There need be no conflict or jealousy as between State and Federal authorities, for there can be no essential difference of purpose between them. The resources in question must be used, but not destroyed or wasted; used, but not monopolized upon any narrow idea of individual rights as against the abiding interests of communities. That a policy can be worked out by conference and concession which will release these resources, and yet not jeopard or dissipate them, I, for one, have no doubt; and it can be done on lines of regulation which need be no less acceptable to the people and Government of the Nation at large, whose heritage these resources are. We must A FAIR, JUST MEASURE.

We believe the bill herewith presented is a fair, just, and reasonable measure that merits the favorable action of this House. The bill is not only a measure for the development of Alaska, but, as conditions now exist in Alaska, it is a measure for the very preservation and salvation of Alaska.

PRESIDENT ROOSEVELT'S GREAT SERVICE

President Roosevelt did a great service to future generations when he pried the hands of the special interests of greed and avarice, who were planning to take and appropriate this richest country on earth, loose from the throat of Alaska. stop there and to continue in the resultant cessation of activities would and must mean the destruction of Alaska,

We must start Alaska on a new life of industrial freedom and development, or, more properly speaking, simply give Alaska a chance to start and give her that assistance to start that any sensible Government has always given any frontier land; just as the United States in the past has given every new frontier part of the United States assistance to start. And then let Alaska free to work out her own destiny, and Alaska will work it out, and answer the call of the future with fine American States, of fine American citizens to safeguard the Pacific coast and make all possible future wars with the Orient impossible. [Applause.]

GIVE ALASKA UNBIASED CONSIDERATION.

I trust this great question will be considered by this Congress-as all great questions ought to be considered-without party or sectional bias or interests, but with an eye single to the honor and glory of our great land we all love so well and to the great needs of this great Alaska, of such splendid and wonderful possibilities, whose trustees we are, and bound, therefore, by every honor and tradition of the past to treat her fairly, as we have been treated in like cases in every part of our national domain by the Government of the United States.

Mr. Chairman, we know so little about the real Alaska, and the little we know has been all so incorrect, that it may be appropriate to describe briefly the Alaska we would develop.

FALSE CONCEPTIONS OF ALASKA.

Possibly no country on earth has suffered so much by the conception held of the whole land as obtained from the parts of it which are usually visited as has Alaska. The traveler sails along the 7,000 miles of coast line and sees nothing but a high range of snow-capped mountains, with but three gateway valley inlets through them into the great interior beyond, or he visits the Klondike, one of the worst climatic regions on earth, and comes away saying and thinking that like these is He does Alaska the same injustice that a traveler would do the United States who saw only the slums of New York and went away saying and thinking so is all the United States; or who saw only the eternal snow-capped Pikes Peak, of Colorado, knew nothing of the beautiful world beyond, and

went away saying and thinking like Pikes Peak is all of the United States.

ALASKA DESCRIBED BY COMPARISON.

Possibly the best way to describe Alaska is by comparison. To continue thinking of Alaska as a glacier field of snow and ice and mountain limitless wastes is to do violence to truth and ordinary intelligence. Alaska has wide areas of valley lands and timber, with as many varieties of climate as can be found in the northern parts of the Middle States. The warm Japan ocean current does for many parts of Alaska exactly what the Gulf Stream does for Great Britain, Ireland, Norway, and Sweden, and many parts of Alaska has a northern temperate climate, where people can live in all the comforts of the northern Temperate Zone.

ALASKA A WONDERLAND OF WONDERFUL POSSIBILITIES.

We must wake up to the truth and to the fact that here is a great tract of land larger than Norway and Sweden, capable of outranking in population and wealth both of these combined, with a much better climate and much better farm lands, infinitely richer mineral deposits, with rivers navigable more miles than the Mississippi or the Ohio, with valleys where future American States can be planted, where ten to twenty millions of people can live just as comfortably and successfully as they can in northern Minnesota, Wisconsin, the Dakotas, or Canada. In fact, Alaska is a great slumber land awaiting the awakening touch of development; ready to give happy, comfortable homes to millions of people; ready to give and guarantee a cheaper coal supply to all the people of the United States for centuries to come; ready to give us the greatest copper, gold, and silver mines the world has ever known; ready to grow a future brave, strong, hardy race of men and women such as inhabit Norway and Sweden, future American citizens to safeguard our Pacific coast, to defend the Government that will nourish it into life and to give back to us and to do for us infinitely more than we can or need to do or give to Alaska. With this view and conception of its future let us think of Alaska, and thus come to know the possible Alaska of the future and appreciate the grandeur and patriotic responsibility of our part in this great measure now before us.

ALASKA BY COMPARISON.

Alaska's importance and value to the United States can best be comprehended by comparison with other lands of like climate and soil. As a history-making epoch event the purchase of Alaska stands second in importance only to that great epochmaking event in history known as the Louisiana Purchase. Louisiana Purchase consummated by Jefferson doubled the then existing area of the United States, and gave us the great domain of the Union along the Mississippi River from the Gulf of Mexico to Canada and out to the mountain ranges and beyond, and therewith gave us full possession and ownership of the great Mississippi River and its tributaries. The consummation of the Louisiana Purchase by that great future-seeing President and statesman—Thomas Jefferson—was one of the great epoch-making events in the history of the world, and has been regarded by the world as the very flower of consummate statesmanship. It changed the map of the world and the destiny of the Governments of the earth.

Second only in importance to this momentous event of history is the purchase of Alaska from Russia, consummated by Secretary Seward in 1867. During the darkest days of the Civil War, when we feared that England would declare for the South, Russia's mysterious fleet stood out to sea. Later Secretary Seward desired to find a way to pay our moral financial obligation, and he found the excuse to pay the debt by buying from Russia, for \$7,200,000, what was supposed to be worthless Alaska. It has turned out to be like buying a hidden gold mine with a copper 1-cent piece, and our income, measured in dollars and measured in benefits and blessings to all, will prove a like prosperous investment and return on every dollar spent to develop Alaska.

Mr. FESS. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman yield?

Mr. BRUMBAUGH. I regret I can not. I have but a little time. I am nearly through. When I have finished I will yield to the gentleman.

Mr. FESS. I wanted to ask the gentleman about the ridicule that Mr. Seward suffered when he bought Alaska.

Mr. BRUMBAUGH. I thank the gentleman. I remember very well that history so states that fact.

ALASKA HOLDS THE FUTURE GOLD SUPPLY OF THE WORLD.

We gave \$7,200,000 for Alaska. Last year we took out of Alaska, in gold alone, about \$22,000,000. In the last 14 years we have taken out of Alaska, in gold, silver, copper, coal, fish, and furs, about \$475,000,000. On account of the lack of shipping and railroad facilities we have hardly begun to scratch the surface of Alaska. No one can estimate the billions of undiscovered wealth awaiting us in this undeveloped, unknown wonderland. In fact, Alaska holds the future gold supply of the world. The Transvaal now furnishes 40 per cent of the world's supply of gold. When we shall have permitted Alaska to develop in a normal, natural way, Alaska will furnish 40 per cent of the world's supply of gold.

COMPARISON AS TO SIZE, CLIMATE, VALLEYS, HOMES, AND OPPORTUNITIES.

Any attempted description of this wonderland must necessarily be both brief and very incomplete. Alaska in size: The shape of Alaska is that of a large rectangular with two long, broad wings. If Alaska were imagined to be placed upon the map of the United States, the first wing would begin at Columbia, S. C., and the body of Alaska would cover the States of Illinois, Missouri, Kansas, Iowa, Nebraska, Wisconsin, Minnesota, and North and South Dakota. The second broad, long wing would reach from Illinois down through the States, through Texas, and out into the Pacific Ocean. The body of Alaska lies alongside of British Canada; it almost touches the Empire of Russia, while its wing reaches down from out of the Western Hemisphere into the Eastern Hemisphere, sweeping north of the Empire of Japan. In square miles Alaska is larger than Norway, Sweden, Finland, England, Scotland, and Ireland com-bined. It is one-half times larger than the thirteen original States: it is as large as the United States east of the Mississippi River; it is 12 times the size of the State of New York; and in its present undeveloped condition, with but few of its known gold mines imperfectly worked, it produces yearly as much gold as the great gold-producing State of California. It has a climate as varied as that of Texas and Dakota, while it holds in its great area the greatest gold and copper mines and coal fields on earth and waits to house and home millions of American citizens. Its climate is more inviting, its soil more productive, with more acres of farm lands, than that of the great nations of Norway, Sweden, or Finland, which house and home more than 11,000,000 of the earth's hardiest, healthiest The rivers abound with valuable fish; one-half of the world's supply of salmon comes from Alaska. On account of the Japan Current the valleys have the same climate as the northern parts of the United States or Canada. The summers there are long enough to permit the crops to ripen nicely. The winters for the interior valleys are about like the Dakotas

or Minnesota and adjoining Canada.

Alaska's great river, the Yukon, is navigable more than 2,000 miles and is said to discharge one-third more water than the Mississippi. The Tanana River is the Ohio River of Alaska. Alaska has more coal in her hills than Pennsylvania, Ohio, and the Virginias; more copper than Montana and Arizona; more gold than California and Colorado; more tin than Wales; more fish than the balance of the waters of America.

THE POSSIBLE ALASKA-FARMING AND AGRICULTURE,

From Government reports-not statistics furnished by the "interests" or by their paid lobby—let us see what Alaska might become in a very few years as an agricultural country. In Europe and Russian Provinces lying north of latitude 60° like Alaska as to latitude-Alaska lies between 54° 30' and The census statistics show us that there are now living in such valleys as they have fit for cultivation, together with the population of the cities, more than 11,000,000 people. There is under cultivation 8,373,000 acres of land, which produce yearly as follows: Wheat, 6,000,000 bushels; rye, 36,000,000 bushels; barley, 26,000,000 bushels; oats, 120,000,000 bushels; potatoes, 110,000,000 bushels; and about 8,000,000 tons of hay. The live stock is as follows: stock is as follows: Horses, 2,000,000; cattle, 6,000,000; sheep, 4,000,000; hogs, 2,000,000; goats, 400,000; reindeers, 500,000.

FUTURE ALASKA COMPARED WITH NORWAY AND SWEDEN.

Compared with the above, let us see what Alaska could do. A study of the topography, climate, native plants, and crops shows that the conditions are very similar in the two regions, with the advantages in favor of Alaska. All the above could be produced in Alaska and more. In 1910 Prof. C. C. Georgeson, a man of wide practical experience, whom all agree thoroughly trustworthy and reliable, estimated the tillable and pasture land of Alaska at 64,000,000 acres, as against 8,000 000 acres in the above Provinces, which sustain more than 11,000,000 people. Mr. J. W. Neal, who is in charge of the Government agricultural experiment station farm at Fairbanks, Alaska, states that by actual survey there are 9,700,000 agricultural acres of land in the Valley of the Tanana. This valley alone could, therefore, support more people and raise more agricultural products than the Provinces of Norway and Sweden

and Finland, with all the live stock, crops, and people above mentioned

AGRICULTURAL POSSIBILITIES OF ALASKA.

Most people are incredulous when told of the fine agricultural possibilities in Alaska, because they imagine that the country lacks sunlight. They forget that every spot on the earth's surface during the course of the 12 months has the same amount of The shortest day in Alaska is the 22d day of Desunshine. cember, when it has not more than 2 or 3 hours of sunshine, but 6 to 8 workable hours of twilight. On the 22d day of June the Tanana Valley has from 21 to 22 hours of direct, vigorous sunshine and heat; and all the crops mentioned above are grown, matured, and harvested in the 4 months of this most constant sunshine and heat. During these 6 months the Tanana Valley has three-fourths of the year's sunshine-more sunshine in a like period of time than any point on the earth's surface south of it; more sunshine than California, Ohio, Georgia, or Florida has in the same period of time.

Mr. Chairman, I know the facts I have stated and the deductions I have made about the climatic conditions and the agricultural possibilities of Alaska possibly will be doubted by some and disputed by others. I have not given statistics furnished by the agents or interests of the Morgan-Guggenheim Syndicate, but statistics furnished by the departments of the United States Government itself. Of the immense, inexhaustable min-eral deposits of coal, gold, copper, tin, lead, zinc, and so forth, there can be no dispute, and I therefore omit reference to these. I want to back up these statistics by the best possible evidencethe testimony of uninterested parties who know Alaska from personal observation. I believe it is reliable information we all want, and that when we find these things to be true that our sense of right, justice, as well as of national security and profit, will lead us to vote for this bill.

In the Washington Post of January 12, 1914, there appeared an interview with the Rev. Dr. P. T. Rowe, bishop of Alaska. The reverend bishop resides at Sitka, Alaska, and I desire to here insert his testimony on Alaska as given in said interview. The reverend bishop spoke as follows:

CHATS OF VISITORS TO THE CAPITAL.

CHATS OF VISITORS TO THE CAPITAL.

"Alaska and Alaskans are becoming impatient at the continued attitude of the Federal Government in retarding development of the Territory," declares the Rev. Dr. P. T. Rowe, of Sitka, Bishop of Alaska, at the Raleigh. "With a generous policy toward Alaska, even as liberal a policy as the Government has shown toward the Philippines, Alaska will not only go forward with giant strides, but will profit the rest of the country as well as itself.

"Two things are necessary in the course to be pursued by the General Government—a change in the opposition to the extension of transportation facilities, and the releasing of the coal lands. I know these are hackneyed subjects in Washington, but they are live ones in Alaska, and Alaska will not become the great Territory that is possible until the Government has changed its tune. The possibilities in Alaska lie not only in its great mineral deposits—gold and copper—but in its coal and fisheries and its agriculture, and the last named is by no means the least. Prof. Georgeson, the Government agent at Sitka in charge of farm experiments, told me recently that the Tanana Valley alone is capable of producing sufficient crops to take care of 5.000,000 people. And the Tanana is not the only agricultural land in Alaska.

"It is well known that the coal deposits in Alaska are enormous. Our industries are crying for it, but it has been locked up securely in the name of conservation. We have to get our coal now from Australia, and to pay \$25 at ton for it. While I was in Nome, not long ago, two great freighters reached port with several thousand tons each. The Government established a naval base at Seward, but what good is it without coal? Suppose we were to have a war with some Eastern country, where would we get our coal? We could get all we need in Alaska at \$5 at ton.

"Instead of encouraging the extension of transportation facilities, the Government imposed a tax of \$100 a mile annually for the operation of the little narrow-gauge roads that we

SECRETARY LANE'S STATEMENT.

I want to call attention to the statement of Secretary Lane, a thoroughly informed man on Alaskan affairs. In a letter to the Senate committee, among other things, Secretary Lane says:

DEPARTMENT OF THE INTERIOR,
THE SECRETARY OF THE INTERIOR,
Washington, May 15, 1913.

My Dear Senator: My opinion is requested as to Senate bills 48 and 133. These measures, in a word, provide for the construction by the National Government of a railway system in the Territory of Alaska. I favor the adoption of this policy. I believe it to be that under which Alaska will develop most safely and most speedily, and under which the resources of that Territory will most certainly become available to the whole people.

There is but one way to make any country a real part of the world—by the construction of railroads into it. This has been the heart of England's policy in Africa, of Russia's policy in western Asia, and is the prempting hope of the new movement in China. Whoever owns the railways of a country determines very largely the future of that country, the character of its population, the kind of industries they will engage in, and ultimately the nature of the civilization they will enjoy. The policy of governmental ownership of railroads in Alaska seems to me to be the one that will most certainly make for her lasting welfare. To many of our people Alaska is little more than a land of natural wonders, here and there dotted with mining camps and fishing villages. If Alaska is to be nothing more, it is almost a matter of indifference as to who builds her railroads. I have talked with many who know that country well, and I am convinced that we should think of Alaska as a land not only of mines and fisheries, but of towns, farms, mills, and factories, supporting millions of people of the hardlest and most wholesome of the race. If this conception of a possible Alaska is a true one, our legislation should be such as to most surely bring about this possibility, and it seems to me there is less of hazard as to Alaska's future if the Government of the United States owns the railroads which will make its fertile interior valleys accessible from the coast and bring its coal, iron, copper, and other mineral resources within the reach of the world.

This is a new policy for the United States. Very true. This is a

the world.

This is a new policy for the United States. Very true. This is a new part of the United States. And policies properly change with new conditions. The one determining question in all matters of government should be: What is the wise thing to do? The ancient method of opening a country was to build wagon roads. The modern method is to build railroads. To build these railroads curselves and control them may be an experiment, but such a plan does not suggest scandals more shameful or political conditions more unhealthy than many we have known in the new portions of our country under private ownership. And in the end we will be free to establish and maintain our own chosen relationship between Alaska and the rest of the United States unhampered by threats of confiscation or the restraining hand of any merely selfish influences. We can only secure the highest and fullest use of Alaska by making her railways wholly subordinate to her industrial and social life and needs—true public utilities.

Respectfully,

Franklin K. Lane.

Hon. Key Pittman; Chairman Committee on Territories, United States Senate.

These are the words of a statesman, words of patriotic states-

manship. [Applause.]

I desire to further verify the statements I have quoted concerning climatic conditions and agricultural possibilities of Alaska from another witness. I want to briefly quote from the facts condensed and published by Mr. R. H. Stretch, whom, I am informed, is a gentleman of wide experience, trustworthy, conservative, and reliable.

I herewith desire to insert quotations from his compilation of

facts on Alaska:

THE VALUE OF ALASKA TO THE UNITED STATES.

Alaska is a land whose area is equal to one-fifth of the United States, or 12 times that of the State of New York. Its production of gold for the year 1912 was \$17,398.943; that of our gold State, California, whose population is 37 times as great, was only \$19,928,500.

Alaska's per capita production of copper, the mining of which is only begin, is now equal to the per capita production of Montana. It has coal fields of greater area than those of Pennsylvania and arable lands greater than the entire State of Oregon. Tin, iron, gypsum, and oil are found in commercial quantities, and its marble quarries rival those of Vermont.

The reindeer industry established in 1000.

are found in commercial quantities of Vermont.

The reindeer industry, established in 1902 with 1,280 head, has spread until the 47 herds number 38,000 head and promises to become a valuable source of food supply, while the extent of its fishing grounds exceed those of all the States combined and are excelled nowhere in the world.

Its undeveloped water power exceeds that of the entire Pacific Coast

On an investment of \$7,200,000 Alaska has given us in return, since 1867 (and by far the greater portion since 1899, or only 14 years), as shown in the reports of the United States Geological Survey, Director of the Mint, and other official documents:

Silver Copper Coal Coal Cother minerals	1, 824, 364 13, 377, 194 355, 489 993, 119
Fisheries and furs	240, 830, 168
Total	470, 399, 053
And produced in 1912, as per preliminary estimates:	21 580 000

Gold, silver, and copper Other minerals Fish and furs Miscellaneous	21, 580, 000 360, 000 18, 120, 132 394, 046
Total	40, 354, 178

Total	40, 354, 178
The commerce of Alaska for 1912 was: Imports Exports	26, 758, 341 45, 982, 719
metat .	70 744 000

These results have been obtained at a cost to the Government of about \$13,000,000 over and above the revenues collected in 45 years, showing a profit to the Nation of practically \$450,000,000 on an investment of \$20,000,000. Contrast this with the money spent in the Philippines on an alien nation, and with the results which will not bear comparison. If Alaska has achieved so large a measure of success under adverse conditions of every kind, what may not the results be under more favorable auspices?

SCENIC ALASKA.

Alaska is a country unique in its geographical situation, unique in its climate, and unique in its physical beauties. Point Barrow, its northernmost cape, is warmer than any point in the world as far north of the Equator, and its southern shores, bordering the North Pacific Ocean, are

likewise warmer than any point in the world in similar latitudes during the winter months, as the result of the beneficent influence of the Japan Current.

CLIMATE.

Alaska has its mountain areas with their snow fields and glaciers, with the loftiest summits in the Union, and broad expanses of mossy tundra, but it has also wide areas of valley lands and timber, and nearly as many varieties of climate as can be found in the Eastern and Middle States, controlled largely by the principal mountain ranges and by the Great Britain, Ireland, and Norway. The following remarks are as true to-day as when written some years ago:

It is not possible to judge of the climate of a country by a look at a map to see how far it is north of the Equator. When many people in the Eastern States, who are more or less acquainted with the inhospitable coast of Labrador, find on a map that the bulk of Alaska lies north of Labrador they appear to conclude that the conditions of life must be infinitely worse up there and that the stories of its ice and snow must be true. The town of Fairbanks, in Alaska, with its mines, farms, electric lights, and all the comforts of modern life, is more than 1,500 miles north of New York and 300 miles north of the southern tip of Greenland at Cape Farewell.

CLIMATIC PROVINCES.

(Authority, maps of the U. S. Weather Bureau.)

CLIMATIC BROVINCES.

(Authority, maps of the U. S. Weather Bureau.)

Special features easily divide the Territory into six natural subdivisions, according to rainfail, temperature, and latitude, the details of which are shown in the accompanying tables.

First. Southeast Alaska, 300 miles long by 125 miles in width, and the coastal region as far west as Cook Inlet is characterized by a heavy rainfail and moderate temperature, the average of the latter for the three winter months being similar to that of Boston and New York. The southeastern portion covers the Alexander Archipelago of some thousand islands, heavily timbered, possessing many available garden spots and a rank foral vegetation. In a narrow belt, lying between the ocean and the Chugach Mountains, this region extends westerly to Cook Inlet, and all its ports for the entire distance of 900 miles are open the year round to the commerce of the world.

Second. The second region covers the southern coast of the Alaska Peninsula, has a moderate rainfail and similar temperature, but it is almost timberless, the forests giving place to grazing lands. Like the first recion, its harbors remain open during the winter.

Third. This covers the entire coastal region of Bering Sea from Unalaska to Point Barrow and beyond, and is characterized by wideareas of tundra and treeless plains, but, like many parts of Arctic Russia, is capable of supporting great herds of reindeer. As might be expected in its 2,000 miles of coast line, the rainfail and temperature vary greatly, both diminishing as we go northward. Including the alaska to Point annual precipitation ranges from 84 inches at Unalaska to Point annual precipitation ranges from 84 inches at Unalaska to his total annual precipitation ranges from 84 inches at Unalaska to his total annual precipitation ranges from 84 inches at Unalaska to his total annual precipitation ranges from 18 inches the many fair and the company of the Country of the

Japan current.

The length of the day at all latitudes is the same on March 21. On June 21 the length of the day at various places in Alaska is closely as given below:

	Degrees.	Hours.	Minutes.
Ketchikan and Prince Rupert, latitude about Skngway, Cordova, Valdez and Seward, latitude	55	17	20
about. Fairbanks, Eagle, Ruby City, Nome, latitude about. Bettles and Coldfoot.	60-81 64-65 67	18 22 24	50 00 00

Note.—The places mentioned are approximately in the latitudes

I have dwelt upon the climatic conditions because you will be told by some who follow me that the Japan current has no effect on Alaska.

Table of Government experimental stations. Climate compares very favorably with towns in Minnesota, Wisconsin, the Dakotas, Washington, and Canada.

Table of Alaska temperatures. [From maps of the United States Weather Bureau.]

	Highest record.	Average summer.	Average summer mini- mum.	Average winter.	Lowest.
SOUTHEAST ARCHIPELAGO.		Gerto.			
Timber and garden products: Metlakatla Wrangell, Juneau Pyramid Harbor Skagway Killisnoo Sitka ¹ Valdez, Fort Liscum.	° F. 80 93 88 82 94 84 87 86	°F. 56 55 56 56 56 56	°F. 47 49 48 45 48 46 45	°F. 32 30 27 25 25 32 32 32 35	°F. - 5 -14 -10 -22 -21 -10 - 4 - 2
SOUTHWEST COAST.					1 140
Grazing and garden products: Kodiak ¹ Coal Harbor Unalaska	85 79 76	54 50 49	46 44 43	32 29 32	-12 -12 - 7
BERING SEA COAST.					
Reindeer Land: Port Moller Ugashik Nushagak St. Michaels Nome Point Hope Point Barrow	68 86 81 77 78 60 65	48 52 53 52 48 40 37	43 43 44 44 43	29 24 18 3 -12 -16	-17 -10 -55 -32 -41 -53
COPPER RIVER VALLEY,					
Farming and garden products: Copper Center 1	79	54	38	10	-45
KENAI-SUSITNA REGION.					
Farming, cattle, timber: Sunrise Kenai ¹ Tyonek	79 87 82	53 52 55	49 47	20 20 10	-29 -48 -27
YUKON-TANANA VALLEY.		12 30	- 3		SHEET AND
General farming and gardening: Anvik. Tanana i Rampart i Fort Yukon Circle City Forty Mile Fairbanks i	82 +90 +90 +90 +90 +90 +90	55 58 58 55 55 58 58 58	45 43 47 47 45 47	- 5 -13 -13 -23 -15 -15 -15	-57 -76 -68 -68 -57 -66 -65

¹ Government experimental stations.

FISHERIES.

VALUE, \$17,891,578 FOR 1912-TOTAL VALUE TO 1912, \$167,420,118. [Report of governor in 1911.]

Seventeen thousand nine hundred and thirty-two person ployed in the fishing industries and the capital invested w	
In vessels of all kinds	\$5, 559, 534 27, 782 724, 383 7, 564, 023 8, 795, 665

A VIII	, 0,1,000
Of this sum, \$19,931,215 was invested in the salmon cannery producing 2,823,817 cases of salmon, valued at \$14,593,237, the product was 4,060,189 cases, valued at \$15,551,794.	industry, In 1912
The value of mild-cured salmon was The value of pickled salmon was	\$419, 138 203, 988

99 671 987

The value of mild-cured salmon was	\$419, 138
The value of pickled salmon was	203, 988
The value of fresh salmon was	108, 922
The value of frozen salmon was	18, 024
The value of codfish was	240, 030
The value of halibut was	822, 370
The value of herring was	201, 909
The value of whales was	104, 084
Course Course	

VALUE, \$416,992.40 FOR 1911-TOTAL VALUE TO 1912, \$52,252,13

VALUE, \$416,902.40 FOR 1911—TOTAL VALUE TO 1912, \$52,252,125.

The immense herds of seals which annually resort to the Pribliof and St. George Islands in Bering Sea for breeding purposes was estimated at 123,600 on a recent count, being a slight increase over the previous year, and was estimated to consist of mature males, 3,885; young males from pups to 3 years old, 35,781; mature females, 41,480; young females from pups to 2 years old, 42,454; or a total of 39,666 males and 83,934 females.

The former leasing system has been abandoned, and the islands are now under the direct management of the United States Government. The following details are from the annual report of the Department of Commerce and Labor.

	1910	1911
Number of sealskins taken. Gross receipts for same. Average per skin. Net receipts for same! Estimated receipts to United States under old lease system.	\$33.68 \$403,946.94	\$385, 862, 28

¹ From which must be deducted the costs of management.

These herds, numbering 123,600, are all that are left of the 4,600,000 to 5,000,000 which formerly made these islands in Bering Sea their summer rendezvous. Overkilling, raids by poachers of various nationalities, and pelagic, or open-sea, killing having wrought the destruction. Under present conditions and the stoppage of pelagic sealing the herds seem to be increasing in number.

FURS.

VALUE FOR 1912, \$370,519-TOTAL VALUE TO 1912, \$22,216,872.

While the number of fur-bearing animals in Alaska is undoubtedly much smaller than in the days of Russian occupation, the annual output of skins is still an important industry, as may be judged from the following official table covering the year ending December 31, 1912:

	Number.	Value.	A verage value.
Bear, black	618	\$5,676	\$9.18
Bear, brown	23	864	37.65
Bear, cinnamon	9	90	10.00
Bear, glacier	1	10	10.00

GRAIN CROPS AND GRASSES.

[United States agricultural reports and C. C. Georgeson, in charge of experimental stations.]

experimental stations.]

That oats, barley, and rye can be grown successfully has been demonstrated at the experimental stations in the Yukon-Tanana Valleys, as well as in that of the Copper River, and also by the farmers around Fairbanks and in the Susitna Valley, who have cut barley for hay, giving 3 tons to the acre. Much time has been devoted to the study and growth of all kinds of grain from northern countries, and the end is not yet. In the rooms of the bureau may be seen handsome sheaves of all these grains and their cleaned products, 60-day and Finnish oats, as well as hull-less and beardless barley.

The rapid growth of grain applies also to the grasses. Timothy springs up wherever imported hay has been fed to stock, and is rapidly becoming acclimated. Among the 40 native grasses redtop attains a growth breast high in 30 to 40 days, and also seems to be the richest in nitrogen among its congeners. It grows everywhere, but is said to be rebel against annual cutting, so that cropping every other year is recommended.

Several kinds of vetches and peas make excellent wild fodder, but do

Several kinds of vetches and peas make excellent wild fodder, but do not take kindly to cultivation, so that experiments are being made with varieties of alfalfa from Siberia living under conditions similar to those in Alaska, the same being the case with Siberian wheat.

VEGETABLE CROPS.

[United States agricultural reports and C. C. Georgeson, in charge of experimental stations.]

[United States agricultural reports and C. C. Georgeson, in charge of experimental stations.]

It is possible to grow magnificent vegetables in all parts of Alaska, except on the tundras and mountains. To Alaskans they are no novelty, but to strangers unacquainted with the country they are a constant surprise. They include all the products of the Temperate Zone in America, and the bureau has in its exhibit potatoes, turnips, beets, rutabagas, sugar beets, carrots, parsnips, kohirabi, celery, rhubarb, radisbes, onlons, cabbage, cucumbers, peas, and even tomatoes, and in one or two very favored spots even melons have ripened. The samples, both for size and quality, will compare with the markets of New York, although grown more than 1,500 miles north of that city. Every family can have its garden, which will not only furnish the necessities of life, but will beautify the home with a wealth of flowers. These facts have become so well known that notice of them has practically disappeared from the reports of the agricultural stations; but as the potato is so important an item in the daily menu, every effort is being put forth to secure those varieties best adapted to the climatic conditions of rainfall and sunshime. The following facts are from the latest reports of the station located at Fairbanks, in the Tanana Valley, only about a hundred miles south of the Arctic Circle.

Twenty-seven varieties of potatoes were cultivated during the season of 1911, of which three were planted on June 1, nine on June 9, and the remainder on June 10. They matured between September 11 and 22, with a yield at a rate varying from 7,260 to 18,876 pounds per acre on the experimental plats. In the open field three varieties produced 5 tons per acre after sorting and grading on second-year unfertilized ground. The character of the potato depends much on the kind of soil and method of cultivation. The best results are said to be secured by allowing the potato to sprout and setting them out on the surface of the ground with plenty of room b

Alaska is a land of berries, not only in the profusion of fruit but in

Alaska is a land of bettree, not only in the processor of the great variety of species.

Currants, both red and black, abound in southeast Alaska, and in lesser degree elsewhere, and both are remarkable for the size of the fruit and the length of the bunches, rivaling, if not excelling, the best

of the cultivated forms.

Strawberries of good size and excellent flavor abound in and on the coast belt from Yakutat to the Copper River Delta, and have been grossed with cultivated varieties, producing plants of more luxuriant growth than either of the parent forms both as to foliage and fruit.

Some hundred varieties of these hybrids are under cultivation at the Government experimental stations.

Raspberries are characteristic of the interior regions, especially of the Yukon and Tanana Valleys.

Blueberries are universally distributed and fruit in profusion, the berries attaining a diameter of half an inch. So abundant are they that two ladies near Nome put up 119 gallons in one season.

Huckleberries abound through the Pacific coast and interior regions, and form attractive pasturage for bears, both black and grizzlies.

Cranberries, both high and low bush, are characteristic of the interior plateau and Seward Peninsula.

Salmon berries grow luxuriantly in all the coast regions bordering on the Pacific Ocean.

the Pacific Ocean.

If further proof of the climatic conditions and the agricultural possibilities or the wisdom of Alaskan development were needed, the following report should be to all fair-minded people con-

In the fall of 1912, by act of Congress, the Alaska Railway Commission was appointed. The personnel of this commission was as follows: Jay J. Morrow, major, Corps of Engineers, United States Army; Alfred H. Brooks, United States Geological Survey; Leonard M. Cox, civil engineer, United States Navy; Colin M. Ingersoll, consulting

civil engineer, United States Navy; Colin M. Ingersoll, consulting engineer.

Briefly, the duties of this commission were defined by the act of Congress to examine railroad routes from the seaboard to the coal fields and to the interior and navigable waterways, and to recommend in respect to most available routes for railroads in Alaska, which will best develop the country and the resources thereof for the use of the people of the United States.

In their conclusions they state that "the commission is unanimously of opinion that this development should be undertaken at once and prosecuted with vigor; that it can not be accomplished without providing the railroads herein recommended under some system which will insure low transportation charges and the consequent rapid settlement of this new land and the utilization of its great resources." They state further that "the data presented shows that the United States possesses in Alaska a frontier territory of great size and of wonderful industrial possibilities. The commission believes that its climate is favorable to permanent settlement and to agriculture; that its mineral resources are vast and as yet but little exploited; that its population is sparse, but only by reason of its inadequate transportation facilities; and that its people are of the same type of hardy pioneers that have carried the United States frontier to its present limits."

The commission's report to Congress, third session.

Does any sincere, candid man think that this commission

Does any sincere, candid man think that this commission would have so reported if Alaska were the bleak, useless coun-

try its enemies would have you believe it is?

Mr. Chairman, the opposition to Alaskan development has been very severe, and painted a very dark picture of Alaska. But has not this been the same with every new part of the United States? Read the speeches of Congressmen and Senators when the development west of the Mississippi River was contemplated. Daniel Webster thought it could never be inhabited. Senators said nothing can grow there-a vast worthless land. And so we have the critic and pessimist to-day. What charlatans this Government board to state the above if Alaska is what the opponents of Alaskan development say it is.

Mr. HARDY. Will the gentleman permit an interruption

right there for a very brief question?

Mr. BRUMBAUGH. If it will not be taken out of my time.

I want to finish within the limit of my time.

The CHAIRMAN. The Chair will state that it will be taken

out of the gentleman's time.

Mr. HARDY. Does it not appear to the gentleman that the whole question before the House is whether we shall give the resources of Alaska away to private parties or build these railroads and own them ourselves?

Mr. BRUMBAUGH. That is the whole thing in a nutshell. have prepared some tables from Donaldson's great work on the public domain, and I wanted to read them to show what the Government has done for the newer parts of the United States, but the table is so long that I omit it.

DEVELOPMENT OF ALASKA-WHY AND HOW.

The question very naturally arises, first, why should the United States spend the people's money to develop Alaska; second, if we consider development, how shall we develop—by Government control, by Government assistance, by gift, or subsidy? In answer to the question why the Government should assist in the development of Alaska, it can be argued that in fairness we owe this to ourselves and to Alaska as well; that every consideration of duty, obligation, and wisdom demands it, as well as every consideration of national security and national gain. If the development of Alaska is properly safeguarded and the people's rights protected, then the citizens of the United States as well as the Government can hardly fail to realize \$100 for every \$1 expended on Alaska.

SAFEGUARD THE FUEL SUPPLY OF THE FUTURE,

By taxation all the people of the United States helped purchase and pay for Alaska; Alaska therefore belongs to all the people of the United States. The fuel supply of the future is so essential to future generations that these deposits should always be safeguarded to the people of Alaska and the people of the United States, and never be surrended to corporate or to be used free of cost.

private interests to promote any scheme of development of Why, even those representing the interests admitted before the committee that we could get 10,000 miles of railroad built in Alaska if we would give Alaska away to have it done. Do you suppose the syndicate interest would do this in a useless and worthless land?

Again, it can be argued that the Government has always assisted to develop its frontier or its Territories; that this has

been the policy of the Government in the past.

Donaldson, in his great work on Public Domain, a book of over a thousand pages, sets forth in detail what the United States has done to assist the development of different parts of the United States. I had thought to present a table dealing with this subject, but I find the United States has done so much for so many sections to assist in their development that the entire book is full of tables setting forth the work and the amounts expended.

GOVERNMENTAL HELP TO FRONTIER SECTIONS.

The Government began by assisting in the building of the first railroad in the United States-the old Baltimore & Ohiofrom tidewater at Baltimore through the forests to the Ohio River; and this road, with assistance of the old national pikes. told the story of the future greatness of Ohio, Kentucky, Indiana, Illinois, and the other great interior States. Later the Government assisted the great Territories of the West in building the Pacific Railroad, which told the story of the great West.

LET THE GOVERNMENT SPEND MONEY TO ASSIST THE PEOPLE RATHER THAN ON BATTLESHIPS.

In fact, the Government can always and everywhere afford to expend the people's money where that expenditure gives protection to life and property, security to homes and home builders, assistance in opening up new fields to labor that helps to make the necessaries of life more plentiful and cheaper. In fact, the millions that the Government yearly puts into the building of battleships that float the seas in idleness, at great constant expense, to challenge quarrels, can better be spent in opening up such a land as Alaska, providing cheap homes for pioneers, and in assisting its citizens in the flood-swept districts of the country to make safe their homes and the lives of their little ones by assisting in building fortifications to prevent such disasters as befell the cities of Ohio and Indiana and other sections of the United States in the recent great flood which devastated some of the best portions of our fair land.

RAILROAD DEVELOPMENT IN ALASKA

The prime essential in the development of Alaska centers, of course, in railroad building. There has been already constructed in Alaska about 500 miles of railroad. This is all This is all owned by private interests and does not penetrate the interior. and renders, therefore, little aid to the great interior development desired by all.

The consensus of opinion is that some railroad should be built from the south sea of Alaska up through the interior, so that by branch lines it would open the great coal fields and gold fields of the country and the great river valleys for home builders, ending at some great river navigable to the western ocean. Such a railroad, if but one is built, can be constructed with about 400 miles of trackage, with a cost of about \$20, 000,000, that will give over 7,000 miles of traffic by railroad and water, not to speak of the branch lines of the railroad, thus opening up to civilization the great valleys that are able to house and home millions of settlers, support great cities, and give outlet to the greatest coal fields of the world. Such a road, accomplishing such great results, would cost no more than two battleships, or less than one-fortieth of that spent on the Panama Canal, or less than we yearly spend on the Philippines.

THE GREAT ADVANTAGE AND VALUE OF SUCH RAILROAD DEVELOPMENT.

The desirability and immense value of such development and its supreme importance to the United States is most apparent to all. Consider a few of the great results that would come there-from. The southern shores of Alaska furnish the best sen harbors for our vessels and battleships on the western coast, better than at Seattle or Hawaii. These immense, unused harbors on the southern coast of Alaska are on the shortest line by over 1,500 miles from San Francisco and Seattle to the Philippines, Japan, or the Orient. These unused harbors would provide the best and safest defenses for our Navy. It costs this Government \$3,000,000 a year to chip the coal from the United States used by our vessels on the Pacific, while within 25 miles of these harbors we have coal in inexhaustible supplies-six years' shipping coal bill will build the Alaska railroad-equal to our best grade of Pennsylvania or West Virginia coal, ready

FUTURE FUEL SUPPLY OF THE UNITED STATES.

Again, consider the fuel supply of the United States. There are used in the United States yearly 400,000,000 tons of coal. There are used in the United States yearly 400,000,000 tons of coal. There are used 85,000,000 tons per year more coal west of the Mississippi River than is mined west of the Mississippi River. It is plain, therefore, to all that the price of coal is fixed by the few Atlantic States for all the people of the United States. Coal is selling on the western coast for from \$8 and \$10 to \$12 per ton. Government experts, who have made an examination of the situation, report that at our present consumption of coal there is enough coal in Alaska, now explored, of the finest quality, to say nothing of the unknown coal fields of Alaska, to supply our needs for 500 years. In Alaska there is one coal field in area as large as the coal area of the State of Pennsylvania. Now, should we make it possible for Alaska coal to come out to the ocean by this railroad, and then into the United States, a few Atlantic States, and should it save but \$1 per ton on the price of coal, it would save in our coal bill to the people of the United States \$400,000,000 yearly, or twenty times the cost to build the railroad each year, to say nothing of the value of the railroad in opening up the great valleys to home settlers from the United States and the coal supply for our fleet on the Pacific coast. fleet on the Pacific coast.

The consensus of opinion appears to be that the best way to insure the building of the railroad without scandal, collusion, quarrels, and delay is to put the matter entirely in the hands of the President, authorizing him to locate the road and construct

ALASKAN DEVELOPMENT INEVITABLE,

Alaskan development is bound to come in some form or other. It is inevitable. If we do not provide for it, some more just and sensible Congress will. We should not let our incorrect knowledge and information of Alaska work to the detriment of this great undertaking. Because Alaska is not now settled and developed like Norway and Sweden argues nothing. Oklahoma was the same for centuries. The geographies of our grand-fathers had Illinois and Missouri marked "The Great American Desert," and little development occurred therein until the Government gave assistance. Kansas, Nebraska, Colorado, and the great Oregon country remained undeveloped until the Government assisted in the construction of the Pacific Railroad. The poet Bryant, in his "Thanatopsis," compared Oregon to the Balkan Desert of Africa in these words:

Take the wings
Of morning, pierce the Barcan wilderness,
Or lose thyself in the continuous wilderness,
Where rolls the Oregon, and hears no sound
Save his own dashings—

And so forth.

OBJECTIONS AND THE OBJECTORS.

Mr. Chairman, the objectors to Alaskan development may all be classified under two general heads or classes—the constitutional argument need hardly be referred to: First, Government ownership of railroads. Those who say they fear that Alaskan development would commit the Government to Government ownership of railroads. The Government-ownership problem is not in this question at all. Because the United States Government In the past assisted many, many times in many places did not commit the Government to the policy of Government ownership of railroads, and neither will this great commendable states manship and humanitarian-like piece of work commit the Government in any way to the policy of Government ownership of railroads.

THE FELLOW WHO JUST OBJECTS.

Second. Those who object to the Government doing anything anywhere, except in their own locality, but do not object to it there. In fact, when I hear some of these Representatives of sections of our country where the United States Government has done so much, talk, I marvel that they have it in their hearts to do so poorly by Alaska. They just object. The great Jefferson found them crying unconstitutional and objecting to the expense of the Lewis and Clark expedition that made known to the world another world west of the Mississippi River, but the great Jefferson, with faith in the right and the future, did just what his great successor, President Wilson, is now recommending to be done.

THE LOGICAL POSITION OF THE OBJECTORS.

What is the logical position of the objectors who would prevent Alaskan development? For the defeat of railroad building either prevents Alaskan development or hands Alaska over to the syndicate to exploit-a prey to the interests-because without railroads by the Government none but the syndicate can get in or out of Alaska. Everyone must be aware of this. Without meaning to impugn the motives of anyone, yet it appears to me their position, logically, is this:
Those who would defeat railroad building in Alaska are

willing and would continue the useless expense of \$3,000,000 a year shipping coal to our Pacific Fleet. They would continue to expend millions on naval harbors at Hawaii, far out from our coast in the ocean, where coal must be hauled at great expense, and leave unused the fine natural harbor nature has made for us on the south Alaska coast with inexhaustible coal within 25 miles.

They would continue to leave our Pacific Fleet in peril; continue to buy coal from Japan and Australia; ship it from West Virginia and Pennsylvania, playing thus into the hands of the coal monopoly and Shipping Trust. They would leave the coal monopoly go on with the demand resting on West Virginia and Pennsylvania, largely, and let the high prices of coal continue for all time. They would be willing to leave our Pacific coast open to all the dangers of attack which our foolish policy of nondevelopment of Alaska invites.

They would keep out of Alaska all settlers, all home builders, all but the "interests." They would say to the people of Alaska, as brave a race of pioneers as ever braved pioneer dangers in any land or any age, "Bone of our bone, blood of our blood,

leave the land where sleep your dead, or stay and starve."

They would say to the United States Government, "Pull down the flag of progress in Alaska, scuttle the ship of enterprise. beat the retreat on a magnificent opportunity, and abandon a magnificent responsibility."

Gentlemen, it will not be done; Alaskan development is bound to come. If we can not see the opportunity and do it, then some wiser Congress will; for God in His wisdom, I believe, would not permit Alaska to be forever blighted by such senile senility and such supine stupidity as such action as nondevelopment would imply and impose. [Applause.]

We should develop Alaska, because it opens up future homes for future American citizens, and we are legislating well when we open up cheaper homes for the poor. We can thus draw from our congested places in our great cities and solve the labor problems there. The farmers of the United States can find added markets in Alaska and Alaska can furnish the farmers and the business enterprises of the United States with the great fuel supply of the future and prevent coal monopoly and coal famines of the future.

We should develop Alaska because it gives the needed harbors and the greatest security to our ships at sea necessary to guard the Pacific coast. The Pacific coast defense is of the utmost importance, and coal is the one great essential. United States is now purchasing coal in Japan and Australia and we are shipping coal from the coal fields of West Virginia and Pennsylvania to our Pacific fleet. Our naval vessels use 250,000 tons per year on the Pacific coast. In case of war we do not have and could not get enough coal to our fleet on the Pacific coast to last 60 days, for coal is a contraband of war, and during time of war could not be sold to us by any other country. Still more serious is the fact that our coal is carried almost entirely in foreign built and owned vessels, which could not be done in time of war.

We should develop Alaska, because we are pledged to that policy by the Baltimore platform of 1912, which promises immediate development of the resources of Alaska. In fact, platforms of all parties have promised this for the last 25 years. Besides, this has been the policy of the Government in regard to all the new parts of our country in the past. The Government spent \$8,000,000 in the building of the old dirt roads or pikes over the Alleghenys through Pennsylvania; it assisted Kentucky, Ohio, and other interior States by building the old Baltimore & Ohio from Baltimore to the Ohio River; it assisted the Territories of the West by giving the immense sum of 155,504,994 acres of land up to the year 1868 as a bonus to railroads through the West. In the Government's policy of the past referred to its help was purely a gift and it owned no part of the road in the end, but in now assisting in the development of Alaska the Government can get all its money back and not be out one cent; still own its own railroad, and can then operate it, lease it, or sell it as it may desire, and leave open this great country to future civilization for millions of American settlers and good, cheap homes for the future poor.

We should develop Alaska, because it speaks and indicates the growing life of the Nation. Any nation growing is safe.

Any nation standing still is in danger. For us to take the latter course, when the former is open to us with every inducement of profit and sentiment and patriotism, would be most foolish and unwise.

We should develop Alaska, because the trifle spent, in comparison to the benefits to be derived both to us and to Alaska, would never be felt or noticed. For should the Government announce that this railroad would be built cities would spring up as by magic and the town sites of such cities alone would reimburse the Government for the money spent in constructing the railroad, while the cheapening in the Nation's coal bill for the people of the United States would repay all the money spent in building the railroad ten times over a year.

We should develop Alaska, because thereby we avoid the probability of any naval defeat in the Pacific Ocean, and therefore remove the temptation to attack us at any time, and thus avoid all the calamities of war.

We should develop Alaska, because we would thus perform a service and put in motion a movement for which future generations would rise up and call us blessed. We would make a bigger, better, stronger United States of America, where labor would be lighter, life sweeter, and the earth a better place to live upon; and upon our work, if consummated in justice, honor, and honesty, would rest the gratitude of future races to be and the benign benedictions of the skies. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. BRUMBAUGH. I should like to have five minutes more,

Mr. Chairman.

The CHAIRMAN. The gentleman asks unanimous consent to proceed for five minutes.

Mr. MANN. Mr. Chairman, it is not a matter of unanimous consent.

The CHAIRMAN. The Chair will recognize the gentleman for five minutes.

[Mr. KREIDER addressed the committee. See Appendix.]

Mr. SCOTT. Mr. Chairman, in my opinion the Members of this House, and the country at large as well, should be congratulated upon one circumstance attending the discussion of this bill—a circumstance, I regret to say, that has not attended the deliberations of this House in connection with other important and fundamental legislation for some time past. I refer to the fact that the majority, whose proposition this bill is, has seen fit to permit it to take its chances in the arena of free and open debate, untrammeled by preliminary caucus obligation. I mean no invidious insinuation when I venture to express the hope that this course, so happily begun, may be continued to the end, and that when Members come to record their convictions upon the desirability of this legislation those convictions may be both freely and fearlessly expressed.

At the outset I desire to say that I am in favor of the construction of railroads in Alaska, and I want to say, further, that I am in favor of the Government of the United States constructing and owning such railroads, at least until such time as conditions seem to warrant the adoption of a different policy. This not because I am a convert to the policy of Government ownership of railroads in general, because I am opposed to that policy, but because I believe that conditions in Alaska are so peculiar that private capital can not be induced to enter the field of railroad building there in a way best calculated to open up that country unless we offer or permit as compensation an unwarranted sacrifice of Alaska's resources. When we built the major portion of our great railroads in this country we submitted at the time to what appeared to be the necessities of the situation, and we have since been reaping the results of the policy adopted; and, if I mistake not, we are likely to continue the harvest for some time to come. I, for one, do not want to repeat the experiment. I neither want to sacrifice the great natural resources of Alaska to the desires of a few who would exploit them to monopolistic ends, nor encourage the promotion of railroad construction there under a policy that will result in pernicious overcapitalization.

The chairman of the committee reporting this bill, at the beginning of his very interesting speech delivered in this House on the 17th ultimo, remarked that "in the consideration of this measure the question arises, Is this country—Alaska—worth developing?" This question I shall not take the time of the committee to discuss. I shall assume that Alaska is worth developing, for I believe that to be a question upon which there is practically no diversity of opinion in this House, and little throughout the country. I believe that Alaska, with its great deposits of coal, copper, gold, silver, and other mineral, its fisheries and fur product, together with the fact that its agricultural qualities are sufficient to sustain any population that is likely to become permanently resident there, constitutes a great augmentation to our national wealth.

A consideration of this bill, however, does present the question how best to initiate the development of Alaska; whether we shall pursue a policy calculated to conserve and develop Alaska's resources for the benefit of the people of the United States, offering equal opportunity to all within reasonable limits, or whether we shall pursue a policy which, merely because it lessens tasks and shifts responsibilities of government, will enable a few to monopolize the great harvest that is now ripening there, leaving the worthy many who may come after to glean the discarded remnants.

The gentleman from Alaska, the author of this bill, in his great speech delivered a week ago to-day said:

The bill under discussion is in the interests of the people and puts the issue of Government or Guggenheim control in Alaska squarely to the vote of this House. Which shall it be, Government or Guggenheim?

This is but another way of stating the alternate policies that I have suggested. I am in full sympathy with the gentleman from Alaska so far as concerns the ultimate object of his effort. I only wish I were so sure as he that the bill under discussion presents the question as he seems to see it. As to whether this bill presents the question of Government or Guggenheim, I am in serious doubt. I greatly fear that it presents the question of Government and Guggenheim, and that if enacted in its present form it will lead to an entangling alliance that we will in the future seriously regret, and it is this danger lurking, as it seems to me, in the bill to which I shall direct my attention.

The general knowledge of Alaska that has been acquired dur-

The general knowledge of Alaska that has been acquired during the last 15 years or more, supplemented by more recent special investigation, seems to have crystallized a general opinion that an essential preparation for the development of Alaska is transportation facilities from the seaboard to the interior. That in order to make available and accessible the mineral and agricultural products and possibilities of that country, railroads should be built connecting the open harbors on the southern coast with the inland navigable waters, at the same time penetrating the most wealthy mineral regions and the great valleys best adapted to agriculture.

Alaska's greatest navigable river is the Yukon, which, rising in British America and flowing westward, cuts Alaska almost midway, emptying into Norton Sound. The valley of the Yukon, together with the valley of the Tanana, its principal tributary on the south, contains a large portion of Alaska's most valuable agricultural land. The second great river is the Kuskokwin, rising in central Alaska and flowing southwesterly into Kuskokwim Bay. The valley of this river also contains a large amount of agriculturally adapted land. These river valley regions, except during the short period of navigation, must be reached overland from the ocean harbors on the southern coast. Along that coast trend high and almost continuous ranges of mountains. The gentleman from Alaska has told us, as well as other gentlemen, both on the floor and at the hearings, that there are three great gateways through these mountain ranges through which access can be gained into Alaska's interior-the White Pass gateway, the Copper River gateway and the Seward gateway. These gateways, with the wonderful harbors lying at their portals, witness what seems to have been a wise providence of nature. Through these gateways and into these harbors the great current of Alaska's future commerce must flow. This fact was shrewdly foreseen by those enter-prising spirits who first undertook Alaska's exploitation, and they quickly laid claim to and posted sentinels at these great

The White Pass gateway opens through at the lower end of the Panhandle and leads into Canadian territory and thence into the valley of the Yukon. This gateway is now occupied by the White Pass and Yukon railways, the lines, terminals, and harbors of which are owned and controlled by the Morgan and Guggenheim interests. This gateway is thought to be impracticable for the purposes of this bill. The Copper River gateway, beginning with the harbor in Orca Bay and extending up the Copper River Gorge and Valley, is also occupied and controlled by the Morgans and Guggenheims. The Seward gateway, including the great harbor in Resurrection Bay, through the Alaska Syndicate, is also practically owned and controlled by the Morgans and Guggenheims. I quote from the testimony of the Delegate from Alaska given at the hearings before the committee reporting this bill. On page 406, Mr. Wickersham says:

You now see how the White Pass gateway into Alaska is controlled—is in partnership with the Alaska Syndicate—and I want to go with you now to the Copper River & Northwestern Railroad and talk to you about that, because that occupies the next great gateway into Alaska. It is a main gateway up the Copper River on a water grade, and is the principal gateway into Alaska, and yet it is in the charge, control, and ownership of the Morgan-Guggrenheim combination. They built the Copper River & Northwestern Railroad through that pass at an expense of about \$20,000,000. It is a fine standard-guage railroad. It has beautiful fine iron bridges. It is well built, well ballasted, and runs from the town of Cordova up the Copper River to Chitina, and thence to the right along the Chitina River to their great copper mines at Kennicott or Bonanza.

I again quote from the speech of the gentleman from Alaska to which I referred. His language will be found on page 1662 of the RECORD of January 14:

I have gone into this matter thus carefully to show you that the Alaska Syndicate not only owns the Copper River & Northwestern Rallroad gateway into the interior of Alaska, and that it is a partner with the owners of the White Pass and Yukon gateway, but that it is

substantially the owner of the Alaska Northern Railway and in control of that gateway. In short, we find the Alaska Syndicate in control of three of the principal gateways to the interior of Alaska.

A little further on, at the bottom of the same page, the gentleman says:

There is a side gateway from Valdez which cuts into the Copper gateway, and there is said to be a side gateway that opens into the Seward route. It would not be much of a trick to condemn the Seward road and take it over by paying its value. It is a bankrupt concern, closed down, and has not been in operation for three or four years.

If I were inclined to doubt the testimony of the gentleman from Alaska and others or the consensus of opinion entertained both at this and the other end of the Capitol, I should still find evidence sufficient for me in the fact that the Guggenheims and gentlemen of the Alaska Syndicate were on the ground with all the skill and facilities that money could buy at a time when the opportunity to pick and choose was unlimited, and that they exercised and embraced their opportunities to the fullest extent of their desires. If they refrained from laying hold of anything, either of existing, potential, or strategic value, I have only to say that I am seriously mistaken in my estimate of these gentle-

men; they are not the men I took them for.

Mr. Chairman, this is a remarkable situation that we find ourselves in. A great mountain-locked empire to be developed, and the three principal gateways into that empire in the occupancy, ownership, and control of the Alaska Syndicate, and we are to congratulate ourselves upon the fact that there yet remains an obscure side gateway through which the Government of the United States may steal for the purpose of gaining access to its great domain. Under existing conditions the front entrance into the people's great warehouse of Alaska seems to be reserved for the Alaska Syndicate and the Guggenheims, and it is proposed that the majesty of the people of the United States as represented by the National Government must resort to the deviously approached side entrance, usually "reserved for servants and tradesmen.'

Now, were it not for this remarkable situation, I think there can be no doubt what Congress would do at this time. A bill would be passed authorizing the construction of one or two lines of railway connecting the open ports upon the southern coast of Alaska with the inland navigable waters. those lines would be projected from Orca Bay, at Cordova, up the Copper River to Fairbanks and, ultimately, to the Yukon. The other line would be projected from Resurrection Bay, at Seward, around Cooks Inlet, across the Susitna Valley, and westward to the Kuskokwim River. The former line, with the aid of a short branch, would tap the Bering River coal fields, and the latter line would tap the Matanuska coal fields. lines, respectively, would penetrate the broad, fertile valleys of the Tanana, the Yukon, and the Kuskokwim. These lines of railroad, together with adequate seaboard terminals and the great ocean harbors from which they are projected, would be owned and controlled by the Government of the United States. The two great gateways to the interior of Alaska would be in control of the Government of the United States, and the portals of these great highways would be kept in trust for the people of the United States, offering equal opportunity to all who might enter there.

In the light of our present knowledge of Alaska, is it not worth while to stop and consider whether these great commanding advantages are irretrievably lost? Shall we yield without question the permanency of dominion taken under fraud and in bad faith, or shall we not ask, in the language of the gentleman from Alaska, "Who are these Colossi who stand astride not one but three of the gateways of the Territory of Alaska?" Shall we not examine into the character of tory of Alaska?" Shall we not examine into the character of their title, legal and equitable? Shall we not even satisfy our-selves that their present hold is in fact secure upon these great strategic positions? It seems to me that a great responsibility rests upon the House and the Senate in this respect-a responsibility which we must acknowledge and discharge to the uttermost or leave ourselves open to imputation of unfaithful-

ness to the greatest duty of the occasion.

This brings us to the question of the policy to be pursued by the Government in initiating the construction of railroads in Alaska. Shall we begin at the bottom and lay a secure foundation, clearing away if needs be the obstructing rubbish. or shall we begin with the superstructure, building upon this rubbish and trusting to its sufficiency, durability, and adaptability to answer our ultimate purposes? In my opinion we should begin at the bottom. We should examine into the rights of the occupants of these gateways and of their relation to the people and to the Government of the United States. We should ascertain what obligations they and their predecessors sumed when they laid hold of the public domain and whether they have discharged those obligations, and whether they can

be trusted in the future to continue to discharge their obligations and responsibilities. And then, if we shall find that they have entered in bad faith, that they have failed to discharge their obligations, that they are unable or indisposed to discharge them in the future, I believe there is power in the Government of the United States to say to these "Colossi" who now stand "astride" these gateways to stand aside and yield possession and control to the original proprietor. If, upon investigation, we shall find that these occupants have made improvements for which we are legally or morally obligated to pay, I believe the value should be fixed upon the basis of present conditions. If we are to acquire the present lines of railroad and terminals, we should acquire them upon the basis of incomplete, failed, abandoned concerns; that we should not wait until by the enactment or in pursuance of the proposed legislation we have brought about conditions which will infuse into these properties many millions of dollars of unearned increment. That we should acquire the lines occupying these two principal gateways, together with their terminal sites and harbor bases, I am convinced. If we are justified in spending thirty-five or forty millions-aye, sixty or seventy millions-before we are through in building a fragmentary portion of a system without any gateways, terminals, or harbors, leaving all of these in the possession and control of the Alaska Syndicate, we are surely justified in spending eight or ten millions more to get possession and control of all of these essential portions of

I shall ask the attention of the committee while we examine the record in connection with the location and construction of the two railroads projected from Seward and Cordova. During the second session of the Sixtieth Congress a letter from the Secretary of the Interior transmitting certain data relating to railroads in Alaska was made House Document No. 1201. This document gives valuable information touching the origin of all the Alaska railroads. I first call your attention to the Alaska Northern. This road is the successor of the Alaska Central Railway, which was projected from Resurrection Bay. On page 2 of the document referred to we get the information that the Alaska Central Railway was incorporated under the laws of Washington and that the purpose of its organization was to build a railroad over a certain route. The route described in the articles of incorporation is from Resurrection Bay to the Yukon River; that this company filed 15 maps of preliminary location-one from Resurrection Bay to a point on the Yukon, another from Resurrection Bay to the Tanana, and to various other points. Now, mark you, the proposition under which the Alaska Central laid hold of the public domain, including terminal site and the harbor in Resurrection Bay, was that it would build a railroad from this seaboard terminal into the interior of Alaska to some point on the Yukon or Tanana River; that it would open up a great public highway, for the development of Alaska. But we find that, after a more or less checkered and stormy career, and after taking possession of the harbor and terminal site and constructing about 72 miles of railway, it is bankrupt, construction abandoned, and in the hands of the Alaska Syndicate, with no pretense now being made of continuing the line to the Yukon or the Tanana. The opposing parties to the compact with the Government, after seizing this harbor, this strategic terminal site and the gateway to the interior, have utterly failed to deliver their part of the consideration. They do not purpose to deliver it. Under these circumstances shall they hold us to the bargain? I now call your attention to the Copper River & Northwestern Railway, which is the successor of the Copper River Railway.

The Copper River Railway Co. was incorporated under the laws of Washington for the purpose of building a railway over a certain route. The route described in its articles of incorporation is from a point near the mouth of the Copper River to a point on the Tanana River near Fairbanks, and branch lines. The Copper River & Northwestern Railway was later incorporated under the laws of Nevada, and it took over the properties of the Copper River Railway. Its articles of incorporation described a route from a point near tidewater in western Alaska tributary to the Copper River Valley in a general northwesterly direction to a point in the vicinity of the Copper River copper fields and extensions in the general direction of Eagle City or Fairbanks, with branch lines. suance of this proposition the Copper River & Northwestern Railway has acquired practical control of the harbor at Cordova, with the choicest terminal grounds there, and a right of way extending to the Copper River and up the gorge or valley of that river to Chitina, with a branch thence to the copper fields. This company took possession of this property with all its strategic advantages under the pretense of building to the Tanana River. Their avowed purpose was to build a great

public highway for the purpose of developing Alaska. It soon became apparent, however, that their purpose was to develop Alaska for themselves only, and when their purpose in this respect was thwarted they abandoned the enterprise, at least in all respects not directly pertaining to their private interests. The Guggenheims have completed the line to the copper fields owned by themselves. They do not now purpose to extend the line to the Tanana or to any other point. They have the harbor at Cordova, the terminal grounds, the gateway through the mountain range. They have placed their property there, but in such a way and to such an extent as serves their own interests only.

In other words, they have repudiated their obligations to the Government and to the people of the United States; they have built no public highway for the development of Alaska, and the fragment of railroad which they now have, when considered for that purpose, is almost valueless. We are now confronted with the question whether these people shall hold the Government and the people of the United States to the bargain. Shall they be permitted to hold this, the principal gateway into Alaska, as a private equipment to their copper mines? They Alaska, as a private equipment to their copper mines? have failed to deliver their part of the consideration or to live up to their side of the compact; why should not the Government lay hold of this gateway, designed by nature to serve as the route of a great public highway, for the benefit of the people of the United States and devote it to that purpose?

If the Government is ever to gain control of the harbors and gateways at Cordova and Seward, it should do it now. we are to condemn and take these properties we should make that course certain by the provisions of this bill, and not merely suggest it as a contingency. We should adopt our course while the present status of those properties exists. We should determine the matter while they may be acquired at their present actual value as railroads and railroad facilities, and not after we, by legislation and Executive action, have given them a status which will increase their value as railroads tenfold. As I have stated, these lines are of little value when considered in a proper light as lines of railway. The Alaska Northern is practically an abandoned project. It is not being operated. It is not in the course of being extended so as to become more valuable.

WICKERSHAM. If the gentleman has read the bill carefully, does he not think that under its provisions the President would have authority to condemn and take over either one of these roads?

Mr. SCOTT. I think he would; but I think that is a responsibility that rests upon this House, and that it is too great a responsibility ever to let pass beyond the doors of this

Mr. HARDY. Does not the gentleman think that if this bill had emphatically and absolutely directed the President to buy or condemn that road it would have stiffened the price he would have had to give for it if he wanted to get it?

Mr. SCOTT. No; because we can condemn that property and its value will be fixed under existing conditions, under the law and the rules of evidence.

Mr. HARDY. My opinion is that if it is known that we are either going to buy that road or build another, whichever seems best to do, the road itself will offer to surrender for a far less consideration than if they know that the President has to buy it.

SCOTT. But whenever you make it legally sure by legislation that a line is to be extended, then you have given the existing line a legal status different than it now occupies. You have given it the opportunity, when you institute your condemnation proceedings, to offer itself as part of an assured continuous line to the Yukon, and you will find that under the law and under the rules of evidence you will have to pay from five to ten times the amount that you would have to pay if you made this matter sure at the outset.

Mr. HARDY. My idea was that this bill did not make that

an assured continuous line at all.

Mr. SCOTT. It will the very minute Executive action is taken under this bill.

Mr. TOWNER. Will the gentleman yield?

Mr. SCOTT. Certainly.

Mr. TOWNER. Is it not true that this bill contemplates two extensions, not either of them a complete system, but one an extension of the line from Chitina on to Fairbanks and the other an extension of the line from Kern Creek, the terminus of the Alaska Northern Railroad, up into the Kuskokwim Valley and the Matanuska coal fields?

I think there can be no question about that. Mr. TOWNER. And does not that mean that the very determination and projecting of the idea of building these two railroads will immediately add to the value of these other railroads, because they could not possibly be made available unless they used the Guggenheim road that runs into the Copper River Valley and the Alaska Syndicate road that runs north?

Mr. SCOTT. The legal status will be changed immediately. It may properly be considered as junk. The Copper River & Northwestern Railway, while capitalized at nearly \$28,000,000-\$27,698,400—reported to the Interstate Commerce Commission for the fiscal year 1913 an operating and maintenance deficit of \$163,765.84, or, when reduced to mileage, \$839.91 per mile. It is pertinent now to consider what are 195 miles of railway worth that can not be operated except at a loss of \$839.91 per mile annually. And why are these properties in this condition? The answer to this question ought not to be difficult. These lines do not reach their objective points. They are mere fragments, no longer even in the course of construction. They have no future under existing conditions. If these lines were condemned by the Government of the United States now, they would be valued under existing conditions. The reports of their owners to the Interstate Commerce Commission would be competent evidence of that value. I do not mean by that that they are absolutely worthless; they have a potential value, but not as a part of an assured line which when completed would constitute a successful railway.

Let us suppose that the course suggested in the message of President Taft and in the report of the Alaska Railway Commission should be followed. Suppose that this bill should pass and the President should locate lines of railway from Chitina to Fairbanks, and from Kern Creek around Cook Inlet and westward to the Kuskokwim River, and the construction of those lines should be legally assured. What effect would this action have upon the Alaska Northern and the Copper River & Northwestern? They would not each only become the lower main trunk of a through line, but would own and control the terminals and the harbor at the foot of such line.

Mr. WICKERSHAM. Will the gentleman yield?
Mr. SCOTT. Certainly.
Mr. WICKERSHAM. Did they in the same report give any opinion as to the value of the ore they carried which belonged to them?

They did not.

Mr. WICKERSHAM. There is where they make the profit. Mr. SCOTT. Property that is now commercially worthless would be of great value. The Government of the United States would own two fragments of railway, but the harbors, the terminals, the trunks projecting through the great gateways of Alaska would be owned and controlled by the Guggenheims.

Mr. HARDY. Will the gentleman yield? Mr. SCOTT. I will.

Mr. HARDY. It seems to me that the gentleman's purpose of mind is the same, but our conclusions are just the reverse. It seems to me that the bill declared that it was going to build the road, say, from Cordova to Fairbanks, using the Copper River road as a part of it; that would give the value that the gentleman is talking about; but if it is left optional with the President whether he would condemn the Guggenheim road or build another, then it becomes in the nature of junk, as the gentleman said, and the liberty in the bill avoids the conditions.

Mr. SCOTT. There is where the gentleman falls into a trap. If the initial step makes it certain that we are to take these lines, that fixes the status that they must occupy in the court

in the condemnation proceedings.

Mr. HARDY. If the bill declared that the road should be a part of the route, then it would do the very thing the gentle-

Mr. SCOTT. If you will examine the bill carefully, you will come to another conclusion.

Let us suppose that the Government should then undertake the acquisition of the existing lines and institute condemnation proceedings to that end. Would the Government be able to acquire these lines at their present value? Would the same rules and limitations of evidence apply in establishing that value? Not at all. If condemned under existing conditions, applying wellknown rules of evidence and law, the value of those lines would be fixed at much less than original cost. Those connected with the promotion, construction, and ownership of those lines have already sustained a great loss. That loss should rest where it has fallen. If the Congress of the United States by legislation shall make legally assured the continuation of those lines to their original objectives, that loss will not only be made good, but in case the Government should in the future attempt to acquire those properties, the burden not only of that loss but an additional great profit to the present owners would be shifted to the Government. There is but one rational course in this connection. That is to acquire these lines either before or simultaneously with definite action by the Government

with respect to the establishment of routes and the locations of

On August 24, 1912, an act of Congress was approved authorizing the President to appoint a commission to conduct an examination into the transportation question of the Territory of Alaska, to secure surveys and other information with respect to railroads, information in respect to coal fields and their proximity to railroads, and other matters. The President appointed such commission, which made the investigation referred to and transmitted its report to the President, which was later transmitted to Congress. I have no doubt that nearly every Member of the House is familiar with that report. It in substance recommended the building of a line of railroad from Chitina to Fairbanks and from Kern Creek around Cook Inlet to the Kuskokwim River, these lines connecting with the existing Copper River & Northwestern and the Alaska & Northern lines. The aggregate amount of new construction was to be 773 miles and the estimated cost \$35,000,000. Among the principal reasons urged for the connection with existing lines was the superiority of the harbors in Orca and Resurrection Bays and the facilities which the existing lines had on those harbors.

The objections I would have to the carrying out of the recom-mendations of the Alaska Railroad Commission are that it would involve the construction and ownership by the Government of the portions of lines extending from Chitina to Fairbanks and Kern Creek to the Kuskokwim River, leaving the lower portions of the continuous lines together, with their terminals, harbors—in fact, the two great gateways into Alaska—in the control and ownership of the Alaska Syndicate and the Guggenheims. It would necessitate the Government entering into contract relations with the Alaska Syndicate and the Guggenheims, which would forever seal the hold of these interests upon these two great gateways. It would prevent the Government from ever acquiring the control of those gateways, harbors, terminals, and railroad trunks except at stupendous cost, at a valuation which would capitalize the very act and policy of the Government for the benefit of the Alaska Syndicate and the Guggenheims.

Mr. WICKERSHAM. Will the gentleman yield again?

Mr. SCOTT. Certainly.

Mr. WICKERSHAM. Does the gentleman know that at Resurrection Bay, fronting on the bay, the Government has large reservations of the water front and large reservations for town-site purposes which nobody can get, and from those water sites owned by the Government they may build into the interior without purchasing anything of the Alaska Central? That is not true at Cordova, but it is at Seward.

Mr. SCOTT. The gentleman may be correct, but I apprehend that when these interests took hold of this property they did not take the worst position. I apprehend that if there was any

choice there they took advantage of the choice.

The fundamental objection that I have to this bill is that it is calculated to bring about the same result as the Alaska Railroad Commission plan. As this bill was introduced it embodied a plan substantially identical with that recommended by the Alaska Railroad Commission in the respects referred to. required the location and construction of a line or lines not exceeding 733 miles in the aggregate, to be so located as to connect one or more of the open Pacific coast harbors on the southern coast of Alaska with the navigable waters of the Tanana, the Yukon, and the Kuskokwim. Now, the distance from Chitina to Fairbanks plus the distance from Kern Creek to the Kuskokwim River over the routes referred to in the commission report is exactly 733 miles in the aggregate. Two lines of railroad built so as to connect open harbors on the southern coast with these inland navigable waters could only be kept within the limit of 733 miles by extending the existing lines from Chitina and Kern Creek; and, again, these two lines could only be so constructed within the limits of \$35,000,000 under the estimates by extending them from these points. The purpose of this bill as it was introduced was as clear as noonday; it was the Alaska Railroad Commission plan.

The bill has been amended in the committee by striking out the 733-mile limitation, but the \$35,000,000 appropriation remains the same. The requirement that it be "so located as to connect one or more of the open Pacific harbors on the southern coast of Alaska with the navigable waters in the interior" is still there. And it will be observed that this requirement can be fulfilled by building from Chitina and from Kern Creek. It will be noted that the bill does not require the lines to be constructed by the Government to extend from the harbors to the interior waters, but only requires that they shall be "so located as to connect." This requirement, of course, can be fully met by connecting with the existing lines. The purpose of the bill for fear of repeating what has already been said.

in this respect is further made apparent by the provision authorizing the President "to lease" any other existing line or any other existing line or lines of railroad in Alaska which may be necessary to complete the construction of the line or lines of railroad designated or located by him in the first instance, or to make contracts and agreements with any other railroad for joint transportation of freight and passengers. In other words, the bill fully authorizes the President to locate and construct a line at Government expense from Chitina to Fairbanks, and to lease the Copper River & Northwestern line from the Guggenheims, or if a lease is not desirable, to make a contract or agreement with the Guggenheims for joint transportation of freight and pas-The same plan is authorized with respect to the other line. Under the bill as amended, the President is given full authority to carry out a plan identical with that of the Alaska Railroad Commission, leaving these two gateways and harbors with all their advantages as they now are in the control of the Alaska Syndicate and the Guggenheims. Indeed, the appropriation carried by this bill contemplates that very course, and

as I view it, permits no other course.

It has been pointed out, of course, that the bill does not restrict the action of the President; that it authorizes him to build a through line, to acquire wharfage and harbor facilities, and terminals if he deems that course wise. It seems to me, however, that these provisions of the bill are calculated to mislead. The President is required to construct lines that will connect the open harbors on the southern coast with the navigable waters of the interior, but he is also required to connect with coal fields of ample capacity, and to so construct the lines as best to aid in the development of the agricultural and mineral and other resources of Alaska as a whole and the settlement of the public lands. Of course, the President could confine him-self to the construction of a single line connecting one port with one of the navigable rivers, but I do not believe that anyone anticipates such a course. It is desirable to reach both the Bering River and the Matanuska fields and the Tanana and Kuskokwim Valleys. This can only be done under the present bill by connecting the proposed Government roads with the existing lines, or incurring expense far in excess of the amount of the appropriation.

Here is the situation as I view it. It is essential to the proper development of Alaska that railroads be built connecting the seaboard with the coal fields, the copper fields, and the agricultural sections. Those railroads must be projected from good harbors on the south coast. They ought to be projected from the best harbors. The best harbors and gateways to the interior are the Seward and the Copper River harbors and gateways. One is in the possession of the Alaska Syndicate and occupied by a derelict fragment of a railroad. The other is in the possession of the Guggenheims, and is occupied by good terminals and a good line of railroad, extending to the Guggenheim copper mines, but constitutes no public highway for the development of Alaska. The Alaska Syndicate and the Guggenheims have not kept faith with the Government of the United States. Those harbors and gateways in justice belong to us. Have we the wisdom, the courage, and the disposition to take them; or shall we supinely acknowledge the permanency of their claim? The responsibility for the solution of this question rests with the Congress of the United States. That responsibility can not and ought not to be shifted to any other department of the Government. When this bill leaves this House it should carry the command of Congress to condemn and take the Alaska Northern and the Copper River & Northwestern Railways and the two great gateways now occupied by This bill should not leave this House without that command. [Applause.]

Mr. CURRY. Mr. Chairman, I shall have to disagree with the conclusions of the honorable gentleman who has just preceded me [Mr. Scott] in one or two particulars. The United States Government, should this bill be enacted, will not have to take either by condemnation or purchase any railroad constructed in Alaska, whether in operation or not, but the Government through the President of the United States may select a route entirely different from any occupied at the present time, or the President may purchase, if he can obtain a good bargain for the United States, the Alaska Northern, or if its owners try to stand him up he may parallel the Alaska Northern or any other road. The United States Government owns the best water frontage at Seward, and should that place be selected as the ocean terminus of the road the Government would not have to purchase any land for harbor, wharfage, or terminal purposes.

The Alaska railroad bill has been fully and ably discussed pro and con by those who have preceded me. I shall not, therefore, in my remarks go very extensively into statistical details

The reasons why the Federal Government should construct a railroad in Alaska-its feasibility, prospective routes, and comparatively moderate cost of construction-have been clearly explained in detail by Judge Houston, the chairman of the Com-

mittee on the Territories, and by other Members.

The vast extent of Alaska, the wonderful fertility of its valleys south of the Yukon River, the abundance of crops of the hardier vegetables and cereals that can be grown on the valley land after it has been cleared for and subjected to agriculture, the extent of its natural pasturage and the possibility of raising large numbers of domestic animals have been presented. Its inexhaustible mineral resources, including coal, copper, and gold, in the valleys and coast ranges of mountains south of the Yukon have been dwelt upon.

The healthfulness of its climate and the ability of the Territory to maintain in comfort, happiness, and the highest degree of Christian civilization a large white American population

have been shown

This wonderfully rich country has been bottled up by Executive orders, national legislation, and by the assumption and exercise of authority by the departments for a great many

years. [Applause,]

The original bottling up of Alaska by the Government may have been excusable as necessary to prevent its being pioneered and monopolized by exploiters from their offices in New York, Chicago, Boston, and Montreal, but there is no reason on earth why that policy should be continued in perpetuity. The time has come when the settling and developing of Alaska by genuine American home-building pioneers should be encouraged by the Government and, if necessary, made possible by proper

The President now has it in his power, through Executive order, to relieve the conditions, and I believe the chairman of the Committee on Territories has satisfactorily discussed the situation with him. But legislation should also be enacted by Congress that will permit and assist the pioneering and developing of Alaska and at the same time prevent its mineral wealth from falling into the hands of syndicates. Its natural resources should be properly conserved and worked under Government supervision that will effectually prevent the monopo-

lizing of its wealth.

The only tenable reason for a man to leave his home and the comforts of civilization to pioneer a new country is an opportunity to better the conditions of himself and family. existing conditions no such opportunity awaits him in Alaska. He will find that the law has more consideration for the brown bear of the Territory than it has for an Alaska pioneer; that it is a misdemeanor to pick up and use driftwood on the beach; that the administration of the Forestry Service is so strict that wood brings \$16 a cord on the edge of a forest; that the law will not permit him to mine coal for his own use; and that within a few miles of an almost inexhaustible supply of coal he is forced to pay from \$16 to \$25 a ton for coal shipped in from Canada.

Any man, with the exception of a Government official, who would go to Alaska with the intention of making it his home under existing conditions is playing hookey from an insane

Alaska can not be effectively pioneered and developed without a railroad is constructed on which to ship out the products

of its mines and to ship in supplies.

Private capital can not and will not construct a railroad in Alaska without the Government makes unreasonable concessions, and I do not believe this Government will ever again give a dollar or an acre of land to a railroad company as an induce-

ment to build a road.

Of course you could find promoters who would jump at the chance to accept a franchise to build a road for the opportunity it would give them to make a clean-up by selling stock and bonds, but legitimate capital can not be interested in an Alaska railroad enterprise without it is given an opportunity to own and develop some of the mines, and that opportunity I hope will never be given.

The construction of a Government railroad would pioneer Alaska, develop its resources, and populate its domain with

sturdy Americans,

Those who oppose the bill have exercised their ingenuity in manufacturing and plausibly presenting excuses as to why it should not pass. You will find some who worked hard for the passage of the Hetch Hetchy bill fearing the socialistic tendencies of the Alaska railroad bill. Now, where is their consistency? The San Francisco-Hetch Hetchy water and power plant will be a public utility, built, operated, and owned by the municipality of San Francisco, and it will cost San Francisco between two and three times as much to develop her water and

power supply and plants as it will cost the Federal Government to build the Alaska railroad from a harbor on the southern Alaska coast to navigable water on the Tanana River, and San Francisco will sell water and power in competition with private business enterprise, while the Alaska railroad will not compete with any other railroad, but will only develop an undeveloped country.

The cry of public ownership of public utilities does not scare me, as it does some people. It is true that the business of Government is to govern and not primarily to engage in business enterprises, but public ownership of public utilities is right when such ownership is clearly in the interests of the people and can be better conducted and maintained under public ownership than under private business enterprise. It has always been so recognized and in many places and instances adopted and used in this country both by the Federal and local

governments.

It is dangerous to the liberties of the people to place in the hands of any human being or human agency, including the Gov-ernment, any great or extraordinary power over the means of subsistence, existence, and happiness of the people and the natural rights and individual liberty of men, and the greatest valid objection-if it is a valid objection-to the public ownership of all public utilities and their operation by the Government is the extraordinary power and influence it would place in the hands of the Government and the opportunity it would make for and give to officials either insidiously or by the exercise of direct authority to dominate, command, and oppress the people and control the electorate and the fact that as yet no adequate check to the possible assumption and exercise of such authority and power by Government has been thought out.

The Alaska railroad bill provides that after construction the

road may be operated or leased or sold by the Government, as may best serve the interests of the people, and no Member who fought for Hetch Hetchy need fear to vote for this bill on ac-count of its public-ownership features.

It is much better that the Government should build the road for the benefit of all the people, with the probability of in time being reimbursed for the original cost, than that a few capitalists should be permitted to build it for their personal benefit, and in return for their enterprise be given the privilege of ex-ploiting the people and monopolizing the rich mineral resources of the Treasury, which should be reserved and protected by the Government for the hardy men and women pioneers and for its future citizens on whom the genuine development and prosperity

of Alaska must depend. [Applause.]

I have heard the fact that there are but 35,000 white people in Alaska advanced as an excuse against the Government constructing the road. It has been stated on this floor that there are but 35,000 white people in Alaska, and it is proposed to build a \$35,000,000 road for them, a railroad the construction of which will entail on the Government the expenditure of an amount of money equal to \$1,000 per capita for every white man, woman, and child in the Territory. I wonder if the honorable gentleman who made that statement knows that when the populous, rich, and magnificent State he represents in this House was a sparsely settled Territory with less than 35,000 white inhabitants the railroads constructed through it received Government aid, and that practically all of the Western States, then Territories, had populations of less than 35,000 when railroads were constructed through them with Government aid, and that if the roads had not received Government aid they would not have been constructed, and if they had not been constructed those magnificent and prosperous States would to-day be sparsely settled wildernesses? Oregon and California, I believe, were the only two Western States that had a larger population than 35,000 when Government-aided railroads were through them.

Mr. WICKERSHAM. Will the gentleman yield?

Mr. CURRY. I will.

Mr. CURRY. I WIII.
Mr. WICKERSHAM. In 1870 the Territory of Washington only had 23,000 people. The land grants for the Northern Pacific were made by act of Congress in 1864, six years before that Territory had its 23,000 population.

Mr. CURRY. I was in the Territory of Washington when its first railroad was constructed, and I donated a full day's work to the first railroad that was built through there, and I would do

[Applause.] it again.

Would it not have been better for the Government-aided roads to have been constructed by the Government than as they were? The Government has spent and is spending hundreds of millions of dollars in digging the Panama Canal, which, by the way, is another instance of public ownership, construction, and operation of a public utility—and there are only 37,428 people on the Isthmus, and only 5,288 of them are white. Are we digging the canal for that handful of people? Oh, no; the canal is being constructed by the American Government with American money primarily for the benefit of the American people, but also for the benefit of the shipping and commerce of the world. Of course, the people of Panama will also be incidentally benefited. And we do not intend to build the Alaska railroad for the benefit only of the 35,000 people in Alaska. As a matter of course they will be benefited, and they ought to be benefited, but the primary object of building the road will be to pioneer and populate the Territory, develop its resources, and supply our Pacific squadron and the people of our Pacific States with good coal at about one-half the cost of what they have to pay for coal at the present time. The construction of the road will also encourage gold and copper and other mining. Enough prospecting and development work has already been done to prove that Alaska is one of the richest gold fields in the world. The dredge mines are working ground that prospects from \$2 to \$10 a cubic yard. In California we make money from ground that produces 7 cents a cubic yard. Of course, most of the dredge mines of California yield a much higher value.

Since 1880 Alaska has produced \$228,200,000 in gold, about 27 per cent of this amount from quartz mines, and there has been little or practically no quartz mining in the interior, away from the navigable waters, because of the prohibitive cost of transportation of machinery, the repressive policy of the Government, and the underhanded methods and tactics of monopolists in their attempts to syndicate the resources of the Territory. The gold output in 1913 was \$15,450,000; Silver, \$220,000; and

copper, \$3,014,000.

There are inexhaustible supplies of coal covering an area of nearly 13,000 square miles, as surveyed, platted, and estimated by the Geological Survey. The greatest deposits are in the Matanuska and in the Bering fields. The Matanuska, producing the best coal, is the field through which the Government will undoubtedly build the road if it is constructed.

In my opinion the time has come when the Government should change its policy in Alaska. It should build a railroad and encourage the pioneering and developing of Alaska by genuine pioneers, and at the same time prohibit and prevent the exploiting and monopolizing of Alaska by the sharks who pioneer by

proxy. [Applause.]

As a Californian, I am very much interested in the development of Alaska. We need her cheap hard coal in my State for our homes, our factories, our smelters, and our steamships; and while we have not developed the Alaska trade as we should, and have permitted the merchants of Seattle to monopolize 99 per cent of her commerce, while our merchants in return have been content to control the bulk of the commerce of Hawaii, if this bill passes, I predict that though, on account of her nearer location, Seattle may continue to enjoy the bulk of the Alaska commerce, the San Francisco merchants will go after and get their share of that trade.

San Francisco is located on the most beautiful, the greatest, the safest, and the best natural harbor in the world; she is, and she is destined to continue to be, the commercial and financial metropolis of the Pacific. [Applause.]

If the Government intends to do anything for Alaska and her people, now is the time and here is the opportunity to do it. The passage of the railroad bill should be followed by Executive orders gradually releasing the mineral and agricultural land to occupation by actual settlers, but preventing and pro-

hibiting their monopolization.

If, on the other hand, the Government does not want Alaska inhabited and developed, now is the time and here is the opportunity to say so and to let the Alaskans know that fact while most of them are still young enough to leave the Territory and establish themselves eisewhere. I hope, however, that the mis-treatment of the people of Alaska by the Government is about to end, that the policy of the Government toward Alaska will change, and that the Alaska railroad bill and other legislation that will encourage the development of Alaska and will permit her industrious and energetic people to go to work and establish prosperous and happy homes for themselves will be enacted during this session of Congress. [Applause.]

Our committee has given a great deal of thought to the Alaska problem. We worked hard and conscientiously in the preparation of the bill. Exhaustive hearings were held, at which a great deal of testimony was taken. The hearings were published for your information and for the information of the public. We sought and secured illuminating information wherever obtainable. The chairman of the committee has compiled and filed a convincing favorable report on the measure. We have reported to you a bill which, in our opinion, will safeguard the interests of the Government, and at the same time will promote the welfare of and encourage individual enterprise in the

development of Alaska. We believe that if this bill is enacted into law Alaska will be developed by genuine pioneers, and not exploited by the interests, and that it is not likely that the Government will ever be called upon to take up the bond issue of \$35,000,000 authorized by the bill, as in time that liability will be met by the earnings of the road. For these reasons, and the believe that I have not the time to present, I believe the bill should pass. [Applause.]

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. CURRY. Certainly.

Mr. HARDY. Is there anything in this bill, or anything in

the conception of the gentleman, which prevents, contemporaneously with the passage of this bill, the enactment of a leasing law which shall properly safeguard the rights of the public, such a law as was spoken of by the gentleman from Oklahoma [Mr. FERRIS]?

Mr. CURRY. No. I think that would be a good measure

with which to supplement the enactment of this bill.

Mr. HARDY. And it would afford no reason whatever for refusing to pass this bill?

Mr. CURRY. None whatever.

The CHAIRMAN (Mr. HARRISON). The time of the gentle-an from California has expired. The gentleman from Ohio man from California has expired. [Mr. SWITZER] is recognized.

Mr. SWITZER. Mr. Chairman, the enactment into law of the pending measure, carrying an authorization to borrow \$35,000,000 on 30-year bonds at 3 per cent interest for the construction of railways in Alaska, would, in my opinion, com-

mit our Government to a colossal undertaking.

Mr. Joslin, an Alaskan, who indorses this proposed legislation and who testified before the House Committee on Territories, stated that it would require from 10,000 to 15,000 miles of railway to properly develop Alaska. And when you fully comprehend its enormous size-something like 600,000 square miles of land and water-a territory as large as all that part of the United States lying north of Tennessee and east of the Mississippi River-the estimate of Mr. Joslin appears to be exceedingly modest.

Mr. JOHNSON of Washington. Mr. Chairman, will the gen-

tleman yield?

Mr. SWITZER. Certainly.

Mr. JOHNSON of Washington. I want to ask the gentleman a question. If it is a fact that in all the country north of Oklahoma and west of the Missouri River the famous landgrant railroads amount to only 5,300 miles, how does it come that from 10,000 to 12,000 miles of railroad have since been constructed in that country? Did not the original land-grant railroads open the West?

Mr. SWITZER. I think so; but I am now discussing this

bill with reference to Alaska.

If it requires \$35,000,000 to construct 733 miles of railway, as contemplated by this bill, it will require not less than half a billion dollars to construct the railways referred to by Mr. Joslin, whether they are made standard gauge or narrow gauge; and if the money is raised by bond issues it would result in an annual interest charge of not less than \$15,000,000 a year, a sum almost equal to the whole amount of revenue derived from Alaska since the time of its acquisition in 1867 down to the present hour.

Mr. WICKERSHAM. Mr. Chairman, will the gentleman

yield?

Mr. SWITZER. Yes; for a question. Mr. WICKERSHAM. There is nothing in this bill that commits anybody to that.

Mr. SWITZER. Nothing in the bill, but you know how it is when you put your hand to the plow.

WICKERSHAM. And Mr. Joslin will have nothing to

do with it if the bill passes.

Mr. SWITZER. But the enthusiastic agitator who favors this initiative step toward the maelstrom of governmental railway ownership will contend that it will not be necessary to construct more than \$35,000,000 worth of railways to unlock the undeveloped resources of Alaska.

You will recollect that President Wilson, in his first message delivered from the throne at this session of Congress, stated,

among other things, that-

Alaska as a storehouse should be unlocked. One key to it is a system of railways. These the Government should build and administer.

It will be noted that he is not committed to any particular system or committed to a limited mileage. He says, in effect, that a sufficient number of miles should be built to unlock the storehouse, and Joslin states that a proper unlocking will require from ten to fifteen thousand miles.

You will also observe that the President, while committing himself to governmental building and ownership, does not commit himself to governmental operation of these proposed railways after they shall have been constructed.

When he arrives at this proposition, he uses the broad word "administer" instead of the word "operate," which the up-todate Socialist is demanding.

Whence comes the sudden demand for the adopting of this socialistic stunt?

We know that our President is in a neck-and-neck race with the great leader of the Bull Moose Party to put over certain so-called progressive measures, regardless of who first declared for the same.

But neither the Republican nor the Democratic national platforms have ever yet contained a plank declaring for Govern-ment ownership of railways. True, our distinguished Secretary of State some years ago, after an extended trip abroad, became so imbued with this schism that upon his return to this country he immediately repaired to Madison Square Garden, in New York City, and delivered his famous speech in which he advocated the taking over of all railways and telegraphs and, in fact, all interstate public utilities by the Government; but it created such a furor within the rank and file of his party and brought forth such a loud, strong, and violent protest that upon this subject from that day to this he has been as still as a mouse, although he has since been the candidate of his party for President and dictated the nominee as well as the platform of the last Democratic national convention.

Within a few hours after the deliverance of his message the majority report of the Committee on Territories was filed in the House, setting forth that-

The building of this road by the Government and its ownership by the Government does not at all imply that the Government shall operate the railroad. It is far preferable that the roads, when built, should be operated by lessees. There is much opposition to Government operation, and this idea, it seems, has unjustly prejudiced the minds of some against the Government construction and ownership of the road.

A remarkable utterance by a body of men who recommend the passage of a bill to give the President full power to operate or lease railways. They find there is much opposition to Government operation and that the minds of many are prejudiced against Government ownership of the roads.

But this is not all. After the discussion of the bill on two legislative days and the light of day had been let into the "wild-goose scheme" by Mr. Davenporr and others, an echo of the voice from the throne is heard reverberating from the President's cabinet room through the door opened by his Secretary of the Interior in his report for the fiscal year ending June 30 last, released on the 24th day of December. This report seems to have not been fully completed until after the deliverance of the President's message; and it was not released until after hearing from Mr. Davenport. So it seems that the President's message, the report of the Committee on Territories, and the Report of the Secretary of the Interior are all exceedingly well timed and that there is behind this proposed legislation a strong arm which up to this time has been all-powerful with the majority side of this Chamber. The majority side of this House is again confronted with the proposition of deferring to the views of the President or asserting their self-respect by voting their honest convictions at the risk of incurring his displeasure.

The bill proposes to give the President full authority and absolute control, but the Secretary of the Interior, after hearing from Mr. Davenport, recommends the enactment of further legislation, creating an administrative board to deal with all Alaskan problems. So we are now confronted with scheme after scheme, pyramided on schemes, and many of them as visionary as the maudlin dreams of an ultra conservationist or those emanating from the mind of the writer of the Arabian Nights.

The Secretary of the Interior suggests the creation of an administrative board to which is to be given jurisdiction over all Alaskan territory-" her lands, fisheries, Indians, Eskimos, seals, forests, mines, waterways, railroads—all the Nation owns, cares for, controls, or regulates."

One of the chief reasons assigned by the Secretary of the Interior for the creation of this board is that there can be no satisfactory administration of the land laws or any other laws at the distance of 5,000 miles from the point of action. Much less is it possible where the two sections of the country are separated by an ocean and the land calling for attention is closed to the world for one-half of the year. He further says that "the eye that sees the need should be near the voice that gives the order."

Secretary Lane says that it is not possible to satisfactorily administer any law 5,000 miles from the scene of action, especially situated as Alaska is. So, if you pass this bill, you do it with the echo of the voice from the throne ringing in your ears that it can not be satisfactorily administered by the President 5,000 miles from the scene of action. I wonder if the President

is beginning to doubt the ultimate success of the proposed scheme? Is he now wishing to escape full responsibility? Have the speeches of Mr. DAVENPORT and Mr. FORDNEY set him to thinking? Is he now wavering in the faith? Must a board or commission be created, so that when the time comes that he who runs can see the miserable collapse of this already apparent frigid scheme? A scapegoat can be made of some board or commission by charging it with incompetency, mismanagement, or some other excusable action or inaction.

The President and the gentleman from Wisconsin and others who have heretofore voiced the passage of this measure parade the ghosts of the "special interests" as a scarecrow to frighten Members of this body into voting for the bill. We are told in plaintive tones that the Guggenheims have some time in the past set the laws of the land at naught, and have caused murders to be committed on the soil of Alaska, and that Morgan & Co. have actually refused to loan money to some would-be rival exploiter of Alaska's unknown resources. And that, because the Morgans and the Guggenheims have refused financial aid to some misguided exploiter of this region of ice and snow who has become much wearied in his toilsome march as a speculator and a promoter, therefore the Government should now pour out of its coffers untold millions for the construction of ways in Alaska for the benefit of our people and as a slap at some hideous "special interests." What people are to be benefited? Who is to lease these railways which it is proposed for the Government to build? Will it be some of the common people of the land, or will it not be some person or corporation with millions at his or its command? Who is to mine the coal at the low cost figured on by the commission? Will it not be some person or corporation with millions at his or its command?

Mr. Joslin, on page 64 of his testimony before the House Committee on Territories, makes the following statement:

If your trunk lines are held by the Government and operated by the Government, I gravely doubt whether sufficient inducement could be offered to private capital to build these branch lines.

If the Government contemplates the operation of the lines, then it must at once consider the construction of branch lines and spurs when needed, thereby bringing about exclusive Government ownership and development of rallroad lines and transportation systems for all time to come. I do not think that ought to be done; I do not think the Government should proceed that far.

And when asked the following question, on page 62-

Is there any doubt, in the event this railroad is built, that the Government would be able to find an operating company? he makes the following answer:

I do not think so, except this: I do not think the operating company could afford to pay interest on the cost of these roads from the beginning and give bond to do it. * * * The lease should be from 30 to 50 years, then private capital would build branch lines. * * * It is possible that the Government would have to forego interest on the cost of the lines four or five years.

And again, on page 64, he states as follows:

Now, if these lines are built and owned by the Government and are not leased, but are held and operated by the Government, then you can see that the obligation immediately fails upon the Government to build these necessary spurs and branch lines. If they do not construct the branch lines, the trunk line will not pay. The trunk line needs the branch line just as much as the branch needs the trunk lines.

So, according to Mr. Joslin, if the Government leases the railway it must be to some one with sufficient money at his command to enable him to construct hundreds and hundreds of miles of sidetracks and branch lines in order to make the railways pay. No man of moderate means could meet the pay roll for the hundreds and hundreds of employees necessary to maintain and operate the railways and furnish the money for the construction of the branch lines necessary to make it a going concern. The lessee of the coal mines, if leased, in order to put the coal at the coast for the low cost estimated by the railway commission, must be some one who has sufficient money to install four or five hundred thousand dollars of mining equipment, and maintain a pay roll of three or four hundred men in a country where the lowest paid laborer is now receiving (7.50

Mr. WICKERSHAM. The gentleman is not quite correct. Mr. SWITZER. What dark-horse special interests are to profit by this proposed enormous governmental expenditure?

In order to keep out Guggenheim is it necessary to spend from \$35,000,000 to \$100,000,000 to bring forth a dark-horse What is the difference which special interests Hoppenheim? reap the profits, whether it is Guggenheim or Hoppenheim? No one will undertake to mine coal in Alaska unless he believes he can reap a profit, and no one can undertake to deliver this coal out of the mine to vessels on the coast unless they are backed by large capital. And if they are not a Guggenheim when they start the operation they will soon become one unless the venture proves unprofitable. Men hold up their hands in holy horror at the thought of Guggenheim or Morgan & Co. owning and operating a railway in Alaska, even when it is not

making money; but they propose voting for a bill which purposes the building by the Government of an immense system of railways and leasing it to some other representatives of predatory wealth. You can rest assured that no responsible person or corporation is going to lease or operate these railways and coul mines unless they believe there can be reaped large profits. No one is going to bond himself to operate these lines unless he knows something as to the net profits. Where do the common people come in? True, they can dig coal for the wealthy mine operator; they can run an engine, brake a freight car, or ballast a railway track for some wealthy railway operator; but will they be paid any more money for their work than if it was operated by Morgan & Co.? If Guggenheims are committing murders in Alaska, invoke the aid of the criminal law and see to its enforcement; if Morgan & Co. are maintaining an armed force in open rebellion to the laws of our land, dispatch the naval and military forces of the Nation at once to Alaska, or so much of it as may be necessary, to maintain peace and order and uphold the courts in administering the law. I take it that this could be done at no large expense and at much less than \$1,000,000 a year. So, casting aside the ghosts of the invisible special interests and coming down on terra firma, let us investigate some of the other reasons assigned for the building of railways by the Government. It is claimed that it will open up and develop an immense agricultural country, as well as a large coal territory. The copper industry has already been fairly developed by the Guggenheims, and any further development of this industry in Alaska will no doubt have to be backed by millions of capital before it could be operated successfully.

And, by the way, I have failed to note any complaint in the report of the rallway commission or by any witnesses appearing before the Committee on the Territories to the effect that the Guggenheims were not paying their employees fair and re-munerative wages in the operation of their copper mines, railways, and smelting plants, as well as their shipping interests on the Pacific. This is certainly strange, for I do not understand how this band of outlaws, murderers, and land pirates described by the gentleman from Wisconsin could ever find it in their hearts to accord anything like fair and humane treat-

ment to their large force of employees.

Mr. Davenpour has certainly demonstrated the absolute futility of undertaking to develop Alaska as an agricultural country. If railways will bring farmers to Alaska, why have they not brought them to those parts of it where railways are already built? So far as the coal development is concerned, it only takes 25 or 30 miles of railway to reach the Bering coal field. Coal companies in the United States think nothing of putting in 25 miles of railway tracks in order to provide an outlet for their coal.

But when you read the reports of the railway commission and the reports of the naval tests made of this coal, which is said to be the best coal in Alaska, there appears to be much doubt of its utility and whether it has little or any commercial At any rate, there is no necessity to spend \$35,000,000 in building one or two hundred miles of railway to ascertain whether the Alaskan coals possess a commercial value. As to the value of Alaskan coals for fuel and commercial purposes, the Alaskan Railway Commission have this to say, on pages

the Alaskan Railway Commission have this to say, on pages 132 and 133 of their report:

It may be stated, however, that to be assured of any portion of this market the Alaska coal will first have to show its suitability and then meet the price of the known and established eastern coals, such as New River, Pocahantas, and Georges Creek. The best information at hand seems to indicate that, while Alaska coal seems to be suitable as to composition, it may run too high in slack to meet naval requirements.

Besides changing the quantities required by the Navy, the completion of the Panama Canal will effect an immediate change in the Pacific coal markets. This is difficult to forecast, depending, as it does, on prices of coal in the East and on the condition of the transportation market. It is probable that if the present prices continue the Navy can deliver coal in San Francisco from the eastern mines at a price, including the cost of the coal, of about \$6.60 per ton; this yusing large colliers with no return cargo. If commercial ships can be assured of obtaining suitable return cargo, they should be able to deliver coal at a lower price. It is possible that these coals may be bought in cargo lots at San Francisco at as low a price as \$5.50 per ton, and at Seattle at prices but little higher. Should Alaska coal prove suitable for naval use it will have to meet whatever these prices may be, and it is probable that if it can meet the San Francisco price it can also meet the price of the eastern coals delivered at Honolulu and Manila.

The question of the establishment of Alaskan coal in the Pacific markets is finally one of cost. In a recent bulletin of the Geological Survey a member of this commission gives an analysis of the consumption of coal in Pacific waters. This analysis would tend to show that despite the advances in the use of oil for fuel purposes there is on the Pacific coast an annual market for nearly 1.500,000 tons of coal at points where competition by Alaska coal is not impossible, this amount being co

The tests of this coal made in December last under the direction of certain Government departments, after the expenditure of \$150,000 to make same, certainly confirm the grave doubt as to the utility and commercial value of this coal that one necessarily forms from reading the report of the Alaskan railway commission.

The following is an account of the recent tests, appearing in the Washington Star:

ALASKA COAL A FAILURE—VALUELESS FOR NAVY, ACCORDING TO OFFICIAL BEFORE OF TESTS.

Preliminary tests of Alaskan coal from the Bering River district have been very discouraging to officials who hoped they might develop a new fuel supply for the Navy. Rear Admiral Griffin, in charge of the investigation, has reported to the House Naval Affairs Committee that the Bering River coal tested has fallen so far under expectations in practical use as to be of no value, but that from the Matanuska fields and other sections of the Bering district, from which coal is yet to be tested, the Navy is hoping for better results.

Chemical tests of the Bering River coal indicated that it contained a higher efficiency of thermal units than the Pocahontas coal of West Virginia, but when put to firing tests in the Navy, notably aboard the cruiser Maryland, it developed only 43 per cent of the same efficiency and caused a great deal of trouble. It made immense clinkers, which clogged the furnaces and covered the grate bars with a moiten substance like tar, which shut off the draft and hampered steaming.

Congress has appropriated \$75,000 for experiments with coal from the Matanuska district, and these will be carried on.

Those who are opposing the Alaska railway bill now being debated in both Houses of Congress are pointing to the admiral's testimony before the Naval Committee as an added argument in their favor. One of the arguments advanced by the supporters of the bill is that a Government railroad is needed to tap the northern coal fields and bring a fuel supply to tidewater for the Navy.

The Railway Commission figure the Alaskan freight tariffs at from 5 to 7 cents per ton-mile, which is from 10 to 15 times higher than charged by rallways here. So if it is possible to raise a few thousand bushels of potatoes in the Yukon Valley it would be possible to ship them to this country only at abnormal prices—say, at \$2 or \$3 per bushel. Just imagine a farmer on the Yukon picking that frozen moss off the land and awaiting the thawing process described by Mr. Davenport, and paying labor \$5 or \$6 per day for this work as well as for planting and harvesting his crop, then 5 or 6 cents were to mile on his product for it to reach the coat and that per ton-mile on his product for it to reach the coast, and then the cost of transferring it to some seafaring vessel for the ports of the United States or the Orient. It would likely be more sensible for him to load it on a dog sled and to start out to hunt a market among the Eskimos nearer the pole. It is said that cattle can be raised in this icy region, but an investigation of the matter discloses that it is claimed that a herd can be bred which may withstand the arctic cold. Reindeer raising is claimed to be a success, but evidently it has not supplanted the American beef, as people pay as high as \$40 and \$50 a ton to have it transported to them I take it reindeer can be obtained for the mere killing. I imagine that this meat, so highly complimented by Mr. Houston, possesses a toughness which is not relished by the American immuterant. Immigrant.

By the expenditure of forty or fifty millions of dollars on the Mississippi River levees within the next three or four years it is estimated that 20,000,000 acres of land in the delta of the Mississippi can be fairly well protected from the floods which frequently course their way down the Father of Waters, and that an additional twelve and one-half million acres of land made available for farming purposes. On this can be grown yearly more cotton than has ever yet been raised in any one year of the past history of our country. Eight hundred thou-sand bushels can be grown yearly and millions of bushels of potatoes. In portions of this delta, I am told, three crops can be raised in a year. More farm and garden products can be be raised in a year. More farm and garden products can be raised on the lands possible to be reclaimed in the Mississippi delta in one year than will likely be grown in the whole of Alaska in the next 100 years. These products, grown in the heart of the Nation, close to the large cities located in the Mississippi basin, and easily accessible to the marts of the eastern coast of the United States, would be of inestimable value to the people of the Nation. Here in the central part of the country are tried and tested farm lands that, when protected from the floods, we know to be available for the raising of all farm products; where it will not be necessary to pick off the green, icy moss from the soil, at an expense of \$125 per acre, and walt for the arctic sun to draw the frost from the ground for a couple of seasons before undertaking to raise a few furm and garden products. This land can be drained and cleared and put in a high state of cultivation for fifty to one hundred and fifty dollars per acre, and great railway trunk lines are already in operation for the distribution of the bounteous harvests to be gathered therefrom, while the development of Alaska's farming resources would only inure to the benefit of the mere handful of Caucasians residing there. I do not want it understood that I am averse to voting reasonable aid for assisting in developing Alaska's resources, but I believe it should be in conjunction with private enterprise and where private capital must bear the burden of maintenance and the greater part of the risk and the loss in the event of failure.

So, as it is not possible to develop agriculture in Alaska or stock raising, for export, and as railways are not needed in developing her sealing and fishing industries, and the copper industry seems to have been sufficiently developed, there is nothing left but the gold and coal propositions.

It has been contended here for several years and fairly demonstrated that the great increased production of gold since 1896 has depreciated the gold dollar to such an extent that it will not purchase as much as it once did, and thereby increased the cost of living.

So I do not suppose that it will be seriously argued that we ought to spend \$35,000,000 for the purpose of further decreasing the purchasing power of the gold dollar and increasing the present high cost of living.

The coal is shown to be of exceedingly doubtful utility, but if it be later found to possess a commercial value and private capital is given an opportunity, there will be no trouble as to its development.

Under this Government ownership scheme and proposed leasing scheme, what is going to become of section 4 of the bill? The report of the Secretary of the Interior shows that they do not expect to derive any royalty from the coal for quite a number of years. The Government will own the railroad and it will be nontaxable and, in my opinion, not self-sustaining, And it is proposed to hold the forests in cold storage. So what will there be to derive a revenue from to aid in the development of Alaska as recommended by the Secretary of the Interior and to pay into the redemption fund provided for in section 4 of this bill?

No one will certainly be so inhuman as to require the settler who has the courage to undertake farming under such adverse conditions to pay any more for the land he preempts than the cost of surveying and registration fees.

So the income from these sources will not exceed the expenses and salaries of the officials looking after their collection; and section 4 becomes a huge loke.

From a careful examination of the record of the hearings on this bill, and from all the information so far brought to my attention, I fail to find any justification for the expenditure of \$25,000,000 in building railways in a Territory inhabited by only 65,000 people, including all races, and having an increase of population in the last decade of less than 1,000 persons, and where there is only 1 human being to every 6,000 acres of ice and snow, and cause us to meet an annual interest charge of not less than \$1,000,000 for the next 30 years, as well as the ultimate payment of the principal, together with all the other millions that will necessarily follow from embarking in Govern-ment railway building and operation and the colonization of Alaska with an aditional horde of high-salaried public officials, [Applause.]

Mr. FESS. Mr. Chairman, I come to the consideration of this question with an open mind. If I have any prejudices it would rather be against governmental ownership and probably would be regarded in opposition to the bill; but, as I say, I come with an open mind, a student listening to the representations of the men who have made a study and who from their store of knowledge are giving us the information needed to vote intelligently on this bill. The first question that had to be answered in my own mind was whether the future possibilities of Alaska would justify any effort whatever in the building of this proposed railroad. I have never been in Alaska; I have only been a student of its development. I have sat here and listened to the representations of the men who know, both those who are in favor and those who are opposed to this bill, and I have been trying to weigh the strength of the arguments upon the question of the future possibilities of Alaska with reference to making up my own mind as to how to vote, and, giving due credeuce to all the arguments offered for and against, it seems to me that I am convinced that the future possibilities of Alaska would justify an effort on the part either of private capital or the Government in the building of this railroad. [Applause.] The argument that has been offered against it on the basis that there is no possible future, due largely to the condition of climate, and, following that as a corollary to the soil, could have been offered also in the early times against the development of the Northwest, the development of Washington, and the development of the northwestern part of Canada. The same sort of argument was offered in opposition to the stimulation

ernment or private enterprise would have listened to that argument we would not have builded the continental railroads as we did, marrying the West with the East. Why, my friends, the strongest possible representation upon the same basis was made against our purchase of Louisiana in 1803. That very argument was made, but it was not that argument that troubled Jefferson, but a constitutional one. He said we did not have, as he saw it, constitutional authority to buy it, because of his strict construction views which denied implied powers, but when he consulted Albert Gallatin as to whether he should do it or not, Gallatin said the possibility of the new country will justify it, and he urged that the purchase be made.

And Jefferson said:

I stretched the Constitution until it almost cracked, in order to do it. The identical argument was made against the development of the Southwest when we began the development of the vast empire which came to us through the Guadalupe-Hidalgo treaty with Mexico in 1848. In 1850, on the 7th day of March, Daulel Webster delivered the only speech known in our history by the day on which it was given, and which is always referred to as the "fatal 7th of March speech." In this address Daniel Webster declared this Government ought not to enter upon a controversy over this particular section of country, because "you can not develop a country where nothing grows but sage-brush and cactus bush." That statement was made 63 years ago in reference to the vast country that came from Mexico as the fruits of the Mexican War.

Tom Corwin, Ohio's greatest political orator, I think, in any time before or since the war, stood upon the floor of the Senate, in 1846, and made his greatest speech. Among other things, he spoke against the occupation of Oregon, on the ground that the mails could not be carried from this section of the country to Oregon without having the standing Army accompany them. That was pronounced the greatest speech 'Tom Corwin ever made in Congress, and yet its most significant utterance is found in the blunder of its prophecy. See what has been the develop-ment from the day he made it until the present hour. To-day that portion of our land is the seat of an empire dotted with centers of a virile population; such as Seattle, Spokane, Portland, Tacoma, Walla Walla, etc. These statements are to-day revived on this floor

When, in 1867, William H. Seward purchased Alaska the people ridiculed him and said he had "bought the refrigerator of the North," and had paid the fabulous sum of \$7,200,000 for it; they ridiculed him to the point where the scholarly Secretary had to come out in self-defense to state why he had purchased Alaska. And he convinced me as a student of history—I do not mean that I was a student in 1867, but since I became a student—that he was more far-reaching in his penetration than the statesmen of his day, for he understood that \$7,200,000 was but paltry sum in comparison with what would be the output of that great country in the Northwest.

Why, I am told by the eloquence of Government reports that over four hundred millions of wealth, minerals, furs, and lumand so on, have come out of that country, while only

\$7,200,000 was paid for it originally.

So I say that, coming to this question with an open mind, desiring to vote right, I am convinced that the future possibilities of Alaska will warrant the construction of this railroad. the only question to be decided in my mind is whether we shall do it by Government aid, by Government control, by Government ownership, if you please, or shall we do it by making concessions to private capital and allow it to develop the vast undeveloped country? If you say that the Government can not afford to do it, then I ask you Why? Private capital stands ready to quickly develop it if you make concessions to it. The keenest geniuses in the world are the captains of industry—the great financiers of this country. They will not undertake an enterprise that has no profit in it. However, they stand ready to build a railroad in Alaska if we give them a concession. do not believe we ought to do that. However, I am not criticizing the Government for what was done when the first transcontinental railway was completed in 1869. Do you not recall that we voted out of the Treasury of the United States \$60,-000,000 as a subsidy and gave away 130,000,000 acres of land as inducements to capital to build these railroads? But I am not criticizing the Government, as I have said. That action developed the great West. It married the West with the East. I think Congress did right; but I believe that you will agree with me if it could have been done by the Government, or at least if the Government could have leased it, it would have been better than to give away so much valuable public property, and we as a people would have been better off to-day if we had of the growth of population beyond the Rockies. If the Goy-done it in that way. And yet I say I am not criticizing the

Government for what was done. I rather vindicate the Government for it, since no one had in 1859 to 1869 dreamed of

the possibilities of that great country.

But the question now comes to us as Members of Congress whether we shall allow private enterprise, by giving like concessions, to build this Alaska railroad, as was done in other days, or shall it be built as a Government enterprise. Why should we not do it in the latter way? If there is profit in it, and there can be no doubt of this, otherwise private capital could not be interested, why not allow the Government to do it? I would rather not do anything by the Government that the individual can do, provided that in order to get the individual to do it you need not do what must militate against the public welfare. But I am afraid in order to get private capital to build this rord to develop the future of Alaska, you will be compelled to make concessions that we will wish ultimately we had not made. Therefore, I am not in favor of thus inducing a syndicate to do the work. I am in favor, my friends, as a Member who does not believe in Government ownership as a principle, in the Government building this road, not simply to make homes in Alaska, for the agricultural possibilities might be a question of doubt, although after hearing this luminous statement of the Delegate it does not seem to me to admit of serious doubt, for his representations, based upon actual observations, seem convincing. Aside from any consideration of agricultural possibilities I do not think it is a good policy for our Government to give away mineral wealth. It is certainly not a good policy for this Nation to give away to syndicates the mines of Alaska or of any other part of this country whose strategic position as a national storehouse is vastly important if our Nation will embrace her opportunities and employ her ability to utilize the immense trade of the Orient, now made the more attractive since the completion of the Panama Canal. The Pacific is our coming trade route, and with Alaska, an important station, the fulfillment of Seward's prophecy will soon be realized.

We had better hold this treasure in our own possession and develop it under our own control. If we build this road ourselves as a Government, it does not commit me to the proposition of Government ownership. Not at all. Not any more than the building of the Panama Canal commits us to Government ownership. It is simply a choice between two things. One is, Shall we leave Alaska undeveloped? If not, we must enter upon the work, and when we come to do it, shall we do it by making to private enterprise concessions, by giving away the vast wealth, or shall we, on the other hand, proceed to do it by retaining the wealth in our own possession, and starting it as an enterprise of profit for the Nation rather than for the

These are the facts that are in my mind and which have convinced me of my duty. I am going to vote for the proposition, although I do not believe in Government ownership. However, I do believe we ought to care for the future of that great country, and this bill provides a way to do it. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio has

expired.

Mr. HOUSTON. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HARRISON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 1739) to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes, and had come to no resolution thereon.

EXTENSION OF REMARKS.

Mr. CAMPBELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon a bill that I have introduced, requiring manufacturers to certify and place their names upon the articles they produce.

The SPEAKER. The gentleman from Kansas [Mr. Camp-BELL] asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

ENROLLED BILL SIGNED.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 541. An act granting to the Emigration Canon Railroad Co., a corporation of the State of Utah, permission, in so far as the United States is concerned, to occupy, for a right of way for its railroad track, a certain piece of land now included in the Mount Olivet Cemetery, Salt Lake County, Utah.

LEAVE OF ABSENCE.

Mr. Lieb, by unanimous consent, was granted leave of absence for three days, on account of important business.

ADJOURNMENT

Mr. HOUSTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 5 minutes p. m.) the House adjourned until to-morrow, Thursday, January 22, 1914, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the vice president of the Georgetown Barge, Dock, Elevator & Rallway Co., transmitting annual report for the year ended December 31, 1913 (S. Doc. No. 370); to the Committee on the District of Columbia and ordered to be printed.

2. A letter from the president of the United States Civil Service Commission, submitting detailed statement of all expenses incurred from June 30 to December 1, 1913, for attendance of officers and employees of the Government at meetings or conventions of societies or associations (H. Doc. No. 626); to the Committee on Reform in the Civil Service and ordered to be printed.

3. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and plan and estimate of cost of improvement of inland waterway from Charleston, S. C., to Savannah, Ga., including inland waterway from Beaufort, S. C., to Savannah, Ga. (H. Doc. No. 627); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. DECKER, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 9574) to authorize the Missouri, Kansas & Texas Railway Co. to construct a bridge across the Mississippi River near the city of Hannibal, in the State of Missouri, reported the same without amendment, accompanied by a report (No. 180), which said bill and report were referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk. and referred to the Committee of the Whole House, as follows:

Mr. RUSSELL, from the Committee on Invalid Pensions, to which was referred sundry bills of the House, reported in lieu thereof the bill (H. R. 12045) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, accompanied by a report (No. 179), which said bill and report were referred to the Private Calendar.

Mr. LENROOT, from the Committee on the Public Lands, to which was referred the bill (H. R. 1262) for the relief of Hugh P. Strong, reported the same with amendment, accompanied by a report (No. 181), which said bill and report were

referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 1296) granting a pension to Rachel D. Barnes, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:
By Mr. GOEKE: A bill (H. R. 12046) to amend section 4 of

an act to codify, revise, and amend the laws relating to the

judiciary; to the Committee on the Judiciary.

Also, a bill (H. R. 12047) to authorize and empower the President of the United States, by and with the consent of the Senate, to appoint clerks of the circuit courts of appeal, and to repeal section 124 of an act to codify, revise, and amend the laws relating to the judiciary, passed March 3, 1911; to the

Committee on the Judiciary.

Also, a bill (H. R. 12048) to amend section 125 of an act to codify, revise, and amend laws relating to the judiciary; to

the Committee on the Judiciary. Also, a bill (H. R. 12049) to authorize the President of the United States, by and with the consent of the Senate, to appoint clerks of the district courts, and to repeal section 2 of an act to codify, revise, and amend the laws relating to the judiciary,

by Mr. FERGUSSON: A bill (H. R. 12050) reserving from entry, location, or sale lots 1 and 2, in section 33, township 13 south, range 4 west, New Mexico prime meridian, in Sierra County, N. Mex., and for other purposes; to the Committee on the Public Lands.

By Mr. EDWARDS: A bill (H. R. 12051) authorizing and directing the Secretary of Agriculture to purchase a site and put in operation an agricultural and live stock experimental station in the first congressional district of Georgia; to the Com-

mittee on Agriculture.

Also, a bill (H. R. 12052) providing for the appointment of a board of survey for the purpose of selecting a suitable site for a naval armor plant at or near Savannah, Ga., and submitting an estimate of the cost thereof; to the Committee on Naval Affairs. By Mr. STONE: A bill (H. R. 12053) to acquire a site for a

public building at Lacon, Ill.; to the Committee on Public Buildings and Grounds.

By Mr. NELSON: A bill (H. R. 12054) providing for the erection of a public building at the city of Monroe, Wis.; to the Committee on Public Buildings and Grounds.

By Mr. DANFORTH: A bill (H. R. 12055) to amend the act authorizing the National Academy of Sciences to receive and hold trust funds for the promotion of science, and for other pur-

poses; to the Committee on the Judiciary.

By Mr. BUCHANAN of Illinois: A bill (H. R. 12056) to regulate the hours of labor in continuous working plants of the United States; to the Committee on Labor.

By Mr. QUIN: A bill (H. R. 12057) relinquishing to owners thereof any claim the United States of America may have in any grant, sectional subdivision, or section arising from any increase in the acreage thereof by reason of a relocation of the lines thereof after entry from the United States, the State of Georgia, the Kingdom of Spain, or the Empire of Great Britain,

or the Kingdom of France; to the Committee on the Public lands. By Mr. PARKER: A bill (H. R. 12058) to provide for a site and public building at Mechanicsville, N. Y.; to the Committee on Public Buildings and Grounds.

By Mr. LENROOT: A bill (H. R. 12059) directing the Secretary of War to make preliminary survey of harbor at Duluth, Minn., and Superior, Wis.; to the Committee on Rivers and Harbors

By Mr. POU: A bill (H. R. 12060) to enable the Secretary of War to pay the amount awarded to the Malambo fire claimants by the joint commission under article 6 of the treaty of November 18, 1903, between the United States and Panama; to the Committee on Foreign Affairs.

By Mr. MONDELL: A bill (H. R. 12101) for the extension of the period of payments under the reclamation act, and for other purposes; to the Committee on Irrigation of Arid Lands.

By Mr. STEVENS of New Hampshire (by request): A bill (H. R. 12102) to amend sections 2 and 3 of an act entitled "An act to promote the safety of employees and travelers upon rail-roads by limiting the hours of service of employees thereon." approved March 4, 1907; to the Committee on Interstate and Foreign Commerce.

By Mr. MANN: Resolution (H. Res. 384) providing for printing House Document No. 1236; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. RUSSELL: A bill (H. R. 12045) granting pensions

and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; committed to the Committee of the Whole House.

By Mr. BROWNE of Wisconsin: A bill (H. R. 12061) granting a pension to Hyram Colwell; to the Committee on Pensions. Also, a bill (H. R. 12062) granting a pension to Anna Huth;

to the Committee on Pensions.

By Mr. BURKE of Wisconsin: A bill (H. R. 12063) granting an increase of pension to Oliver C. Hurd; to the Committee on Invalid Pensions.

By Mr. BUTLER: A bill (H. R. 12064) for the relief of Lieut. Richard Philip McCullough, United States Navy; to the Committee on Naval Affairs,

By Mr. CASEY: A bill (H. R. 12065) to reinstate George H. McConnon as a passed assistant surgeon, United States Navy;

to the Committee on Naval Affairs.

By Mr. GREEN of Iowa: A bill (H. R. 12066) granting an increase of pension to Albert J. Wilson; to the Committee on Invalid Pensions

Also, a bill (H. R. 12067) granting a pension to Rachel E. Howard; to the Committee on Invalid Pensions.

By Mr. DAVENPORT: A bill (H. R. 12068) granting a pension to Ambrose Chrisman; to the Committee on Pensions.

By Mr. DERSHEM: A bill (H. R. 12069) granting an increase of pension to John Rice; to the Committee on Invalid Pensions

By Mr. DOUGHTON: A bill (H. R. 12070) for the relief of the trustees of the Davenport Female College; to the Committee on War Claims

By Mr. EDWARDS: A bill (H. R. 12071) for the relief of the Importing & Exporting Co. of the State of Georgia; to the Committee on the Judiciary

Also, a bill (H. R. 12072) for the relief of R. L. Horne; to the Committee on Claims.

Also, a bill (H. R. 12073) granting an increase of pension to

Jennie Townsend; to the Committee on Invalid Pensions.

By Mr. FERGUSSON: A bill (H. R. 12074) granting an increase of pension to Maria Antonia Martinez de Mink; to the Committee on Pensions.

Also, a bill (H. R. 12075) to correct the military record of

W. Sudduth; to the Committee on Military Affairs.

Also, a bill (H. R. 12076) for the relief of the owners of the Nicolas Duran de Chaves grant; to the Committee on the Public

By Mr. GILLETT: A bill (H. R. 12077) granting an increase of pension to Emeline E. Phelps; to the Committee on Invalid Pensions.

By Mr. HART: A bill (H. R. 12078) granting a pension to

Richard De Groat; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12079) granting an increase of pension to Mary T. Hochstrasser; to the Committee on Invalid Pen-

Also, a bill (H. R. 12080) granting an increase of pension to William K. Evans; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12081) for the relief of James Dodds: to the Committee on Military Affairs.

Also, a bill (H. R. 12082) for the relief of David Robbins:

to the Committee on Military Affairs.

By Mr. HELVERING: A bill (H. R. 12083) granting an increase of pension to William R. Zook; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12084) granting an increase of pension to Ira C. Sage; to the Committee on Pensions.

By Mr. HUMPHREY of Washington: A bill (H. R. 12085) for the relief of George D. Root; to the Committee on Claims.

Also, a bill (H. R. 12086) granting an increase of pension to Stephen Wood; to the Committee on Invalid Pensions. By Mr. J. R. KNOWLAND: A bill (H. R. 12087) for the re-

lief of Emma E. Skaggs; to the Committee on War Claims. By Mr. LANGLEY: A bill (H. R. 12088) for the relief of Sherman Lewis; to the Committee on Claims.

By Mr. LAZARO: A bill (H. R. 12089) for the relief of estate of Joseph Block; to the Committee on War Claims.

Also, a bill (H. R. 12090) for the relief of heirs or estate of Michel Emonet, deceased; to the Committee on War Claims.

By Mr. LOGUE: A bill (H. R. 12091) to place the name of

John W. Boughton upon the unlimited retired list of the Army; to the Committee on Military Affairs.

By Mr. MOSS of Indiana: A bill (H. R. 12092) granting an increase of pension to Henry Trackwell; to the Committee on Invalid Pensions.

By Mr. PARKER: A bill (H. R. 12093) to reimburse Le Grand Cramer for the amount of damage to his motor launch Winninish by the U. S. launch Gunedmertrix at Morris Heights, N. Y., on March 31, 1911; to the Committee on Claims. By Mr. RUBEY: A bill (H. R. 12094) granting an increase of

pension to William A. Kerr; to the Committee on Invalid Pen-

Also, a bill (H. R. 12095) granting a pension to William A. Malloy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12096) granting a pension to William F. Monday; to the Committee on Invalid Pensions.

By Mr. RUSSELL: A bill (H. R. 12097) granting a pension to Charles L. Grogan; to the Committee on Pensions.

By Mr. SLOAN: A bill (H. R. 12098) granting an increase of pension to William H. Carson; to the Committee on Pensions. By Mr. TAVENNER: A bill (H. R. 12099) granting a pension

to James Garbett; to the Committee on Invalid Pensions. By Mr. UNDERWOOD: A bill (H. R. 12100) granting a pen-

sion to Dock J. Minyard; to the Committee on Pensions. By Mr. GALLAGHER: A bill (H. R. 12103) granting a pen-

sion to Ellen A. Cardenas; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid

on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Petition of the Turnverein of Joliet, Ill., against flooding Congress with resolutions and protests which tend to rob citizens of their rights of free speech; to the Committee on the Judiciary.

(by request), petition of Ewart & Son, of New York City, N. Y., protesting against the passage of House bill 9302, for celebrating "One hundred years of peace among English-speaking peoples"; to the Committee on Foreign Affairs.

Also (by request), memorial of the Hides and Leather Association of New York, favoring the reorganization of the Foreign and Domestic Commerce Bureau as proposed by the President of the United States; to the Committee on Interstate and Foreign Commerce

By Mr. ASHBROOK: Memorials of Local Union No. 162, of United Brewery Workers, and other labor unions of Newark, Ohio; a labor union at New Philadelphia, Ohio; and the Boiler Makers' Union of Newark, Ohio, favoring an investigation of

labor conditions in Michigan; to the Committee on Rules.

By Mr. BAILEY (by request): Petition of citizens of nineteenth district of Pennsylvania, favoring the Lindquist purefabric law; to the Committee on Interstate and Foreign Com-

By Mr. BOOHER: Petition of the Chicago Federation of Labor, favoring investigation of strike conditions in Michigan;

to the Committee on Rules.

By Mr. BURKE of Wisconsin: Memorials of Local Union, No. 875, Beaver Dam, Wis., and Local Union No. 316, of the Brotherhood of Painters, Decorators, and Paperhangers, of Sheboygan, Wis., favoring an investigation of conditions in Michigan; to the Committee on Rules.

Also, memorials of the German-American Alliance of Marshfield and Marinette, Wis., and Germania Unterstuetzungs Verein, Superior, Wis., protesting against House joint resolution 168;

to the Committee on the Judiciary.

Also, petitions of Locals Nos. 657 and 678, International Longshoremen's Association, of Sheboygan, Wis., favoring an investigation of strike conditions in Michigan; to the Committee on Rules.

By Mr. CARY: Resolutions which were unanimously adopted at a mass meeting of the Chicago Federation of Labor, representing over 250,000 working men and women, urging an investigation as to the conditions in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions by the Eleventh Ward Social Democratic Party of Milwaukee, Wis., urging an investigation as to the conditions in the copper mines of Michigan; to the Committee

Also, resolutions adopted by the Milwaukee Printing Pressmen's Union, No. 7, Milwaukee, Wis., urging an investigation as to the conditions in the copper mines of Michigan; to the Committee on Rules.

Also, resolutions adopted by the Third Ward Social Democratic Party of Milwaukee, Wis., urging an investigation as to the conditions in the copper mines of Michigan; to the Com-

mittee on Rules.

By Mr. CLAYPOOL: Petitions of the German-American Alliance of the State of Ohio, representing 50,000 American citizens, protesting against the passage of House joint resolution 168 and Senate joint resolutions 50 and 88, relative to the manufacture, etc., of alcoholic liquors; to the Committee on the

By Mr. DALE: Petition of citizens of New York, favoring House bill 6060; to the Committee on Immigration and Natu-

ralization.

Also, petition of the Maritime Association of the Port of New York, favoring House bill 3328; to the Committee on Naval Affairs.

Also, petition of Commodore Barry Branch No. 311, Continental League of America, Brooklyn, N. Y., protesting against appropriation of money for celebration of "One hundred years"

of peace among English-speaking peoples"; to the Committee on

Foreign Affairs.

By Mr. DANFORTH: Petitions of citizens of Rochester, N. Y., protesting against the appointment of a committee in the House of Representatives on woman suffrage, and Socialist Party of

Rochester, N. Y., favoring an investigation of the trouble in the copper regions of Michigan; to the Committee on Rules.

By Mr. DIFENDERFER: Petitions of citizens of Pottstown and Quakertown, Pa., and Junior Order United American Mechanical Committees of the Committee of Pottstown and Quakertown, Pa., and Junior Order United American Mechanical Committees of the Committee of the Committee of Pottstown and Pottstown and Pottstown Pa., and Junior Order United American Mechanical Committees of the Committee of Pottstown and Pottstown Page 1988 (1988) chanics, of Souderton; Order of Independent Americans, of Ardmore; Patriotic Order Sons of America, of Norristown; Knights of Malta, of Ambler; Daughters of Liberty, of Pottstown; Order United American Mechanics, of Doylestown; Patriotic Order Sons of America, of Springtown; Senior Order United American Mechanics, of Riegelsville; Daughters of Liberty, of Lansdale; Daughters of Liberty, of Pottstown; Patriotic Order Sons of America, of Perkasie; Patriotic Order Sons of America, of Ardmore; Order of United American Mechanics, of Pottstown; Patriotic Order Sons of America, of Bristol; National Camp, Patriotic Order Sons of America, of Philadelphia, all in the State of Pennsylvania, favoring H. R. 6060; to the Commttee on Immigration and Naturalization.

Also, petition of sundry citizens of the State of Pennsylvania protesting against the passage of House bill 9674, the Sabbath observance bill; to the Committee on the District of Columbia.

Also, petition of sundry citizens of the eighth congressional district of the State of Pennsylvania favoring the passage of the Lindquist pure fabric and leather bill; to the Committee on Interstate and Foreign Commerce.

By Mr. EAGAN: Petition of the American Association of Foreign Language Newspapers, protesting against Bennett immigration bill; to the Committee on Immigration and Naturaliza-

By Mr. EDMONDS: Petition of the County Cork Men's Patriotic and Beneficial Association, of Philadelphia, Pa., and Valley Forge Branch of the Continental League of Pennsylvania, protesting against the celebration of "One hundred years of peace among English-speaking peoples"; to the Committee on Foreign Affairs

By Mr. ESCH: Petitions of the German-American Alliance, of Chilton, Marinette, Mayroth, Medford, Milwaukee, Marshfield, Sheboygan, Hartford, and Superior, all in the State of Wisconsin, protesting against House joint resolution 168; to the Committee

By Mr. FARR: Petitions of the Stone Cutters' Association, of Scranton, Pa., and citizens of Carbondale, Pa., favoring investigation of strike conditions in Michigan; to the Committee on

Also, memorial of citizens of Philadelphia, Pa., favoring a Federal reserve bank to be located at Philadelphia, Pa.; to the Committee on Banking and Currency.

Also, petition of citizens of New York against the Senate bill 136; to the Committee on the Merchant Marine and Fisheries.

Also, memorial of State administrators of vocational education favoring Senate joint resolution 5; to the Committee on

By Mr. FERGUSSON: Petitions of the Socialist Party of Guy, Oscuro, and Deming, N. Mex., favoring an investigation of strike conditions in Michigan; to the Committee on Rules.

Also, petition of citizens of Hagerman, N. Mex., protesting against Sunday observance bill; to the Committee on the District of Columbia

By Mr. GARDNER: Petition of Marine Society, Boston, Mass., protesting against Senate bill 168; to the Committee on Merchant Marine and Fisheries.

By Mr. GOEKE: Petition of citizens of fourth congressional district of Ohio, favoring Burnett immigration bill; to the Com-

mittee on Immigration and Naturalization.

By Mr. HINDS: Memorial of Socialist Party of Old Orchard and Woodford, Me., favoring an investigation of strike conditions in Michigan; to the Committee on Rules.

Also, memorial of the York Pomona Grange, of York County, Me., indorsing the Lever agricultural extension bill; to the Com-

mittee on Agriculture. By Mr. HOWELL: Petitions of citizens of Cedar City, Utah, and Socialist Party, of Paragonah, Utah, favoring an investiga-tion of strike conditions in Michigan; to the Committee on

Also, petition of L. Dahlquist, of Salt Lake, Utah, protesting against Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, petition of citizens of Iron County, Utah, favoring Lindquist pure-fabric law; to the Committee on Interstate and Foreign Commerce.

By Mr. LANGHAM: Petitions of J. S. Kirkwood, of Arcadia; E. E. Cribbs, of Blairsville; C. E. Schrenkengast, W. T. Mayhaff, of Cherrytree; William Lickyer, of Marion; G. W. Cribbs, of New Florence, and L. A. Shumaker, all in the State of Pennsylvania, protesting against prohibiting through the mails the circulation of a paper called The Menace; to the Committee on the Post Office and Post Roads.

Also, petition of the Chicago Federation of Labor, of Chicago, Ill., favoring an investigation of the trouble in the copper mines

of Michigan; to the Committee on Rules.

By Mr. LEVY: Petition of N. H. White & Co., of New York City, favoring an amendment to the currency law; to the Committee on Banking and Currency.

Also, petition of David Haub, of New York City, favoring investigation of strike conditions in Michigan; to the Committee

on Rules.

Also, petitions of Allcock Manufacturing Co., Alfred L. Simon & Co., and Fritzsche Bros., all of New York City, favoring legislation to prevent floods along Mississippi Valley; to the Committee on Rivers and Harbors.

By Mr. LINDBERGH: Petition of the Trades and Labor Assembly of Brainerd, Minn., favoring the Government ownership of the Michigan copper mines; to the Committee on Rules.

By Mr. LONERGAN: Petitions of the Brotherhood of Locomotive Firemen and Enginemen and Order of Railway Conductors and Railroad Trainmen, favoring the passage of employers' liability legislation; to the Committee on the Judiciary.

Also, petition of Local No. 46, Socialist Party of West Hartford, of West Hartford, Conn., favoring an investigation of labor conditions in the copper mines of Michigan; to the Committee on Rules

By Mr. MOTT: Petitions of the Riverside Council, Daughters of Liberty, of Fulton, N. Y., and New York State Council, Junior Order American Mechanics, favoring Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, petition of the National Civil Service Reform League, protesting against elimination of assistant postmasters from the classified service; to the Committee on the Post Office and Post Roads.

Also, petition of the George Washington Branch of American Continental League, of Brooklyn, N. Y., protesting against appropriation of money for celebration of "One hundred years of peace among English-speaking peoples"; to the Committee on Foreign Affairs.

Also, memorial of the Women's Trade Union League, of New York City, favoring House bill 29: to the Committee on Labor.

York City, favoring House bill 29; to the Committee on Labor.

Also, petitions of the Chamber of Commerce of Fulton, N. Y., and Branch No. 892, Post Office Clerks, of Fulton, N. Y., favoring the Hamill bill; to the Committee on the Post Office and Post Roads.

Also, petitions of Chicago (III.) Federation of Labor and Socialist Party of Watertown, N. Y., favoring investigation of strike conditions in Michigan; to the Committee on Rules.

Also, petition of the Cloak and Shirt Makers' Unions of New York City, protesting against immigration bill; to the Committee on Immigration and Naturalization.

By Mr. O'SHAUNESSY: Petitions of the Rhode Island State Congress of Mothers; Dr. Mary E. Baldwin, of Newport, R. I., secretary of the Charity Organization of Newport, R. I.; H. R. Stout, honorary president Newport Medical Society, favoring House bill 29; to the Committee on Labor.

Also, petition of the Providence (R. I.) Central Federated Union, favoring investigation of strike conditions in Michigan;

to the Committee on Rules.

Also, memoral of the Rhode Island State Lodge, No. 130, of Providence, R. I., protesting against Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, petition of the Gorham Manufacturing Co., of Providence, R. I., protesting against House bill 1873; to the Committee on the Judiciary.

Also, petition of Local No. 486, Loomfixers, United Textile Workers of America, of Pawtucket, R. I., favoring the Bartlett-Bacon bill; to the Committee on the Judiciary.

Also, petition of the board of directors of the Rhode Island Humane Education Society, protesting against the transfer of certain wild animals from Yellowstone National Park; to the Committee on the Public Lands,

By Mr. PARKER: Memorial of the board of trustees of the village of Mechanicsville, N. Y., favoring the passage of House bill 11336, for the improvement of the Narrows of Lake Champlain; to the Committee on Rivers and Harbors.

By Mr. PATTEN of New York: Petition of the Deutsche Branch Hellgate Socialist Party, of New York City, N. Y., favoring an investigation of the troubles in the mining regions of Michigan; to the Committee on Rules.

Also, memorial of the joint board of the Cloak and Skirt Makers' Unions, protesting against the passage of House bill 6060, restricting immigration; to the Committee on Immigration and Naturalization.

Also, memorial of the Order of Railway Conductors, protesting against the workmen's compensation law; to the Committee on the Judiciary.

Also, petition of the Maritime Association of the port of New York, favoring the passage of House bill 3328, for four negreevenue cutters; to the Committee on Naval Affairs.

By Mr. RAKER: Memorial of the Seattle Commercial Club, of Seattle, Wash., favoring the immediate printing of the tables and maps relative to the kelp survey of California, Oregon, Washington, and Alaska, relating to the potash industry; to the Committee on the Public Lands.

Also, memorial of the Pacific Grove (Cal.) Letter Carriers and the Pomona (Cal.) Association of Post Office Clerks, protesting against the elimination of assistant postmasters from the classified service; to the Committee on the Post Office and Post Roads.

Also, petition of the Juvenile Protective Association, of San Francisco, Cal., favoring the passage of House bill 29 relative to eight-hours-a-day work for women; to the Committee on Labor.

By Mr. SCULLY: Petition of the mayor and council of the borough of Highlands, relative to building a sea wall along the Sea Bright peninsula; to the Committee on Rivers and Harbors.

By Mr. SLOAN: Petition of Socialist Party of Fairbury, Nebr., favoring an investigation of strike conditions in Michigan; to the Committee on Rules.

By Mr. J. M. C. SMITH: Petitions of Elmer McArthur, of Eaton Rapids; Samuel Adams, Elmer L. Long, Webb Curtis, of Vermontville, Mich., relative to free press and free speech; to the Committee on the Judiciary.

By Mr. STRINGER: Petition of the Chicago Federation of Labor, favoring an investigation of the mining trouble in the copper regions of Michigan; to the Committee on Rules.

Also, petition of Kewanee Trades and Labor Assembly of Kewanee, Ill., favoring the passage of the seamen's bill; to the Committee on the Merchant Marine and Fisheries.

By Mr. TUTTLE: Petition of the Members' Branch, No. 1492, National Association of Letter Carriers, relative to the provision in the Post Office appropriation bill for employees injured in the discharge of their duties; to the Committee on the Post Office and Post Roads.

By Mr. WALTERS: Petition of citizens and organizations of Pennsylvania, favoring House bill 6060; to the Committee on Immigration and Naturalization.

By Mr. WHITE: Petition of rural carriers of Guernsey County, Ohio, favoring increase of pay for carriers; to the Committee on the Post Office and Post Roads.

By Mr. WILLIAMS: Petition of the United Lithuanian So-

By Mr. WILLIAMS: Petition of the United Lithuanian Societies of Chicago, protesting against the literacy test in the immigration bill; to the Committee on Immigration and Naturalization.

Also, petition of International Baking and Confectionery Workers, Local Union No. 203, of Quincy, and Union No. 796, United Brotherhood of Carpenters and Joiners of America, of Rock Island, Ill., favoring an investigation of the strike in the copper regions of Michigan; to the Committee on Rules.

Also, memorial of Kendall County Bar Association, protesting against the passage of House resolution 9573, relative to rearranging of the United States judicial districts of Illinois; to the Committee on the Judiciary.

By Mr. WILSON of New York: Memorial of the joint board of the Cloak and Skirt Makers' Union, protesting against the passage of the Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, memorial of the Commodore Perry Branch, No. 311, Continental League of America, of Brooklyn, N. Y., protesting against an appropriation to celebrate "One hundred years of peace among English-speaking peoples"; to the Committee on Foreign Affairs.

Also, petition of the Maritime Association of the port of New York, favoring the passage of House bill 3328, for the building of four new revenue cutters; to the Committee on Naval Affairs.

Also, petitions of sundry citizens of Brooklyn and Brooklyn Council No. 21, Junior Order United American Mechanics, favoring the passage of the Burnett immigration bill; to the Committee on Immigration and Naturalization.